

**F.No. TS-16015/3/2022-TUFS Section  
Government of India  
Ministry of Textiles**


**Udyog Bhawan, New Delhi  
2<sup>nd</sup> February 2023**

**OFFICE MEMORANDUM**

**Subject: Minutes of 8<sup>th</sup> Meeting of Inter-Ministerial Steering Committee (IMSC)  
under Amended Technology Upgradation Fund Scheme (ATUFS) - reg.**

The undersigned is directed to refer to 8<sup>th</sup> meeting of Inter Ministerial Steering Committee (IMSC) for Amended Technology Upgradation Fund Scheme (ATUFS) held on 22<sup>nd</sup> December, 2022 at 3:30 PM and to forward herewith a copy of the minutes of the meeting for information and necessary action.

Encl: as above

  
(Anil Kumar K.C)  
Under Secretary to the Govt. of India  
Email: [anilkumar.kc@gov.in](mailto:anilkumar.kc@gov.in)

To,

1. Hon'ble Minister of State for Textiles, Co-Chairperson
2. Secretary, Ministry of Textiles, Vice Chairperson
3. Secretary, Department of Expenditure, Member
4. Secretary, Department of Financial Services, Member
5. Secretary, Department of Commerce, Member
6. Secretary, Department of Industrial Policy & Promotion, Member
7. Secretary, Ministry of Heavy Industries, Member
8. Secretary, Ministry of Micro, Small & Medium Enterprises, Member
9. Deputy Governor, Reserve Bank of India, Member
10. Additional Secretary & Financial Advisor, Ministry of Textiles, Member
11. Additional /Joint Secretary (in-charge of ATUFS), Ministry of Textiles, Member-Secretary
12. Textile Commissioner, Ministry of Textiles, Mumbai, Member
13. Jute Commissioner, Ministry of Textiles, Kolkata, Member
14. Development Commissioner (Handlooms), New Delhi, Member
15. Adviser, (in-charge of the textiles), NITI Aayog, New Delhi, Member
16. Member Secretary, Central Silk Board, Bengaluru, Member
17. Chairman & Managing Director, IDBI, Member
18. Chairman & Managing Director, SIDBI, Member
19. Chairman & Managing Director, IFCI, Member
20. Chairman, State Bank of India, Member
21. President, Textile Machinery Manufacturers Association of India (TMMAI),

Mumbai, Member

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

Copy to:

1. PS to HMOT
2. DS(TUFS)



**Minutes of 8<sup>th</sup> meeting of Inter-Ministerial Steering Committee (IMSC) under Amended Technology Up-gradation fund Scheme (ATUFS) held on 22.12.2022**

Eighth (8th) meeting of Inter Ministerial Steering Committee (IMSC) under Amended Technology Up-gradation fund Scheme (ATUFS) was held at 3:30 p.m. on 22<sup>nd</sup> December 2022 in hybrid mode. List of participants is at **Annexure-I**.

At the outset 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 are as follows:-

**Agenda No. 1: Confirmation of the minutes of the 7<sup>th</sup> meeting of IMSC held on 22.07.2022.**

The minutes of the 7<sup>th</sup> meeting of IMSC held on 22.07.2022 under ATUFS were circulated vide Ministry of Textiles letter dated 08.08.2022 as no comments have been received, the minutes may be taken as confirmed.

**Decision of 8<sup>th</sup> meeting of IMSC: Minutes are confirmed and noted by IMSC**

**Agenda No. 2: Action taken report on the decisions taken in the 7<sup>th</sup> Meeting of the IMSC held on 22.07.2022.**

Action taken report on the minutes of 7<sup>th</sup> meeting of IMSC held on 22.07.2022 is at **Annexure -II**.

**Decision of 8<sup>th</sup> meeting of IMSC: Action taken report noted by IMSC**

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

**a. Stage of Processing :**

Stage of Processing	No. of Application	Project Cost (in Rs. Cr.)	Provisional Subsidy (in Rs. Cr.)
No. of UIDs issued	14389	69159.60	4962.99
No. of JIT requests filed*	11784	52353.34	3849.37
JIT visits conducted	10360	46914.26	3412.14
Claims Settled#	8742	32499.38	2314.05 (actual release Rs.1537.7 Cr.)\$

Data source iTUFS as on 16.12.2022

#Claim settled =(Claim approved-7158 +Claims rejected-1584)

\*No. of Request not fit found for inspection-730 cases i.e. cases pending for inspection - 694 Nos.

