



Policy for Payment of Parking charges via FASTag (ver. 2)

Issued by

INDIAN HIGHWAYS MANAGEMENT COMPANY LTD.

(A company promoted by NHAI)

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Preamble

The implementation of FASTag across National Highways & State Highways has helped reap the benefits of electronic tolling which has resulted in operational efficiency, increased transparency and revenue collection and seamless cashless and safer mode of payment by road users. In order to extend the benefits of FASTag, multiple initiatives have been undertaken in recent times, albeit in silos, to diversify the use case of FASTag to other vehicular payments such as payment of parking charges. This will enable universalisation of FASTag and extend the benefits of FASTag to other vehicular payments too.

The policy document is an initiative by IHMCL to create such enabling ecosystem and an opportunity for participation with various other Government bodies or private entities authorised to collect parking payments/fee from public/citizens to be a part of extended FASTag program. In line with overarching mission of “One Nation One FASTag” –this step shall provide participating entities shorter turnaround time by allowing them to work within the robust FASTag solution architecture.

IHMCL is committed to the mission of “One Nation One FASTag” and shall relentlessly work towards enabling less cash economy by use FASTag for parking payments.

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List of Abbreviations/Definitions

| | | |
|--------------|---|--|
| CAPEX | : | Capital Expenditure |
| IT | : | Information Technology |
| ICD | : | Interface Control Document |
| IHMCL | : | Indian Highways Management Company Limited |
| Member Banks | : | Approved banks which are certified by NPCI and approved by IHMCL. List available on IHMCL website (www.ihmcl.co.in) |
| MoU | : | Memorandum of Understanding |
| RBI | : | Reserve Bank of India |
| NETC | : | National Electronic Toll Collection |
| NHAI | : | National Highways Authority of India |
| NOC | : | No Objection Certificate |
| NPCI | : | National Payments Corporation of India |
| Off-US | : | Off-US transaction - Any transaction where the issuing bank and acquiring bank are different entities |
| O&M | : | Operations & Maintenance |
| SPV | : | Special Purpose Vehicle |
| ULB | : | Urban Local Body |
| Entity | : | Merchants/Operators/Retailers |

1. Background:

FASTag, the flagship initiative of National Highways Authority of India (NHAI) and Ministry of Road Transport & Highways (MoRT&H) has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic by allowing electronic payment of toll fees on National and State Highways through a RFID-based tag called “FASTag”, usable across all toll plazas. The programme provides a unified and interoperable Electronic Toll Collection (ETC) solution for National and State Highways in India. Indian Highways Management Company Ltd. (IHMCL), a company promoted by NHAI, has been mandated to implement the FASTag Programme across the country by NHAI. Affixation of FASTag on the front windscreen is mandatory for all Class M and N vehicles i.e. (four wheelers and above, carrying goods and/or passengers). Further, FASTag has been made mandatory for renewal of vehicle fitness certificate and national permit.

Presently, FASTag solution architecture supports 7 Crore FASTag users.

2. Need & Objectives

- **Universal Acceptability:** In line with the Mission – “One Nation One FASTag”, IHMCL aims to extend the acceptability of FASTag for parking payments across the country.
- **Bring in Transparency & Operational Efficiency:** Another key objective of this policy is to bring in transparency in collection & operational efficiency to various Govt. bodies and private entities as well as provide convenience to FASTag users.

3. Applicability & Coverage

3.1. The policy shall be applicable for collection of any parking fees processed through FASTag.

3.2. The policy shall cover different categories of entities as below (“**Entity**”) -

- **Category A** - Government departments/authorities such as Municipal Corporation/ULBs, Metro Rail Authorities, Airport Authorities, or SPVs, JVs, PSUs, and any quasi-government entities which have been authorised to collect parking payments/fee from public/citizens.
- **Category B** - Private entities/companies, which have been authorised by Government entities to collect parking payments/fee from public/citizens.
- **Category C** - Any other private entities.

3.3. Certified Acquirer bank shall be required to submit an undertaking to IHMCL for adherence to necessary guidelines laid down by IHMCL from time to time. Only those acquirer banks authorized by IHMCL shall be allowed to on-board parking plazas/lots and process ETC transactions. The list of such authorized banks shall be published on the IHMCL/NPCI website from time to time.

4. Application Process

Any qualifying Entity shall select their Acquirer Bank(s) from the list of authorized acquirer bank(s) as published on IHMCL / NPCI website and initiate the onboarding process as laid down in this document..

