

Circular: NPCI/2020-21/BBPS/008

31st May 2020

To,

All BBPOUs

Bharat Bill Payment System

Dear Sir/Madam,

Subject: BBPS Compliance and other issues – Measures thereof

Please refer to circular no. **NPCI/2019-20/BBPS/027, dated 16th March 2020**, on the captioned subject (annexed to this circular for ready reference). In this context we wish to draw your attention to the following content that was part of this circular:

Bilateral Relationships

Bilateral relationships between BBPOUs is a violation of Procedural guidelines and defeats the very purpose of interoperability. BBPS has been in existence for three years and it has been observed that bilateral feed between BBPOUs continues to exist. The members of the Steering Committee agreed that compliance in this regard must be seriously executed as per the following norms:

- a. All BBPOUs that are currently engaged in bilateral relationship/s must declare the same- biller and OU wise within 14 days of the issue of the circular and this is binding on COUs and BOUs simultaneously.
- b. BBPCU in its discretion may allow continuation of such bilateral relations not exceeding 60 days from the date of its advice, communicated by mail/letter etc.
- c. In case, it is observed that the BBPOU has failed to declare and comply such bilateral relation/s or that it has failed to comply with BBPCU direction in this regard then a penalty would be levied, per transaction, equivalent to the switching fee prescribed for that category of biller/s; The same would be recovered from settlement as “Penalty fee” on a monthly basis
- d. Billers on boarded on BBPS and having existing relationship with the COU should also be migrated (including migration of existing customer data) within 60 days from the release of MDM. Non- compliance will attract penalty as mentioned in Point c.

In this regard kindly note that the mandatory time period for discontinuation of bilateral relationships has drawn to a close.

BBPS has been in existence for the past three years and continuation of bilateral relationships between BBPOUs is a violation of one of the core principles mooted by the procedural guidelines. The Steering Committee has also taken a serious note of the issue and you would appreciate that considerable time has been available to the BBPOUs to migrate such relationships.

All those transactions that are not passing through the BBPCU and are non-compliant with respect to maintenance of bilateral relations between BBPOUs, irrespective of the channel, penalty would be levied per transaction, equivalent to the switching fee prescribed for that category of biller/s as aforesaid with effect from 1st August, 2020.

We have received representations in this regard and have duly noted the same. Implementation of the contents of the circular has been taken with due regard to all such representations.

Yours sincerely,



(Rahul Tandon)

Head Product & Market Development and Compliance

Bharat Bill Payment System