

**Format – Consignor/Consignee**  
TO BE TYPED ON Rs. 500 STAMP PAPER

**TRIPARTITE AGREEMENT**

The agreement made on this ----- day of ----- 20 ---- between the President of India as represented through the Chief Commercial Manager Central Railway Mumbai CST hereinafter referred to as 'The Railway' which expression shall be deemed to include its successors and the assigns) of the First part.

AND

M/s.----- having its registered office at ----- (herein after referred to as 'Consignor/Consignee' which expression shall be deemed to include its successors and assigns unless the context shall require a different construction) of the Second Part.

AND

The ----- (hereinafter referred to as 'The Bank' which expression shall be deemed to include its successors and assigns) of the Third Part.

The State Bank of India, -----, the banker to M/s. -- ----- and State Bank of India, having its Corporate centre at State Bank Bhavan, Madam Cama Road, Nariman Point, Mumbai - 400021, banker of Central Railway (hereinafter referred to as 'consignor's banker/Consignee's banker' and railway's banker respectively which expression shall be deemed to include its successors and assigns unless the context shall require a different construction) is also signatory to this agreement in as much as it is applicable to the transaction at their end.

WHEREAS

- i. The railway transport goods from one railway station to another railway station.
- ii. Consignor/Consignee utilizes the services offered by Railway for transportation of its material & any other permissible commodity from one Railway station to another Railway station.
- iii. For the purpose of availing said services of transportation, the consignor/Consignee is required to pay freight to the railway at the originating station.

- iv It is agreed that said payment of freight shall be made by the consignor/Consignee to the railway by utilizing the services/infrastructures of Bank by means of electronic mode through internet so that immediate payment can be received by the Railway.
- v. Utilize the services of Bank for receipt of the freight on the terms and conditions as appearing in this agreement and at the request of the Railway and Consignor/Consignee bank has agreed to facilitate the Railway to receive the freight charges from the Consignor/Consignee's account with the bank.
- vi. Period of agreement – This agreement shall be valid from the date of ----- to ----- and would be extendable further by mutual consent subject to the terms and conditions governing the policy on e-payment transactions announced by Government of India, Ministry of Railways / Reserve Bank of India.

In above contexts, and for mutual considerations, it is agreed to by & amongst the Railways, consignor and the bank as follows:

1. This agreement will cover freight charges as well as wagon registration fee payable by the consignor from the date of this agreement or a mutually agreed date.  
  
The existing policy guidelines regarding WRF as and when any amendment received from Railway Board will be applicable in case of collection, refund and adjustment of WRF if any.
2. The freight as well as WRF payment will be drawn by the Railway from consignor's/Consignee's bank by utilizing its Freight Operation Information System (FOIS), which has connectivity with the bank's server/system through the Centre for Railway Information System (CRIS).
- 3 M/s----- nominated one nodal branch of the SBI for transfer of funds in respect of all the transactions taking place at ----- locations on ----- division.
- 4 (i)Regular Payment Mechanism -  
(a) Flow of funds to Central Railway account will be arranged from a dedicated account which will be opened by M/s. -----, at SBI, ----- with an allocated credit limit equivalent to 2 days average freight of highest transaction month during the last financial year i.e. Rs. ----- lakh approximately.  
In case where e-payment facility is availed by the customer in a dedicated account which is in the nature of cash credit account, there are chances of failure of transactions on account of non-submission of stock statement or non-renewal of cash credit limit. In such cases of non-adherence to financial discipline by the customer, error message 'Insufficient funds' will be generated by the system and 'To Pay' surcharge, if any, imposed by Railways will have to be solely borne by

the customer without any recourse to the bank.

(b) The consignor/Consignee shall arrange to recoup, on every bank working day, the amount of freight paid by the Consignor's/Consignee's banker, out of the dedicated account, for the immediately previous day/days in case of Bank Holidays. A day is defined as zero hour to twenty-four hours as is in vogue on Indian Railway.

(C) BG is designed to be a security to enable Railway to issue E-RR even in cases in which no positive electronic confirmation is received by Railway about the freight charges having been transferred from the customers bank account.

(ii) Default Payment Mechanism -

The Consignor/Consignee shall open an Irrevocable Inland revolving letter of Credit (LC)/ Bank Guarantee (BG) in favour of the Central Railway through SBI, to be advised by the Banker of Central Railway, SBI Main Branch Mumbai for an amount equivalent to 2 (two) days of average freight of highest transaction month paid by consignor to the Railway during the last financial year which comes to Rs. ----- lakh for ----- loading point, to ensure assured transfer of funds. This LC/BG should be valid for 2 year with provision for its encashment upto next one month. The customer will need to provide a fresh LC/BG or arrange to extend the validity of existing LC/BG before its expiry till the currency of agreement subject to review and revalidation every year. The Rupee amount of LC/BG would be the upper limit for which E-RRs can be issued by the System without receiving any positive confirmation from the Bank regarding collection of funds from the customer. The LC/BG will be operated only as a default mechanism i.e. will be standby LC/BG.

