



## GOVERNMENT OF KERALA

### Abstract

Industries Department - Reallocation of fund resumed from the PSTSB account of M/s Kerala State Industrial Enterprises Limited - Fund release - Sanctioned - Orders issued.

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### INDUSTRIES(B)DEPARTMENT

G.O.(Rt)No.857/2022/ID Dated,Thiruvananthapuram, 12-08-2022

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- Read 1) GO(Rt)No.913/2021/ID dated 26.08.2021  
2) GO(Rt)No.1050/2021/ID dated 23.09.2021  
3) Letter No.KSIE/A&HR/42/248 dated 10.06.2022 of the Managing Director, M/s Kerala State Industrial Enterprises Limited.

### ORDER

As per Government Orders read as 1<sup>st</sup> and 2<sup>nd</sup> above, Rs.200 Lakh (Rupees Two Hundred Lakh only) were released to M/s Kerala State Industrial Enterprises Limited from the Head of Account 6885-01-190-97-Loans to KSIE(P) for setting up of plant and machinery for manufacturing liquid hand wash soaps in Kerala Soaps and for modernisation of Cochin International Container Freight Station (Rs.100 Lakh each) subsidiary units of M/s Kerala State Industrial Enterprises Limited. Out of Rs.100 Lakh each released to both units, Kerala Soaps expended Rs.18.34 Lakh and Cochin International Container Freight station expended Rs.33.47 Lakh. Out of the unspent amount, Rs,1,38,19,718/- was resumed by the Government on 31.03.2022

2) The Managing Director, M/s Kerala State Industrial Enterprises Limited as per letter read as 3<sup>rd</sup> above, has furnished a proposal for reallocation of fund to the tune of Rs.1,38,19,718/- resumed from the PSTSB account of KSIE (Account No.799012700001892) under the Head of Account 6885-01-190-97(P) for completing the ongoing works during the financial year 2022-23.

3) Government have examined the matter in detail and are pleased to release an amount of Rs.100 Lakhs (Rupees One Hundred Lakh only) to M/s Kerala State Industrial Enterprises Limited under the Head of Account '6885-01-190-97-Loans to KSIE Limited' towards first instalment of reallocation of fund resumed from the PSTSB account of KSIE (Account No.799012700001892), from the budget provision of the current financial year subject to the following conditions.

- a) The balance amount of the resumed fund to the tune of Rs.38.19 Lakh shall be released on receipt of the Utilization Certificate against the current release.
- b) Funds should be transfer credited to the PSTSB account in compliance of GO(P)No.62/2018/Fin dated 16.04.2018.
- c) The procedures prescribed in Circular No.84/2008/Fin dated 09/12/2008, Circular No.75/09/Fin dated 29/08/2009, Circular No.8/2018/Fin dated 30/01/2018 and Circular No.53/2018/Fin dated 16.06.2018 should be scrupulously followed.
- d) The funds shall be used for the specific purpose for which it is released and shall not be diverted for any other purpose.
- e) The operational guidelines regarding the utilisation and monitoring of plan funds issued as per GO(P)No.88/2018/Fin dated 11.06.2018 and GO(P)No.100/2018/Fin dated 03.07.2018 should be scrupulously followed.
- f) Financial principles & rules relating to the drawal & utilisation of funds should be observed scrupulously.
- g) The loan should be treated as 'Working Capital Loan'.
- h) The period of loan shall be 5 years.
- i) Repayment of loan shall commence on the first anniversary of the drawal of loan.
- j) Rate of interest shall be 9.5% per annum (annual compound) subject to GO(P)No.169/2018/Fin dated 16.05.2018. Regarding the sanctioning and repayment of loan, all the formalities/procedures stipulated in Circular No.40/2013/Fin dated 27.04.2013 shall be followed.
- k) Loan shall be repaid in equal quarterly instalment along with interest and the Director of Industries & Commerce shall monitor the same.
- l) In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
- m) The amount shall be shown as loan from Government in the accounts of the Company.
- n) Since the interest rate prescribed assumes timely repayment of principal and

payment of interest, no further rebate in rates shall be allowed under any circumstances.

o) The Director of Industries & Commerce should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.

p) Utilization Certificate/component-wise expenditure details in respect of the previous releases as well as the amount to be released should be furnished in the prescribed format appended with GO(Ms)No. 04/2020/Fin dated 09/01/2020 along with further fund release proposals.

q) The Director of Industries & Commerce should follow the conditions stipulated in G.O.(P)No.157/2021/Fin dated 26.11.2021 & G.O. (P)No.171/2021/Fin dated 18.12.2021 in respect of the Loan Monitoring and Fund Management System.

The Director/Additional Director of Industries and Commerce will draw and disburse the amount to M/s Kerala State Industrial Enterprises Ltd.

(By order of the Governor)  
SHIBU ISSAC  
ADDITIONAL SECRETARY

To:

The Managing Director, M/s Kerala State Industrial Enterprises Ltd,  
Thiruvananthapuram

The Director of Industries and Commerce, Thiruvananthapuram

The Secretary, RIAB, Thiruvananthapuram

The District Treasury Officer, Thiruvananthapuram

The Principal Accountant General(Audit)Kerala,  
Thiruvananthapuram

The Accountant General(A&E)Kerala, Thiruvananthapuram

The Chief Executive Officer, K-Bip, Thiruvananthapuram

The Finance Department(File No.PU-D1/76/2022/Fin(e-2121274)

of Finance(PU-D)Department)

The Finance (GMC) Department

The Information & Public Relation(Web and New  
Media)Department

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Section Officer