

Ref. No.: NJB/ISAPM/2019-20/14th TC Minutes/ 2449 - 2457Date: 21st February 2020

To,

The Director (TUFS) Representative of the Textile Commissioner Nishta Bhavan, 48, New Marine Lines, Mumbai-400 020 Email : texcomindia@txcindia.com	Dr. U. S. Sharma, Director, Indian Jute Industries' Research Association, 17, Taratola Road, Kolkata - 700 088 E-mail: ijira@vsnl.com / director@ijira.org
Shri Raghavendra Gupta, Chairman, Indian Jute Mills Association, 6, Netaji Subhas Road, Kolkata - 700 001 E-mail : ijma@ijma.org	Shri Neel Kankani, Chairman, Jute Products Development and Export Promotion Council (JPDEPC), DA-149, Sector- I, Salt Lake City, Kolkata - 700 064 E-mail : jute.jpdepc@hotmail.com
Shri Nirmal Pujara, Chairman, Calcutta Jute Fabrics Shippers Association (CJFSA), 25, Princep Street, Kolkata - 700 072. E-mail : cii@ho.champdany.co.in	Shri Sajan B. Nair, Member Secretary, Jute Shippers Council, (ACI & Shippers Union Ltd.), Mayithara - 688539, Cherthala, Kerala. E-mail : shippers@bsnl.in
Shri T. A. N. Gupta, Executive Director, Sri SitaramaLakshmi Jute Mills Pvt. Ltd. Palakandyam (Village), G. SingdamMandal, Pondur Road, Near Rajam, Srikakulam (Dist), A. P., Pin Code - 532 168 E-mail : ssljute_mills@rediffmail.com	

Sub: Minutes of the 14th Technical Committee (TC) Meeting of Incentive Scheme for Acquisition of Plants & Machinery (ISAPM) - reg.

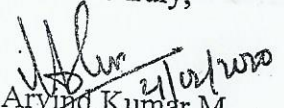
Dear Sir,

The 14th Technical Committee Meeting of ISAPM was held on 29th January' 2020 under the Chairmanship of the Jute Commissioner at office of the Jute Commissioner, Kolkata. The approved minutes is enclosed for your kind reference.

This issues with the approval of the Competent Authority.

Thanking you,

Yours truly,


Arvind Kumar M.
Secretary**Encl:** As above.**Copy to:** The Jute Commissioner, O/o the Jute Commissioner, Ministry of Textiles, Govt. of India

**MINUTES OF THE 14TH MEETING OF THE TECHNICAL COMMITTEE (TC) UNDER
THE INCENTIVE SCHEME ON ACQUISITION OF PLANTS & MACHINERY (ISAPM)**

Venue : Conference Room, Office of the Jute Commissioner, Kolkata

Date and Time : 11:30 A.M., 29th January, 2020

Attendees: Annexure I

The meeting was held under the Chairmanship of the Jute Commissioner. The Secretary, NJB welcomed the members. Thereafter the agenda items were taken up for discussion. The list of attendees is enclosed at *Annexure I*.

Agenda 1: Confirmation of the Minutes of the 13th Technical Committee under ISAPM held on 2nd May'2019

The Minutes of the 13th TC meeting under ISAPM held on 2nd May, 2020 was circulated vide NJB's communication no. NJB/ISAPM/2019-20/13th TC.Minutes/2163-2170 dated 11th June, 2019 to all the members.

The minutes have been considered as approved.

Agenda 2 : Action Taken Report on 13th Technical Committee meeting

The Committee noted the action taken by NJB as directed in the 13th Meeting of the TC and some important issues are stated below:

- i) Embassy certificate for enlisted foreign machinery manufacturers /vendors under ISAPM.

The Committee advised IJIRA that in addition to the new enlistment cases, necessary embassy certificates may be obtained from the existing enlisted foreign machinery manufacturers / vendors also.

- ii) Sub-committee report on rejected cases.

The Committee deliberated on the report submitted by the Sub-committee on the rejected cases. Those cases were further examined by the Technical Committee and the Committee did not found any merit for consideration of the rejected cases. In the case of M/s RDB Textiles (Unit: Victoria Jute Mill) file no. - OS/117 the Committee noted the action taken by NJB.

- iii) Revised machinery Price List

The Committee was briefed about the issue related to the exclusion and re-inclusion of Rotary Gill Drawing machine of M/s New Mech Tech Pvt. Ltd. in the ISAPM machinery price-list submitted by IJIRA time to time. The Committee directed that a joint inspection (NJB, O/o JC and IJIRA) may be carried out at both the vendors of the Rotary Gill Drawing machines i.e. M/s Hans Machineries and M/s New Mech Tech Pvt. Ltd. to assess their present manufacturing capability of Rotary Gill Drawing machines.

After the above assessment, the joint inspection report may be placed before the next TC along with the updated price-list for its implementation under the scheme.

It was also reported that some of the claims are not settled owing to the above stated issue of Rotary Gill Drawing machine of M/s New Mech Tech. Pvt. Ltd. The Committee advised that the disputed part of the claims may be kept aside till finalization of above assessment

through joint inspection and directed that the balance part of the claims may be processed for settlement.

Agenda 3: Status of the ISAPM Scheme as on 15.01.2020

The status of ISAPM (on-going) Scheme was noted by the Committee.

