

Speech of CGA – 31st October 2011

Hon'ble Finance Minister Respected Shri Pranab Mukherjee,

Hon'ble Minister of State Respected Shri Namo Narain Meena,

Shri Sumit Bose, Secretary(Expenditure),

Shri R. Chandrasekhar, Secretary, Information Technology,

Dr. B.K. Gairola, DG NIC,

Financial Advisers of various Ministries present here,

Officers of the Indian Civil Account Service,

Other officers of the Civil Accounts Department & NIC.

Senior officers of the participating banks and friends

I deem it a privilege to stand here today and welcome you to the inauguration of the e-payment system in Govt. by our respected Finance Minister.

Sir, since its inception in 1976 the Civil Accounts Department had realized that the task set out for them at the time of separation of accounts required that they embrace technology at once. The projects of the CGA were one of the first projects entrusted to NIC when that organisation started.

We have been using contemporary technology at every stage of the IT revolution starting from mainframe computers running on COBOL, to desk top computers, to client server technology, network computing, web based computing etc. In fact, the Civil Accounts officers were among the first to bring into India the famed Macintosh Computers of Steve Jobs. Mrs. Janaki Kathpalia, Mr Chandy Andrews, who are present here and I were also a part to this group which brought Mac computers to the Budget Division of the Ministry of Finance in 1987-88. Over the years the organization has successfully developed and implemented carefully planned IT systems to enable us to deliver better and more efficiently. Our IT strategic planning involves developing

comprehensive integrated client oriented systems which are secure and reflect technology innovation.

Sir, in your budget speech this year you had stated that 2011-12 would be a transition towards a more transparent and result oriented economic management system in India. You had stated that the Govt. would take major steps in placing the administrative procedures concerning taxation, trade and tariffs and social transfers on electronic interface, free of discretion and bureaucratic delays. You had also brought out the steps being taken by Govt. for tackling corruption and improving performance monitoring.

We have taken these as policy directives to us. You would be happy to note that the e-payment system being inaugurated by you today is in furtherance of these objectives laid by you while being fully aligned with our organizational vision and IT strategy.

While substantial payments are being made by various Govt. offices through electronic clearing system, national electronic fund transfer and real time gross settlement, we needed to introduce in Government a payment system which is secure, digital signature based and compliant with the provisions of the IT Act.

The development of this new e-payment system posed many challenges to us. As we had to provide for the requirements of all departments, the banks and other stakeholders, the system needed to provide sufficient flexibility. It is for this reason that we created an interface, namely "the Government Electronic Payment Gateway" (GePG) between the Govt. and banks. What has been developed is completely usable not only by the PAOs under the CGA's umbrella, but also other sister organizations in railways, defence, posts and telecommunication and perhaps, the state governments too. All inter-govt. advices for transfer to States can also be routed through this gateway mechanism. We can confidently assure all our stakeholders about the robustness of the system as these have been certified for quality and security by the STQC Dte of Deptt. of IT. I am proud to say that the final product is world class.

Sir, in your budget speech this year you had also mentioned that to ensure greater efficiency, cost effectiveness and better delivery for both kerosene and fertilizers, the govt. will move towards direct transfer of cash subsidy to people living below poverty line in a phased manner. The Task Force headed by Shri Nandan Nilekani would work out the modalities for the proposed system of direct transfer of subsidy for kerosene, LPG and fertilizers. On inauguration, the e-payment system would place us in a state of complete readiness to implement the proposed direct transfer. In fact, the Ministry of Fertilizers is being covered in the Phase I of this project

As a part of the government's anti-corruption initiative, we propose to implement this in all Pay & Accounts Offices in the civil ministries by 31.3.2012 and I am quite sure that all officers of the Indian Civil Accounts Deptt. will rise up to this challenge. The biggest component of this challenge is the training of the human resources and we would be getting down to this task on a most immediate basis.

While the e-payment system handles the expenditure leg of government transactions, the govt. is also collecting the bulk of central excise, service tax, customs, corporation tax and income-tax through the internet payment route. In order to systemize and facilitate the accounting of these collections we have set up e-PAOs in CBEC, which are an unqualified success. In fact, RBI has recommended this for adoption in the State Govts also. Similar systems in CBDT are also on the anvil.

Sir, the mission of the Civil Accounts organization seeks to provide a world class, robust govt.-wide integrated financial information system. In order to meet this objective the Department has initiated several projects, big and small, but all important for implementation. We will put in our best to implement all these projects in the foreseeable future.

Sir, in view of your other pressing commitments I would not like to take more time to describe all the exciting areas we are venturing into.

Before I conclude, I would like to express our sincere gratitude to National Informatics

Centre and all their officers for partnering us whole heartedly in all our ventures. I would also like to thank the RBI and the banks who have made sincere efforts towards implementation of the e-payment system. In the first phase eight banks are being covered and we hope to cover all the other banks handling govt. business in the subsequent phases. I would also like to take the opportunity to request the banks to gear up to meet the volumes and technological challenges this project would pose.

With these words I would like to thank the Hon'ble Ministers, distinguished colleagues and all the officers and staff for joining this function.