\$ Includes 1584 rejected cases and release restricted to admissible subsidy based on JIT recommendation

*hnp*



**b. Segment wise details of UIDs issued under ATUFS as on 16.12.2022:  
(Rupees in crore)**

Sr. No.	Segment Name	No. Of UID Issued	Project Cost Rs In Crore	Subsidy Amount Rs in Crore	Actual Subsidy released Rs in Crore #
1	Garmenting(15% CIS)	1468	3325.55	340.31	60.02 (277)
2	Multi activity(10% CIS/ 15% CIS)	2293	31693.05	2039.02	401.1 (793)
3	Processing(10% CIS)	1622	6602.54	445.28	135.7 (784)
4	Technical Textile(15% CIS)	534	4243.68	396.42	93.9 (175)
5	Weaving(10% CIS)	8369	23180.87	1733.37	846.6 (5127)
6	Other (10% CIS)	103	114.26	8.59	0.3 (2)
<b>TOTAL</b>		<b>*14389</b>	<b>69159.95</b>	<b>4962.99</b>	<b>1537.8(7158)</b>

\*Three UID has been cancelled as per the request of the entity

# Figure within brackets represents no. of cases approved

**C. Region wise progress (Physical inspection pending):-**

Region	JIT inspection pending	
Ahmedabad	422	Cases are being inspected as per the timeline given in GR i.e. 88 days.
Amritsar	44	
Bangalore	5	
Coimbatore	43	
Guntur	1	
Indore	6	
Kolkata	5	
Mumbai	61	
Noida	107	
<b>Total</b>	<b>694</b>	

- All ROs are current in conduct of JIT inspections i.e., JIT inspection is being carried out within timeline of 88 days of JIT request from the units.
- Barring three ROs viz Navi Mumbai, Noida and Coimbatore, all other ROs in settlement of claims for the inspections carried out by September 2022 are current.
- 1475 pending cases of RO Ahmedabad have been settled in special drive by deploying 7 additional teams from other stations in Surat and Ahmedabad in which JIT was conducted till August 2022. Hence RO Ahmedabad is also current in settlement of claims.

*ky*

i. **Field wise cases under process for settlement:-**

<b>Field office</b>	<b>Total cases pending as on 16.12.2022</b>
Ahmedabad	583
Amritsar	47
Bangalore	11
Coimbatore	121
Guntur	0
Indore	1
Kolkata	18
Mumbai	128
Noida	126
<b>Total</b>	<b>1035</b>
H.Q.	583

Data source iTUFS as on 16.12.2022

d. **Progress of utilization of allotted fund for the financial year 2022-23**

(Rs. in Crores)

<b>S. No</b>	<b>Scheme</b>	<b>Allocation</b>	<b>Expenditure</b>
1	ATUFS	650	440.86
2	MTUFS		0.00
3	RTUFS		0.21
4	RRTUFS(bank routed )		71.81
5	RRTUFS (MMS)		3.58
	<b>Total*</b>		<b>516.46</b>

\* as on 16.12.2022

<b>Period</b>	<b>No. of UIDs</b>	<b>No. of JIT requests filed</b>	<b>JIT visits conducted</b>	<b>Claims settled</b>
<b>As on 31.03.2022</b>	14389	9979	7686	5942
<b>During 2022-23 as on 16.12.2022</b>	---	<b>1075</b>	<b>2674</b>	<b>2800</b>
<b>Closing as on 16.12.2022</b>	----	11054	10360	8742
<b>Pending as on 16.12.2022</b>	----	-	694	1618

Textile Commissioner informed that additional manpower has been deployed for Regional Office of Ahmedabad, Coimbatore, Noida and Mumbai and three verticals headed by Deputy Director General (Ms. Usha P Pol), Addl. Textile Commissioner (Shri S.P. Verma ) and Joint Textile Commissioner (Shri Vipin K Kohli) has been deployed for settlement of H.Q. level cases. It is proposed to clear~ 600 cases from HQ and



Ahemdabad within next two months. The matter is being closely reviewed at all levels between MoT and office of Textile Commissioner.

**Decision of 8<sup>th</sup> meeting of IMSC :** IMSC noted the progress of settlement of claims and industry members appreciated the pace of settlement and efforts taken by MoT and Office of Textile Commissioner. IMSC further noted the proposal to clear 600 cases from HQ and Ahmedabad together within next 2 months.

**Agenda no . 4 (Agenda Point No. 8 of 50<sup>th</sup> meeting of ITC) : Case of Jari Processing Machines**

It was informed to IMSC that a representation has been received from the All-India Man-Made Metallic Yarn Association dt. 14/10/2021 for withdrawal of restriction of Handloom Sector for machines covered at Sr. No. 12,13,14,15 & 16 in MC-5 of GR on Amended TUFs. The Association has informed that the said machines i.e., Coating Machine for Metallic Yarn, Universal Double Covering Machine for Jari Processing only, Micro Slitting machine for Jari Processing only, Coating Vacuum Metalizer for Jari Processing only and Twisting Doubling machine for Jari Processing only, have been installed by Surat based Jari Processing Units and due to the restriction of their being eligible for Handloom Sector only, these units are deprived of the benefits of ATUFs. The Association has also informed that the said machines have no direct or immediate next chain connection in Handloom and that Handloom segment will not be capable to invest such a huge amount to purchase these machines. The use of such machines is not feasible under the Handloom Sector and the data of National Handloom of the past two decades will reflect that none of the above said machines were installed in the Handloom Sector

