

## **MODIFIED IN-SITU UPGRADATION SCHEME FOR PLAIN POWERLOOMS FOR SSI POWERLOOM SECTOR**

Technology Up-gradation Fund Scheme (TUFS), introduced on 01.04.1999 intended to address technological obsolescence and to create economies of scale in the Textile Sector. The decentralized powerloom sector has also derived substantial benefits under TUFS for installing shuttleless looms and automatic looms. However, the economically weaker powerloom units in India are still largely characterized by their technological obsolescence, being unable invest in brand new modern looms and have been seeking the In-situ modernization plan for upgrading their existing plain powerlooms. This requirement of economically weaker Powerloom units for In-situ upgradation is not addressed under TUFS as (i) minimum benchmark was Automatic Looms',(under MTUFS, etc.) (ii) such low-end plain powerloom owners do not find it feasible to straightaway upgrade to Auto Looms by replacing existing plain looms. Therefore, Government has decided to provide financial assistance to economically weaker plain powerlooms units for up-gradation of their existing ordinary looms, by attachment of additional kits likes Weft stop motion, Warp stop motion, Semi-positive let off motion, Efficient breaking device, Anti-crack device, Replacement of metallic parts by self lubricative nylon parts, Dobby, Jacquard, Pirn winding machine and Rapier kit so as to upgrade the plain looms to semi-automatic/shuttleless looms.

### **I. Objective:**

The prime objective of the scheme is to provide financial assistance to economically weaker low-end powerloom units, for upgrading existing plain looms to semi-automatic/automatic looms, to improve quality and productivity of the fabric being produced by way of fixing certain additional attachments/kits and enable them to face the competition in domestic and international markets.

### **II. Period of Operation of Scheme:**

Modified Scheme of In-situ Up-gradation of Plain Powerloom for SSI Powerloom Sector will be in operation from 01.04.2016 to 31.03.2017, or any extended period, thereafter.

### **III. Eligibility of Unit/Applicant:**

- a) A Powerloom unit having powerloom permit / Acknowledgement against Information Memorandum issued by Regional Office of the Textile Commissioner for installation of the Powerlooms (or) SSI registration (or) Electricity bill for the unit address/name of the owner are provided, is eligible for assistance under the scheme.
- b) Powerloom unit having a maximum 08 (eight) existing plain powerlooms, as per Powerloom Permit / Acknowledgement are only eligible for availing the benefit under the scheme. Priority would be given to units having less than 4 looms.
- c) A unit should have electricity bill in it's name or in the name of the owner of the unit/power sharing agreement between lessor and lessee, if the premises is on rent basis.

### **IV. Attachment(s)/kit(s) for up-gradation of plain powerloom:**

The existing plain loom is to be upgraded with following attachment(s)/kit(s) as additional features:

(a) In-situ Up-gradation of Plain Looms to semi-automatic shuttle looms:

- (i) Weft stop motion (Optical Weft Feeler)
- (ii) Warp stop motion (Electro mechanical warp stop motion for spun yarn or photocell type for filament yarn with loom stopping mechanism).
- (iii) Semi-positive let off motion
- (iv) Efficient braking device (electro-mechanical).
- (v) Anti Crack device.
- (vi) Replacement of metallic parts by self-lubricating nylon parts (like shedding roller, picking cams, picking bowl, crank bushes etc. having life more than 2 years)
- (vii) Mechanical Dobby (cast iron).
- (viii) Jacquard (cast iron).
- (ix) Pirn winding machine

(b) In-situ Up-gradation of semi-automatic shuttle looms to shuttleless Rapier looms:

(i) Rapier kit

#### V. Quantum and Scheme of Subsidy:

The applicant will be eligible for:

- (a) For in-situ up-grading the existing plain power looms to Semi automatic shuttle looms
- (b) For in-situ up-gradation of existing upgraded semi automatic shuttle looms to shuttleless rapier looms and
- (c) For in-situ up-gradation of existing plain power looms directly to shuttleless rapier looms

In each of these in-situ up-gradation, Government of India shall provide financial assistance to the extent of 50%, 75% and 90% of the cost of up-gradation to a maximum subsidy of Rs. 40,000, 60,000 and 72,000 per loom for General, SC and ST category applicants respectively, as shown below:

