



## GOVERNMENT OF KERALA

### Abstract

TEXTFED – Comprehensive Revival Scheme for Co-operative Spinning Mills (under TEXTFED)- Modernisation of Cannanore Co-operative Spinning Mills - Administrative Sanction accorded - Orders issued.

### **INDUSTRIES (C) DEPARTMENT**

G.O.(Rt)No.638/2025/ID Dated, Thiruvananthapuram, 30-05-2025

Read 1. Letter No.HL/398/2025-P2 dated 22/04/2025 from the Director of Handloom & Textiles

2. Minutes of the Departmental Working Group held on 30/04/2025

3. e-Anumathi AS No.AS/IND/25/42542 valid upto 28/05/2028.

### ORDER

The Director of Handloom & Textiles, as per letter read above, has submitted a proposal for Modernisation of Cannanore Co-operative Spinning Mills under Comprehensive Revival Scheme for Co-operative Spinning Mills under TEXTFED, for an amount of Rs.90 Lakh.

2) The Director of Handloom and Textiles has reported that due to the high fluctuation in cotton and yarn prices the spinning mills are struggling to meet their commitments and hence concrete measures are required to strengthen the mills to overcome the crisis. It is also reported that the Cannanore Co-operative Spinning Mill is proposed to be revived in the area of raw material front, modernization and production, diversification of products and development of quality products. It is further reported that production cost has increased tremendously and the raw material cost carved major part of the production cost. Hence a financial support is needed for the repairs and maintenance, product development and to settle raw material dues.

3) Expected major outcome of the proposed project is as follows:

- i) Enhanced Productivity, quality, efficiency.
- ii) Capitalize opportunities in the market



4) The financial implication of the proposed project is as follows:

s.no	Particulars	Amount in Rs. lakh
1	Repairs and maintenance	40
2	Product Development	20
3	Settling raw material dues	30
	TOTAL	90

5) The Director of Handloom and Textiles has requested to sanction an amount of Rs.90 LLakh for the proposal for Modernisation of Cannanore Co-operative Spinning Mills under Comprehensive Revival Scheme for Co-operative Spinning Mills under TEXTFED from the current year budget provision under the h/a 6851-00-109-74-01(P).

6) There is a Budget provision of Rs.600 Lakh for the year 2025-2026 under the head of account 6851-00-109-74-01(P) for the scheme 'Comprehensive Revival Scheme for Co-operative Spinning Mills'.

7) The Departmental Working Group Meeting of Industries Department held on 30/04/2025 considered the proposal for Modernisation of Cannanore Co-operative Spinning Mills under Comprehensive Revival Scheme for Co-operative Spinning Mills (under TEXTFED) and recommended for issuing Administrative Sanction for the proposal for an amount of Rs.90 Lakh.

8) Government have examined the recommendation of the Departmental Working Group (Industries) and are pleased to accord Administrative Sanction for the proposal - Modernisation of Cannanore Co-operative Spinning Mills under Comprehensive Revival Scheme for Co-operative Spinning Mills (under TEXTFED) **for an amount of Rs. 90,00,000/- (Rupees Ninety Lakh only)**, debiting the expenditure under the head of account 6851-00-109-74-01(P) from the current year's budget provision.

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

The Director of Handloom and Textiles, Thiruvananthapuram  
The Managing Director, TEXTFED, Thiruvananthapuram



The Managing Director, Cannanore Co-operative Spinning Mills, Kannur  
District Treasury Officer, Thiruvananthapuram.

Chief Executive Officer, K-Bip, Thiruvananthapuram

The Principal Accountant General(G&SSA), Kerala, Thiruvananthapuram

The Accountant General(A&E) Kerala, Thiruvananthapuram.

Finance Department

Planning & Economic Affairs Department vide minutes of WGM held on  
30/04/2025

Industries (J) Department

~~I&PRD~~ Department (for posting the G.O in the Government website)

SF/ OC.

Forwarded /By order

Signed by

Sreekumar.R

Section Officer

Date: 31-05-2025 13:01:14