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நிதி, பொருளாதாரம் மற்றும் கொள்கை அபிவிருத்தி அமைச்சு
MINISTRY OF FINANCE, ECONOMY AND POLICY DEVELOPMENT

මහලේකම් කාර්යාලය, කොළඹ 01,
ශ්‍රී ලංකාව.

செயலகம், கொழும்பு 01,
இலங்கை.

The Secretariat, Colombo 01,
Sri Lanka.

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Website }

මගේ අංකය } TOD/CFM/1/OB/2020
எனது இல }
My No }

ඔබේ අංකය }
உமது இல }
Your No }

දිනය } 29.06.2020
திகதி }
Date }

Treasury Operations Circular No: 01/2020

To: All Secretaries of Ministries,
Heads of Departments

“Economic Revival Assistance” to Government Contractors/Suppliers in the Construction & other Sectors

This refers to the Cabinet decision dated June 03, 2020 on “Economic Revival Assistance” relate to facilitate Government Contractors/Suppliers in the Construction and other Sectors. Accordingly, the following steps should be taken to provide that the proposed loan facility to contractors / suppliers through the banks expeditiously.

1. All outstanding bills relating to year 2019 and 2020 reported to the Accounts Division of your Ministry / Department as at 31st May 2020 should be identified and emailed to pathirana.ppc@tod.treasury.gov.lk to reach the Department of Treasury Operations as per Annexure 1 on or before 06th July 2020.

In the process of identifying the outstanding bills, the Spending Unit should ensure that no bills agreed for discounting by the bank up to now have been included to the outstanding bill value of the Annexure 1.

2. Department of Treasury Operations will immediately issue a confirmation to you about the maximum issuable amount on the outstanding bill having compared with the previously reported value of such bills to the Treasury.
3. A letter of Acceptance should be issued only to one licensed commercial bank nominated by the respective contractors / suppliers who seek such loan facility. Bank Account number should be obtained after identifying a “Designated Bank Account” in the name of the Contractor / Supplier in such licensed commercial bank only to credit the settlement of outstanding bills.
4. You should prepare and personally attest the “Confirmation Letter of Outstanding bills” as per the “Annexure 2” to be issued to the Contractors / Suppliers who requested such loan facility and forward it to the Department of Treasury Operations on or before July 31, 2020 on the Confirmation received from the Department of Treasury Operations as above 2.

5. The Secretary of the Ministry of Finance will take necessary action to issue the “Letter of Acceptance of the Payment of Outstanding Bills” as per “Annexure 3”, based on the letter forwarded by you in the above paragraph 4. The original and the second copy of the letter sign by the Secretary of the Ministry of Finance should be required to duly deliver to the specific Contractor / Supplier by you.
6. No request made by contractors / suppliers who wish to obtain said loan facility should be accepted after 31st July 2020 by the Ministry / Department.
7. The Net value of Outstanding Bills to be included in “Annexure 1 and 2” of this circular shall be calculated as follows;

		(Rupees)
Value of Outstanding bills payable to the Contractor / Supplier reported to the Treasury by the relevant Ministry as at 31.05.2010		xxxx
Deduct :-		
i.	Value of the settlement of bills from 31.05.2020 to the date	xxxx
ii.	Value of the bills already agreed with the bank for the discounting	xxxx
iii.	VAT and other Government taxes payable at the source, withholding and other deductions	xxxx (xxxx)
Net value of Outstanding Bills		xxxx

8. The Treasury will release imprest from time to time to settle the outstanding bills reported to you and such funds shall be remitted only to the designated bank account nominated by the Contractor / Supplier.
9. The above proposed mechanism shall not be applied to settle the outstanding bills of the foreign funded projects. (including financing 17)
10. Should you require further clarification in this regard, please feel free to contact Mr. R.M.A. Rathnayake, the Director General (Tel: 071-8321648) or Mr. Dilip Silva, Additional Director General (Tel: 071-4441020) of the Department of Treasury Operations.

Sgd/S.R. Attygalle
Secretary to the Treasury

- Copies: 1. Secretary to H.E. the President
2. Governor of the Central Bank of Sri Lanka
 3. Auditor General
 4. Director General, Department of National Budget
 5. General Manager, Bank of Ceylon
 6. General Manager, People’s Bank

Ministry / Department :

Report on the Outstanding Bills as at 31 May 2020

Serial No	No & Date of the Voucher	Name of the Contractor / Supplier	Net value of the Outstanding Bills as at 31.05.2020				Total (1) + (2) = (3)
			2019 (1)		2020 (2)		
			Recurrent	Capital	Recurrent	Capital	
Total							

It is hereby certified that the above mentioned details on outstanding bills are correct.

.....
Chief Financial Officer / Chief Accountant

.....
Secretary

Ministry of

Date :

(Letter Head of the relevant Ministry)

Annexure 2

Date:

Secretary

Ministry of Finance, Economy and Policy Development

Confirmation Letter of Outstanding Bills –

..... (Name of the Contractor)

It is hereby certified that Rs. has to be settle to
(Name of the contractor) for outstanding bills relevant to year 2019 and 2020 as per the records of
this Ministry / Department as at 31st May 2020.

I hereby agree to settle the above mentioned outstanding value of bills by remitting them to the
designated bank account No. of the(Name of the contractor)
maintained at thebranch ofBank using funds
received from the General Treasury to settle the same in due course.

.....

Secretary

.....Ministry

(Treasury Letter Head)

Annexure 3

Draft

Date:

Manager,

..... (Name of the Bank)

Letter of Acceptance of the Payment of Outstanding Bills –.....(Name of the Contractor/supplier)

The outstanding dues as at 31 May 2020 from the Ministry/Department of to.....(name of the Contractor/ supplier) amounts to Rupees (Rs..... .00).

This letter of acceptance is issued to confirm that Treasury will provide necessary funds to settle the above mentioned outstanding bill value through the Ministry/Department of to the designated bank account no of (name of the contractor/ supplier) maintained at your bank on or before 31.12.2020.

.....

Secretary

Ministry of Finance, Economy and Policy Development

Copies: (i). Secretary, Ministry of

(ii). (name of the Contractor/ supplier)