Decision Taken in 29<sup>th</sup> meeting of ITC dated 28.10.2021:As articles of clothing with Jari have been reserved for exclusive production by Handloom, vide The Handlooms (Reservation of Articles for Production) Act, 1985, this issue may not be in the purview of ITC. As such the matter may be taken up with the Development Commissioner Handlooms, Ministry of Textiles, New Delhi.

In this connection, e-mail dated- 07.12.2021 has been sent to concern. An e-mail dated 05.01.2022 from All India Man Made Metallic Yarn Slitter Association and representation through HMoS for Railways and Textiles vide letter dated 24.01.2022 is received further on the subject.

Decision taken in 37<sup>th</sup> meeting of ITC dated 24.02.2022:The committee suggested that an expert committee may be formed to study and review whether these machines (Sr. No. 12,13,14,15 at MC-5) are falling under any segment of textile industry. In addition, the opinion of DC Handloom may be taken in this matter. Now with reference to the decision of 37<sup>th</sup> ITC meeting a letter no. 12(7)/ATUFs/TMB/37<sup>th</sup> ITC/52 dated 29.04.2022 was sent to Office of the Development Commissioner for Handlooms to provide the inputs on the matter.

The matter as placed in 27<sup>th</sup> TAMC meeting followed by 6<sup>th</sup> IMSC meeting.

Decision Taken by 27<sup>th</sup> meeting of TAMC dated 22.04.2022: The Committee reviewed the case and accepted the recommendations of the ITC. The Committee also directed to formulate the Expert Committee, which may submit its report within 15 days from

the date of issuance of order for constitution of the Committee. The above decision of 27th TAMC was placed for information of the IMSC.

Decision of 6th meeting of IMSC dated 28.04.2022: The IMSC noted the decision to constitute the Expert Committee, which will submit its report within 15 days from the date of issuance of order for constitution of the Committee.

As per the decision of 6<sup>th</sup> meeting of IMSC, the Expert Committee was constituted under the chairmanship of Shri. Vipan Kumar Kohli (Joint Textile Commissioner). The Expert Committee visited the Surat based Jari Processing Units recommended by All India Man Made Metallic Yarn Slitter Association on dated 28.07. 2022. As per the instructions by TxC in the concerned file, the report presented before ITC for deliberation. The report of the committee is attached as Annexure-II.

Decision Taken by ITC: ITC deliberated on the issue and accepted the report of the Expert Committee which was constituted under the chairmanship of Shri Vipan Kumar Kohli, Joint Textile Commissioner and proposed placing the same in the TAMC for withdrawal of restriction of Handloom Sector, for the machines at Sr No. 14, 15 and 16 only under MC-5 of GR on Amended TUFs which would enable Jari processing units who have already purchased these machines and upgraded the technology to avail benefits under ATUFs.

Decision of 32<sup>nd</sup> meeting of TAMC:- TAMC ratified the decision of ITC.

The above decision was placed for information of the IMSC

**Decision of 8<sup>th</sup> meeting of IMSC : - IMSC noted relaxation given to Jari units for the machines under MC05-14, 15 and 16 claimed under Handloom segment i.e. MC05.**

**Agenda No. 5:- One time correction under RRTUFs for Information to IMSC**

As per the decision of IMSC in the Agenda No. 6(b) of 5<sup>th</sup> meeting held on 23.03.2015 is as under:

*"The Committee authorized the Textile Commissioner to allow one time correction within a period of one year. In case beyond one year period, the Textile Commissioner may allow such a correction for reasons to be recorded in writing which will be brought to the notice of IMSC".*

*The condition is that there will not be any increase in the overall subsidy requirement.*

TxC accorded approval for one time correction in the UID in following cases:-

1. **M/s GTX Pvt Ltd, Surat, Gujarat (TUFs Ref. No. N019/2013/10054):**

TxC accorded approval for one time correction in the UID to change the name of unit from M/s Gokulanada Texturisers Pvt Ltd to M/s GTX Pvt Ltd.

