EAST COAST RAILWAY

Office of the Principal Chief Commercial Manager
Rail Sadan, North Block, Chandrasekharpur, Bhubaneswar-751017

ZONAL COMMERCIAL CIRCULAR
No.12 (C) of 2023
(COACHING)

No.PCCM/100/ chg. Circular /Pt- XI/23 ***Dated: 27.06.2023***

To

All SM's/CI's/CBSR's/CRS's/CPSR's/CTI-in-Charge of Divn./CTI Squad-in Charge/CTI station /Clerk- in- Charge & YTSKs over East Coast Railway.

Sub: Revised policy on Automated Teller Machines (ATMs) and Digital Banking Units (DBUs) on Indian Railway (IR) premises.

Ref: (i) Rly. Board's letter no. 2018/Trans cell/Civil/ATM Policy dated 27.11.2018.

Commercial Circular No.10 of 2023 received from Rly.Board is reproduced below.

Please find enclosed a copy of Railway Board instruction regarding revised policy on Automated Teller Machines (ATMs) and Digital Banking Units (DBUs) on Indian Railway (IR) premises.

Authority:-Railway Board letter No. 2018/Trans Cell/Civil/ATM Policy/Part I dated 21.06.2023.

Enc: As above (Six pages)

27-06-23

(P.K. Samal)
Dy. Chief Commercial Manager (PS.& Catg)
For Principal Chief Commercial Manager

Copy to:

PCCM:SER/SECR/NR/NFR/ER/SR/SCR/WR/NER/CR/SWR/NCR/NWR/WCR/ECR/KR **PCOM** ECoR/**S**ER/ER/SECR/NR/NFR/SR/SCR/WR/NER/CR/SWR/NCR/NWR/WCR/ECR/KRSDGM/PFA&CAO/PCE/PCSTE/PCMD/PCEE/PCME/PCOS/PCPO/CAO(Con)/**CPRO** of ECoR, Member/RCT/BBS,Chairman /RRB/BBS, Dy.CVO(T)/BBS, **DRMs**:WAT/KUR/SBP.**SrDCMs**:WAT/KUR/SBP **SrDOMs**:WAT/KUR /SBP., Dy.CCO /ECoR /BBS CCO, SER /Kolkata, FACAO (T), Dy.FA&CAO (T)/ BBS, Dy.FA&CAO (T)/ GRC, Dock in charge CPT Rly. Kolkata, VSKP Port / Paradeep Port / Haldia port, CGM/CONCOR, IISCO house, 50, Jwaharlal Nehru Road, Kolkata, ED/CRIS, Chanakyapuri/ New Delhi-110021, GGM /IRCTC /Kolkata, CRM/IRCTC/BBS. GM/RITES/BBS& GM(IT) /RITES, Gurgaon, MD/CRIS, New Delhi.

27-06-23

(P.K. Samal)
Dy. Chief Commercial Manager (PS.&Catg)
For Principal Chief Commercial Manager

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

No. 2018/Trans Cell/Civil/ATM Policy/Part I
E-office no. 3359560

New Delhi
Dated: 21.06.2023

The General Managers, all Zonal Railways; and
Metro Railway, Kolkata

(Commercial Circular No. 10 of 2023)

Subject: **Revised policy on Automated Teller Machines (ATMs) and Digital Banking Units (DBUs) on Indian Railway (IR) premises.**

Reference: **Board's letter no. 2018/Trans cell/Civil/ATM Policy dated 27.11.2018.**

Policy guidelines pertaining to installation and operation of Automated Teller Machines (ATMs) on railway premises have been issued vide Board's letter no. 2018/Trans cell/Civil/ATM Policy dated 27.11.2018. However, taking into cognizance technological advances and emerging socio-economic realities, it has been decided to liberalize the current policy regime for installation and operation of ATMs on railway premises.

2. Further, the advent of Digital Banking Units (DBUs) has made it possible for customers from all sections of society to avail banking products and services in a cost-effective and convenient manner. DBUs are a specialized business unit/hub equipped with digital infrastructure, and provide customers better access and enhanced digital experience by provisioning for internet banking, updation of KYC, automatic passbook printing, lodging banking related complaints digitally, account opening, digital on-boarding of customers for schemes such as Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana etc. Customers can also seek guidance and assistance of experts posted at these units for all banking requirements. DBUs are expected to promote financial inclusion, strengthen last mile banking and digital financial literacy.

3. In view of the changed context, ATMs and Digital Banking Units (DBUs) are **desirable passenger amenities** and installing them within railway areas would enhance passenger experience, customer satisfaction and increase convenience to the stakeholders. Accordingly, in supersession of all the previous instructions on the subject, following policy is issued with the approval of Board regarding provision of ATMs/DBUs on IR.

