

Minutes of 19th meeting of TAMC under ATUFS at 02.30 pm on 23.12.2020 through VC

19th meeting of the Technical Advisory-Cum-Monitoring Committee (TAMC) on Amended Technology Upgradation Funds Scheme (ATUFS) was held on 23rd December 2020 at 2:30 pm through Video Conferencing mode. Ms. Roop Rashi, Textile Commissioner was in the Chair. The list of participants is enclosed at **Annexure-I**.

At the outset, the Chairperson extended a warm welcome to all the participants and requested Ms Usha Pralhad Pol, Deputy Director General to take up item-wise agenda for discussion before the Committee. The agenda-wise decisions of TAMC are as follows:

Agenda No.01: Confirmation of the minutes of the 18th TAMC meeting held on 09.10.2020

Minutes of the 18th meeting of TAMC held on 09.10.2020 were circulated to all members and placed before the Committee. As no comments/suggestions were received from the members of TAMC, **the minutes are taken as confirmed.**

Agenda No.02: Review of Progress of TUFs

a. Fund allocation and Expenditure under TUFs in 2020-21 (as on 20.12.2020):

₹ in Crore				
Sr. No.	Scheme	Allocation	Claims approved including BG cases	Fund Released
1.	MTUFS	761.90	0.00*	0.00*
2.	RTUFS		0.00*	0.00*
3.	RRTUFS		91.74*	91.82*
4.	ATUFS		216.22	230.17
5.	MMS		9.5	12.42
TOTAL			317.46	334.41

*As per decision of 3rd IMSC held on 27.02.2019, claims under previous TUFs (except MMS) are being processed based on physical verification of by special JIT.

b. ATUFS (position as on 20.12.2020): The total subsidy cap available ₹ 5151 Crore

UIDs are being auto generated w.e.f. 9th August 2019. As on 20.12.2020, 10718 UIDs with provisional subsidy ₹ 3223.11 Cr. have been generated.

The progress is placed before the Committee for information.

Agenda Point No.03: Short payment/ payment deficit against full & final payment of Invoice value.

The agenda deliberated in 15th TAMC is reproduced below:

During scrutiny of cases under ATUFS, few cases have been observed wherein the unit has installed and commissioned the machinery for which the claim is raised but full payment equivalent to the invoice value is not reflected in the bank statement/payment receipts submitted to JIT. The quantum of amount that is unpaid to the machinery supplier in all such cases is less than 1% of the invoice value (very meagre). In isolated cases, the said amount is withheld by

the unit as performance guarantee which commence after the warranty period for satisfactory performance of sophisticated machinery for which the claim is raised. While processing claims, full and final payment to manufacturer is verified before sanctioning of subsidy to the unit. This is done to ascertain that the ownership of machinery vests with the unit (lending agency if hypothecated) and the manufacturer cannot make any claim on the machine due to non-payment. In the above instances, though machine is installed, commissioned and in possession of the unit, full payment cannot be established (due to meagre unpaid amount). It is proposed in such cases undertaking from the unit (certified by lending agency) stating that if any future dispute regarding ownership arises w.r.t machinery, the entire amount of subsidy will be refunded with penal interest as per provisions of GoI may be accepted for processing claims. Further, the eligible subsidy may be worked out after deducting the unpaid amount from the eligible basic cost of machinery.

Decision of the 15th TAMC *“The TAMC agreed to the proposal of seeking an undertaking from the unit (certified by lending agency since the machine may be hypothecated) stating that entire amount of subsidy will be refunded with penal interest if any ownership dispute arises for cases involving meagre amounts of payment deficit to manufacturer/agent. It has also been decided by the Committee that subsidy amount shall be actual payment made by the unit to the supplier or subsidy amount mentioned in UID) whichever is lower”.*

However now this office has been receiving the claims in which the short payment to the value of machinery ranging from 1 % to 10% has been made. The range is very wide hence TAMC may deliberate and decide an admissible threshold level of ‘meagre amount’ as 5% of machine value on the amount paid till the date inspection by JIT. Rest of the decision of 15th TAMC remains as such.

