



GOVERNMENT OF KERALA

**Finance (Public Undertakings-A) Department**

**CIRCULAR**

No. 97/2014/Fin.

*Dated, Thiruvananthapuram, 1st November, 2014.*

**Sub:—Loans/advances/assistance sanctioned by Government incorporation of the clause regarding the period and utilisation—Reg.**

**Ref:—1. Circular No. 40/13/Fin. dated 27-4-2013.**

**2. Letter No. LA 1/IX/Misc/2012-13/000257 dated 7-2-2013 of Accountant General (A & E), Kerala, Thiruvananthapuram.**

In the Circular read as 1st above, Government have issued orders revising the rate of interest and terms and conditions of loans advanced by Government of Kerala to Public Sector Undertakings/Statutory Corporations/Boards/Co-operative Societies/Autonomous Bodies and other Institutions under the control of Government of Kerala w.e.f. 1-4-2012.

The Accountant General (A & E), Kerala in his letter read as 2nd paper above, has reported that several instances have been noticed where the reasons for sanctioning the loans and conditions on which they are made are not stated fully in the orders sanctioning loan/advance. Further, the sanction issued does not contain any clause for ensuring proper utilisation of funds released to Public Sector Undertakings/Statutory Corporations/Boards/Co-operative Societies/Autonomous Bodies and other Institutions. It is also reported that the Accountant General (A & E), has to watch the utilisation of funds within the specified time limit prescribed by the Government.

The matter has been examined in detail and instructions are hereby issued to all the Heads of Departments/Chief Executive Officers of Public Sector Undertakings/Statutory Corporations/Boards/Co-operative Societies/Autonomous Bodies and other Institutions and the concerned Administrative Departments in the Secretariat to ensure that the institutions should furnish Utilisation Certificates within the time limit stipulated by Government in cases of all loans/advance/assistance sanctioned so far and to incorporate a specific clause enforcing this conditions and period of utilisation in the orders sanctioning loans/advance/assistance in future.

ANIE JULA THOMAS,  
*Joint Secretary (Finance).*

To

The Accountant General (Audit), Kerala, Thiruvananthapuram.

The Accountant General (E&RSA), Kerala, Thiruvananthapuram.

The Accountant General (G&SSA), Kerala, Thiruvananthapuram.

The Finance (GMC) Department.

All Department and Sections of Secretariat.

All Head of Departments/Chief Executive Officers of PSUs/Statutory Corporation/Boards/Co-operative Societies/Autonomous Bodies and other Institutions.

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