



**GOVERNMENT OF KERALA**

**Abstract**

Company wholly owned by the Government under Finance Department with an objective to smoothen disbursement of Social Security Pension – Constituted - Orders Issued.

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**FINANCE (SS) DEPARTMENT**

**G.O.(Ms.) No.232/2018/FIN.**

**Dated, Thiruvananthapuram, 26/06/2018.**

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**ORDER**

Presently data management, fund flow and financial supervision in respect of disbursement of various Social Security Pensions are being managed at different levels in the Government making the process long, which causes delay in the distribution of pensions including Welfare Pensions. Moreover, liquidity constraints of the Government has restricted frequency of disbursement of these pensions to 3 or 4 times annually. Government is of the view that these pensions are assistance providing of sustenance and hence needs to be paid regularly. In the circumstances Government are pleased to review the existing system of distribution of Social Security Pensions and to constitute a company wholly owned by the Government under Finance Department with the following details with an objective to improve disbursement of various Social Security Pensions:

**(i) Objective**

- A) To act as a Special Purpose Vehicle (SPV) for payment of Social Security Pensions, now being distributed by the State Govt, in line with disbursement calendar notified by the Govt from time to time. Govt of Kerala would provide funds to the company. The company would also source funds on temporary basis from other sources to meet its liquidity requirements, which would be serviced by the assistance provided by the Government through its budget.
- B) To act as an umbrella arrangement for various welfare boards over a period of time so as to improve fund flow, fund utilisation of the boards and to optimise fund management.

**(ii) Board of Directors**

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|-------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chairman          | - | Finance Minister                                                                                                                                                                                                                                                                                                  |
| Managing Director | - | Additional Chief Secretary / Principal Secretary / Secretary (Finance)                                                                                                                                                                                                                                            |
| Directors         | - | 1) Minister, Local Self Government Department<br>2) Additional Chief Secretary / Principal Secretary / Secretary (Local Self Government Department)<br>3) Additional Secretary / Joint Secretary in charge of Finance (Ways & Means and Secret Section) Department<br>4) One representative of Finance Department |

**(iii) Source of fund**

Anticipated expenditure for Social Security Pension would be provided through budget every year and amount from Government of India under National Social Assistance Programme (NSAP) would also be infused. Devolution through budget would be made in 12 or less instalments. Govt would bear the repayment liabilities of the Company arising on account of pension disbursement. New heads of account will be opened for releasing the above assistance observing New Service Procedure. The aid now being provided to the welfare boards for disbursing welfare pensions would be continued for the time being and Government would help them to become self-reliant in all respects.

**(iv) Mobilisation of fund by the company**

Company would raise funds from public, Public Sector Undertakings and other institutions through suitable financial instruments including deposits & loans, which would be serviced / redeemed with the funds provided by the Government through its budget.

(v) **Equity participation of the Govt.**

Govt of Kerala would hold 100 % equity in the company. The authorised capital would be fixed as Rs.100 Crore. A new head of account will be opened for releasing the capital observing New Service Procedure.

By order of the Governor,

**MANOJ JOSHI**  
**Principal Secretary (Finance)**

To,

The Accountant General (A&E), Kerala, Thiruvananthapuram.  
The Principal Accountant General (E&RSA), Kerala, Thiruvananthapuram.  
The Accountant General (G&SSA), Kerala, Thiruvananthapuram.  
All Heads of Department.  
The Secretary to Governor.  
The Private Secretary to the Chief Minister/ Ministers/ Government Chief Whip/  
Leader of Opposition.  
The Private Secretary to Speaker / Deputy Speaker.  
The Director of Public Relations, Thiruvananthapuram.  
Additional Secretary to Chief Secretary  
Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)  
The Stock file/ Office copy

Forwarded/By order



Accounts officer