

F.No. 16015/1/2021-TUFS

**Government of India
Ministry of Textiles**

**Udyog Bhawan, New Delhi
5th November 2021**

OFFICE MEMORANDUM

Subject: Minutes of 5th Meeting of Inter-Ministerial Steering Committee (IMSC) under Amended Technology Upgradation Fund Scheme (ATUFS) – reg.

The undersigned is directed to refer to 5th meeting of Inter-Ministerial Steering Committee (IMSC) under Amended Technology Upgradation Fund Scheme (ATUFS) held under the Chairpersonship of Hon'ble Minister of Textiles and Co-chaired by Hon'ble Minister of State for Textiles on 22nd October, 2021 at 4.00 PM and to forward a copy of the minutes of the meeting for information and necessary action.


(Anil Kumar K.C)

Under Secretary to the Govt. of India

Email : anilkumar.kc@gov.in

To,

1. Secretary, Ministry of Textiles, Vice Chairperson
2. Secretary, Department of Expenditure , Member
3. Secretary, Department of Financial Services, Member
4. Secretary, Department of Commerce, Member
5. Secretary, Department of Industrial Policy & Promotion, Member
6. Secretary, Ministry of Heavy Industry, Member
7. Secretary, Ministry of Micro, Small & Medium Enterprises, Member
8. Deputy Governor, Reserve Bank of India, Member
9. Additional Secretary & Financial Advisor, Ministry of Textiles, Member
10. Additional Secretary(ATUFS), Ministry of Textiles
11. Textile Commissioner, Ministry of Textiles, Government of India
12. Jute Commissioner, Ministry of Textiles, Kolkata, Member
13. Development Commissioner (Handlooms), New Delhi, Member
14. Adviser, (in-charge of the textile industry), NITI Aayog, New Delhi, Member
15. Member Secretary, Central Silk Board, Bengaluru, Member
16. Chairman & Managing Director, IDBI, Member
17. Chairman & Managing Director, SIDBI, Member
18. Chairman & Managing Director, IFCI, Member

19. Chairman, State Bank of India, Member
20. President, Textile Machinery Manufacturers Association of India (TMMAI),
Mumbai, Member
21. Chairman, Confederation of India Textile Industry (CITI), New Delhi, Member
22. Chairman, Federation of India Art Silk Weaving Industry (FIASWI), Member
23. Chairman, Indian Woollen Mills Federation (IWMF), Member
24. Chairman, Powerloom Development & Export Promotion Council (PDEXCIL),
Mumbai, Member
25. Chairman, Indian Jute Mills Association (IJMA), Kolkata, Member
26. President, Clothing Manufacturers Association of India (CMAI), Mumbai, Member
27. Chairman, Indian Technical Textile Association (ITTA), Mumbai, Member
28. Chairman, South India Spinners Association, Coimbatore, Member
29. Chairman, The Southern India Mills' Association, Coimbatore, Member
30. Chairman, Apparel Export Promotion Council (AEPC)- Special Invitee

Copy to:

1. PS to HMoT
2. PS to HMoST



**Minutes of the 5th meeting of Inter Ministerial Steering Committee (IMSC) under
Amended Technology Up-gradation Fund Scheme (ATUFS)**

Fifth meeting of Inter Ministerial Steering Committee (IMSC) under Amended Technology Upgradation Fund Scheme (ATUFS) chaired by Shri Piyush Goyal, Hon'ble Minister of Textiles and Co-chaired by Smt. Darshana Jardosh, Hon'ble Minister of State for Textiles was held semi- virtually at 4.00 PM on 22nd October 2021 in Room No. 47, Udyog Bhavan New Delhi. List of the participants is at Annexure-I.

At the outset, Additional Secretary (Textiles) welcomed all the members of the IMSC. The Textile Commissioner made a detailed presentation on the agenda items before the Committee. The decisions thereon were taken by IMSC as follows:

Agenda Item No. 1: Confirmation of the minutes of the 4th Meeting of the IMSC held on 24.10.2019.

The minutes of the 4th meeting of IMSC under ATUFS held on 24th October 2019 was circulated vide Ministry of Textiles letter dated 25.10.2019 among members of the Committee. IMSC noted that no comments had been received from the members and hence confirmed the minutes.

Agenda Item No. 2: Action taken report on the decisions taken in the 4th Meeting of the IMSC held on 24.10.2019.

Action taken report on the decision taken in 4th meeting of the IMSC held on 24th October 2019 was appraised to the Committee (**at Annexure II**).

IMSC noted the ATR. As regards to the issue relating to consideration of cases under left out category of technical Textiles under RTUFS due to sectoral cap of subsidy, it was decided that the matter needs to be examined in detail with due cognizance to all decisions including cabinet decision on all older TUFs.

It was directed to fix the last Friday of each Quarter for the IMSC meetings to ensure regularity in holding of the same. The changes in days/ time based on calendar requirement can be done closer to the event. Further depending on availability, issue of Chairpersonship can also be decided closer to date.



Agenda Item No. 3: Review of progress of TUFs:

a. Progress of issuance of UIDs under ATUFS:

i. ATUFS (as on 30.09.2021)

Sr. No.	Description	Total cases	Provisional Subsidy Amount (Rs. in Crores)
1	UIDs issued	12303	3769.91
2	UID Cancelled	29 *	35.36

*UIDs cancelled based on the request of units.

b. Segment wise details of UIDs issued under ATUFS as on 30.09.2021:

(Rs. in Crores)

SR NO.	Segment Name	No. Of UID Issued	Project Cost	Provisional Subsidy
1	Garmenting(15% CIS)	1364	2854.35	284.11
2	Handloom(10% CIS)	91	69.84	5.62
3	Jute(10% CIS)	12	14.47	1.19
4	Multi activity(10% CIS/15% CIS)	2088	23527.25	1535.55
5	Processing(10% CIS)	1351	5103.89	352.72
6	Silk(10% CIS)	42	52.93	3.59
7	Technical Textile(15% CIS)	440	3042.24	289.27
8	Weaving(10% CIS)	6915	17149.55	1297.86
TOTAL		12303	51814.53	3769.91

c. Progress of utilization of allotted fund for the financial year 2020-21

(Rs. in Crores)

S. No	Scheme	Allocation	Expenditure
1	ATUFS	556.25 (as revised with RE)	397.28
2	RRTUFS		137.69
3	RRTUFS (MMS)		20.87
	Total		556.25

d. Progress of utilization of allotted fund for the financial year 2021-22 (as on 30.09.2021)

(Rs. in crore)

Allocation	Expenditure
700.00	177.28

The IMSC was appraised the progress of generation of segment wise UIDs and utilization of fund in FY 2020-21 and FY 2021-22 under ATUFS.

It was directed to have full utilization by efficient implementation and if need be funds to be sought for.

Agenda Item No 4: Date of eligibility of machines ratified for inclusion by TAMCs

As per ATUFS Guidelines dated 29.02.2016 para 3, “the Capital Investment Subsidy under ATUFS will be available for investment on eligible benchmarked machinery in the specified segments. Eligible benchmarked machinery will be updated and specified annually as on 1st April by the Technical Advisory-cum-Monitoring Committee (TAMC). The Textile Commissioner shall notify the list of eligible benchmarked machinery after approval of the TAMC. Machinery with technology levels lower than those specified under the scheme will not be eligible for subsidy benefits”.

Further, para 4.2.3 of the guidelines states that “Machinery eligible for one segment is eligible for other segment(s)/ activity(ies) also unless its eligibility is specifically restricted for a particular segment/ activity.”

