



राष्ट्रीय जूट बोर्ड
NATIONAL JUTE BOARD

भारत सरकार का एक सांविधिक निकाय, वस्त्र मंत्रालय
A Statutory Body, Ministry of Textiles, Govt. of India

Ref.No. NJB/ISAPM/2016/06-Min / 700

Date : 23rd March, 2016

To
ALL THE MEMBERS OF THE TECHNICAL COMMITTEE OF ISAPM

*to letters to send as
per list*

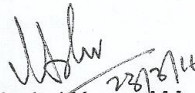
Dear Sir,

Sub: Minutes of the 6th Technical Committee Meeting of ISAPM held
on the 16th of March, 2016 in NJB, Kolkata

Enclosed herewith please find the Minutes of the 6th Technical Committee Meeting of ISAPM held on 16th March, 2016 in NJB, Kolkata, duly approved by the Chairman of the Committee, for favour of your information and necessary action.

Thanking you,

Yours truly,


[Arvind Kumar M.]
Member Secretary

Encl : As above.

Copy to :

The Jute Commissioner
& Chairman, Technical Committee of ISAPM,
Ministry of Textiles, Govt. of India, Kolkata.

} for favour of kind information

16/03/2016
NJB
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[Arvind Kumar M.]
Member Secretary

MINUTES OF THE 6TH MEETING OF THE TECHNICAL COMMITTEE
UNDER THE INCENTIVE SCHEME ON ACQUISITION OF PLANTS
& MACHINERY [ISAPM] HELD ON 16TH MARCH 2016
AT NJB CONFERENCE ROOM, KOLKATA

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

Agenda 1 :Status of ISAPM.

The Committee noted the status report of ISAPM. Following decisions were taken by the Committee case-wise:

- i) Jagatdal Jute & Industries Ltd. [OS/12]: The mill has to submit Excise Installation Certificate as a proof of installation for those machines which were procured between March 2013 and September 2013 and installed after 01.10.2013 for further examination of the case.
- ii) Mahadeo Jute & Industries Ltd. [OS/15]: Committee has noted that the invoice date and date of installation of machines happened within the Scheme period. Post-facto IPA issued by NJB was ratified by the Committee.
- iii) Northbrook Jute Co. Pvt. [OS/19]: As per the decision of the 2nd Meeting of the Technical Committee, “ the benefits of the Scheme should not be extended to any mill / jute processing units, which has violated any of the provisions / mandate of the Ministry of Textiles, the Jute and Jute Textiles Control orders and the JPM Act, 1987”. Since there is a pending legal proceeding against Northbrook Jute Co. Pvt. arising out of WP21121(W) of 2014, the Chairman directed that the incentive claim under ISAPM may be kept in abeyance.

- iv) Kankanarah Co. Ltd. [OS/33] : Committee approved the case and directed NJB for further course of action on processing the case.
- v) Vijai Shree Ltd. [OS/34] : Committee approved the case and directed NJB for further course of action on processing the case.
- vi) Sarada Jute Mills Pvt. Ltd. [BF/11]: Committee noted that the mill has applied for incentive under RR-TUFS for the same machines for which they have claimed incentive under ISAPM. The Committee advised to check whether UID number has been issued for their claim under RR-TUFS. If the same has been issued, debar the mill from availing any facility from any of the Schemes of NJB for the next five years because of wrong declaration.
- vii) Birla Corporation Ltd. [BF/12]: Since the case is not covered under the extant rules as set up in the guidelines of the Scheme, the Committee advised that the mill may be asked to make a presentation of their case before them in the next Technical Committee meeting.

Agenda 2 : Finalisation of De-Novo Registration of vendor.

The committee accepted the report and approved inclusion of following three vendors under core jute machinery.

- a) M/s P.B. Engineering, Kolkata
- b) M/s Krishna Engineering, Ahmedabad
- c) M/s G.D. Industries, Kolkata

A complete vendor list with maximum eligible basic price is enclosed at *Annexure II*. The following points also cropped up during the discussion:

- (a) IJIRA was advised to analyse the Bank Finance cases and take necessary steps to enlist the overseas vendors under core machinery group based on market information of the effectiveness and state of technology of those machines,

- (b) The vendor list may be reviewed and renewed by IJIRA on year to year basis,
- (c) The present De-Novo Registration will remain valid till March 2017,
- (d) IJIRA to organize a meeting with all enlisted vendors in the 1st week of April 2016 to assess their orders in hand and supply status,
- (e) Committee noted that in the In-Principle Approvals / De-Novo Registration, minimum price stated will be in fact the maximum price cap for the machines against which the incentive is disbursed. This maximum eligible price of the machine is determined from the price quoted by all the enlisted vendors under similar machine category.

