



## GOVERNMENT OF KERALA

### Abstract

Industries Department- Kerala Textiles Corporation Limited- Financial Assistance for the Settlement of Urgent Statutory dues-Release of Rs. 200 Lakh- Sanction Accorded- Orders issued.

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### INDUSTRIES (C) DEPARTMENT

G.O.(Rt)No.407/2026/ID Dated,Thiruvananthapuram, 28-03-2026

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- Read:- 1. G.O. (Rt) No.739/2025/ID dated 20.06.2025.  
2. G.O.(Rt) No.1213/2025/ID dated 17.09.2025.  
3. Letter No. DIC/4257/2025-FII dated 20.12.2025 from the Director of Industries and Commerce, Thiruvananthapuram.

### ORDER

As per the Government Order read as 1<sup>st</sup> paper above, administrative sanction was accorded for an amount of Rs.4250 Lakh provided under the lumpsum Head of Account of 4885-60-800-83(P), for the settlement of urgent statutory commitments of 24 Public Sector Undertakings including Rs.400 Lakh for Kerala State Textile Corporation Ltd, through re-appropriation to their respective H/A. As per the Government Order read as 2<sup>nd</sup> paper above, an amount of Rs. 200 Lakh to KSTC from the current year budget provision under the head of account 6860-01-190-95 Loans to KSTC (PV) towards the settlement of urgent statutory dues have already been released.

2) The Director of Industries and Commerce vide letter read as 3<sup>rd</sup> paper above, has requested to release the balance amount of Rs.2 Crore to Kerala State Textile Corporation Ltd along with the Utilization Certificate for previous release of Rs.200 Lakh.

3) Government have examined the matter in detail and are pleased to accord sanction for release an amount of Rs. 200 Lakh (Two Hundred Lakh Only) to Kerala State Textile Corporation from the current year budget provision under the head of account 6860-01-190-95 Loans to KSTC (P.V) towards the settlement of urgent statutory dues sanctioned vide

Government Order first cited subject to the following conditions noted 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 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, Administrative Department 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 Administrative Department 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. .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.

4) The Drawing and Disbursing Officer should follow the conditions stipulated in G.O. (P) No.157/2021/Fin dated 26.11.2021 & G.O. (P) No.171/2021/Fin dated 18.12.2021 in respect of the Loan Monitoring and Fund Management System.

5) The Director of Industries and Commerce /Additional Director of Industries and Commerce will draw draw and disburse the amount to the Managing Director, Kerala State Textiles Corporation Ltd, Thiruvananthapuram.

(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 and Textiles, Thiruvananthapuram.

The Member Secretary, BPT, Thiruvananthapuram.

The Managing Director, Kerala State Textile Ltd,  
Thiruvananthapuram.

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

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

The Director of Treasuries, Thiruvananthapuram.

Finance (PU-D) Department.

(No.3249160/PU-D1/131/2025-FIN dated 27.03.2026)

Finance (PUD/BWG/GIMC) Department.

Planning & Economic Affairs (PIE&M) Department.

Industries (H) Department.

The CEO, K-bip, Thiruvananthapuram.

✓ I&PRD, Web& New Media (for uploading in the Govt website).

SF/OC.

Forwarded /By order

Signed by Anilkumar P

Date: 28-08-2026 13:52:48