

Minutes of the 58th meeting of the Internal Technical Committee under Amended Technology Upgradation Fund Scheme (ATUFS) was held on 16.01.2023

The 58th meeting of the Internal Technical Committee (ITC) under Amended Technology Up-gradation Fund Scheme (ATUFS) was convened on 16.01.2023 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 8 proposals (Abroad - 04, Indigenous – 01, Authorized agents– 01, Accessories - 02)received from Textile Machine Manufacturers for enlistment under ATUFS, were scrutinized by the Internal Technical Committee. The list of 06 proposals was recommended to the Textile Commissioner for her approval to upload the same on website of the Textile Commissioners Office (Attached herewith as Annexure-II. The application of two aboard units was not recommended for enlistment, as one of the unit was in existence only from 2020 onwards and as per their website they were selling 2nd hand machinery. In case of the other unit their business license does not certify them as textile machinery manufacturer.

Agenda Point no.02:Case forwarded by ATUFS Cell - Manufacturer Name difference

TUFS Cell forwarded vide note no. 12(3257)/JIT/ATUFS/2020/TUFS/211dated 26.12.2022 requested to place issue regarding the machinery manufacturer name differences observed during scrutiny of ATUFS claim in respect of. M/s. Space Knitwear Pvt. Ltd. The name difference noted in submitted invoice copy, machine name plate photo and machine operating panel photo as follows,

1. Name mentioned in the **Invoice** - Kao Heng Precision Machinery Industrial Co. Ltd., Taiwan.
2. Name mentioned in the **machine name plate** - Kao Heng Co. Ltd., Taiwan
3. Name mentioned **near operating display of the machine** - Kao Heng Precision Machinery Ind. Co. Ltd., Taiwan.

Section note:

- M/s. Kao Heng Precision Machinery Industrial Co. Ltd., Taiwan. is enlisted at serial no.121 in Annexure-III
- Same issue of the above manufacturer was discussed in 20thITC dated 14.06.2021in respect of ATUFS claim -M/s. True Collar Inc. and requested ATUFS cell to call clarification from the manufacturer.
- This section has not received any reply from the manufacturer for this office email dated 28.06.2021& 27.12.2022 regarding same issue in respect of M/s. Bambi Apparels. However, RO-Amritsar submitted clarification from the manufacturer as they mentioned short name of company in machine name plate.

Decision Taken: As this matter is not Technical in nature and also out of the purview of ITC mandate, hence, ATUFS Section may take a suitable view/decision based on the clarification received from the unit and guidelines of ATUFS.

Agenda Point no.03:Enlistment of all Regional offices and Custom bonded Ware houses across India.

M/s. IIGM Private Limited, Bangalore vide their letter 20.12.2022 submitted their representation against this office query email dated 01.11.2022 regarding enlistment of all their Regional offices and Custom bonded Ware houses.

M/s. IIGM Private Limited, New Delhi is enlisted as an authorized agent of M/s. Gerber Technology (Applied for MC4-20 and MC4-30)at serial no.413 in Annexure-III under ATUFS.

Their representations submitted on support of their request were reproduced below,

I. Customs Bonded Warehouse :

Government of India allows importers to avail these services of Customs Bonded Warehouse both in Free Trade Zones (FTZS) and in Private Bonded Warehouse facilities. We availing both services at M/s.LOM Supply Chain India Pvt Ltd., Free Trade Zone (FTZ), Chennai and in Private Bonded Warehouse at Bangalore. Goods imported under these facilities have to be bonded and stored in these warehouses. The process of debonding based on EPCG license or OGL passes through a Customs Inspection and only then can be cleared.

II. GST

All imports made into India suffer IGST. Sales made through any State of the India suffer CGST and SGST. Due to this reason, it is not possible or practical for all imports made by us*to be billed only from the State of Delhi, just because our Regd. Office is situated in New Delhi. If we do this, it will not be possible to claim the benefits of the IGST against which we have paid to the Government at the time of import. Due to these practical reasons, our stock points are based across India and billed as per GST Laws pertaining to that State. Further the subsidy denied for M/s. J.G Hosiery Pvt. Ltd., Tirupur and M/s. Knit Gallery, Tirupur for billing through New Delhi office.

