Highlights of Minutes of 25th Meeting of TAMC under ATUFS - 22/02/2022, for apparel exporters

AEPC had been consistently taking up the issues being reported and faced by the exporters for resolution under TUFS. We are happy to share that some of the pending issues were taken up for discussion in the 25th TAMC meeting held on 22.02.2022 under the Chairpersonship of Ms. Roop Rashi, Textile Commissioner. The Minutes of 25th TAMC meeting as issued by the O/o. TXC are enclosed herewith for your kind information and reference, along with the brief of some of the important decisions for apparel exporters, as below:-

- 1. Agenda No. 04: The Committee ratified inclusion of "Fully Automatic continuous yarn bulking and heat setting machine with take up speed of Minimum 200 mpm for Technical Textile use only" under MC-03-b-05 with effect from 24.08.2017.
- 2. Agenda No. 05: With regard to the request of Ludhiana Knitwear Club for Consideration of COO bearing name of legal representatives / constraints as On behalf ("O/B") of the exporter of machine, the TAMC deferred the matter and decided to deliberate at length in dedicated meeting with Ludhiana Knitwear Club, since similar practice is not seen in other regions/clusters cases.
- **3. Agenda No. 6**: For consideration of installation certificate issued by Chartered Engineer for machines procured under EPCG scheme from the units/beneficiaries under ATU FS, the TAMC, after detailed deliberation, revisited the decision of 24th TAMC and considered to accept the installation certificate either from the jurisdictional custom authority or from Chartered Engineer for machines procured under EPCG scheme from the units/beneficiaries under ATUFS which is issued during validity period only as per para 5.04(a) of chapter 5 Export Promorion Capital Goods (EPCG) scheme of FTP.
- (ii) The committee decided that machine(s) for which COO bears third party or via and not allowed under EPCG may not be considered under ATUFS as there is a possibility that such procured machine(s) is either second hand or refurbished, which is not permissible under ATUFS.
- **4. Agenda No. 7:** As per the authorization of 5th IMSC to TXC, TXC found 25 cases in which RO could not upload JIT report within 2 days timeline prior to the decision of 5th IMSC. 25th TAMC accordingly recommended taking up the matter with MoT for condoning delay in upload of JIT reports of 25 cases (Annexure-III attached).
- **5. Agenda No. 9:** For consideration of condoning delay (M/s. SVG Fashion Ltd.) in submission of UID application beyond 6 month and filling JIT request beyond 2 year from date of TL, the TAMC has recommended to take up the case of M/s. SVG Fashions Ltd with MOT. Further, the committee also requested the members to submit the details of similar affected cases for consideration on merit of the case, to enable bunching if possible. Normally single cases are never in purview of policy bodies unless it is only case due to justified reasons.
- **6. Sub Agenda 01 of Agenda 10**: The TAMC ratified inclusion of 56 machinery manufacturers and authorized agent under ATUFS (List at Annexure-IV).
- **7. Sub Agenda 02 of Agenda 10: Enlistment of parent manufacturing unit along with their subsidiary units Decision of 25th TAMC:** The Committee ratified decision of ITC with applicability in prospective cases for delisting of authorized agents from the indicative list of machinery manufacturer under ATUFS in respect of JUKI, Pegasus, Taaima. TAMC advised ITC to consider enlistment of authorized agents on receipt of the request from the manufacturer alongwith original copy of MoU signed by both the parties as per the extant guidelines.
- **8. Sub Agenda 12 of Agenda 10:** With regard to the issue related to invoicing by Indian Authorized Agents of Imported Machinery to their Indian Buyers, the matter was taken up for discussion in the meeting as it will not always be feasible for smaller units purchasing machinery of lesser cost to import machines directly from the manufacturer. The TAMC decided that the matter needs further deliberations at length. Despite same GST the practice seems to be different in regions in India, hence deferred.

9. Sub Agenda 16 of Agenda 10: TUFS cell has forwarded a case related to the Branding practice of IWs. Harish Textile Engineers Ltd., wherein they have submitted a letter received from the manufacture regarding their branding exercise, marketing practices and logo.