Accordingly, about 32 machines have subsequently been added in the list of benchmarked machinery under ATUFS. As a process, this inclusion of machinery is initiated after representation(s) from the Industry (purchasers/ Manufacturer during the year), examined through Internal technical Committee (ITC) which includes senior most Technical Officer of Office of the Textile Commissioner and members from Textile Machinery Manufacturers' Association (TMMA).

As a matter of the precedence, eligibility of the machinery is considered from the date of decision of TAMC/ issue of circular. Hence the industry associations and individual units have represented to consider the machines ratified by TAMCs with retrospective effect, as these are higher version of the benchmarked machineries. Hence, the following issues were placed in TAMC meetings:

- I. **Applicability of new notified machines w.e.f. inception of the scheme, date of meeting held or date of notification/issue of circular:**

It is requisite under the Resolution dated 2nd August 2018 on ATUFS that 'Specification of technology for machinery for all eligible segments to be prescribed annually in advance by the TAMC effective from 1st April of the year. The RR also adds that "industry will be at liberty to purchase machinery of their choice conforming to the specified technology parameters. In such cases, the Internal Technical Committee (ITC) of the Office of Textile Commissioner will verify those manufacturers and machinery and if found suitable, propose their inclusion in the indicative list of manufacturers by the TAMC.

Accordingly, 15th TAMC dated 02.01.2020 has recommended to refer the matter to MoT/ IMSC with the following three options for decision of applicability date of newly notified machines.

(i) In view of the scheme guidelines, any machine included in the list of benchmarked machinery after 1st April of the Financial Year (FY) will be eligible with effect from 1st April of the FY in which TAMC meeting ratified / approved the machinery.

Impact: - This will benefit all the eligible beneficiaries who had procured machines of that technology during that financial year in which the TAMC ratified the machines.

OR

(ii) In view of the scheme guidelines, any machine included in the list of benchmarked machinery after 1st April of the Financial Year (FY) will be eligible with effect from date of the TAMC meeting in which the machinery is approved/ratified. Hence, for claims involving newly included machines, if JIT inspection is held on or after the day of meeting, the machines will be considered eligible for subsidy under ATUFS.

Impact: - This will benefit all the eligible beneficiaries who had procured machines on or after the date of TAMC. This will be in line of the decision taken during 3rd IMSC in allowing standalone embroidery machines as stated above. However, this may deprive those units who had already procured upgraded version of benchmarked machineries due to the date of holding of TAMC meeting.

OR

(iii) All newly included machines purchased through commercial invoice dated on or after the day of meeting will be considered eligible for subsidy under ATUFS.

Impact: - This will benefit all the eligible beneficiaries whose commercial invoice date fall on or after the date of TAMC. However, this may deprive those units who had already procured upgraded version of benchmarked machineries due to the date of holding of TAMC meeting.

TAMC decided to refer the matter to MoT/ IMSC with all the three options for decision. Accordingly, OTxC vide letter dated 23.01.2020, and subsequent reminders dated 28.07.2020 & 17.09.2020 (Copy enclosed) has referred the matter to MoT.



Suggestion: It is not always possible to notify from the April 1 in advance. Hence it is proposed that machine may be included in the list of benchmarked machinery w.e.f. the date of first request received from industry/unit/association in the Office of Textile Commissioner for inclusion/consideration of the technology for machinery by the TAMC **henceforth**.

Decision sought: Modification of para 3.2 of RR under ATUFS - Specifications of technology for machinery for all eligible segments would be w.e.f. **the date of first request received from industry / unit/association in the Office of Textile Commissioner for inclusion/consideration of the technology for machinery by the TAMC henceforth.**Hence ITC while bringing its recommendation to the TAMC would refer clearly to the date of first request in context of specific machinery.

Decision of IMSC: It may not be workable to revisit the date of applicability of all the 31 appended machineries. After detailed deliberations, it was decided that the technology of machinery will be included in the list of benchmarked machinery w.e.f. the date of first request received from industry/unit/association in the Office of Textile Commissioner for inclusion/consideration of the technology for machinery by the TAMC **henceforth**.

Accordingly, modification in para 3.2 of RR under ATUFS will also be made.

II. **For review of 3rd IMSC decision: For applicability of Standalone embroidery machines from the date of inception of ATUFS (2016):**

The 3rd IMSC had allowed inclusion of Embroidery machines to standalone embroidery units for 15% CIS which till then was only allowed to embroidery machines procured as a part of garmenting production line along with garment machinery. The IMSC had clarified that this **modification will be applicable to the cases for which loan sanction date is on or after 27.02.2019 i.e., the date on which IMSC was held.** However, this Office has received representations from the Industry Associations (South Gujarat Schiffli Embroidery Association and TMMA) that the Standalone Schiffli Embroidery machines may be considered with retrospective effect i.e., since inception of the scheme (2016).

Decision sought: The machine has already been existing under MC04 (47) in the list of benchmarked machinery in conjunction with garment machinery. Now, it is proposed that the applicability of Standalone embroidery machines may be considered since inception of the scheme (2016).

Decision of IMSC: After detailed deliberations, it was decided that as the Embroidery machinery has already been allowed on standalone basis under RRTUFS and after 27.02.2019 i.e., the date on which IMSC was held. As such it is independently also an enterprise, not just in

conjunction with garmenting unit. Consequently, only span of small period in between is getting excluded hence applicability of Standalone Embroidery machine will be since inception of the ATUFS (2016) to consider the cases excluded for that period.

Agenda Item No 5: Eligibility of support under Consortium Finance: Treatment of invoices issued prior to date of sanction of term loan by the last bank in consortium finance:

Para 4.6.2 (ii) pertaining to **Cut-off date** of GR dated 29.02.2016 under ATUFS states that *"In case of consortium finance, the consortium leader shall assess eligibility of the project under the scheme for itself and also for other members of the consortium including the amount of term loan eligible under the scheme. However, in this case the date of sanction of the term loan shall be the date of letter of the last lending agency in the consortium, vide which the sanction of loan is communicated to the entity"*. It seems that, the cut-off date mentioned here is the cutoff date for submission of application for UID (within 6 months from the date of sanction). Further in the Revised Resolution dated 02.08.2018, under **Sanction date** at para no. 6.2 (ii) it is mentioned that *"In case of consortium finance, date of loan sanction letter of the last lending agency in the consortium shall be the relevant date."*

In certain claims involving consortium finance, it is observed that invoice date of some machines is between the sanction dates of the first and the last bank. As term loan is sanctioned over an extended period of time by various lending agencies in a consortium, it is likely that some of the invoices will predate term loan sanction date of the last bank. Deferring purchase of machine till such time may not be practical for units applying for subsidy. Hence, eligibility of such machines may be reviewed in light of Para 4.2.1 (read along with para 4.7) of ATUFS guidelines dated 29.02.2016 which requires the purchase date i.e., the date of commercial invoice to be prior to loan sanction date. Corresponding provision in the Revised Resolution defines purchase date as the date of full and final payment or date of commercial invoice, whichever is later. However, this provision only applies to units which have applied for UID on or after 02.08.2018.

15th TAMC dated 02.01.2020 was of the view that in case of consortium finance if invoice date is falling between 1st Term Loan Sanction date and the Last term loan sanction date, then such invoices need to be considered as eligible for subsidy claim. This is because the banks in consortium finance, release funds only when the first bank's disbursements is utilised. However, the matter may be taken up at IMSC level for a final decision since it involves modifications to the GR. Accordingly, Office of Textile Commissioner has referred the matter to MoT vide letter dated 23.01.2020 and reminders dated 28.07.2020 and 17.09.2020.

