GOVERNMENT BANKING & RESERVE BANK OF INDIA
PRESENT STATUS OF GOVERNMENT BUSINESS

- **RECEIPTS**
  - AT RBI COUNTERS
  - AT AUTHORISED BANKS

- **PAYMENTS**
  - BY RBI
  - THROUGH AUTHORISED BANKS

- **ACCOUNTING**
  - OF TRANSACTIONS AT RBI & AUTHORISED BANKS

- **OTHER SERVICES**
PRESENT FOCUS:
TECHNOLOGY BASED GOVERNMENT BANKING

PRESENT THRUST:
HOLISTIC TECHNO BANKING

Facilitated by:
SYSTEM INTEGRATIONS
- Universal Government Accounting

GOALSET:
HOLISTIC TECHNO BANKING
COMPUTERISATION PERSPECTIVES

- OBJECTIVE IS TO STRATEGICALLY TAKE CARE OF EXISTING HETEROGENITY IN SYSTEMS
- REPLACEMENT BY STANDARDISED SYSTEMS
- CHALLENGES
  - INTEGRATION OF ALL SYSTEMS
  - CHANGE TO PROCESSING RULES
  - IS COMPUTERISATION THE MEANS OR THE END?
We have come a long way....

- RBI’s initiative to implement a “Standardised E-Receipt & E-Payment Model” commenced in 2014.
- The critical factor was to establish an end-to-end integrated architecture between Central Government Departments and State Governments; Reserve Bank of India and commercial banks.
- Core Focus was on Establishing a standardized communication protocol and data security.
- Thrust was to facilitate smooth handling of it’s receipts and payments with minimal reconciliation leading to a no-reconciliation environment.
E-Receipts: Current Status

- Electronic Collection of Government Revenues are operational in many states
- E-Receipt Process Flow is not uniform across all states
- Reporting and Messaging structures are not standardised
- Some states have started upgrading the current e-receipt module/design versions
- The current E-Receipt flow leaves scope for differences in accounting and reporting
- RBI being the ultimate creditor to the Government Accounts is servicing requirements of the State Governments on multiple models and structures
- The problem of dual reporting of e-scrolls to State Government i.e. direct reporting from Agency Bank to State Government and reporting through RBI
- Recommendations of the Working Group on Standardisation and Uniformity of E-Receipts and E-Payments: April 2014
E-Payments: Current Status

- Processing of Payments by Government Departments not standardised
- High number of paper cheques issued by Government
- Some State Government Departments have developed their own unique models mainly based on individual the Agency Bank systems / products
- Parking of Returned uneffectuated / Rejected / Unreconciled funds with Agency Banks and not in the Government Account
The Journey

Initiation:
- Decision to implement a standardised e-receipt/payment model
- Freezing of the Interface Protocol, Message Standards and handshaking Standards
- Intimation to Finance Secretaries

E-Payments:
- West Bengal was the first state to process e-payments
- Karnataka, Odisha, Kerala joined e-payments
- Integration with PFMS for processing of Inter Govt. Adjustment Advices
- Various States initiated developmental activities
- Karnataka, first state to start e-receipts. It is the first state to commence both e-receipts & e-payments, under it’s Khajane II.
- Agency Banks commence electronic reporting to e-Kuber for receipts of Kerala, Odisha, TN, Maharashtra, Gujarat, AP, Telengana, Madhya Pradesh, Chhatisgarh
- Uttarakhand commenced e-payments
- E-Payments for Ministry of Food & PD and India Govt. mint commenced through PFMS & e-Kuber integration
- Integration with Govt. of AP for automatic push of electronic clearance memo
- Assam
- IAAA for Central Govt
- Uttarakhand commenced pilot run for end-to-end e-receipts
- Receipts from any bank using RTGS/NEFT PFMS(Non Tax Receipt Portal)
- West Bengal Commenced End-To-End E-Receipts

2014 2015 2016
Govt. Receipts: Traditional Process

- **Customer**
  - Customer Fills Challan
  - Issues Challan Copy

- **Govt. Treasury/PAO**
  - Treasury Issues Challan
  - Submits All Physical Challans of Collecting Banks (T+3/5/7)
  - Reconciles Challans against Funds Reported by RBI

- **Agency Bank (Collecting Bank)**
  - Submits Challan and Cash/Cheque
  - Records Payments

- **Agency Bank (Treasury Bank)**
  - Submits All Physical Challans of Collecting Banks (T+3/5/7)
  - Reports Consolidated Collection (T+3/5/7)

- **RBI**
  - sends Scrolls to Govt.
  - Dr. Banks Cr. Govt. A/C
  - Submits All Physical Challans & Funds to Treasury Bank (T+1/2)
  - Reports Consolidated Collection (T+3/5/7)
E-Receipts: Standardised Approach: E-Kuber

1. Customer Access to Govt. Portal
2. Fills the Challan Details
3. Confirms the Mode of Payment
4. Selects the Agency Bank

Customer

Credit Notification Sent to Govt. Portal In ISO Format

Credit Notification

Assigns RBI Reference No.
(Account Servicer Ref.)

Does the Accounting Dr. Agency Bank Cr. Govt.

E-Kuber

Sends to E-Kuber

Prepares Receipt Data in ISO Format

E-Kuber Validates the File Sends Acknowledgement

E-Kuber

Confirmation String to Govt. Site

Confirmation String

Bank Assigns Bank Ref. No.

Bank Assigns

Agency Bank

Debit Notification Sent to Banks In ISO Format

Debit Notification

Assigns RBI Reference No

Assigns RBI Reference No.

E-Kuber

Updates Govt. System Database

Allocates Govt. Ref. No.

