

Minutes of the 52nd meeting of the Internal Technical Committee under Amended Technology Upgradation Fund Scheme (ATUFS) is held on 13.10.2022

The 52nd meeting of the Internal Technical Committee (ITC) under Amended Technology Upgradation Fund Scheme (ATUFS) was convened on 13.10.2022 from 11.30 A.M onwards, under the Chairmanship of Shri S.P.Verma, Additional Textile Commissioner in the conference hall of the Office of the Textile Commissioner, Mumbai. The list of participants is attached as Annexure-I. The agenda points, which were discussed and decisions taken thereof are as under:

Agenda Point No 1:

Verification and recommendation of proposals for enlistment of Machinery Manufacturers under ATUFS as per Para no. of 3.4 of Revised Resolution of ATUFS dated 02.08.2018 and subsequent order No. 6/5/2015-TUFS dated 06.08.2019.

The list of 10 proposals (Abroad - 05, Indigenous - 04(VC), Agent -01) received from Textile Machine Manufacturers/Authorized Agents for enlistment under ATUFS, were scrutinized by the Internal Technical Committee. Out of the said 10 proposals, 08 proposals (Abroad - 05, Indigenous - 02(VC), Agent -01) were recommended to the Textile Commissioner for her approval to upload the same on website of the Textile Commissioners Office (Attached herewith as Annexure-II). In regard to two indigenous manufacturers through (VC), the committee deferred one manufacturer for next meeting due to network connectivity issue and recommended another unit for physical verification by concerned Regional office.

Agenda Point no 2.: Cases forwarded by TUFS Cell

Sub Agenda Point No. 01:

ATUFS cell vide Note no.12 (3490)/JIT.ATUFS/2021/TUFS/198 dated 27.09.2022 forwarded claim of Airjet loom MC-01-A-3(i) purchased from M/S. Qingdao Tianyi Group Red Flag Textile Machinery Co. Ltd. During JIT inspection, the unit price of the looms restricted from 22500 USD to 21200 USD as similar machine supplied at lower cost.

The beneficiary unit M/s. Hanuman Weavetech, Surat claimed that in first phase they have imported 96 sets of looms @ cost of 22500 USD per loom. In second phase they negotiated for discount and imported 24 sets of looms @ cost of 21200 USD per loom.

Invoice copies and the unit clarification letter submitted by ATUFS section for taking suitable decision in this regard.

Decision Taken: - The committee examined the documents and noted that there is variation of 1300 USD i.e. not more than 6% of basic rate, such variation may be there depends upon the repeat orders. The TAMC has already decided that in case variation is more than 50% then matter to be examined in detailed. Hence, the committee recommended to consider the case accordingly if other ATUFS guidelines are met.

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Sub Agenda Point No. 02:

ATUFS cell vide Note no.12 (3769)/JIT/ATUFS/2022/TUFS/204 dated 28.09.2022 forwarded claim of Compact Thermic Fluid Heater (1 Set) under MC-03-i-4 (Conveyor/Thermo pack for heating/chiller for cooling) purchased from M/S. Thermax Limited, Pune.

The model no. mentioned in invoice is CT 30 whereas in the machine name plate the model no mentioned as CT-30BB. In this regard manufacturer clarified that "BB" indicates the technology of machine which is Bubbling Bed.

Section Note : As per manufacturer website noticed that Bubbling Bed is additional feature allowing the fuel to be efficiently combusted.

Decision Taken: Based on the declaration given by the manufacturer and the information available on the manufacturer website, the committee has recommended to consider the case for release of subsidy subject to the fulfillment of all other criteria of the scheme.

Sub Agenda Point No. 03:

ATUFS cell forwarded the higher price variation of Water jet looms in comparison with looms purchased directly from the manufacturer M/s. Hangzhou Yinchun Machine Co Ltd, China and through authorized agent M/s. Niupai International Limited, Hong Kong.

M/s. Kusumgar Corporates Pvt. Ltd purchased 45 sets of Water Jet looms through M/s. Niupai International Limited, Hong Kong. In that invoice basic cost of loom is as follows,

1. 170 CM width - USD 29520
2. 230 CM width - USD 30535
3. 280 CM width - USD 32908.

The manufacturer supplied same model machine to another unit directly @ cost of 16100 USD. The beneficiary unit forwarded clarification letter from the agent M/s. Niupai International Limited, Hong Kong for this office query stated that price difference due to customization of machine (loom width-170 cm, Special attachments/features) as per the beneficiary requirement.

