**INFORMATION TECHNOLOGY & DIGITAL BANKING**

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| **Sr. No.** | **Important Notifications** |
| 1 | Amendment to Master Direction on Prepaid Payment Instruments |
| 2 | Master Direction – Reserve Bank of India (Bharat Bill Payment System) Directions, 2024 |
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**Amendment to Master Direction on Prepaid Payment Instruments**

RBI/2023-24/126
CO.DPSS.POLC.No.S1092/02-14-006/2023-2024

February 23, 2024

All Prepaid Payment Instrument Issuers (Banks and Non-banks) and System Participants

Madam / Dear Sir,

**Amendment to Master Direction on Prepaid Payment Instruments**

This has reference to the [Master Directions CO.DPSS.POLC.No.S-479/02.14.006/2021-22 dated August 27, 2021](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12156) on Prepaid Payment Instruments (MD-PPIs) (as amended from time to time), which prescribes, inter alia, the various types of PPIs which banks and non-banks can issue after obtaining necessary approval / authorisation from RBI.

2. Public transport systems across the country cater to a multitude of commuters on a daily basis. To provide convenience, speed, affordability, and safety of digital modes of payment to commuters for transit services, it has been decided to permit authorised bank and non-bank PPI issuers to issue PPIs for making payments across various public transport systems. The MD-PPIs has been updated by revising paragraph 10.2 thereof.

3. These instructions are issued under Section 18 read with Section 10 (2) of Payment and Settlement Systems Act, 2007 (Act 51 of 2007). These instructions shall come into effect immediately.

Yours faithfully,

(Gunveer Singh)
Chief General Manager-in-Charge

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12612&Mode=0>

**Master Direction – Reserve Bank of India (Bharat Bill Payment System) Directions, 2024**

RBI/DPSS/2023-24/111
CO.DPSS.POLC.No.S1114/02-27-020/2023-2024

February 29, 2024

The Chairman / Managing Director / Chief Executive
All Scheduled Commercial Banks including RRBs /
Urban Cooperative Banks / State Cooperative Banks / District Central Cooperative Banks /
NPCI Bharat BillPay Limited / Non-bank Payment System Participants

Dear Sir / Madam,

**Master Direction – Reserve Bank of India (Bharat Bill Payment System) Directions, 2024**

The current regulations covering Bharat Bill Payment System (BBPS) ([RBI Circular DPSS.CO.PD.No.940/02.27.020/2014-15 dated November 28, 2014](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=9368&Mode=0)) provide for a tiered structure with (a) NPCI Bharat Bill Pay Ltd (NBBL) as a Central Unit (BBPCU) (b) Bharat Bill Payment Operating Units (BBPOUs) and (c) Agent network/s of the BBPOUs.

2. In view of significant developments in the payments landscape, a need was felt to review and update these regulations. Accordingly, as announced in [Statement on Developmental and Regulatory Policies dated June 08, 2023](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55815), it has been decided to put in place a revised regulatory framework - Bharat Bill Payment Systems Directions, 2024, as [annexed](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12616&Mode=0#ANN1) hereto.

3. These Directions seek to streamline the process of bill payments, enable greater participation, and enhance customer protection among other changes.

4. These Directions shall be applicable from April 01, 2024 and shall supersede the regulations cited in para 1. This is issued under Section 18 read with Section 10(2) of the Payment and Settlement Systems (PSS) Act, 2007 (Act 51 of 2007).

Yours faithfully,

(Gunveer Singh)
Chief General Manager-in-Charge

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12616&Mode=0>

RBI/2023-24/131
CO.DPSS.POLC.No.S1133/02-14-003/2023-24

March 06, 2024

The Chairman / Managing Director / Chief Executive Officer
Authorised Payment System Providers / Participants (Banks and Non-banks)

Madam / Dear Sir,

**Arrangements with Card Networks for issue of Credit Cards**

The authorised card networks tie-up with banks / non-banks for issuance of credit cards. The choice of network for a card issued to a customer is decided by the card issuer (bank / non-bank) and is linked to the arrangements that the card issuers have with card networks in terms of their bilateral agreements.

2. On a review, it is observed that some arrangements existing between card networks and card issuers are not conducive to the availability of choice for customers.

3. In exercise of the powers conferred under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007), the RBI being satisfied that it is necessary and expedient, in the interest of payment system and public interest, to do so, hereby, directs as under:

1. Card issuers shall not enter into any arrangement or agreement with card networks that restrain them from availing the services of other card networks.
2. Card issuers shall provide an option to their eligible customers to choose from multiple card networks at the time of issue.  For existing cardholders, this option may be provided at the time of the next renewal.

For the purpose of these directions, the following definitions are used:

1. Authorised card networks: American Express Banking Corp., Diners Club International Ltd., MasterCard Asia/ Pacific Pte. Ltd., National Payments Corporation of India–Rupay, and Visa Worldwide Pte. Limited.

4. Card issuers and card networks shall ensure adherence to the above requirements in:

1. existing agreements at the time of amendment or renewal thereof, and
2. fresh agreements executed.

5. The directions at 3(b) above shall not be applicable to credit card issuers with number of active cards issued by them being 10 lakh or less in number.

6. Card issuers who issue credit cards on their own authorised card network are excluded from the applicability of the circular.

7. The directions at para 3(b) above shall be effective six months from the date of this circular.

Yours faithfully,

(Gunveer Singh)
Chief General Manager-in-Charge

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12619&Mode=0>