5. On-boarding process

The process of on boarding shall be as follows:

- **Step 1** - The Entity shall select their Acquirer Bank(s) from the list of authorized acquirer bank(s) as published on IHMCL / NPCI website for FASTag Programme.
- **Step 2** – Acquirer Bank shall inform NPCI on the on-boarding of the said parking plaza onto the system..
- **Step 3** - The Entity will ensure installation and commissioning of requisite IT infrastructure implementation at site location as per standards specified by IHMCL. The details of technical requirements are provided in Section 6.
- **Step 4** – UAT of various scenarios/applicable business rules needs to be conducted and successfully completed by the Parking plaza along with Acquiring Bank.
- **Step 5** - Confirmation from NPCI/selected Acquirer Bank on the readiness of system settlement process and Go-Live.
- **Step 6** – Post Go-Live the selected Acquirer Bank shall update the status to IHMCL.

6. Technical Requirements

- 6.1. IT equipment/software such as RFID readers, Automatic Boom barriers, Lane Controllers, ETC Application Software, and other IT equipment shall be as per standards and specification of FASTag Programme. The specifications of the RFID reader are specified in the Gazette notification by Ministry of Road Transport & Highways. The specifications of IT equipment and system are available on IHMCL website (www.ihmcl.co.in)
- 6.2. The acquiring system shall be deployed by a NPCI-certified member bank, approved by IHMCL. The list of approved acquirer banks is available on IHMCL and NPCI websites.
- 6.3. The data exchange protocol between the IT service provider/System Integrators' Application software and the Acquiring system shall be as per Interface Control Document (ICD) 2.5 specifications, which shall be based on real-time transaction processing. Any upgradation/changes in the data exchange protocol shall be notified by IHMCL / NPCI from time to time. The ICD document may be referred on available on IHMCL website.
- 6.4. The list of certified acquirer banks under NETC programme and empanelled System Integrators by IHMCL for ETC system is available on the IHMCL website for reference.
- 6.5. Any additional technical specification specific to a use case shall be defined as per requirements basis.

7. Stakeholders Involved & Roles

7.1. Stakeholders involved:

- FASTag users
- IHMCL
- Entity
- NPCI
- Issuer Banks
- Acquirer Banks

7.2. Key Board Roles of Key Stakeholders

The broad roles and responsibilities of concerned stakeholders are as below -

7.2.1. IHMCL

a) Formulate and share guidelines/documents as below:

- IT Infrastructure requirement specifications
- Procedural Guidelines for NETC programme, as amended from time to time.
- Programme related technical documents such as Interface Control Document (ICD), Tag specifications guidelines etc. as amended from time to time

b) Overall programme management of FASTag programme

c) Modification in the policy/scheme Guidelines from time to time

d) Approval on inclusion of new member banks

e) Monitoring of SLA parameters for Member banks NPCI for better performance and programme experience.

7.2.2. Entity:

a) Sign an agreement with selected Acquirer Bank with consensus on the Programme Management fee sharing model between various stakeholders involved in acquiring electronic toll, issuance of FASTag, and Settlement and Clearance of electronic payment collected.

b) Entity has to ensure the infrastructure required for providing the necessary transaction information as per operating guidelines defined under the FASTag Programme

c) The Entity must ensure the connectivity between the Acquirer host and Entity server is maintained as per the TAT.

d) To send all the transactions which are executed at the Entity to NETC system i.e. successful, fail, decline etc.

e) The Entity should support primary and secondary systems to ensure multiple connectivity with the acquirer host.

- f) The Entity must adhere to the security standards outlined in the “Security and Risk management” as per NETC Procedural Guidelines.
- g) Entity must ensure 24 x 7 working of Entity server with proper disaster recovery. Entity must maintain the backup of transactional data, images, audit trails etc. for a period of one year. Ensure the generation of transactional messages as per specified format and transmit the payment transaction details to the acquirer.
- h) Entity should provide evidence and when required by Acquirer for life cycle management of the transactions.
- i) The Entity must ensure that the server has the updated certified applications.
- j) Selection of Acquiring Entity(ies) for its Toll Plazas for acquiring electronic toll transactions at toll lanes.
- k) Requisite support and action for dispute resolution and grievance redressal for all disputes.
- l) Ensure to arrange a settlement bank account for daily settlement of fees by NPCI/acquirer bank for payment of programme management fees to all concerned stakeholders.
- m) The Entity shall share the information as and when required by NHAI/IHMCL.

