

GOVERNMENT OF INDIA  
MINISTRY OF TEXTILES  
OFFICE OF THE TEXTILE COMMISSIONER  
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**Circular No. 5**  
**(2003-2004 Series)**

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

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

- (A) 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.01-12-2003 has co-opted Bank of America, N. A. and The Saraswat Co-operative Bank Ltd. for Non-SSI textile sector under the TUF Scheme.

**2. Decisions taken by Technical Advisory-cum-Monitoring Committee (TAMC) in its 22<sup>nd</sup> meeting held at Mumbai on 4<sup>th</sup> Dec., 2003.**

**(i) Inclusion of coating device with Infra Red Dryer.**

The Coating device with Infra Red Dryer has been included as an eligible machinery under the scheme by amending the existing entry under Annex-D-2 f. Non woven - C (10) as under :

Annexure-D2 f (c) 10. “Coggulated PU Dipped coating machine or coating, dipping/knife machine with infra Red Dryer”.

**(ii) Eligibility of interest reimbursement on Non-Convertible Debentures (NCDs) consequent to its transfer to another PLI/NA.**

Transfer of NCDs subscribed by NA/co-opted PLIs and covered under the TUFS to another nodal agency / co-opted PLI once in the life time of the NCDs has been permitted. The nodal agencies must however ensure that NCDs are transferred to NAs or co-opted PLIs and NCDs transferred to other investors in the market should not be given interest reimbursement.

**(iii) Eligibility of Jacquard / Dobby on stand-alone basis for fitment in the looms having vintage of more than 10 years.**

Electronic Jacquard / Dobby on stand alone basis eligible under TUFS, i.e., upto 10 years vintage can be fitted into any looms irrespective of whether loom is TUFS compatible or not.

**(iv) Amendment of Annex-D-1 (b) 3B with regard to technical specification of semi automatic looms.**

The technical specification for semi automatic looms as given in Annex-D-1 (b) 3B has been amended by deleting the 8<sup>th</sup> and 9<sup>th</sup> line of the entry, i.e., stipulation of “push button with inching arrangement for starting and stopping and inching”.

**3. Ceiling on subsidy amount under CLCS-TUFS @ 12**

No maximum ceiling on eligible investment under CLCS-TUFS has been specified at present in the scheme. The issue has been examined and it is clarified that under CLCS-TUFS, units are permitted to make new investment (eligible under TUFS) upto Rs. 1 crore or till the unit reaches SSI limit whichever is higher. Subsidy amount under the scheme may be worked out accordingly.

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