Decision of the IMSC: After detailed deliberations, it was decided that in case of consortium finance in addition to invoices issued after term loan sanction by the last bank, if invoice date



falls between 1st Term Loan Sanction date and the last term loan sanction date, then such invoices will be considered as eligible for subsidy claim provided full sanctions by all banks also are on record. It has to be ensured that full sanction is on record and due disbursements towards sourcing machinery have been made.

Agenda Item No 6A. Condoning delay in submission of UID applications:

The UID applications should be submitted by the unit to the bank within 6 months from the date of sanction of term loan and banks in turn should submit the application for generation of UID within 2 months from the date of submission by the unit. Failing to submit the application within the prescribed time limit, the iTUFS portal does not allow forwarding the application. The provisional subsidy amount is fixed at the time of UID application.

I. The submission of application with DSC (Digital Signature Certificate) in the iTUFS was strictly implemented from the issuance of OM dated 09.08.2019. During the implementation of the same, some of the units / Banks encountered difficulties in submission of application with DSC which was taken into consideration. Condonation of such delays is referred to IMSC as per para 3 of Annexure F of GR dated 29.02.2016 (*Any amendment to the scheme involving issue other than financial may be made with the approval of IMSC*). Accordingly, following matters were placed before TAMC and are now submitted for approval/ratification by IMSC for submission within 60 days of relaxation by IMSC:

- a. Constraints due to Digital Certificate issue: **Condoning delay for 33 cases** (list at **Annexure III**) were due to problem in submitting through DSC (Digital Signature Certificate) may be considered. The date of representations given by unit/ Banks for these cases falls between the period of 13.11.2019 to 02.09.2020.
- b. Constraints due to process delays by Lending agencies: 3rd IMSC did not agree to the proposal for condoning delay of 335 cases for UID where units could not submit application within timeline. Subsequently, MOT has requested this Office to re-examine these 335 cases once again whether the delay in submission of UID applications was on the part of banks or not. Accordingly, it is found that in 231 cases out of 335, the delay for submission of UID applications was on the part of banks. Hence, **condoning delay for 231 cases** (List at **Annexure IV**) may be considered.
- c. Banks could not forward initial UID applications in prescribed time: **678 cases + 41 cases** recommended in 23rd TAMC (Suppl. Agenda No. 1) (List at **Annexure-V & IX**)

d. Deficient UID applications returned by OTXC to banks but they could not resubmit it in prescribed time: **812 cases for resubmission within 60 days(List at Annexure-VI).**

II. Request to relax timeline for submission of UID application under ATUFS due to COVID-19 pandemic (Second Wave):

Relaxation of the timeline for submission of UID applications by units beyond six months from the date of sanction of term loan and for forwarding the same to O/o TxCby banks for the cases in which cut off dates fall between 23rd March 2021 and 31st August 2021.

Suggestions:

For 6A: Timeline of 30 days for submission of UID application in iTUFS from the date of issue of the Minutes of Meeting of 5th IMSC may be considered for these units. The concerned lending agency/bank may be provided 30 days timeline from the date of receipt UID request from unit in iTUFS.

Decision of IMSC: After detailed deliberations, the followings were considered:

For agenda 6A (I):

- i. Condoned delay in submission of UID applications. Total time period is 90 days together for the unit and bank (no separate time line for unit and bank) for submission and forward of UID application to Office of Textile Commissioner/ iTUFS from date of this IMSC 22 October,2021.

For ALL NEW Cases in ATUFs from date of this IMSC: In addition, considering the probability of usual delays and recurring need to come to IMSC for relaxation, the basic timeline for submission needs to be revisited in GR (para 10.1). For new applications, timeline for UID generation will be as follows:

- a. **For the units, 6 (six months) timeline for forwarding UID application to the bank from the date of sanction of term loan and**
- b. **For banks, 90 (ninety days) timeline to submit the UID application to Office of Textile Commissioner/iTUFS from date of receipt from the unit.**



Industry may take a note that the Ministry and Textile Commissioner will not entertain condoning delay of any category for UID in future. Therefore, a wide publicity to this effect will be ensured by industry associations and banks.

This will be applicable from date of issue of notification.

For agenda 6A(II): Request to relax timeline for submission of UID application under ATUFS due to COVID-19 pandemic (Second Wave): Agreeing to relax the timeline, IMSC decided as follows:

Total time period for both the unit and bank will be 90 days (i.e., total time period for unit & banks both) for the UID applications which could not be submitted/forwarded to Office of Textile Commissioner/iTUFS due to COVID-19 pandemic (Second Wave) in which cut off dates falls between 23rd March 2021 and 22nd October 2021. The 90 days relaxation would be from 23 October, 2021 .

Ministry and Textile Commissioner will not entertain condoning delay for UID under this category in future.

Agenda Item No.6B: Condoning delay of timeline for JIT request:

19th TAMC recommended 2218 (1430+627+161)*cases for condoning delay in submission of JIT request by units beyond 2 years from the date of sanction of term loan have been segregated in the following:

- I. **Due date of two years from the date of sanction of Term loan for submission of JIT request falling in Pre- COVID 19 Pandemic period:**

Prior to lockdown on COVID-19 Pandemic i.e., 20.03.2020: **Only 164 out of 1430*** cases for condoning delay in submission of JIT request beyond 2 years may be considered. **List at Annexure-VII)**

(II) 3rd IMSC had directed to segregate the cases from 804 in which units could not submit JIT request due to delay in enlistment of machinery manufacturer (agenda 6Ba): **241 cases may be considered for condoning delay. List at Annexure-VIII)**



(III) Covid Constraints: It is also requested to accord approval for the cases for which due date of two years from the date of sanction of Term loan for submission of JIT request falling in Post- COVID19. There were 161*cases as on 23.12.2020.

It is also requested to condone delay for submission of JIT requests (beyond 2 years from the date of sanction of term loan) for the cases in which delay in submission of UID requests has been proposed (cases in agenda 6A for 5th IMSC).

(IV) Related to JIT request

Sr.No	Reasons for condoning delay(cutoff date -Pre COVID period)	No. of cases
i	Review of 4 th IMSC decision: Condone delay of 20 days timeline for resubmission of JIT request by the units (Suppl. Agenda No. 1)	62
ii	JIT request could not be resubmitted prior to issue of public notice dated 30.12.2019- recommended in 23 rd TAMC (Suppl. Agenda No. 1)	347
	Total	409

Suggestions:

For 6B: Timeline of 60 days from the date of issue of the Minutes of Meeting of 5th IMSC may be considered for submission of online JIT request beyond 2 years by the units and under the categories 6B. Timeline of 60 days from the date of issue of UID may be considered for submission of online JIT request beyond 2 years by the units under 6B(IV).

It is also proposed to consider JIT inspections under categories (I) to (IV) of agenda 6(B) through proposed automation/digitization mode with physical visits checks on sample basis instead of present system existing 100 % visits.

Decision of IMSC: Since Refurbished / second hand machinery cannot be supported, JIT remains an important check before admitting the support for eligible asset creation. However considering the present accumulation of cases, after the detailed deliberations, following were considered to expedite the JIT process :

- i. Reconstitution of JIT team and process: Textile Commissioner to explore the possibility to engage consolidated resources of different Government Departments and bodies under Ministry of Textiles, if needed. The constitution of JIT may be broad based with 6 members (2 from MoT/ Associate Ministry, 2 from Bankers and 2 from Association) and any time any three of these could certify the JIT online/physical.

