

Circular: NPCI/2020-21/BBPS/016

17<sup>th</sup> September 2020

To

All BBPOUs  
Bharat Bill Payment System

Dear Sir/Madam,

**Subject: TSP Role and Guidelines**

1. Bharat Bill Payment System since its inception has evolved the ecosystem with the active participation of all the stakeholders. As on date 800 plus billers across myriad categories are live on the platform and volume and value of transactions are witnessing significant growth. Customers as well as billers have acted as catalysts for innovative enhancements and solutions, making the Bharat BillPay brand a ubiquitous symbol of assurance and convenience. The BBPOUs by and large have been empowered to engage extensively as well as intensively with and greatly enlarge coverage of both billers and customers.
2. Reserve Bank of India vide its guidelines dated November 28, 2014 had laid down a tiered architecture wherein NPCI/ BBPCU had been designated as the body that will implement, prescribe the standards and govern the scheme. As is to be expected, during the course of the evolutionary journey of BBPS certain scenarios could arise which may not have been envisaged or elaborated while launching the BBPS in 2014/15, but need to be examined critically against the basic principles of interoperability and fair play for all the stakeholders.
3. One such instance that has come to our notice is one BBPOU serving another BBPOU as TSP for biller on-boarding as well as having the same biller relationship. The issue was deliberated upon in the Steering Committee of BBPS. It was observed by many members that while there was no bar on a BBPOU serving as TSP to another BBPOU, on-boarding of the same biller by both the BBPOUs could give rise to potential risks and conflict of interest. Any arrangement should be based on the principle of equitable business opportunity and not affect level-playing field for all players. It should not create imbalance in the ecosystem, nor affect the spirit of interoperability. It was decided that the BBPCU will take a considered view on the matter, keeping in perspective the opinions expressed by all the members and further elaborate/ issue suitable instructions in line with the spirit of the BBPS Guidelines.

4. Accordingly, we advise that incidence of such relationships constrain the ecosystem and on-boarding of the same biller relationships on BBPS both by a BBPOU and another BBPOU acting as the former's TSP, is not in spirit with the guidelines and may not be pursued by BBPOUs. Hence going forward, one BBPOU serving another BBPOU as TSP for biller on-boarding shall not have the same biller relationship in BBPS. Existence of similar relationship/s may be reported and the relationship may be migrated to another TSP/handled in-house within 90 days of the issue of this circular.
5. BBPOUs may kindly take note of the contents of this circular and disseminate the contents down the line to ensure compliance.

Yours faithfully



A.R.Ramesh  
Chief BBPS  
Bharat Bill Payment System