



GOVERNMENT OF KERALA

Abstract

Finance Department - Centage charges to SPVs for execution of KIIFB Projects - Revised Procedure for sanction and payment - Sanctioned-Orders issued.

FINANCE (INFRASTRUCTURE) DEPARTMENT

G.O.(P)No.47/2019/FIN

Dated,Thiruvananthapuram, 17/04/2019

- Read 1 G.O.(P)No. 61/2017/FIN dated 09.05.2017
2 G.O.(P)No. 11/2018/FIN dated 18.01.2018
3 Minutes of the 10th Meeting of the Executive Committee of KIIFB held on 16.01.2019

ORDER

1 . As per the G.O read as 1st paper above Government have fixed the rates and specified the procedures for the release of Centage Charges to the Special Purpose Vehicles (SPVs) for the execution of KIIFB-funded projects.

2. As per the G.O. read as 2nd paper above the procedure for the sanctioning and release of the Centage Charges for KIIFB-funded projects was modified to facilitate prompt release of the Centage Charges to the SPVs through KIIFB, considering the procedural constraints associated with the Ways & Means position of the State.

3. Based on the decision of the Executive Committee of KIIFB vide the Minutes read as 3rd paper above, it is proposed to revise the procedure for the release of the centage charges by KIIFB in accordance with the changes made in the KIIFB online payment software and to make sufficient funds available at the disposal of the SPV for smooth implementation of the KIIFB- funded projects.

4. Government have examined the matter in detail and are pleased to revise the procedure for release of centage charges to the SPVs for the execution of KIIFB funded Projects as detailed below:-

- i. The SPVs shall submit the claims for payment of centage charges directly to KIIFB through the online portal of KIIFB.
- ii. KIIFB will examine the claims and thereafter accord necessary sanction to make

payment directly to the SPVs.

- iii. 20% of the eligible centage charges calculated on the basis of Administrative Sanction / DPR/ KIIFB Financial Sanction cost will be released as the first instalment in advance and shall not be recouped.
 - iv. The subsequent two instalments will be 30% each and will be released on the relevant project implementation achieving 30% and 60% physical progress respectively, of which, KIIFB shall be suitably convinced by the SPV.
 - v. The final instalment of balance Centage Charge due to the SPV will be determined based on the cost of the completed project and taking into account the centage charges already paid. This will be released only on final settlement after completion and handing over of the project by the SPV .
 - vi. The centage charges paid to the SPVs by KIIFB shall be reimbursed to KIIFB from the Government Head of Account "3475- 00- 800- 96 (PV)- Technical Assistance Fund". Necessary sanction orders in this regard shall be issued by Finance (Infrastructure) Department.
 - vii. Charges of specialized services such as advanced geo-technical investigation, energy modelling, model studies, green building rating service, virtual design modelling, environmental impact assessment, essential publicity charges, etc. that may be considered by KIIFB as payable to the SPVs as project expenses, will be capitalized and added to the project cost.
 - viii. If the overheads, DPR preparation cost, PMC charges, legal expenses, etc., considered as chargeable to the project, exceed the eligible centage charges, such excess charges/costs may be capitalized and added to the project cost with the approval of KIIFB.
5. The Government Order read as 2nd paper above stands cancelled

(By order of the Governor)

Dr. K M ABRAHAM
EX-OFFICIO SECRETARY

To:

The Principal Accountant General (A&E), Kerala, Thiruvananthapuram
The Principal Accountant General (G & SSA), Kerala, Thiruvananthapuram
The Accountant General (E & RSA) Kerala, Thiruvananthapuram
All Heads of Departments and Offices
All Departments of Secretariat

All Private Secretaries to Minister
Private Secretary to Chief Minister
All Secretaries to Government SPVs Concerned
The Principal Secretary (Finance)
The Nodal Officer, (www.finance.kerala.gov.in)
The Chief Executive Officer, KIIFB
Stock File/ Office copy

Forwarded /By order

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Section Officer