Hence 19th TAMC may consider following proposal as decision of seeking an undertaking from the unit (certified by lending agency since the machine may be hypothecated) stating that entire amount of subsidy will be refunded with penal interest if any ownership dispute arises for cases involving meagre amounts (5%) of payment deficit to manufacturer/agent. It has also been decided by the Committee that subsidy amount shall be actual payment made by the unit to the supplier or subsidy amount mentioned in UID whichever is lower.

Decision of TAMC

“The TAMC agreed to the proposal of seeking an undertaking from the unit certified by lending agency (since the machine is hypothecated) stating that entire amount of subsidy will be refunded with penal interest if any ownership dispute arises for cases involving meagre (upto 5%) amounts of payment deficit to manufacturer/supplier. It has also been decided by the Committee that subsidy amount shall be actual payment made by the unit to the supplier or subsidy amount mentioned in UID) whichever is lower”.

Agenda No. 04: Clarification regarding admissibility of subsidy claim of Airjet looms within sub-category of the segment under ATUFS.

It has been seen that admissibility of subsidy claim where there is an interchange in sub-category with respect to filed JIT request and machineries actually installed for the case for which the JIT request has been submitted by the unit after 26.07.2019.

Instances have come to the notice while processing the subsidy claim that there are cases in which units have filed JIT request after 26.07.2019 without change of machine annexure No. (Within sub category) for e.g., the units have not installed machines as per the filed JIT request and installed machineries in other subcategory under the same segment i.e., as per JIT request machines should be under annexure No. MC-01-a-3(i) {Airjet Loom with Weft Insertion Rate (WIR) not less than 1200 meter per minute without Electronic Dobby/ Electronic Jacquard}, whereas the units have actually installed machines under MC-01-a-3(ii) {Airjet Loom having Electronic doobby/ Electronic Jacquard with Weft Insertion Rate (WIR) not less than 900 meter per minute} and vice-versa.

It is pertinent to mention here that the machine annexure No. MC-01-a-3(i) & MC-01-a-3(ii) has been categorized based on the machine with/without electronic doobby/ Jacquard with respect to speed i.e., for Airjet looms without electronic doobby WIR not less than 1200 meter per minute & Airjet looms with electronic doobby WIR not less than 900 meter per minute.

In this regard, the decision of the 15th TAMC meeting with respect to Change in machine annexure number after submission of JIT request is reproduced here,

"The TAMC clarified that the extant RR clearly allows for change in machine annexure no. at the time of JIT request. As the scheme has been under implementation for almost 4 years, no further relaxation for post facto change should be given to units which fail to exercise this provision at the time of submitting JIT request in iTUFS. However, for units which have filed JIT request prior to 26th July 2019 i.e., the date when iTUFS was made operational in line with RR, claims involving change in machine annexure no. may be dealt with on file subject to the following:

- (i) The machine actually installed **should fall in the same segment as the one claimed in UID.***
- (ii) The machine should be installed, commissioned and should meet the technology specification of the revised annexure no. It should be recommended by the JIT.*
- (iii) Basic cost of machine (falling under different annexure no.) should not exceed the value mentioned in the UID.*
- (iv) All other eligibility criteria are met.*

Additionally, since machines are hypothecated to lending agencies, no objection certificate of the bank should be obtained w.r.t. change in machine annexure no."

If there is inter change in sub-category of Airject looms, with the filed JIT request and machineries actually installed then the case may be considered irrespective of the date of filing JIT request (as in 15th TAMC meeting held on 02.01.2020 it is allowed for the JIT requests prior to 26.07.2019 only) as such claims do not have financial and eligibility implications. The matter was further deliberated for applicability of the same in case of subcategories under Water Jet Loom and High speed circular knitting machine also.

