



GOVERNMENT OF KERALA

Abstract

Industries Department - Working Capital assistance to Metal Industries Limited - Fund Released - Orders issued.

INDUSTRIES (D) DEPARTMENT

G.O.(Rt)No.862/2021/ID Dated,Thiruvananthapuram, 13/08/2021

Read 1 GO(Rt)No.652/2018/ID dated 27/06/2021

2 GO(Rt)No.704/2021/ID dated 07/07/2021

3 Letter No.DIC/2049/2021-FBI dated 15/07/2021 from the Director of Industries and Commerce, Thiruvananthapuram.

ORDER

As per the Government Order read as 1st paper above Administrative Sanction was accorded for providing financial support of Rs.30 Crores to 26 PSU's under Industries Department through re-appropriation from lump sum H/A 4885-60-800-96(P). Among these 26 PSU's, Metal Industries Limited is also included and an amount of Rs.0.50 Crores is allotted to the Company. As per the Government Order read as 2nd paper above sanction was accorded for the re-appropriation of an amount of Rs.0.50 Crores to Metal Industries Limited from the H/A 4885-60-800-96(P) to the H/A 6858-02-190-94(P).

2) The Director of Industries and Commerce as per the letter read as 3rd paper above submitted proposal for release of an amount of Rs.0.50 Crores under the Head Account "6858-02-190-94(P) through re-appropriation from the Head of Account "4885-60-800-96(P)".

3) Government have examined the matter in detail and are pleased to release an amount of Rs.50 Lakhs (Rupees Fifty Lakhs only) to Metal Industries Limited, under the Head Account 6858-02-190-94(P), sanctioned vide GO(Rt)No.704/2021/ID dated 07/07/2021 towards Working Capital assistance, subject to the following terms and conditions of fund release:

- a. Funds should be transfer credited to PSTSB account in compliance of GO(P)No.62/2018/Fin dated 16.04.2018.
- b. The funds shall be used for the specific purpose for which it is released and not diverted for any other purpose.
- 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 53/2018/Fin dated 16.06.2018 should be scrupulously followed.
- d. 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.
- e. Financial Principles & Rules relating to the drawal & utilisation of funds should be observed scrupulously.
- f. The loan should be treated as 'Working Capital Loan' and the period of loan shall be 5 years.
- g. Repayment of loan shall commence on the first anniversary of the drawal of loan.
- h. Rate of interest shall be 9.5% per annum (annual compound) subject to G O (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 should be scrupulously followed.
- i. Loan shall be repaid in equal quarterly installment along with interest.
- j. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
- k. The amount shall be shown as loan from Government in the account of the Company.
- l. 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.
- m. The Drawing & Disbursing Officer should ensure that unspent balances

of previous release, if any, will be adjusted against the instant release of funds.

n. The 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) 4/2020/Fin dated 09.01.2020 along with further fund release proposals.

4) The Director/Additional Director of Industries & Commerce shall draw and disburse the amount to Metal Industries Ltd.

(By order of the Governor)
Asokan K
Additional Secretary

To:

Managing Director, Metal Industries Ltd, Metind Nagar, Shoranur

The Director/Additional Director of Industries & Commerce,

Thiruvananthapuram

The Principal Accountant General (A&E)/(E&RSA), Kerala,
Thiruvananthapuram.

The District Treasury Officer, Thiruvananthapuram

Finance Department (Vide E-1818579/PUD2/65/21/FIN

dated:10/08/21)

Finance (GIMC) Department

Planning & Economic Affairs Department

The Secretary, RIAB, Thiruvananthapuram

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Section Officer


The Minister for Industries


Secretary to Government


Additional Secretary, Industries