2. **M/s Nandan Denim Ltd, Gujarat (TUFs Ref. No. N034/2015/1014):**



TxC accorded approval for one time correction in the UID to change the name of unit from M/s Nandan Exim Ltd to M/s Nandan Denim Ltd

3. **M/s Kallam Spinning Mills Limited, Guntur, Andhra Pradesh (TUFS Ref. No. N016/2013/699):**

TxC accorded approval for one time correction in the UID to change the name of unit from M/s Kallam Spinning Mills Limited to M/s Kallam Textiles Limited

4. **M/s V.B.R Knit Finishers (TUFS Ref.No. N014/2013/8853), Tirupur, Tamil Nadu (TUFS Ref. No. N014/2013/8853):**

Subsidy type change in UID (5% IR & 10% CS) in place of 5 % IR in respect of M/s V.B.R Knit Finishers (TUFS Ref.No. N014/2013/8853). The details are as under:

Parameters	Original UID	Changes sought for correction in UID
Subsidy Type	5% IR	5% IR & 10% CS
Subsidy allotted in subsidy schedule	5% IR & 10% CS	No change
Subsidy amount	5% IR Rs.16,35,336/- 10% CS Rs.14,03,496/-	No change of UID value

The above mentioned one-time corrections in UID under RRTUFS accorded by Textile Commissioner were placed for information of IMSC.

**Decision of 8<sup>th</sup> meeting of IMSC : IMSC noted corrections in UIDs under RRTUFS approved by the Textile Commissioner.**

**Agenda No. 6 Issues of Previous version of TUFS**

**Sub Agenda No. 1: Issues of Segment Change- UID taken in One Segment and Machine installed in another Segment:**

The matter related to segment change was placed before the 6<sup>th</sup> meeting of IMSC (Sub agenda no. 1 of Supplementary Agenda no. 1) wherein the IMSC had decided to defer the matter and directed Office of the Textile Commissioner thoroughly. The Office of Textile Commissioner has received several representations from individual units, bank or associations. However, the cases recommended by the TAMC are placed below for consideration of IMSC.

**A. M/s. Patodia Filaments Pvt. Ltd, Daman (TUFS Ref No. N030/2013/599)**

- i. The unit has been allotted UID No.2014/O/00111 dated 24/01/2014 for the segment Technical Textiles and non-woven for 5% IR and 10% CS on the basic of data submitted by their bank. However, the request for registration under Technical Textile was not considered by Office of Textile Commissioner as unit



was not manufacturing end product of Technical Textiles. Owing to which, unit requested bank vide their letter dated 12/7/2016 for withdrawal of 10% capital subsidy.

- ii. The bank has submitted reporting format R-2 which is for Restructured TUFs (R-TUFs) whereas the claim pertains to RRTUFs. The R2 issued by the bank is for the machines listed in annexure under RTUFs i.e. K-d.1(Warp Knitting machine), K-b.1(High Speed Warping Machine) and B-1(e-2) (Texturising machine). Here, it is to mention that there is no difference between R1 & R2 Format under RTUFs and RR1& RR2 format under RRTUFs.
- iii. JIT visited the unit on 23/09/2020 and Regional Office of the Textile Commissioner, Ahmedabad vide their letter dated 09/11/2020 has forwarded the JIT report to this office.
- iv. The recommendation of JIT in Format-H (2) is reproduced as under:  
*" In UID, segment declared is Technical Textiles. But the unit is actually involved in production of Texturized Yarn & Knitted Fabrics. Hence unit is ineligible in terms of IR and CS under Technical Textiles."*
- v. JIT and RO have not recommended the claim due to variation in segments i.e., UID taken (Technical Textiles and non-woven) and unit involved in production (Texturized Yarn & Knitted Fabrics).
- vi. In UID, the segment declared is Technical Textiles and Non-woven which comes under Annexure-MC-13 in GR on RR-TUFs. But as per JIT, the unit is actually involved in production of Texturized Yarn & Knitted Fabrics which comes under Annexure-MC-2 & MC-5. As per Issue No.2(ii) of MoT's letter No.16011/02/2020-TUFs dated 07.02.2020(Pg.305-06/C) "The machine actually installed should fall in the same segment as the one claimed in RR1/RR2". Therefore, there is segment change as unit installed machines other than the machines for which UID taken.
- vii. As the JIT and RO have not recommended the claim of the unit, hence, this office vide letter dated 06/08/2021 has requested the nodal bank i.e., State Bank of India to refund the subsidy of Rs. 5,72,90,921/- with penal interest @10% per annum for the date of receipt subsidy to date of refund.
- viii. In accordance to para (9) of Para 3.2 of sections III of Resolution dt. 04/10/2013 on RRTUFs, Machinery eligible for one segment is eligible for other segments/activity also unless its eligibility is specifically restricted for a particular segment, where as in accordance to para 2.3 of Resolution dt 29.02.2016 on RRTUFs, no segment change in UID will be permitted, which appears to contradictory. Hence, TAMC may give its view on such cases.

