



GOVERNMENT OF KERALA

Abstract

Transport Department - Kerala State Road Transport Corporation –
Formation of new legally independent Government Company –
‘KSRTC-SWIFT’ – Modified Orders issued.

TRANSPORT (A) DEPARTMENT

G.O.(Ms)No.58/2021/TRANS Dated,Thiruvananthapuram, 11/12/2021

- Read 1. Proceedings of the CEO, KIIFB No.TRA008-01/APR-1/2020/KIIF-B dated 17.11.2020.
2. Letter No.112/CMD/2020 dated 07.12.2020 from the Chairman & Managing Director, Kerala State Road Transport Corporation.
3. Letter No. 112/CMD/2020 dated 18.01.2021 from the Chairman & Managing Director, Kerala State Road Transport Corporation.
4. Letter No. 017/CMI/2021 dated 13.02.2021 from the Chairman & Managing Director, Kerala State Road Transport Corporation.
5. G.O.(MS) No. 7/2021/Trans dated 19.02.2021.
6. Letter No.LS8/5573/2021/WP© dated 17.08.2021 from Chairman & Managing Director, Kerala State Road Transport Corporation.
7. Minutes of the meeting convened by Hon’ble Minister for Transport on 23.09.2021.
8. Letter noSS-GK20/2021/AG dated 05.11.2021 from the Advocate General Kerala

ORDER

In the GO read as 5th paper above, Government had ordered to form a legally independent company under the name, ‘KSRTC SWIFT’ as per the

stipulation of KIIFB, as a Special Purpose Vehicle (SPV), for the purpose of efficient and economical operation of the new buses purchased by availing loan from KIIFB. The formation of KSRTC SWIFT, has been challenged before the Hon'ble High Court of Kerala, through separate writ petitions filed by two persons in the expired list of drivers prepared by the KSPC for KSRTC and by two recognised Trade Unions of the Corporation, against the following actions:

i) Formation of KSRTC SWIFT and leasing out of assets and nationalised routes of KSRTC to the independent Government owned company -KSRTC SWIFT.

ii) Re-engagement of empanelled employees in KSRTC SWIFT who were retrenched as per orders of the Hon'ble High Court .

2. The main contention of the trade unions is against the leasing out of the Nationalised permits / routes as well as assets mainly the buses owned by the KSRTC to a totally independent government owned company, namely KSRTC SWIFT. The other two individuals, who claim to be the representatives of those in the expired list of KPSC, contended that the formation of SWIFT is a deliberate attempt by the Government to circumvent the various orders of Hon'ble High Court to accommodate the retrenched empanelled employees of KSRTC.

3. Government have examined the matter in detail and hereby order to recind the G.O read as 5th paper and to issue modified orders regarding the creation of KSRTC SWIFT, to be formed as per the stipulations of KIIFB, as a Special Purpose Vehicle (SPV) with the following objectives and features:

Objectives:

- i. for providing necessary infrastructural, technical, managerial, operational support to the KSRTC for efficiently running its long distance services of KSRTC under an agreement with KSRTC.
- ii. for operating efficiently the KIIFB funded new buses, buses acquired under the State Plan schemes, buses obtained under other schemes of State and Central Government, buses obtained under sponsorship, hire etc under an Intelligent Central Control Centre for KSRTC.
- iii. For implementing various projects and schemes entrusted by the Government from time to time.

Features:

- i. KSRTC SWIFT will be an independent company, fully owned by Government and registered under the Companies Act.

- ii. The Chairman & Managing Director, KSRTC shall be the Ex-officio Chairman & Managing Director, KSRTC SWIFT Ltd.
- iii. The Government shall appoint the members of the Board of Directors from time to time.
- iv. The KSRTC SWIFT is to be incorporated from a limited period of 10 years.
- v. The headquarters of the proposed company would be at Thiruvananthapuram.
- vi. The authorised share capital of the Company shall be Rs.100 lakh (Rupees One hundred lakh only).
- vii. All the assets acquired by the KSRTC SWIFT during its operation will be transferred to the KSRTC at the end of the 10 year period or at the time of winding up of the Company.
- viii. KSRTC to compensate KSRTC-SWIFT for infrastructural, technical, managerial, operational support provided to the KSRTC including the amount required for repayment of KIIFB loan, hire charges etc as per the agreement signed between two organisations from time to time.

4.The sanction accorded by Government vide G.O(MS) No.7/2021/TRANS dated 19th February 2021, for the following, will remain unchanged:

- i. Creation and filling up of five temporary posts of Senior Professional Managers, namely General Manager, DGM (Technical),DGM (Operations), AGM (Finance) & Comapny Secretray and AGM (HR) under the same terms and condicions of appointment on contract basis.
- ii. Sanction accorded for an amount of Rs.15 Crore (Rupees Fifteen Crore only) as additional authorisation under the head of account No.'5055-00-190-99-KSRTC Investments' to meet the preliminary expenses of the new company.

It is also hereby ordered that whatsoever action(s) taken on the basis of the 5th reference Order mentioned above will remain valid.

(By order of the Governor)
Biju Prabhakar
Secretary

The Chairman & Managing Director, Kerala State Road Transport Corporation, Thiruvananthapuram.

The Chairman & Managing Director, KSRTC-SWIFT
The Principal Accountant General (Audit),Kerala, Thiruvananthapuram.
The Accountant General(A&E), Kerala, Thiruvananthapuram.
The Finance Department (No: PU-A2/33/2021-FIN (E- 1701077) dated
12/02/2021)
The General Administration (SC) Department.
The Information & Public Relations (Web & New Media) Department
(for publishing in official website).
Stock File / Office Copy

Copy to: P.S. to Chief Minister.

P.S. to Minister, Transport Department.

Under Secretary to Additional Chief Secretary, Finance
Department.

P.A. to Principal Secretary, Transport Department.

P.A. to Law Secretary.

P.A. to Secretary, Transport Department.

Forwarded /By order

Section Officer