

Dated:11.01.2022

To
The Commissioner of Handlooms and Textiles and Apparel Export Parks,
Telangana State,
Hyderabad.

The Director of Industries,
Telangana State,
Hyderabad.

Madam/ Sir,

Sub:- T-TAP Incentives Claim Application of M/s. Welspun Flooring Ltd., - Joint scrutiny and verification of interest subsidy claim of M/s. Welspun Flooring Ltd., under T-TAP pertaining to Carpet Textiles and Luxury Vinyl Tiles – Joint Scrutiny and Verification Report - Submitted. – Regarding.

- Ref: 1. G.O Ms No. 59, Ind. & Com (Tex) Dept., Dt: 18.08.2017
2. G.O.Ms.No.14, Ind. & Com. (Tex) Dept., dt: 15.11.2019.
3. G.O Ms No.19, Ind. & Com (IP&INF) Dept., Dt: 23.03.2018
4. G.O Ms No.22, Ind. & Com (IP&INF) Dept., Dt: 23.03.2018
5. Govt.Memo.No.939Tex.2/2020-4, dt: 10.08.2020 of I&C(Tex)Dept.
6. Lr.No.30/1/2019/56963/ID, dt: 2.9.2020 of Commissioner of Industries, Hyderabad.
7. T-TAP Online Incentives Claim Applications dated: 22-03-2021 of M/s. Welspun Flooring Ltd.,
8. Joint Inspection and Verification Report dated: 28.08.2021.
9. Joint Inspection and Verification Report dated: 24-12-2021.

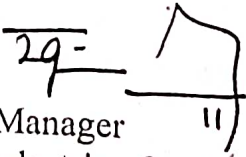
We invite kind attention to the captioned subject and references cited.

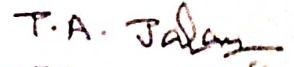
In the ref.5th cited, the Govt. have issued orders on the eligibility of incentives, scrutiny & approval process and disbursement process in respect of M/s. Welspun Flooring Ltd. In para 7 (b) of the said memo, it is stated the Fixed capital investment and all eligible incentives pertaining to Textile as well as Non-Textile will be jointly scrutinized and verified by a team comprising of officers from Dept. of H&T and Commissioner of Industries. And for all future site visits, investment scrutiny and approvals, COI may depute an officer to the Technical Committee/Inspection team of Commissioner H&T. For Fixed capital investment and eligible incentives, thus verified will be taken up for approval by the SLC which is jointly chaired by Commissioner of H&T. and Commissioner of Industries.

In the ref. 6th cited, the Commissioner of Industries have nominated the General Manager District Industries Centre, Ranga Reddy District on behalf of the COI for the Technical Committee / Inspection Team of H&T Dept. for scrutiny and approval process. And accordingly, vide ref. 7th to 9th cited, joint inspection reports were submitted.

Further, the interest subsidy claim of M/s. Welspun Flooring Ltd., has been scrutinized and verified by us and computed the total eligible incentive in respect of Carpet Textiles and non-textiles i.e. Luxury Vinyl Tiles (LVT).

The joint scrutiny and verification report of the above claim is enclosed herewith for taking further necessary action.


General Manager
District Industries Centre,
AEPs,
Telangana State, Hyderabad.

Yours faithfully,

Joint Director (H&T)
O/o Commissioner, H&T &
Rangareddy Dist.

JOINT SCRUTINY AND VERIFICATION REPORT FOR SANCTION OF INTEREST SUBSIDY TO M/S. WELSPUN FLOORING LIMITED UNDER T-TAP-2017-22 AS PER GOVT. MEMO NO.939Tex.2/2020-4, DATED: 10.08.2020 of INDUSTRIES AND COMMERCE (TEX) DEPT.

DATE: 11-01-2022

1.	Name of the Unit	M/s Welspun Flooring Ltd.
2a)	Address of the unit	Survey No. 190, Chandanvelli IP, Shabad Mandal, Ranga Reddy District.
b)	Name of the Proprietor/ Partner/ MD/CEO	Mr. Mukesh Savlani, CEO & Whole time Director
3.	Constitution of Industry	Public Ltd., Company.
4a)	Social Status	Corporate
b)	Share of the SC/ST/ Women Entrepreneur	--
5.	PMT SSI Registration No.	U1729GJ2016PLC086292 dt. 01-03.2016
6.	Line of activity	Technical Textiles – (Tufted Carpet and Stone Plastic Composite)
7.	New/ Expansion/ Diversification Unit	New Industry/ A5 category
i)	Application UID Number	MEG006003126211
ii)	Common Application Number	INCTEXT202102082063
8.	Date of commencement of Commercial Production	13/09/2019
9.	Date of filing of claim application	23-02-2021

10. Fixed Capital Investment pertaining to **“CARPET TEXTILES AND L.V.T.**

11. Fixed Capital Investment:

	Nature of Assets	Approved Project cost	Eligible Investment upto 31-3-2020
i)	Land	75,00,00,000/-	18,45,44,930/-
ii)	Site Development	33,83,00,000/-	0
iii)	Building	169,10,00,000/-	149,46,63,755/-
iv)	Plant & Machinery	582,82,00,000/-	506,51,86,413/-
v)	Misc. Fixed Assets	130,78,00,000/-	0
	TOTAL	991,52,00,000/-	674,43,95,098/-

Note:- Eligible investment amounts taken as recommended by Joint Inspection Team:

