

**Government of India
Ministry of Railways
(Railway Board)**

No.TC-I/2004/104/1-Pt.1

New Delhi, dt.12.10.2010

Chief Commercial Manager
All Zonal Railways

Sub: E-payment system

Ref: Rates Circular No.39 of 2008 and corrigenda No.4 & No.6 dt.4.12.09 & dt.20.7.10.

CAO/FOIS has indicated that in case of small CTOs due to division of LC amount into sixteen Zonal Railways, the amount is reduced to a value less than freight of a rake and in such a situation LC value loses its meaning resulting in preparation of each and every RR on 'To Pay' basis.

The matter has been examined. In terms of Para 5.2 of Rates Circular No.39 of 2008, customers intending to opt for E-payment facility is required to open an irrevocable Letter of Credit(LC) in favour of Railway at a branch of bank mutually agreed upon by the customer and Zonal Railway for an amount equivalent to minimum 2(two) days of average freight paid by the customer to the Railway during the Busy Season in the last financial year.

Vide Board's letter No.TC-I/2010/104/2 dt.20.07.2010, it has been decided that all Container Operators may operate a single bank account under E-payment system and enter into a single tripartite agreement with one Zonal Railway (viz. Northern Railway as nodal Railway) for all terminals/locations.

In view of above provisions, it is clarified that CTOs intending to opt for E-Payment facility would be required to open Letter of Credit(LC) in favour of railway for an amount equivalent to minimum 2(two) days of average of total freight paid by the customer to all Indian Railway during the Busy Season in the last financial year. This LC amount should be reckoned as LC for all Indian Railways and E-RRs will be issued accordingly.



Agreement may be suitably modified to ensure that report pertaining to transactions is furnished to the concerned Zonal Railway. Necessary Reporting system may be designed accordingly. TMS should maintain railway-wise 'payment pending list' indicating online account of number of rakes for which ERR have been issued without receipt of positive confirmation of collection of freight charges from Railway's banks so that CCM(FM)/NR may coordinate recoveries of pending amount on behalf of the concerned Railways.

This issues with the concurrence of Finance Directorate of the Ministry of Railways.



(Aashima Mehrotra)

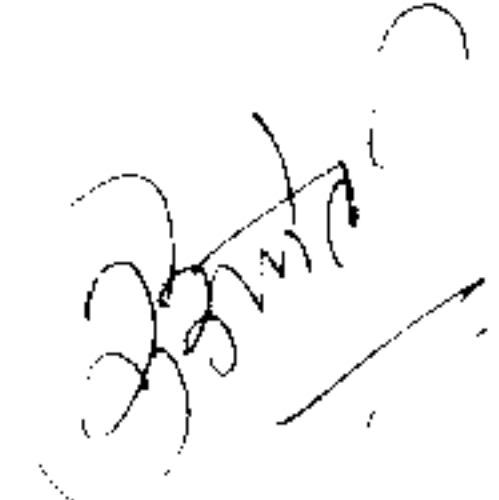
Jt. Director, Traffic Comml.(Rates)
Railway Board

No.TC-I/2004/104/1pt.

New Delhi, dt.12.10.2010

Copy to:

1. FA&CAOs, All Zonal Railways
2. Dy.C&AG(Rlys), Room No.222, Rail Bhavan, New Delhi.



for Financial Commissioner, Railways

Copy to: CAO/FOIS, N. Rly. , Camp: CRIS, Chanakyapuri, New Delhi.



(Aashima Mehrotra)

Jt. Director, Traffic Comml.(Rates)
Railway Board