



GOVERNMENT OF KERALAM

Abstract

Industries Department - Kerala Automobiles Ltd - Design and Development of Electric Pick Up Van, Electric Tipper, Plant Upgradation for manufacturing these models, CMVR Certification and Retro fitment of EV Kits - Re-validation of Administrative Sanction - Orders issued.

INDUSTRIES (D) DEPARTMENT

G.O.(Rt)No.1156/2026/ID

Dated,28/09/2026

AS Number : AS/IND/26/51850

Valid upto : 31/03/2027

Read:-1 G.O.(Rt)No.1280/2025/ID dated 04/10/2025.

2 Letter No.KAL/I-0/2026/D-275 dated 30/06/2026 from the Executive Chairman, Board for Public Sector Transformation.

3 Minutes of the first Departmental Working Group held on 08/07/2026.

ORDER

As per the G.O read as 1st paper above, Government have accorded Administrative Sanction for the project of Kerala Automobiles Limited (KAL) namely "Design and Development of Electric Pick Up Van, Electric Tipper, Plant Upgradation for manufacturing these models, CMVR Certification and Retro fitment of EV Kits", for an amount of ₹ 500 Lakhs, by limiting the release amount to Rs.412 Lakh.

2)The Executive Chairman, Board for Public Sector Transformation, as per the letter read as 2nd paper above, has submitted a proposal for re-validating the Administrative Sanction for the project during 2026-27.

3) **Aims & Objectives:** The aim of the project is to develop new electric vehicle (EV) variants such as electric pick-up vans and tippers. The demand for EVs is steadily increasing in the market. Introducing more EV variants would enable KAL to enhance its product mix in line with market trends, improve competitiveness, and generate higher revenues, thereby ensuring viable operations. The Internal Rate of Return (IRR) of 16% indicates the financial viability and payback capacity of the project. The proposed initiative is aligned with the Kerala Government's Green Mobility Mission and its commitment to sustainable transportation. It presents a significant opportunity for KAL to scale up operations, enter new markets, achieve self reliance and profitability, and establish a strong presence in the growing electric commercial vehicle segment.

4) There is a budget provision of ₹250 Lakh for the Financial Year 2026-27 under the head of account 6858-03-190-99(P) for Kerala Automobiles Limited. The Departmental Working Group meeting held on 08/07/2026 considered the proposal and approved to issue administrative sanction for an amount of ₹500 Lakh by limiting the release to ₹250 Lakh during current Financial Year.

5) Government have examined the matter in detail and are pleased to accord sanction to re-validate the Administrative Sanction for the project "Design and Development of Electric Pick Up Van, Electric Tipper, Plant Upgradation for manufacturing these models, CMVR Certification and Retro fitment of EV Kits" of KAL, for an amount of ₹2,50,00,000 (Rupees Two Crore Fifty Lakh), under head of

account 6858-03-190-99(P), during 2026-27. Details are given below:

Head Of Account

Sl No	Head	Amount (in Rs)	AS Number	Valid Upto
1	6858-03-190-99-00-00-0-P-V	2,50,00,000	AS/IND/26/51850	2027-03-31

Works / Proposals

Sl No	Requirements	Estimate Amount (in Rs)
1	Design and Development of Electric Pick Up Van, Electric Tipper, Plant Upgradation for manufacturing these models, CMVR Certification and Retro fitment of EV Kits	2,50,00,000
Total(Two Crore Fifty Lakh)		2,50,00,000

- 6) The Administrative Sanction accorded is subject to the following conditions:
- Expenditure would be met from the provision available under the appropriate head of account.
 - The expenditure shall be limited to the current year's budget provision.
 - Fund release will be based on actual requirement and the fund released should not be parked in banks.
 - Store Purchase Rules shall be strictly adhered to wherever applicable.
 - Tender/ e-tender and other stipulated formalities shall be followed wherever necessary.
 - Creation of posts and purchase of vehicles are not admissible under the scheme.
 - For hiring the project staff / manpower as part of project implementation, instructions issued in GO(P)No.76/2019/Fin dated 02/07/2019 and GO(P)No.81/2019/Fin dated 09/07/2019 shall be followed.

7)The Managing Director, Kerala Automobiles Limited will implement the project.

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

To:

The Director/ Additional Director, Directorate of Industries & Commerce, Thiruvananthapuram.
The Managing Director, Kerala Automobiles Limited, Thiruvananthapuram.
The Executive Chairman/ Member Secretary, Board for Public Sector Transformation, Thiruvananthapuram.
The Accountant General (A&E/Audit II), Kerala, Thiruvananthapuram.
The Finance Department.
The Planning & Economic Affairs Department.
The Industries (J) Department.
Stock file / Office Copy

Forwarded By Order,
Rajeena Beegum M A

Digitally signed by M A Rajeena Beegum
Date:01-10-2026 15:52:10

AS/IND/26/51850