

QR-Payments

What is “ *QR - Quick Response* “ ?

- ✦ QR code is an *action-specific black and white pattern scanned* through devices to *carry out an activity*.
- ✦ QR can be used in payments, where *payment is performed by scanning a QR code* from an app.
- ✦ To make a QR code payment, the *consumer scans the QR code* displayed by the merchant with their smartphone to pay for their goods.
- ✦ QR-Code Payments can be of 2 types-
 - ⦿ **Static** - A Static black and white pattern, which is *same for everyone*, sender scans the QR , *receivers bank details* are *fetches* and *sender enters amount* & pays, *Receiver manually verifies* if he has received payment from sender and amount is correct, **OPEN LOOP Payment**.
 - ⦿ **Dynamic** -A Dynamic QR is a black and white pattern which is *generated every time for every transactions* , once the sender scans the QR *Receivers Bank details + Amount* is fetched , *sender just has to enter pin and validate* the transactions, once payment completes *receivers device* auto reconciles and *confirms transaction* is completed, **CLOSED LOOP Payment**.



Static QR

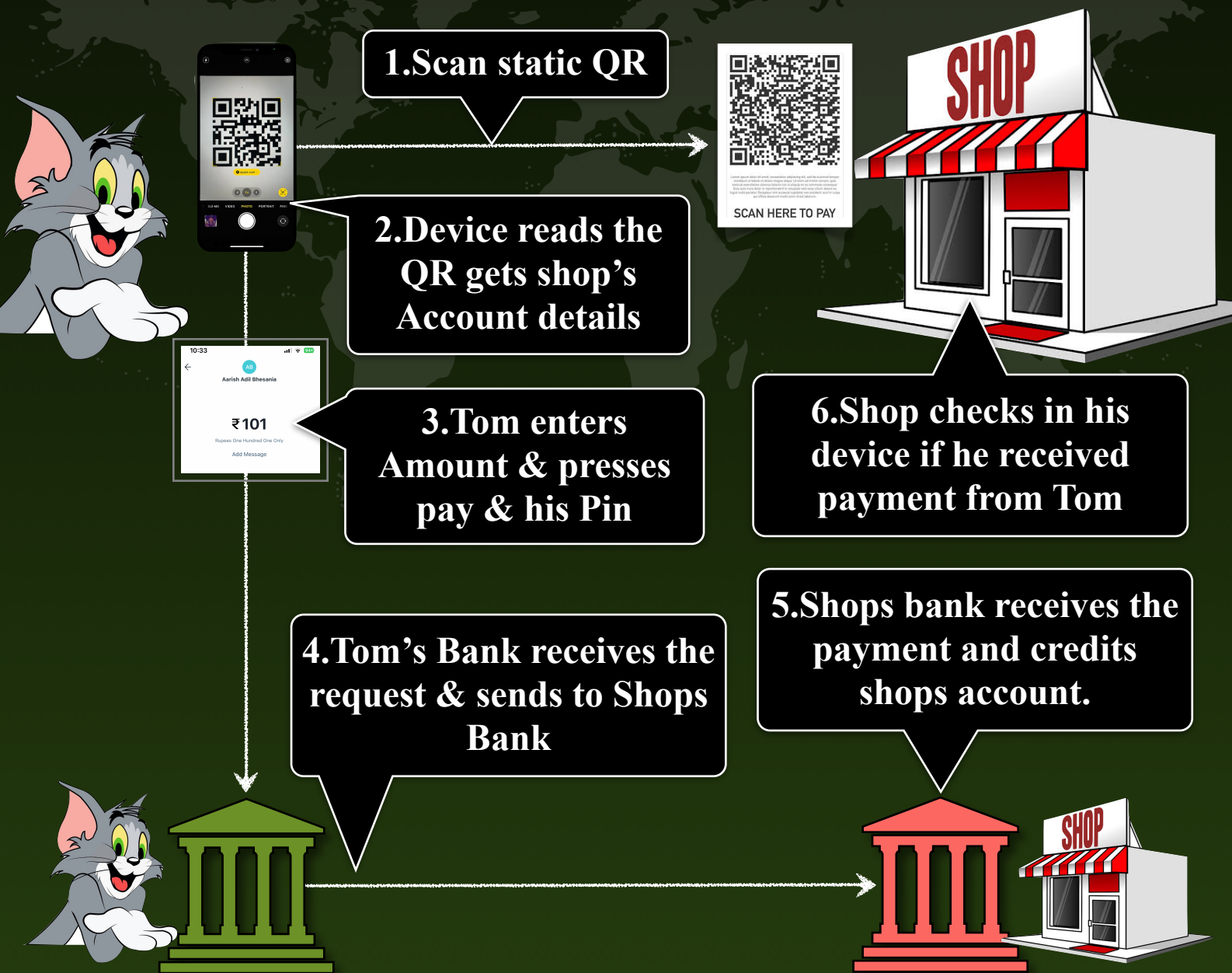
- ✓ Amount entered by sender after scanning QR.
- ✓ QR Remains static, same for everyone.
- ✓ Can be a simple paper based QR sticker