4. **Scope**:

i. In view of the fact that ATMs are deemed as *a desirable passenger amenity* provided to *improve customer satisfaction and interface process,* it has been decided to widen the policy ambit to permit the setting up of ATMs by Public Sector Banks/Scheduled Commercial Indian Banks /Indian Co-operative Banks/ White Label ATM service providers permitted/licensed to install and operate ATMs by RBI at railway stations at locations (with an area of 6 feet* x 6 feet) identified by Divisions as per feasibility and demand.

ii. In order to foster Government's agenda to promote last-mile banking and provide access to new-age banking to the underserved/unserved, it has been decided that Digital Banking Units (DBUs) may be permitted to set up by Public sector Banks/ Scheduled Indian Commercial Banks permitted/licensed to install and operate DBUs by RBI at small stations (NSG-4, NSG-5, NSG-6 and halt stations (HG-1, HG-2, HG-3) (with an area of 15 feet x 15 feet). Divisions may identify suitable space for such DBUs as per feasibility and demand.

5. **Area for setting up of ATM/DBU and location :**

i. The area for installing and operating ATM/DBU will be identified at the Divisional level by the concerned DRM based on field situation, land availability and demand. The approximate area to be allotted for different types of entities will be as under:

ATM: 6 feet by 6 feet
DBU: 15 feet by 15 feet

ii. The existing built up area/structure (if available) may also be considered by DRM for this purpose, without any risk/liability on the part of IR. This would however remain the property of IR. In case, a built up area/structure (if available) is considered for setting up ATM/DBUs, the license fee for the same shall be recovered.

iii. The requirement and the maximum number of ATMs/DBUs in a location shall be determined by the Auction Conducting Officer (ACO) with the approval of DRM. Location of DBU in the station area will be such that its operation will not affect the flow of passenger traffic to/from circulating area/platform and other railway working.

iv. In each case, license agreement shall be executed for land/constructed space. Subletting and transfer of railway asset including land is not permitted.

6. **Policy implementation through e-auction:**

i. In the interest of economic prudence and to make the installation of ATMs/DBUs remunerative (by inducing competition), Divisions may license them through e-auction with a reserve price. Entity quoting highest license fee shall be awarded the license as per e-auction norms.

ii. **Contract period/ Tenure**:

a. The tenure of license for setting up the ATMs/DBUs shall be for a period of five (05) years.

b. In case of White Label ATMs, the license period shall be co-terminus with the validity of the license issued by RBI or the period of five years, whichever is earlier. In case of withdrawal/foreclosure/cancellation/termination of license by RBI, the same would be brought to the immediate notice of railway authorities. Failure to do so shall invite immediate termination of the agreement, and attract penal action from Railways. In the event of earlier termination due to non-declaration of such withdrawal/foreclosure/cancellation/termination of license by RBI, and the White Label ATM licensee continues to use the land/constructed space, provisions detailed in para 9.(v) shall operate, besides imposition of penalty.

iii. **Calculation of Reserve Price**:

a. **In cases where Railways provides only space and ATMs/DBUs are fabricated by licensee**: The reserve price for setting up the ATMs/DBUs for the purpose of competitive bidding/e-auction shall be 6% of the market value of railway land (market value shall be worked out in accordance with para 4 of Policy for Management of Railway Land issued on 04.10.2022).

b. **In cases where Railways provides built-up space to house ATMs/DBUs by licensee:** The reserve price for setting up the ATMs/DBUs for the purpose of competitive bidding/e-auction shall be 12% of the market value of railway land (market value shall be worked out in accordance with para 4 of Policy for Management of Railway Land issued on 04.10.2022).

iv. **Annual escalation in the license fee for ATMs/DBUs:** There shall be an annual escalation in the license fee at the rate of 6%.

v. Divisions can also invoke para 4.2 of e-auction policy dated 13.06.2022, in order to explore the possibility of floating a bunch bid (pooling multiple ATMs/DBUs locations in one single e-auction catalogue).

7. **Maintenance, liability and indemnification:**

i. Generally the ATM/DBU, its cabin structure, air-conditioning, electric cabling, communication cabling, communication and internet devices including antenna etc. i.e. all physical infrastructure shall be provided by the licensee/bank at its own cost and responsibility. Railway's responsibility pertains to providing the required land/ built up space only.

ii. The responsibility of security, maintenance, cleanliness of the ATM/DBU premises shall rest with the concerned licensee/bank.

iii. The electricity for ATM/DBU, may be provided by the Railway, charging its actual cost from the bank. However the licensee/bank shall be at liberty to get the electricity from any source.

iv. Railways will be kept indemnified from any claims arising whatsoever due to deficiencies in service, malfunctioning of ATM/DBU or any instance of loss, theft, fraud etc.