Section Note : The authorized agent M/s. Niupai International Limited, Hong Kong compared with loom (supplied to M/s. Nemnath) having basic features and spares for 1 year where as the loom supplied to M/s. Kusumgar Corporates Pvt. Ltd having all advanced features /accessories and spares for 3 years.

Decision Taken: - The committee examined the documents submitted by ATUFS cell and decided to call for bifurcation of all additional cost mentioned in above supplies for further analysis on price difference.

Sub Agenda Point No. 04:

ATUFS cell vide Note no.12 (3730)/JIT/ATUFS/2022/TUFS/114 dated 12.10.2022 forwarded claim of M/s. Ganpati textiles who purchased Rapier loom (MC01-A-1) from M/S. Zhejiang Wanli textile machinery Co. Ltd

As per the note the model no. mentioned in invoice is WL808 whereas in the machine name plate the model no mentioned as WL808-3800. In this regard manufacturer clarified vide letter that "3800" indicates loom width and actual model no is WL808.

Decision Taken: Based on the declaration given by the manufacturer, the committee mentioned that the name plate comprises additional information i.e. Loom Width. Hence, the committee recommended the case for release of subsidy subject to the fulfillment of all other criteria of the scheme.

Agenda Point no. 03.:

RO Guntur vide e-mail dated 23.03.2022 forwarded JIT report of M/s Venus Mills Pvt Ltd, Surat. M/s Venus Mills Pvt Ltd, Surat (Beneficiary unit) purchased 3 nos Printing machine from M/s Indian Textile Engineers Pvt Ltd. During JIT inspection, it is observed that machine is having manual color filling mechanism instead automatic.

The invoice copy mentioned as PLC based fully automatic Flat Bed Screen Printing Machine. The machine manufacturer has also submitted declaration stating the supplied machine is fully automatic flat bed printing machine.

Section Note: TUFS cell forwarded note regarding the case vide dated 15.11.2021 which is not received by this section. Hence the case was not represented in previous ITC.

Decision Taken in 39th ITC dated 24.03.2022 : The committee examined the documents provided by the RO and noted that since JIT has already submitted the observation that machine is with manual color filling mechanism, Why not OIC of concerned RO may take decision and dispose the case at their level. Committee condemned that the visiting officer who are certifying the machine is manual, then why he recommended the claim.

Decision Taken by 27th TAMC dated 13.04.2022: The committee reviewed the case and accepted the recommendations of the ITC. The Committee also directed that such cases should be decided at RO level.

Regional Office, Guntur forwarded clarification submitted by the manufacturer that in flat bed screen printing machine the printing mode is not continuous i.e. start and stop. Hence auto color feeding is not possible in fully automatic screen printing machine. However, auto color feeding possible in rotary screen printing machine where printing mode is continuous.

Decision Taken: The committee reviewed the declaration letter from the manufacturer and noted that the machine is fully automatic screen printing machine. The color feeding system depends on the process requirement. Generally in flat bed screen printing machines, color is being fed manually to avoid over spill of colour from screen. Hence, the committee recommended to revoke the decision taken in 39th ITC and recommended for consideration to TAMC if other conditions are met as per ATUFS guidelines.

Agenda Point No.04: Request to change as Subsidiary unit instead of authorized agent

M/s Epson India Pvt Ltd is enlisted at Sr no:411 Annexure-III as Authorized agent of Seiko Epson Corporation, Japan. The unit has requested for amendment in annexure from Authorized agent to Subsidiary. In this regard unit has submitted Audited balance sheet of M/s Seiko Epson Corporation, Japan to establish subsidiary unit relationship.

The Epson India Ltd, Bangalore has also requested to enlist below regional office & warehouse address as Seller Addresses located at Chennai under ATUFS.

The Epson India submitted that unit is using Free Trade Warehousing Zone (FTWZ) for the purpose of storing and distribution of Epson Digital Inkjet Textile Printers.

Chennai Regional Sales Office: Epson India Pvt Ltd: Building name: Siva, 1st floor, No.1, Krishna Street, T nagar, Chennai, Tamilnadu-600017.

