Sub: Electronic Payment System
Ref: Rates Master Circular/E-payment/2019/0 and amendments thereto

Vigilance directorate of Railway Board has reported an instance where in the case of “Paid ERR issued against LC/BG” delivery was given, though there was no positive confirmation of successful transaction of freight payment to Railways, as no such records were available at such location to verify it. No information was appended with RRs at originating and/or destination, about the later on confirmation of e-payments. It has been suggested that in such Paid ERRs, it should be ensured that freight payment transaction is successfully completed and payment advice for ERR successful freight transaction details (from e-Payment log) should be attached with the concerned ERRs. The same should be made available during inspections.

Extant guidelines regarding E-payment system is prescribed vide Rates Master Circular under reference. Relevant provisions are reproduced below-

6.9 In situations when no confirmation of transfer of fund is received from the bank due to technical/network failure etc. and/or when bank sends a message of insufficient fund, then also Paid ERR will be issued, however, this will be restricted up to the total amount of the LC/BG. Zonal Railway shall monitor all cases of ‘Paid ERRs against LC/BG in case of insufficient fund message from bank’ at the apex level for expeditious recovery of dues and its timely updation in the system. If need arise suitable action may also be initiated for realization of dues by encashing LC/BG bond as per extant guidelines.

6.12 At the close of each day at 24.00 hrs, based on transaction messages received from TMS and the Bank, the Interface will generate a transaction-wise reconciliation report for the information of FA&CAO/TA and CCM/FS of both originating and terminating Railways. FA&CAO/TA and CCM/FS of the respective Zonal Railways will also get a daily statement from TMS in respect of station-wise successful transactions made on each day up to 24.00 hours on the previous day for re-conciliation with the Bank’s statement.

6.14 After entering into the agreement for E-payment of freight, Railway will be entitled to claim and recover from the Bank issuing LC/BG funds equal to the amount of the LC/BG at any time towards freight charges recoverable.

8.3 TMS will maintain a ‘Payment Pending List’. Payment Pending List shall indicate all the transactions related to the freight amount due to Railway on account of ‘Paid ERRs issued
without a positive confirmation from the Bank' and 'Paid ERRs issued on account of insufficient fund message from the Bank'.

8.5 .... The goods clerk/System will send request for E-payment to Bank every hour till fund collection advice (successful transaction message) is received from the Bank. The corresponding transaction, thereafter, will be taken off the Payment Pending List duly adjusting the corresponding on-line balance Rupee amount of LC.

The above instructions are reiterated for strict compliance.

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Railway Board