TAMC may deliberate upon the issue and decide the admissibility of claims where there is an interchange in sub-serial number with filed JIT request and machineries actually installed for the case irrespective of date of JIT request.

Decision of TAMC

The committee decided that the change in sub serial number in respect of Air jet loom, Water jet Loom & Circular Knitting Machine irrespective of date of JIT request may be considered as under:-

Sl no.	Name of the machine	Decision
1.	Air Jet Loom with (i) Weft Insertion Rate (WIR) not less than 1200 mtrs per minutes without Electronic Dobby/Electronic Jacquard (ii) Weft Insertion Rate (WIR) not less than 900 mtrs per minutes with Electronic Dobby/Electronic Jacquard	Allowed from (i) to (ii) & vice versa
2.	Water Jet Loom with (i) Weft Insertion Rate (WIR) not less than 1000 mtrs per minutes without Electronic Dobby/Electronic Jacquard (ii) Weft Insertion Rate (WIR) not less than 800 mtrs per minutes with Electronic Dobby/Electronic Jacquard	Allowed from (i) to (ii) & vice versa
3.	High speed circular knitting machine with yarn tension and clearers along with Creel - 1) Having Dia up to 26" with a minimum speed of 20 RPM and above, 2) Having Dia above 26" with a minimum speed of 15 RPM and above.	Allowed from (1) to (2) & vice versa

Agenda No. 05: Condoning delay of timeline for UID and JIT

- i. Banks could not forward UID applications in prescribed time(i.e. in two months from date of receipt from unit): **678**
- ii. The deficient UID applications returned by OTXC to banks but they could not resubmit it in prescribed time of UID applications: **812**
- iii. JIT could not applied within 2 years from the data of sanction of Term loan due to delay in installation/enlistment: **2218**
- iv. JIT could not upload the report online within 2 days after JIT due to Technical issue in iTUFS:13

Committee may deliberate and recommend condoning delay to IMSC. TAMC may also deliberate for Delegation of Power to the Textile Commissioner for category (iv) of agenda 5.

Decision of TAMC

The Committee deliberated and recommended for condoning delay of 678 cases list at Annexure II, 812 cases list at Annexure III, 2218 cases list at Annexure IV and 13 cases list at Annexure V to the forthcoming IMSC. The Committee deliberated and recommended for Delegation of Power to the Textile Commissioner for category (iv) of agenda 5

Agenda No.06: Enlistment of 93 machinery manufacturers & authorized agents as per Annexure-II recommended by the Internal Technical Committee in its 11th, 12th, 13th and 14th

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meeting held on 29.09.2020, 05 & 06.11.2020, 15.12.2020 and 21.12.2020 respectively is placed before the Committee for ratification.

Decision of TAMC

The Committee ratified inclusion of 93 (ninety-three) machinery manufacturers enclosed at Annexure-VI

Agenda No. 7: Issues submitted by AEPC :

(i): Circular, F.No. 12(1)/ATUFS/POLICY/TUFS/2020/98 dated 01/12/2020 regarding Modifications in the revised guidelines of ATUFS

Para	Existing Provision	To be read as
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.

These amendments have been carried out on the basis of the problems faced by the exporters in respect of their existing applications and based on their representations. Hence, this should be made applicable to the existing cases as well and should be accordingly given retrospective effect.

Decision of TAMC

It is informed to the members that the matter has already been taken up with MoT for confirmation of the date of applicability of the modification in para 5.4 of the RR under ATUFS .

(ii): Reimbursement of Subsidy under ATUFS based on in-principal term loan sanction letter issued by the lending agencies.

Representation received from AEPC on para 4.6.1 of the ATUFS Guidelines, "the date of sanction of term loan shall be the date of the letter of the lending agency vide which the sanction of term loan is communicated to the entrepreneur". Some of the units had taken in-principle sanction of the loan from the concerned bank, got the letter from the bank regarding in-principle sanction of loan, purchased the machinery, installed the same and commenced production. However, TxC has not reimbursed the subsidy on such loans as it has taken a view that the purchase of the machine should have been after the sanction letter of the loan by the bank, and not after the in-principle sanction letter.