Chennai Warehouse Office: Epson India Pvt Ltd: C/O Fit 3PL Warehousing Pvt Ltd, S Nos. 389, 400/2A & 400/2C, Kuthambakkam, Padur Road Poonamalle Taluk, Chennai-600124.

Shipping and commercial process claimed by Epson:

They are importing all Direct-to-Fabric Textile Inkjet Printers by sea from their factory in Japan to Chennai Sea port and Customs will not accept to do any modifications till it is out of Customs controlled area.

Printers will be directly delivering to Customer based on back-to-back orders after custom clearance along with container in most of the cases and only printer & accessories without opening the package in some of the cases.

Printer package will be opened at Customer Installation site only as there is a tracker called as "Logger" on the printer for measuring all the vibrations during sea / land transport for identifying the causes of transit damages (if any). EPSON India must open the package in front of end customer and remove the tracker and send it to Japan for their study.

All the shipping documents like Bill of Lading, shipper invoice, custom bill of entry is with Chennai Warehouse address registered with DGFT/IEC.

The unit has submitted below documents in support:

- Agreement between Epson India Pvt Ltd and Seaways FTWZ Warehouse
- Letter of Approval issued by Department of Commerce- Ministry of Finance
- Copy of Bill of Entry: Importer name & Address: Epson India Pvt Ltd (Chennai Warehouse)

- Copy of invoice issued by Seiko Epson, Japan to Epson Bangalore (Ship to: Epson-Chennai, packing list
- Copy of Invoice: Issued by Epson India Pvt Ltd, Chennai (Warehouse Address)(Pg- 287)
- IEC Copy (Pg-266)

Decision Taken in 50th ITC dated 08.09.2022: The committee directed that the unit may be asked to give a presentation to the committee on their proposals.

Now the unit representatives confirmed their presence in the ITC meeting vide email dated 10.10.2022 against this office intimation regarding above decision.

Representation given by M/s. Epson India P. Ltd :

The representatives of M/s Epson India Pvt Ltd made a detailed presentation explaining business model adopted by M/s Epson India (A subsidiary Seiko Epson Corporation, Japan) M/s Epson India also explained their transportation methodology (handling & clearance of machine supplied by OEM (Original Equipment manufacturer).

They submitted following request to the committee:

- Request to change as Subsidiary unit instead of authorized agent of Seiko Epson Corporation, Japan.
- Addition of Chennai regional office & warehouse addresses in Annexure - III
- Addition of Epson Como Printing Technologies, Italy (Formerly known as (Formerly M/S Fratelli Robustelli Srl, Italy) as subsidiary manufacturer of Seiko Epson Corporation, Japan who is enlisted a serial no.236 in Annexure -III under ATUFS.
- Submission of Complete set of documents from customer Purchase order to machine installation certificate at customer place.

Decision Taken: The committee deliberated and opined that now High Sea sale arrangement are already permitted under ATUFS. M/s. Epson India Pvt Ltd is agreed to submit the complete set of shipping documents linked to each customer on demand by this office during ATUFS claim processing. The committee also informed to Epson that the value mentioned on shipping documents raised by OEM shall only be considered under ATUFS eligible subsidy. This arrangement for consideration is recommended specially in this case.

In regard of M/s. Epson Como Printing Technologies, Italy the committee directed unit to submit the Legal/Govt. documents for the request of name change from M/s. Fratelli Robustelli Srl, Italy to M/s. Epson Como Printing Technologies, Italy.

The committee approved the modification as follows,

S. No	Present	Proposed
411	M/S. EPSON INDIA PRIVATE LIMITED. BANGLORE (AUTH. AGENT OF M/S. SEIKO EPSON CORPORATION LIMITED. JAPAN)	M/S. EPSON INDIA PRIVATE LIMITED (SUBSIDIARY SALES UNIT OF M/S. SEIKO EPSON CORPORATION LIMITED. JAPAN) REGD. OFFICE : BANGALORE SALES OFFICE : MUMBAI, CHENNAI, AHMEDABAD, DELHI

Agenda Point No.05: Enlistment of manufacturer as authorized agent for other manufacturer

M/s Orange Weaving Engineering Pvt. Ltd., Surat forwarded application for enlistment as authorized agent of machinery manufacturer i.e. M/s Jiangsu Lainaduo Intelligent Equipment Co Ltd. The unit has submitted MOU copy with 4 years validity from 01.06.2019 and 1% commission.

