

Government of India
Ministry of Textiles
Office of Textile Commissioner
Email: atufs.mum-textiles@gov.in:: Fax: 022-22004693
Website: www.txcindia.gov.in, www.ministryoftextiles.gov.in

No.12(1)/ATUFS/Policy/2019/TUFS/Del. of Fin Prs/

Dated: 20/05/2020

CIRCULAR

Subject: Operation guidelines for release of JIT recommended subsidy against Bank Guarantee under ATUFS -reg.

The operational guidelines issued by this office vide Circular No.12(1)/ATUFS/Policy/2019/TUFS/Del. of Fin Prs dated 11/05/2020 stipulate for submission of Bank Guarantee (BG) issued by the same bank and branch from where the beneficiary had availed the term loan (para 3 (ii)). This office has received some representations requesting relaxation in the instructions to allow the beneficiary units to submit BG issued by any nodal bank already approved by TAMC preferably from a nationalized bank.

2. Upon due examination of these representations, it is clarified that the provision for release of subsidy on the basis of BG submitted has been taken in view of extraordinary circumstances on account of COVID-19 outbreak and the intent behind these guidelines is to release the subsidy amount immediately after due verification online by the lending bank and the Textiles Commissioner. If the BG is issued by the same bank branch from where the term loan is availed by the beneficiary unit, the process of online verification of BG is expected to be faster and smoother in view of their access to the online iTUFS application and also familiarity with the case. Verification of BG issued by bank / branch other than the term loan sanctioning bank/ branch will be a time-consuming exercise and may defeat the whole objective of the scheme of releasing subsidy promptly after due verification.

3. The textile units who have exercised their option for release of JIT recommended subsidy on the basis of BG are, therefore, requested to adhere to the operational guidelines dated 11.05.2020 and get the BGs issued from the same bank/branch from which the term loan was taken to facilitate faster verification and release of subsidy.


(Moly Chandan Chakraborty)
Textile Commissioner

To,

- 1) Officer-In-Charge All Regional Office of Textile Commissioner
- 2) Textile Industry Associations/All concerned/Banks
- 3) The Pay & Account Office (Mumbai), Ministry of Textiles, Mumbai-20

Copy to:

- 1) Under Secretary, TUFS Section, MoT
- 2) PS to Shri P K Kataria, Advisor, MoT