

**GOVERNMENT OF INDIA  
MINISTRY OF TEXTILES  
OFFICE OF THE TEXTILE COMMISSIONER  
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No. 28(19)/2000-MS/

Date: - 13<sup>th</sup> November, 2000

Circular No. 9  
(2000-2001 Series)

Sub: ***Technology Upgradation Fund Schemes (TUFS).***

**1. Co-option of additional banks / financial institutions by nodal agencies**

The nodal agencies of TUFS have co-opted some more banks under TUFS. The details are as below:

- (i) Industrial Finance Corporation of India (IFCI), the Nodal agency (NA) for jute industry under Technology Upgradation Fund Scheme, vide letter no. Credit Coord./TUFS/2000 dated 4<sup>th</sup> September, 2000 has co-opted Maharashtra State Financial Corporation (MSFC), Mumbai, as a primary lending institution (PLI) for jute industry under the TUF Scheme.
- (ii) National Co-operative Development Corporation Ltd. (NCDC) has been co-opted by Industrial Development Bank of India (IDBI) and Small Industries Development Bank of India (SIDBI) for financing textile units under co-operative sector under Technology Upgradation Fund Scheme (TUFS).
- (iii) The following 3 co-operative banks have been co-opted by SIDBI in addition to the two co-operative banks already co-opted by them.
  - 1. Bombay Mercantile Co-op. Bank Ltd., Mumbai,
  - 2. Kalapur Commercial Co-op. Bank Ltd., Ahmedabad
  - 3. Maharashtra State Co-op. Bank Ltd., Mumbai

**2. The recommendations given by Technical Advisory Cum Monitoring Committee (TAMC) in its 4<sup>th</sup> and 5<sup>th</sup> meeting and the decision taken by the Inter Ministerial Steering Committee (IMSC) in its 7<sup>th</sup> meeting with regard to norms relating to TUFS are as follows.**

**i) Issue of certificate by the Textile Commissioner for import of second hand machinery.**

IMSC approved to dispense with the requirement of a certificate from the Textile Commissioner to this effect that the equipment was not indigenously available, since the second hand machines allowed under para 3.2(2) of the G.R. dated 31-3-99 are capital goods

having nil or negligible indigenous angle.

**ii) Combination of ring spindles and Open End Rotors for the Minimum Economic Size (MES) of the spinning unit.**

The IMSC decided to permit the combination of ring spindles and O.E. Rotors for the MES of 25,000 spindles under TUFs. Further, if an existing spinning unit proposed to expand its capacity, the MES of the unit after expansion should be a minimum of 12,000 spindles, including a combination of ring spindles and O.E. Rotors, with a maximum of 5% lower tolerance.

**iii) Inclusion of New overhead cleaner for spinning & winding.**

The IMSC has decided to add a new item, viz., 'Overhead cleaner for spinning & winding' at 'a. 17' in Annex 'B' of TUFs GR dated 31.3.1999.

**iv) Inclusion of Auto doffer system.**

The IMSC has decided to include "Auto doffer system" for ringframe as a retrofit, as an eligible accessory under TUFs, subject to the condition that the ring frame on which the auto doffer system was to be retrofitted and the auto doffer proposed to be retrofitted should be of the same make/manufacturer and the existing ring frame should also fall under TUFs technology norms.

**v) Inclusion of Coal Fired boilers.**

The IMSC has decided for inclusion of "coal fired boilers" under the heading "utilities and others" of Annexure F-1, F-2, F-3 & F-4 of the GR on TUFs dated 31-3-99 provided it contains the additional features namely, controlled filter mechanism, electro-static precipitator and micro dust collectors and the party obtains necessary clearance from the Pollution Control Board concerned. Accordingly, entry (b)(IV) (1) of Annex F-1, F-2, & F-3 and (b) III (1) of Annex F-4 under the heading "utilities and others" be amended as under:

"Oil/gas fired boiler and coal fired boiler with controlled filter mechanism, electrostatic precipitator and micro dust collector.

Note: Coal fired boiler is further subject to clearance from concerned pollution control board".

**vi) Inclusion of 18 machinery for Sewing Thread industry (Cotton, Polyester, continuous filament and core spun thread).**

The IMSC has approved for inclusion of 18 machinery items in Annexure 'B' of the scheme under sub heading 'j' after sub heading 'i' with sub heading as "Machinery for Sewing

Thread (cotton polyester / continuous polyester filament / core yarn sewing threads) manufacture” and by renumbering present sub heading ‘j’ as ‘k’, as given below:

**“j     MACHINERY FOR SEWING THREAD (COTTON POLYESTER / CONTINUOUS POLYESTER FILAMENT / CORE YARN SEWING THREADS) MANUFACTURE.**

1. Assembly winding / Cheese winding machine with individual control arrangement & length measuring device.
2. Heavy ring doubler with or without wet arrangement.
3. Polishing cum lubrication machine.
4. Heat setting & stabilizing machine.
5. Pre-application winder/ composite lubrication winder / cone winder.
6. Precision winder & finishing machine / Twin cone winding and cop banding machine.
7. Tube winding machine.
8. Auto labeling and packing machine.
9. Box stitching / Carton strapping machine.
10. Bonding machine.
11. Spool winder.
12. Braiding machine.
13. Braid dye package winder.
14. Braid waxing machine.
15. Braid cop winder.
16. Pre-twister / Assembly winding machine.
17. Uptwister.
18. Dye packing winder.

k     Any other machinery considered appropriate by the Technical Advisory-cum-Monitoring Committee (TAMC).”

**vii) Interest reimbursement eligibility provided under TUFS to the textile units set up under**

**or availing of benefits of other schemes.**

The IMSC decided that the textile units may, in addition to TUFS, avail of benefits of other schemes unless specifically provided otherwise. In case of doubt, the matter may be referred to the Textile Commissioner for clarification.

**3. Clarifications on the scheme provided by TAMC in its 4<sup>th</sup> meeting held on 28<sup>th</sup> August, 2000.**

**Cut Chennile Yarn Machine**

The TAMC clarified that the “Cut Chennile Yarn Machine”, the machine in which the process of tufting, doubling and twisting of yarn are done simultaneously falls in the category of fancy yarn twisters/doublers, vide existing entry no. a. 14 of Annexure D.1.

**Corrigendum**

**Deficit in weft insertion rate.**

In the circular no. 7 (2000-2001 series) dated 4<sup>th</sup> August, 2000, issued by this office, item no. 7, i.e., deficit in weft insertion rate may be read as “marginal deficit of upto 5% in the weft insertion rate of old sulzer projectile weaving machines with a width of **180 cms** and in other similar cases, provided they otherwise conform to the approved technology norms under TUFS.

This 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. Member-Secretary, Central Silk Board
12. Director General , NIFT
13. 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. to enable the Textile and jute units to approach the aforesaid institution / Banks for availing of financial assistance under TUF scheme. Copy for information to:

1. All members of IMSC & TAC.
2. Shri Y.P.Singh, Director, Ministry of Textiles, New Delhi.

(Smt. Shashi Singh)  
Director