GOVERNMENT OF KERALA

Abstract

Industries Department - Kerala Rubber Limited - In principle approval for the Administrative Sanction for Infrastructure Development Works in Phase I of the project of KRL for promotion of Natural Rubber (NR) sector in Kerala -- Sanctioned - Orders issued.

INDUSTRIES(G) DEPARTMENT

G.O.(Rt)No.743/2023/ID Dated,Thiruvananthapuram, 25-07-2023

Read 1 Letter No. KRL/CMDO/17/2022-23 dated 31-08-2022 to The Director Of Industries and Commerce from the Chairperson and Managing Director, Kerala Rubber Limited.

2 Letter No. DIC/4986/2021-ID1 dated 02-09-2022 and 13-12-2022 from the Director of Industries and Commerce.

3 Letter No. KRL/CMDO/176/2022-23 dated 10-01-2023 from the Chairperson and Managing Director, Kerala Rubber Limited.

ORDER

Kerala Rubber Ltd (KRL) intends to complete the infrastructure development work in two phases. The total project cost is Rs.25358/- Lakh. The cost of the phase I is Rs.205.58 crore. Government has provided Rs.10 crore for KRL in the budget for 2022-23. This amount is insufficient to take forward the infrastructure development activities. The Chairperson and Managing Director, Kerala Rubber Limited has submitted a proposal to the Director of Industries and Commerce, vide letter read as 1st paper above, to include its infrastructure development project for receiving fund through SIDBI in such a way that 80% of total project cost can be met through loan from SIDBI and the remaining 20% from the head of account "4860-60-190-90".

As per letter read as 2 nd paper above the Director of Industries and Commerce has informed that the Infrastructure Development Project of Kerala Rubber Limited is suitable for SIDBI Cluster Development Fund Scheme and requested to issue Administrative Sanction for the implementation of the I st phase with permission to avail loan from SIDBI for 80% of the project cost and to sanction fund from the head of account "4860-60-190-90" earmarked in the budget and after the issue of Administrative Sanction, permission may be given to forward the proposals to SIDBI for getting loan under SIDBI Cluster Development Fund Scheme.

As per letter read as 3 rd paper above CMD, KRL informed that Rubber Board in association with KIIFB Consultancy Services Unit prepared revised DPR in which the total project cost is Rs. 25358 Lakh. The details of total project cost is as follows:

1	Land - 164.86 acres (as grant)	0.00 Lakh
2	Land development expenses Phase I	4475.00 Lakh
3	Land development expenses Phase II	4800.00 Lakh
4	Building and civil works	5295.00 Lakh
5	Water supply system	250.00 Lakh
6	Electrification	3706.00 Lakh
7	Equipments and central facilities	5750.00 Lakh
8	Contingency (@ 1% of fixed assets excluding cost of land	195.00 Lakh
9	Preliminary and pre- operative expenses	887.00 Lakh

		Total	**25358.00 Lakh**

CMD, KRL requested Government for approval of implementation of the project by KRL for promotion of Natural Rubber (NR) based industries in the State and setting up an Industrial Complex for manufacturing of NR based products through investment from entrepreneurs as per the revised project report. It was also requested to consider and issue Administrative Sanction for the project and for availing 80% of the project cost through loan from SIDBI.

Government have examined the matter in detail and agrees to issue 'in principle' approval for the Administrative Sanction for Infrastructure Development Works in Phase I of the project of KRL for promotion of Natural Rubber sector in Kerala, and for availing 80% of the project cost through loan from SIDBI. The Government guarantee will be issued for the actual amount released from SIDBI in each financial year.

(By order of the Governor)
SUMAN BILLA
PRINCIPAL SECRETARY

To:

The Chairperson and Managing Director, Kerala Rubber Limited,Kottayam.
The Director of Industries and Commerce,Thiruvananthapuram. The Secretary, RIAB, Thiruvananthapuram.
The Director of Treasury, Thiruvananthapuram.
The Principal Accountant General (Audit/A&E), Kerala, Thiruvananthapuram.
Accountant General (E&RSA/G&SSA), Thrissur.
Treasury Officer, Sub Treasury, Vaikom. Finance(PU D)Department(Vide E-2325999/PU-D2/9/2023-FIN 19-07-2023) The Information and Public Relations Department (Web& New Media)
Stock File/Office Copy.

Forwarded /By order

Section Officer