

# PAYMENTS

as Easy as a Tap,  
Touch or a Blink



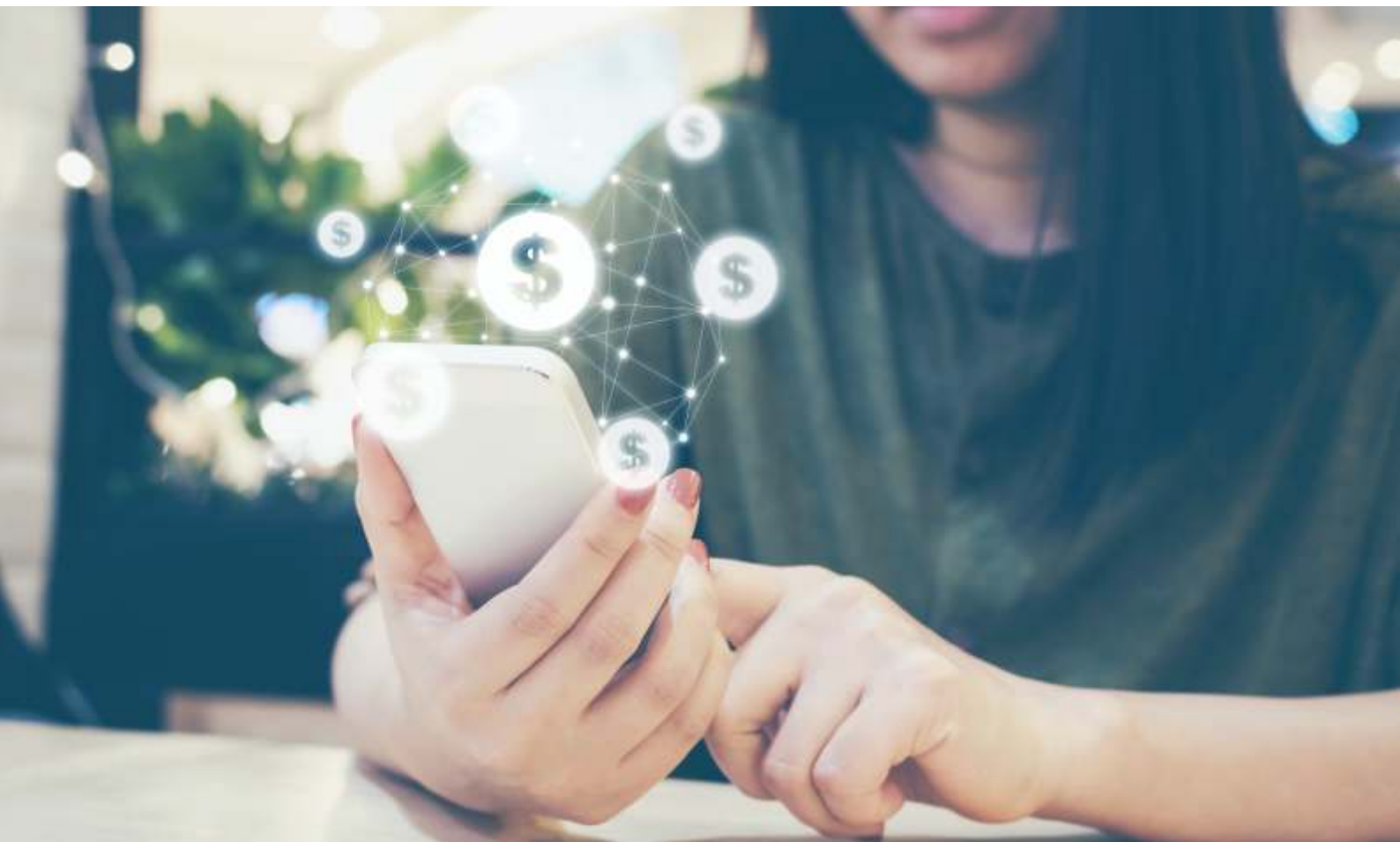
# PAYMENTS AS EASY AS A TAP, TOUCH OR A BLINK

UPI has progressed rapidly to become India's universally popular interface for payments, supported by widespread access to mobile connectivity and customer appetite for convenience. The new hotbed for payment innovation, UPI is evolving from providing a real-time infrastructure for person to person payments to support myriad use case for person to merchant payments. Whether customers want to shop, pay bills or preauthorize payments, UPI can simplify and streamline customers' payment experience.

Customers can make and receive payments in multiple ways including scanning QR codes, using messaging apps, paying online or via digital wallets. For most consumers the ability to pay using a Virtual Payment Address linked to the bank account offers greater convenience than carrying a traditional wallet with multiple credit and debit cards. Payments go straight from the customer's bank account into the payee's account and provide near

real-time notification to parties.