Section Note:

Both manufacturer M/s Orange Weaving Engineering Pvt. Ltd., Surat and M/s Jiangsu Lainaduo Intelligent Equipment Co Ltd is enlisted for Shuttless looms(Rapier, Waterjet and Airjet) in Annexure-III under ATUFS.

Decision Taken: The committee decided not to permit enlistment of a machinery manufacturer as a authorized agent of any another machinery manufacturer.

Agenda Point No.06:

ATUFS cell forwarded a request regarding the beneficiary claim (M/s. Somnath Weaving Pvt. Ltd who purchased circular knitting machine from M/s Fukahama Machinery Co Ltd.

In that claim COO issued by M/s Fukahama Machinery Co Ltd in that proforma invoice no. is mentioned as PI- IN180316. The beneficiary unit not submitted copy of the same . This office requested vide letter dated 25.08.2022 to RO Ahmedabad under copy to beneficiary unit to submit above document mentioned in COO.

The beneficiary unit responded that the mentioned PI-IN180316 in COO was raised between Machine Manufacturer (M/s Fukahama Machinery Co Ltd) & Authorized agent (M/s Fenatex Co Ltd), hence not available with the beneficiary.

Section Note:

- i. Similar case was discussed in 37th ITC (Agenda No-10) in relation to M/s Itochu Systech & M/ Global Impex, wherein 37th ITC dated 24.02.2022 decided to call invoice copies from the agent.
- ii. The matter is related to only the submission of a document (No technical aspect/ technical discussion not available with the case)

Decision Taken : The matter doesn't fall under the purview of ITC as it is not a technical matter. Hence, ATUFS section may take suitable decision in this matter

Additional Agenda Point No 1:

ATUFS cell vide Note no.12 (3816)/ JIT/ATUFS/2022/TUFS/119 dated 13.10.2022 forwarded issue regarding model no. difference noted between machinery name plate and invoice in respect

of M/s. Modweave International Pvt. Ltd. Ahmedabad who purchased machines from M/s. Lohia Corp Ltd .The differences noted are as follows,

Machine Description	Model no in Invoice	Model no in Machine name plate	Manufacturer Clarification
PLC Looms Based circular looms	Nova-6-720 (LF) & Nova 6 - 576(LF)	Nova6	Nova6 is a shuttle loom having 2 variants of creel a) Nova6-720 (LF) has 720 nos. of creels b) Nova6-576 (LF) has 576 nos. of creels We are using same name plate in both versions of Nova6.
	Nova 62 (LF)	Nova 62	Nova62 has 2 variants a) Nova62 (LF) LF- stands for lighter fabric b) Nova62 (HF stands higher fabric We are using the same name plate in both versions of Nova62.
	LSL 6	LSL 6B	In name plate of LSL6, B suffix has been used identification Bangalore unit
PLC based Lamination machine for technical textile	1600TX	1600TX/200	200 is a suffix, used in name plate to denote 200 meter/min line speed of the model.

ATUFS cell submitted Invoice copies, Technical literature and declaration of the manufacturer.

Decision Taken:

The committee examined the documents and opined that name plate & invoice comprises details as per TAMC decision i.e. Manufacturer name, Model no and year of manufacturing alongwith some additional details based on specification etc. Hence, such claims may be considered based on clarification of the manufacturer itself and JIT confirmation on the claim. The committee recommended the case if other conditions are met as per ATUFS guidelines.

Handwritten signature/initials

List of Video Conference of Indigenous Machine Manufacturers placed before S2nd Internal Technical Committee

Sr. No.	File no.	Name of the unit	Indigenous	Certificate of incorporation	Udyog Aadhar	Undertaking	Valid I.S.O	Sales figure	Eligible Textile Machine covered under which annexure of ATUFS	ISO Verification	Remark	Technical Committee Decision
1	R-69	M/s. Rameshwar Text Engineering Plot No.47, Maruti Industrial Estate, Nr. Solapur Compound Udhog Nagar Udhna, Surat -394 210, Gujarat	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-1-B-5	Verified	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
2	V-28	M/s. Vintage Air Technology A-6/21, Road No.6, Beside Ankur Waybridge, Udhog Nagar Udhna, Surat -394 210, Gujarat	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-2-81	Verified	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Deferred due to network problem from units side
3	D-52	M/s. Dhriti Envirocare Plot No.4313/11, Road No.43-D, GIDC Sachin, Surat -394 230 Gujarat	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-1-B-9, MC-2-9	Verified	As per the decision of 51st ITC, deferred for the next ITC for confirmation of the UID details from ATUFS Section. And now the ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
4	I-41	M/s. India Textile Manufacturing Co. Street No.2, Shiv Nagar, Opp. Navjot School, Batala Road, Amritsar - 143 001, Punjab	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-3-B-1, MC-3-D-1, MC-3-D-2, MC-3-D-4, MC-3-D-5, MC-3-D-6, MC-3-D-7	Verified	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Physical verification to be done by the concerned Regional Office

