

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
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Circular No. 1
(2004-2005 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.27-02-2004, 16-02-2004 and 12-03-2004 has co-opted the following additional banks for textile industry under the TUF Scheme:

- (1) The New India Co-operative Bank Ltd.
- (2) The Cosmos Co-operative Bank Ltd.
- (3) The Surat District Co-operative Bank Ltd.

- (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.12-03-2004, 10-03-2004, 18-03-2004, 29-03-2004 and 31-03-2004 has co-opted the following additional banks for textile industry under the TUF Scheme:

- (1) The Kapol Co-operative Bank Ltd.
- (2) Jalgaon Janata Sahakari Bank Ltd.
- (3) The Shirpur People's Co-op. Bank Ltd.
- (4) Rajkot Nagarik Sahakari Bank Ltd.
- (5) Shri Veershaiv Co-operative Bank Ltd.

2. **Enhancement of 25% ceiling on investment in building and other fixed assets for Readymade Garment (RMG) units under TUFS .**

Ministry of Textiles vide letter no.6/1/2003-CT-1 dated 29th March, 2004 has decided that the current ceiling for investment in land and building in all apparel units listed under para 3.3 (1) of the G.R. on TUFS be raised from the present limit of 25% to 50% of investment in plant and machinery. The raised limit would be applicable only for such projects in which loan is sanctioned after the 1st April, 2004 or to that portion of already sanctioned loan, which remain undisbursed on 1st April, 2004.

3. **Decisions taken by Technical Advisory-cum-Monitoring Committee (TAMC) in its 23rd meeting held at Mumbai on 1st April, 2004.**

(i) **Inclusion of Fogging & Evaporating system for Ginning & Pressing Industry.**

Fogging & Evaporating system for ginning & pressing industry has been included in Annex- A (a) 8 (ii) of the G.R. on TUFS follows:

(a) 8 (ii) - Fogging and Evaporating system.

(ii) **Inclusion of PU Coating line for Technical Textiles manufacturing.**

PU Coating line has been made eligible under TUFS and accordingly the entry in Annex – D-2 (f) Non-woven –C (10) has been amended as follows:

Annex – D-2 (f) Non-woven – C (10) : Coggulated PU Dipped coating machine/PU Coating Line or coating dipping/knife machine with infra Red Dryer (Eligibility is restricted to Technical Textile Only).

(iii) **Inclusion of additional machinery for Technical Textiles manufacturing.**

The following machinery has been made eligible under TUFS and accordingly an entry has been made in Annex as follows:

| Sr. No. | Name of the machinery | Annex and Sr. No. in G. R. on TUFS |
|----------------|--|---|
| 1 | PU Tumbling machine and drying machine | Annex-D2 –(f) Non-woven-C item No. 17. |

| Sr. No. | Name of the machinery | Annex and Sr. No. in G. R. on TUFS |
|----------------|---|---|
| 2 | DMF recovery plant and distillation plant | Annex-D2 –(f) Non-woven-C item No. 18. |
| 3 | Printing Machine for coated textiles | Annex-D2 –(f) Non-woven-C item No. 19. |

(iv) Amendment for boiler in Annex F1, F2, F3 for the item (IV) 1(a) and in Annex-F4 (III)1(a).

The boiler upto 8 tonnes, the condition of fluidized bed should not be restricted upon and oil/gas fired both have been allowed with multiple cyclone separator etc. and accordingly the entry at Annex F1, F2, F3 for the item (IV) 1(a) and in Annex-F4 (III) 1(a) has been amended as follows:

- (1) (a) Oil/gas fired boiler or fluidized coal fired boiler with pneumatically controlled filter mechanism, electrostatic precipitator and micro dust collector. However, oil, gas or coal fired boiler up to 8 tonnes per hour (TPM) capacity with multiple cyclone separators for collection of dust from chimney and mechanically flash separator attachment would also be eligible. Such low capacity boiler not more than one would be eligible to a particular unit. It would be subject to clearance from concerned Pollution Control Board.

(v) Inclusion of Draw Twisting and Draw Winding Machine.

Draw Twisting and Draw Winding Machine has been included in Annex-B (g) (13) of the G.R. on TUFS as follows:

- (g) (13) – Draw Twisting / Draw winding machine.

(vi) Inclusion of Tufting machine for manufacturing Bathmats with or without latex coating.

Tufting machine has been included in Annex- D1 (b) (18) of the G.R. on TUFS as under:

- (b) (18) – Tufting machine with electronic process controls.

(vii) Inclusion of Weft Straightener with electronic controls.

Weft Straightener with electronic controls has been included in Annex-F1 (b) III of the G.R. on TUFS follows:

(19) – Weft Straightener with electronic controls.

(viii) Inclusion of non-woven machinery under TUFS.

The following non-woven machinery has been included in Annex – D-2 e. non-woven – A of the G.R. on TUFS as follows :

11- Complete production lines for the production of following non-wovens upto rolled goods preparation and packing namely:

- (a) Chemically bonded non wovens
- (b) Stitch bond non wovens
- (c) Spun bonded non wovens
- (d) Melt blown non wovens
- (e) Spun bond melt blown (SMS) non-wovens.

(ix) Amendment in the para 4.2 (b) (e) of the G.R. on TUFS as under :

"Auto doffer system for ring frame as a retrofit is covered under the scheme which may be retrofitted / installed as a new or existing frame irrespective of any make / manufacturer".

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 Ajoy Kumar, Director, Ministry of Textiles, New Delhi – 110 011

(Smt Shashi Singh)
Director