Dynamic QR

- ✓ Sender scans QR and pays.
- ✓ QR is dynamic, for each transaction, QR has amount embedded in it.
- ✓ Usually a POS device with screen is required to create and display QR

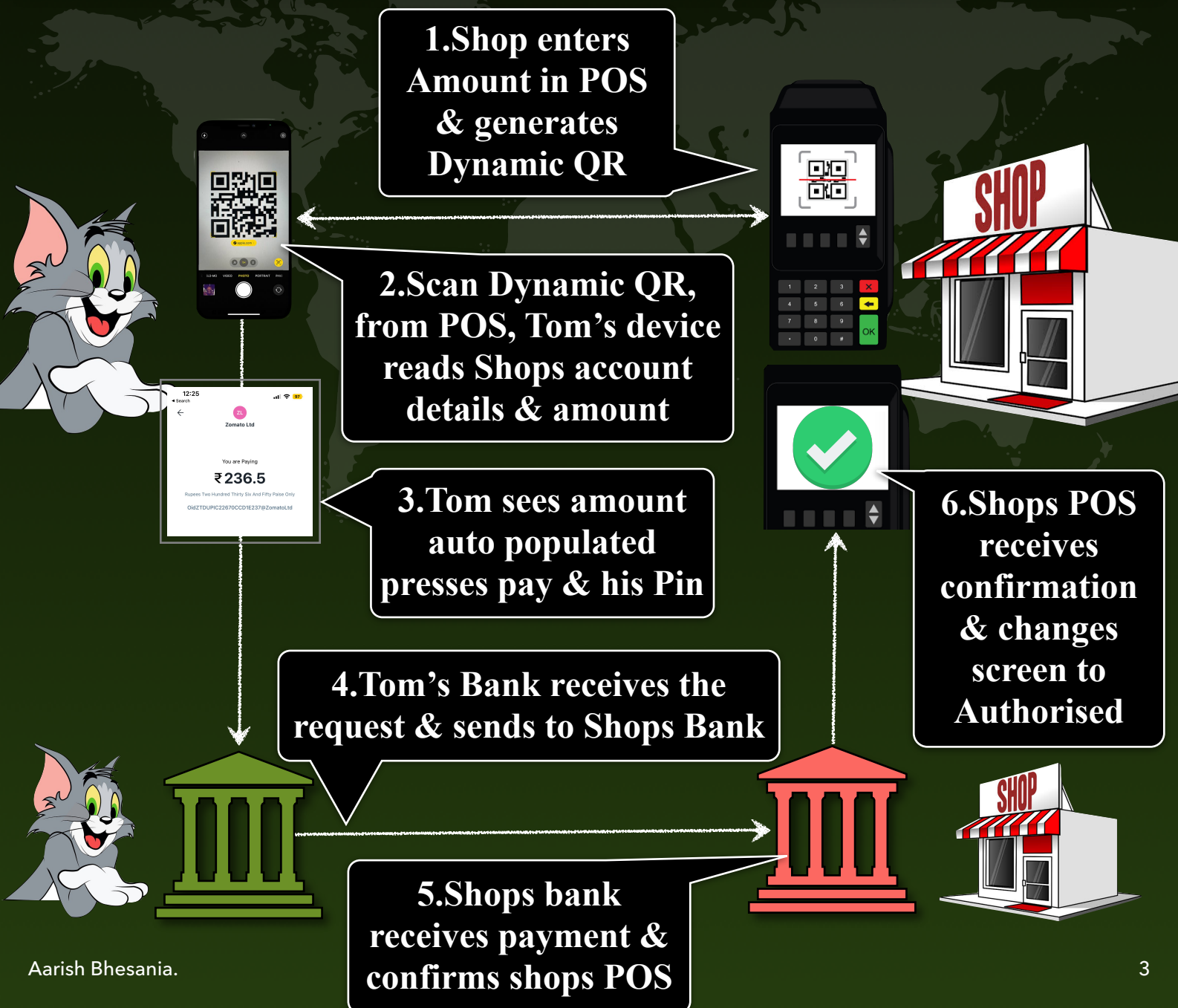
Static QR

- Static black and white pattern, which is *same for everyone and every transaction*
- *Sender scans QR*, *receivers account* details are *fetched*, *sender enters Amount* Manually & pays.
- *Receiver has to Manually check* if senders payment is received and amount is as per actuals.
- *QR is static/same for all transactions*, hence can be printed and *no additional infra required*
- Called as **OPEN LOOP Payment**, as *Receiver has to Manually verify* if he has received senders payment & if the amount is as per actuals



Dynamic QR

- A Dynamic QR is a black & white pattern which is *generated every time for every transactions*
- Sender scans the QR code usually from a POS & *Receivers Bank details + Amount is fetched*
- Sender just has to *enter pin and validate the transactions*
- Receivers bank receives the payment and *confirms to receivers POS Device*
- Receivers POS receives confirmation , reconciles & *confirms transaction* has been completed,
- *CLOSED LOOP Payment*, as the POS confirms, no action required from receiver.
- *Extra Infra like POS* is required as QR is Dynamic and changes every time for each transaction.



The End.

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