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

RBA No. 47 /2021

No.2008/ACII/9/3/Pt.II/e

New Delhi, dated: 24 .08.2021

PFAs
All Zonal Railways/ PUs.

Sub: Procedure for levying penal interest on accredited banks for doing government agency business reg.

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Attention is invited to Board's letter no. 2019/ACII/9/15 dated 22.10.2019 (RBA No. 96/2019) regarding remittance of government receipts in government account. In this regard, please find enclosed a copy of Controller General of Accounts/Ministry of Finance's O.M. No. TA-2-01001 /9/2021-TA-CGA/(E-6443)/412 dated 21.05.2021 on the above subject for information and necessary action. These instructions shall apply mutatis mutandis on the Railways also.

Kindly acknowledge receipt and ensure compliance.

DA: As above

(Sanjeev Sharma)
OSD/Accounts
Railway Board

भारत सरकार / GOVERNMENT OF INDIA
रेल मंत्रालय / MINISTRY OF RAILWAYS
(रेलवे बोर्ड / RAILWAY BOARD)

आरबीए सं.47/2021

सं.2008/एसी-II/9/3/पार्ट-II/ई

नई दिल्ली, दिनांक: 24.08.2021

प्रधान वित्त सलाहकार,
सभी क्षेत्रीय रेलें/उत्पादन इकाइयां।

विषय: सरकारी एजेंसी के साथ कारोबार करने के लिए मान्यताप्राप्त बैंकों पर दंड-स्वरूप ब्याज लगाने की कार्यविधि के संबंध में।

आपका ध्यान बोर्ड के दिनांक 22.10.2019 (आरबीए सं.96/2019) के पत्र सं.2019/एसी-II/9/15 की ओर आकृष्ट किया जाता है जो सरकारी लेखा में सरकारी प्राप्तियों के धन-प्रेषण के संबंध में है। इस संबंध में उक्त विषय पर महालेखा नियंत्रक/वित्त मंत्रालय के दिनांक 21.05.2021 के कार्यालय ज्ञापन सं.टीए-2-01001/9/2021-टीए-सीजीए/(ई-6443)/412 की एक प्रतिलिपि सूचना और आवश्यक कार्रवाई हेतु संलग्न है। ये अनुदेश यथोचित परिवर्तनों सहित रेलों पर भी लागू होंगे।

कृपया पावती दें और इसका अनुपालन सुनिश्चित करें।

संलग्नक: यथोक्त

(संजीव शर्मा)
विशेष कार्य अधिकारी/लेखा
रेलवे बोर्ड

TA-2-01001/9/2021-TA-CGA/(E-6443)/412
Government of India
Ministry of Finance
Department of Expenditure
Office of Controller General of Accounts
MahalekhaNiyantrak Bhawan,
GPO Complex, E-Block, INA, New Delhi-110023
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Dated, the 21st May, 2021

OFFICE MEMORANDUM

Subject: Amendment in Civil Accounts Manual Revised Second Edition -2007 Volume-I & II (Reprinted in 2012)

Correction Slip No.17

Following new paras are being inserted in Chapter 1:-

1.15 Agency Commission Payable by RBI to Banks on Government transactions

RBI pays agency commission to banks for handling government business transactions. The agency commission rates on eligible government transactions are as under :-

Sl. No.	Type of Transaction	Unit	Rates applicable w.e.f 1/7/2019
1	Receipts - Physical	per transaction	Rs.40/-
2	Receipts – e-mode	per transaction	Rs.9/-
3	Pension Payments	per transaction	Rs.75/-
4	Payments other than Pension	per Rs.100 turnover	Rs. 6.50 paise

(Authority: Circular No. DGBA. GBD. 3144/31.02.007/2018-19 dated June 20, 2019 issued by Department of Government and Bank Accounts and circulated vide CGA'S OM No. S-11012/3(35)/TOC/2016/RBI/GBA/1151-1199 dated 12-7-2019).

1.16: Procedure for levying penal interest on accredited banks for doing government agency business:

1.16.1 Payment of interest on excess put through/double claim by the accredited bank: PAO need to initiate action with FPB for recovery of penal interest on excess put through/double claim by the accredited bank and send the requisite reports to Pr.AO for consolidation and onward transmission to O/o CGA in accordance with the procedure laid down in para 13.6 (xv) of CAM.