- ii. On Automation of JIT process : All units to upload details and photos/ videos in the system. However as against 100% JIT at present for the subsidy claims, Secretary (Textiles) was authorized to explore reducing percentage upto Rs 50 lakhs claims analysing the spread of claims. May be upto Rs 25 lakhs as per UID, in 20 % cases inspections will be carried out by the Joint Inspection Team (JIT) and for claims between Rs 25-50 laks, it could be 40% of cases. In addition to Bank, an Association representative to also certify online for all cases. While in remaining claims, under the category, inspections will be done through automation/ digitization mode, wherein Bank, Association representative to online certify also before review by Technical officer of Textile Commissioner.

Secretary (Textiles) may finalise the revised process looking at spread of claims and process of selection for physical JIT.

- iii. For the subsidy claim above Rs 50 lakhs as per UID, 100% cases will be physically inspected by the Joint Inspection Team (JIT).
- iv. IMSC authorized Secretary (Textiles) to approve the detailed protocol for the above.
- v. Relevant provisions in the guidelines of ATUFS to broadbase physical JIT membership with automation in the process along with categorization of cases will get amended accordingly.

Agenda Item No.6C: Covid Constraints: Condone delay for JIT inspections beyond 88 days:

Restrictions in movement due to COVID pandemic, cases are pending for JIT inspection beyond 88 days has been condoned till 31.12.2021 by MoT vide OM TS-16015/1/2019-TUFS dated 4th May 2021. The situation is improving gradually in few regions however further extension is needed for completion of pendency.

Decision of IMSC: IMSC decided to allow verification of cases by JIT which could not be completed within 88 days timeline due COVID-19 restrictions/ constraints.

Agenda Item No.6D: Condoning delay of timeline for cases where JIT report not uploaded within 2 days of inspection-For information of IMSC.

In pursuance of MoT's order no. 16015/1/2019-TUFS dated 03.06.2021 modified Para 10.4.1 of Revised Resolution, Textile Commissioner authorized to relax 2+3 days for uploading JIT report: 13 cases (List of units enclosed as **Annexure- XII**)

Agenda Item No.6E:Condoning delay of timeline for cases where JIT report not uploaded within 2 days of inspection.

In continuation to Agenda 6D above, as per the revised guideline, a relaxation of 3 days after expiry of due date of uploading JIT report has been given to the Textile Commissioner **subject to evidence submitted by Systems Engineer** and proper examination. There may be situations where delay in upload could be due to different reasons such as network, hardware problems, field problems etc.

Hence, it is requested that Textile Commissioner may be authorized to give relaxation based on acceptable evidences.

Suggestions:

For 6(E): Authorize Textile Commissioner to give relaxation of 3 days after expiry of due date of uploading JIT report based on acceptable evidences.

Decision of IMSC: In all cases of Physical JIT, the report should be uploaded within 2 days. However, Textile Commissioner has been authorized to accord relaxation maximum upto 7 days beyond the 2 days timeline for uploading JIT report based on acceptable evidences.

Agenda Item No 7: Revisit of 3rd IMSC decision: Consideration of Complete production line under Technical Textiles in more than two components purchased from different vendors (recommended in 19th TAMC)

- a. Lists of segment wise eligible machineries approved by the TAMC on 03.03.2016 have been notified vide Circular No.1 (2015-2016 series) dated 01.04.2016 by the Office of the Textile Commissioner. In accordance to the said list, **complete production lines or the component / parts forming production line for the manufacture of non-wovens up to rolled goods preparation and packing under Technical Textiles listed at MC 03-G-1 and Complete Production Line for Manufacture of Surgical Bleached Cotton under Technical Textiles listed at MC 03-j-1.** However, as per the decision of the 3rd IMSC in Para No.7.7, the unit needs to submit the detailed justification for the arrangements being made due to specific requirements of Non Woven Machineries as below:
 - i. The arrangement will only be permissible for Technical Textiles and only to the extent of assembling of **two parts having two invoices.**
 - ii. Specific applicability of such arrangement to be examined by TAMC on technical angle and to be approved by the Textile Commissioner.

While implementation of said decision of IMSC, the industry has represented for allowing more components in case of non-woven production line and manufacturing of surgical cotton machinery of various segments from spinning to finishing is required to be installed to form a complete production line. The matter is related to technical textile hence the ITC of the Office of the Textile Commissioner in its meeting on 16th Feb 2021 has examined and



recommended for allowing production line for manufacture of Surgical Bleached Cotton purchased from more than 2 different machine manufacturer as the said production line involves four process (Blow-room, Wet processing, carding and packing) in the textile value chain

Similarly the matter of complete production line of Spun bond melt blown non-woven was referred to the Expert Committee having representatives from Indian Technical Textiles Associations, TMMA etc. The Expert Committee has examined and recommended admissibility from Extruder onwards for the complete production line of Spun bond melt blown non-woven including Extrusion unit, Calendaring unit, Humidifier unit, Drier, winder and slitter units i.e., various components being manufactured by more than 2 machine manufacturers.

Both the matters were deliberated in the 19th TAMC it was decided to refer the issue to IMSC for relaxation of the decision of the 3rd IMSC agenda para no.7.7 with regard to complete non woven line from chips to rolled goods and packing since it required different types of machine as per end use which are being customised by joining various machines of different processes.

It is pertinent to mention that as per the para 3.5 of the Revised Resolution dated 02.08.2018 under ATUFS stating that, **“Industry has liberty to purchase machinery of their choice conforming to the specified technology parameters”**

Hence relaxation is sought in line with the Circular No.1 (2015-16) series, thus aligning to the GR Provision and Para 3.5 principles under Revised Resolution dated 02.08.2018. In view of forgoing and in order to encourage / promote the investment in Technical Textiles Segment, which is a sunrise sector, the MoT/IMSC may decide the issue.

Decision of IMSC: IMSC decided to allow complete production line under Technical Textiles in more than two components purchased from different vendors.

Agenda Item No 8: Consideration of proprietary technology: Label weaving machine

The Labels, which are to be fixed in the garments and made-ups, are categorised as technical Textiles items by the Expert Committee on Technical Textiles under “Cloth-Tech” category. Accessory, which is essential to be fixed on shuttle-less looms with jacquard, has been developed and patented by a manufacture, who themselves procure shuttle-less looms with jacquard as per order of customer and then convert the said machine after fitting various other parts so that loom may manufacture woven labels as per designs/ patterns.

ITC reported that as a trade practice and being a proprietary on technology, such machine to be permitted by providing value addition of 20% on the basic price of the looms with

jacquard. 21st TAMC meeting held on 02.03.2021 has decided that it is an unique and an essential machine for preparing woven labels which are required by apparel industry and there is only one manufacture available, hence need to look at specific arrangements to enable access to their technology and also for the arrangement of doing value addition. To facilitate the said unique technology as required by the industry, the modalities as finalised and recommended by TAMC need consideration by MoT / IMSC.

Decision of IMSC: IMSC decided to allow proprietary technology of Label weaving machine.

Agenda No.9: Relaxation of enlistment of Accessories/ Spare parts /attachments of manufacturers under ATUFS

As per the decision of 4th IMSC, feedback from various clusters for formulating a detailed procedure for enlistment of accessories/spares manufacturers was sought. However no reply received from the Industry / Textile Associations / cluster representatives.

This Office implements procedure for enlistment of machinery manufacturers as per TAMC directions. In the 4th IMSC it was directed to this Office that extant procedure for enlistment of machine/accessory manufacture to be reviewed in consultation with D/o of Revenue, D/o Commerce and D/o Heavy Industry however due to the prevailing pandemic situation in the country this could not be executed.

Enlistment of accessories/spares manufactures under ATUFS is not feasible as it is time consuming as large number and tiny manufacturing are involved in manufacturing of accessories/spares.

