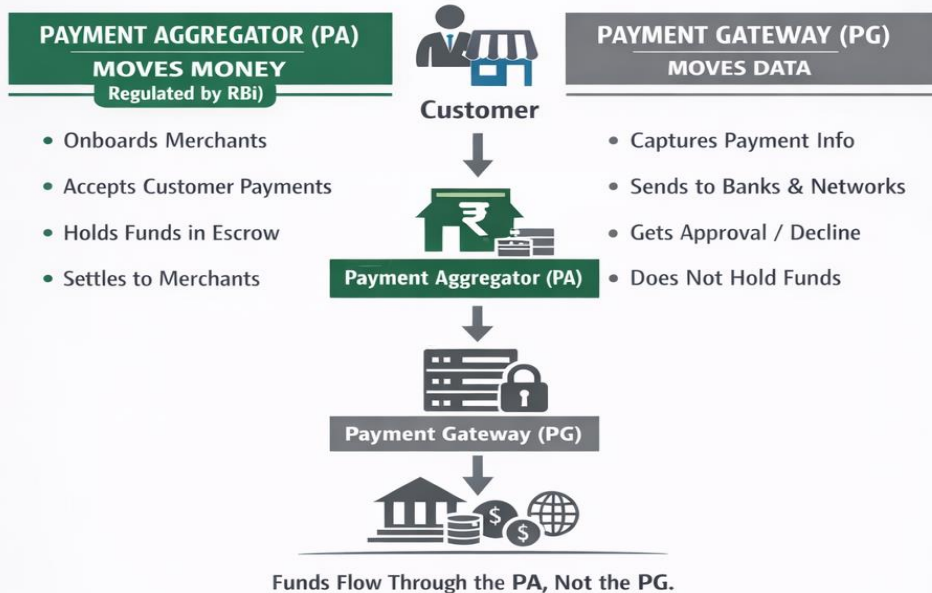


Payment Aggregator vs Payment Gateway

Who Does What? | Who Earns? | Who is Regulated by RBI?

RBI Regulates the One that Moves Money.