1.16.2 Payment of interest on delayed remittances: All challans pertaining to receipts should be scrutinized to detect cases of delays in remittance beyond maximum period. These delays should be investigated to ascertain whether these have occurred at the receiving

branch or the nodal /FPB branch of the bank. A record of all such cases of delayed remittance should be kept in the PAO.

1.16.3 Calculation of Delay: 'T' is the date of Transaction which will be counted from the date of receipt in case of cash payment, and date of realization in case of cheques/ drafts at the receiving branch. Delayed period interest shall be imposed on the banks for the actual delayed period and not from the date of transaction (T). In other words, the delay period' calculation will start from the day following the prescribed put through date (actual "Put through date will be included for calculation of delay). Concerned Account Offices will identify cases of delay and inform their headquarters. All cases of recovery will be processed by the Accounts Officer and quarterly report will be submitted to their HQ for taking up the matter with the Head Office of the Banks.

1.16.4 Timelines for credit of government revenues:

(A) For manual receipts:

(i) Since all the branches of the agency banks are on CBS platform, all the agency banks (Public/Private Sector Banks), shall remit the physical government receipts collected by the branches of the banks to Government Account in RBI on the next working day i.e. T+1 (including put through) where T stands for the day when amount is received by the dealing branch.

(ii) For the branches falling under North Eastern States, the specified time for remittance would be T+2 days (including put through).

(B) For e-receipts:

i. The remittance period in respect of all govt transactions made through e-payments (including tax receipts of CBDT and CBEC) in respect of Public/Private Sector Banks will be T+1 working day (including Put through date).
ii. The following additional instructions for e-receipt collection by the accredited bank through Debit/Credit Cards/Net Banking are :

a. Remittance norms of T+1 working day including the Put Through day should be strictly followed. T is the day money is available with the receiving bank branch of the agency/accredited bank.
b. Penal interest should be levied on the delayed remittance of e-receipt into Government Account. i e. on delay beyond T+1 working day, if any.
c. In respect of transactions occurring through Debit/Credit Cards and Net Banking, the settlement should conform to the provisions contained in the Payment and Settlement Act, 2007 of the Reserve Bank of India and rules and regulations made therein.

1.16.5 For Small Savings Schemes of M/o Finance (PPF & SCSS etc):

In respect of Small Savings Schemes of M/o Finance (PPF & SCSS etc), the directions given in the M/o Finance, Dept of Economic Affairs, Budget Division OM No. F.17/1/2008-NS-II dated 15th May, 2008 (as amended from time to time) would be applicable. This order lays down the following conditions for remittances and rate of interest of penal interest on delayed remittance.

i. All remittances shall be credited to Government Account at RBI CAS Nagpur within 3 days including holidays for private sector banks and excluding holidays for Public Sector Banks.

ii. The Put-through Date is excluded from the grace period of 3 days (excluding holidays).

iii. In case of delays beyond the above-mentioned period, the penalty payable by accredited banks on such delayed remittances shall be the applicable rate of interest payable to the depositor plus 0.5% in case of delays up to 30 days and plus 1% in case of delays beyond 30 days.

iv. Observance of Rules and Regulations of the PPF Scheme and the SSCS Scheme as amended from time to time. Non-observance of rules and regulations would attract penal action including de authorisation of branch/bank. Pecuniary liabilities, if any, arising from such non-observance shall be borne entirely by the bank.

1.16.6 Rate of Penal Interest:

i. The rate of interest to be charged is Bank Rate as prevailing (which is generally notified biannually on May 1 and November 1) plus 2% or as decided by Reserve Bank in consultation with CGA from time to time.

ii. The period of delay in a transaction of Rs. 1 lakh and above shall attract delayed period Interest at Bank Rate + 2%.

iii. For the transaction below Rs 1 lakh in each case, the delayed period interest shall be levied only at the Bank Rate for delays up to 5 calendar days and above 5 calendar days at the Bank Rate 2 % for the full period of delay.

iv. For petty claims of delayed penal interest involving an amount of Rs.500/- or below will be ignored and excluded from the purview of penal interest (CGA'S OM no S-11012/3/P Intt(RP) /CGA/2007/R80/ 499 dated 06/04/2009). This limit of penal interest of Rs 500 is for per transaction.

v. In respect of Non-Tax and all other Government receipts also, for permissible time limit, calculation of delay period and delayed period interest, the above instructions shall be applicable.

vi. The rate of penal interest in case of PPF/SCSS schemes of Mo Finance is mentioned in para 1.16.5 above.

vii. All banks may build up their own internal control mechanism so that the preventive and corrective actions are taken by the bank for its branches well in time.