TAMC members unanimously recommended that the cost of accessories / spares may be considered as per para 3.8 of RR dated 2.8.2018 under ATUFS without the condition of enlistment of Accessories/ spares manufacturers upto a value of 20% of the basic cost of machinery. **Since the recommendation involves modification in GR, the Committee recommended for taking up the matter with MoT.**

Decision of IMSC: After detailed deliberations, the followings were considered:

- i. If accessories / spares for a particular machine are purchased from enlisted manufacturer(s), subsidy for these accessories / spares upto a value of 20% of the basic cost of the machinery will be considered under ATUFS.
- ii. If accessories / spares of a particular machine are purchased from non-enlisted manufacturer(s), subsidy for these accessories / spares upto a value of 5% of the basic cost of the machinery will be considered under ATUFS within the 20% limit earmarked for accessory.



- iii. Secretary (Textiles) and Textile Commissioner will also look into modalities for simplification of enlistment of machinery manufacturers.

In case of accessories / spares parts manufacturers enlistment to be simplified and need not be aligned to process of enlistment of machinery/ machinery manufacturers. It can be through online single window system using a simple one page format.

The above decision will be applicable for the cases in which date of invoice is on or after 22nd October 2021.

Agenda No. 10: Relaxation for garmenting sector (sewing machines) - Acceptability of the Year of manufacturing from the decoding procedure submitted by the machine manufacturers.

As per the OM No.16011/02/2019-TUFS dated 13.08.2019 of the Ministry., date of applicability for Para No. 10.2.4 is for the cases which has commercial invoice date on or after 02.08.2018. As per Para No. 3.1, 6.4.2 and 9.1.2, it is mandatory that, Year of Manufacture should be clearly indicated on the machine(s).

As per the representations received especially from the Garment Segment, that machine model No./Head Sl.No./Sub class model No. are indicated in coding form, hence TAMC decided that the Expert Committee of senior technical Officers of Office of Textile Commissioner with members of AEPC/TMMA/CMAI to work out the modalities for operationalising decoding of Year of Manufacturing from bar code on machine name plate in a manner to ensure compliance to existing guidelines.

Accordingly, the materials and certificate submitted by the industry members as well as inputs gathered from the industry, the Expert Committee meeting held on 22.10.2020 has recommended to TAMC that the decoding process as defined in case of M/s. JUKI Singapore PTE ltd and M/s.JACK Sewing machine Co. Ltd., have to be considered for identifying the month and year of manufacture of machines

The Expert Committee recommended to TAMC for decoding in case of M/s. Brother machinery (Asia) Ltd., subject to consideration of the date of invoice / Certificate from the machinery manufacturer for finalizing the Year of manufacture (i.e., for identifying the gap of 10 years. Example- 2018 or 2008)

The Expert Committee also recommended to TAMC the decoding for M/s. Eastman – C.R.A (Hongkong) Ltd. for identifying the month and year of manufacture of their Ning Bo made machines.

The Expert Committee further recommended that since it is a clarification for considering machine serial numbers / machine head number/ manufacturing number already indicated on machines for decoding of year of manufacture and upon acceptance of TAMC/IMSC, it may be considered retrospectively.

Accordingly, 19th TAMC decided to recommend that Year of Manufacturing to be verified by decoding in respect of M/s Juki & M/s Jack retrospectively. The matter may be placed before IMSC for approval since it requires amendment in the para 6.4.2 of GR 2016.

In 20th TAMC dated 23.02.2021, The committee accepted the recommendations of the Internal Technical Committee that Year of Manufacturing to be verified by decoding in respect of M/s. Brother Machinery (Asia) Ltd as per their decoding procedure subject to consideration of the date of invoice / certificate from machinery manufacturer for finalizing the Year of Manufacture (i.e. for identifying the gap of 10 years (Example 2018 or 2008) & also accepted the recommendation that the Year of manufacturing to be verified by decoding of M/s. Eastman - C.R.A.(Hong Kong) Ltd as per their decoding procedure retrospectively.

The TAMC recommended that, the matter may be placed before IMSC for approval since it requires amendment in the para 6.4.2 of GR 2016 under ATUFS. As per resolutions dated 29.02.2016, year of manufacturer is required to be indicated in machine plate and in place of it, year of manufacturer in being decoded from the machine serial no or bar code indicated on machine.

Decision of IMSC: The Committee ratified the decoding procedure submitted by the machine manufacturers and recommended by Office of Textile Commissioner.

Agenda 11: Decisions taken in the TAMC submitted for information of IMSC

(i) Applicability of provisions of Resolution dtd. 29.02.2016 for the machinery supplied by indigenous machine manufactures under 30% MMS- RRTUFS.

In accordance to the Para 6 of Annexure-D of the Resolution No. 6/19/2013-TUFS dated 04-10-2013, the indigenous machine manufactures are required to be benchmarked under the scheme for supply of shuttleless looms. Further, in accordance to the Para 10.1 to 10.4 of Annexure-D of the Resolution No. 6/19/2013-TUFS dated 04-10-2013, as safeguard measures and to prevent mis-utilisation of the benefits of 30% MMS-RRTUFS, each indigenous manufacture was suppose to cast a unique 9 digit code on machine instead of indicating the machines particulars on the machines plates. The first three digits were for registered indigenous machine manufactures, next two digits for types of machines procured and last four digits for number of machines of that machine manufactures has produced under the scheme.



Whereas after issuance of Resolution no. 6/19/2013-TUFS dated 29-02-2016 on RRTUFS, as per its clause no. 4(a), it is made mandatory that make, year of manufacture, name of manufacture and serial number of all eligible machinery to be clearly inscribed on machinery. It is known facts that due to paucity of fund applications submitted through online system i.e.i-TUFS on or after 17-09-2014 until 12-01-2016 were pending for issuance of UID under RRTUFS. In accordance to Para V1(ii) of the Resolution No. 6/19/2013-TUFS dated 04-10-2013, applicant bank was suppose to submit online application within one year of sanction of term loan for UID under RRTUFS. Thus, in case of applications pending from 17-09-2014, machinery would have been purchased well before issuance of above stated resolution no. 6/19/2013-TUFS dated 29-02-2016 on RRTUFS.

Hence, applicability of provision of Para 4(a) of Resolution no. 6/19/2013-TUFS dated 29-02-2016 on RRTUFS was raised by industry association and indigenous machine manufactures requesting therein for consideration of claims of those units having machinery supplied by the indigenous machine manufactures, if they have observed all the provisions of Para 10.1 to 10.4 of Annexure-D of the Resolution No. 6/19/2013-TUFS dated 04-10-2013.

Decision of 19th TAMC: The Committee recommended considering old guideline and matter to be referred IMSC for modification in GR as machine claim was in compliance to the extant guidelines at the time of procurement from an enlisted manufacturer with Textile Commissioner.

Suggestion: Since matter is related to clarification on applicability of guidelines for the machines purchased from indigenous machine manufactures well before issuance of new guidelines, hence same is to be considered as decided by TAMC.

