



GOVERNMENT OF KERALA

Abstract

Local Self Government Department- Life Mission Projects-Proposal of KURDFC to avail a 'Bridge Loan' of Rs. 425 Crore from Ernakulam District Co-operative Bank- Sanction Accorded- Orders Issued

LOCAL SELF GOVERNMENT(DB) DEPARTMENT

G.O.(Rt)No.688/2019/LSGD Dated,Thiruvananthapuram, 22/03/2019

Read 1 Letter no. KURDFC/A2/289/2018/123 dated 20.03.2019 and Letter no. KURDFC/A2/289/2018/124 dated 21.03.2019 from the Managing Director, KURDFC.

2 Letter No. LF-18/Fin/2019 dated 20.03.2019 from CEO, LIFE Mission

ORDER

The Managing Director, Kerala Urban & Rural Development Finance Corporation Ltd (KURDFC) as per her letter read as 1st paper above has informed that out of Rs. 3000 crore as loan assistance sanctioned by HUDCO for rural beneficiaries of phase II of LIFE Mission Projects, an amount aggregate amount of Rs. 750 crore was released by them in two instalments in January and February of 2019 based on the financial and physical progress of the project reported by LIFE Mission. Though application for releasing of the 3rd instalment of Rs. 375 Crore has been placed with HUDCO based on the progress achieved in construction as reported by LIFE Mission, they have expressed their inability to release the amount in March due to the financial constraint and informed that next instalment would be released only in the first week of April, 2019.

2. But CEO, LIFE Mission as per his letter read as 2nd paper above has reported that the constructions of houses are very much advanced with additional share of assistance released by Local Bodies and gathering finance from various sources by the beneficiaries themselves on anticipation of early release of the further amount of the loan. At this stage, thousands of beneficiaries in entire local bodies are desperately awaiting for assistance from

Government for completing their houses before the onset of the monsoon as they are now residing unprotected temporary shelters.

3. In the above circumstances the Managing Director, requested to avail a 'Bridge loan' of an amount of 425 Crore from Ernakulam District Co-operative bank for meeting the immediate requirement of fund.

4. Government have examined the matter in detailed and are pleased to accord special sanction to the Managing Director, KURDFC to avail a 'bridge Loan' of Rs. 425 Crores(Rupees Four Hundred and Twenty Five Crores Only) from Ernakulam District Co-operative Bank for implementation of LIFE Mission projects subject to the following conditions

1. The next installment of Loan amount from HUDCO should be utilised for repayment of Bridge loan.
2. The interest shall be paid from the H/A' 2217-80-800-62(P)- Interest subsidy to KURDFC for loan availed from HUDCO for implementation of LIFE-Mission Schemes.
3. In case of default in repaying the Principal amount and interest thereon, repayment shall be made by the Government.

(By order of the Governor)
PATSY STEPHEN
JOINT SECRETARY

To:

The Chief Executive Officer, LIFE Mission, 2nd Floor, PTC towers, SS Kovil road, Thiruvananthapuram

Regional Chief, HUDCO, 3rd Floor, Saphalyam Complex, Playam , Thiruvananthapuram

The Managing Director, KURDFC, 5th Floor, TRANS, Tower, Vazhuthacadu, Thiruvananthapuram

Member Secretary, State Planning Board, Thiruvananthapuram

The Director of Panchayats, Thiruvananthapuram

The Director of Urban Affairs, Thiruvananthapuram

The Commissioner of Rural Development, Thiruvananthapuram

The General Manager, District Co-operative Bank, Ernakulam

The Principal Accountant General, (Audit), Kerala, Thiruvananthapuram

The Accountant General (A&E), Kerala, Thiruvananthapuram

The Finance Department (Vide U.O. No. E 1140310/Dev. 2/57/19 dated 23.03.2019)

The Executive Director, IKM

The Director, Kerala State Audit Department
The State Performance Audit Officer
Stock File/Office Copy

Forwarded /By order

[Handwritten Signature]

Section Officer

Copy to - PS to Hon'ble Minister for LSGD
PA to ACS, LSGD