The matter as stated below was initially placed on 9th TAMC held on 20.12.2017:

"It was brought to the notice of the Committee that in a few cases, the units have produced invoices which are prior to the actual loan approval but have urged that they had received in principle term loan approval prior to the invoice date. The Committee deliberated on the said issue and decided that as per the guidelines of ATUFS (para 4.6.1), "The date of sanction of term loan shall be the date of the letter of the lending agency vide which the sanction of term

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loan is communicated to the entrepreneur. Therefore, there is no scope for consideration of date of in-principle term loan approval by lending agencies under ATUFS”.

The matter was again placed in the 17th TAMC and the Committee decided that the decision of 9th TAMC shall continue.

AEPC again represented to consider the agenda in the 18th TAMC also. Hence for deliberation and knowing the insights, opinion /comments from all lending agencies registered under ATUFS were sought. Accordingly, the comments received from TAMC member banks were discussed on 16th December 2020 in the Audience Meeting with AEPC. 8 member banks out of 9 banks of TAMC denied the acceptability of considering in principle term loan sanction letter for deciding the eligibility of subsidy claim under the scheme. While Punjab National Bank has submitted qualified opinion.

Decision of TAMC

The Committee opined that at this point of time when the scheme is getting over on 31st March 2022, such modification in GR will adversely affect operationalization of the scheme hence uphold the decisions of 9th and 17th TAMC till there is definitive support from Lending agencies to this issue of in Principle sanction.

(iii): Date of applicability of machine(s) in other segment :

In the 18th TAMC held on 9th October 2020 it has been deliberated and decided to consider MC 02(96) for Garments and Garment Panels (for processing segment) while MC02-48 which was considered for processing units only has been decided to consider for garmenting segment also with retrospective effect.

It is pertinent to mention here that para 3.9 of revised GR dated 2nd August 2018 under ATUFS “*machinery eligible for one segment (s)/ activity (ies) also unless its eligibility is specifically restricted for a particular segment/activity.*”

Decision of TAMC

It is informed to the members that the matter is being taken up with MoT for applicability of the date for consideration of the machines in garmenting segment.

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Annexure – A to agenda for 19th TAMC scheduled at 02.30 pm on 23rd December 2020.Decision of ITC for ratification by TAMCAgenda No. 08: Admissibility of machine purchased from different vendors (more than two) in case of technical textiles

There are few cases where unit has procured complete production line for manufacture of surgical bleached cotton from different vendors. In this regard, as per the decision taken in the 3rd IMSC meeting held on 27.02.2019, on submission of the unit's detailed justification on such machineries, it may be considered as follows:

- The arrangement will be permissible for 'Technical Textiles only' and only to the extent of assembling two parts having two invoices.
- Specific applicability of such arrangements to be examined by TAMC on technical angle and to be approved by the Textile Commissioner.

Decision Taken by 10th ITC: In the instant case, 11 invoice of M/s Tex Fab Engineerins, Ahmedabad, 2 invoices of M/s Yuanyi Import and Export Co. Ltd China, 2 invoices of M/s S.J. Industries Ahmedabad and 2 invoices of M/s Vetal Hitech machines Pvt Ltd. As per the decision of 3rd IMSC, the arrangement is permissible for assembling of two parts having two invoices. Hence, the case is not recommended by ITC.

Decision of TAMC

the Committee advised ITC to examine technicality of such cases under technical textile especially with regard to the machines which requires assembling of multiple (more than two) parts and submit the report to TAMC for deliberations and decision thereof to recommend it to IMSC for necessary relaxation of limit from two parts to aligning it with guidelines under ATUF.

Agenda No.09: Consideration of Logo and name of the brand found on machine plate in absence of name of machine manufacturer under ATUFS.

