

**GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
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No. 28(19)/2003-MS/

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**Circular No. 6
(2003-2004 Series)**

Sub : Technology Upgradation Fund Scheme (TUFS).

Coverage of wind energy for captive power generation under TUFS :

While granting in principle approval for allowing wind energy equipment for captive power generation under TUFS in the 14th meeting of the Inter-Ministerial Steering Committee (IMSC) of TUFS held on 4th March 2003, the committee stipulated that before reimbursing, the Nodal agency would send the details of the proposal received for wind energy plant for captive generation to Textile Ministry through Textile Commissioner and seek its approval before releasing the interest reimbursement. The issue has been re-examined by the Ministry and the Ministry of Textiles vide letter F.No. 28/6/2002-CT-I dated 5th January, 2004 has decided to do away with the aforesaid stipulation regarding the approval of Ministry before release of interest reimbursement for wind energy plants.

2. However, Ministry has prescribed guidelines for coverage of wind energy plants under TUFS. The lending agencies shall adhere to the guidelines prescribed while sanctioning wind energy projects and Nodal Agencies (NAs) must ensure that the proposal satisfies all the conditions before releasing the interest reimbursement. The prescribed guidelines are as under :

2.1 The investment in CPP based on wind turbine shall be restricted to the lending agencies assessment of overall present and anticipated power requirement of the unit to ensure in house consumption. TUFS subsidy cannot be used to establish a wind turbine of capacity more than necessary. NAs/PLIs may satisfy that subsidy admissible is limited to the amount necessary and does not become a subsidy for establishment of wind energy parks for supply of electricity to SEBs.

2.2 The wind turbine on stand-alone basis will be covered of the textile units having main plant & machinery in conformity with TUFS norms and eligible for loaning under TUFS.

2.3 Wind energy mills can be established only at such places, which are feasible and have requisite wind velocity for the purpose. It is not necessary that the textile units should also be located at the same place. Nodal agencies / PLI may examine whether establishment of wind energy units would ensure uninterrupted power supply to the textile units, if supply is through the transmission and distribution networks of State Electricity Boards (SEBs) or any other State monopoly. NAs / PLIs should also satisfy that arrangements of transmission and distribution of Electricity Boards would ensure uninterrupted power supply to the textile units which is the main objective of granting the subsidy.

2.4 Since generation of wind energy is dependent on a number of natural factors, a textile unit cannot fully remain dependent on wind energy source and would need supplementing the generation of power through DG set. NAs/PLIs should ensure the same.

3. The above points may be examined before entertaining any claim for reimbursement of subsidy for Wind turbine under TUFS. Nodal Agencies may strictly adhere to the guidelines before release of interest reimbursement for proposals for wind energy plants received from co-opted PLIs.

The above guidelines may 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 guidelines 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