7.2.3. NPCI

- a) To specify the procedural guidelines for the scheme management and to ensure compliance with them.
- b) To perform transaction switching between acquirers and Issuer.
- c) To perform clearing and settlement for transactions on this network.
- d) To provide consolidated MIS reports to Members and IHMCL/NHAI
- e) Maintain and make necessary improvement in the NETC switch and Mapper as per requirement
- f) Prepare the MIS of electronic payment transactions and share reports to concerned Entity and IHMCL on a periodic basis as per requirement
- g) Ensure to support Entity, Issuer Bank and Acquirer Bank to process & settle the disputes raised by Issuer Bank and Acquirer Bank on NETC transaction.

7.2.4. Acquirer Bank

- a) The acquirer has the overall responsibility of checking & controlling the activities of the Third Party Processors and its Merchant/Operators/Retailers base. This includes:
 - Control of the approval and review of Non-Tolling Entity, and the establishment of merchant fees.
 - Registration of a Third Party Processors (TPP) specific to each acquirer, and with separate registration process for each business relationship.
 - Maintain Liabilities of all the TPP that includes all applicable documentation, settlement guaranty, etc through appropriate controls.
 - Identify each TPP and designate the activities that it is authorized to perform on the acquirer’s behalf.

- Guarantee that the acquirer and its TPPs will comply with NPCI requirements for the use of the Entity.
- Acquirers to accept responsibility for any and all losses caused by its TPPs.
- b) The acquirer should have a clear policy of the portfolio mix of its Entity and the risks the acquirer is, or is not, ready to undertake while on-boarding new Entity.
- c) Compliance to NPCI Operating guidelines and Brand Guidelines
- d) Ensuring risk evaluation for 'Fraud Risk' and 'Business Risk' risk associated with underwriting.
- e) Process FASTag transactions and to pay the Entity for the processed transactions within T + 1 day.
- f) Store and maintain all FASTag transaction data for a minimum period of 10 years.
- g) Support primary and secondary systems to ensure connectivity with multiple endpoints.
- h) Transmit the completed transaction records to the issuer in order to obtain the settlement within the defined TAT.
- i) Keep the image files provided by the parking operators [i.e., AVC profile, Vehicle Image etc.] for a period of one year.
- j) Assist the disputes raised by Issuer or Entity. The acquirer is responsible for the resolution of disputes as per the applicable TAT.
- k) Providing support and helpdesk to the Entity
- l) Providing undertaking to IHMCL as mentioned in Annexure-1
- m) Requisite support and action for dispute resolution and grievance redressal for all disputes pertaining to their parking lots.
- n) The Acquirer bank shall be obligated to share the Data as and when required and called for by IHMCL including but not limited to providing any Information sought by MoRTH/NHAI/IHMCL or by any other agency required to have access to such data under any applicable law in force.
- o) The Acquirer Bank shall provide all transaction data on post-settlement as and when required by IHMCL.

7.2.5. Issuer Banks

- a) To facilitate the tag issuance through various channels as per guidelines set out up IHMCL from time to time.
- b) Issuer should also provide top up/recharge facility (for prepaid linked account) facility through all possible channels like mobile, internet banking system, UPI etc.,
- c) Integration of Issuing Host system with the NETC System and updation of vehicle number and chassis number.
- d) To process online transactions request received from NETC System and validate the digital signature of the tag. In case the signature validation fails the tag needs to be added in blacklist/ low balance exception list.
- e) Perform fraud monitoring by verification of the transaction data.

- f) To provide support and toll-free helpdesk services to Tag Holders.
- g) Additionally, Issuers Banks will facilitate various other non tolling categories through consumer wallet &/or Savings/Credit

8. Commercials & Settlement Process

8.1. The Entity shall have to bear the programme management fees for the FASTag services as below:

| Entities | Programme Management Fees (% of ETC transaction amount) excluding GST |
|---------------|--|
| Issuer Banks | 1.0 % |
| NPCI | 0.10 % |
| IHMCL | 0.20 % |
| Acquirer Bank | To be determined by the Entity |

8.2. Settlement Process:

The settlement amount shall be debited by NPCI from the Acquirer bank account as selected by the Entity and the proportionate fees of all stakeholders shall be transferred to their respective accounts as settled by NPCI/concerned acquirer bank within T+1 day.

