



**GOVERNMENT OF KERALA**  
**Finance (Infrastructure) Department**

**CIRCULAR**

No.106/2018/Fin

Dated, Thiruvananthapuram, 19.11.2018

Sub:- KIIFB (Finance & Administration) – Separate Bank Account for SPVs for maintaining Centage charges and Retention/deduction amount of Project payments -instructions for strict compliance – reg  
Ref:- G.O (Ms) No. 69/2018/Fin dated 24/02/2018.

As per the Government Order read above detailed instructions have been issued for ensuring necessary standardization and efficiency in preparation, processing and implementation of proposals of KIIFB projects including payment. Accordingly all retention money released to the SPVs shall be maintained in a separate non - interest bearing Special TSB Account in the Govt. Treasury only. However, in connection with ways and means management issues, Government is discouraging the practice of maintaining huge cash reserves in the Public Account.

Inspections conducted by the Administrative Inspection Wing, KIIFB, have revealed that several SPVs are not maintaining separate account for managing Centage charges and Retention/deduction amount related to KIIFB projects. It is found that keeping of the payments in main/pooled account along with various other funds is creating difficulty to verify the utilization of the funds during inspections and the SPVs are also finding it difficult to manage the accounts.

In the above circumstances, for the ease of inspection and audit of financial transactions related to KIIFB funded projects, it is hereby instructed that the SPVs shall maintain separate bank accounts for the transactions related to Centage charges and retention/deduction amount pertaining to KIIFB projects. The SPVs should register these bank accounts in the KIIFB payment portal.

Accounts for the centage amount already disbursed prior to opening of the separate bank account shall be kept separately and unspent balance thereof as on date may be carried over to the separate bank account referred above.

**Dr. K.M. ABRAHAM CFA**  
**EX-OFFICIO SECRETARY (FINANCE)**

**To**

The Secretaries of Administrative Departments  
All SPVs  
The Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)  
All Divisions/Officers, KIIFB  
Stock File / Office Copy

**Forwarded / By Order**



**Section Officer**