

**AGENT INSTITUTION FREQUENTLY ASKED QUESTIONS**

**BHARAT BILL PAYMENT SYSTEM**  
NATIONAL PAYMENTS CORPORATION OF INDIA

BBPS stands for **Bharat Bill Payment System**. The Bharat bill payment system is a Reserve Bank of India (RBI) conceptualised system driven by **National Payments Corporation of India (NPCI)**. It is a one-stop payment platform for all bills providing an interoperable and accessible “Anytime Anywhere” bill payment service to all customers across India with certainty, reliability and safety of transactions.

## Key Participants

### About Bharat Bill Payment Central Unit (BBPCU)

**National Payments Corporation of India (NPCI)** has been authorized by RBI as the Bharat Bill Payment Central Unit (BBPCU) and is responsible for setting business standards, rules and procedures for technical and business requirements for all participants. The BBPCU undertakes clearing and settlement activities related to transactions routed through BBPS.

### About Bharat Bill Payment Operating Unit (BBPOU)

**Bharat Bill Payment Operating Unit** aka BBPOU is the entity that is authorized by Reserve Bank of India. It can be a Bank or a Non-Bank. BBPOU may choose to integrate either with the customers, (COU: Customer OU) or with the billers (Biller OU) or may wish to participate as both – which means such BBPOU will be integrated with customers as well as billers.

Going forward, only authorised BBPOU - both banks and non-banks authorised by RBI - can handle payment and aggregation of payment services relating to bills under the scope of BBPS.

### Agent Institutions

Eligible Entities who wish to offer or those who are currently in bill payment, collection and aggregation business, would operate under a COU (Customer BBPOU) on receiving authorisation from RBI.

Customer BBPOU will on-board Agent institutions which may further on-board agents and/ or set up customer service points in various regions and locations.

### Agents

Agents are the customer touch points and service points in the BBPS ecosystem available in the form of agent outlets, Business Correspondent outlets, Bank branches, collection centres, retail outlets and other service points.

### Biller

Service providers, who shall receive payments from customers for services rendered. By participating in the BBPS scheme, the biller will be able to receive payments from third party channels for the

services provided to the customer. A biller may tie up with up to two BBPOUs to access the entire universe of its consumers and all payment channels.

### **Category of Billers in BBPS:**

The category of billers eligible to participate in BBPS will be specified from time to time by Reserve bank of India (RBI). The current categories specified are as follows:

1. Electricity
2. Telecom (post-paid and broadband)
3. DTH,
4. Gas
5. Water

Over a period of time other categories like insurance premium, mutual funds, school fees, institution fees, credit cards, local taxes, invoice payments, etc. may be covered under BBPS.

## **Frequently Asked Questions**

### **1. Who is an Agent-Institution?**

Entities other than BBPOUs who currently offer or wish to offer bill payment service to its customers through physical or digital channels.

All the entities, who have not received in-principle authorisation from Reserve Bank of India to act as a BBPOU or who have not applied may be eligible to become an Agent Institution under the BBPS scheme.

### **2. What are the key-benefits of becoming an Agent-Institution?**

- As an authorized entity, provide assurance to customer.
- Single Integration with BBPOU
- Access to the entire range of billers in BBPS
- Increase in footfall
- Standardization and increase in revenue opportunities

### **3. How does an Agent-Institution become part of BBPS ecosystem?**

Entities need to be on-boarded in the BBPS ecosystem by Customer BBPOU who are authorised by Reserve Bank of India and certified by National Payments Corporation of India.

Agent-Institutions may further on-board agents and set-up customer service points in various regions and locations and/or have digital channels enabled.

#### 4. What is the process of becoming an Agent-Institution?

- ☑ Select a Consumer BBPOU of your choice
- ☑ Submit the “Agent-Institution Consent” to the BBPOU
- ☑ Complete required Documentation and on-boarding process with the BBPOU
- ☑ Adhere to BBPS technical standards & API specifications for smooth integration.
- ☑ Develop your application front-end according to BBPS standards.
- ☑ Get your channels like Internet, Mobile, Branch or Agents active under BBPS via the selected BBPOU

#### 5. What are the documents required for agent-institution on-boarding?

BBPOU & Agent-Institution will complete the following documentation requirements

- ☑ Business address authorization letter and licence to carry on business.
- ☑ Compliance of KYC (Proof of registered/ business address, active bank account details, PAN number).
- ☑ Credibility check, credential verification and banker’s opinion report
- ☑ ITR of last 2 years.
- ☑ Financial Statements for at least 2 years / other credit verification / Background check/ CIBIL verification of promoters and directors.
- ☑ Should not be part of blacklist as and when introduced by BBPCU or any other competent authority

#### 6. What is the timeline for applying as an Agent-Institution?

RBI has extended the timeline till December 31, 2017 to all entities participating in bill payment or who have not received in-principle approval for BBPOU to come as an Agent Institution under BBPS.

