

**GOVERNMENT OF INDIA/BHARAT SARKAR
MINISTRY OF RAILWAYS/RAIL MANTRALAYA
(RAILWAY BOARD)**

No.TC-1/2011/104/4 pt.5

New Delhi, dated 23-02-2012

**Chief Commercial Managers,
FA&CAOs,
E Railway, Kolkata,
E Co Railway, Bhubneswar,
E C Railway, Hajipur,
N Railway, New Delhi,
S E Railway, Kolkata,
S C Railway, Secundrabad.**

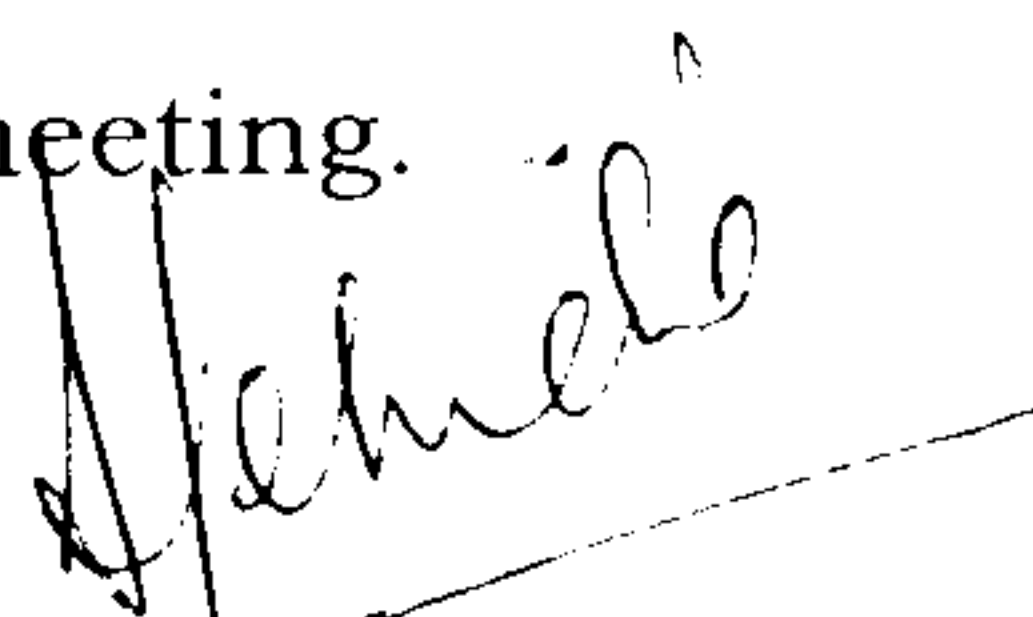
**CAO/FOIS,
Camp: CRIS, Chankyapuri,
New Delhi**

**MD/CRIS,
Chankyapuri,
New Delhi.**

Sub: Electronic payment system.

It is proposed to hold a meeting on 2nd March, 2012 at 11 AM in Conference Hall of Rail Bhawan, New Delhi with Zonal Railways, CRIS, FOIS, State Bank of India & Rail users (M/s NTPC, MMTTC, IOC, SAIL & FCI etc.) to discuss the various issues involved in implementation of E-payment system. A copy of agenda items which are to be discussed during the meeting is enclosed herewith.

You are requested to make it convenient to attend the meeting.


**(Aashima Mehrotra)
Joint Director, Traffic Comml.(Rates)
Railway Board**

DA:-as above

Agenda items of the meeting

1. Four party agreement for E-payment system to facilitate authorised handling agents of the customer to make the payment of freight on behalf of the customer.
2. Responsibility on bank for transfer of due payment to Railway account in time.
3. If after the issue of 'Paid ERR' on account of network failure, subsequently 'insufficient fund' message is received from Bank, RR status shall be changed to 'To-Pay' ERR and 'To-Pay' surcharge should be levied and subsequent request for payment shall be sent for payment of freight on 'To-Pay' basis.
4. Renewal of all LCs and BGs by revolving letter of credit.
5. Some upper monetary limit should be fixed so that the 'To-pay RRs' cannot be issued beyond that limit.
6. **To have on line connectivity of LC/BG** so that LC/BG may be en-cashed electronically in case Banks fails to credit the amount of E-RR appearing in 'Payment pending list' within the prescribed time limit. Necessary modifications in claim filing procedure in agreement is required to be made.
7. To incorporate in the Tripartite agreement modalities regarding claims by the Railways and payment towards the Bank, period of validity of LC/BG as well as other details in this regard.
8. Acceptance of Reserve Bank of India's treasury remittance payment through NEFT in Railway's account maintained with them.
9. In few cases freight has been collected twice against same RR (same transaction). Party has claimed refund for the amount twice debited against their accounts. It is not understood how the bank can allow the double collection of freight. This is a serious lacunae in e-payment system and need to be plugged immediately as it de-motivates customers and at the same time makes our system vulnerable.
10. Acceptance of LC/BG of nationalised bank other than SBI.
11. **Provision of opening of dedicated account by the customer-** In some cases 'To-Pay' E-RR were issued on receipt of message of insufficient fund from the system and subsequently parties have represented enclosing Bank certificate that the sufficient fund was available at that time. In such case it was decided that the customer can hold the bank responsible. But the Bank has replied that the customer had not been holding dedicated bank account for transfer of fund under E-payment scheme. There is no provision in extant guidelines for opening of dedicated account by the customer.
12. **Applicability of grace period on LC/BG-** In case of renewal of LC of M/s NTPC Badarpur, the SBI/Howrah Rly station Branch stated that grace period is applicable in case of Bank Guarantee (BG) only not in case of LC.
13. SBI has advised that many clauses of standard format of tripartite agreement are not being included by Eastern Railways.