Decision of 32<sup>nd</sup> meeting of TAMC: The matter was deliberated and the Committee observed that though the Nodal Bank has obtained UID under Technical Textile Segment for 5%IR and 10%CS. However, the bank had not claimed 10%CS as the unit was not issued registration certificate for claiming 10% CS, which is required in accordance to the Para No. 4.4.(e) (b) of Section III of Resolution dated 04-10-2013 on

RRTUFS. The bank had claimed only 5%IR. The Committee therefore recommended to IMSC that since major machines are falling under MC-6 i.e., list of machinery/equipments eligible under RRTUFS for non-woven / Technical Textiles, hence the claim may be considered @5%IR for eligible machines falling under same segment of Technical Textiles instead of rejecting the claim on the ground that unit is not manufacturing technical textiles.

**B. M/s. Patodia Filaments Pvt. Ltd, Daman (TUFS Ref No. N022/2013/6653)**

- i. The unit has been allotted UID No.2017/O/758 dated 01/06/2016 for the segment Technical Textiles and non-woven for 5% IR and 10% CS on the basis of data submitted by their bank. However, the request for registration under Technical Textile was not considered by Office of Textile Commissioner as unit was not manufacturing end product of Technical Textiles. However, the request for registration under Technical Textile was not considered by Office of Textile Commissioner, owing to which unit requested bank vide their letter dated 12/7/2016 for withdrawal of 10% capital subsidy claim.
- ii. The bank has submitted reporting Format RR-2 for the machines listed in Annexures under RRTUFS i.e. MC-13-d-2 (Knitting machine), MC-2-e-2 (Texturising machine) and MC-2-a21 (Air Compressor).
- iii. JIT visited the unit on 23/09/2020 and Regional Office of the Textile Commissioner, Ahmedabad vide their letter dated 09/11/2020 has forwarded the JIT report to this office. The recommendation of JIT in Format-H (2) is reproduced as under:

*"In UID, segment declared is Technical Textiles. But the unit is actually involved in production of Texturized Yarn & Knitted Fabrics. Hence unit is ineligible in terms of IR and CS under Technical Textiles."*

- iv. JIT and RO have not recommended the claim due to variation in segments i.e. UID taken (Technical Textiles and non-woven) and unit involved in production (Texturized Yarn & Knitted Fabrics).
- v. In UID, the segment declared is Technical Textiles and Non-woven which comes under Annexure-MC-13 in GR on RR-TUFS. But as per JIT, the unit is actually involved in production of Texturized Yarn & Knitted Fabrics which comes under Annexure-MC-2 & MC-5. As per Issue No.2(ii) of MoT;s letter No.16011/02/2020-TUFS dated 07.02.2020(Pg.305-06/C) "The machine actually installed should fall in the same segment as the one claimed in RR1/RR2". Therefore, there is segment change as unit installed machines other than the machines for which UID taken.
- vi. As the JIT and RO have not recommended the claim of the unit, hence, this office vide letter dated 06/08/2021 has requested the nodal bank i.e. Karur Vysya Bank to refund the subsidy of Rs.1,87,06,280/- with penal interest @10% per annum for the date of receipt subsidy to date of refund,
- vii. In accordance to para (9) of Para 3.2 of sections III of Resolution dt. 04/10/2013 on RRTUFS, Machinery eligible for one segment is eligible for other



segments/activity also unless its eligibility is specifically restricted for a particular segment, where as in accordance to para 2.3 of Resolution dt 29.02.2016 on RRTUFS, no segment change in UID will be permitted, which appears to contradictory. Hence, TAMC may give its view on such cases.

Decision of 32<sup>nd</sup> meeting of TAMC :-The matter was deliberated and the Committee observed that though the Nodal Bank has obtained UID under Technical Textile Segment for 5%IR and 10%CS. However, the bank had not claimed 10%CS as the unit was not issued registration certificate for claiming 10% CS, which is required in accordance to the Para No. 4.4.(e) (b) of Section III of Resolution dated 04-10-2013 on RRTUFS. The bank had claimed only 5%IR. The Committee therefore recommended to IMSC that since major machines are falling under MC-6 i.e., list of machinery/equipments eligible under RRTUFS for non-woven / Technical Textiles, hence the claim may be considered @5%IR for eligible machines falling under same segment of Technical Textiles instead of rejecting the claim on the ground that unit is not manufacturing technical textiles.