The entity must become an Agent-Institution at the earliest and not wait until the window period of December 31, 2017 in order to derive the full benefit of BBPS and establish its competitive position.

#### 7. Is it mandatory for the companies to participate in BBPS ecosystem as BBPOU or Agent Institution to continue bill payments service?

Business entities who are non-BBPOU entities and currently offers bill payment service to customers through physical or digital channel must join the BBPS ecosystem as an Agent Institution or BBPOU on or before 31st Dec 2017. Failing which, they will have to exit the bill payment/aggregation business

#### **8. Can an Agent-Institution have tie-up with multiple BBPOUs?**

An Agent Institution can get access to BBPS application only through one designated BBPOU. Tie-up with multiple BBPOU is not permitted.

#### **9. Can a BBPOU on-board multiple Agent Institution?**

Yes, a BBPOU can on-board multiple Agent Institution. However, an Agent Institution can be on-boarded through only one BBPOU.

#### **10. What are the key-responsibilities of becoming an Agent-Institution?**

- BBPS Brand visibility
- Create customer touch-points (physical and/ or digital)
- Assist customer in registration and complaint resolution
- Instant confirmation of bill payment
- Awareness about Customer Convenience Fee (if any)

#### **11. Which payment channels can be offered to consumer for bill payment?**

The Payment channels that the Agent-Institution can offer are as follows:

- Digital Channels: Internet/Website, Internet banking, Mobile app, Mobile banking, POS, MPOS, ATM, KIOSK
- Physical Channels: Agents, Bank-Branch, Business Correspondent.

The Agent-Institution must mandatorily offer its consumers bill payment via BBPS on all current channels where bill payment is offered.

#### **12. What are the basic requirements of an Agent-Institution while designing the Payment channels for BBPS?**

While designing the front-end channel, the Agent Institution must follow, “The Front-end Guidelines/Standards” published by NPCI on the website.

#### **13. What is the process of listing an Agent-institution?**

- Agent Institutions will be on-boarded by BBPOU’s only.
- Agent-Institution and Agent shall be listed under the respective BBPOU’s
- BBPOU association with A.I.’s / Agents will be uploaded to the BBPCU.
- All specific information uploaded by BBPOU’s will be updated to all system participants.

**14. What is the process of de-listing an Agent-institution?**

- Delisting – Termination – Deletion of any Agent Institution is under BBPOU responsibility & discretion.
- BBPOU will send a formal intimation / advice to BBPCU (Within 30 Days)

**15. Can Agent-Institution offer bill payment and aggregation outside BBPS?**

Any entity currently offering bill payment and aggregation business, cannot operate outside BBPS ecosystem. In-case the entity, does not get on-boarded in BBPS, it would have to exit the bill payment and aggregation business after Dec 31, 2017.

**16. Can Agent-Institution have direct tie-up with billers?**

No, Any entity other than BBPOU having direct tie-up with biller cannot continue the same after BBPS.

**17. Can an Agent-Institution appoint or have another sub-agent-institution?**

No, An Agent-Institution cannot have bilateral arrangement with another Agent-Institution who is currently offering bill payment services.

**18. Can an Agent appointed by an Agent-Institution or BBPOU have sub-agents?**

Agents cannot further on-board sub-agents. If required, these sub-agents will have to be appointed directly through Agent Institutions.

**19. Can an Agent-institution further extend APIs to third party aggregators offering bill payment services?**

No, an Agent-institution cannot extend APIs to third party aggregators or entities offering bill payment services.

**20. Can an Agent-institution become a BBPOU?**

Entities initially functioning as an Agent Institution may apply to Reserve Bank of India subject to meeting the eligibility criteria and application window being opened by RBI for the same.

**21. Can an Agent-Institution migrate from one BBPOU to another?**

Yes, an Agent-institution can migrate from another one BBPOU to another by giving intimation to the BBPCU.