As per decision of 15th TAMC (agenda no. 5), *manufacturer should submit a note detailing their branding exercise marketing practices and share their authentic logo. ITC may take view on case to case basis considering the explanation submitted by the manufacturer.* TUFS Cell had placed two cases viz. M/S Qingdao Jinsanyang Textile Machinery Co. Ltd, China (Logo— "JSY") and M/s PTMT Srl (Brand name "PANTER") before 10th ITC for consideration.

Decision Taken by 10th ITC: Detailed note to be provided by machine manufacturers for their branding exercise marketing practices, are not submitted, Even their Brand name and logo are not mentioned in Commercial Invoices. Hence, ITC has not considered the proposal.

Decision of TAMC

The Committee accepted the decision of ITC.

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Agenda No.10: Admissibility and technical eligibility of scouring and Bleaching range (MC 02-38) purchased from two different vendors i.e., bleaching part purchased from indigenous manufacturer and the scouring part from imported manufacturer.

Decision Taken by 10th ITC : MC 02-38 Open Width continuous scouring and bleaching range with microprocessors attachments and automatic chemical dosing is high end technology, which is not required to be diluted further. Moreover **two invoices for one machine can be considered for Technical Textile Segment as per decision of 3rd IMSC.** Hence, not considered by ITC.

Decision of TAMC

The Committee considered the decision of ITC. As regards two invoices issue, the same is not considered necessary to be raised for relaxation under decision of Agenda 7.

Agenda no. 11: Total cost of machine including Cost of travelling and installation claimed in Proforma Invoice of machine manufacturer.

While processing of claims at RO level, it is observed especially in r/o M/s. Karl Mayer Textilmaschinenfabrik, GmbH that the installation kit (assembly complete without threading) includes the cost for arrival and departure, living allowance etc. In order to arrive at the actual cost of machine without installation kit, the unit and the manufacturer were requested to indicate the bifurcation of the same. However, despite regular persuasion in the matter, no reply has since been received. A copy of PI is enclosed for ready reference.

It was suggested during 7th ITC that the cost of installation kit may be restricted to 2% of the cost of the machine in Invoice as the expenses indicated therein and may not exceed to this quantum, or any other suitable direction may be given as some of the cases at R.O. level are kept on hold due to this reason.

Decision Taken by 7th ITC : ITC has decided that the value of installation kit is very less and being supplied with every machine for installation, hence the same may not be treated like additional accessories/spare or attachment. However, with regard to the cost of arrival, departure, living allowance, pocket allowance, installation charge or any other charge included in the cost of machine, it is presumed that 15% of basic machine cost may be deducted in case unit is not able to provide bifurcation of the machine price and installation charges which includes travelling, stay and other charges of the erectors.

Decision of TAMC

The Committee considered the recommendation of ITC and decided that in case machine manufacturer/ supplier have shown total cost in their commercial invoice with the cost of machines including installation/ erection charges of the machine then unit/ machine manufacturer or supplier should be asked to give bifurcation and if they are not providing bifurcation of the cost of machines and machines installation charges which are inclusive of cost of arrival, departure, living allowance and pocket allowance of their engineer, installation charge or any other charge to this effect etc., 15% of basic cost of the machine has to be deducted for computing the eligible subsidy under ATUFS.

Agenda no. 12: Model Number inscribed on machine name plate.

The machine manufacturer usually indicates basic model of the machine on invoice and actual model number on machine name plate or vice versa. To cite an example, Model XD 408 is mentioned on invoice and Model XD 408-III mentioned on name plate or in some cases, where the Model number is exhaustive but clearly mentioned on invoice but last part of Model is not mentioned on name plate due to space constraints.

It was suggested by RO Ahmedabad during 7th ITC that if the basic model of the machine is in conformity with invoice and machine name plate, the same may be considered subject to fulfilling other eligibility criteria under ATUFS.

