

**T**ILL a few years back, there was lot of work involved in moving money. Physical payment was time-consuming, labour intensive and expensive. Electronic payments were beginning to gain acceptance as a secure mode of transaction. For Bikramjit Sen, this was an opportunity worth logging into. Having served in ICICI's Project Finance Group for about seven years, Sen was responsible for originating some of the largest structured finance deals for the company at that time. And he was chosen to head BillJunction Payments that pioneered the concept of electronic billing in the country in 2000. Later the company was spun off as an independent entity and became TechProcess Solutions Ltd (TPSL). "Being in the financial sector, I thought this will work out well. We were the first company to introduce Electronic Bill Presentment and Payment in India, and it was an immediate hit with the new breed of tech savvy consumers," says Sen who is CEO of TPSL now.

Initial funding was from ICICI Venture and subsequently the company raised capital from international private equity firms, Battery Ventures and Greylock Partners. The country was poised for unprecedented growth and this would put tremendous pressure on the payments infrastructure unless innovations in the form of electronic payments were adopted and

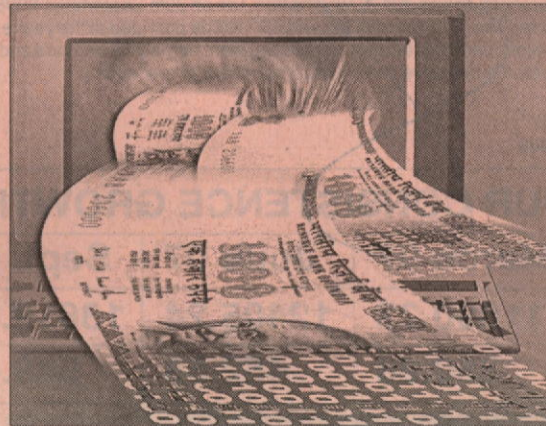
**enterprise  
QUOTIENT**

# Billed To Last

BillJunction pioneered the concept of electronic bill payments in the country

popularised. Herein lay the inspiration for this venture, says Sen: "We took 2-3 years to perfect the business. Lot of upfront investment was made. However, the business began doing very well in 2003 and it was the first year where the company made a profit, and I made my first million from the business."

The key challenges were putting bill presentment arrangements in place with the utilities, and convincing them about the operability of these arrangements. Many utilities (such as telecom companies and power companies) at the time were monopolies and had invested significantly in their own collection infrastructure. Thus they had little incentive to adopt new collection channels. "Bill payment mechanisms offered at that time by utilities and



municipalities had not changed for decades, and involved significant effort and inconvenience to the customer," says Sen. It was therefore an even bigger challenge convincing consumers to shift to this new mode of bill payment. "We invested a lot in creating awareness and conducted programmes with the RBI. We told people to start with a small ticket size, say Rs 100 or Rs 200. People got hooked to the convenience once they realised that the system has RBIs checks and balances and strong system of audit trails," he adds.

TPSL has also expanded its services into other domains such as insurance, consumer loans, mutual funds, home loans, auto loans, and credit card bill payment. This includes payment transactions of all kinds (debit/credit, physical/electronic, online) for more than 150 blue-chip corporate customers, including many leading companies in

telecom, insurance, mutual funds, credit card companies, banks and NBFCs. For example, 90% of electronic payments associated with mutual funds' systematic investment plans (SIPs) are processed by the company. With 100 million electronic transactions processed last year, Sen says volumes are expected to witness a 45% growth in the current financial year since there are many new areas that lend themselves to this mechanism of payment. "Even today, there are so many types of bills that are due every month, which need to be physically paid. For instance, take the case of school/college fees, which has to be deposited every month or quarter. We are talking to some city based schools to work a way out of this tardy process."

TSPL has also launched a new online Mutual Fund platform. This is a web-based hosted service that offers complete data integration with asset management companies (AMCs) and registrars, thereby empowering clients of a mutual fund distributor to buy and redeem mutual fund units online. The arrangement allows clients of various broking houses to link up their existing bank accounts with their brokerage account, in order to make payments or receive redemption proceeds in a seamless fashion.