(iii) If the invoice date is within 31<sup>st</sup> March of the financial year then the transaction will be processed at SBI even if these requests come after 31<sup>st</sup> March but before expiry of the validity of the LC/BG of the customer/consignor.

5. That the consignor/Consignee undertakes to clear, without fail all arrears of payment due to Railways arising in terms of this agreement, as communicated by the Railways.
6. The transactions of freight charges made through this system will be 'Paid 'and 'To Pay'.
7. Railway will be entitled to claim and recover from the bank funds within the value of LC/BG for ERR (paid) for which payment is pending/not received from Bank through the system. This amount will be recoverable on a written intimation to this effect from Sr. DCM, BB. This communication from Sr. DCM shall tantamount to filing of claim by the Railways under the LC/BG. The Bank will have to make payment within three days from the date of intimation/communication.

8. Procedure in the field offices.  
 In this e-payment scheme, the goods clerk will give a command to the system to prompt the bank for collection of freight charges through e-banking. The bank on receipt of such an advice through TMS will collect fund from customer's account and electronically credit the same to Railway's account immediately during business hours and at the start of the next business day if such a transaction takes place after close of business hours.
- Normally a request from FOIS to the Bank for electronic payment will be responded within 150 seconds. In cases where this time limit is extended the procedure outlined under exigencies will be invoked.
- 8-A State Bank of India on its Mumbai branch has opened a pooling account no \_\_\_\_\_ for transfer of funds received on account of Government business. This is subject to the condition that the amount so pooled in the account is remitted into Government account on the same day, if it is received within the business hours, or the next day, if it is received after the business hours of the bank. The date of transaction (i.e. receipt of the amount) for the purpose of settlement of funds to Govt. account shall be the date of receipt of amount by the bank. M/s. -----, (second part) and State Bank of India (Third Part) will ensure that the proposed arrangement for E-Transfer of fund from M/s. ----- through State Bank of India to the Central Railway conforms to above condition.
9. The command requesting collection of freight against a particular transaction will include its complete details viz. invoice number, date of loading (i.e. date of generation of invoice number by the system), station from, station to, commodity, names of consignor and consignee, freight charges due, name and code of the bank, LC/BG number with validity period and system's date and time of triggering this task to the interface device between TMS and the bank.
10. After successful collection of the requisite amount, the bank will communicate its confirmation in the encrypted form including all the booking details viz, invoice no., date of loading, ( i.e date of generation of invoice no of TMS), station from, station to, commodity, names of consignor & consignee, freight charges credited and to be credited to the designated account of FA&CAO of the originating loading station, name and code of the bank and system's date & time of effecting this transaction to the CRIS interface, which in turn will communicate these details to the loading points through TMS.
11. At the loading point (TMS device location) the system will display a message confirming successful completion of transaction to the terminal operator.
- 12 Transaction ID given by the bank, FOIS' transaction time, customer code, LC/BG number, validity period of LC/BG, customer's bank

- branch and branch code, Railway's bank account No, bank's name and branch code shall be printed on RR generated through e-payment. One copy of the RR shall be dispatched by the station to the Cash office along with the daily challan as Remittance Note.
- 13 If a positive confirmation of collection of freight charges from the bank is received in response to a transaction for collection of freight charges, TMS will issue Paid E-RRs. However, if bank sends a message of insufficient funds, system will issue "To Pay E-RR with surcharge at the rate applicable".
- 14 If no message is received from bank within 150 seconds for any reason whatever, then system will issue 'Paid E-RR' subject to conditions laid down in case of exigencies.
- 15 The bank shall in turn generate a daily list of transactions incorporating all details given in Para-9 which shall be sent to Focal Point Branch of the banker of the originating Railway and 'Remittance into bank' section of HQ books section shall reconcile the transactions based on daily listing received through FPB and Treasury Remittance Note (one earmarked copy of RR) received from Cash Office.
- 16 At the close of each day at 24.00 hours, based on transaction messages received from TMS and the bank, the interface will generate a transaction – wise reconciliation report for the information of FA & CAO/T and CCM/FS of both originating and terminating railway. FA & CAO /T and CCM/FS of Central Railway will also get a daily statement from TMS in respect of station wise successful transactions made on each day up to 24.00 Hrs. on the previous day for reconciliation with the bank's statement. Copy of these statements will also be given to the consignor for reconciliation at their end. However, reconciliation procedure for remittance into bank transaction in the books section shall be as per FPB Scheme as per para 15 above.
- 17 Electronic payment system will be a 24x7 facility under which transactions will be made round the clock and on all the days of the year. Freight received till the close of the business hours of the bank shall be accounted for on the same working day for the purpose of financial settlement with the bank and the Railway. However, payments received electronically after the close of business hours of the bank branch would be credited to the designated account of FA&CAO of the originating Railway in the next working day's receipts.
18. After entering into the agreement for e-payment of freight, Railway will be entitled to claim and recover from the bank issuing LC/BG funds equal to the amount of the LC/BG at any time towards freight charges recoverable. Modalities regarding filing such claims by the Railways and payment towards them by the bank, period of validity of LC/BG as well as other details in this regard should be incorporated in the Tripartite agreement.

