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1 Ready Reckoners

1.1 Key Data Points on DBT

Source: DBT mission Dated 7th Dec, 2016 [https://dbtbharat.gov.in/]
1.2 Key Policy Guidelines

1.2.1 RBI Guidelines for Electronic Prepaid Instruments (Wallets) with Minimum KYC

As per point 1, clause 3.1 of Issuance and Operation of Pre-paid Payment Instruments (PPIs) in India- Relaxations dated November 22, 2016:

“Upto INR 20,000/- by accepting minimum details of the customer (KYC) provided the amount outstanding at any point of time does not exceed INR 20,000/- and the total value of reloads during any given month also does not exceed INR 20,000/-. These can be issued only in electronic form;”


1.2.2 Ministry of Finance Guidelines on Cashless Payments to Supplier

As per orders of Government December 05, 2016 of Ministry of Finance:
All Ministries/ Departments of the Government of India are required with immediate effect to discharge all payments above, INR. 5,000/- (Rupees Five thousand only) to suppliers, contractors, grantee/loanee institutions etc. by issue of payment advices, including electronically signed payment advices

Source: CGA: http://cga.nic.in/writereaddata/OtherThanSalary01082016.pdf

1.2.3 Ministry of Finance Guidelines on Cashless Payments to Government Servant

As per orders of Government December dated August 05, 2016 of CGA, Ministry of Finance: “All Ministries/ Departments of the Government of India are required with immediate effect to discharge all payments to Government servants, other than salary, above INR.5,000/- (Rupees Five thousand only) by issue of payment advices, including electronically signed payment advices”

Source: CGA: http://www.cga.nic.in/Circular/Published/list.aspx

1.2.4 Civil Account Manual guidelines on Non Tax Receipt

As per Section 1.3, Pr.CCAs/CCAs/CAAs shall be responsible for assisting the FAs in relation to estimation and flow of non-tax revenue receipts. In the discharge of these responsibilities, the Pr.CCAs/CCAs/CAAs shall hold consultations with the administrative divisions to review various non-tax revenue receipts of the Ministries/Departments, review user charges for quantification of the subsidy elements and periodical reviews, as may be required, of rent, license fees, royalties, profit share and dividends.

1.2.5 Ministry of Finance Guidelines for payment of Government money through Debit / Credit Cards and Net Banking facility

As per OM number 1(1)/2006/ECS/TA/335 dated 14th July, 2016: “Government Departments shall take appropriate steps to bear Merchant Discount Rate (MDR) cost like other merchants. The public shall not bear any MDR cost for making payment to Government through debit cards / credit cards / digital means. Detailed guidelines/operational modalities shall follow.

Source: DIPAM [http://ccaind.nic.in/pdf_files/PmtGovtMoneythruDebitCreditCardsOMdt14072016.pdf]

2 FAQs on Electronic Payments and Receipts

2.1 What is Public Finance Management System?

Public Financial Management System (PFMS) is a web-based online transaction system for fund management and e-payment to implementing agencies and other beneficiaries. PFMS is developed and maintained by office of Controller General of Accounts (CGA), Department of Expenditure, Ministry of Finance. PFMS (earlier known as CPSMS) is a single platform for payment, accounting & reconciliation of govt. transactions by integrating various existing standalone systems.


2.2 What is COMPACT?

COMPACT is used by Pay and Accounts Officers (on-boarded on PFMS) to generate a daily closing accounting and administrative data. It is a web-based application that facilitates an Online Financial Information System for fact based fiscal management. This is used by PAOs for tracking the status of bills, viewing the compiled Payment and Receipt data, major head-wise Expenditure & Receipts, Budget Vs Expenditure with various combinations, grant wise central transactions, cheque reconciliation, status of pension cases and maintenance of GPF ledgers.

Source: http://www.cgaindia.org/elekha/elekahome.asp

2.3 PFMS Payments & Accounting Module

From September, 2015, CGA is transitioning PAOs from COMPACT module to an Integrated module of PFMS as ‘Payments and Accounting Module’ for bill submission and other functionalities of COMPACT. This module includes vendor/beneficiary registration, preparation and submission of bills by DDOs and approval of bills.