The 31st ITC has gone through the documents submitted by the TUFS Cell. From the submitted documents, it has been noticed that brand logo indicated on the Commercial Invoice, Machine Name Plate, Website and the certificate of Trade mark generated by controller general of patent design and trade mark was found to be the same. As such the committee has recommended to TAMC for allowing this case for subsidy under ATUFS. The TAMC Committee accepted recommendation of the ITC for consideration of the claim under reference for subsidy under ATUFS.

- **10. Sub Agenda 17 of Agenda 10:** With regard to the issue for simplification of procedure for enlistment of Machinery Manufacturers under ATUFS, the 25th TAMC
- (i) accepted recommendations of the ITC for direct enlistment of renowned Textile Machinery Manufacturers having existence more than 25 years in international trade by the Textile Machinery Section of office of the Textile Commissioner. (ii) The Committee decided to collect sales data of at least one year in case of new textiles machinery manufacturing units of the country.
- **11. Sub Agenda 19 of Agenda 10:** With regard to consideration of Apostille Certificate, Decision taken in 32nd ITC Meeting: Ministry of External Affairs has issued O.M. dt. 18/11/2020 states Apostille document should, therefore, be treated as legalized document in India by all concerned, in accordance with the international obligation under the Hague Apostille Convention. Committee is opined to consider the Apostille Certificate in place of Embassy Certificate subject to TAMC relaxation. The 25th TAMC ratified recommendations of ITC as has already been covered under the Sub Agenda Point No. 17(i).

12. Agenda No. 11: Issues pertaining to previous versions of TUFS for 25th TAMC.

Sub Agenda No. 1: Absence of representative of Textile Research Associations (TRAs) or Local Industry Association in JIT inspection for cases under previous versions of TUFS

The TAMC deliberated and viewed that as per the protocol representative of industry association/TRA is mandatory and cannot be relaxed. Hence, it was decided that industry associations which are members of TAMC will sensitize and apprise their local industry associations for participation in JIT inspections. CITI, SIMA and AEPC agreed to provide support for participation of representative of industry association/TRA in JIT inspections. They further affirmed to provide list of industry association who will participate in JIT inspection to all ROs and provide support wherever there is requirement irrespective of the region.

Action Taken By AEPC: For information of the Members of AEPC, it is mentioned that AEPC had already suggested the names of AEPC officials on Pan-India basis wherever the AEPC offices are situated for providing support for scheduling the JIT

13. Supplementary Agenda for the 25th TAMC - Decisions of ITC for ratification by TAMC

Supplementary Agenda No. 05

A TUFS Cell vide Note dt. 16.12.2021 has forwarded the case of a unit who has taken UID under 15% Garment Segment for Computerized Multi Head Printing Machine for Garment and Garment Panels MC-4-113. However, the JIT has recommended the machine under 10% TUFS as per decision of 18th TAMC. **TUFS Cell has requested to clarify the date of applicability of said machine and under which segment it is to be considered.**

The Tirupur Export Knit Printers Association had requested for the inclusion of 'Computerized Multi Head printing machine for garment and garment panels under MC -02 i.e. Machinery for processing of yarn/fibre/fabric so that all printing units doing job work of printing on knitted garments can avail the benefit of the scheme.

"The 18th TAMC decided to consider the computerized Multi head printing machine for garment and garment panels in the Annex. No. MC 04- 113 under MC-02 (processing segment with 10% CIS) also"

Decision Taken in 33rd ITC: Since the machine was eligible in other segment earlier, the date of applicability should be from the date when it was applicable for the other segments also. MOT vide letter dt. 18.8.2021 has already given a decision in a similar case, wherein as per terms of para 3.9 of the revised GR dated 2.8.2018 i.e., ..Machinery eligible for one segment is eligible for other segment(s) / activity(ies) also unless its eligibility is specifically restricted for particular segments / activity". Accordingly MoT has stated that the applicability of the machine in any other segment will also be from the date of issue of original GR i.e., 13/01/2016.

Decision of 25th TAMC: The Committee accepted the decision of ITC.

For detailed information, please refer the minutes of 25th meeting of TAMC under ATUFS.

Encl: Minutes of 25th TAMC Meeting