



Government of Kerala

**Finance(BD & GB)Department
Circular**

No. 94 /2016/Fin

Dated, Thiruvananthapuram, 01st ~~December~~ 2016

Sub:- Bill Discount Scheme (BDS)- Instructions on settling the account of bills opted for Bill Discounting System (BDS) – reg:

Ref:- (1) G.O.(P) No. 43/2016/Fin dated 26/03/2016
(2) G.O.(P) No. 123/2016/Fin dated 29/08/2016
(3) G.O.(P) No. 151/2016/Fin dated 07/10/2016

Government issued detailed guidelines for the accounting of bills opted for Bill Discounting System vide Government Order read above. It was instructed that Division officers/Sub Divisional officers shall submit Form TR 59(E) (generated from EMLI software) along with work bills to the transacting treasuries corresponding to the promissory notes on the scheduled date of payment . The treasury officer shall authorise the bills by debiting the respective functional heads of account and transfer credit the net amount to the 8782- 00- 102- 98 after effecting statutory deductions to settle the accounts against the bills for which BDS has already been opted by the contractor.

2. On a scrutiny, it is noticed that there is a laxity on the part of works executing departments in settling the accounts of BDS bills. Letter of credit against these bills are being issued after ensuring sufficient budget provision under the respective heads of account. If account adjustments are not being made against these bills in the corresponding financial year this exercise has to be done again in the subsequent financial year for account adjustments. This will cause unnecessary administrative difficulties. Again since the Income Tax/VAT deductions made from the bills are to be transfer to the respective agencies, settlement of accounts of these bills is highly necessary for claiming eligible refunds (by contractors) from these agencies. All work executing Departments are therefore directed to settle the accounts of BDS bills at the earliest. The Chief Engineers concerned shall take necessary follow up actions in the matter. Any pendency in settling the accounts before the close of the financial year will be viewed seriously and appropriate action shall be taken against those who fail to comply the direction. Any fine/penalty imposed by Sales Tax/Income Tax Department/Fund Board on account of the delay in settling the account will be the personal liability of the divisional/sub divisional officer concerned.

Raveendran NM

Additional secretary(Finance - Budget Wing)

To

The Principal Accountant General (A&E), Kerala, Thiruvananthapuram

The Principal Accountant General (G &SSA), Kerala, Thiruvananthapuram
✓ The Accountant General (E&RSA), Kerala, Thiruvananthapuram
All Additional chief secretaries/Principal Secretaries/Secretaries/Additional
Secretaries/ Joint Secretaries/ Deputy Secretaries to Government
The Public Works/Water Resources Department
The Chief Engineer, PWD(Roads &Bridges/Buildings), Thiruvananthapuram
The Chief Engineer, I&A/Project II, Thiruvananthapuram.
The Chief Engineer, Project I, Cauvery House, West Hill, Kozhikode.
The Nodal Officer, Finance - info.fin@kerala.gov.in
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Forwarded /By order :



Section Officer