Source: http://cgaindia.nic.in
2.4 What is BharatKosh or Non Tax Receipt System?

Non-Tax Receipt Portal (NTRP), provides a one-stop window to citizens / corporates / other users for making online payment of Non-Tax Revenue payable to Government of India (Goll). This portal facilitate online deposits without any physical paper movement, and broaden the options for depositors by providing them with wide range of choices for making payments. Presently, BharatKosh has 800+ receipts available for P/B/G2G payments.

Source: https://bharatkosh.gov.in/

2.5 What is PayOnline?

PayOnline is an online payment platform to pay government taxes, bills and fees. An Electronic Receipt portal, PayOnline is secure and easy to use. The portal is fully compatible with smart mobile or tablet, so that a citizen can pay using his/her mobile or tablet. PayOnline is the comprehensive platform for all government payments to be made electronically. PayOnline is targeted to be used by Central PSUs, State and district bodies and it includes inter-ministerial, vendor transactions and small payments by citizens of India for government services.

Source: http://meity.gov.in/content/paygov-india-national-payment-service-platform

2.6 What is PayGov?

MeitY along with NSDL Database Management Ltd (NDML) has created a common infrastructure that can be used by Center / States / Departments to offer various services through their National / State portals with a facility to make online payments using net banking, credit cards and debit cards. PayGov India offers a wide range of payment options through which a payment can be made by the citizen to avail a service. The different options available are:

- Net banking [approx. 65+ banks]
- Credit card
- Cash Cards/Wallets
- Debit card
- IMPS
- NEFT/RTGS

Source: http://meity.gov.in/content/paygov-india-national-payment-service-platform

2.7 What is Treasury, Payments, Receipts and Accounting System?

Treasury System: Treasury Systems are used by Central / State departments for treasury fund allocation under various heads by Central / State Finance (Expenditure) department and reporting of treasury funds expenditure, budget appropriation and re-appropriation.
**Generic Payment System**: This system is used by Center / State departments for making payments to citizens, businesses and other government departments. Payments can be for the social sector, contractual payments, other G2C / G2B and G2G payments.

**Generic Tax Receipt System**: These Systems are developed for receiving payments of Central / State taxes such as Income Tax, Service Tax, Value Added Tax, Sales Tax, Excise Duty, Customs Duty, Corporation tax etc. from citizens, businesses, NGOs, institutions etc.

**Accounting System**: This is an organized set of manual and computerized accounting methods, procedures, and controls established to gather, record, classify, analyze, summarize, interpret, and present accurate and timely financial data for management decisions.

### 2.8 What is a Payment Service Provider?

Payment Service Provider (PSP) offers online services for accepting electronic payments by a variety of payment methods including credit card, bank-based payments such as direct debit, bank transfer, and real-time bank transfer based on online banking. Typically, they use a software as a service model and form a single payment gateway for their clients (merchants) to multiple payment methods.

*Source: [http://meity.gov.in/content/paygov-india-national-payment-service-platform](http://meity.gov.in/content/paygov-india-national-payment-service-platform)*

### 2.9 What is a Pre-Paid Payment Instrument? Which are the RBI licensed PPIs?

Pre-paid Payment Instruments: Pre-paid payment instruments are payment instruments that facilitate fund transfer for the purchase of goods and services against the value stored on such instruments. The value stored on such instruments represents the value paid by the holders by cash, by debit to a bank account, or by credit card. The pre-paid instruments can be issued as smart cards, magnetic stripe cards, internet accounts, internet wallets, mobile accounts, mobile wallets, paper vouchers and any such instrument which can be used to access the pre-paid amount. For list of licenced PPIs, Please refer RBI website.

2.10 What is a Payments Wallet?

Payments wallets (e Wallet/Mobile Wallet) are essentially digital versions of traditional wallets that someone would carry in their pocket. They offer payment services through which the individuals / business can receive/ send money via mobile devices. While there are many variations, usually they can hold digital information about credit and debit cards for making payments, store coupons and loyalty programs, specific information about personal identity and more. Payment Wallet is also called as Pre-Paid Instrument (PPIs).