FSS is partnering with Payment Service Providers to harness new opportunities and deliver tailored products and service that tap into the Central platform's capabilities. Ultimately, providing customer-focused payment propositions and deliver engaging transactional experiences that WOW customers is a valuable opportunity to build a positive brand experience.





# SNAP AND PAY

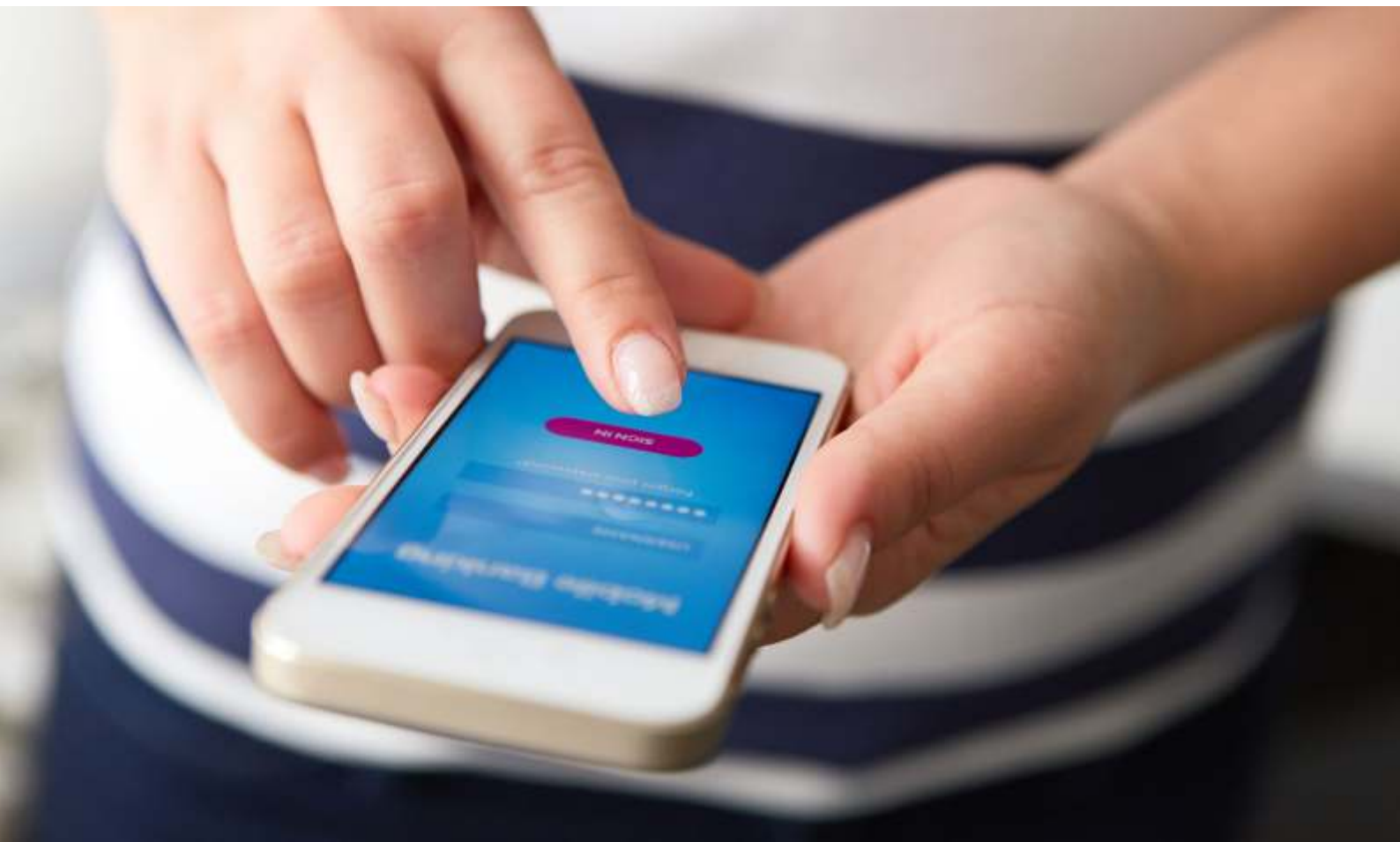
Current password-driven authentication methods belie customer expectations of a smooth transactions experience. Snap and Pay integrates biometrics in the transaction path to deliver a frictionless shopping experience. Customers need to snap a quick selfie to authenticate and approve

purchases dramatically speeding the digital checkout experience whilst assuring security.