19. The Bank will function in accordance with the Focal Point Branch (FPB) scheme (for effecting, settling reporting and reconciliation of such transactions).

Procedure in Accounts

20. Cash office shall treat the payment advice in the form of earmarked copy of ERR as TR Note for the purpose of accounting and reporting.

21. In Traffic Accounts office, the present practice of checking the credits taken by stations in their Balance sheets for the bank remittances with reference to cash check sheets prepared by cash offices shall continue. Likewise, the practice of reconciliation of remittances into bank being done, with the daily scrolls and date-wise, monthly statements received from FPB and that of latter with the clearance memo received from RBI, CAS Nagpur shall continue. There shall be a bank-system generated daily statement stating details of the total freight accrued, total freight credited on that day and amount to be credited on the next working day. These daily statements should be available on TMS for information of station/s concerned and for reconciliation by Traffic Accounts Office. (Sr.DCM, ---, FA&CAO (T) and CCM(FS), SBI and Bank Branches of the Railway and the party).

22. The amount of freight so collected by the bank shall be settled with RBI, CAS Nagpur in line with the applicable procedure/ guidelines as may be prescribed by RBI from time to time.

Procedure in case of exigencies

23. Paid E-RR can be issued in the event of failure of communication between the FOIS, CRIS and bank server either before any transaction details can be sent to the bank or after a transaction message is sent for payment and consequently no confirmation for transfer of funds or otherwise is received at TMS location.

24. The Rupee amount of LC/BG will be the upper limit for which Paid E-RR can be issued by the system without receiving any positive confirmation from the Bank regarding collection of funds from the customer.

25. TMS will maintain a 'Payment Pending List' to indicate the freight amount and other relevant details about the Paid E-RRs issued without a positive confirmation from the bank about transfer of funds. All transactions included in the Payment Pending List indicate the freight amounts due to Railway on account of E-RRs issued without positive confirmation from the Bank.
26. TMS will ensure that the cumulative online Rupee amount indicated in the Payment Pending List must never be allowed to exceed the amount of LC/BG.
27. A facility would be provided to send a system generated alert message whenever possible to the concerned authorities i.e. Originating Stations, Sr.DCM ----, FA&CAO(T), CCM(FS)/CR both by SBI and FOIS System. The goods clerk/system will send request for E-Payment to SBI every hour till fund collection advice (successful transaction message) is received from the bank. The corresponding transaction thereafter will be taken off the Payment Pending list duly adjusting the corresponding on line balance Rupee amount of LC/BG.
28. In the event of failure, at the system end either SBI or FOIS servers, likely rectification time, whenever practical should be indicated either through e-mail or telephone to the concerned authorities as detailed in para 27.
29. The consignment booked under E-payment scheme shall not be diverted or re-booked to dump depot through system till relevant software is ready. Till that time such transactions have to be accounted for manually.
30. If the TMS device of the loading point fails to function at any stage, the Sr.DCM of the division over which the loading station lies, will ensure that requisite data are fed in the system through the proxy reporting from the adjoining location or divisional control office and that the RR is generated in TMS system and freight collected through E-banking well in advance. However, RR will be printed at the goods originating point only on restoration of normal operation. Such transactions will be accounted for in the originating station's balance sheet.
31. In cases a failure is anticipated to last for more than five days CCM will be apprised and he will decide whether to declare this failure as a prolonged failure. If failure is declared as a prolonged failure by CCM, E- Payment facility will be discontinued and payment shall be arranged by the consignor as per the conventional system. In all such cases, E- payment system will be re-introduced through a notification by CCM based on a written certification by the bank and CRIS/FOIS.
32. In case limit of Rupee amount of LC/BG has been fully exhausted, then E-payment facility will be automatically discontinued and payment shall be arranged by the customer as per conventional system. In all such cases, E-payment system will recommence after availability of necessary rupee amount for processing subsequent RRs.

Withdrawal/ Termination:

33. In case of frequent system failures leading to lack of communication between TMS and the bank, the electronic payment facility will be withdrawn in respect of such party by the Railway and manual system of payment will be introduced. Railways will give a notice of 14 days from the date of issue to M/s. -----, and the bank before terminating the tripartite agreement. The tripartite agreement can also be terminated by either of the parties. i.e. M/s. ----- and the bank after giving a similar notice of 14 days.

