



GOVERNMENT OF KERALA

Abstract

Taxes Department - Registration - Digital e-stamping - Essential service for paperless execution of Financial Credit Contracts utilizing the services of National e-Governance Services Ltd (NeSL) - Integration with the OPEN PEARL system and e-treasury portal (GRAS) - Sanctioned - Orders - Issued

TAXES (J) DEPARTMENT

G.O.(Ms)No.81/2021/TAXES Dated,Thiruvananthapuram, 03/12/2021

- Read 1 Letter No.S-33013/04/2019-ST-1-DoR dated, 30.06.2020 from the Under Secretary, Ministry of Finance, Department of Revenue, Government of India
- 2 DO.No.NESL/DDE/2021-22/352 dated, 12.04.2021 from the Managing Director & CEO, National e-Governance Services Ltd (NeSL).
- 3 Letters No. IGR/1221/2020-IT₁ dated 28.01.2021 & 29.09.2021 from the Inspector General of Registration
- 4 No. TRY/1843/2021-F1 dated 02.06.2021 from the Director of Treasuries

ORDER

The Department of Revenue, Ministry of Finance, Government of India, in the letter read as 1st paper above has informed that National e-Governance Services Ltd (NeSL), an Information Utility (IU) under the Insolvency and Bankruptcy

Code, 2016 has been mandated to serve as a repository of legal evidence for financial credit contracts by setting up a secured Digital Document Execution platform. This will be operated 24*7 on a remote basis which would assist the banking sector in execution of loan agreements with zero manual intervention and physical proximity. Such a digital work flow will be based on an integration using the Application Programme Interfaces (API's) between National e-Governance Services Ltd (NeSL) and other e-stamping service providers in various States.

2) The National e-Governance Services Ltd (NeSL), in its letter read as 2nd paper above, has stated that Digital Document Execution is a mode for paperless execution and storage of financial contracts, which will result in superior enforcement thereby enhancing the Ease of Doing Business especially in times where quick financing is the need of the hour for business and has requested necessary permission for technical integration of its application system with that of the OPEN PEARL system and e-treasury system (GRAS), that are operational in the State of Kerala.

3) The Inspector General of Registration, in his letter read as 3rd paper above, has submitted a detailed proposal regarding the practical challenges being faced by the public in obtaining physical stamp papers in pandemic induced situation, which stood as an impediment in the successful execution of commercial contracts, which has also resulted in a dent in the state revenue. In this context, the Inspector General of Registration has also substantiated the need for a platform for executing documents electronically, especially in light of the Covid-19 outbreak and resultant disruptions in traditional modes of execution.

4) Government, after having examined the matter in detail, have accepted the need for an automated digital contract execution platform that digitizes the end-to-end loan process with a lower turn around time. It has also been felt that this facility will boost the 'Ease of Doing Business' initiative of the State and will increase the revenue due to increased compliance by the contracting parties since the process is fully in digital mode.

5) In the circumstances, sanction is hereby accorded to enter into a Non- Commercial Agreement with National e-Governance Services Ltd (NeSL) and to integrate the OPEN PEARL system and e-treasury portal (GRAS) with NeSL's Digital Document Execution Platform for remote execution of financial contracts which are not compulsorily registrable under the Registration Act, 1908. In the initial phase, this integrated system will cater to Nationalized Banks, Kerala Bank, Kerala State Industrial Development Corporation (KSIDC), Kerala State Financial Enterprises Ltd (KSFE) & Kerala Financial Corporation (KFC) in the State of Kerala.

6) The operating procedures for the system will be as follows:-

1. The Registration application system (OPEN PEARL) and e-treasury system (GRAS) shall be integrated with National e-Governance Services Ltd (NeSL) Digital Document Execution Platform (DDE) through requisite Application Programme Interfaces (API's);
2. National Informatics Center (NIC), Kerala shall undertake suitable customization in the respective applications in joint consultation with the Inspector General of Registration and

the Director of Treasuries;

3. The payment model for this facility will be similar to pre-funded digital wallet to which re-stocking or augmentation of funds can be done electronically in a seamless manner. This non -interest bearing virtual account shall be maintained by the Department of Treasuries and each issue of e-stamps shall be accounted against the balance in credit;
4. The integrated system shall be subjected to vulnerability assessment and penetration testing before roll out.

(By order of the Governor)
Rajesh Kumar Singh I A S
Additional Chief Secretary

1. The Secretary, Department of Financial Services, Ministry of Finance, Government of India, New Delhi (with C/L).
2. The Managing Director & Chief Executive Officer, National e-Governance Services Ltd (NeSL), Mumbai.
3. The Inspector General of Registration, Thiruvananthapuram.
4. The Director of Treasuries, Thiruvananthapuram.
5. The State Informatics Officer, National Informatics Center, Kerala State Office, Thiruvananthapuram.
6. The Principal Accountant General (A&E/Audit), Kerala, Thiruvananthapuram.
7. The Convenor, State Level Bankers Committee & General Manager, Canara Bank, Thiruvananthapuram.
8. The Managing Director, Kerala State Industries Development Corporation (KSIDC), Thiruvananthapuram.
9. The Chief Executive Officer, Kerala Bank, Thiruvananthapuram.
10. The Managing Director, Kerala State Financial Enterprises Ltd, Thrissur.
11. The Chairman & Managing Director, Kerala Financial

Corporation, Thiruvananthapuram.

12. The General Administration (SC) Department (vide item No.414 dated 01.12.2021).
13. The Web & New Media (For wide publicity through the news media and for publication on the Government website)
14. Stock file / Office Copy

Forwarded /By order

Section Officer

Copy to:- 1. The Private Secretary, Hon'ble Minister(Finance)
2.The Private Secretary, Hon'ble Minister
(Co-operation & Registration)
3 . The P.A. to Additional Chief Secretary
(Taxes&Registration)