

**GOVERNMENT OF KERALA****Abstract**

Kerala State Textile Corporation Ltd.- Rejuvenation and Revival of Viable PSU - Partial modernisation of Prabhuram Mills, a unit of Kerala State Textile Corporation Ltd for an amount of Rs.878.36 Lakh and sanction for utilization of Rs 5 49 Lakh - Sanction Accorded - Orders issued.

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**INDUSTRIES (C) DEPARTMENT**

G.O.(Rt)No.641/2025/ID Dated,Thiruvananthapuram, 31-05-2025

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- Read 1. Letter No.KSTC/I-0/2025/D-243 dated 24.04.2025 from the Executive Chairman, BPT, Thiruvananthapuram  
2. Minutes of the Working Group Meeting held 30.04.2025  
3. e-Anumathi No. AS/IND/25/42471 valid up to 26/05/2027

**ORDER**

The Executive Chairaman, BPT, as per the letter read as 1<sup>st</sup> paper above, has submitted a proposal for the scheme Partial modernisation of Prabhuram mills, a unit of Kerala State Textile Corporation Ltd for an amount of Rs.878.36 Lakh and release of Rs 555 Lakh from the funds provided under the head of account of 6860-01-190-95 of Kerala State Textile Corporation Ltd, during the financial year 2025-26.

2) Prabhuram Mill is the non modernized unit under Kerala State Textile Corporation Ltd. The ring frame machines at the mill are aged around 40 to 45 years, with the operating capacity of 15,896 ring spindles in 36 frames. Prabhuram mill is now running under job conversion method with 67 to 70 percentage utilization. An above average modernization is highly required for the existence of the mill, but in phased manner to avoid complete stoppage of functioning of unit for the modernization work. Prabhuram Mills is a unit with modernization index 45. As per SITRA standard, the units with minimum 60 modernization index is a viable unit.

3) The proposal aims for Partial upgradation of spinning department of the mill. The proposal aims in the first phase of ring frame modernization



with replacing 14 old frames with 6184 Spindles into 4 new frames, proposed for installation of 4 new technology ring frames, with total 3,648 ring spindles. The humidification plant & supply duct is to be provided prior to the installation of ring frame machines. The spindle speed of new generation ring frame machines will be, considerably increased and almost 37% productivity increase is expected with new ring frames. The quality of product will be far better than the old machines. The repairs & breakdown will be also reduced and ultimately improves the utilization level. The main reason for loss of utilization is manpower shortage. The man power required for the new ring frames will be 11% lesser as that of existing ring frames. The manpower saved with the introduction of new ring frames can be effectively utilized. So that, the overall utilization will be increased to standard level. The total working spindle capacity will be reduced from 15,736 to 13,256, but the value of production remains same, due to high productivity of new four machines. The performance of the mill will become positive after the spindle capacity will be restored to 15,736 spindles on installation of new machines. The details of project cost is as follows:

SI. No	Particulars	Fund Required for 2025-26	Fund required for 2026-27	Total project outlay
1	Civil Works	86.00	Nil	86.00
2	Plant & Machinery	328.36	323.36	651.72
3	Miscellaneous Fixed Assets	140.64	Nil	140.64
	<b>TOTAL</b>	<b>555.00</b>	<b>323.36</b>	<b>878.36</b>

4) There is a Budget provision of Rs.1886 Lakh for the financial year 2025-26 under the head of account 6860-01-190-95 for modernisation of all units of Kerala State Textile Corporation Ltd.

5) The Departmental Working Group Meeting of Industries held on 30.04.2025 considered the proposal and recommended for issuing administrative sanction for Partial modernisation of Prabhuram Mills, a unit of Kerala State Textile Corporation Ltd for an amount of Rs.878.36 Lakh and release of Rs 555 Lakh from the funds provided under the head of account of 6860-01-190-95 of Kerala State Textile Corporation Ltd, during the financial year 2025-26.

6) Government have examined the recommendation of the Working Group and are pleased to accord administrative sanction for the proposal- Partial modernisation of Prabhuram Mills, a unit of Kerala State Textile Corporation Ltd for an amount of Rs.878.36 Lakh. Sanction is also accorded for the



utilisation of Rs 555 Lakhs for the project, limiting the expenditure to the tune of Rs. 5,49,79,000/- from the funds provided under the head of account of 6860-01-190-95 of Kerala State Textile Corporation Ltd, during the financial year 2025-26.

(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 Ltd,  
Thiruvananthapuram  
The General Manager, Prabhuram Mills, Chengannur  
The Treasury Officer, District Treasury, Thiruvananthapuram  
The Principal Accountant General(G&SSA), Kerala, Thiruvananthapuram  
The Accountant General(A&E), Kerala, Thiruvananthapuram.  
The Finance Department (BW/PUD) (vide minutes of WGM on 30.04.2025)  
The Planning & Economic Affairs (CPMU) Department  
The Industries (J) Department  
CEO, K-bip, Thiruvananthapuram  
✓ I&PR Department  
SF/ OC

Forwarded /By order

Signed by

Sreekumar R

Date: 05-05-2025 15:49:57