Snap and Pay works by prompting the user to open an app to take a picture and enter the UPI VPA and the amount. The app has built-in checks to verify the person is real and not an image.

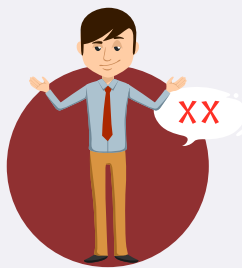
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Note: Developed as proof of concept by FSS



# CHAT AND PAY

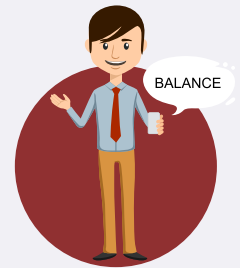
Provides customers the convenience of conversing with the app to make or request a payment



Customer chooses Chat option available in the PSP UPI application



Chatbot SDK integrated in the UPI application, assists with customer's queries



Customer can avail multiple service options



Customer receives a response in real-time



Customer approves the transaction using the UPI PIN



Chatbot system integrated with PSP UPI backend to fetch the relevant data for the chat session

# SCAN AND GO

UPI allows customer to enjoy a seamless payment experience by using static or a dynamic QR code that is unique to every transaction. QR codes can be used by any seller to accept e-payments - even businesses that offer unmanned payment acceptance - without the need for additional point of sale infrastructure.

## **Static QR Code**

Customers can scan QR Codes on the television screen or an outdoor advert to initiate a payment. The amount is transferred directly from the bank account, eliminating the need to enter the merchant's ID or phone number to make payments.



Merchant displays UPI QR to accept payments



Customer scans the QR to pay the merchant



Customer enters UPI PIN



On successful completion both customer and merchants receives a real time notification



The transaction is routed to the UPI switch for onward routing. The merchant account is credited and the customer account is debited



## Dynamic QR Code

Dynamic QR codes optimize the in-store checkout experience. With merchant-presented QR codes, customers scan the QR code, enter the payment amount and PIN.



Customer request to pay by UPI



Merchant selects UPI in the POS device and enters the amount



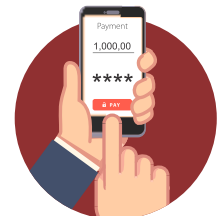
Customer selects the UPI - Scan & Pay option, and scans the QR Code



Customer receives notification on completion of the transaction



On successful payment completion the PSP notifies the POS solution with the transaction response



Customer enters the amount and UPI PIN



## Collect Request via QR code

Customers and corporates can collect payments by sending a QR code to one or many payees

# GROUP PAYMENTS

Expense pooling and itemizing costs with friends and family can often be complicated and socially clumsy. UPI provides an easy and flexible payment option for splitting a payment. Customers can fund a group expense like a party, a vacation, or rent and request a payment after the fact.

To receive or pay monies, customers can select payer or payee details, enter VPA and amount to split the transaction.

Split Payments supports a variety of everyday applications, including Collect and Parallel Payments

## **Collect Payments**

- Collect rent from multiple co-payees

- Send taxi bills to co-riders
- Book a group tour wherein the organizer's part of the payment is charged to their account and the remaining members of the group have a pre-defined time to log on to the travel site and pay their part
- Generate Collect request based on itemized bill for each group member.

## **Parallel Payments**

- Allows payer to split the payment between multiple beneficiaries.

In addition to standard services PSPs can offer value adds such as automatically calculate who owes what - or provide an itemized bill for each group member for a dinner.



# Collect Payments

Customer selects collect option in the system and enters payer's UPI ID



1



Payee's PSP processes and routes the transaction to UPI central infrastructure

2

Payer receives the collect notification on their UPI mobile application



3

Payer authorizes the transaction and enter UPI PIN. On successful completion of the transaction, Payee UPI receives the transaction confirmation from UPI central infrastructure



4



Payee PSP credits the account and notifies the customer

5





# MANDATE A PAYMENT

Mandated or pre-authorized payments automates the payment process, making transactions hassle-free and completely transparent to the customer. Customers can make regular transactions by authorizing the PSP or the service provider to automatically debit their accounts, pushing the payment into the background.