Category	Percentage of subsidy	Maximum subsidy Amount per loom (in Rupees)		
		Plain powerloom to semiautomatic shuttle loom (Upgradation without Rapier Kit)	Semi automatic shuttle loom to shuttleless rapier loom (Attachment of only Rapier Kit)	Plain powerloom to shuttleless rapier loom (Upgradation with Rapier Kit)
General	50 %	15,000	25,000	40,000
SC	75 %	22,500	37,500	60,000
ST	90 %	27,000	45,000	72,000

#### **Note:**

The maximum ceiling of subsidy per loom is worked out for attachment/ specified kits including pirn winding machine and rapier kits. The detailed bifurcation of the

subsidy shall be as shown as per the table given below;

<b>For In-situ Upgradation</b>	<b>Attachments/kit attached</b>	<b>Category</b>	<b>Maximum GOI subsidy/loom</b>
(a) From existing plain power looms to Semi automatic shuttle looms	Weft stop motion, Warp stop motion, Efficient breaking device, Semi positive let off motion, Dobby, Jacquard, Self lubricating nylon parts, anti crack device & pirn winding machine.	General	Rs.15,000
		SC	Rs.22,500
		ST	Rs.27,000
(b) From existing upgraded semi automatic shuttle looms already upgraded under In-Situ to shuttleless rapier looms (excluding attachments /kits at (a))	Attachment of rapier kit for powerlooms	General	Rs.25,000
		SC	Rs.37,500
		ST	Rs.45,000
(c) From existing plain power looms directly to shuttleless rapier looms (including attachments) (kits at (a) & (b)).	(i) Weft stop motion, Warp stop motion, Efficient breaking device, Semi positive let off motion, Dobby, Jacquard, Self lubricating nylon parts, anti crack device & pirn winding machine and  (ii) Rapier kit	General	Rs.40,000
		SC	Rs.60,000
		ST	Rs.72,000

a) Eligible subsidy under the scheme shall be based on the actual price of the attachments/kits or the maximum rates prescribed by the Textile Commissioner, whichever is less.

- b) The Textile Commissioner shall notify the maximum rates for each admissible attachment from time to time.
- c) The Textile Commissioner shall from time to time enroll / register the manufactures of the attachments / kits and notify the list of manufacturers of kits/attachments.
- d) The indigenous manufacturers/suppliers empanelled/registered under the scheme, who are willing to supply the kits, pirn winding machine and Rapier kits on credit basis to the powerloom weavers/entrepreneurs, will be reimbursed the eligible amount of subsidy into their accounts on successful installation and commissioning of the attachment/kits and certification of the same by concerned weaver. It will be optional for the weaver to avail the credit facility offered.

**VI.** The attachment/kit(s), on which subsidy has been availed under this scheme, shall not be eligible for any other subsidy provided under any other scheme of Government of India.

**VII. Implementation:**

- a) The scheme will be implemented by the Textile Commissioner through the Regional Offices and Powerloom Service Centers under Textile Commissioner-PSCs & TRA-PSCs/State Govt. Agencies.
- b) The applicant will submit an application for ‘in-principal approval’ in the prescribed format at **Format-I** to the nearest Powerloom Service Center OR the concerned Regional Office of the Textile Commissioner (RO) giving the details of the attachments / kits to be installed.
- c) In-principle approval would be granted by concerned Regional Office of the Textile Commissioner, within 21 working days of the receipt of the application and would be intimated to the unit. In principle approval would be valid for a period of 6 months within which weavers are required to install kits/attachments and submit their claims to RO of Textile Commissioner.
- d) In-principle approval so granted by the concerned Regional Office of the Textile Commissioner, can be extended for a further period of 3 months, if the units/applicants fail to install the kits specified within the 6 month period due to

non-availability of kits or other reasons beyond the control of the applicant and apply for extension of validity of 'in-principle approval' to the Regional Office of Textile Commissioner within 21 working days expiry of the validity.

- e) The applicant/unit will acquire the attachments / kits and install the same on the existing Powerlooms. Thereafter, the applicant/unit shall submit the claim for release of financial assistance/subsidy to the respective Powerloom Service Centre / Regional Office of the Textile Commissioner supported with details as per **Format-II** after the kits/ attachments are installed and up-gradation of looms with new attachments is completed.
- f) The Regional offices of the Textile Commissioner will depute Joint Inspection Team (JIT) for physical verification of the installation & commissioning of the attachment / kits. The team of JIT will consist of at least three members, including one member from Regional Office of the Textile Commissioner, one member from Powerloom Service Centre and a representative from any of the following organizations which may be present in that Region:
  - (a) Textile Research Association
  - (b) Indian Textile Accessories & Machinery Manufacturers' Association (ITAMMA)
  - (c) Textile Machinery Manufacturers' Association (India) (TMMA)
  - (d) Textiles Committee
  - (e) Powerloom Development & Export Promotion Council (PDEXCIL)