Decision Taken by 7th ITC: ITC has decided that suggestion of RO Ahmedabad may be accepted.

Decision of TAMC

The Committee accepted the recommendations of the ITC and also decided that for change in model no. in invoice/JIT report/machine plate, every case has to be placed before ITC for examination and further recommendation to TAMC for decision in line of Logo/Brand.

Additional Agenda no. 1 for MMS : Considering claim where Year of manufacturer not mentioned on the machine plate in r/o indigenious, manufacturer i.e., M/s. Aalidhara Texspin Engineers, Surat.

The unit viz. M/s. Ria Creation Studio, Surat had applied for issuance of the UID under 30% MMS-RR-TUFS in the month of Jan'2015, however UID could not issued in 2015, due to paucity of fund for new sanction. Later on UID was issued on 02.06.2016 after allocation of fund for new sanction for pending RR-TUFS cases.

From the JIT report of the said unit, it has been observed that 9 digit code as required to be indicated on machine by indigenious machine manufacturer in accordance to Para 9.2.9 of Annexure 'D' of Resolution dtd. 04.10.2013 as well as MIC code were found on the machines besides machine plate having name of manufacturer, Model No. and Machine Serial number **except year of manufacturing.**

Since, UID was issued on 02.06.2016, hence guideline issued vide Resolution dated 29/02/2016 will also be applicable and in accordance to Para 4(a) of said Resolution dtd. 29/02/2016, it is made mandatory that make, Year of manufacturer, name of manufacturer and Serial No. of all eligible machines and MIC allotted by TXC are clearly inscribed on the machine(s).

Here, it is to mention that as per Circular No. 5 issued vide letter No. 2(47)/89/2004/PDC/98, dtd. 11.02.2014 that M/s. Aalidhra Texspin Engineers, Surat has been enlisted under 30% MMS with Unique Code No. 067. Further, it is also observed that unit has purchased the claimed Shuttleless Rapier Looms from Aalidhra Texpin Engineers on 27.07.2014 and 28.11.2014 respectively, which is after the date of issuance of Circular No. 5.

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The unique Code No. 067 issued by this office to the machine manufacturer has also been found in 9 digit code indication on machine.

Since, the machines were procured in accordance to old guidelines but UID issued as per revised Resolution dtd. 29/02/2016 due to paucity of fund, hence, how to deal such cases, it has been decided by the Competent Authority to place this matter before next TAMC meeting for discussion and decision thereof.

Accordingly, it is requested to place the matter before the forthcoming TAMC meeting for their necessary decision, whether the claim to be processed in accordance to old guidelines of RRTUFS for 30%MMS, since machines were procured before issuance of revised guidelines on 29/02/2016 or not

Decision of TAMC

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

Additional Agenda no. 2 for MMS This has reference to the representation received from M/s. Marval Engineering Pvt. Ltd., who is benchmarked manufacturer vide Circular No.7 dated 01.01.2015. under 30%MMS for supply of indigenous Shuttleless Rapier Looms under RRTUFS. Vide above representation dated 15.06.2020, the machine manufacturer requested to consider the invoices issued by them from April 2014 onwards or from the date of application submitted by them (04.04.2014) for enlistment under 30%MMS under RRTUFS. M/s. Marval Engineering Pvt. Ltd., has started to sale their Rapier Looms after submission of application on 04.04.2014 without obtaining benchmarked code from Tx.C. Office.

As per the guidelines of RRTUFS 15% & 30% after enlistment of machine manufacturer a nine digit code was used to allocated to the concerned machine manufacturer by Office of the Textile Commissioner, Mumbai, which is required to be casted on machine frame as per Para'10' of Annexure 'D' of GR dated 04.10.2013. However, such kind of condition was not applicable for the overseas manufacturers.

Looking to request submitted by M/s. Marval Engineering Pvt. Ltd., Surat, it has been decided by the Competent Authority to place this case before the next TAMC for discussion and decision thereof. In this instant case nine units involved to get benefits.