Sends Payment Request String

Sends to E-Kuber

Sends to E-Kuber

Prepares Receipt Data in ISO Format

Prepares Receipt

Customer Logs in using credentials

Customer Confirms Debit

Customer

Dr. Agency Bank Cr. Govt.

Does the Accounting

Govt. Collection Portal

Credit Notification

Assigns RBI Reference No.
(Account Servicer Ref.)

Does the Accounting Dr. Agency Bank Cr. Govt.

E-Kuber

Sends to E-Kuber

Prepares Receipt Data in ISO Format

E-Kuber Validates the File Sends Acknowledgement

E-Kuber

Updates Govt. System Database

Allocates Govt. Ref. No.

Sends Payment Request String

Sends to E-Kuber

Prepares Receipt Data in ISO Format

Prepares Receipt

Customer Logs in using credentials

Customer Confirms Debit

Customer
Receipts through NEFT/RTGS: E-Kuber

1. Customer Access to GSTN
2. Fills the Challan Details
3. Confirms the Mode of Payment as NEFT
4. Updates GOVT Database
5. Allocates CPIN
6. Generates NEFT Mandate
7. NEFT Mandate to carry CPIN for the tracking
8. Customer initiates NEFT from any Bank
9. Bank advises UTR
10. Sends NEFT to RBI as per the Mandate
11. Credits Passed to the NEFT
12. Notification Sent to Govt.
13. Sends the Head-Wise Transfer Amount periodically
14. Credits Passed to Govt Heads
15. Sends the NEFT/RTGS Rejection Instruction
16. Initiate the Return transaction

GOVT PORTAL
CPIN Marked as Success
Generates E-Challan/Receipt

RESERVE BANK OF INDIA
E-PAYMENTS:

- Treasury I
  - E-Scrolls
  - ACK
  - E-Payments

- Treasury II
  - E-Payments
  - ACK
  - E-Scrolls

- Treasury III
  - E-Payments
  - ACK
  - E-Scrolls

- Treasury IV
  - E-Payments
  - ACK
  - E-Scrolls

State Treasury Portal

- RTGS
  - O/W Msgs
  - I/W Msgs

- E-Kuber
  - O/W Msgs
  - I/W Msgs

- NEFT

- Straight Through Processing (STP)
- ISO 20022 Standard Messages
- Same Day Reconciliation
- Real Time Cash Balance
- Scheduling For Future Txns
- Data Security
- Payments
  - ACK
  - Returns
  - Credits
  - E-Scroll
  - SFTP/Web Service
PFMS: Integration of Systems

E-Payments
IGAA
NTRP
IAAA

PFMS

E-KUBER
Things in the Offing...

- GST
- CBDT
- Reporting of Defence Pensions
- Electronic Reporting of Payments by Agency Banks
- Integration with NPCI
- E-Payments of Railways
GST: Integration of Systems

GSTN

CPIN Data

MOE

NEFT/RTGS Details

Credit Notification for Banks Data

Credit Notification for SGST

IGAA for IGST Credit Advice

Online Transaction Processing

Offline CPIN Details

Confirmation of Payment

Transaction Data

Account Statement

IGAA for IGST Sharing

MOE

NEFT/RTGS Transactions

GST Transaction Data (Luggage File)

Account Statement

Banks
## Major Initiatives...

<table>
<thead>
<tr>
<th>GST</th>
<th>CBĐT</th>
<th>IAAA &amp; Cash Mgt</th>
<th>Further Initiatives...</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ The standardized e-Receipt Model has been recommended by “Joint Committee on banking arrangement for GST Collection”&lt;br&gt; ✓ Technical development has commenced at GSTN, banks &amp; RBI&lt;br&gt; ✓ Continuous assessment is being done to review preparedness by Ministry of Finance, Govt. of India&lt;br&gt; ✓ State Governments being the critical stakeholder needs to prepare for the technical readiness</td>
<td>CBĐT has already commenced discussion with all the stakeholders for implementation of the e-receipt model</td>
<td>✓ Central Government to commence IAAA for high value transactions shortly&lt;br&gt; ✓ Various State Governments would be integrated for automated flow of Govt. Cash Position, Investment/Disinvestment, WMA/OD Positions</td>
<td>✓ The BPR Committee is in the final stages for submitting their report&lt;br&gt; ✓ New initiatives like payment gateway and Aadhar based payments&lt;br&gt; ✓ Rationalization of cost for Govt. transactions</td>
</tr>
</tbody>
</table>
Integration with all Govt. Service Portals
- Payment Gateway
- Citizen Portal
- Online Subscription of Govt. bonds/Tax Payment
- NEFT/RTGS/Aadhar based E-Payment
- Cheque Intimations
- Stop/Revocation of Stop Cheque
- Inter Govt. Adjustment Advice
- IAAA
- E-Receipts through NEFT/RTGS

E-Payment Transaction Status & E-Scroll
- Inter Govt. Adjustment Advices
- WMA/SWMA/OD
- Investment/Disinvestment Position
- Day-wise Monthly Scrolls
- Clearance Memos
- All Agency Transactions E-Scroll

Govt. System

E-Kuber

CBS-To-CBS

Banks

RTGS NEFT ABPS
RBI: Current Integration Status

- PFMS
- Andhra Pradesh
- Odisha
- Kuber
- NEFT
- GePG
- Kerala
- West Bengal
- Karnataka
- Uttarakhand
- Maharashtra
- Assam
- RTGS
- Banks
RBI Integration: Next One Year

ALL STATES
Andhra Pradesh
Haryana
Karnataka
Uttarakhand
Maharashtra
Assam
Kerala
West Bengal
Tripura
H.P.
UP
Gujarat
NEFT
APBS
RTGS
PFMS
GSTN
GePG
Karnataka
Odisha
Banks
PFMS
THANK YOU