

THE COTTON TEXTILES EXPORT PROMOTION COUNCIL (Sponsored By Government of INDIA)

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Circular No.EPS/58/2015-16

To: Members of the Council

Sub: Amended Technology Upgradation Fund Scheme (ATUFS) - Guidelines

Dear Member,

The Government t has issued guidelines for the operation of the new scheme, "Amended Technology Upgradation Fund Scheme (ATUFS) vide Resolution dated February 29, 2016.

The new scheme will provide one time capital subsidy for investments in the employment and technology intensive segments of the textile value chain, keeping in view promotion of exports and imports substitution. The scheme will be credit linked and projects for technology upgradation covered by a prescribed limit of term loans sanctioned by the lending agencies will only be eligible for a grant of benefits under it.

The scheme will be effective from 13.1.2016 to 31.3.2022. However, the cases pending for issue of Unique Identification Number (UID) since September 2014 as per records maintained by the office of the Textile Commissioner shall be covered under the RRTUF Scheme.

Every individual entity will be eligible for one time Capital Subsidy only, on the eligible investment, as per the rates and the overall subsidy cap indicated below:

Sr. No.	Segment	Rate of Capital Investment Subsidy (CIS)	CIS per individual Entity
1.	Garmenting , Technical Textiles	15% on eligible Machines	Rs. 30 Crore
2.	Weaving for brand new Shuttle-less looms (including weaving preparatory and knitting), processing, Jute, Silk and Handloom		Rs. 20 Crore
3(a)	Composite unit / Multiple Segments – If the eligible capital investment in respect of Garmenting and Technical Textiles category is more than 50% of the eligible project cost	15% on eligible Machines	Rs. 30 Crore
3(b)	Composite unit / Multiple Segments – If the eligible capital investment in respect of Garmenting and Technical textiles category is less than 50% , then the subsidy cap will be Rs. 20 crore.	10% on eligible Machines	Rs. 30 Crore

In case, the applicant had availed subsidy earlier under RRTUFS, he will be eligible for only the balance amount within the overall ceiling fixed for an individual entity.

The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to Rs. 30 crore.

A copy of the Resolution dated February 29, 2016 which has laid down the guidelines for ATUFS - is enclosed herewith.

You are requested to please take a note of the above and do the needful.

In case, you need any further clarification in the matter, please contact Shri A.Ravi Kumar, Joint Director.

Regards,

Siddhartha Rajagopal Executive Director TEXPROCIL