GOVERNMENT OF KERALA

Abstract

Industries Department - Kerala Automobiles Limited - Working Capital Support - Release of fund - Sanction accorded - Orders issued

INDUSTRIES (D) DEPARTMENT

G.O.(Rt)No.982/2026/ID Dated,Thiruvananthapuram, 20-08-2026

Read 1 GO(Rt)No.945/2026/ID dated 11/08/2026

2 Letter No.KAL/REC/ACC/2026/116 dated 13/08/2026 from the Managing Director, Kerala Automobiles Limited.

3 Letter No.DIC/4161/2026-FI1 dated 14/08/2026 from the Director of Industries & Commerce.

ORDER

As per the Government Order read as 1st paper above, Administrative Sanction was accorded for providing working capital support to 19 Public Sector Undertakings for a total amount of ₹35,23,00,000/- (Rupees Thirty-Five Crore Twenty-Three Lakh only), by re-provisioning the lumpsum provision under the Head of Account 4885-60-800-96 (P) during the financial year 2026-27. Out of the above amount, Rs.2,50,00,000/- (Rupees Two Crore Fifty Lakh) has been allocated to the Kerala Automobiles Limited.

2) As per the letter read as 2nd paper above, the Managing Director, Kerala Automobiles Limited has requested to release the amount of Rs. 2.5 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. 50 Lakh (Rupees Fifty lakh only) to Kerala Automobiles Ltd from the current year budget provision under the H/A 6858-03-190-99 (P), towards the working capital support sanctioned as per

the G.O read as 1st paper above, subject to the following terms and conditions of fund release.

a. Funds should be transfer credited to PSTSB account in compliance of GO(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 G.O (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 G.O(P)No.169/2018/Fin dated 16.05.2018. Regarding the sanctioning and repayment of loan all formalities/procedures stipulated in Circular No. 40/2013/Fin dated 27.04.2013 should be followed scrupulously.
j. Loan shall be repaid in equal quarterly installment along with interest and the Cmpany 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 to be released should be furnished in the prescribed format appended with G.O (Ms)No.04/2020/Fin dated 09/01/2020 along with further fund release proposals.

p. 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.

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
ADDITIONAL CHIEF SECRETARY

To:
The Director/ Additional Director of Industries & Commerce, Thiruvananthapuram.
The Executive Chairman/ 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(F)No.3601627/PU-D1/91/2026-FIN dated 20/08/2026)
Finance (GIMC) Department.
Stock file/ Office copy

Forwarded /By order

Section Officer

Digitally signed by
Susan Thomas
Date: 20-08-2026
15:24:19