

MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
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F.No.12(7)/TAMC/ATUFS/2020/TUFS/ 426


Date : 05.03.2020

Sub : Minutes of the 16th Technical Advisory Monitoring Committee
Meeting (TAMC) under A TUFS held on 04.03.2020

Sir/Ma'am,

The undersigned is directed to enclose herewith minutes of the 16th Technical Advisory Cum Monitoring Committee (TAMC) meeting under A TUFS held on 04.03.2020 under the Chairmanship of the Textile Commissioner for kind perusal and necessary action.

Encl : as above.


(Usha Pralhad Pol)
Deputy Director General

To,

All members of TAMC Meeting

Copy to :

1. PS to Tx.C. : For kind information
2. PA to DDG / ATx.C / JTx.Cs .
3. Shri Anil Kumar K.C., US, MOT, New Delhi
4. M/s. Silver Touch Technologies Ltd.

Minutes of the 16th meeting of the Technical Advisory - Cum - Monitoring Committee (TAMC) under A-TUFS held on 04.03.2020 at 11.00 am.

16th meeting of the TAMC on Amended Technology Upgradation Funds Scheme (ATUFS) was held under the Chairmanship of Shri Moloy Chandan Chakraborty, Textile Commissioner on 04.03.2020 at 11.00 am in the Conference Hall of the Office of the Textile Commissioner, Mumbai. The list of participants is enclosed at **Annexure-I.**

At the outset, the Textile Commissioner welcomed all the participants and requested Ms Usha Pralhad Pol, DDG to present the agenda for discussion before the Committee. The agenda-wise decisions of TAMC are as follows;

Agenda No.01: Confirmation of the minutes of the 15th TAMC meeting held on 02.01.2020

Minutes of the 15th meeting of TAMC held on 02.01.2020 were circulated to all. As no comments/suggestions were received from the members of TAMC, the minutes are treated as confirmed.

Agenda No.02: Review of Progress of TUFS

a. Fund allocation and Expenditure under TUFS in 2019-20 (as on 29.02.2020):

Rs. in Crore				
Sr. No.	Scheme	Allocation	Claims approved	Fund Released
1.	MTUFS	700.00	0.00*	0.00*
2.	RTUFS		0.00*	0.00*
3.	RRTUFS		15.77*	9.29*
4.	ATUFS		186.35	147
5.	MMS		62.44	54.36
TOTAL			264.56	210.65

*As per decision of 3rd IMSC held on 27/02/2019, claims under previous TUFS (except MMS) are being processed based on physical verification by special JIT.

The Committee was apprised of a large number of cases where release was getting delayed due to deficiency in pre disbursement documents or issues in agency registration/account validation on PFMS. The list of such cases is updated and displayed on the OTxC website. All members from banks and Industry Association were requested to sensitise units regarding submission of documents as per the list displayed on website to expedite releases.

b. ATUFS (position as on 28.02.2020):

The total subsidy cap available - Rs. 5151 Crore

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UIDs are being auto generated w.e.f.9th August 2019. So far 9755 UIDs with subsidy amounting to Rs 2927.21crs have been issued which includes 2785 auto generated UIDs.

The progress is placed before the Committee for information.

Agenda No.03: Ratifying list of machinery manufacturers/authorised agents recommended by Internal Technical Committee

The Internal Technical Committee (ITC) in its meeting held on 03.03.2020 has recommended enlistment of 14 machinery manufacturers. The list is placed at Annexure II for ratification by TAMC.

Decision of TAMC:

The Committee ratified inclusion of 14 Machinery manufactures enclosed at Annexure-II.

Agenda No. 04: Eligibility of single term loan disbursed into multiple accounts under ATUFS:

The matter of two accounts for a single term loan first came to light in the context of loans availed from SIDBI under the SMILE scheme wherein SIDBI would create two loan accounts for a single loan; part of which was sanctioned as a soft loan in the nature of quasi equity (A/c 1) and remaining as a term loan on relatively soft terms (A/c 2). Though the guidelines in force were silent on such an arrangement, there were provisions which required subsidy to be released into the **account** of the loanee (Para 4.6.4, 5.1.5, 5.4, 6.6.1 and 6.6.2 of GR on ATUFS dated 29.12.2016). Since the guidelines mentioned the term 'account' as a singular entity, these provisions were interpreted to be in variance with multiple term loan accounts for a single term loan.

The matter was placed in the 9th meeting of the TAMC which decided that **as per ATUFS guidelines, only one account per bank per project could be considered for ATUFS benefits**. By doing so, the Committee linked eligibility under the scheme to having a single term loan account for the project. Till then the guidelines only required the subsidy to be released into (one) account of the loanee.

