

**GOVERNMENT OF KERALA****Abstract**

Industries - Working Capital Support to Kerala Automobiles Limited -
Fund released - Orders issued

INDUSTRIES (D) DEPARTMENT

G.O.(Rt)No.811/2024/ID Dated, Thiruvananthapuram, 03-09-2024

Read 1. G.O.(Rt.) No.638/2024/ID dated 22/07/2024.

2. Letter No.KAL/REC/ACCC/2023-24/602 dated 26/07/2024 from the Managing Director, Kerala Automobiles Limited.
3. Letter No.DIC/4121/2024-FB1 dated 01/08/2024 from the Director of Industries and Commerce.

ORDER

As per the Government Order read as 1st paper above, Administrative Sanction was accorded for working capital support to 18 Public Sector Undertakings for a total amount of Rs.36.30 Crore (Rupees Thirty six crore and thirty lakh only) by re-provisioning the lumpsum amount provided under the head of account 4885-60-800-96(P). Of the above amount, Rs.3,00,00,000/- (Rupees Three crore) has been allocated to the Kerala Automobiles Limited under the head of account 6858-03-190-99(P).

2) As per the letter read as 2nd paper above, the Managing Director, Kerala Automobiles Limited has requested to release the amount of Rs. 3 crore sanctioned as per the Government order read as 1st paper above and as per the letter read as 3rd paper above, the Director of Industries and Commerce has furnished re-appropriation proposal to release the amount to Kerala Automobiles Ltd.

3) Government have examined the matter in detail and are pleased to release an amount of Rs.1,67,00,000/- (Rupees One crore and sixty seven lakh Only) to Kerala Automobiles Ltd from the current year's(2024-25) budget provision under the h/a 6858-03-190-99-Loans to KAL(P) as working capital assistance sanctioned vide the Government order read as 1st

paper above, subject to the following terms and conditions of fund release:

1. The amount shall be transfer credited to PSTSB account in compliance of G.O.(P) No.62/2018/Fin dated 16.04.2018.
2. The procedures prescribed in Circular No.84/2008/Fin dated 09/12/2008 and Circular No.75/09/Fin dated 29/08/2009, Circular No.8/2018/Fin dated 30/01/2018 and Circular No.53/2018/Fin dated 16.06.2018 should be scrupulously followed.
3. The funds shall be used for the specific purpose for which it is released and do not divert it for any other purpose.
4. The Operational guidelines regarding the utilization and monitoring of plan funds issued vide G.O.(P)No. 88/2018/Fin dated 11.06.2018 and G.O.(P)No.100/2018/Fin dated 03.07.2018 should be scrupulously followed.
5. Financial principles & Rules relating to drawal & utilisation of funds should be observed scrupulously.
6. The loan should be treated as 'Working Capital Loan'.
7. The period of loan shall be 5 years.
8. Repayment of loan shall commence on the first anniversary of the drawal of loan.
9. Rate of interest shall be 9.5% per annum as per G.O.(P) No.169/2018/Fin. dated 16.05.2018. Regarding the sanction and repayment of loan, the company should scrupulously follow all the formalities/procedures stipulated in Circular No.40/2013/Fin dated 27.04.2013.
10. Loan shall be repaid in equal quarterly installment along with interest and the company shall monitor the same.
11. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
12. The amount shall be shown as loan from Government in the accounts of the Company.
13. 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.
14. The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.
15. Utilisation Certificate /Component wise expenditure details in respect of the previous releases as well as the amount to be released should be

furnished in the prescribed format appended with G.O.(Ms.) No. 4/2020/Fin dated 09/01/2020 along with further fund release proposals.

16. The company should follow the conditions stipulated in G.O.(P) No.157/2021/Fin dated 26.11.2021 and G.O.(P) No.171/2021/Fin dated 18.12.2021 in respect of the Loan Monitoring and Fund Management Systems.

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

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

To

The Managing Director, Kerala Automobiles Limited, Aralummodu,
Neyyattinkara.

The Director/ Additional Director of Industries & Commerce.

The Secretary, Board for Public Sector Transformation, Udarashiromani
Road, Thiruvananthapuram.

The District Treasury Officer, Thiruvananthapuram.

The Accountant General (A&E / E&RSA), Kerala, Thiruvananthapuram.
Finance Department (vide U.O. No. 622117/PU-D3/165/2017-FIN dated
24/08/2024)

Finance (GMC) Department.

Planning & Economic Affairs Department.

Stock file/ Office copy.

Forwarded /By order

Section Officer