



GOVERNMENT OF KERALA

Abstract

Malabar Spinning & Weaving Mills under Kerala State Textile Corporation Ltd- Value addition through installation of Autoconer -Cost escalation relating to the component Humidification plant-Release of Rs. 26.53 lakh - Sanction accorded -Orders Issued.

INDUSTRIES (C) DEPARTMENT

G.O.(Rt)No.226/2024/ID Dated,Thiruvananthapuram, 16-03-2024

Read : GO(Rt) No.115/2024/ID dated 08.02.2024

ORDER

As per Government Order read above, revised administrative sanction was issued for the proposal of Cost escalation relating to the component "Humidification plant" for Rs.46.53 lakhs against the the originally estimated cost of Rs.20 lakhs for the scheme "Value addition through installation of Autoconer" in Malabar Spinning and Weaving Mills by Kerala State Textile Corporation Ltd (KSTC), under the head of account '6860-01 -190-95' of KSTC from the current year's budget provision. Installation of Humidification plant is already completed.

2) Government are now pleased to release an amount of Rs. 26.53 lakh (Rs Twenty Six Lakh Fifty Three thousand only) to KSTC under the h/a-"6860-01 -190-95 Loans to KSTC(P)" towards cost escalation relating to the component "Humidification plant " in the Modernization project of Malabar Spinning and Weaving Mills, from the current years budget provision, on the following conditions:

- 1.Funds should be transfer credited to PSTSB account in compliance of G O(P) No.62/2018/Fin dated 16.04.2018.
2. 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 53/2018/Fin dated 16.06.2018 should be scrupulously followed.
- 3.The funds shall be used for the specific purpose for which it is

released and do not divert it for any other purpose.

4. The Operational guidelines regarding the utilisation and monitoring of plan funds issued vide 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.

5. Financial Principles & Rules relating to the drawal & utilisation of funds should be observed scrupulously.

6. The loan should be treated as 'Working Capital Loan'

7.The period of loan shall be 5 years.

8. Repayment of loan shall commence on the first anniversary of the drawal of loan.

9. 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, Administrative Department should scrupulously follow all the formalities/procedures stipulated in Circular No. 40/2013/Fin dated 27.04.2013.

10. Loan shall be repaid in equal quarterly installment along with interest and the Director of Industries and Commerce shall monitor the same.

11. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.

12. The amount shall be shown as loan from Government in the accounts of the Corporation.

13. 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.

14.The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.

15.Utilisation 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 G O (Ms) 04/2020/Fin dated 09/01/2020 along with further fund release proposals.

16. the Director of Industries and 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.

3) The Director of Industries and Commerce /Additional Director of Industries and Commerce will draw and disburse the amount to the Managing Director, Kerala State Textile Corporation Ltd.

(By order of the Governor)
BIJU PRABHAKAR
SECRETARY

To:

The Director of Industries and Commerce, Thiruvananthapuram
The Director of Handloom and Textiles, Thiruvananthapuram
The Secretary, BPT, Thiruvananthapuram
The Managing Director, Kerala State Textile Corporation Ltd,
Thiruvananthapuram
The Principal Accountant General (G&SSA) Kerala,
Thiruvananthapuram
The Accountant General (A&E)Kerala, Thiruvananthapuram
The Director of Treasuries, Thiruvananthapuram
Finance (PUD/GMC/BW) Department .
The Planning & Economic Affairs(CPMU) Department
✓ I&PR Department
The Chief Executive Officer, K-bip, Thiruvananthapuram
SF/OC

Forwarded /By order

Signed by

Secretary Officer

Date: 16-03-2024 16:45:41