Subsequently, based on representation from SIDBI, the matter was reviewed in the 14th TAMC held on 25th September 2019. The Committee clarified as there is no double benefit involved in the claims wherein loans are availed under SMILE, such cases should be considered as eligible for subsidy under ATUFS. In view of this development, it was felt that decision of the 9th TAMC should be reviewed for all lending agencies (other than SIDBI) and the matter was placed in 15th TAMC for deliberation.

During the discussion in 15th TAMC, it came to light that financial expediency, logistical convenience or easier reconciliation could be the reasons behind lending agencies opening multiple accounts for a single term loan. However, this was not a prevalent practice. Due to inadequate representation from affected banks, the

matter was deferred to the next meeting of TAMC. All banks adopting such arrangement were asked to submit comprehensive proposal containing justifications for the practice and asked to clarify if the arrangement would allow disbursement of subsidy into a single account which was an essential condition for release under ATUFS.

A detailed discussion was held in the meeting with banks presenting their justifications. Software limitation arising from use of Flexcube core banking solution was cited as the primary reason for multiple accounts by Yes Bank, Kotak Mahindra and HDFC bank. In cases where loan was disbursed in multiple tranches, each tranche would generate a separate internal reference number (account number) in the software. Though there was no umbrella/unique account number mapped to the loan, the total amount disbursed could be tracked at the facility level. Hence it was possible to ascertain actual disbursement against loan sanctioned and whether loan was used for purchase of TUFS eligible machinery. Other reasons cited by Andhra Bank and Axis Bank included sanction of loan for different segments (spinning, weaving, processing) in the same unit and separate loan accounts being opened for indigenous and imported machines.

The banks using Flexcube reiterated that the situation was arising out of system architecture which could not be rectified in the short term. However as a turnaround, Yes Bank suggested that a single client term loan collection account could be created and the number mapped against the term loan in the system. Any subsidy, for approved claims, could be released into this account. This would ensure subsidy is released into a single account which is an essential condition under ATUFS.

While acknowledging complete overhaul of software may not be practical or feasible, the Textile Commissioner strongly emphasised the need for such arrangements/practice to be compliant to existing RBI norms and not be in violation of any guideline issued by regulatory authorities from time to time. The banks assured that the practice was fully RBI compliant and expressed their willingness to submit an undertaking to this effect.

Decision of the TAMC

The TAMC concluded that disbursement of loan to the beneficiary as per bank/RBI guidelines is the responsibility of the lending agency. Imposing any additional restriction over and above those prescribed by the respective banks/regulatory authority for disbursement of funds would not be desirable. Hence, the requirement prescribed by decision of the 9th TAMC need not be insisted upon subject to lending agency submitting an undertaking (Template enclosed at Annexure III).

Agenda No. 05: Consideration of E-Shed mechanism under ATUFS

Under ATUFS, claims have been received where looms have been purchased with Electronic Shedding which is an advanced shedding system for any weaving machine. The speeds are higher than any other shedding system for any particular width of weaving machine. Other advantages are listed below:

- a. Toyota's E-SHED is available from 4 shafts to 16 shafts for all widths of weaving machine and replaces the traditional tappet cam motion and DOBBY shedding system. The speed ranges are upto 1150 rpm for E-SHED upto 8 shafts and upto 1000 rpm for E-SHED upto 16 shafts. Because of higher speeds the per meter power consumption is the lowest for main loom as compared to other shedding system.
- b. The major advantages are. ;
 1. Higher speeds
 2. DWELL time for each frame can be varied.
 3. Shed crossing timing can be varied for each shaft.
 4. The life of accessories (like heald wire, heald frame) is more even at higher speeds.
 5. Complicated designs and unbalanced weaving is possible in ESHED.
- c. E-SHED has the advantages of both tappet cam shedding and DOBBY shedding.
- d. For pattern/design weaving by DOBBY higher speeds not possible for 16 frame design (for example in 190 cm maximum speed with DOBBY is 750 rpm whereas in E-SHED speeds upto 950 is possible).
- e. The dwell time and shed crossing for all frame is fixed in DOBBY, whereas in E-SHED both can be varied.
- f. Machine operation is simple with E-SHED.

Considering the above, the Internal Technical Committee in a meeting held on 03.03.2020 recommended that the E-Shedding mechanism may be considered as a new invention of Shedding mechanism of the loom subject to fulfilment of other specification of the Looms without Electronic Dobby/Jacquard as per ATUFS guidelines.

