

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

Industries Department - Kerala Automobiles Ltd - Working Capital Support - Release of funds - Sanction accorded - Orders issued

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**INDUSTRIES (D) DEPARTMENT**

G.O.(Rt)No.180/2025/ID

Dated,Thiruvananthapuram, 18-02-2025

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Read:- 1. G.O.(Rt.) No.638/2024/ID dated 22/07/2024.  
2. G.O.(Rt)No.811/2024/ID dated 03/09/2024  
3. Letter No.KAL/REC/ACC/2024-25/973 dated 17/01/2025 from the Managing Director, Kerala Automobiles Ltd.

**ORDER**

As per the Government Order read as 1<sup>st</sup> 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 Government Order read as 2<sup>nd</sup> paper above, an amount of Rs.1,67,00,000/- (Rupees One Crore and Sixty Seven Lakh Only) has been released to the Kerala Automobiles Ltd.

3) As per the letter read as 3<sup>rd</sup> paper above.The Managing Director, Kerala Automobiles Ltd has requested to release balance amount of Rs.133 Lakh for meeting the working capital requirements of the company.

4) Government have examined the matter in detail and pleased to release an amount of Rs. 133 Lakh (One Crore and Thirty Three Lakh only) to Kerala Automobiles Ltd from the current year budget provision under the h/a 6858-03-190-99(P) as working capital assistance, sanctioned as per the Government Order read as 1<sup>st</sup> paper above, subject to the following terms and conditions.

- i. Funds should be transfer credited to PSTSB account in compliance of GO(P)No. 62/2018/Fin dated 16.04.2018.
- ii. 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 No. 53/2018/Fin dated 16.06.2018 should be scrupulously followed.
- iii. The funds shall be used for the specific purpose for which it is released and do not divert it for any other purpose.
- iv. 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.
- v. Financial Principles & Rules relating to the drawal & utilisation of funds should be observed scrupulously.
- vi. The loan should be treated as 'Working Capital Loan'.
- vii. The period of loan shall be 5 years.
- viii. Repayment of loan shall commence on the first anniversary of the drawal of loan.
- ix. 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, all the formalities/procedures stipulated in Circular No. 40/2013/Fin dated 27.04.2013 should be followed scrupulously.
- x. The loan shall be repaid in equal quarterly installment along with interest.
- xi. In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.
- xii. The amount shall be shown as loan from Government in the accounts of the Company.
- xiii. 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.

- xiv. The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.
- xv. 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 GO(Ms)No. 04/2020/Fin dated 09/01/2020 along with further fund release proposals.
- xvi. The conditions stipulated in GO(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 scrupulously.

5) 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 Director/ Additional Director of Industries & Commerce,  
Thiruvananthapuram

The Member Secretary, Board for Public Sector Transformation,  
Thiruvananthapuram.

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

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  
16/02/2025)

Finance (GIMC) Department.

Stock file/ Office copy.

Forwarded /By order

Section Officer