## **Payer and Payee Initiated Mandates**

In event of payee-driven mandates, payee can initiate the mandate request and the payer can authorize the PSP to debit account and transfer monies to the Payee VPA. Payers can also initiate payments by providing instruction to their PSP to credit the customer VPA. Typical transactions include:

- Make a payment at the designated date of the month-e.g. rent, utility
- Authorize the merchant to charge accounts for a high-ticket-size purchase on an equal instalment plan
- Instruct the bank to debit accounts on a scheduled date at the time of pre-booking a product; example a new mobile phone



Payer provides his VPA to the payee on a web/mobile interface



Payee sends a mandate request to UPI for routing to Issuer PSP



Issuer validates the request digitally signs the mandate and approves it



Once the mandate is registered, the payer's account is debited and payee account credited as per the mandate instructions

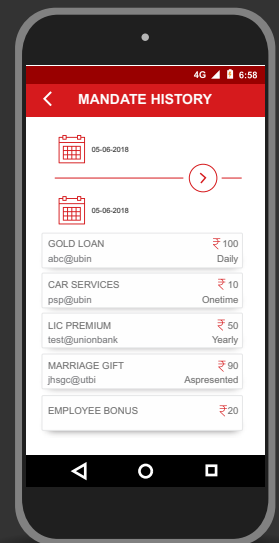
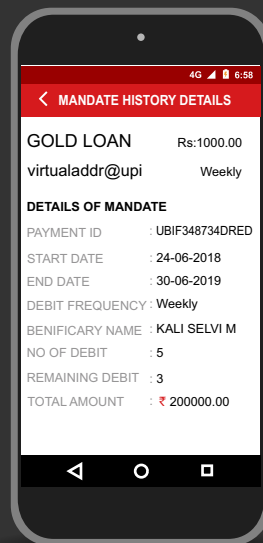
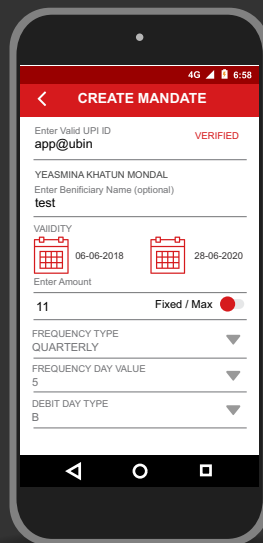
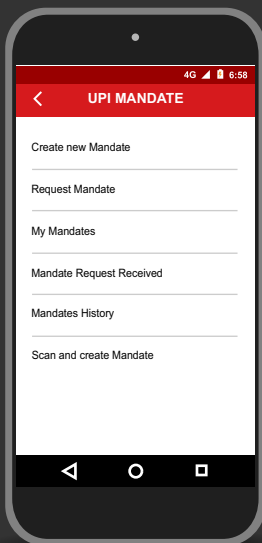


UPI forwards the request to the Payer PSP and the Payee PSP



## Mandate Payments

### Indicative



# APP TAP AND GO

Customers value simpler, frictionless checkout experiences. UPI-based NFC payments are accepted at merchants including retail stores, fast food restaurants, pharmacies, grocery and convenience stores, at transit locations and at vending machines



Taxi Driver displays the NFC sticker in the taxi



Passenger pays the driver by tapping the NFC-enabled mobile device, without opening any UPI application



Mobile initiates the deep-linking call and all UPI applications in the mobile pop-up



Customer selects the application, chooses the account and enters the PIN



PSP UPI system debits the customer account and routes the transaction to NPCI for crediting the payee account