Unit submitted Agreement copy between M/s. IIGM and M/s. Supply Chain India Pvt Ltd (FTZ), Sample Invoice copy, Private warehouse License and List of regional offices/ warehouse for inclusion.

Decision Taken in 57th ITC dated 22.12.2022:The committee observed that the matter needs more deliberation and due to paucity of time the matter was deferred to the next ITC meeting.

Decision Taken: After detailed deliberation, the committee members decided not to consider the request of M/s. IIGM Private Limited, New Delhi as the same is not permitted in the revised GR dt. 2/08/2018. Moreover, the applicant is an authorized agent and not a textile machinery manufacturer.

Agenda Point no.04: Addition of MAICA brand machines with M/s. Jack Sewing Machine Co. Ltd., China

M/s. Jack Sewing Machine Co. Ltd., China is requested this office to add MAICA brand machines manufactured by M/s. M.A.I.C.A SRL, ITALY under the name of M/s. Jack Sewing Machine Co. Ltd., China(enlisted in Annexure- III at Serial no.100).

In this regard unit submitted below documents in support of their claim,

- a. Supplementary heads of agreement dated 02.05.2017 signed by both parties
- Selling of 100% shares to M/s. Jack Sewing Machine Co. Ltd., China
- b. Independent Auditor's Report for three years from 2019 -2021
- Establishing 100% shares of M/s. MAICA SRL, Italy held by M/s. Jack Sewing Machine Co. Ltd., China
- c. Undertaking
- d. Sales figure
- e. Technical literature
- f. Declaration letter that all invoices made by M/s. Jack Sewing Machine Co. Ltd., China

Section note:

M/s. M.A.I.C.A SRL, ITALY applied for fresh registration on 19.03.2021 with Indian Embassy Certificate (without any correlation with M/s Jack Sewing Machine Co. Ltd.). The application was rejected on 07.01.2022 due to non submission of requested documents (Revised undertaking and technical literature) for this office query dated 05.04.2021 as per 4th IMSC decision.

Decision Taken: The committee noted that M/s. M.A.I.C.A SRL, ITALY had applied for enlistment as Machinery Manufacturer in March 2021 and the submitted documents showing M/s. Jack Europe S.A.R.L. as 100% shareholder of M/s. M.A.I.C.A SRL, ITALY as on 07/02/2018. Whereas now, M/s. Jack Sewing Machine Co. Ltd, China have submitted a Supplementary Heads of Agreement dt. 2/5/2017 in which they have agreed to purchase 100% shares of M.A.I.C.A. S.R.L. Further, they have failed to submit a copy of the formal sale and purchase agreement to be entered into on 28/07/2017, between M/s. Jack Sewing Machine Co. Ltd, China and M/s. M.A.I.C.A SRL, ITALY, as per the Supplementary Heads of Agreement dt. 2/5/2017. As such, the committee decided to call for the unit's explanation for the above discrepancies and also required to submit the audited Annual Report, Balance Sheet etc of Jack Sewing Machine Co. Ltd., China instead independent auditor report of M/s. M.A.I.C.A SRL.

Agenda Point no.05:Physical Verification report from RO- Ahmedabad

Sub agenda Point no.01:M/s. Deep Engineers, Rajkot

RO- Ahmedabad submitted the physical verification report of M/s. Deep Engineers, Rajkot vide letter dated no.17(71)/91/2020/MIC/ATUFS/ROA/05 dated 02.01.2023 as per the decision of 50th ITC meeting dated 08.09.2022 in reference to this office letter no. 12 (7)/ATUFS/ITC/2022/TMB/ 50th ITC/27 dated 16/09/2022.

M/s. Deep Engineers is applied for MC-2-40, MC-2-47, MC-2-7, MC-2-58 (Printing machines, Jigger and Drying range). Shri. A.K.Gautam (TO) from RO- Ahmedabad has visited the unit and submitted observation as follows.

- A. Unit found working in above address and they have collaboration with other workshops for various machine parts manufacturing.
- B. Unit found manufacturing of PLC based Printing machine and on the day of visit they doing commissioning work of flat bed printing machine and dryer for rotary printing machine
- C. Unit is engaged in manufacturing of PLC controlled Flat bed printing machine and having capacity for manufacturing of rotary printing machine, Jigger machine and drying range.