Decisions of 21st TAMC (4 decisions) meeting held on 2nd March 2021 for kind information of IMSC:

(ii) Allowing accessories from Non OEM (Original Equipment Manufacturer)

a) In many occasions, OEM is not manufacturing the accessories or there are compatible accessories available in the domestic cost competitive market from other suppliers. Industry has been representing about the strict and narrow interpretation of the clause which appears to be not in sync with industry practices as a result of which even though those accessories which have been found installed by JIT technical team and identified by the member from the Bank are being left out while calculating the eligibility of the TUFS eligible loan.

b) Some JITs are not recommending accessories not accompanying the OEM machinery thereby rendering them ineligible from the beginning. It was emphasized by industry that there is

a good case for allowing accessories purchased from other manufacturers as many original machine supplier are not manufacturing accessories or there are alternatives available in the domestic market.

c) The Para 3.2(7) of Resolution dated 04-10-2013 under RRTUFS, 3.2 (8) under RTUFS and para I (m)(i) of circular No 04 (2008-09 Series) dated 28th July, 2008 under MTUFS states that Accessories /attachments/ sample machines/ spares received along with machinery up to the value of 20% of the machinery cost eligible under the scheme or actual value whichever is lower.

d) This para does not restrict that accessories /attachments/ sample machines/ spares etc are to be purchased from OEM only. There is only one condition that it should be received along with machinery, which does not mean that accessories /attachments/sample machines/ spares etc are to be purchased from OEM only. There is only one condition that it should be received along with machinery, which means that accessories /attachments/ sample machines/ spares etc may be purchased from other than OEM also.

e) Further, it was also noted that there is already a clarification to this extent from MoT in respect of allowing accessories from other manufacturers under ATUFS (only from enlisted manufacturer) are exempted from the requirement of enlistment of manufacturer of such accessories / spares.

In order to avoid any technical and processing problems at RO-OIC level, JIT in their inspection report may state that the listed accessories are essential and compatible for the machine.

Discussion: TAMC members unanimously supported the long term demand of the Industry regarding allowing accessories of eligible machinery purchased from the manufacturer other than Original Equipment Manufacturer (OEM) under previous version of TUFS on the same principle as that of ATUFS where MoT allowed accessories purchased from other manufacturers. Moreover, some of TAMC Members also supported the agenda which is also promoting ATMA NIRBHAR Bharat and import substitution as well as reiterated the fact that not all spares/ accessories are manufactured by the OEM and there are cost effective options also available in many cases which minimize the project cost. It was also discussed no separate additionally/ certificate is required since JIT is responsible for all recommendation in their report *ab initio*.

Decision of 21st TAMC: After detailed deliberations, it was decided that Accessories / attachment/ sample machines/spares of the previous versions TUFS up to the value of 20% of the machinery cost eligible under the Scheme or actual value whichever is lower will be eligible irrespective of purchased from OEM or other Manufacturers



(iii) **Contingency Provisions:** TAMC deliberated on the matter and recommended to allow only cost escalation in domestic payments or currency fluctuation on purchase of imported machinery at the time of actual payment under the already existing provision of contingency available in the RRTUF GR subject to the extent of 5% maximum (on actual basis) and subject to a value cap of Rs. 5 crore of eligible machinery cost.

(iv) **Indigenous/ Imported Machines declared in RR2 format under RRTUFS by Lending Agency:** TAMC deliberated on the matter and recommended to allow change in the machinery declared in RR2 format under RRTUFS by Lending Agency on account of its origin declared and actual installed and confirmed by JIT and is within the overall committed liability as clarified by MoT vide dated 07.02.20.

(v) **Allowing minor changes in machinery if belonging to declared Segment(s) in FR 2/ UID:** TAMC deliberated on the matter and recommended that minor changes, errors in the declaration form as regards machinery are allowed as per the Scheme documents as long as they belong to the same declared segment.

Agenda Item No 12: Ratification of decisions taken with the approval of HMOT for modifying the guidelines to improve monitoring mechanism/transparency and for speedy settlement of claims:

12.1 **Condoning the delay in submission of UID application and JIT requests under ATUFS due to lockdown during COVID-19 Pandemic**

Based on various representations/ requests received from textile industry/ industry associations, in the wake of COVID-19 outbreak and the suggestions of O/o TXC to ease out the difficulties faced by the Units, the following relaxation was approved vide OM dated 11.09.2020:

Relaxation Sought	Relaxation Allowed
Relaxation in timeline for submission of UID application by industry	The proposal for relaxing the timeline for submission of UID applications and its process by banks may be allowed as follows for the cases in which cut-off date for submitting application with reference to date of sanction of term loan falls between the period from 20.03.2020 to 31.08.2020 (end date of Unlock-3): a. The units should submit UID application to the bank within 30 days from the date of issue of this OM b. The Bank should forward the UID application in iTUFS within 30 days from the date of receipt of application from the unit
Relaxation in timeline for	Textile Commissioner may open the window in iTUFS for

submission of application of JIT by industry	submission of JIT application for those cases in which the cut-off date for submitting JIT application after 2 years from the date of sanction of term loan falls between 20.03.2020 and 31.08.2020 (end date of Uniocok-3), for a period of 6 months from the date of issue of this OM.
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12.2 Relaxations in timeline for carrying out JITs and modifications in the guidelines under ATUFS proposed by O/o Textiles Commissioner

Para No.	Existing provision	Modified as
10.2.3	Machine name and serial number should be expressly written on the Commercial Invoice/Bill of Lading/Airways Bill/Bill of Entry/Packing List.	<p>(i) Machine name and serial number should be expressly written on the Commercial Invoice/Bill of Lading/Airways Bill/Bill of Entry/Packing List.</p> <p>(ii) Serial number of the machinery should be invariably indicated on the machinery. This should be cross verified by JIT during the inspection from original commercial invoice /Bill of Lading/Airways Bill/Bill of Entry/Packing List.</p> <p>(iii) Claims where machinery serial number is not indicated (engraved/punched) on the machinery will be out rightly rejected.</p> <p>(iv) Units shall ensure that machine serial number is clearly indicated in the original commercial invoice /Bill of Lading/Airways Bill/Bill of Entry/Packing List as prescribed under sub clause (i) above, to facilitate verification of the machinery during joint inspection. However, in case machine serial number is not mentioned in the original commercial invoice /Bill of Lading/ Airways Bill/Bill of Entry/Packing List, but indicated(engraved/punched) on the machinery, a certificate indicating the</p>



		<p>machine serial numbers against the machines supplied through a particular invoice may be obtained from the machinery manufacturer by the unit to certificate , the claim can be accepted, if such machinery specified serial number in physically verified at the time of Joint Inspection of the unit by JIT. (This modification will be applicable from date of notification of ATUFS guidelines i.e., 29.02.2016)</p>
10.3.7	<p>The applicant will sign off JIT application with his digital signature. The request will go to the concerned Regional Office (RO) of Textile Commissioner. The Textile Commissioner will constitute Joint Inspection Teams (JIT) under ROs of the Textile Commissioner having members from the lending agencies, Industry and from the Textile Research Association to physically verify installation and commissioning of the machineries and recommend eligible subsidy amount to the entity. JIT has to complete physical inspection within 88 days of application for Joint Inspection</p>	<p>The applicant will sign off JIT application with his digital signature. The request will go to the concerned Regional Office (RO) of Textile Commissioner. The Textile Commissioner will constitute Joint Inspection Teams (JIT) under ROs of the Textile Commissioner having members from the lending agencies, Industry and from the Textile Research Association to physically verify installation and commissioning of the machineries and recommend eligible subsidy amount to the entity. Units shall ensure that all necessary information/ documents are submitted, complete in all respects, at the time of JIT request. JIT has to complete physical inspection within 88 days of application for Joint Inspection</p> <p>Countdown of 88 days for conducting inspection shall commence on unit submitting JIT request, complete in all respects. In cases where incomplete documents /information is submitted by the unit, RO will reject the application for JIT request. Unit in such cases will get one chance to resubmit their JIT request, complete in all respects, within 20 days of rejection by RO</p>