Decision of TAMC

The Committee has not accepted the representation received from M/s. Marval Engineering Pvt. Ltd. since by registration process of indigenous shuttleless loom manufactures, they were being allocated a 3 digit unique code in accordance to Para 10.1 of Annexure-D of Resolution dated 04-10-2013 on RRTUFS, which may not be available on the machines supplied before their registration on 01-01-2015.

Additional Agenda no. 3 Acceptability of the Year of Manufacturing from the decoding procedure submitted by the Machine Manufacturers

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In follow-up of the decision taken by the Technical Advisory Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (ATUFS) in its 17th meeting held on 29th July, 2020 against the agenda item no. 7, a Committee was constituted under the Chairmanship of the Joint Textile Commissioner (Tech.) with members from AEPC / TMMA /CMAI vide Office Order dated 24.09.2020 to work out the modalities for operationalising the decoding of YoM from the barcode on the machine name plate/ machine in a manner to ensure compliance to existing guidelines and facilitate the support.

To decide, the issue the industry members of the said constituted Committee were requested to provide the inputs with respect to work out the modalities for operationalizing the decoding of Year of Manufacture (YoM) from the bar code on the machines purchased by them under ATUFS. In said reference, the industry members have submitted their detailed submissions vide their e-mails supported with the certificates issued by Original Machine Manufactures viz. Juki Corporation, Jack Sewing Machine Co. Ltd and Brothers Machines.

Based on the materials and certificate submitted by the industry members as well as inputs gathered from the industry by ATUFS cell, meeting of the Expert Committee held on 22.10.2020 and the decision of the Expert Committee is as under.

Decision of the Expert Committee

1. The committee recommended to TAMC that the decoding process as defined in case of JUKI and JACK shown in Annexure - 3 & 4 have to be considered for identifying the month and year of manufacture of machines. Proper guidelines in form of circular to this effect may be issued so that everyone has proper understanding about decoding of month & year of manufacture from the machine serial number indicated on machines of said two manufacturers.
2. The Committee decided to call further clarification from M/s Brother Machines to decide their issue.
3. Since clarification from 3 manufacturers was received, hence in future, if more clarifications are submitted by other garment machine manufacturers, their request will be considered case to case basis.

The committee 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, hence if accepted by TAMC/IMSC, it should be considered retrospectively.

Decision of TAMC

The Committee recommended 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 Guidelines.

Additional Agenda no. 4 Minutes of the 2nd Meeting of Sub-Committee held on 22/10/2020 to resolve interpretations / jurisdictional issues and suggest way forward as per decision of the 17th TAMC and deliberations of the 7th ITC meeting held on 28.08.2020

Decision of the Sub-Committee:

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- (i) After due discussions, the Committee decided that the non-woven manufacturing line should be considered from Extruder onwards only. The schematic diagram of the entire non-woven manufacturing line is attached in Annexure-II to this minute.
- (ii) As regards, the Ministry of Textile's jurisdiction starts after coming out of Fibre /Yarn from spinneret onwards, hence the backward process before the spinneret i.e. polymer feeder/hopper may be considered in the National Technical Textiles Mission, in consultation with the user Ministries i.e. Ministry of Fertilizers & Chemicals for manufacturing of non-woven fabrics.
- (iii) As regards to consideration of claim of M/s. Avgol, since the unit has purchased complete lines in six components from different vendors (Annexure-II to this minutes), which was though permitted as per para g(1) of MC-3 of ATUFS guidelines, however as per decision taken by IMSC in its 3rd meeting held on 27/02/2019 regarding consideration of only two parts for technical textile machines, ATUFS cell may take suitable view on it.

Decision of TAMC

The Committee accepted the recommendation of the ITC regarding allowing non-woven line from Extruder onwards since the same was permitted exclusive for non-woven lines since MTUFS period. As regard to allowing more components to be purchased from more than two manufacturers/ suppliers, it was decided that the issue needs to be referred to IMSC for relaxation in line with decision on Agenda 7 of Annexure A to agenda for 19th TAMC on 23rd December 2020.

