

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
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Circular No. 1
(2003-2004 Series)

Sub: Technology Upgradation Fund Scheme (TUFS).

1. **Co-option of additional banks / financial institutions by Nodal Agencies.**
 - (i) Industrial Development Bank of India (IDBI), the nodal agency (NA) for textile industry (Non-SSI) under Technology Upgradation Fund Scheme, vide letter No. IDBI.HO.TUFS(6) dated.14-02-2003 and 12-03-2003 has co-opted The United Western Bank Ltd. and The Lakshmi Vilas Bank Ltd. respectively for textile industry under the TUF Scheme.
 - (ii) Small Industries Development Bank of India (SIDBI), the nodal agency (NA) for textile industry (SSI) under Technology Upgradation Fund Scheme, vide letter No. DFID/RTUF dated.11-02-2003 and 02-03-2003 has co-opted Apna Sahakari Bank Ltd., The Nasik Merchants' Co-op. Bank (NAMCO Bank) and Dombivili Nagari Sahakari Bank Ltd. for textile industry under the TUF Scheme.
 - (iii) Industrial Financial Corporation of India Ltd. (IFCI), the nodal agency (NA) for jute industry under Technology Upgradation Fund Scheme, vide letter No. CCD/TUFS/JUTE/2003 dated. 05-03-2003 has co-opted Vijaya Bank for jute industry under the TUF Scheme.
2. **Decisions taken by Technical Advisory-cum-Monitoring Committee (TAMC) in its 19th meeting held at Mumbai on 24th Feb., 2003.**
 - (i) **Inclusion of Laser label cutting machine.**
 - a) The laser label cutting machine has been included at Annex – D-1
 - (b) 16 of the G.R. on TUFS as follows.

16. Power driven cloth cutting machine/laser fabric or label cutting machine.

b) The entry under Annex-E (a) (15) has been amended with the addition of label cutting machine, viz., “Power driven cloth cutting machine / laser fabric or label cutting machine”.

(ii) Inclusion of Sensor Technology Fibre detector equipment for existing blowroom machine.

The entry under Annex-B (a) 2 (iii) has been amended as follows :

(a) 2 (iii) “All foreign fibre detector, Automatic bale plucking machines & sophisticated cleaning machine equipment in the existing blowroom line”.

(iii) **Coverage of industrial humidification system with air washer plants and air filters to maintain RH and temperature without humidifiers (Chillers).**

The entry under Annex-B (a) 15 has been amended as follows :

15 “Industrial Humidification system with air washer plant and air filters to maintain RH and temperature with / without de-humidifiers (Chillers)”.

3. **Decisions taken by Inter-Ministerial Steering Committee (IMSC) in its 14th meeting held at New Delhi on 4th March, 2003.**

(i) **Inclusion of second hand imported non-woven machinery.**

The following second hand imported non-woven machinery upto 10 years vintage and with minimum residual life of 10 years has been covered under TUFS and an entry has been made under GR 3.2 (2) k for non-woven / technical textiles as under :

1. High Speed cards with chute feed double doffer or roller card with chute feed Aerodynamic or card with feeder.
2. Cross lapper.
3. Needle loom with compressive batt feeder and compressing apron.
4. 2 Bowl Thermo bond calendar.
5. Web laying & web forming (Synchronized) high-speed cards with chute feed.
6. Print bonder.

(ii) Coverage of wind energy for captive power generation.

The wind energy equipment for captive power generation has been covered by including the item “Wind Turbine” under G.R. at para 3.3 (2) (i) pertaining to other investments eligible under TUFs. However, the nodal agency will send the detailed proposal received by them to Textile Ministry through Textile Commissioner and seek its approval before releasing the interest reimbursement.

(iii) Providing incentive to Nodal Agencies / co-opted PLIs for early release of interest reimbursement amount under TUFs.

The banks or FIs which have advanced loans to textile units eligible for 5% interest reimbursement will accept the repayment of loan if made within the prescribed date without the 5% interest reimbursement which it will get from the nodal agency. On the amount reimbursed, the Banks/FIs may, however, charge interest at PLR from the unit till it is received from the nodal agency.

(iv) Coverage of hire purchase scheme operated by National Small Industries Corporation (NSIC) Ltd. under TUFs.

Interest portion of hire purchase scheme operated by National Small Industries Corporation Ltd. has been covered under TUFs subject to the condition that the machinery will meet the technology and other eligible parameters laid down under the scheme.

(v) Increase in the vintage period of second hand imported waterjet looms from 5 years to 10 years and reduction of minimum width to 150 cms (from existing 165 cms) under TUFs.

The vintage of second hand imported waterjet looms has been increased from 5 years to 10 years and eligible width has been reduced to 150 cms. from the existing 165 cms.

The above modifications may please be brought to the notice of all concerned.

(Smt Shashi Singh)
(Director)

To: -

1. Secretaries (Textiles) of all states
2. All PLIs of IDBI and SIDBI
3. To all Major Textile Industry Associations/ Trade Associations/All India Industry Associations/Chambers of Commerce & Industry.
4. Officer Incharge of all Regional office of the Textile Commissioner,
5. Secretary, Textiles Committee, Mumbai
6. Officer Incharge of all Powerloom Service Centers,
7. The Directors of all TRAs
8. Executive Directors of all EPCs
9. Development Commissioner (Handlooms)
10. Development Commissioner (Handicrafts)
11. Jute Commissioner
12. Member-Secretary, Central Silk Board
13. Director General , NIFT
14. Prominent News Agencies.

With a request to bring the above message to the notice of all concerned, by publishing / covering the above amendments/modifications in the TUFs, in the news papers/ periodicals / magazines etc

Copy for information to:

1. All members of IMSC & TAMC.
2. Shri Atul Chaturvedi, Joint Secretary, Ministry of Textiles, New Delhi - 11
3. Shri P.K.Gera, Director, Ministry of Textiles, New Delhi – 110 011

(Smt Shashi Singh)
Director