**C. M/s. Patodia Filaments Pvt. Ltd, Daman (TUFS Ref No. N030/2013/6452)**

- i. The unit has been allotted UID No.2017/O/891 dated 01/06/2016 for the segment Technical Textiles and non-woven for 5% IR and 10% CS on the basic of data submitted by their bank. However, the request for registration under Technical Textile was not considered by Office of Textile Commissioner as unit was not manufacturing end product of Technical Textiles. However, the request for registration under Technical Textile was not considered by Office of Textile Commissioner, owing to which unit requested bank vide their letter dated 12/7/2016 for withdrawal of 10% capital subsidy claim.
- ii. The bank has submitted reporting format RR-2 for the machines listed in Annexures under RRTUFS i.e. MC-13-d-2 (Knitting machine), MC-2-e-2 (Texturising machine) and MC-2-a21 (Air Compressor).
- iii. JIT visited the unit on 24/09/2020 and Regional Office of the Textile Commissioner, Ahmedabad vide their letter dated 09/11/2020 has forwarded the JIT report to this office.
- iv. The recommendation of JIT in Format-H (2) is reproduced as under:

*"In UID, segment declared is Technical Textiles. But the unit is actually involved in production of Texturized Yarn & Knitted Fabrics. Hence unit is ineligible in terms of IR and CS under Technical Textiles."*

- v. JIT and RO have not recommended the claim due to variation in segments i.e. UID taken (Technical Textiles and non-woven) and unit involved in production (Texturized Yarn & Knitted Fabrics). However, the claim has not been approved for rejection.
- vi. In accordance to para (9) of Para 3.2 of sections III of Resolution dt. 04/10/2013 on RRTUFS, Machinery eligible for one segment is eligible for other segments/activity also unless its eligibility is specifically restricted for a



particular segment, where as in accordance to para 2.3 of Resolution dt 29.02.2016 on RRTUFS, no segment change in UID will be permitted, which appears to contradictory. Hence, TAMC may give its view on such cases.

Decision of 32<sup>nd</sup> meeting of TAMC :-The matter was deliberated and the Committee observed that though the Nodal Bank has obtained UID under Technical Textile Segment for 5%IR and 10%CS. However, the bank had not claimed 10%CS as the unit was not issued registration certificate for claiming 10% CS, which is required in accordance to the Para No. 4.4.(e) (b) of Section III of Resolution dated 04-10-2013 on RRTUFS. The bank had claimed only 5%IR. The Committee therefore recommended to IMSC that since major machines are falling under MC-6 i.e. list of machinery/equipments eligible under RRTUFS for non-woven / Technical Textiles, hence the claim may be considered @5%IR for eligible machines falling under the same segment of Technical Textiles instead of rejecting the claim on the ground that unit is not manufacturing technical textiles.

**D. M/s. Spectrum Creations P Ltd, Faridabad, Haryana (TUFS Ref. No. N007/2013/4742):**

- i. Unit had been allotted UID for Garment/Made-up manufacturing on the basis of data submitted their bank
- ii. RR2 submitted by bank is for MC-12 i.e. Processing Segments.
- iii. Inkjet Printing machine comes under MC-12-item-27 under Processing Segments. But JIT considered the said machine under RMG segments (MC-14).
- iv. Further, JIT in Sl.No.-2 of Format-H informed that Segment declared in UID is Garment/Made-up manufacturing and as per Certificate of Incorporation of the unit, it is Printing/Dyeing.
- v. Hence, variation in the segment for UID taken (Garment/Made-up manufacturing) and machine installed (Processing Segments).
- vi. As the JIT and RO have not recommended the claim of the unit, hence, this office vide letter dated 01/06/2021 had requested the nodal bank i.e. Punjab National Bank to refund the subsidy of Rs.15,00,714/- with penal interest @10% per annum for the date of receipt subsidy to date of refund.

The decision taken by TAMC in the 18<sup>th</sup> meeting held on 09.10.2020 under ATUFS to amend the Digital/ Ink jet Printing machines (For textile processing units & Garment manufacturing units only). Further, MoT vide letter No.16015/2019-TUFS dated 18.08.2021 (enclosed as Annexure – II) has conveyed that TAMC decision to allow the Digital/ Ink jet Printing machines (For textile processing units & Garment manufacturing units only) may be applicable w.e.f. 13.01.2016. Since this machine is also taken by independent garment units, hence on the line of ATUFS this may also be permitted for older versions of TUFS.

- vii. In accordance to para (9) of Para 3.2 of sections III of Resolution dt. 04/10/2013 on RRTUFS, Machinery eligible for one segment is eligible for other segments/activity also unless its eligibility is specifically restricted for a particular segment, where as in accordance to para 2.3 of Resolution dt

29.02.2016 on RRTUFS, no segment change in UID will be permitted, which appears to contradictory. Hence, TAMC may give its view on such cases.

Decision of 32<sup>nd</sup> meeting of TAMC:-The Committee has observed that the Unit has proposed machineries under processing segment while bank has applied and obtained UID under Garment/ Made-up manufacturing. Since MoT vide letter No.16015/2019-TUFS dated 18.08.2021 has allowed the Digital/ Ink jet Printing machines (For textile processing units & Garment manufacturing units only) w.e.f. 13.01.2016 under ATUFS. Hence, Digital/ Ink jet Printing machines may also be allowed in all previous version of TUFS in the line of ATUFS. Therefore the Committee has recommended and decided to place it before IMSC for decision.

