



GOVERNMENT OF KERALA

Abstract

Industries Department-Steel Industrials Kerala Ltd.(SILK)-Installation of Machineries in various units-Fund Released-Orders issued.

INDUSTRIES(D)DEPARTMENT

G.O.(Rt)No.288/2022/ID Dated,Thiruvananthapuram, 30-03-2022

- Read 1 GO(Rt)No.639/2021/ID dated 26/06/2021
2 GO(Rt)No. 863/2021/ID dated 13/08/2021
3 GO(Rt)No.28/2022/ID dated 10/01/2022
4 Letter No. SILK/MD/2022/203 dated 15/03/2022 from the Managing Director, Steel Industrials Kerala Ltd.

ORDER

As per G.O read as 1st paper above Administrative Sanction for an amount of Rs.700 Lakhs (Rupees Seven Hundred Lakhs only) was accorded to Steel Industrials Kerala Ltd under the H/A 6858-04-190-99(P) of the company as financial support to complete the project of installation of machines in GEW,Thuravoor and Machineries in Foundry Unit, Ottapalam.

2) Out of this an amount of Rs.550 Lakhs was released to the company as per G.O's read as 2nd paper and 3rd paper above .

3) The MD, SILK as per the letter read as 4th paper above requested Government to release the balance fund for an amount of Rs.150 Lakhs for the project for the procurement of balance machineries and the completion of the remaining works in order to complete the project in a time bound manner .

4) Government have examined the matter in detail and are pleased to release an amount of Rs. 75,00,000/- (Rupees Seventy Five Lakhs Only) under the h/a 6858-04-190-99 (P) to SILK, as financial support to complete the project of installation of machines in GEW, Thuravoor and Machineries in Foundry Unit, Ottapalam, sanctioned subject to GO(Rt)No.639/2021/ID dated 26/06/2021 and subject to the

following terms and conditions of fund release:

- i. Funds should be transfer credited to PSTSB account in compliance of GO(P)No.62/2018/Fin dated 16.04.2018.
- ii. The funds shall be used for the specific 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. The loan should be treated as 'Working Capital Loan' and the period of loan shall be 5 years.
- vii. Repayment of loan shall commence on the first anniversary of the drawal of loan.
- viii. 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, the company should scrupulously follow all the formalities/procedures stipulated in Circular No. 40/2013/Fin dated 27.04.2013.
- ix. Loan shall be repaid in equal quarterly installment along with interest .
- x. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
- xi. The amount shall be shown as loan from Government in the accounts of the Company.
- xii. 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.
- xiii. The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.
- xiv. 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.

6) The Director/Additional Director, Industries and commerce shall draw and disburse the amount to the Managing Director, Steel Industrials Kerala Ltd.

(By order of the Governor)
ASOKAN K
ADDITIONAL SECRETARY

To:

The Managing Director, Steel Industrials Kerala Ltd, Athani, Thrissur
Director/Additional Director of Industries and Commerce,
Thiruvananthapuram

Accountant General(A&E)/(Audit II),Kerala, Thiruvananthapuram

The District Treasury Officer, Thiruvananthapuram

Finance Department (vide E- 1819995/PU D2/68/2021-Fin dated 25/03/2022)

Planning & Economic Affairs Department

The Secretary, RIAB, Thiruvananthapuram

I&PRD (Web & New Media)

Stock File/Office Copy

Forwarded /By order

Section Officer

Copy to

PS to Hon'ble Minister(Industries)

PA to Principal Secretary II (Industries)

CA To Additional Secretary (Industries)