The JIT will carry out the physical verification/inspection to confirm satisfactory installation of the attachments / kits and submit a JIT report in Format-III (two copies) duly filled and signed along with all the related documents to concerned Regional Office of the Textile Commissioner. The Officer-in-charge of Regional Office of the Textile Commissioner after examining the JIT reports, will submit a consolidated proposal to Powerloom Development Cell of Office of the Textile Commissioner, Mumbai for approval of the Competent Authority (Textile Commissioner) for releasing of the subsidy

in **Proforma-I**, along with details of individual units and their eligible subsidy in **Format IV** with due recommendation within 45 days from the submission of claim.

**VIII. Other Conditions:**

- a) The subsidy will be provided on the basic value of attachments / kits excluding tax components.
- b) The specifications of the attachments / kits necessary for registration shall be prescribed by the Office of the Textile Commissioner, Mumbai.
- c) The Textile Commissioner may recover the subsidy amount along with interest, in case it is found / proved that the unit has availed the subsidy by furnishing false information / documents.

**IX. Safeguards to ensure benefit flow to genuine applicants:**

Engraving / punching / marking of a manufacturer registration No., attachments / kits code no, and the running serial number would be done on each attachment/kits as prescribed from time to time. There would be a ten digit identification code for each attachments / kits. The ten-digit identification code will include the following:

- a) The first three digits (000) of the identification code will indicate unique manufacturer registration No. for each manufacturer which has been allotted by the Textile Commissioner at the time of empanelling the manufacturer.
- b) The next two digits (00) are to be punched / engraved / marked besides three digit unique manufacturer Registration No. on each attachments / kits. The identification code for the attachments / kits are as under:
- c)

<b>Attachments / kits</b>	<b>Code No.</b>
Weft stop motion	01
Warp stop motion	02
Semi-positive let off motion	03
Efficient braking device	04
Anti Crack device	05

Replacement of metallic parts by self-lubricating nylon parts	06
Dobby	07
Jacquard	08
Rapier kit	09
Pirn winding machine	10

- d) The next five digits (00000) will indicate running serial number of attachments / kits of that manufacturer produced under the scheme. The five digit running Serial No. for each type of attachments / kits will be given by the respective manufacturer and is to be punched / engraved / marked next to attachments / kits code assigned by the Textile Commissioner.
- e) The upgraded loom under the scheme will also be identified by punching / engraving of ‘In-principle Registration No.’ issued by Regional office of the Textile Commissioner to the applicant unit by the JIT to prevent possibility of multiple benefits on same loom.
- f) Identification marking has to be made in each component at the following places:
- (i) In ‘Warp Stop Motion’ attachment: The identification mark should be engraved/punched on each side of the side bracket
  - (ii) In ‘Weft Stop Motion (Optical Weft Feeler)’ attachment : The identification mark should be engraved/punched on Optical Weft Feeler/the sensor box/PCB/PLC panel board.
  - (iii) In ‘Efficient -Braking Device’ attachment: The identification mark should be engraved/ punched on the PCB/PLC panel board.
  - (iv) In ‘Self-lubricating Nylon parts’ attachment: The packet containing self-lubricating nylon parts would be stamped with indelible ink and packet should be preserved for JIT inspection. Further individual nylon parts should also carry an identification number.

- (v) In ‘Semi-positive Let-off Motion’ attachment: The identification mark should be engraved/punched on the bracket on which the semi-positive let-off motion is mounted.
- (vi) In ‘Dobby & Jacquard’ attachment: The identification mark should be engraved/punched on the side frame / body of the jacquard.
- (vii) In Rapier kits: On Aluminum Slay/Gear box bed.
- (viii) In Pirn winding machine: On stand/leg of the machine.

#### **X. Monitoring of the progress of subsidy on attachments**

The office of the Textile Commissioner will monitor the progress of the scheme through ROs / PSCs to assess for the impact of the scheme on the beneficiaries. Concurrent evaluation would be carried out to measure the scheme outcome and the same shall be reported to the Ministry of Textiles by the Textile Commissioner.

#### **XI. Grievance:**

A Grievance Committee under chairmanship of the Textile Commissioner would attend grievance if any of the beneficiaries, after purchase and installation of the attachments under this scheme.

\*\*\*\*\*