



ABSTRACT

Transport Department – Announcement on Streamlining existing working capital arrangements with Banks and bringing down rate of interest – Implementing in two phases - Orders – Issued.

Transport (T.1) Department

G.O.(Ms.) No.227

Dated: 25.07.2018

விளம்பி, ஆடி 9,
திருவள்ளூர் ஆண்டு, 2049

ORDER :

While moving the Demand for Transport before the Tamil Nadu Legislative Assembly on 03.07.2018, the Hon'ble Minister for Transport, among other things, has made the following announcement:-

“Streamlining existing working capital arrangements with Banks and bringing down rate of interest”

2. The Government hereby decided to implement the Announcement in two phases as detailed below:

Phase - 1

Due date

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| a) Each State Transport Undertaking will have to call a meeting of all major Public Sector Banks and after that written request for sealed offers from the Banks for interest rates with the required collateral shall be given. | - 31.07.2018 |
| b) Re-examine the documents submitted in the Banks on the cash limit and value of property. | - 31.07.2018 |
| c) Property documents that are far in excess of the required amount may withdrawn from the Banks. | - 31.07.2018 |
| d) If the exercise succeeds and interest rates are brought down then the State Transport Undertakings shall move the required value documents to the concerned Banks and continue operations. | - 15.08.2018 |

Phase - 1

Due date

- e) If State Transport Undertakings is strong on finance and are able to fulfill requirements as stipulated by Tamil Nadu Transport Development Finance Corporation Limited, they can move working capital arrangements with Tamil Nadu Transport Development Finance Corporation Limited independently. However, the requirements of Tamil Nadu Transport Development Finance Corporation Ltd., shall not be compromised. - 15.08.2018

Phase - 2

- If any of the Nationalised Banks would not either co-operate or refuse to reduce the rates, then a State level meeting will be held at Chennai between State Transport Undertakings and State level Officers of concerned Nationalised Banks. - Last week of August

2. The Managing Director and Financial Advisor and Chief Accounts Officer of all State Transport Undertakings are instructed to complete the process within stipulated due dates as mentioned above.

(BY ORDER OF THE GOVERNOR)

**P.W.C. DAVIDAR,
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT.**

To

The Managing Directors of all State Transport Undertakings.

The Financial Advisor and Chief Accounts Officer of all State Transport Undertakings

The Joint Managing Director,

Tamil Nadu Transport Development Finance Corporation Limited, Chennai-2.

Copy to :

The P.A. to Minister for Transport, Chennai-9.

The Senior P.S. to Additional Chief Secretary to Government, Transport Department, Chennai-9.

The P.A. to Deputy Secretary to Government, Transport Department, Chennai-9.

The Chairman's Office, Transport Department, Chennai-9.

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// Forwarded By order //

M.D.
22/7/18
Section Officer
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