**22. In what forms can a bill payment acknowledgement receipt be provided to the customer?**

Customer facing BBPS participants (BBPOU, Agent Institutions and Agents) will have to provide instant confirmation of bill payment to the customer in any of the below form:

1. Mobile Based Confirmation (SMS)
2. Physical Receipt (print copy)
3. Email Confirmation

**23. How are payment failure handled in the BBPS System?**

Payment Failure can be of two types:

1. Instant Failure - In such cases, amount will be refunded to the customer immediately and customer will be advised to re-initiate the transaction.
2. Failure at the time of biller settlement - In very rare scenario, if the transaction is failed at the time of settlement, there would be two instances. a) biller will be advised mandatorily to accept payment and credit the customer account b) amount will be refunded back to the customer.

**24. How is the revenue shared amongst different stakeholders in BBPS?**

With consensus of the Steering Committee, Interchange between BBPOUs has been defined by NPCI.

NPCI has no role in the commercial arrangement between Agent Institution and BBPOU or Biller and BBPOU

**25. Can an agent charge the customer for any bill payment service?**

With consensus of the Steering Committee, Customer Convenience Fee will be defined by NPCI and the BBPS participants will have to adhere to the same at all times.

**26. What happens to Cheque aggregation after BBPS?**

Presently, cheque as a payment mode for acceptance of bill payment is outside of BBPS scope.

**27. Is there a possibility in revision of CCF as the cost of payment gateway in online payment scenario is higher than CCF, hence it could cease to be viable business for the aggregator?**

With consensus of the Steering Committee, Customer Convenience Fee has been defined by NPCI and the BBPS participants will have to adhere to the same at all times.

In due course the Steering Committee may review the CCF if it becomes necessary based on actual experience and stakeholders' feedback.

**28. Whose prerogative is to block/delist an Agent Institution?**

An Agent Institution can be blocked/delisted by either the BBPOU or NPCI. Please Refer Point No. 6.10 on Page 16 in the BBPS Procedural Guidelines.

**29. Can an agent connect with multiple Agent Institutions/BBPOUs?**

Yes, an agent can be on-boarded by multiple Agent Institutions/BBPOU.

**30. Can aggregators/third party providers extend APIs to other entities?**

No. APIs cannot be shared with other entities or Agent-Institutions, but only to their direct end - retailers or agents.

**31. Does the Agent Institution need to collect KYC details again for the existing agents?**

Maintaining the updated KYC of the agents, at all times, is the core responsibility of the Agent Institution/ BBPOU.

NPCI may ask for KYC details of any agent during audit / fraudulent transactions.

**32. Are there standard APIs for building connectivity between BBPOU and BBPCU?**

Standard Technical Specification Document is uploaded on the NPCI website and needs to be adhered by the Agent Institution / BBPOU.

**33. Is customer registration mandatory in BBPS?**

Currently, Customer Registration is an optional process.

**34. Whose responsibility is it to provide receipt to the end customer?**

It is the responsibility of the customer facing BBPS participants (BBPOU, Agent Institutions and Agents) to provide instant confirmation of bill payment and receipt to the customer in any of the below form:

1. Mobile Based Confirmation (SMS)
2. Physical Receipt (print copy)
3. Email Confirmation

**35. Are there any net-worth requirements for AIs? Do they need to obtain a license to become an AI or authorization from BBPOU/BBPCU?**

There is no Net- worth criterion stipulated for AIs. On-boarding of AIs is the responsibility of BBPOUs, subject to compliance with the on-boarding requirements as laid down in the BBPS Procedural Guidelines and Standards. The word "Licence" refers to the Licence/ permission, if any, to carry out the business activity.

**36. Can an agent connect with multiple Agent Institutions/BBPOUs?**

Yes, an agent can be on-boarded by multiple Agent Institutions/BBPOU.

**37. At what level is the mapping of an agent done with the agent institution? Is there a requirement of individual registration for all the agents?**

NPCI will assign unique identification to every Agent Institution and its associated Agent

**38. If transaction fails at POS terminal, will the biller initiates the reversal or should it be initiated by the agent?**

In case the BBPS transaction fails, Payment Failure can be of two types:

1. **Instant Failure** - In such cases, the retailer will have to cancel the POS transaction and reverse the amount to the customer on its card.
2. **Failure at the time of biller settlement** - In very rare scenario, if the transaction is failed at the time of settlement amount will be refunded back to the customer on its card at a later date.

**39. Is it mandatory for Agent Institutions / Agents to have at least one electronic payment mode?**

In addition to cash acceptance the Agent Institutions will have to ensure an electronic mode of payment is put in place at the agent outlets over a reasonable period of time, not exceeding one year from the launch of BBPS. Please refer BBPS Procedural Guidelines for more details

**40. Does Agent Institution on-boarding require NPCI certification?**

NPCI shall notify about the Certification of the Agent Institutions in future correspondence.