Source: NPCI [http://www.npci.org.in/]

2.11 How customer can get access to Payment Wallets for first time?

1. Choose the wallet services available in the market.
2. Download the application of wallet as chosen in step 1.
3. Complete the registration process by providing details like Name, Email ID, Mobile No.
4. Mobile number verification code is sent by the wallet company to verify the mobile no.
5. Input the verification code during the registration process as requested by application in Step 4.
6. Payment wallet is created but it has to be loaded with some amount to use it for shopping.
7. Payment wallet can be loaded using Credit card, Debit card, Net banking, ATM card & IMPS. Payment Wallet can be topped up with cash at designated location
8. Once Payment wallet is loaded it can be used for Fund transfer, shopping & other transactions

Source: NPCI [http://www.npci.org.in/]
2.12 What is a Real Time Gross Settlement System?

Real-time Gross Settlement System (RTGS), is a real-time settlement of funds transfer individually on an order by order basis. The transfer is done without netting at the point of receiving the funds transfer request. Since the funds settlement is done on the RBI’s books, RTGS transactions are considered final and irrevocable. RTGS is primarily designed for large value transactions and RBI has mandated a minimum amount of INR 0.2 Mn to be remitted using RTGS. For receiving funds through RTGS, a bank-branch has to be RTGS enabled. Currently more than 100,000 bank branches at more than 30,000 cities/town/talukas in India are RTGS enabled.

Source: NPCI [http://www.npci.org.in/]

2.13 National Electronic Funds Transfer (NEFT)?

NEFT is a nation-wide payment system that facilitates one-to-one transfer between two banking accounts. It allows individuals, firms and corporates to electronically transfer money from any bank branch to another individual, firm or corporate having a banking account with any NEFT-enabled bank branch in India.

Source: NPCI [http://www.npci.org.in/]

2.14 Immediate Payment service (IMPS)

Immediate payment service (IMPS) is a real time payment service that is available 24*7 and 365 days a year, including public holidays. It facilitates inter-bank, account to account fund transfer. IMPS is available on multiple platforms such as Mobile (App, SMS, WAP, NUUP USSD), Internet Banking, ATM and branch as well.

Source: NPCI [http://www.npci.org.in/]
2.15 Aadhaar Enabled Payment System (AEPS)

Aadhaar Enabled Payment System (AEPS) is a bank led model which allows online financial inclusion transaction at Micro-ATM through the Business correspondent of any bank using the Aadhaar authentication. This system is designed to handle both ONUS and OFFUS requests seamlessly in an effective way by enabling authentication gateway for all Aadhaar linked account holders.

Source: NPCI [http://www.npci.org.in/]

2.16 Unified Payments Interface (UPI)

UPI is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood. It also caters to the “Peer to Peer” collect request which can be scheduled and paid as per requirement and convenience. Unified Payments Interface as a proposition will make money transfers as easy as sending a text message in real-time. UPI went live for end customers on 25th August 2016 with member banks uploading their UPI PSP Apps on Google Play store. You can now download any UPI App of your preference, create a profile, add your bank account, generate a PIN and you are ready to transact.

Source: NPCI [http://www.npci.org.in/]
2.17 Bharat Bills Payments System (BBPS)

Bharat Bill Payment System is a RBI mandated system which will offer integrated and “anytime anywhere”, interoperable bill payment services across geographies with certainty, reliability and safety of transactions and also offers accessibility, convenience and trust of the consumers. It offers bill payment services to customers through network of agents or online, allowing multiple payment modes and provides instant confirmation. It will facilitate a less cash society through migration of bill payments from cash to electronic channel, NPCI is in process of setting common standard across the country both for ON-US and OFF-US Bills. For BBPS, the available payment channels will be Internet, Mobile, POS, MPOS, KIOSK, ATM, Bank branch, Business Correspondents, Agents. For BBPS, the available payment modes will be Cash, Credit Card, Debit Card, IMPS, Internet Banking, NEFT, Prepaid Card, Wallet, UPI.

Source: NPCI [http://www.npci.org.in/]

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