



GOVERNMENT OF KERALA

Abstract

Kottayam Textiles - Revival and Rejuvenation of viable PSUs-
Modernization of Kottayam Textiles - Comprehensive Project - An
amount of Rs.805 Lakhs (Rupees Eight Hundred and Five Lakhs Only)
against the amount posted in Electronic Ledger Account- Release of
Rs.805 Lakh - Sanction accorded - Orders issued.

INDUSTRIES (C) DEPARTMENT

G.O.(Rt)No.1084/2024/ID Dated, Thiruvananthapuram, 16-11-2024

Read 1 G.O.(Rt)No. 1017/2023/ID dated 01/10/2023.

2 G.O.(Rt)No.352/2024/ID dated 21.05.2024

3 Letter No.KSTC/PROJ/2024-25/199 dated 27/05/2024 from
the Managing Director, Kerala State Textile Corporation
Ltd, Thiruvananthapuram

4 Letter No.DIC5683/2023/FI1 dated 18.06.2024 from the
Director of Industries and Commerce, Thiruvananthapuram

5 e-LAMS Registration Number 129/2024 dated 06/04/2024

ORDER

As per Government Order read as 1st paper above, Government have accorded administrative sanction for the project of comprehensive modernization of Kottayam Textiles for an amount of Rs.38.0369 Crore and limiting the amount to Rs.15.1521 Crore for the previous financial year's budget provision head of account under 6860-01-190-95. Later the G O was modified by reducing an amount of Rs 94,000/- from the sanctioned amount due to excess sanction, as per Government Order read as 2nd paper above.

2) During the end of the last financial year, out of Rs.15.1427 Crore, an amount of Rs.805 Lakh was posted in e-LAMS . As per letter read as 3rd paper above, the Managing Director, Kerala State Textile Corporation Ltd (KSTC) has requested to release the amount Rs.805 Lakh posted in e-lams. The Director of Industries and Commerce has requested to release the above said amount of Rs.805

lakh to Kerala State Textile Corporation Ltd as per letter read as 4th paper above.

3. Government have examined the matter and are pleased to accord sanction for the release of an amount **Rs. 805 Lakhs (Rupees Eight Hundred and Five Lakh Only)** to Kerala State Textile Corporation Ltd for the modernisation of Kottayam Textiles from the Current Financial Year budget provision under the head of account **6860-01-190- 95** Loans to KSTC (P), subject to the conditions specified below:

1. Funds should be transfer credited to PSTSB account in compliance of G.O.(P) No.62/2018/Fin dated 16.04.2018.

2. The procedures prescribed in Circular No. 84/2008/Fin dated, 09-12-2008, Circular No. 75/09/Fin dated, 29/08/2009, Circular No.8/2018/Fin Dated, 30/01/2018 and Circular 53/2018/Fin dated 16.06.2018 should be scrupulously followed.

3. The funds shall be used for the specific purpose for which it is released and do not divert it for any other purpose.

4. The Operational guidelines regarding the utilisation and monitoring of plan funds issued vide GO (P) No.88/2018/fin dated 11.06.2018 and GO(P) No.100/2018/Fin dated 03.07.2018 should be scrupulously followed.

5. Financial Principles & Rules relating to the drawal & utilisation of funds should be observed scrupulously.

6. The loan should be treated as Working Capital Loan

7. The period of loan shall be 5 years.

8. Repayment of loan shall commence on the first anniversary of the drawal of loan.

9. Rate of interest shall be 9.5 per annum (annual compound) subject to G.O.(P)No.169/2018/Fin dated 16.05.2018. Regarding the sanctioning and repayment of loan, the Director of Industries and Commerce should scrupulously follow all the formalities/procedures stipulated in Circular

No. 40/2013/Fin dated 27.04.2013.

10. Loan shall be repaid in equal quarterly installment along with interest and the Director of Industries and Commerce shall monitor the same.

11. In case of default, penal interest @ 2.50 per annum shall be charged in addition to the normal rate of interest.

12. The amount shall be shown as loan from Government in the accounts of the Corporation.

13. Since the interest rate prescribed assumes timely repayment of principal and payment of interest, no further rebate in rates shall be allowed under any circumstances.

14. The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.

15. Utilisation Certificate/Component wise expenditure details in respect of the previous releases as well as the amount to be released should be furnished in the prescribed format appended with G.O. (Ms)No.04/2020/Fin dated 09/01/2020 along with further fund release proposals.

16. The Director of Industries and Commerce should follow the conditions stipulated in G.O. (P) No.157/2021/Fin dated 26.11.2021 GO(P)No.171/2021/Fin dated 18.12.2021 in respect of the Loan Monitoring and Fund Management System.

4. The Director of Industries and Commerce/Additional Director of Industries and Commerce will draw and disburse the amount to the Managing Director, Kerala State Textile Corporation Ltd.

(By order of the Governor)
A P M MOHAMMED HANISH
PRINCIPAL SECRETARY

The Director of Industries and Commerce, Thiruvananthapuram

The Director of Handloom and Textiles, Thiruvananthapuram
The Member Secretary, BPT, Thiruvananthapuram
The Managing Director, Kerala State Textile Corporation
The Principal Accountant General (A&E/G&SSA), Kerala
The Accountant General (E&RSA), Kerala, Thiruvananthapuram
The Director of Treasuries, Thiruvananthapuram
District Treasury Officer, Thiruvananthapuram.
Finance (Planning/PUD/GMC/BW) Department
Planning Economic Affairs Department
I&PR Department
CEO, K-Bip, Thiruvananthapuram
SF/OC

Forwarded /By order

Section Officer

Copy to: PS to the Hon'ble Minister Industries
CA to Principal Secretary, Industries Department
CA to Joint Secretary, Industries Department
Under Secretary, Industries Department