34. Miscellaneous:

- (i) All Policy circulars issued by railways from time to time for implementation of Terminal Management System (TMS) shall be read in conjunction with this agreement.
- (ii) Any disputes regarding levy of To Pay surcharge etc. will be resolved by General Manager of Central Railway.
- (iii) The consignor's banker shall develop a suitable payment gateway connectivity arrangement with CRIS at its own cost and enter into a mutually agreed Technical Framework Agreement.
- (iv) The consignor's banker shall arrange at its own cost necessary software and hardware infrastructure to receive details of on-line Railway receipt from the Railway's banker. This system will be a 24x7 facility under which transactions will be made round the clock and on all the days of the year.
- (v) In the event of any question, dispute or difference arising under these conditions or in connection with this contract (except as to any matters the decision of which is specially provided for by these conditions), the same shall be referred to the sole arbitration of the Gazetted Railway Officer appointed to be the Arbitrator by the General Manager, Central Railways. The Gazetted Railway Officer to be appointed as Arbitrator however, will not be one of those who had an opportunity to deal with the matters to which the contract relates or who in the course of his duties as Railway servant has expressed views on all or any of the matters under dispute or difference subject to the provision of the Arbitration & Conciliation Act, 1996. The award of the Arbitration shall be final and binding on the parties to this contract.

In the event of the Arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason, it shall be lawful for the authority appointing the Arbitrator to appoint another Arbitrator in place of the outgoing Arbitrator in the manner aforesaid.

It is further a term of this contract that no person other than the person appointed by the authority as aforesaid should act as Arbitrator.

The cost of the arbitration will be equally borne by the respective parties unless otherwise determined by the Arbitrator. The cost of the

Arbitrator shall interalia include fee of the Arbitrator, as per the rates fixed by the Railway Administration from time to time.

The Arbitration and Conciliation Act, 1996 and the rules there under and any statutory modifications thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this clause.

However, if the above arbitration process is unable to resolve the issue, the dispute will be referred to the high-powered committee functioning in Cabinet Secretariat before going to any court/tribunal for relief/redressal.

The venue of the arbitration shall be the place from which the acceptance letter is issued / the Contract Agreement is signed or such other place as the Arbitrator at his discretion may determine.

In this section the authority to appoint the Arbitration includes, if there is no such authority, the officer who is for the time being discharging the functions of that authority, whether in addition to other functions or otherwise.

vi The Consignor shall be bound by the debits made by the bank for the transactions carried out as per this agreement. If there is any dispute, concerning the amount debited to the bank account of the Consignor, the matter shall be resolved in terms of Clause 34 ( v ) of the Agreement.

As far as possible Railways and the Consignor will resolve all disputes mutually. However, in case of failure in arriving at a solution and if both the parties come to the conclusion that the dispute cannot be solved without involvement of SBI, then SBI shall facilitate resolution of such dispute but shall not incur any liability in respect of claims between Railways and the Consignor, except where it is established through the transactions etc. that the Bank is liable in respect of any claim/s in dispute on account of any errors, mistakes or malfunctioning of system/software/processor made available by the bank or their agents. In the event the Bank refuses to accept their liability in such matters, then in that case the said disputes/ claims shall be resolved through arbitration, in terms of clause 34 (v) of the agreement.

vii Any addition, alteration, renewal and extension of Agreement may be made with the mutual consent of all the parties.

viii If not provided otherwise in the Agreement, all notices to be given by the Railway Administration and all other action to be taken on its behalf may be given or taken by Dy. CCM(FS) or any other officer for the time being entrusted with the functions, duties and powers of Dy. CCM(FS).

ix	In case of breach of any of the conditions mentioned herein this Agreement shall liable to be terminated by mutual discussion & agreement.
x	All disputes are subject to the jurisdiction of the High Court, Mumbai and /or its subordinate Courts only.
xi	The Agreement shall be governed by the laws of the land for the time being in force in the Republic of India.
xii	Any systemic improvement through modification to the provisions of this Agreement shall be done with mutual consent by all the parties to the Agreement after a period of three months from the date of this Agreement, and changes, if necessary shall be incorporated in the Agreement suitably.
xiii	The execution of above agreement will be in accordance with existing Tariff/Manual provisions and policy/procedures issued or to be issued from time to time by the Railways.

IN WITNES WHERE OF: the parties hereby have set their hands on the  
----- day of ----- 2016 at Mumbai

Signature

For & on be half of the President of India,  
Represented by  
Chief Commercial Manager (FS)

Signature

For & on be half of the Consignor,  
M/s.

Signature

For & on behalf of the  
(Name of Bank)