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Government of India
Ministry of Railways
(Railway Board)

RBA No. 22 / 2007

No. 2006/ ACII/9/1

New Delhi, Dated: 18.05.07.

FA&CAOs
All Zonal Railways/ PUs.

Sub: Implementation of Electronic Payment through ECS/ EFT schemes.

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Please connect Board's letter no.2004/AC-II/21/13 dated 31.08.05 wherein it was desired to explore implementation of ECS/EFT scheme with accredited banks handling the drawing business of Railways. In this regard some of the railways had brought it to the notice of Board's office that nationalized banks are either not coming forward for proposed system or they are not RTGS enabled to take over the work of arranging payment through the ECS/NEFT scheme. The matter was taken up with the CGA and RBI for nessary directives to the banks in the matter. In this regard RBI vide letter no. DGBA.GAD.No.H 15814 /31.3.002/2006-07 dated 30.04.07 has since directed all nationalized banks to assist the accredited government departments in implementing CVC guidelines for adoption of ECS/EFT payments. It is requested that the action may be taken accordingly and difficulty, if any, noticed in implementation brought to the notice of Board for taking up the matter with RBI.

DA: As above

(S.K. Kaushik)
Director Finance (CCA)
Railway Board

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2007/359
DGBA.GAD.No.H 15814 /31.03.002/2006-07 April 30, 2007

The Chairman & Managing Director/ Managing Director
All Agency banks

Dear Sir,

Provision for e-payment facilities to Government Departments

As you are aware, the Central Vigilance Commission has directed the Government Departments vide Office Order No.98/ORD/1 dated April 6, 2004 (copy enclosed) to switch over to e-payment and e-receipts system to ensure transparency and avoid delays in government transactions as such delays lead to opportunities for corruption.

2. As a corollary, the agency banks are expected to provide an enabling environment and facilities to the customers for making government transactions electronically by providing ECS/EFT facilities. While several banks are offering such facilities to their customers, it has been reported to us by the Ministry of Railways that the progress of switching over to ECS/EFT has not been as expected due to unwillingness of the accredited agency banks in public sector in this regard. They have also brought to our notice that the accredited banks are not coming forward to open their deposit account.

3. We therefore, advise you to instruct your branches handling Government business to assist the Government departments in implementing CVC guidelines as indicated in para 1 above whenever such requests are received from them. You are requested to forward a copy of your instructions issued in this regard to your branches for our perusal.

Yours faithfully

Sd/-
(M.T.Varghese)
General Manager
Encl: 1