



GOVERNMENT OF KERALA

Abstract

Industries Department – Travancore Cements Limited – Release of Rs.150 Lakhs as Working Capital Support - Sanctioned – Orders issued

INDUSTRIES (H) DEPARTMENT

G.O.(Rt)No.1114/2021/ID Dated,Thiruvananthapuram, 05/10/2021

- Read 1 G.O(Rt) No.652/2021/ID dated 27.06.2021
- 2 G.O.(Rt) No.712/2021/ID dated 08.07.2021
- 3 G.O(Rt) No.856/2021/ID dated 13.08.2021
- 4 Letter No.0789 dated 27.08.2021 from the Managing Director, Travancore Cements Limited.

ORDER

Government as per G.O. read as 1st paper above have accorded Administrative Sanction for an amount of Rs.30.00 Crore to 26 PSUs as Working Capital support for holding on operation, through re-appropriation from the Lump-Sum head of PSUs 4885-60-800-96(P) to the head of account of respective PSUs. As per GO read as 2nd paper above, Government have accorded sanction for an amount of Rs.250 lakhs to TCL through re-appropriation from the lump-Sum Head of account "4885-60-800-96(P)" to the head of account "6854-01-190-98(P)" of Travancore Cements Limited as working capital support for holding on operations. Vide G.O. read as 3rd paper above Rs.100 lakhs has already been released to TCL. As per letter read as 4th paper above the Managing Director, TCL has reported that the Company has fully utilized the amount for the purchase of raw materials and has requested to release the balance amount of ₹150 Lakhs for importing the raw materials for the continuous operation of the factory.

2. Government have examined the matter in detail and are pleased to release an amount of Rs 150 lakhs (Rupees One Hundred Fifty lakhs only) under the loan h/a "6854-01-190-98(P)" as working Capital assistance for the current financial year 2021-22 to Travancore Cements Limited subject to the following terms and conditions of fund release:

i) The amount shall be transfer credited to PSTSB A/c in compliance of G.O(P)No.62/2018/Fin dtd.16.04.2018.

ii) Funds shall be utilised for the purpose for which it is released and not diverted for any other purpose.

iii) 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.

iv) 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

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

vi. 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)No.4/2020 dtd. 09.01.2020 along with further fund release proposals.

vii. The loan should be treated as 'Working Capital Loan' and the period of loan shall be for a period of 5 years.

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

ix. 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.

x. Loan shall be repaid in equal quarterly installments along with interest and the Secretary, RIAB should monitor the same.

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

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

xiii. 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.

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

3. The Director/Additional Director of Industries & Commerce will draw and disburse the amount to Travancore Cements Limited.

(By order of the Governor)

Asokan K

Additional Secretary

The Secretary, Public Sector Restructuring & Internal Audit Board (RIAB),
Thiruvananthapuram.

The Director/Additional Director of Industries & Commerce,
Thiruvananthapuram.

The Managing Director, Travancore Cements Limited, Nattakom, Kottayam.

The Accountant General, (E&RSA/G&SSA), Kerala, Thiruvananthapuram.

Finance (GMC) Department.

Finance (PU-D) Department. (PU-D3/61/2019/1214563/Fin)

Information Officer (W&NM), I&PRD.

Stock File/Office Copy.

Forwarded /By order



Section Officer

Copy to:

1. The PS to Hon'ble Minister for Industries.
2. The PA to Principal Secretary II
3. The CA to Additional Secretary.