1.16.7 Reporting of Penal Interest:

i. Total delayed amount, which has not been remitted in time as per the above timelines and the penalty due along with details of individual cases will be intimated by the concerned Pr. CCAS/CCAS/CAs (for the Non- Civil Ministries by the concerned Head of the Department) to the Head Office of the bank concerned on a quarterly basis by 15th of the following month (eg. for the quarter ending June, the cases should be sent by 15th July) along with all necessary documents.

ii. Where penal interest payable is based on audit, all delays in remittance of receipts of Government along with Penal interest payable should be reported to the concerned banks within 3 months of completion of audit.

iii. In exceptional cases where Ministry Department is not able to lodge the penal interest claim within the stipulated time frame prescribed above, a case for seeking relaxation with full justification would be sent to CGA for consideration.

1.16.8 Payment of Penal Interest by Banks:

Banks will pay penal interest for claims lodged by concerned Ministries/Departments within a period 3 months from the date of issue of claims by Ministries/Departments. All agency banks may build up their own internal control mechanism so that preventive and corrective actions are taken by the bank for its branches.

1.16.9 Resolution of any dispute:

i. In case of any dispute in penal interest between the banks and the Ministries/Departments, such cases may be forwarded by the Banks to the GBA section of CGA for necessary action.

ii. All cases of dispute forwarded by banks will be put up to a committee formed for this purpose. The committee would be chaired by Additional CGA (GBA), O/o CGA with the following members
   a. Pr. CCAS/CCAS/CAS (Independent charge) of the concerned Ministry for cases relating to Civil Ministries/Departments
   b. JS Level officer (in case of Non Civil Ministries)
   c. CGM, DGBA, RBI
   d. Representative from the concerned bank at CGM/GM level
   e. Jt CGA (GBA)-Member Secretary

iii. In case the banks do not pay penal interest or lodge any dispute within the prescribed timelines given above, direct debit of the bank's account will be done for the amount of Penal interest in consultation with RBI.

1.16.10.Terms of Waiver

(i) The penal interest levied on accredited banks cannot be waived. Only the period of delay counted for calculation of penal interest can be relaxed/condoned by the Committee/CGA of Accounts on case to case basis. Following are some of the cases in which period of delay can be relaxed/condoned for calculation of penal interest:

(a) Force majeure such as war not or by an act of God -The effective period of the Force majeure clause for relaxation of time period of delay will be decided by the O/o CGA in consultation with RBI.

(b) Continuous holidays as per RBI calendar

(c) Annual/Half yearly closing of accounts of banks (1 of April & 1 of October)

(ii) The period of Stake by the Bank's staff will not be excluded from the permissible period for remittance of Government revenues (Oro CGA OM no S-11012/3(35)/CBDT/DE/2003-04/RBD/790 dated 14/05/2008)

(iii) The committee will take into account all factors responsible for delay and then condone only the period of delay.

1.16.11 Grounds for Appeal: In cases where the decision of the Committee is not found acceptable by either the Ministry/Department or the bank, an appeal can be filed with the CGA within 30 days of the decision of the committee. The decision of the CGA will be final and binding.

(Authority : CGA's OM No. S-11012/1(31)/AC(22)/2015/RBD/332-424 dated 9th March 2016 and OM No. S 11012/2/3/RBI/2018/GBA/158-1606 dated 19th September 2019)

This issues with the approval of Controller General of Accounts.

Neelakantan R

(Neelakantan.R)
Sr. Accounts Officer(TA-II)

To

1. All Pr.CCAs/ CCAs/ CAs(ic) of Ministries/ Departments
2. DG(Govt. Accounts), O/o Comptroller & Auditor General of India, Bahadur Zafar Marg, New Delhi
3. Addl. DG (B&A), Prasar Bharati, New Delhi.
4. Director of Accounts, UTs Administration- Andaman & Nicobar Islands/ Dadra and Nagar Haveli and Daman & Diu/ Lakshadweep/Ladakh.
5. The AG(A&E), UT of Chandigarh Administration.
6. PAOs, Lok Sabha Secretariat/ Rajya Sabha Secretariat/ President Secretariat/Election Commission, Delhi
7. PAO (Audit), O/o AG (Audit), AGCR Building, IP Estate, New Delhi-2
8. Sr. A.O. (ITD), O/o CGA for uploading the correction slip on the website of CGA.