Decision of TAMC:

The Committee agreed to the recommendation of considering e shedding mechanism under ATUFS subject to fulfilment of other specification of looms without electronic doobby/jacquard as per ATUFS guidelines.

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Annexure-I

Sr.No.	Name & Designation of the Participants	Organization	Mobile No
1	Shri Moloy C. Chakraborty, Textile Commissioner	O/o. Textile Commissioner	9820365733
2	Ms Usha Pralhad Pol,DDG		
3	Sh. S.P.Verma,Jt TxC		
4	Sh V.K.Kohli		
5	Sh R.B.Nair,DD		
6	Ms Anushree Raha,DD		
7	Sh Siva Kumar,DD		
8	Sh.V.C.Choubey,DD		
9	Sh.S.Mukherjee,AD		
10	Sh.Narottam Kumar,AD		
11	Sh.B.K. Sahoo,AD		
12	Dr. K. Nalini	Andhra Bank	
13	Vikas Gupta	Bank of India	8173078265
14	Ravi Bhaskar	Axis Bank	9167459913
15	B M Chevllkar	AEPC Mumbai	9619845880
16	Swati Sirvaraman	AEPC Mumbai	9819614361
17	Ramakant Bhat	Kotak Mahindra Bank	7259411010
18	R.M. Thapar	Central Bank of India	9137170052
19	Zahir Ghansar	HDFC Bank	7498268383
20	Raguram	Texport syndicate	9323810878
21	A Ravi Kumar, Joint Director	Texprocil	9869405695
22	K S Doshi	Texporcil	9324625024
23	M. Chandrashekar		9819223759
24	Saeed Y Palt	AEPC Mumbai	9819444940
25	Ashutosh Shinde. Vice Presidence,	Yes Bank Ltd	9819420047
26	Azad Kastubh, Manager	Bank of Baroda	8286635921
27	P.M. Senthil Kumar, AGM, Andhra Bank	Andhra Bank	9999183559
28	M. Manikandan	Jay Jay Mill (India) PVt Ltd	9600866229
29	Rahul Khaparde, Officer	Bank of Baroda	9222306436
30	Sahil Ramchandran, Manager	IDBI Bank Ltd	8097163645
31	U.K. Agarwal, Ax. Chairman	PDEXCIL Mumbai	9427043642
32	Nilanjan Haldar, Chief Manager	State bank of India	
33	Sachin Kumar, Execitive Direcror	TMMA (I)	
34	J.C. Kani D.G.M.	Tamilnad Mercantile Bank	9821055364
35	Yogesh B Chief Manager	ICICI Bank	
36	S Balaraju, Execitive Director	SRTEPC	9820552489
37	S. Chakraborty, Advicor	TMMA	9324265389

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Sr. No.	Name of the Machine Manufacturer recommended for enlistment in 6 th Internal Technical Committee meeting held on 03/03/2020
Indigenous	
1.	M/S. SUNRISE GARMENT MACHINERY PRIVATE LIMITED, Bangalore - 560 079
2.	M/s. F S Compressors India Pvt.Ltd, Pune 410501, Maharashtra
3.	M/S. ACTIVE INJECT SOLUTIONS, Surat
4.	M/S. SHREE SULZTEX SPARES (P) LTD, BHILWARA 311 001 (Raj.)
5.	M/S. MASTER ENTERPRISES., BANGALORE - 560 056 (Subject to ISO Verification)
6.	M/S. ABIGAIL ENTERPRISES PVT. LTD. Boiser - 401 506, Maharashtra
7.	M/S. OSCARWIN WEAVING ENGINEERING, , Surat 394230
8.	M/s. SURAJ INTERNATIONAL, LUDHIANA - 141 009 (PUNJAB) - INDIA. (Subject to receipt of visit report)
9.	M/S. ARTEX ENGINEERS PVT.LTD., VALSAD
Aboard	
10.	M/s. FLAINOX SRL, ITALY
11.	M/s. MCS OFFICINA MECCANICA S.P.A., ITALY
12.	M/s. SUN MAKINA DIS TICARET LTD., STI , TURKEY (Subject to ISO Verification)
13.	M/s. JIUNN LONG MACHINE CO., LTD, TAIWAN (Subject to ISO Verification)
14.	M/S. PIROVANO S.R.L., ITALY

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ON THE LETTER HEAD OF THE LENDING AGENCY