Based on above OIC of RO- Ahmedabad recommended that M/s. Deep Engineers, Rajkot as a machinery manufacturer for enlistment under ATUFS.

Decision taken: Based on the physical verification report of M/s. Deep Engineers, Rajkot and there commendation of R.O. Ahmedabad, the committee acceded to the request of M/s. Deep Engineers, Rajkot to enlist them as Machinery Manufacturers under ATUFS.

Sub agenda Point no.02: M/s. Sonraj Industries, Rajkot

RO- Ahmedabad submitted the physical verification report of M/s. Sonraj Industries, Rajkot vide letter dated no.17(71)/91/2020/MIC/ATUFS/ROA/01 dated 02.01.2023 as per the decision of 50th ITC meeting dated 08.09.2022 in reference to this office letter no. 12 (7)/ATUFS/ITC/2022/TMB/ 50th ITC/27 dated 16/09/2022.

M/s. Sonraj Industries is applied for MC-3- E-9 (PLC based Coagulated PU or PVC, dip coating machine / PU or PVC coating line or coating dipping / knife machine with infrared dryer). Shri. A.K.Gautam (TO) from RO- Ahmedabad has visited the unit and submitted observation as follows.

- A. Unit found working in above address and they have collaboration with other workshops for various machine parts manufacturing.
- B. Unit found manufacturing of PLC based Coagulated PU or PV coating line at their factory and on the day of visit they doing commissioning work coating lie.

Based on above OIC of RO- Ahmedabad recommended that M/s. Sonraj Industries, Rajkot as a machinery manufacturer for enlistment under ATUFS

Decision taken: Based on the physical verification report of M/s. Sonraj Industries, Rajkot and the recommendation of R.O. Ahmedabad, the committee acceded to the request of M/s. Sonraj Industries, Rajkot to enlist them as Machinery Manufacturer under ATUFS..

Agenda Point no.06: Re -representation submitted by M/s. SVG Fashions Pvt Ltd regarding ATUFS claims related to M/s Jiangu Runshan Precision Machinery and Technology Co. Ltd China

Sub agenda Point no.01: Regarding logo issue - File No. ATUFS/2018/19/2621

TUFS Cell forwarded vide note no.12 (2896)/JIT/ATUFS/2020/TUFS/103 dated 17.05.2022 regarding a unit has knitting machine from M/s Zee Yeng Company Ltd. During JIT it has found that machine name plate comprises only logo of the machinery manufacturer.

1. **Name mentioned on machine name plate** - M/s Runshan Knitting Machine
2. **Machinery Manufacturer Name** - M/s. Jiangu Runshan Precision Machinery and Technology Co. Ltd China.(Enlisted at Annexure-V Sr No-53)
3. **Invoice issued by** - M/s Zee Yeng Company Ltd is authorized agent of M/s Jiangu Runshan Precision Machinery and Technology Co. Ltd China- (Enlisted at Annexure-V Sr No-55)

In this regard the following documents were submitted by TUFS cell,

1. Invoice Copy
2. Name plate of machinery photo Copy
3. Manufacturer Self Declaration Copy
4. Branding practice
5. Trademark mark/ Logo registration certificate

Section note: Based on the submitted documents it is verified that the logo of machine name plate, Trademark/ Logo registration certificate is found same however trademark for logo name is found different from name plate. Since invoice issued by the authorized agent hence manufacturer logo is not available in commercial invoice.

Decision Taken in 46th ITC dated 19.07.2022: The committee examined the matter and decided to call clarification from Indian Embassy at China to establish the authenticity of machinery manufacturer i.e. M/s. Jiangu Runshan Precision Machinery and Technology Co. Ltd, China.

Section note: Based on the ITC decision email sent to the Indian embassy on dated 22.07.2022 and reminder email dated 25.08.2022. On 29.08.2022, the Indian Embassy at China replied vide email that "This Consulate may not be in a position to independently authenticate any manufacturing activity of the Chinese company under its jurisdiction".

