

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

Industries Department - Working Capital Support to Sitaram Textiles Ltd-
Release of Fund - Sanction accorded - Orders issued.

INDUSTRIES (C)DEPARTMENT

G.O.(Rt)No.975/2026/ID Dated,Thiruvananthapuram, 19-08-2026

Read:- 1. G.O.(Rt)No. 945/2026/ID dated 11.08.2026.

2. Letter No.DIC/4161/2026-FI1 dated 14.08.2026 from the Director
of Industries and Commerce.

ORDER

Vide Government Order read above, Administrative Sanction was accorded for a total amount of Rs. 35,23,00,000/- towards working capital support to 19 PSUs by re-provisioning of the lumpsum amount under the the head of account 4885-60-800-96 (P) during the current financial year (2026-27), in which Rs.43 Lakh for the working capital support to Sitaram Textiles Ltd (STL) is also included by re-appropriation from 4885-60-800-96 (P) to 6860-01-190-97.

(2) The Director of Industries and Commerce as per the letter read above, submitted release proposal in respect of Rs. 35,23,00,000/- towards working capital support to 19 PSUs by re-provisioning of the lumpsum amount under the head of account 4885-60-800-96 (P), including Rs.43 lakh to Sitaram Textiles Ltd.

(3) Government have examined the matter in detail and are pleased to accord sanction for the release of Rs.22,80,000/- (Rupees Twenty Two Lakh Eighty Thousand Only) to Sitaram Textiles Ltd under the h/a 6860-01-190-97 Loans for the STL (P) towards working capital support sanctioned vide Government Order read above, subject to the conditions stipulated in the said Government Order and also subject to the following conditions:

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 G.O.(P) No.88/2018/fin dated 11.06.2018 and G.O.(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, Drawing and Disbursing Officer should scrupulously follow all 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 Drawing & Disbursing Officer 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 released now should be furnished in the prescribed format appended with G.O.(Ms) 04/2020/Fin dated 09.01.2020 along with further fund release proposals.

16. Conditions stipulated in GO(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, should be followed.

(4) The Director of Industries & Commerce will draw and disburse

the amount to Managing Director, Sitaram Textiles Ltd.

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

To:

The Director of Industries and Commerce, Thiruvananthapuram.

The Director of Handloom & Textiles, Thiruvananthapuram.

Member Secretary, BPT, Thiruvananthapuram.

The Managing Director , Sitaram Textiles Ltd, Thrissur.

The Principal Accountant General (G&SSA), Kerala, Tvpam.

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

The Treasury Officer, District Treasury, Thiruvananthapuram.

Finance (GIMC) Department.

Finance (PU-D) Department.(Vide 3601493/PU-D1/86/2026-FIN dated 19-08-2026)

Planning and Economic Affairs Department.

✓ I&PR (Web & New Media) Department (For posting the G.O in the Govt Website)

Stock file

Forwarded /By Order

Digitally signed by
Simit Jose V
Section Officer
Date: 19-08-2026
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