**UNDERTAKING REGARDING SUBSIDY UNDER AMENDED TECHNOLOGY
UPGRADATION FUND SCHEME (ATUFS)**

_____ Bank, _____ Branch has sanctioned term loan of Rs. _____ vide letter no. _____ dated _____ under ATUFS to M/s. _____ for a single project. However, for administrative reasons / due to software requirements/(any other justification for creating multiple accounts), the amount of term loan has been disbursed through _____ (no.) accounts as given below:

Sr. No.	Term Loan A/c. No.	Term Loan Amount Disbursed	Date of disbursement	Remarks
1.				Mention Segment/Indigenous or imported machine/tranche no. if applicable/ others(specify)
2.				
3.				
4.				
..				
n				

2. The bank hereby confirms that the above arrangement of loan disbursement is in compliance with the guidelines and prudential norms issued by RBI from time to time.

3. UID No. _____ has been generated under ATUFS, through online software system of the Office of the Textile Commissioner for the said project and term loan sanctioned. It is confirmed that one time capital investment subsidy may be credited in Term Loan Account No. _____, which is the primary account associated with the said project and term loan sanctioned, if the claim is found eligible as per scheme guidelines.

4. We undertake that any wrong declaration made herein or before will incur recovery of subsidy as per the Government Rules at any later stage.

Date:

Place:

Signature

(Name & Designation)

Seal of the lending agency

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Annexure-I

Sr.No.	Name & Designation of the Participants	Organization	Mobile No	Mobile No./E-mail Address
1	Shri Moloy C. Chakraborty, Textile Commissioner	O/o. Textile Commissioner	9820365733	bm0051@andhrabank.co.in
2	Ms Usha Pralhad Pol,DDG			
3	Sh. S.P.Verma,Jt TxC			
4	Sh V.K.Kohli			
5	Sh R.B.Nair,DD			
6	Ms Anushree Raha,DD			
7	Sh Siva Kumar,DD			
8	Sh.V.C.Choubey,DD			
9	Sh.S.Mukherjee,AD			
10	Sh.Narottam Kumar,AD			
11	Sh.B.K. Sahoo,AD			
12	Dr. K. Nalini	Andhra Bank		
13	Vikas Gupta	Bank of India	8173078265	tufs.sme@bankofindia.co.in
14	Ravi Bhaskar	Axis Bank	9167459913	cbo.tufs@axisbank.com
15	B M Chevkar	AEPC Mumbai	9619845880	bmc@apecindia.com
16	Swati Sirvaraman	AEPC Mumbai	9819614361	sshee@apecindia.com
17	Ramakant Bhat	Kotak Mahindra Bank	7259411010	ramakanth.bhat@kotak.com
18	R.M. Thapar	Central Bank of India	9137170052	smertufstex@centralbank.co.in
19	Zahir Ghansar	HDFC Bank	7498268383	azhirabbas.ghansar@hdfcbank.com
20	Raguram	Texport syndicate	9323810878	
21	A Ravi Kumar, Joint Director	Texprocil	9869405695	ravikumar@texprocil.org
22	K S Doshi	Texporcil	9324625024	
23	M. Chandrashekar		9819223759	
24	Saeed Y Palt	AEPC Mumbai	9819444940	
25	Ashutosh Shinde, Vice Presidence,	Yes Bank Ltd	9819420047	ashatosh.shinde@yesbank.in
26	Azad Kastubh, Manager	Bank of Baroda	8286635921	tufs.bcc@bankofbaroda.com
27	P.M. Senthil Kumar, AGM, Andhra Bank	Andhra Bank	9999183559	bm0083@andhrabank.co.in
28	M. Manikandan	Jay Jay Mill (India) PVt LTd	9600866229	mmanikandan@jgjamill.in
29	Rahul Khaparde, Officer	Bank of Baroda	9222306436	tufs.bcc@bankofbaroda.com
30	Sahil Ramchandran, Manager	IDBI Bank Ltd	8097163645	tufs@idbi.co.in
31	U.K. Agarwal, Ax. Chairman	PDEXCIL Mumbai	9427043642	vishwauthanagarwal@yahoo.com
32	Nilanjan Halder, Chief Manager	State bank of India		tufshelp@gmail.com
33	Sachin Kumar, Execitive Direcror	TMMA (I)		
34	J.C. Kani D.G.M.	Tamilnad Mercantile Bank	9821055364	mumbai_region@tmbank.in
35	Yogesh B Chief Manager	ICICI Bank		
36	S Balaraju, Execitive Director	SRTEPC	9820552489	ed@srtepc.in
37	S. Chakraborty, Advicor	TMMA	9324265389	spe619@yahoo.com