Decision Taken in 51st ITC dated 22.09.2022: - The committee reviewed the documents submitted by the unit & machine manufacturer's letter. The committee found that the manufacturer is following substandard branding & business practice since in their technical literature & machine are having different logo. Hence, the committee could not conclude on the subject and decided to refer back ATUFS cell for taking appropriate decision as per GR and other claims pertaining to same manufacturer.

The same was discussed in 32nd TAMC and ITC decision also ratified.

However, during TAMC meeting some members requested to review the decision and TxC asked to submit the representation. In addition to that M/s. SVG Fashions Pvt Ltd submitted below presentations during webex meeting on 01.12.2022 and in person visit of Mr. Rajkumar Agarwal on 19.12.2022 as follows,

- a) RUNSHAN - which is their brand for manufacturing circular Knitting machines for various market around the world including their domestic market in China. They have different Trademark logo for those markets. The logo registered is "RUNSHAN" all capital letter, but nameplate is "RunShan" which R and S are capital. The normal practice in China is that after a company applies and registered the English word logo's, other OEMs are not allowed to apply and register the same English word logo, it does not matter if it's in lower case or upper-case words. Hence, the registered OEM can use either "RUNSHAN" or "Runshan" or "RunShan" on their machines, as far as the name is not changed
- b) For Chinese customers they use Chinese word "润山" which means RUNSHAN and for other countries where they sell the machines like in Europe and India, they have their Trademark logo S/R without Chinese word "润山" as they write RUNSHAN in English under their logo.
- c) Submitted Manufacturer clarification, Declaration of M/s. SVG Fashions Pvt Ltd, Logo certificates and Logo and brand name in factory premises and video.

Section Note : Online translation by section of certificate no.13971954 - "润山" which appears Runshan (means RUNSHAN). "S/R" logo is same in all the above documents

 <p>Logo in the submitted documents during enlistment 06-05-2018</p>	 <p>Logo in the trade Mark certificate no.13971952</p>	<p>Logo in the trade mark Certificate no.13971954</p> 	 <p>Logo available in machine name plate.</p>
		<p>Logo in the trade mark certificate no.13971953</p> 	

Decision Taken: The committee observed that as the invoice has been issued by the authorized agent as such there is no document to verify the logo of the machinery manufacturer found on the machine name plate. The ITC has decided only those cases as per TAMC decision where is branding practice of the manufacturer is proved and notified logo of the machine manufacturer found in their all documents and as well as machine name plate. Hence, the committee could not conclude on the subject and decided to refer the case back to ATUFS cell for taking appropriate decision as per GR.

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Sub agenda Point no.02:Regarding - Invoice date issue - File No. ATUFS/2019-20/1644

M/s. SVG Fashions Pvt Ltd has purchased 6 sets High Speed Runshan Brand PLC Based Circular Knitting Machines with invoice No. 19/981274 through by M/s. Zee Yeng Company Ltd. authorized agent of M/s Jiangsu Runshan Precision Machinery and Technology Co. Ltd China.

The claim was rejected by RO-Kolkata due to the invoice and packing list date is earlier than the date mentioned in machine nameplate i.e 08 days difference but the month is same.

In support of their claim unit submitted following documents,

- i. Invoice date - 10.09.2019
- ii. Packing list date - 10.09.2019
- iii. Date mentioned in machine name plate - 18.09.2019
- iv. Date mentioned in Country of Origin - 23.09.2019
- v. Date mentioned in Bill of lading - 24.09.2019
- vi. Date mentioned in Bill of entry - 07.10.2019 - (Invoice and COO date mentioned)
- vii. Agent clarification (M/s. Zee Yeng Company Ltd)
- viii. Declaration (M/s. SVG Fashions Pvt Ltd)

Unit and Authorized agent submission:

- Authorized agent declared that after receiving the payment/L.C, they will raise the invoice when machine at final finishing stage and name plate is fixed at the time of dispatch after completion of final touchup. Further invoice is required for booking the vessel space and carry out exporting procedures. Manufacturing date is prior to date of Bill of lading and Bill of entry is most reliable shipping documents required by customs.
- Beneficiary Unit clarified that, in this case LC was opened on 9.08.2019 and BOL date is 24.09.2019 a gap of 46 days. The manufacturer has erred in mentioning his final packing date as manufacturing date. That is the only mistake here. Normally, manufacturers write month only not date. In this case, if we overlook the date and only read the month on the name plate there is no discrepancy

Decision Taken: The committee observed that it is an administrative / policy matter since it is unique case where machine is manufactured after raising the commercial invoice. The ITC has not come across any such case in past, Hence, the committee decided to refer the case back to ATUFS cell for taking appropriate decision as per GR.