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10.4.1	RO will provide report of Joint Inspection Team the same day or maximum the next day with geo-tagged and time stamped photographs in i-TUFS software. RO will also upload final copy of the invoice duly attested by him and sign off the verification with his digital signature	ROs to upload report of JIT in i-TUFS in 2 working days after the date of conduct of joint inspection with geo-tagged and time stamped photographs in i-TUFS software. RO will also upload final copy of the invoice duly attested by him and sign off the verification with digital signature. However, in cases involving technical issues in i-TUFS hindering upload of requisite JIT documents, a relaxation of 3 days after expiry of due date of uploading JIT Report may be given by Textiles Commissioner subject to evidence submitted by Systems Engineer and after proper examination/ approval by Textiles Commissioner. A report on the number of such relaxations accorded by Textiles Commissioner to be placed before IMSC in its meetings.
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12.3 Due to the challenges posed by the COVID-19 pandemic and nation-wide lockdown in FY 2020-21 in conducting JITs, large no. of cases stood pending in which timeline of 88 days for JIT requests had ended on 31.10.2020. Consequently, vide OM dated 26.11.2020, approval was granted for the proposal of O/o TXC for extension of timeline for JIT inspections for all pending backlog cases under ATUFS, for which timeline of 88 days had since ended, till 30.06.2021 which was subsequently extended till 31.12.2021 in view of second wave of COVID-19 hindering the conduct of JITs.

12.4 On the recommendation of TAMC and O/o TXC, the following Paras in RRs were modified vide Order dated 26.11.2020

Para	Existing Provision	Modified as
10.2.5	Installation and commissioning of the machinery covered under UID shall be done within one year from the date of sanction of term loan. Extension upto one year beyond the initial prescribed period of one year may be permitted only on production of documentary proof that the order for	Installation and commissioning of the machinery covered under UID shall be done within two years from the date of sanction of term loan subject to production of documentary proof that the order for machinery was placed within one year from the date of sanction of



	machinery was placed within the prescribed term loan for verification by JIT during timeline i.e. one year from the date of inspection of machinery. sanction of term loan.	
12.1	UID issued under the scheme shall be cancelled in cases where the applicant fails to submit intimation of installation of the machinery within one year from the date of sanction of term loan for undertaking physical verification by a Joint Inspection Team (JIT) unless he is permitted for extension beyond one year by Textile Commissioner on the basis of sufficient documentary proof that the order for machinery was placed within time however installation and commission could not be completed due to circumstances beyond the control of the entrepreneur.	UID issued under the scheme shall be cancelled in cases where the applicant fails to submit intimation of installation of machinery within two years from the date of sanction of term loan for undertaking physical verification by a Joint Inspection Team (JIT) <i>provided</i> the order for machinery was placed within one year from the date of sanction of term loan however the installation could not be completed due to circumstances beyond the control of the entrepreneur
5.4	The minimum repayment period of the term loan sanctioned for availing the benefit of the scheme shall not be for less than three years including moratorium period for MSME units and not less than 5 years for other categories.	The minimum repayment period of the term loan sanctioned for availing the benefit of the scheme shall not be for less than three years including moratorium period.

Decision of IMSC : IMSC ratified the proposals at Agenda Items 11 and 12.



Supplementary Agenda

Addendum to Agenda No. 6 of the main Agenda of 5th IMSC

Supplementary Agenda 1: Condoning delay of timeline for UID and JIT

a. For submission of UID

Banks could not forward UID applications in prescribed time (i.e. in two months from date of receipt from unit after 22.12.2020 i.e., after 19th TAMC) in iTUFS: 41 units (list of units enclosed as Annexure- VIII)

b. For re-submission of JIT request as per the details in table below.

S.No	Description	No. of cases	Annexure
1	Cases in which JIT request could not be re-submitted within 20 days on or after 30.12.2019 i.e., the date of issue of public notice notifying timeline for resubmission of JIT request on receipt from ROICs	62	Annexure- X
2	Cases in which JIT request could not be re-submitted within 20 days prior to issue of public notice dated 30.12.2019 notifying timeline for resubmission of JIT request on receipt from ROICs	347	Annexure- XI

Decision of TAMC: The Committee deliberated and recommended for condoning the delay of the cases listed at Annexure mentioned above for placing it in the forthcoming IMSC for ratification.

Decision of IMSC: Decision already covered in agenda 6 A and 6 B .

Supplementary Agenda No. 2: - Reduction in compliance burden: Simplifying operation of GR 6.5.4 (Format 6) and 6.5.2 (Format 4)

For processing ATUFS subsidy claims as per GR, documents of claimed machine showing bank account statements, LC/ SWIFT /TT/ CAD/ RTGS/NEFT/ Cheque/DD/PO details, debit advice in evidence of margin and loan amount, loan repayment period, loan disbursement details, payment receipt, date of term loan sanction etc. are required for calculating eligible subsidy.

In order to reduce compliance burden in processing of claims and avoiding delays due to submission of incomplete /deficient documents by the concerned Lending agency, it is proposed that in place of documents mentioned above, concerned lending agency may submit **Payment Certificate** in standard formats signed by signatory Not below the rank of Head of branch communicating the sanction of Term loan and seal given below.

Payment Certificate

Name of lending agency/Bank:,

Address of the lending agency/Bank:

Sl. No.	Machine Name and Annexure	Supplier Name	Invoice detail					Payment detail					
			Invoice No.	Date	Basic Value in INR/Foreign Currency	Total Value in INR /mention foreign currency *conversion rate=INR in case imported	Total Value in BoE (INR) /mention foreign currency *conversion rate=INR in case imported	Month	Instrument no.	Date	Payment from Loan (Rs.)	Payment from Margin (Rs.)	Total Payment
1													
2													

It is certified that above facts and figures are true and based on necessary documents and records available in our Bank.

Place:

(Signature)

Date:

(*Name and designation of the authorized signatory

*Not below the rank of Head of branch communicating the sanction of Term loan)



Decision taken in Banker's meeting: With regard to **Payment Certificate**, it has been decided that the certificate should be submitted to OTXC by the concerned lending agency duly signed by the authorized signatory not below the rank of Head of branch communicating the sanction of Term loan/Head of TUFS cell during JIT.

Decision of TAMC: CITI, SIMA and other members appreciated the efforts being made by the OTXC in reducing compliance burden and promoting ease of doing business.

Committee deliberated and approved that Payment Certificate should be submitted to OTXC by the concerned lending agency duly signed by the authorized signatory not below the rank of Head of branch communicating the sanction of Term loan/Head of TUFS cell during JIT inspection.

Accordingly, the payment certificate format is placed before IMSC for ratification.

Decision of IMSC: The IMSC ratified the recommendation of Office of Textile Commissioner.



