



GOVERNMENT OF KERALA

Abstract

Agriculture Department - Kerala State Warehousing Corporation- Continuance of Government Guarantee to the Self Indemnification Scheme in lieu of insurance of goods deposited in the godowns of Kerala State Warehousing Corporation for three years from April 2024- Sanctioned - Orders issued.

AGRICULTURE (P.U) DEPARTMENT

G.O.(Rt)No.1019/2024/AGRI Dated,Thiruvananthapuram, 30-10-2024

Read 1 G.O (Ms) No. 122/68/AD dated 05/03/1968

2 G.O (Rt) No. 1589/2002/AD dated 18/12/2002

3 G.O (Ms) No. 487/04/Fin dated 16/10/2004

4. G.O (Ms) No. 62/2017/AD dated 28/04/2017

5. G.O (Ms) No. 33/2019/AGRI dated 26/02/2019

6. G.O (Ms) No. 19/2022/AGRI dated 19/03/2022

Letter No. KSWC/Mktg/Self indemnification/2024-25 dated 7. 05/04/2024 from Managing Director, Kerala State Warehousing Corporation.

ORDER

As per the Government Order read as 1st paper above Government had incorporated Kerala State Warehousing Corporation under the Self Indemnification Guarantee Scheme from 1968 onward. As per the Government Order read as 2nd paper above the Government guarantee was extended from 01/04/2002 to 31/03/2004. The Kerala State Warehousing Corporation has been remitting the Guarantee Commission since 2004, even though the Government had not extended the Guarantee from 2004 to 2016. As per the Government Orders read as 4th, 5th and 6th paper above Government guarantee was extended for two years from 2016-17, three years from 2018-19 to 2020-21 and 3 years from April 2021 respectively.

2) As per the letter read as the 7th paper above, the Managing Director, Kerala State Warehousing Corporation requested to renew the period of Government guarantee to the Self Indemnification Scheme.

3) Government have examined the matter in detail and are pleased to accord sanction for the continuance of Government Guarantee to the self Indemnification in lieu of insurance of goods deposited in the godowns of Kerala State Warehousing Corporation for a further period of three years from April 2024 subject to the following terms and conditions :-

- i.** Guarantee Commission @ 0.75% shall be remitted as per orders in G.O. (Ms) 487/04/Fin dated 16.10.2004 & Guarantee Act
- ii.** Simple interest @ 12% shall be charged for delayed payments as specified in clause 5 of Government Order dated 16.10.2004.
- iii.** Half yearly report shall be sent to Government in Finance Department with attested copies of chalans remitting Guarantee Commission & penal interest, if any, indicating details of guaranteed amount outstanding, guarantee commission payable (with Calculation Statement).
- iv.** Since the Guarantee Commission cannot be waived as per Guarantee Act, the Managing Director. Kerala State Warehousing Corporation should evolve a proper mechanism for the strict payment of Guarantee Commission without any fault and to ensure the remittance of Guarantee Commission dues if any, before the execution of the deed.
- vi.** The Guarantee Deed should invariably contain the Government Order No. & date of Government Guarantee, Amount & period of Guarantee & the Ceiling limit as per KCGG Act, 2003 (as amended through Finance Act.2, 2022) & should be got vetted by Law Department.

(By order of the Governor)
PRASANTH N I A S
SPECIAL SECRETARY

To:

The Managing Director, Kerala State Warehousing Corporation.

The Principal Accountant General, Audit (A& E) Kerala

The Director, Agriculture Development & Farmers Welfare Department
Finance Department (vide U.O No. 959039/PU-B3/104/2018-FIN
dated 25/10/2024)

The Web & New Media Information & Public Relations Department.

Stock File / Office Copy

Forwarded /By order

Section Officer

Copy To : PS to the Hon'ble Minister (Agriculture)

PA to the Principal Secretary, Agriculture Department.

PA to the Special Secretary, Agriculture Department.