



भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
रेलवे बोर्ड (Railway Board)



RBA No. 92 /2016

No. 2016/ACII/9/5

New Delhi, dated: 1.12.2016

FA&CAO

All Zonal Railways/PUs

Sub: Payment Gateway for Indian Railway e-procurement system(IREPS)-
Engagement of Private Sector Bank for integration with IREPS for e-collection
of dues of e-tenders and auctions.

Please find enclosed a copy of CGA/MOF's letter no. S-11012/1(20)
Rly/2012/RBD/1411 dated 19.08.2016 on the above subject for information .

Kindly acknowledge receipt.

(T.D.Dwivedi)
Director Finance (Accounts)
Railway Board

No. S-11012/1(20)/Rly./2012/RBD/ 1411
Government of India
Ministry of Finance
O/o Controller General of Accounts
Lok Nayak Bhawan, Khan Market, New Delhi-110511
Telefax: 24649365, E-mail: sao-rbd at nic dot in

Dated: 19/08/2016

OFFICE MEMORANDUM

Subject: Payment Gateway for Indian Railway E-Procurement System (IREPS).

Please refer to your letter no 2016/ACII/45/2 dated 18/2/2016 on the above mentioned subject wherein permission to engage the payment gateway services of private sector bank to be integrated with Railway portal for e-collection of dues of tenders and auctions was sought. It was further enquired

- Whether Private Banks are debarred from handling of Government Business communicated vide this office letters dated 26/11/2012, 09.04.2015 and 30.06.2015
- Is there any prohibition on collection of money by intermediary agencies from customer before it is passed on to the accredited bank as advised by this office to the Railways vide this office letter dated 31.01.2011.

It is stated that Department of Financial Services vide their letter dated 1.06.2015 had clarified that embargo imposed on further allocation of Government business to private sector banks vide their letter dated 13th Sept 2012 and 19th Feb, 2015 relates to Government Agency Business which is the business for which Reserve Bank of India pays agency commission to banks. To that extent as payment gateway is like an intermediate agency that is just collecting the Government revenue and depositing in the authorized bank which in turn transmits it to RBI hence no agency commission is payable to the bank providing payment gateway but to the accredited bank.

With regard to appointment of Banks for IREPS, this office is of the view that such arrangements could be entered into subject to ensuring that the charges paid to these banks are competitive. This is necessary as per recent Cabinet decision where it has been decided that Government of India would take steps to bear Merchant Discount Rate (MDR) where Government is the provider of services (M/o Finance OM no. F.NO.01-02/2015-Cy.I dated 29th February, 2016). Thus the agencies (Payment Gateways/Aggregators) may be approved as per competitive process following provisions of GFR, 2005.

It may be ensured that all the receipts in the form of Registration Fees, Tender Fees, EMD etc. should be deposited in the government account in the first instance. The return of EMDs should be done later through government refund mechanism.

It may also be ensured that all such agencies pass on the payment received from customers into accredited bank as per the RBI timelines prescribed vide RBI's Circular no. RBI/2009-10/231 dated November 24, 2009 (File no. DPSS.CO.PD.No. 1102/01.14.08/2009-10). In Non Tax Revenue Portal (NTRP), where SBI-ePay is the aggregator, the period of settlement with accredited bank by PG/Aggregator has been limited to T+1 where T is the day when the aggregator receives the funds from the user/customer through the initial transaction. Once the funds reaches accredited bank, the same is settled with the RBI on T+1 day, thus the total cycle of fund collection to fund settlement with RBI should be limited to total T+2 days.

This issues with the approval of the Controller General of Accounts.

Patra

(Tripti P. Ghosh)

Jt. Controller General of Accounts

To,

1. The Director (Finance), Railway Board, M/o Railways, Rail Bhawan, New Delhi-110001

29 AUG 2016