**E. M/s. MRC Mills Private Ltd:**

- i. Unit had been allotted UID for Garment/Made-up manufacturing. (MC-14) on the basis of data submitted their bank
- ii. RR2 submitted by unit to bank is for MC-12 i.e. Processing Segments.
- iii. Unit has installed Processing Machines and is also processing unit only.
- iv. As the JIT and RO have not recommended the claim of the unit, hence, this office vide letter dated 14/09/2022 had requested the nodal bank i.e. Karur Vysya Bank to refund the subsidy of Rs.29,74,595/- with penal interest @10% per annum for the date of receipt subsidy to date of refund.
- v. Bank vide letter dt. 10/11/2022 enclosed as Annexure - III has submitted that inadvertently mentioned as Garment Segment while obtaining ECN though unit has submitted documents related to processing only.
- vi. In accordance to para (9) of Para 3.2 of sections III of Resolution dt. 04/10/2013 on RRTUFS, Machinery eligible for one segment is eligible for other segments/activity also unless its eligibility is specifically restricted for a particular segment, where as in accordance to para 2.3 of Resolution dt 29.02.2016 on RRTUFS, no segment change in UID will be permitted, which appears to contradictory. Hence, TAMC may give its view on such cases.

The cases mentioned above are indicative only. In such type of cases TAMC may deliberate and decide for processing.

Decision of 32<sup>nd</sup> meeting of TAMC: The matter was deliberated and Committee observed that Bank has accepted the mistake that in UID wherein it was inadvertently mentioned as Garment Segment. However, in accordance to para 2.3 of Resolution dt 29.02.2016 on RRTUFS, no segment change in UID will be permitted. Hence, Committee recommended this case for placing before IMSC for consideration as bank has committed mistake in uploading data while obtaining UID.

**Sub Agenda No.02: Registration of Technical Textile Unit under RR-TUFS for availing 10% Capital subsidy in addition 5% I.R.**



M/s. Mayur Uniquoters Ltd.: Unit has obtained UID for Technical Textile segment under RRTUFS for 5% IR & 10% CS whereas the unit obtained registration certificate of Technical Textiles on dt. 30/03/2012 issued under TUFs (01.11.2017 to 31.03.2012) from Office of the Textile Commissioner during RTUFS regime enclosed as Annexure-IV. Hence JIT has considered the machines under 5% IR only. As the unit has already claimed 10% CS of Rs. 40.80 Lakhs this office vide letter dt. 10/09/2020 requested bank to refund the ineligible Capital Subsidy of Rs. 40.80 Laks with @10 % penal interest.

As per para 4.4 e) (b) of RRTUFS guidelines, since some of machinery of technical textile are common, the technical textile units indicating to avail of 10% capital subsidy to have obtained in registration number from Office of the Textile Commissioner prior to becoming eligible for 10% Capital Subsidy. To obtain registration number, Technical Textile unit have to submit the information in prescribed format TFR-I, whereas under RTUFS, unit has to submit the information in prescribed format TR-I for obtaining registration certificate for Technical Textile.

The matter was placed before TAMC to deliberate as to whether the unit was required to take registration of Technical Textile unit under all versions of TUFs or once registered in TUFs eligible for all versions of TUFs.

Decision of 32<sup>nd</sup> meeting of TAMC:-The Committee observed that once the Unit is registered as Technical Textile unit under any version of TUFs and machinery installed in subsequent TUFs scheme is only technical textile machinery, hence re-registration under Technical Textile may not be required. Therefore, the Committee recommended to place it before IMSC for decision for getting approval in respect of omissions of revalidation of Technical Textile Registrations under subsequent TUFs scheme.

**Decision of 8<sup>th</sup> meeting of IMSC for issues of Previous TUFs under Agenda 6- sub Agenda 01 and 02 above : IMSC advised that instead of addressing individual cases, all cases of similar nature may be examined and put up to IMSC for a policy decision.**

**Sub Agenda No. 03: Request Postponement/cancellation of scheduled joint inspection**

Information furnished by Nodal Officer of the Textiles Committee that, Textiles Committee and Regional office of TxC that once JIT is constituted for inspection on specific date/s, JIT should carry out the inspection on that date/s itself, unless any change of the inspection date/s (postponement /Cancellation) is communicated by the Regional Office of Textile Commissioner to the JIT in writing. However, it is reported by the JIT Technical Officer that requests for postponement are received from the units at the last moment often after the team members had already departed on tour from their HQRs. Under these circumstances, the Nodal Officers of JIT are not in a position to take decision in the absence of any instruction from the concerned RO of TxC which results in wastage of resources and money(TA/DA)

In this regard it is submitted that JIT is being deputed when 6 mandatory documents are found proper and unit has communicated their willingness for conducting



verification of assets by special JIT. It is also opined that, after following said protocol, if unit request for postponement of JIT visit, may not be allowed for the same and if they still insist, competent authority may decide for recovery of entire subsidy released to them as the concerned units fails to show the assets created against the term loan. With the fear of 21 days' notices, units have given consents but now they have adopted this kind of via route to avoid verification. The nodal offices are facing shortage of manpower and such kind of repeated exercise not only affect the routine day to day work but also impact in achieving targets set for disposal of pending claims as per directives of the ministry.