(Undertaking from Acquirer Bank)

To,

Chief Operating Officer

Indian Highways Management Ltd

NHAI HQ, G5 & G6,

Sector 10, Dwarka, New Delhi

Subject : Consent Letter for participation in Non Tolling use cases

Dear Sir

We, <<**Bank Name**>>, being registered as a member under the FASTag programme, are extending our services for Non-Tolling use cases as well.

We undertake and confirm that we shall at all times ensure that we adhere to and comply with:

1. NETC Technical Specifications and/or Procedural Guidelines of NPCI
2. NPCI/ MoRTH/ NHAI/ IHMCL/ RBI guidelines/ circulars issued from time to time, as are followed by us
3. Parking Policy as amended from time to time.

We further undertake, declare, state, and indemnify all the responsibilities (as mentioned in the annexure), including the clearing, settlement, and dispute management activities or any other activities associated for transactions processed for NETC System. We will be solely liable for any material breach or loss of any sensitive data/ information due to fraud and/or system/ cyber-attacks. We hereby indemnify and shall keep NPCI and IHMCL, its Directors, Employees, and Representatives indemnified for the same including and not restricting any loss/ damage/ expenses/ claims/ demands, etc. of any nature whatsoever, as may be faced by NPCI and IHMCL.

Notwithstanding what is contained and provided in the forgoing paragraphs, we also understand and agree that nothing would prevent/ restrict NPCI and IHMCL to seek appropriate confirmation(s)/ clarification(s) regarding the **Purpose** indicated above, including and not restricting taking appropriate action(s) against ourselves in the event NPCI and/or IHMCL does

not receive the satisfactory response/ redressal to the query(ies)/ issue(s) so raised/ brought to our knowledge

(Authorised Signatory)

Annexure: Roles and Responsibilities of Acquiring Bank

- a) The acquirer has the overall responsibility of checking & controlling the activities of the Third Party Processors and its Merchant/Operators/Retailers base. This includes:
 - Control of the approval and review of Non-Tolling Entity, and the establishment of merchant fees.
 - Registration of a Third Party Processors (TPP) specific to each acquirer, and with separate registration process for each business relationship.
 - Maintain Liabilities of all the TPP that includes all applicable documentation, settlement guaranty, etc through appropriate controls.
 - Identify each TPP and designate the activities that it is authorized to perform on the acquirer's behalf.
 - Guarantee that the acquirer and its TPPs will comply with NPCI requirements for the use of the Entity.
 - Acquirers to accept responsibility for any and all losses caused by its TPPs.
- b) The acquirer should have a clear policy of the portfolio mix of its Entity and the risks the acquirer is, or is not, ready to undertake while on-boarding new Entity.
- c) Compliance to NPCI Operating guidelines and Brand Guidelines
- d) Ensuring risk evaluation for 'Fraud Risk' and 'Business Risk' risk associated with underwriting
- e) Process FASTag transactions and to pay the Entity for the processed transactions within T + 1 day.
- f) Store and maintain all FASTag transaction data for a minimum period of 10 years.
- g) Support primary and secondary systems to ensure connectivity with multiple endpoints.
- h) Transmit the completed transaction records to the issuer in order to obtain the settlement within defined TAT.
- i) Keep the image files provided by the parking operators [i.e., AVC profile, Vehicle Image etc.] for a period of one year.
- j) Assist the disputes raised by Issuer or Entity. The acquirer is responsible for the resolution of disputes as per the applicable TAT.
- k) Providing support and helpdesk to the Entity
- l) To strictly comply with the **Intellectual Property Rights:**
 - <Name of Member Bank> agree and acknowledge all logos, brands, trademarks and domain names related to the FASTag programme, whether registered or not, shall be and remain property of IHMCL. <Name of Member Bank> hereby

acknowledges that FASTag® is a registered trademark and property of IHMCL and it will not undertake any action which results in infringement of IHMCL's right in the said Trademark.

- <Name of Member Bank> shall be deemed to grant to one party, by implication, estoppel, or otherwise, licence rights, ownership rights, or any other rights relating to the IPR of the other party or its Affiliates. Each party agrees not to remove or modify the copyright legends or any other markings indicative of ownership that appear on any materials provided by the other party, irrespective of ultimate ownership of the underlying IPR.
- <Name of Member Bank> acknowledges and agrees that all proprietary, intellectual property and any other rights in and to the FASTag® name, logo, service mark and/or trademark are the sole and exclusive property of IHMCL.
- Except as set out above or as required by applicable law, neither party shall use the other party's name, trade name, logo or mark or refer to either party directly or indirectly in any advertisement, media release, public statement or announcement, without the prior written consent of the other party.