



GOVERNMENT OF KERALA

Abstract

Finance Department -Condemnation of age-barred vehicles, purchase and hiring of vehicles - Revised orders issued.

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FINANCE (EXPENDITURE-B) DEPARTMENT

G.O.(P)No.42/2026/FIN

Dated, Thiruvananthapuram, 06.03.2026

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- Read:-
1. Notification G.S.R. 29(E) dated. 16.01.2023 of the Ministry of Road Transport and Highways, Government of India.
 2. G.O.(P)No.27/2025/FIN dated 18.03.2025.
 3. G.O.(P)No.3/2026/TRANS dated 20.01.2026 (S.R.O. No.68/2026).
 4. G.O.(P)No.10/2026/FIN dated 23.01.2026.

ORDER

As per the notification of the Government of India read above, the Registration Certificates of all vehicles owned by the Government and other Government institutions become invalid upon completion of 15 years from the date of initial registration of the vehicle. Subsequently, Government issued orders regarding the condemnation, sale and replacement of old vehicles vide Government Order read as 2nd above. Later, based on the feedback received from various Departments, the Government Order was modified to the extent of the Government Order read as 4th above.

Transport Department, Government of Kerala, has issued notification in exercise of the powers conferred under clause (d) of sub-section (2) of Section 65 of the Motor Vehicles Act, 1988, in supersession of the provisions contained in Rule 52A of the Central Motor Vehicles Rules, 1989, vide G.O. read (3) above.

In view of the above, the earlier position arising out of Rule 52A of the Central Motor Vehicles Rules, 1989, stands modified to the extent provided in SRO 68/2026, such that vehicles owned or controlled by

- (i) the State Government; or
- (ii) any Municipal Corporation or Municipality or Panchayath; or
- (iii) a State Government Undertaking; or
- (iv) a Public Sector Undertaking; or
- (v) an autonomous body

shall be renewed for a period of five years after the expiry of fifteen years from the date of its initial registration or up to the age of twenty years from the date of initial registration, whichever is earlier.

In view of the above notification issued by the Transport Department, most of the provisions contained in G.O. read 2nd above have become infructuous. In these circumstances, Government is of the view that the G.O. read 2nd above need to be modified in tune with the G.O. read 3rd above. Hence, Government are pleased to issue following orders in supersession of the G.O.s read 2nd and 4th above;

1. The Controlling Officers of all the vehicles shall sell the vehicles upon completion of 19 years and six months from the date of registration of the vehicles for continued use of the buyer. For auctioning these vehicles for continued use, their value should be fixed by the competent authority. The process of selling of vehicles can be started upon completion of 19 years of registration and vehicle may be sold upon completion of 19 years six months.
2. Vehicles qualified for scrapping shall be disposed of through Registered Vehicle Scrapping Facilities(RVSFs) using e-auction portals such as MSTC, GeM or NIC. Vehicles intended for continued use may also be sold through the above mentioned e-auction portals.
3. If the vehicles auctioned through the e-auction portals as mentioned above do not fetch the prescribed base value; the Controlling Officers may resort to a manual public auction, after observing all prescribed formalities and procedures for such auctions.
4. No Government Department, Local Self Government Institution, Public Sector Undertaking, Grant-in-Aid Institution, Autonomous Institution or any other institution receiving Government grants shall purchase, hire, lease or otherwise acquire vehicles from any source whatsoever without obtaining prior approval of the Government.
5. No Administrative Department shall issue orders sanctioning the purchase, hiring, leasing or receipt of vehicles from any source without prior consultation with the Finance Department.

6. Orders sanctioning the purchase of vehicles shall be issued strictly on a case-by-case basis, incorporating such conditions as may be agreed to by the Finance Department or the Council of Ministers, as the case may be. There shall be no standard or pre-fixed ceiling for the purchase or hiring cost of vehicles. The cost in each case shall be determined and approved on a case-by-case basis, as concurred by the Finance Department or the Council of Ministers, as the case may be.

7. No order relating to the purchase or hiring of vehicles shall be specific to any particular make or model. The procuring authorities shall exercise due diligence while procuring vehicles, ensuring cost-effectiveness, durability, fuel efficiency, safety standards, after-sales support and overall suitability for official use.

8. Orders sanctioning purchase of vehicles with a cost below ₹10 lakh (GeM price of one vehicle) and hiring of vehicles involving a maximum monthly expenditure below ₹60,000 (for one vehicle) may be issued by the Administrative Department concerned, with the specific concurrence of the Finance Department. In all other cases of vehicle purchase or hiring exceeding the above limits, orders shall be issued only with the approval of the Council of Ministers.

9. The hiring cost permitted by the Government shall represent the maximum amount payable per month. While inviting bids and finalising the hiring of vehicles, the competent authorities shall exercise due diligence to ensure that the total monthly expenditure remains within the maximum amount prescribed by the Government.

10. While processing bills/cheques relating to the purchase of vehicles and payment of lease rent/hiring charges, the Treasury Officers shall ensure that the bills are supported by the relevant Government Order issued in accordance with the procedures prescribed above. Bills/Cheques not supported by such duly issued Government Orders, or found to be in deviation of the prescribed procedure, shall be returned to the Drawing and Disbursing Officer concerned, clearly stating the reasons for objection.

(By Order of the Governor)

K.R.JYOTHILAL IAS

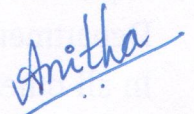
ADDITIONAL CHIEF SECRETARY(FINANCE)

To :

1. The Accountant General (A&E) Kerala, Thiruvananthapuram
2. The Accountant General (Audit II) Kerala, Thiruvananthapuram
3. All Departments in the Secretariat.
4. The Director of Treasuries, Thiruvananthapuram (with C/L).

5. All Additional Chief Secretaries/Principal Secretaries/Secretaries/Special Secretaries to Government
6. All District Collectors
7. All Heads of Departments
8. Registrar, All Universities
9. Private Secretary to Chief Minister and other Ministers
10. The Private Secretary to Leader of Opposition/Chief Whip
11. The Additional Secretary to Chief Secretary
12. Web & New Media, Information and Public Relations Department
13. The Nodal Officer, www.finance.kerala.gov.in
14. The Stock File/Office Copy(E:2906692)

Forwarded /By order



Section Officer

(By Order of the Government)

K. R. JYOTHI ALIAS

ADDITIONAL CHIEF SECRETARY (FINANCE)

1. The Accountant General (A&E) Kerala, Thiruvananthapuram
2. The Accountant General (Audit II) Kerala, Thiruvananthapuram
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