



GOVERNMENT OF KERALA

Abstract

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

FINANCE (INFRASTRUCTURE) DEPARTMENT

G.O.(P)No.170/2019/FIN Dated, Thiruvananthapuram, 13/12/2019

- Read 1 GO(P)No.311/2014/Fin; dated 30.07.2014
2 G.O(Ms)No.315/2016/Fin; dated 08.08.2016
3 G.O (Ms) No.69/2018/Fin, dated 24.02.2018
4 G.O.(P)No. 61/2017/FIN dated 09.05.2017
5 Minutes of the 10th Meeting of the Executive Committee of KIIFB held on 16.01.2019
6 G.O (P) No.47/2019/Fin dated 17.04.2019

ORDER

As per the papers read above, Government Orders have been issued at different times on engaging Special Purpose Vehicles (SPVs) by Administrative Departments for the execution of KIIFB works, rate of centages payable to such SPVs and procedures for processing centage requests. Now considering the requests received from various SPVs for incorporating more specialized sectors of works in the centage rates table based on the diversity of sectors being funded by KIIFB as well as to bring all the earlier orders relating to centages to a single Government Order for efficient management of centage related matters, issuance of a new order is felt necessary.

2. Government have examined the matter in detail and are pleased to issue this revised order containing all standing orders on centage charges and adding new categories / giving additional detailing to existing categories as given below.

3. This order shall replace and supersede all previous Government Orders relating to sanctioning centages in KIIFB funded works.

20% of (12 Cr x 4.0%)

4. SECTORS AND CENTAGE RATES

Sl. No.	Sector	Rates of Centage charges				
		Rs 10cr-25cr.	Rs 26 cr-100cr.	Rs 100cr-250cr.	Above Rs.250 crore	
					Fixed Amount (Rs. Cr)	Plus % of amount exceeding Rs. 250Cr.
1	Buildings	4.00%	3.75%	3.50%	8.75	1%
2	Land Development (Area Masterplan)	1.25%	1.00%	0.75%	1.875	0.25%
3	Water & Wastewater Supply Schemes	3.00%	2.75%	2.50%	6.25	0.5%
4	Ports Harbours Marine & Waterfront, Inland Navigation, Inland Waterways	3.00%	2.75%	2.50%	6.25	0.5%
5	Industrial Estates, SEZ, Township & Area development programs	2.00%	1.75%	1.50%	3.75	0.25%
6	Dams, Irrigation Canals, Regulator cum Bridges	2.00%	1.75%	1.50%	3.75	0.25%
7	Power Infrastructure/ Fibre Optic Network	3.00%	2.75%	2.50%	6.25	0.5%

8	Roads, Bridges, Rail & other transport infrastructure	3.50%	3.25%	3.00%	7.5	0.5%
9	Airports	2.50%	2.25%	2.00%	5	0.25%
10	Sports, Recreation & Tourism Infrastructure	3.50%	3.25%	3.00%	7.5	0.5%
11	Procurement of furniture, IT, Medical Equipment	1.25%	1.00%	0.75%	1.875	0.25%
12	Solid Waste Management	2.00%	1.75%	1.50%	3.75	0.25%

5. CENTAGE RELEASE PROCEDURES

- i. The above rates are fixed for planning, designing, tendering, supervising and handing over. The rates for any specialised services like model studies, energy simulation, risk analysis, Environmental Impact Assessment, etc. shall be as per actual expenditure but limited to the prevailing norms in Government.
- ii. The SPVs shall submit the claims for payment of centage charges directly to KIIFB through the online portal of KIIFB.
- iii. KIIFB will examine the claims and thereafter accord necessary sanction to make payment directly to the SPVs.
- iv. 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.
- v. 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.
- vi. 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.

- vii. 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.
- viii. Charges of specialized services such as advanced Geo-technical investigations, 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.
- ix. 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.

(By order of the Governor)
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
Budget Wing
All Heads of Departments and Offices
All Departments of Secretariat
All Private Secretaries to Ministers
Private Secretary to Chief Minister
All Secretaries to Government
SPV's Concerned
The Additional Chief Secretary (Finance)
The Nodal Officer, (www.finance.kerala.gov.in)
The Chief Executive Officer, KIIFB
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Section Officer