

RBI issues guidelines on unified bill payment system

The Reserve Bank of India on Thursday said the proposed Bharat Bill Payment System (BBPS) will function as a tiered structure for operating the country's bill payment system. It will have a single brand image providing convenience of 'anytime anywhere' payment to customers.

The BBPS will offer inter-operable and accessible services through a network of agents, enabling multiple payment modes and providing instant confirmation of payment.

Hence, it has been decided that the existing players in the online commerce segment catering to the requirements of bill payments as well as aggregation of payment services (in relation to bill payments) will be a part of BBPS, the RBI said in its draft guidelines on the subject.

Getting agencies on board

The central bank added that participants in the BBPS will include authorised entities – such as the entity operating the BBPS itself, the Bharat Bill Payment Operating Units (BBPOUs) as well as their agents, payment gateways, banks, billers and service providers – and other entities as required under the BBPS.

In future, the scope of BBPS could be extended to include services that require repetitive payments, such as school/university fees and municipal taxes. Other e-commerce services can also be brought under its purview as decided from time to time by the RBI.

When it comes to customer protection and grievance redressal, the BBPOUs have to disclose all important terms and conditions in clear and simple language to its customers.

These disclosures should include details such as all charges and fees associated with the use of bill payment facility and the customer service telephone numbers and Website URL.

Integrating all payments

Bill payment is a major component of the retail payment transactions. The committee formed to study the Feasibility of Implementation of GIRO-based Payment Systems had estimated that over 30,800 million bills amounting to 6,22,300 crore 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. Hence, the need for an integrated bill payment system in the country

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