Annexure-I

List of participants of 5th IMSC meeting held on 22.10.2021

1. Shri Shri Piyush Goyal, Hon'ble Minister of Textiles-in Chair
2. Smt. Darshana Jardosh, Hon'ble Minister of State for Textiles – Co-Chairperson
3. Shri Upendra Prasad Singh, Secretary (Textiles)
4. Shri Vijoy Kumar Singh, Additional Secretary, M/o Textiles
5. Shri Shashi Ranjan Kumar, AS&FA, M/o Textiles (Also represented D/o Expenditure)
6. Ms. Sumita Dawra, Additional Secretary, DPIIT

7. Ms. Roop Rashi, Textile Commissioner
8. Shri Amitabh Kumar, Joint Secretary, Department of commerce
9. Representative of Department of Financial Services
10. Shri Moloy C. Chakraborty, Jute Commissioner, Kolkata
11. Ms. Usha P Pol, Deputy Director General, O/o TxC, Mumbai
12. Shri Ajit B. Chavan Addl. Textile Commissioner, O/o TxC Mumbai
13. Shri Santosh Kumar Singh Addl. DC (Handlooms), O/o DC Handlooms
14. Shri .S P Verma, Joint Textile Commissioner, O/o TxC, Mumbai
15. Shri Dipankar Dutta, Deputy Secretary (TUFS), M/o Textiles
16. Shri Anil Kumar KC, Under Secretary (TUFS), M/o Textiles
17. Shri Vikas Dogra, Deputy Secretary, Department of Heavy Industry
18. Shri Rakesh Kumar, Joint Director, MSME

18. Shri Narottam Kumar, Assistant Director , O/o TxC Mumbai
19. Shri Chandan Kumar, General Manager, Reserve Bank of India
20. Shri R.P. Gupta, TUFS Cell, Small Industries Development Bank of India(SIDBI)
21. Shri S Eashwaran ,DGM, TUFS Cell, SIDBI
22. Shri Ramchandanaï , TUFS Cell, IDBI Bank
23. Dr. S. Naik, Director-CSTRI, Central Silk Board
24. Shri Sachin Kumar, E.D., Textile Machinery Manufacturers Association, Mumbai
25. Shri T. Rajkumar, Chairman, CITI
26. Shri Bharat Gandhi, Chairman, Federation of Indian Art Silk Weaving Industry (FIASWI), Surat
27. Shri Pradeep Natarajan, V.P, SISPA Coimbatore
28. Shri Mohan Sadhwani, E.D., CMAI, Mumbai
29. Shri Amit Agarwal, Chairman, ITTA, Mumbai
30. Dr. Anup Rakshit, E.D., ITTA, Mumbai
31. Dr. K. Selvaraju, S.G. , The Southern India Mills' Association (SIMA), Coimbatore
32. Dr S Sunanda, Secretary General, Confederation of Indian Textile Industry(CITI), New Delhi
33. Shri Mahesh N Sanil, ED, PDEXCIL, Mumbai

34. Dr. A. Sakthivel, Chairman, AEPC
35. Shri Sasikumar Menon, Dy.Secretary, WOOLTEXPRO
36. Representative of TUFS Cell, State Bank of India, Mumbai



Action Taken Report on the decisions taken by 4th IMSC under ATUFS on 24.10.2019

Decision taken by IMSC	Action Taken
<p>1. <u>Agenda Item No. 3</u></p> <p>i To ensure that proper and complete claims submitted by units are not unduly delayed, it was decided that JIT/ claims which were complete in all respects should be given precedence over incomplete claims in disposal/ settlement. This would require a general scrutiny of all the claims adhering to FIFO principle to segregate complete and incomplete claims. After segregation, complete claims can be processed separately following FIFO principle within this category. Similarly, incomplete claims should be processed in detail as a separate category following FIFO criteria within this category.</p>	<p>FIFO principle is being adhered to while scrutinizing JIT reports received by this Office. Further i-TUFS portal has been upgraded at Regional Officer level to check correctness of claims submitted online by the unit and to return within first three days for correction, if any, which need to re-submit by the units within next 20 days for consideration.</p>
<p>ii Industry requested for setting up of a help desk in the office of the Textiles Commissioner for providing information/ clarification to units on various issues/ status relating to processing and finalization of their subsidy claims under TUFS/ATUFS. The suggestion was agreed to.</p>	<p>Complied with.</p>
<p>iii O/o TXC / ROs may ensure that constitution of JIT with necessary details is uploaded in the website of Textiles Commissioner 10 days in advance so as to timely intimate the unit and JIT members about the JIT schedule.</p>	<p>Provision has been made in i-TUFS which is accessible to the Unit.</p>
<p>iv. Surprise random sample physical verification to be carried out by the Textiles Commissioner in cases of ATUFS where subsidy has already been released</p>	<p>Complied with.</p>
<p>2. <u>Agenda Item No. 3</u></p>	

<p>4.2 Banks not uploading/uploading deficient documents prescribed for carrying out the joint inspection. Most of lending agencies have closed their TUFs Cell and or have posted inexperienced Officers in the TUFs Cell.</p> <p>The matter will be taken up with RBI and M/o Finance for issuing necessary instructions to the banks/lending agencies.</p>	<p>Complied with. DO letters issued from Secretary (Textiles) to Governor (RBI) in November, 2019.</p> <p>DO letter from HMOT to HMoF dated 01.10.2019</p>
<p>3. <u>Agenda Item No. 6</u></p> <p>Issues relating to Serial Number of machineries not mentioned in the invoice, packing list or any other shipping document submitted along with the claims of ATUFS. The relevant provision in the guidelines shall be modified to this effect retrospectively from the date of notification of ATUFS guidelines.</p>	<p>Para 10.2.3 of RRs has been suitably modified vide Order No. 6/5/2015-TUFS dated 01.11.2019.</p>
<p>4. <u>Agenda Item No. 7</u></p> <p>Extension of timeline for JIT request beyond 2 years for 1848 Units. Textiles Commissioner to put a Circular in the website giving wide publicity for this decision.</p>	<p>Complied with. Circular issued by O/o TXC 24.10.2019 and displayed on website till 10.11.2019. 622 units out of 1848 submitted JIT request.</p>
<p>5. <u>Agenda Item no. 8: Intimation of one-time correction in UID issued under RRTUFS Scheme.</u></p> <p>It was decided that Textiles Commissioner will examine the following aspects of these cases:</p> <p>i) No. of times details have been changed since issuance of UID?</p> <p>ii) Details of particulars changes in each of the UID</p> <p>iii) Amount of subsidy already released in these cases?</p>	<p>Details enclosed as Annexure A</p>

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6. Agenda Item No. 9

Issues relating to enlistment of machine manufacturer

i. It was decided to reject incomplete applications submitted for enlistment of machinery manufacturer in cases where information is not submitted within 3 months.

439 applications having incomplete / not submitted the required documents for enlistment of machinery manufacturers & the information is not submitted within 3 months time limits are rejected and informed to submit the application with necessary documents as a fresh if they wish still to apply.

ii. The extant procedure for enlistment of machinery/accessory manufacturer to be reviewed in consultation with D/o Revenue, D/o Commerce and D/o Heavy Industries and examined on file.

O/o TXC implements the procedure for the enlistment of machinery manufacturers as per the TAMC directions. With regard to the extant procedure for enlistment of machine/accessory manufacture was not executed in consultation with Department of Revenue, Department of Commerce and Department of Heavy Industry due to the prevailing pandemic situation in the country.

Process for enlistment of accessories/spares manufactures under ATUFS has intricacies as the Accessories/spares Manufacturers being exhaustive in number in domestic and overseas. In order to enlist them it would be time taking besides taking into consideration in line with the OEM.

Accessories/spares manufacturing units all over India are very small compared to main machinery manufacturing units.

Moreover, the basic cost of the accessories are calculated @ 20% of the basic cost of the main machinery and subsidy is also very less compared to the main machines. The enlistment of these types of manufacturing units under ATUFS is practically not possible. Hence, the accessories/spares manufacturing units are proposed to be considered under ATUFS without the condition of enlistment manufacturers.

7. Agenda Item no. 9

IMSC expressed serious concern on the issue of import of refurbished second hand

Surprise check/sample check is being carried out secretly by OTXC on short notice to check the

machinery by some units and availment of eligibility of machinery under ATUFS. subsidy under TUFS. It was decided that the matter may be examined by the Textiles Commissioner to identify such cases in consultation with Revenue Intelligence.