NK Singh
Assistant Director

Sachin Kumar
13/10/2022

A. S. / 13/10/22
Sivakumar
Deputy Director

R. S. / 13/10/22

~~Sachin Kumar~~
13/10/22
[Sivakumar, R.]
Asst. Director

S. V. / 13/10/22

List of Machine Manufacturers placed before 52nd Internal Technical Committee

Sl. no.	Y. no.	Name of the unit	Abroad	Embassy Certificate	BUSINESS LICENCE	Undertaking	Valid I.S.O/C E self declaration	Sales figure	Eligible Textile Machine covered under which annexure of ATUFS	ISO Verification	Whether as per direction of 18th TAMC, i.e., Embassy Certificate was routed through MoFA of concern country?	Remark	Technical Committee Decision	
1	Z-76	M/s. Zhuji Hongfang Machinery Manufacturing Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-4-47	Verified	Yes	Ministry of External Affairs, Republic of China has certified the Business Licence of the applicant machine manufacturer, which is seen by Consular General of India, Shanghai. The 18th TAMC has decided to consider such documents.	As per the decision of 51st ITC, deferred for the next UID details from ATUFS Section. And now the ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
2	S-250	M/s. SPG Prints B.V., Netherlands	Abroad	Yes	Yes	Yes	CE	Yes	MC-2-48	CE	Yes	Apostille certificate is submitted by the unit.	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
3	T-78	M/s. Trutzschler Nonwovens GmbH, Germany	Abroad	Yes	Yes	Yes	Yes	Yes	MC-3-G-1-viii	Verified	Yes	Consulate General of India Frankfurt has certified that the applicant is a textile machinery manufacturer.	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
4	W-40	M/s. Wira Instrumentation Ltd., United Kingdom	Abroad	Yes	Yes	Yes	CE	Yes	MC-7-33, MC-7-35, MC-7-39, MC-2-82	MC-CE	Yes	High Commission of India, London has certified that the applicant is a textile machinery manufacturer	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended
5	J-48	M/s. Jiaying Dayuh Machinery Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-3-e-9, MC-3-w-16, MC-3-h-21, MC-2-77	Verified	Yes	Ministry of External Affairs, Republic of China has certified the Business Licence of the applicant machine manufacturer, which is seen by Consulate General of India, Shanghai. The 18th TAMC has decided to consider such documents..	As per the 50th ITC decided that, call for further clear clarification from the unit two names mentioned on the technical brochure. Now the unit submitted declaration that another unit not involved in any activities related to Indian customer	Recommended

Sachin Kumar
13/10/2022No
NIK Singh
Assistant DirectorApproved
13/10/2022

A. K. Bhatia

Approved
13/10/2022

Sachin Kumar

List of Agents for Machine Manufacturers placed before 52nd Internal Technical Committee						
Sl no.	File no.	Name of the authorized agent and its Parent machine manufacturer	Indigenous/ Abroad	MoU for Subsidiary unit /Authorized Agent with % of commission	Remark	Technical Committee Decision
1	F-6	M/s. Bark Exim, Surat (Auth. Agent of M/s. Fujian Yonthin Digital Control Technology Co, Ltd., China)	Indigenous	Yes 1% To 10%	Parent unit enlisted at Sr.No.37 in Annexure-III. One authorised agent in overseas and one agent in India is already enlisted. The MoU contradicts for making another agent in India. As per 49th ITC decision, clarification called from manufacturer that why their name should not be delisted from the indicative list of the machine manufacturer under ATUFS for submitting the above MOU. Unit submitted clarification and revised MOU with first agent.	Recommended

Ne.
N.K. Singh
Assistant Director

Sachin Kumar
13/10/2022

13/10/2022

P.S.F.
13/10/2022

13/10/2022

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