➤ Pertaining to financial year 2017-18:

Sl. No.	Description	No. of cases	Investment (Rs./Crore)	Incentive (Rs./Crore)
1	Online LoI received	97	114.9	23.1
2	No. of case closed exceeded 12 month timeline for claim submission	46	68.9	13.7
3	No. of Claim Received	51	110.6	22.2
4	Under process at NJB/ IJIRA, before inspection	02	10.6	2.01
5	Under process at NJB, after inspection	09	17.8	3.70
6	Settled Case	33	--	6.51
7	Rejected Cases	07	6.75	1.35

➤ Pertaining to financial year 2018-19:

Sl. No	Description	No. of cases	Investment (Rs./Crores)	Incentive (Rs./ Crores)
1	Online LoI received	90	133.6	26.7
2	No. of case closed exceeded 12 month timeline for claim submission	22	12.2	2.47
3	No. of Claim Received so far	60	109.9	22.02
4	Claim received and under process at NJB, before inspection	15	36.58	7.34
	Under process at IJIRA	16	36.84	7.36
5	Claim received and under process at NJB, after inspection	13	15.6	3.13
6	Settled Case	13	--	1.87
7	Rejected Cases	03	3.06	0.61

The Committee also noted that since the Scheme is valid upto 31.03.2020 all the claims will be accepted by NJB as per the scheme guidelines till 15.03.2020.

Agenda 4 : Vendor & Machine Enlistment:

The following vendor was approved by the Committee for enlistment under ISAPM for core jute machinery:

Sl. No.	Name of the Vendor	Type of Machine
1.	M/s Dev Engineering	Folding & Stacking attachment after Rotary / Guillotine Cutting machine.
		Bag stacking attachment after Branding / Printing machine.

The Committee approved the proposal for inclusion of Inter-Spreader in the list of eligible core jute machinery under ISAPM. Vendor enlistment process for the above machine may be initiated by IJIRA as per the scheme guidelines.

Agenda 5 : Relocation / dispose of machinery within 5 (five) years

During the ongoing claim inspections under ISAPM, the team has been verifying the availability of the machinery in the mill against which they have received incentive / subsidy from NJB. It is reported in few cases that some of the incentivized machines have been relocated by the mill.

The Committee noted the matter and directed that such violations are not tenable at all and the beneficiaries should return the incentive disbursed on those machines to NJB forthwith along with interest at prevailing rate. However, the Committee also stated that the above direction may not be applicable if the machinery is relocated within the same mill premises.

Agenda 6: Partial Modification in the Online Portal of ISAPM Scheme

To capture the machine installation intimation a partial modifications were carried out by NJB in the online system. The Committee noted that the above partial online modification has created some hindrances in claim submission process and advised NJB that the same may not be implemented in the present format and the original previous online format may be restored.

Agenda 7: Off-line Lol

The Committee noted that the online application was kept on hold from 4th February'2019 due to paucity of funds. The present Scheme is valid till 31.03.2020. It is reported that the funds are given to NJB and the online system is being reopened.

The Committee directed that the claims if any pertaining to the period i.e. machinery procurement and installation from 4th February'2019 onwards may be submitted offline through the industry association and last date of acceptance of such claims at NJB is 15.03.2020. The claims will be processed subject to availability of funds.

Agenda 8: Miscellaneous Issue

i) M/s Kamakshi Jute Industries Ltd.

The Committee noted that M/s Kamakshi Jute Industries Ltd. had submitted claims and availed benefits under M- TUFs and advised NJB that the relevant claim documents and machinery details of the Mill under M-TUFs may be obtained from the Office of the Textile Commissioner as the Mill is unable to provide the same to NJB for further scrutiny of their claims under ISAPM.

ii) M/s Premchand Jute & Industries Pvt. Ltd.

The Committee also noted the case of availing double subsidy by M/s Premchand Jute & Industries Pvt. Ltd. from M-TUFs as well as from NJB's Capital Subsidy Scheme under JTM for the same machinery. It is directed to recover the amount with interest at prevailing rate and necessary actions to be initiated against the mill Company.

iii) Rotary Gill Drawing machine of M/s New Mech Tech Pvt. Ltd.

The issue has been dealt above at Agenda 2 (iii).

- iv) In the issue of 10% credit linkage under ISAPM claim the Committee noted that some of the claimants are availing 10% loans only on the basic price of the machines (excluding GST/Taxes and other duties etc.) which is not as per the approved Scheme guidelines.

The representation received from the mill in this regard was placed before the Committee. It is reported that the mills are getting input credits under GST regime and submitted that tax cannot be treated as a cost component of machinery. It is also submitted that NJB considers only the basic cost of machinery for disbursement of incentive.

The Committee advised that the same may be forwarded to the Ministry for further direction.

There being no other issues, the meeting ended with a vote of thanks to and from the Chair.

Sd/-
Shri Moloy Chandan Chakrabortty
The Jute Commissioner
&
Chairman of the Committee

List of attendees

Following officials attended the meeting:

1	Shri Moloy Chandan Chakraborty, IDAS The Jute Commissioner & Chairman	O/o the Jute Commissioner
2	Shri Arvind Kumar M - Convenor & Secretary	National Jute Board
3	Shri Sujit Pal – Director (Cost) & CFO	O/o the Jute Commissioner / NJB
4	Shri Mahadeb Datta, Deputy Director (TT)	National Jute Board
5	Shri Soumyadipta Datta, Assistant Director (T)	O/o the Jute Commissioner
6	Shri Pallab Das, T.A.	National Jute Board
7	Shri Raghavendra Gupta –Chairman	IJMA
8	Shri Neel Kankani, Chairman	JPDEPC
9	Shri Partha Sanyal, Scientist	IJIRA