

The fourth meeting of Inter-Ministerial Steering Committee (IMSC) under Amended Technology Upgradation Fund Scheme (ATUFS) was held at 11.00 am on 24.10.2019 at Udyog Bhawan, New Delhi. Initially the meeting was chaired by Shri Ravi Capoor, Textile Secretary and later by Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles.

Shri T Rajkumar, Chairman, CITI, Shri Ashwin Chandran, Chairman, SIMA, Dr K Selvaraju, Secretary General, SIMA and the undersigned attended the meeting. Chairman, PDEXCIL also attended the meeting.

The Agenda points discussed in the meeting and action taken report on the decisions taken in 3rd IMSC held on 27.02.2019 are attached. MoT and OTxC have taken several favourable decisions including the delegation of powers to release subsidy up to Rs.10 lakhs by the RoTxC and subsidy up to Rs.5 crores by the TxC, enlistment of machinery, etc., the details of which are given in the Agenda and annexure.

The highlights and important decisions taken on various agenda items are given below:

1.	All the 1,848 UID wait list cases that got migrated from RRTUFS to ATUFS will have to apply for JIT before 10th November 2019 and will not be given any more extension. If there is any difficulty in uploading the data, they can file the application manually and also submit a copy in the respective Regional Office of the Textile Commissioner. If any discrepancy is observed during inspection, the JIT is authorised to cancel such projects on the spot and no more condonation will be given. All such units need to take care and if necessary can get clarification if any from the respective ROTxC and rectify the mistakes before applying for JIT inspection.
2.	After a deliberation on the non-cooperation, late response and mistakes committed by banks that had resulted in huge backlog and acute financial stress to several thousands of textile units, it was decided:
a.	Textile Secretary will send a DO letter to RBI Governor and Banking Secretary highlighting the impact of banks' faults and non-cooperation, its impact on the textile industry and TUFs and request them advise all banks to immediately strengthen the TUF cell with competent officials and upload/submit all the prescribed documents within the given time frame.
b.	HMOT will send similar letter to HMOF.
c.	Industry (NCTC) will also send representations to RBI Governor, IBA Chairman, HMOF and Banking Secretary. NCTC would also meet RBI Governor and IBA Chairman and request for convening the meeting of all banks and finding a solution on a fast track.

d.	Individual units to follow-up with their respective banks and put pressure and if necessary explore the possibility of changing the banks.
3.	Industry requested IMSC to give further extension of one month to the banks for uploading the data for all the previous versions of TUFs (MTUFs, RTUFs and RRTUFs).
4.	Industry requested to open a HELP LINE/DESK in all the regional offices of TxC to guide the units, banks and machinery manufacturers/suppliers in all the major textile clusters so that documents with correct information are uploaded/ submitted so that no genuine case is rejected.
5.	Units obtaining UIDs under ATUFs should request for JIT inspection within 6 months period failing which the UID will be cancelled automatically to avoid choking the system and give opportunity for other units that are able to complete the project within a period of 6 months. The textile units need to plan their projects and machinery purchase (depending upon the delivery schedule) suitably.
6.	With regard to machine serial number, it has to be ensured that the all the machine need to have serial numbers that should be mentioned either in the purchase invoice or packing list.
7.	In the case of enlistment of accessories / spares purchased up to 20% of eligible machinery value, the accessories and spares supplied by the original machinery manufacturer along with the machine will be permitted immediately. With regard to purchase from others, the cases already purchased will be internally discussed within MoT and decided. In the case of others, MoT officials will have meetings in the all the major textile clusters especially MSMEs, get their feedback and decide the recommendation by a competent third party.
8.	The TxC will schedule the JIT inspection well in advance (at least 15 days) on a first-cum-first-served basis and upload the same in the web site so that the industry representatives and bank representatives plan to join the JIT without fail. Both the representatives from industry and bank should sign all the documents after verification (it is reported that some industry representatives and bank representatives do not sign the documents).
9.	The time limit for uploading the JIT inspection report is extended from 24 hours to 48 hours considering the practical constraints in uploading the inspection report

10.	Regarding the enlistment of machinery manufacturers, necessary documents should be filed within 3 months failing which the applications will be rejected. Industry requested to consider enlistment of machines with multiple name plates that meet bench marked technology.
11.	Industry also requested to consider enlisting machines having more than two name places (example: label weave machines with find jackard design).
12.	Later at the personal meeting had with HMOT after a detailed deliberations, HMOT advised the following:-
a.	NCTC to send representations to Governor, RBI and Banking Secretary requesting them to direct banks to extend necessary cooperation to the Textile Commissioner and the textile units for speedy disposal of subsidies.
b.	NCTC to send a representation to HMOT for TUFs issues highlighting micro issues to be considered by the Ministry including committed liabilities, CCI cotton dispute cases, technical textiles UID waitlist cases, etc.
c.	NCTC to advise all the units to put pressure on the respective banks; the units may even change the banks if their present bank is not extending cooperation.
d.	Regarding RoSCTL and MEIS, NCTC to take up the issue again with HMOF and keep HMOT and HMOC informed, who are supporting the industry's demand.
e.	Industry to take up the issue of moratorium with HMOF and RBI by marking copy of the memorandum to HMOT for recommending the same again; industry may highly that it is facing financial stress mainly due to TUFs subsidy dues that got accumulated because of the mistakes committed by the banks and lack of cooperation from them.

This is for your kind information.