IF PG FAILS

- Payment Stops
- Temporary Issue

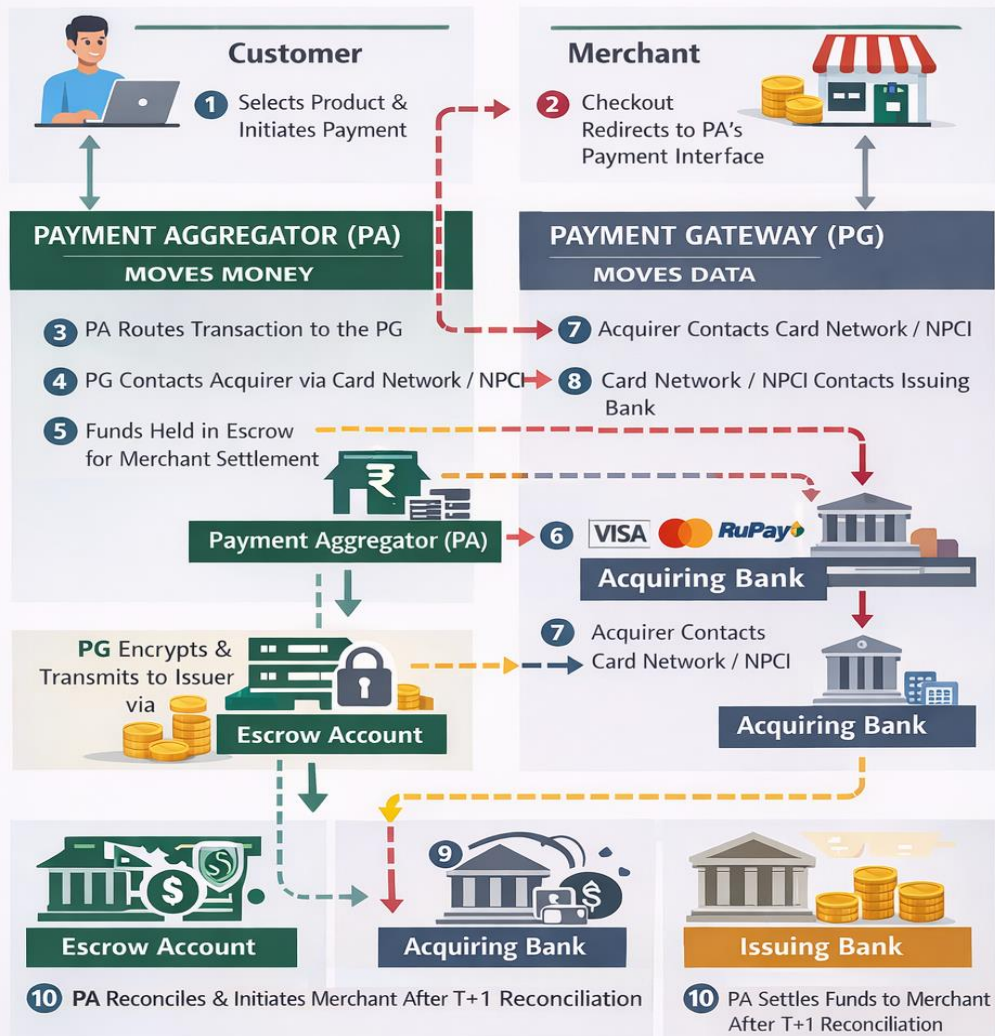
IF PA FAILS

- Money Stuck
- Customer Risk

That's Why RBI Regulates Payment Aggregators Strictly.

Digital Payment Transaction Flow Involving Payment Aggregator (PA) and Payment Gateway (PG)

In digital payments: **Who Earns?** | **Who is Regulated by RBI!**




Funds Held in Escrow Account with **Escrow Bank** (PA's Partner Bank) Prior to Merchant Settlement.


--- Transaction Processing Path --- Money Flow Path


Who Earns What in a Digital Payment?


When a customer pays a merchant via Payment Aggregator (PA) and Payment Gateway (PG), this is who **earns what** for their role.




Payment Aggregator (PA)	Earns most
 <p>MDR ₹ Merchant Rate</p> <p>Earns most Charges MDR: ~ 2.0% (₹20)</p> <ul style="list-style-type: none"> Onboards merchants, holds funds temporarily 	<ul style="list-style-type: none"> Charges MDR: ~2.0% (₹20) Onboards merchants, holds funds temporarily <p>Regulated by RBI</p>

Payment Gateway (PG)	Earns tech fee: ₹5
 <p>Route To PGCESTIN</p> <p>Earns tech fee: ₹5</p> <ul style="list-style-type: none"> Provides secure technology for routing transactions <p>Technology Provider</p>	<ul style="list-style-type: none"> Provides secure technology for routing transactions Does not hold customer money

Acquiring Bank	Shares MDR: ₹10
 <p>Banking / Acquiring</p> <p>Shares MDR: ₹10</p> <ul style="list-style-type: none"> Serves merchant account <p>Banking / Acquiring</p>	<ul style="list-style-type: none"> Serves merchant account Receives money into PA escrow account

Card Network / NPCI	Takes network fee: ₹3
 <p>Infrastructure Provider</p> <p>Takes network fee: ₹3</p> <ul style="list-style-type: none"> Routes between banks <p>Infrastructure Provider</p>	<ul style="list-style-type: none"> Routes between banks Sets network rules

Issuing Bank	Earns interchange fee: ₹10
 <p>Fiduciary Role</p> <p>Earns interchange fee: ₹10</p> <ul style="list-style-type: none"> Risk & Issuance <p>Fiduciary Role</p>	<ul style="list-style-type: none"> Provides the customer's card / account Bears fraud & credit risk

Payment Aggregator gets the largest MDR fee but also handles customer funds.

Participant	What They Earn	Nature of Income
Merchant	Sale proceeds (net)	Business revenue
Payment Aggregator	MDR / transaction fee	Core commercial income
Payment Gateway	Processing / tech fee	Service fee
Acquiring Bank	Acquirer fee	Banking fee
Card Network / NPCI	Network fee	Infrastructure fee
Issuing Bank	Interchange fee	Risk & issuance fee
Escrow Bank [#]	Account & processing fees	Fiduciary service fee

Escrow banks are custodians, not profit participants.