*****The meeting ended with vote of thanks to the chair*****

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List of Video Conference of Indigenous Machine Manufacturers placed before 58th 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	N-45	M/s. Nanotek Controls Plot No.1/1, Indra Industrial Complex, Budhena Chowk, Old Faridabad -121 002, Haryana	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-2-24, MC-2-39, MC-2-41, MC-2-42	Verified	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended

List of Video Conference of Accessories Manufacturers placed before 58th 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	A-144	M/s. Atul Enterprise L-59/66 GIDC Estate, Odhav, Ahmedabad - 382415, Gujarat	Indigenous	-	Udyam Certificate	Yes	Yes	Yes	MC-1-A-1(Rapier loom accessories), MC1-A-3(Air jet loom accessories), MC-1-A-4(Water jet loom accessories)	Verified	ATUFS Section confirmed the UID details submitted by machinery manufacturer	Recommended

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16/01/2023
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Asst. Director

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S.K. Singh
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16/01/2023

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16/01/2023

List of Machine Manufacturers placed before 58h Internal Technical Committee

Sl. no.	File No.	Name of the unit	Abroad	Embassy Certificate	BUSINESS LICENCE	Undertaking	Valid I.S.O/CE 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	D-58	M/s. Dongguan Gao EN Machine Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-3-c-6	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, Guangzhou. The 18th TAMC has decided to consider such documents.	All documents are in line.UID details also confirmed by ATUFS section.Hence, it may be considered.	Recommended
2	F-45	M/s. Fujian Province Realknit Precision Machinery Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-1-C-1	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, Guangzhou. The 18th TAMC has decided to consider such documents.	All documents are in line.UID details also confirmed by ATUFS section.Hence, it may be considered.	Recommended
3	C-87	M/s. Changzhou Guanboda International Trade Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-1-A-1, MC-1-A-3, MC-1-A-4, MC-1-A-7, MC-1-B-8	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, Guangzhou. The 18th TAMC has decided to consider such documents.	All documents are in line.UID details also confirmed by ATUFS section.Hence, it may be considered.	Not recommended as the unit is in existing only from 2020 i.e. having less than three years sales figure. Further, as per their website they are selling 2nd hand machinery.
4	Q-70	M/s. Qingdao Wintop Intelligent Equipment Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	MC-1-A-1. MC-1-A-3, MC-1-A-4	Verified	Yes	Ministry of External Affairs, Republic of China has certified the Business Licence of the applicant machine manufacturer, which is seen by Seen in the Embassy of India, Beijing. The 18th TAMC has decided to consider such documents.	All documents are in line.UID details also confirmed by ATUFS section.Hence, it may be considered.	Not recommended. As per business licence submitted by the unit they are not textile machinery manufacturers.

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List of Accessories Manufacturers placed before 58th Internal Technical Committee

Sl. No.	File no.	Name of the unit	Abroad	Embassy Certificate	BUSINESS LICENCE	Undertaking	Valid I.S.O/CE self declaration	Sales figure	Description of the Parts & Accessories	ISO Verification	Remark	Technical Committee Decision
1	Z-77	M/s. Zhejiang Hongxin Technology Co, Ltd., China	Abroad	Yes	Yes	Yes	Yes	Yes	Warp knitting beam	Verified	All documents are in line. Hence, it may be considered	Recommended

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 DIR

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 11/04/2023

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 16/01/2023

List Agents for Machine Manufacturers placed before 58th 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	H-49	M/s. Royal Star Imp and Exp Co, Ltd., Hong Kong (Auth. Agent of M/s. Hangzhou Wumu Technology Co., Ltd. China)	Indigenous	Yes 3%	Parent unit enlisted at Sr.No.449 in Annexure-III	Recommended

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