



## GOVERNMENT OF KERALA

### Abstract

Local Self Government Department - LIFE MISSION - loan for an amount of Rs. 1448.34 crores from HUDCO through KURDFC (Rural Sector) -Execution of Guarantee Agreement for an amount of Rs. 448.34 crores - Sanction accorded - Orders issued.

### LOCAL SELF GOVERNMENT (DE) DEPARTMENT

G.O.(Ms)No.68/2024/LSGD Dated,Thiruvananthapuram, 16-06-2024

- Read 1 GO (MS) No.53/2021/LSGD dated 18/02/2021.
- 2 GO (MS) No.302/2021/LSGD dated 17/12/2021
  3. GO (MS) No.62/2022/LSGD dated 19/03/2022.
  - 4.. GO (MS) No.69/2022/LSGD dated 26/03/2022 ,
  5. GO (Rt) No. 2477/2022/LSGD dated 13.10.2022.
  6. GO (Ms) No. 8/2023/LSGD dated 11.01.2023.
  7. Letter No. KURDFC/A2/727/2021 dated 27.12.2023 from the Managing Director , KURDFC.

### ORDER

As per Government Order read as 1<sup>st</sup> paper above, sanction was accorded for availing a loan, for an amount of Rs. 1500 crores from HUDCO, for providing houses to the eligible beneficiaries under the category of Scheduled Caste, Scheduled Tribe and Fisheries sectors in the additional list, and those landless homeless beneficiaries who have acquired land, as part of the Total Housing Programme under LIFE Mission Phase - III and in the above additional list. Vide Government Order read as 2<sup>nd</sup> paper above, the first Govt.Order was modified and sanction was accorded for availing the said loan from Housing And Urban Development Corporation Limited (HUDCO ) through Kerala Urban Rural Development Finance Corporation Ltd.(KURDFC).

2. Later as per Government Order read as 3<sup>rd</sup> paper above, Government had accorded sanction accorded for availing the HUDCO loan of Rs.

1448.34 crores (Rural Sector) and Rs. 51.66 crores (Urban Sector) respectively. Also Guarantee agreement for Rs. 500 crores for Rural sector was executed vide Government Order read as 4<sup>th</sup> and 6<sup>th</sup> paper above and Guarantee agreement of Rs 51.66 crores for Urban sector was executed vide Government Order read as 5<sup>th</sup> paper above.

3. KURDFC has furnished proposal for executing a Guarantee Agreement for the remaining Rs. 448.34 crores for Rural sector vide the letter read as 7<sup>th</sup> paper above.

4. Government have examined the matter in detail and are pleased to accord sanction for executing the deed of guarantee for an amount of Rs.448.34 crore s subject to the following Terms and conditions of Government Guarantee:

i. Guarantee Commission @ 0.75% shall be remitted as per order in G.O. (Ms) 487/04/Fin dtd 16.10.2004 & Guarantee Act.

ii. Simple interest @ 12% shall be charged for delayed payments as specified in clause 5 of Government Order dtd 16.10.2004.

iii. Half yearly report shall be sent to Govt in Finance Dept with attested copies of remitted particulars of Guarantee Commission & penal interest, if any indicating details of guaranteed amount, outstanding, guarantee commission payable (with details of Calculation).

iv. KURDFC should ensure the remittance of Guarantee Commission dues if any, before the execution of deed.

v. Since Guarantee Commission cannot be waived as per Guarantee Act, KURDFC should evolve a proper mechanism for the strict payment of Guarantee Commission without any fault.

vi. The Guarantee deed shall invariably contain the Govt Order No. & date of Government Guarantee, Amount & period of Guarantee &

the Ceiling limit as per KCGG Act,2003 (as amended through Finance Act.No.2,2022) & should be got vetted by the Law Dept.

(By order of the Governor)  
DR SHARMILA MARY JOSEPH  
PRINCIPAL SECRETARY

To:

The Chief Executive Officer, LIFE Mission, Thiruvananthapuram.

Regional Chief, HUDCO , Thiruvananthapuram.

The Managing Director, KURDFC , Thiruvananthapuram.

Principal Director, Local Self Government Department,  
Thiruvananthapuram.

Member Secretary, Planning Board, Pattom , Thiruvananthapuram.

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

Finance Department ( Vide No.2687588/PU-B3/5/2024-FINdated  
16.03.2024)

The Director , Kerala State Audit Department, Thiruvananthapuram

Information Officer. Web & New Media Wing , I &PRD

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Section Officer