8. **Miscellaneous terms and conditions applicable to ATMs/DBUs as per extant provisions pertaining to e-auction:**

The following terms and conditions pertaining to e-auction as illustrated in standard conditions of contract in Freight Marketing Circular No. 11 of 2022 dated 13.06.2022 would be generally applicable for licensing of ATMs/DBUs:

I. Registration of bidders (para 1)
II. Minimum eligibility for the contracts (para 2)
III. Publishing auction catalogues (para 3)
IV. Mode of bidding (para 4)
V. Earnest Money Deposit (para 5)
VI. Awarding of contract; signing of agreement scope of the contract in auction catalogue (para 6 to 8.2)
VII. Security Deposit (para 9)
VIII. Untoward incidence (para 12)
IX. Payment of licensee fee online (para 13)
X. Delay in contract execution on contractor's account(para 14)
XI. Waival of licensee fee for stipulated period on railway account(para 15)
XII. Appeal against punitive action of EMD/SD forfeiture/termination of contract on any grounds. (para 16)
XIII. Exit Clause (para 17)
XIV. Termination of the contract (para 18)
XV. Penalties (para 19)
XVI. Force Majeure (para 20)
XVII. Banning of firms (para 21)
XVIII. Dispute Resolution and Arbitration (para 22)
XIX. Para 23
XX. Para 24

9. **Special Conditions of Contract for ATMs/DBUs through e-auction:**

The following Special Conditions of Contract will be applicable to ATMs/DBUs:

i. The date of commencement of contract will be as specified in the auction catalogue and in the contract or from the actual date of installation of the first ATM/DBU (or the only ATM/DBU) by the licensee bank, whichever is earlier.

ii. The licensee/bank shall pay all taxes/rates/cess and assessments whatever payable or hereafter becomes payable to the Central/State Government or Municipality in respect of the said ATM/DBU and shall abide by the rule/ law of the land in force relating to ATM/DBUs.

iii. The licensee/bank is required to shift ATM/DBU at their own cost at any alternate site as desired by the Railways in case of any modification or construction activities required to be carried out at the station.

iv. If on the expiry of the license/or in the event of earlier termination before the expiry of the agreement, the licensee/bank shall forthwith remove its belongings and restore the said places or compartments to the Railways in the original condition without any objection or opposition.

v. If on the expiry of the license/or in the event of earlier termination before the expiry of the agreement the licensee continues to use the land/constructed space, he shall be liable to pay the proportionate license fees, prevalent at the time of such event till such time land is used by the licensee/bank. Further, damage rent equal to license fee (in addition to the license fee being paid) shall also be recovered from the licensee/bank for the period of over-stay beyond contract tenure/termination. The licensee/bank shall be entitled to remove its belongings only when it has paid all the charges to the railway administration.

vi. The licensee/bank shall not use the allotted space for any purpose other than the ATM/ DBU business and shall not occupy more space beyond what is given in the e-auction schedule.

vii. Railway administration will not be responsible for any loss of cash or damage caused to ATM/DBU due to whatsoever reasons thereof.

viii. The licensee/bank will follow the rules and regulations issued by the Reserve Bank of India from time to time.

ix. Any change in law/ rules and regulations affecting the contract shall be immediately brought to the notice of railways by the licensee/bank. In case of withdrawal/foreclosure/cancellation/termination of license by RBI, the same would be brought to the immediate notice of railway authorities. Failure to do so shall invite immediate termination of the agreement, and attract penal action from Railways.

x. Proper agreement shall be done with the licensee/bank.

21/06

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xi. *Advertisements not permitted for display:*

a. No third party advertisements can be displayed in ATMs/DBUs.

b. Only advertisements pertaining to the company/entity permitted to set up ATM/DBU shall be permitted. The licensee is required to follow Central/State laws for display of advertisements. Advertisements that are objectionable in the eyes of law or otherwise prohibited for display. For illustration, the following advertisements are not permitted for display:

i. Advertisements of alcoholic drinks.
ii. Advertisements against background scenes which are erotic in character.
iii. Competitive advertisements from Road Transport/Airline companies.
iv. Advertisement from private insurance companies offering policies against railway accidents.
v. Advertisements of cigarettes, bidis and other tobacco products.

10. This policy is issued in supersession of all instructions conveyed on the subject so far. This shall come into effect prospectively for all e-auctions/tenders/quotations invited from the date of issue of this letter.

11. This is issued with the concurrence of Land Management and Finance Directorates of Ministry of Railways.

21/06/23

Director (Land &Amenities)

21/6/23

Director (Marketing & Business Development)

No. 2018/Trans Cell/Civil/ATM Policy/Part I
E-office no. 3359560

New Delhi
Dated: 21st June, 2023

Copy to: FA&CAOs of all Zonal Railways for information and necessary action.

For Member Finance, Railway Board

No. 2018/Trans Cell/Civil/ATM Policy/Part I
E-office no. 3359560

New Delhi
Dated: 21st June, 2023

Copy to:

1. Advisor/MR, EDPG/MR and OSD/MR for kind information.
2. EDPM for kind information and necessary action.
3. PCCMs, All Zonal Railways and PCOM, Metro Railway, Kolkata for information and necessary action.

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