



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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## RBI seeks Comments on Draft Guidelines for Implementation of Bharat Bill Payment System (BBPS)

The Reserve Bank of India has today sought comments on [Draft Guidelines](#) for Implementation of Bharat Bill Payment System (BBPS).

Bill payment is a major component of the retail payment transactions. Over 30,800 million bills amounting to more than ₹6000 billion are generated each year in the top 20 cities in the country. Though various forms of payments are accepted, cash and cheque payments continue to be predominant, particularly at the Billers' Own Collection Point.

While the existing systems are safe and robust, they do not fully address the needs of the consumers/customers to pay a variety of "bills" including utility bills, school/university fee, municipal taxes, etc., due to lack of interoperability in the bill payment processes as well as lack of access to various modes of electronic payments by a vast majority of customers.

There is, therefore, a need for an integrated bill payment system in the country that offers interoperable and accessible bill payment services to customers through a network of agents, allows multiple payment modes, and provides instant confirmation of payment. The bill payment system should also serve as an efficient, cost effective alternative to the existing systems, thus, setting the standards for bill payments in the country, and enhance consumer confidence and experience.

The draft guidelines, put up on the website today, outline the requirement and the basic tenets of operating the BBPS, and also prescribe the eligibility criteria, standards for settlement model and customer grievance redressal, roles and responsibilities and scope for entities desirous to be part of BBPS.

Specific and actionable comments may be [emailed](#) or sent by post to the Principal Chief General Manager, Department of Payment and Settlement Systems, Reserve Bank of India, Central Office, 14th Floor, Shahid Bhagat Singh Marg, Mumbai-400001 on or before September 05, 2014. The guidelines are available on RBI website ([www.rbi.org.in](http://www.rbi.org.in)).

### Background

In the Second Quarter Review of Monetary Policy 2012-13, the Reserve Bank had announced the setting up of a committee to finalise the modalities of implementing an electronic GIRO payment system in India. The Payment Systems Vision for 2012-15 had also highlighted the presence of a huge bill payments market with diverse and complex billing and bill collection market structure which varied across national/regional players and private/state owned entities. Moreover, there was no structured avenue available for smaller players to avail the facility nationally.

Accordingly, a Committee under the chairmanship of Shri G. Padmanabhan, Executive Director, Reserve Bank of India was set up to study the feasibility of implementation of an electronic GIRO payment system in the country. Based on the recommendations of the Committee, a Giro Advisory Group (GAG) under the Chairmanship of Professor Umesh Bellur, IIT Bombay, was constituted with the objective of defining a framework that enables the creation of pan-India touch points for bill payments by customers in the country irrespective of the geographical location of the billers. The GAG, after discussions and interaction with various stakeholders/institutions from bill payments industry, submitted its report on March 20, 2014, which was placed on RBI website for comments.

In its report, the GAG has recommended a tiered structure for bill payments system in the country, where the proposed Bharat Bill Payment System (BBPS) will be the authorised standard setting body and the proposed Bharat Bill Payment Operating Units (BBPOUs) will be the authorised operational units, working in adherence to the standards set by the BBPS.

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