GOVERNMENT OF KERALAM

Abstract

Industries Department - Kerala Automobiles Ltd. - Release of funds for the settlement of urgent statutory commitments - Sanction accorded - Orders issued.

INDUSTRIES (D) DEPARTMENT

G.O.(Rt)No.1274/2026/ID Dated,Thiruvananthapuram, 30-10-2026

Read 1 GO(Rt)No.955/2026/ID dated 14/08/2026.

2 Letter No.KAL/REC/ACC/2026-27/126 dated 19/08/2026 from the Managing Director, Kerala Automobiles Ltd.

ORDER

As per the Government Order read as 1st paper above, Administrative Sanction was accorded for an amount of ₹2500 Lakhs provided under the lumpsum Head of Account of 4885-60-800-83(P) , for the settlement of urgent statutory commitments of 21 Public Sector Undertaking. Out of this, an amount of ₹220 Lakhs has been allocated to the Kerala Automobiles Limited.

2) The Managing Director, Kerala Automobiles Ltd., as per the letter read as 2nd paper above has requested to release the amount of ₹220 Lakhs sanctioned to Kerala Automobiles Ltd., as per the Government Order read as 1st paper above, for urgent settlement of statutory commitments of the company.

3) Government have examined the matter in detail and are pleased to release an amount of ₹44 Lakh (Rupees Forty Four Lakh only) under the H/A 6858-03-190-99 KAL(P) for the settlement of urgent statutory commitments sanctioned vide Government Order read as 1st paper above, subject to the following conditions:

a. Funds should be transfer credited to PSTSB account in compliance of G O(P) No.62/2018/Fin dated 16.04.2018.
b. The procedures prescribed in Circular No. 84/2008/Fin dated, 09-12-

2008, Circular No. 75/09/Fin dated, 29/08/2009, Circular No.8/2018/Fin Dated, 30/01/2018 and Circular 53/2018/Fin dated 16.06.2018 should be scrupulously followed.

c. The funds shall be used for the specific purpose for which it is released and do not divert it for any other purpose.
d. The Operational guidelines regarding the utilisation and monitoring of plan funds issued as per GO (P) No.88/2018/fin dated 11.06.2018 and GO(P) No.100/2018/Fin dated 03.07.2018 should be scrupulously followed.
e. Financial Principles & Rules relating to the drawal & utilisation of funds should be observed scrupulously.
f. The loan should be treated as 'Working Capital Loan'.
g. The period of loan shall be 5 years.
h. Repayment of loan shall commence on the first anniversary of the drawal of loan.
i. Rate of interest shall be 9.5% per annum (annual compound) subject to GO (P)No.169/2018/Fin dated 16.05.2018. Regarding the sanctioning and repayment of loan, Company should scrupulously follow all the formalities/procedures stipulated in Circular No. 40/2013/Fin dated 27.04.2013.
j. Loan shall be repaid in equal quarterly installment along with interest and the company shall monitor the same.
k. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
l. The amount shall be shown as loan from Government in the accounts of the Company.
m. Since the interest rate prescribed assumes timely repayment of principal and payment of interest, no further rebate in rates shall be allowed under any circumstances.
n. The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.
o. Utilisation Certificate/Component wise expenditure details in respect of the previous releases as well as the amount released now should be furnished in the prescribed format appended with GO (Ms) 04/2020/Fin dated 09/01/2020 along with further fund release proposals.

p. The conditions stipulated in G O (P) No.157/2021/Fin dated 26.11.2021 & GO (P) No.171/2021/Fin dated 18.12.2021 in respect of the Loan Monitoring and Fund Management System should be followed.

4) The Director / Additional Director of Industries and Commerce shall draw and disburse the amount to the Managing Director, Kerala Automobiles Ltd.

(By order of the Governor)
A P M MOHAMMED HANISH
ADDITIONAL CHIEF SECRETARY

To:
The Director/Additional Director of Industries and Commerce, Thiruvananthapuram.
The Managing Director, Kerala Automobiles Ltd., Aralummoodu.
The Executive Chairman, Board for Public Sector Transformation, Thiruvananthapuram.
The Accountant General (A&E) / (Audit II), Kerala, Thiruvananthapuram.
The District Treasury Officer, Thiruvananthapuram.
Finance Department (vide U.O.No.3622886/PU-D1/118/2026-FIN Finance (PU-D) Dept. dated 27/10/2026).
Finance (GIMC) Department.
Information and Public Relations Department (Web & New Media).
The stock File / Office Copy.

Forwarded /By order
Digitally signed by
Susan Thomas
Date: 31-10-2026
12:22:56
Section Officer