



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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## **On-tap Authorisation of Payment Systems**

Reserve Bank of India had on [January 21, 2019](#) released a policy paper on Authorisation of New Retail Payment Systems on its website and invited public comments there on. Comments / Feedback were received from individuals, public and private entities, institutions and industry associations. Based on the feedback received, it was announced in the [Statement on Developmental and Regulatory Policies](#) issued with Monetary Policy Statement dated August 07, 2019 that in order to benefit from diversification of risk as also to encourage innovation and competition, Reserve Bank will issue instructions on 'on tap' authorisation to entities desirous to function / operate / provide platforms for Bharat Bill Payment Operating Unit (BBPOU); Trade Receivables Discounting System (TReDS); and White Label ATMs (WLAs).

2. Accordingly, it has been decided to offer on-tap authorisation for the following entities:
  - i. Bharat Bill Payment Operating Unit (BBPOU).
  - ii. Trade Receivables Discounting System (TReDS).
  - iii. White Label ATMs (WLAs).
3. The capital and other requirements for each of the aforementioned retail payment systems are given in the [Annex](#).
4. The KYC requirements for retail payment systems shall be as per the [Master Directions on Know Your Customer \(KYC\)](#) issued by the Department of Banking Regulation (DBR), Reserve Bank of India.
5. The payment system operators should ensure interoperability among different retail payment systems.
6. The authorisation would be given based on (a) merits of the proposal, and (b) Reserve Bank's assessment of potential for additional entities in that segment.

7. The applications for authorisation shall be submitted to:

The Chief General Manager

Department of Payment and Settlement Systems, Central Office

14<sup>th</sup> Floor, Central Office Building

Reserve Bank of India

Shaheed Bhagat Singh Marg, Fort

Mumbai 400 001

Email: [cgmdpssco@rbi.org.in](mailto:cgmdpssco@rbi.org.in)

Ph.: 022 2264 4995

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**(Yogesh Dayal)**  
Chief General Manager

**On-tap Authorisation of Payment Systems - Authorisation Criteria for non-bank PSOs**

Sr No.	Payment System	Eligibility Criteria*		
		Financials	Specific to the PS	Common to all
1.	BBPOUs	Rs.100 cr Net worth (to be maintained at all times)	Applicant must have domain experience in the field of bill collection for a minimum period of one year.	<ul style="list-style-type: none"> <li>• Company registered under the Companies Act, 2013.</li> <li>• Entities with Foreign Direct Investment (FDI) / Foreign Portfolio Investment (FPI) / Foreign Institutional Investment (FII) shall meet the capital requirements as applicable under the extant Consolidated FDI policy guidelines.</li> <li>• The Memorandum of Association (MOA) must cover the specific activity.</li> <li>• Fit and Proper criteria will be assessed by RBI<sup>1</sup>.</li> <li>• The overall financial strength of the promoters / entity; sound technological basis to support its operations; management; governance etc. shall be other important criteria.</li> </ul>
2.	TReDS	<ul style="list-style-type: none"> <li>• Minimum paid up equity capital – Rs. 25 cr</li> <li>• Non-promoters, to have shareholding up to 10 per cent of equity capital</li> </ul>		
3.	WLA Operators (WLAOs)	Rs.100 cr Net worth (to be maintained at all times)	<ul style="list-style-type: none"> <li>• ATMs to be deployed in the following ratio: 1:2:3 for Metro &amp; Urban : Semi-Urban : Rural Regions.</li> <li>• Among the various regions, the ratio will be in favour of rural regions. If a WLAO deploys adequate ATMs in a rural region, it need not deploy ATMs in metro, urban or semi-urban regions to meet the ratio requirements. If a WLAO deploys ATMs in a semi-urban region, it shall deploy adequate ATMs in a rural region as per the ratio and may not deploy any ATM in a metro or urban regions.</li> </ul>	

\* For other details, reference is invited to the following links (as amended from time to time):

1. BBPOUs : [https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=35274;](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=35274;)  
<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=9368&Mode=0>
2. TReDS : [https://www.rbi.org.in/Scripts/bs\\_viewcontent.aspx?Id=3504](https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=3504)
3. WLAOs : <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11495&Mode=0>

<sup>1</sup> The Entity / Promoters / Promoter Groups, shall conform to the Reserve Bank's 'fit and proper' criteria including but not limited to:

1. The entity shall have a past record of sound credentials and integrity.
2. Director of a Promoter Company / Group Company shall have a record of financial integrity; good reputation and character; honesty; etc.
3. Such person shall not have incurred any of the following disqualifications –
  - a. Convicted by a court for any offence involving moral turpitude or any economic offence or any offence under the laws administered by the RBI;
  - b. Declared insolvent and not discharged;
  - c. An order, restraining, prohibiting or debarring the person from accessing / dealing in any financial system, passed by any regulatory authority, and the period specified in the order has not elapsed;
  - d. Found to be of unsound mind by a court of competent jurisdiction and the finding is in force; and
  - e. Is financially not sound.
4. RBI's decision on whether a person is a fit and proper person shall be final.