

Bill Discounting System (BDS)-Roles of KMSCL, Supplier& Supplier's bank

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STEPS	FORMS	To do by KMSCL	To do by the party / supplier	Supplier's Bank
1		Inform the party / supplier for opting BDS.	NA	NA
2	FORM NO.1 (Consent letter of Supplier)	Docket No. will be provided by KMSCL	The Form No.1 should duly fill by the supplier (except docket No.) and suppliers bank should counter sign the form and send to KMSCL.	NA
3	FORM NO.2	Enter Form No. 1 details in BDS software and validate & Form No. II will automatically generate. Save Form No. II.	NA	NA
4		Take print out of Form No. II and get it signed by MD, KMSCL with seal, and mail the scanned copy to the Supplier.	Supplier should sent the Form No.II to their bank for further process	Bank should contact the Nodal Officer of their regional/zonal office in Trivandrum, Kerala and to collect user ID and password in BDS software, and should accept BDS in the software
5		After accepting the form by the suppliers bank, KMSCL will submit the Form No II by click the "send for approval" through BDS software	NA	NA
6		Get bill from BIMS by using DSC of MD, and get it physically signed	NA	NA
7		To give the bill, proceedings, etc., to treasury for doing transfer credit by treasury.	NA	NA
8	Form No. III	Have to generate Form No. III in BDS software by putting digital signature of MD, KMSCL and get it signed.	NA	NA
9	Promissory Note (Action by Govt of Kerala)	Government of Kerala will issue the promissory note for making the payment from the supplier's bank. The promissory note should contain the amount to be transferred docket No., date		Suppliers bank will download the promissory note with their user name and password from BDS software and release the payment after deducting their charges like

		on which the amount to be paid by Govt of Kerala.		processing fee, interest etc to the supplier
10	Form No. IV		NA	Supplier's bank have to upload Form No. IV in the BDS software. Then only supplier will get maximum 5% (per annum) of the discounted amount on or before 6months.

Bill Discounting System (BDS)-Roles of KMSCL & Supplier –Payment

Example

Example:-If amount payable to the supplier is Rs.1,00,000/-,

Amount payable to party / supplier	1,00,000/-
Processing charge (depends upon the bank)	500/-
Bank charge (depends upon the bank)	90/-
BDS discount (about 10% per annum (ie, 5% for 6 months), depends upon the bank)	5,000/-
Total deduction	5,590/-
Amount to be released to the supplier on receipt of the promissory note from the Government of Kerala	94,410/-
On receipt of interest from Govt of Kerala on the due date of promissory note ie., 5% per annum / 2.5% for 6 months Rs.2,500/- The bank will release this amount also to the supplier	Rs.2,500/-
Total amount to be received by the supplier (on receipt of the promissory note Rs.94,410 and due date of promissory note Rs.2500/-	Rs.96,910/-