

Testwale Current Affairs PDF

Current Affairs search results for: "BBPS"

1. RBI fines Payment Operators (Dec. 24, 2021)

- The Reserve Bank of India (RBI) has imposed a penalty of ₹1 crore each on payment system operators **One Mobikwik Systems Private Ltd.** and **Spice Money Ltd.** for deficiencies in regulatory compliance.
- These two entities had not complied with the directions issued by the Reserve Bank on net-worth requirements for **Bharat Bill Payment Operating Units (BBPOUs).**
- According to RBI the minimum net worth of a Bharat Bill Payment Operating Units (BBPOUs) shall be Rs 100 crore, which has to be maintained all time.
- Under The payment and settlement act 2007, RBI is the regulator of the Payment operators and has the power to fine them if they do not follow the rules and regulation of RBI

NOTE

- The Bharat Bill Payment System (BBPS) is an interoperable platform for repetitive bill payments, and currently covers five segments -- direct-to-home (DTH), electricity, gas, telecom, and water bills.
- Banks or NBFC (Non Banking Finance Company) who have received licence from RBI can offer these services through the BBPS and they are called as BBPOUs or Payment operators .

2. RBI to extend UPI to feature phone users (Dec. 9, 2021)

Highlights

The UPI facility will soon be extended to feature phone users. At the moment, the **unified payments interface (UPI)** — the single largest retail payments system in the country in terms of volume of transactions for small value payments — **is available only for smartphones.**

It will help to further deepen digital payments and make them more inclusive, ease transactions for consumers, facilitate greater participation of retail customers in various segments of financial markets and to enhance the capacity of service providers.

This will be done by leveraging on innovative products from the **RBI's regulatory sandbox on retail payments.**

The regulator has also proposed to make the process flow for small value transactions simpler through an **'on device' wallet in UPI applications.**

Unified Payment Interface (UPI)

- **It is an instant real-time payment system, allowing users to transfer money on a real-time basis, across multiple bank accounts without revealing details of one's bank account to the other party, using a single application.**
- UPI is an indigenous payment system which works with the help of a smartphone.
- **UPI was developed by National Payment Corporation of India (NPCI) under the guidelines of RBI. UPI is based on the Immediate Payment Service (IMPS) platform. NPCI launched UPI with 21 member banks in 2016.**
- The top UPI apps today include PhonePe, Paytm, Google Pay, Amazon Pay and BHIM, the latter being the Government offering.
- **The per transaction limit of UPI is Rs.1 lakh.**
- **As part of an agreement, India's UPI will be linked to Singapore's Pay Now.**

National Payments Corporation of India

National Payments Corporation of India (NPCI), an umbrella organisation for operating retail payments and settlement systems in India, is an initiative of Reserve Bank of India (RBI) and Indian Banks' Association (IBA) under the provisions of the Payment and Settlement Systems Act, 2007.

It is a **“Not for Profit” Company** under the provisions of Section 25 of Companies Act 1956 (now Section 8 of Companies Act 2013), with an intention to provide infrastructure to the entire Banking system in India for physical as well as electronic payment and settlement systems.

List of other NPCI Products -

- Bharat Interface for Money-Unified Payments Interface (BHIM-UPI)
- Aadhaar enabled Payment System (AePS)
- National Electronic Toll Collection (NETC)
- National Automated Clearing House (NACH)
- Immediate Payment Service (IMPS)
- Bharat Bill Payment System (BBPS)
- RuPay

RBI Regulatory Sandbox

The Regulatory Sandbox(RS) usually refers to live testing of new products or services in a controlled/test regulatory environment for which regulators may (or may not) permit certain regulatory relaxations for the limited purpose of the testing. The RS allows the regulator, the innovators, the financial service providers (as potential deployers of the technology) and the customers (as final users) to conduct field tests to collect evidence on the benefits and risks of new financial innovations, while carefully monitoring and containing their risks. It can provide a structured avenue for the regulator to engage with the ecosystem and to develop innovation-enabling or innovation-responsive regulations that facilitate delivery of relevant, low-cost financial products. The RS is an important tool which enables more dynamic, evidence-based regulatory environments which learn from, and evolve with, emerging technologies.

Objectives

- The objective of the RS is to foster responsible innovation in financial services, promote efficiency and bring benefit to consumers.
- The RS is, at its core, a formal regulatory programme for market participants to test new products, services or business models with customers in a live environment, subject to certain safeguards and oversight.
- The proposed financial service to be launched under the RS should include new or emerging technology, or use of existing technology in an innovative way and should address a problem and bring benefits to consumers.

On Device Wallet

On Device Wallet or mobile wallet is a virtual wallet that stores payment card information on a mobile device. These are a convenient way for a user to make in-store payments and can be used at merchants listed with the mobile wallet service provider. Eg - Apple Wallet, Samsung Pay

Current RBI Governor - Shaktikanta Das

Current NPCI Head - Dilip Asbe