11. Details of Term Loan availed by the Unit duly certified by the Financial Institution:
2nd Half Year 2019-20 (1-10-2019 to 31-03-2020) Term Loan disbursed:

Bank / FI	Loan A/C No.	Sanction Order No & Date	Amount Sanctioned (Rs)	Rate of Interest (%)	Term Loan Disbursed as on 31.3.2020 (Rs)	Term Loan interest paid as per Bank Certificate Rs.
IndusInd Bank	510003478183	19.12.2018	245 Cr	9.90%	238,25,36,383	11,14,24,233
Bank of Baorda	29100600002321	29.11.2018	370 Cr	9.75% & 9.15	258,37,51,988	11,53,10,312
Exim Bank	HOEINR00006637	10.01.2019	200 Cr	9.80% & 9.75	145,96,00,000	7,00,29,993
TOTAL			815 Cr		642,58,88,371	29,67,64,538

12. Financial Year claimed by the Unit for Interest Subsidy: 2019-20

13. Date of half year end: 31-03-2020 (2nd Half year)

14. Date of filing application : 23-02-2021

(within 6 months from the end of such half Financial Year):

15. Details of Interest subsidy already sanctioned:

S.No	Year	1 st Half Year	Amount
1	2019-20	14.2019 to 30.9.2019	Rs.13,48,92,567/-

15a. Total Term loan availed: Rs.642.58-00 Crores

15b. Eligible Fixed Capital Investment: Rs.674.43-00 Crores

(Fixed Capital Investment is more than Term Loan Disbursed)

15c. No. of instalment fixed:-

15d.No. of instalments completed:-

15e. Term Loan due:-

15f. Interest rate will be calculated on the term loan only:-

16. Eligible Interest Calculation Sheet:

Name of Bank	Month & Year	Rate of Interest %	Interest paid by the Unit as per Bank Certificate	Eligible rate of interest as per G.O.Ms.No.19	Interest @ 8 % as per G.O.Ms.No.19 on interest repaid to the Banks (Rs.)	Interest subsidy claimed by Unit @ 8%	Eligible 8% interest recommended by the Joint Inspection Team	Eligible 8% interest as per G.O.Ms.No.19 calculated on eligible Investment Capital (Rs.)
IndusInd Bank	Oct,19 to Mar,20	9.90%	11,14,24,233	8%	9,00,39,784	9,00,39,784	9,00,39,784	The amount is not proportioned as the FCI is more than term loan disbursed amount.
Bank of Baroda	Oct,19 to Mar,20	9.75% & 9.15	11,53,10,312	8%	9,56,586,335	9,56,86,335	9,56,586,335	
Exim Bank	Oct,19 to Mar,20	9.80% & 9.75	7,00,29,993	8%	5,73,17,880	5,74,60,507	5,73,17,880	
TOTAL			29,67,64,538		24,30,43,999	24,31,86,626	24,30,43,999	

17. Eligible period in months:6 months

18. Interest due to pay the unit during the period:

19. Interest paid by the unit to the Financial Institution during the period:

20.Considerable amount of interest: (Due payable or paid by the unit whichever is less)

21. Eligible for reimbursement: $\frac{\text{Interest amount considered} \times \text{Eligible Rate of Interest}}{\text{Rate of Interest}} =$

22. Amount claimed by the Unit : Rs.24,31,86,626/-

24. Amount recommended by the Joint Inspection Team: Rs.24,30,43,999/-

25. Computed :

Under Point No.31 (d) of Modified T-TAP Guidelines –

The Interest amount paid by the new eligible enterprises & industries as well as existing eligible enterprises & industries pertaining to expansion/ diversification to the Financial Institutions/Banks on the term loan availed will be reimbursed with a maximum limit of 75% of the interest rate applicable on the loans availed by the unit, subject to a cap of 8% per annum for all eligible activities as defined under Clause 5.

But the Govt. of Telangana have sanctioned Interest Subsidy @ 8% Per annum for a period of 8 years on the Eligible Capital Investment, vide G.O.Ms.No.19, Ind. & Com. (Tex) Dept., dt: 23.3.2018.

In view of the above, an amount of Rs.24,30,43,999/- is recommended towards interest subsidy @ 8% per annum to M/s. Welspun Flooring Ltd., for period from 1.10.2019 to 31.3.2020 i.e. 2nd half year of 2019-20.

26. Eligible amount for sanction of Interest Subsidy under T-TAP: Rs.24,30,43,999/-

27. Total Eligible interest subsidy of Rs.24,30,43,999/- which is proportionate between Carpet Textiles and Luxury Vinyl Tiles in the ratio based on the Joint Inspection and Verification Report dated 28-08-2021 as per Govt. Memo.No. 939/Tex.2/2020-4, dt: 10.08.2020 of Ind. & Com. (Tex) Dept.

SNo	Claim Period	Ratio % proportioned between		(Amount in Rs.)
		Carpet Textiles @ 88.20% (H&T Dept.) Rs.	Luxury Vinyl Tiles @ 11.80% (Inds. Dept.) Rs.	Total 100% Rs.
2	2 nd Half Year 2019-20 (1.10.2019 to 31.3.2020)	21,43,64,807	2,86,79,192	24,30,43,999
Less: (-) Amount already sanctioned		0	0	0
Total		21,43,64,807	2,86,79,192	24,30,43,999

Assistant Director

General Manager,
District Industries Centre,
Ranga Reddy District.

Assistant Director (H&T)

Joint Director (H&T)
O/o. CH&T & AEPs,
TS, Hyderabad.