

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
POST BAG NO. 11500, MUMBAI - 400 020
Fax: 022 – 22002495, E-mail: texcomindia@txcindia.com
Website: www.txcindia.com

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(2003-2004 Series)

Sub: Technology Upgradation Fund Scheme (TUFS).

1. Co-option of additional banks / financial institutions by Nodal Agencies.

- (A) Industrial Finance Corporation of India (IFCI), the nodal agency (NA) for jute industry under Technology Upgradation Fund Scheme, vide letter No. Credit-II A/2003-19102 dated.22-10-2003 has co-opted Federal Bank Ltd. for Jute Sector under TUFS.
- (B) Industrial Development Bank of India (IDBI), the nodal agency (NA) for Non-SSI textile sector under Technology Upgradation Fund Scheme, vide letter No. IDBI.HO.TUFS.(6) dated.19-09-2003 has co-opted The Federal Bank Ltd. and Indian Renewable Energy Development Agency Ltd. (IREDA) for Non-SSI textile sector under the TUF Scheme.
- (C) Small Industries Development Bank of India (SIDBI), the nodal agency (NA) for SSI textile sector under Technology Upgradation Fund Scheme, has co-opted Prime co-operative Bank Ltd. for SSI textile sector under the TUF Scheme.

2. Decisions taken by Inter-Ministerial Steering Committee (IMSC) in its 15th meeting held at New Delhi on 30th Sept., 2003.

- (i) **Waiver of minimum stipulated width of 165 cms in respct of semi-automatic / automatic looms for decentralized powerloom sector.**

The minimum stipulated width for the powerlooms under TUFS has been waived off and the same will be decided by the entrepreneur depending on his requirements.

(ii) Inclusion of second hand imported machinery for viscose filament yarn.

Second hand imported continuous spinning yarn machine of 5 years vintage for the production of viscose filament yarn has been made an eligible machinery under TUFS and accordingly an entry has been made in para 3.2 (2) of the G.R. on TUFS follows:

Para 3.2 (2) (l) - Spinning machine for viscose filament yarn upto 5 years' vintage (other than pot spinning), comprising of complete modules drive units, digital electronic frequency inverters including control board, programmable logistic control (PLCs), metering gear pumps, spinnerettes, counterspinnerettes.

3. Extension of TUFS upto 31.03.2007.

Government has approved with immediate effect extension of the Technology Upgradation Fund Scheme (TUFS) upto 31.03.2007.

4. Additional option of Credit Linked incentive of 20% Capital Subsidy on machinery cost for small scale powerloom units.

Government has approved with immediate effect the enlargement of the TUFS by offering to Small Scale Powerloom units an additional option of credit linked incentive of 20% of the cost of modern weaving machinery admissible under the scheme, upto a cost of Rs.60 lakh with the facility to obtain credit from a credit network that includes all cooperative banks and other genuine non-banking financial companies (NBFC) recognized by the Reserve Bank of India. Necessary operational guidelines are being issued separately.

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