Additional Agenda no.5: Queries raised by Powerloom Development Cell. In the 15th TAMC meeting it was decided that in absence of manufacturer name on the machine and only the logo of manufacture is found on machine plate, the manufacturer should submit a note detailing their branding exercise, marketing practices and share their authentic logo. The Internal Technical Committee (ITC) may then take a view on a case to case basis considering the explanation submitted by the manufacturer. Accordingly, Power loom Development Cell has now submitted the clarifications received from M/s. Tulsi polyweaves, Surat for the consideration of ITC.

Decision Taken by 10th ITC- the Committee, in observance that on verification of the documents submitted by the PDC in r/o M/s. Tulsi Polyweaves, Surat, the manufacture has submitted the detailing their branding exercise, marketing practices and share logo is found on the Commercial invoice as well as photos of the machine plate submitted by the JIT are same. Hence the Committee recommends that the case may be consider for subsidy under 30% MMS-RRTUFS

Decision of TAMC

The Committee approved the recommendation of ITC.

Additional Agenda No. 6 Treatment of claims where over invoicing may have occurred
ATUFS Cell has presented certain instances of ATUFS claims during the meeting where there are substantial grounds to believe that over invoicing may have occurred as wide variation is observed in price of machines having same model no./specification, purchased contemporaneously, from same manufacturer. There are a few cases involving authorized

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agents charging hefty mark-up on the price charged by original manufacturer. The mark up is observed to be considerably higher than commission mentioned in MoU. The matter was referred to ITC for discussion and deliberating if comments of TMMA should be sought in all such cases.

Decision Taken by 6th ITC : The ITC has recommended that those cases/ claims where more than 50% variation in invoice of the machinery of same manufacturer and same specification is noticed, such matter may be forward to Department of Revenue Intelligence for further investigation and also suggested that silver touch to make provision in i-tufs to determine the maximum-minimum and average value for each machineries/model having same specification. If difference is observed than the claim to be investigated thoroughly.

Decision of TAMC

The Committee approved the recommendation of ITC.

Additional Agenda No. 7: Request of M/s MEI International SRL, Italy.

A virtual meeting was organized under the Chairmanship of Textile Commissioner on 17th December, 2020 at 11.00 AM regarding the request for amendment on certain conditions as laid down under 18th TAMC decision for enlistment of MEI Label weaving Machines as a machine type in A-TUFS.

As per the decision of 18th TAMC : The committee decided to consider the MEI Label Weaving Machines as a main machine, since it is used for manufacturing of labels for fixing on the garments / Made ups subject to the following conditions-

- i. The unit should submit the original invoice of shuttleless loom manufacturer addressed to M/s. MEI International along with the shipping documents. (Packing List /Bill of Lading /Bill of Entry / Country of Origin)
- ii. The date of invoice of the Shuttle less Loom should not be more than 6 month older than the invoice of M/s. MEI International.
- iii. The machine should fulfill the speed criteria of concerned shuttle less loom as per ATUFS guidelines.
- iv. Eligibility of machine shall be allowed hence forth (prospectively).
- v. Only 20% value addition on base price of loom with Dobby / Jacquard will be considered for eligible subsidy

MEI International thanked the Textile Commissioner for consideration of Label weaving Machine supplied by MEI International SRL, Italy. The TAMC has decided to consider MEI Label weaving Machines as main machine with the conditions mentioned above.

During the deliberations MEI raised the following three concerns to be considered by the Textile Commissioner:

1. Difficulty in providing a single invoice:

M/s MEI International informed that they purchase brand new unfinished shuttleless looms like Airjet and Rapier loom built for the specific needs of woven label and ribbon production, Electronic Jacquard, Harness with special configuration etc. in a single lot of about

34/11/20