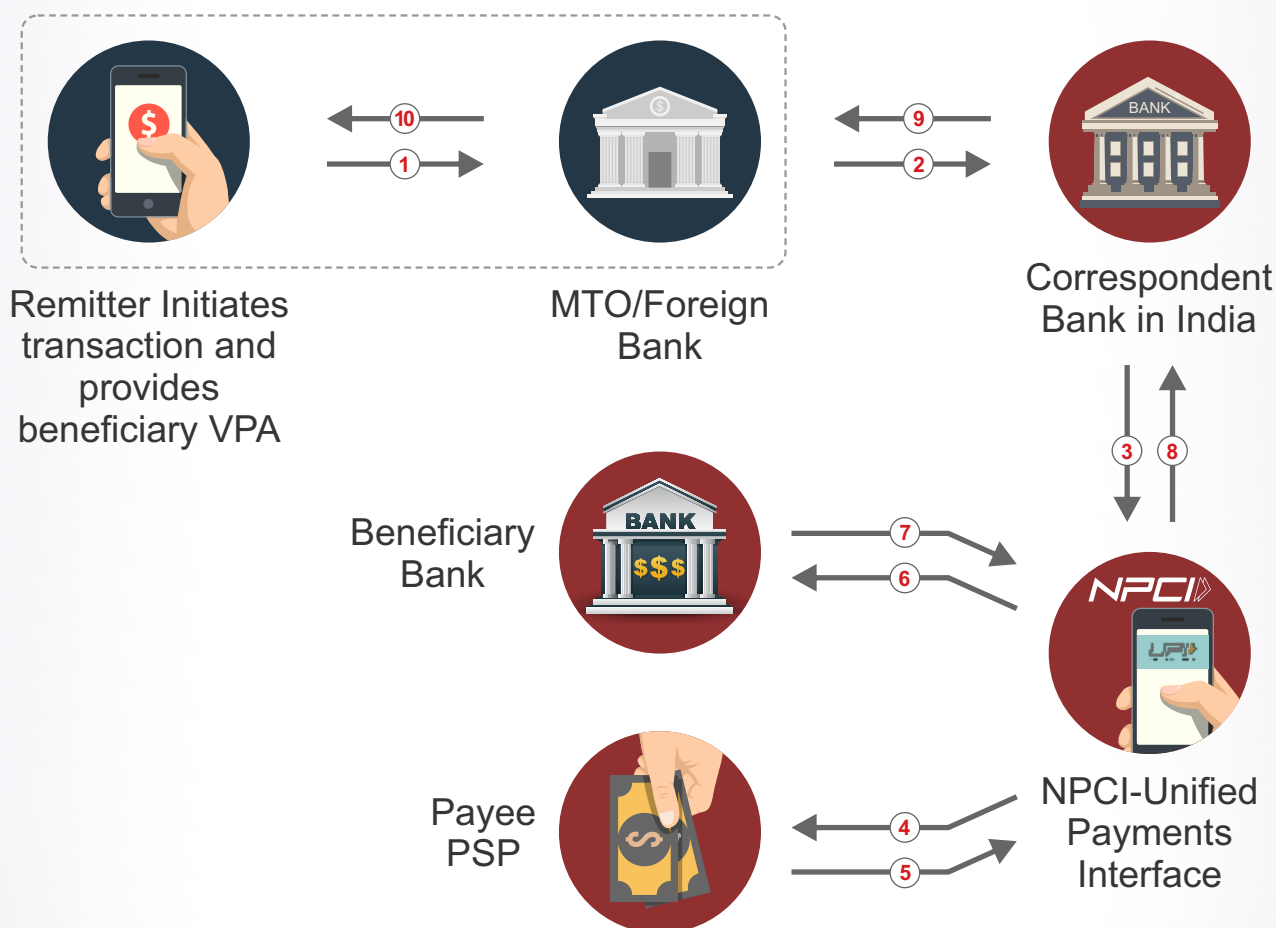
# ONLINE PAYMENTS

Online payments via UPI, enable merchants save interchange costs charged by conventional card rails and encourage a higher volume of customers to transact online. The process is exceedingly simple Merchants can initiate a collect request once the customer confirms UPI as a payment option and provides VPA details during checkout.



# CROSS-BORDER TRANSACTIONS

Remitters can send money using the beneficiary's VPA as a proxy for Bank Codes and Account numbers, eliminating the need to remember lengthy account numbers and improving their customer experience



# CORPORATE PAYMENTS

Real-time payments using UPI have many advantages for corporates including a simpler process, greater transparency, and a reduction in the cost of cash and cheque processing.



## Bulk Disbursals

Bulk payments allow customers to make multiple credit payments in a single transaction. For example, payroll, supplier payments or dividend distribution among shareholders. Corporates have the option to authorize bank to debit accounts on a scheduled date



## Bulk Collect

End of day or monthly collection payments from distribution network



Corporate wants to transfer funds/ collect funds via UPI system



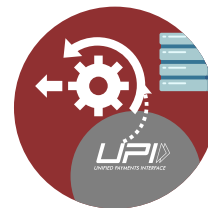
Corporates initiates the transaction request in a single or a batch file format



UPI routes the debit request to the central system for onward routing to the respective PSPs



The Corporate system is integrated with the PSP UPI system



Corporate PSP UPI system processes the batch file and initiates the debit request



# BLOCK FUNDS

Allows banks to block a certain sum in an account as security and debit it at a future date without additional authentication. The facility is useful for ecommerce transactions once goods are delivered as well as IPO related payments



## About FSS

Financial Software and Systems (FSS) is a leader in payments technology and transaction processing. The company offers a diversified portfolio of software products, hosted payment services and software solutions built over 25+ years of experience.

FSS, end-to-end payments suite, powers retail delivery channels including ATM, POS, Internet and Mobile as well as critical back-end functions including cards management, reconciliation, settlement, merchant management and device monitoring. Headquartered in Chennai, India, FSS services leading global banks, financial institutions, processors, central regulators and governments across North America, UK/Europe, ME/Africa and APAC and has 2,500 experts on-board.

For more information, write to [products@fsstech.com](mailto:products@fsstech.com)