Decision of 32<sup>nd</sup> meeting of TAMC :-The IMSC in its 7<sup>th</sup> meeting held on 22/07/2022 under agenda point no.8, decided that the units who have availed subsidy under the previous version of TUFs (MTUFs, RTUFs & RRTUFs) shall be issued two reminders seeking their willingness with a span of 21 days from the date of issue of letter by the concerned Regional Office of Textile commissioner and a final notice by registered post along with AD stating to communicate willingness within 21 days from the date of issue of final notice. On non-submission of willingness for JIT inspection after 21 days from the date of issue of final notice by registered post, the case will be removed from pendency list and action as per due process will be taken for recovery of subsidy already released to the unit through their lending agencies.

In view of above, the Committee recommended to IMSC that once the JIT is constituted after obtaining willingness of unit, postponement of JIT inspection may not be considered and if unit express unwillingness/refuse to conduct JIT inspection the entire released subsidy may be recovered with penal interest @10% per annum.

**Decision of 8<sup>th</sup> meeting of IMSC:- IMSC directed to issue three (3) reminders on weekly basis relating to non-receipt of willingness of the units for verification of assets by the Joint Inspection Team(JIT).**

**In her concluding remarks, HMoST directed to endeavour finishing of the work in time bound manner so that the issue for bringing new policy/ scheme could be expedited.**

\*\*\*\*\*



**Annexure - I****List of Participants for 8<sup>th</sup> meeting of IMSC under ATUFS**

<b>S.No.</b>	<b>Organisations</b>	<b>Participants Name</b>
1.	MoT	Smt. Darshna Vikram Jardosh, Hon'ble Minister of State of Textiles (In Chair) Ms. Rachna Shah, Secretary (Textiles) Shri Rohit Kansal, Additional Secretary Ms. Prajakta L. Verma, Joint Secretary Ms. Roop Rashi, Textiles Commissioner
2.	Dept. of Commerce	Shri Anant Swaroop, Joint Secretary
3.	Ministry of Heavy Industries	Shri Vikas Dogra, Director
4.	Ministry of MSME	Shri Supriyo Ghosh, Director-ARI
5.	Dept. of DIPP	Shri Rajendra Ratnoo, Joint Secretary
6.	DC (Handloom)	Smt. Shubhra, Development Commissioner
7.	Reserve Bank of India	-
8.	Jute Commissioner	Sh. Moloy Chandan Chakraborty, Jute Commissioner
9.	NITI Aayog	Shri Sudhir Kumar, Advisor
10.	SIDBI	-
11.	Dept. of Financial Service	Shri Surjith Karthikeyan, Deputy Secretary
12.	Dept. of Expenditure	Shri Shashi Ranjan Kumar, AS&FA
13.	SIMA	Dr. S. Selvaraju, Secretary General
14.	Central Silk Board	-
15.	IDBI	Shri Nagaraj Garla, Executive Director
16.	CITI	Shri T Rajkumar, Chairman Ms. Chandrima Chatterjee, Secretary General
17.	FIASWI	Shri Bharatbhai T. Gandhi, Chairman
18.	TMMAI	Shri Sachin Arora, Executive Secretary
19.	PDEXCIL	Shri Ashish Shreyansh Bhoje , COA Member Shri Avinash Annasaheb Magdum, COA Member
20.	CMAI	Shri Mohan Sadhwani, Executive Director
21.	AEPC	Shri Narendra Goenka, Chairman

Action taken report of 7<sup>th</sup> meeting of IMSC:

SN	Policy clarification /decision	Action taken
1.	<b>Agenda No. 3:</b> Issue of advance paid more than margin money under ATUFS	Implemented for 14 cases
2.	<b>Agenda No.5:</b> Ministry to relax timeline of 88 days from date of request for inspection	Implemented
3.	<b>Agenda No. 6:</b> For examine over invoicing and other issues for allowing high sea sales in ATUFS	Implemented
4.	<b>Agenda No. 7:</b> Review of progress of TUFS	Disposal of cases (1456 cases) through special drive of Ahmadabad region.
5.	<b>Agenda No. 8:-</b> To issue public notice to the industry and bank to take a note of the settlement of long pending claims under Previous versions of TUFS (MTUFS, RTUFS and RRTUFS)	Public notice has been issued on 12.08.2022 .