Agenda 3 : Revised guidelines of ISAPM- simplification.

It was felt that the present methodology of sanctioning and releasing subsidy under the Scheme is unnecessarily complex and some steps do not actually add value to the process of scrutiny of claims. It was suggested that a simplified process may be adopted for a quicker disposal of cases while improving accountability.

[A] Under Own Source

- (i) Committee noted that the proposed system, which will save lot of time and paperwork, may be adopted by NJB from 1st April 2016. The modified system is enclosed at *Annexure III*.
- (ii) Committee further recommended that the following timelines may also be adopted by NJB :
 - (a) A single-window system may be introduced by NJB in association with Indian Jute Mill Association [IJMA] for receiving complete claim applications in person. IJMA officials will scrutinize the claims applications in their office and get them rectified, if necessary. NJB shall receive the complete application every Monday or the immediate next working day in case that Monday is a holiday. The application has to be delivered by mill company by hand and no other mode of

delivery shall be acceptable. The authorized officer shall scrutinize the application and provide a check-list of documents submitted. This will come into effect from 1st April 2016.

- (b) The claim application received by NJB will be forwarded to IJIRA within 48 hours from the date of receipt of claim application for Techno-financial appraisal.
- (c) IJIRA will prepare the Techno-financial Report and send it back to NJB within 7 working days.
- (d) Inspection will be conducted within 30 days on receipt of IJIRA's report.
- (e) Incentive will be disbursed within 30 days of inspection subject to fulfillment of all conditions by the unit, as laid down in the Scheme.
- (f) The timeline as decided will be reviewed in the next meeting of the Technical Committee.

[B] Under Bank Finance

- (i) Bank Finance cases will be eligible if and only if the Term loans against procurement of the machines are from scheduled banks.
- (ii) The proposed modified system under Bank Finance enclosed at *Annexure IV*.
- (iii) Timeline and other inspection procedure will remain same as in the case of Own Source of funding.

[C] "Force majeure" : This clause will include the following and will be applicable for the old cases falling in Scheme period:

- (i) Act of God,
- (ii) Embargos,

- (iii) Unavoidable casualties,
- (iv) Acts of civil or military authorities,
- (v) Government orders,
- (vi) Emergency conditions including weather conditions incompatible with safety of good quality workmanship etc.,
- (vii) Suspension of work / strike etc.
- (viii) Acute shortage of raw material,
- (ix) Delay in Customs clearance.

In addition to the above, Secretary NJB is also empowered to take suitable decision based on the rationality of such cases on a case to case basis.

[D] Excise Installation Certificate may be included during the claim submission by the mill as a proof of installation of the machinery.

[E] New machinery procured and installed within the Scheme period, against which IPAs already issued and claim lodged at NJB are eligible for consideration of granting incentive under the Scheme.

[F] Accounts and Finance Department of NJB will scrutinize the authenticity of the important documents submitted by the unit related to the payments made to the vendors etc.

[G] Mills / claimant to ensure proper maintenance of the machines and Technical Department / Inspection Team may verify and ensure that the machines procured are new and maintenance / upkeep etc. is properly done by the unit.


The Committee directed that any attempt by the unit to mislead NJB will result in the unit being barred from availing any facility from NJB in future.

Agenda 4 : Any other matter with the permission of the Chair.

- (i) *Representation from IJMA regarding inclusion of Rotary faller gill Drawing Machine under ISAPM machine list.*

Based on the representation from IJMA, the Committee recommended including Rotary faller gill Drawing Machine under ISAPM machine list.

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


18/III/2016
[Dr. Subrata Gupta]

*Jute Commissioner &
Chairman, Technical Committee of ISAPM*

Annexure - I

List of attendees

Following officials attended the meeting :

1	Dr. Subrata Gupta - Chairman	Jute Commissioner
2	Shri Arvind Kumar M. - Convenor & Secretary	National Jute Board
3	Shri Raghavendra Gupta	Vice-Chairman, Indian Jute Mills Association (IJMA)
4	Shri Sajan B. Nair	Member Secretary, Jute Shippers Council, (ACI & Shippers Union Ltd.), Cherthala, Kerala
5	Shri R. K. Roy	O/o the Jute Commissioner
6	Shri N. Sengupta	National Jute Board
7	Shri M. Datta	National Jute Board
8	Shri J. Kar	National Jute Board
9	Shri Kuldeep Mahedu	National Jute Board
10	Shri Gopal Mukhopadhyay	Indian Jute Industries' Research Association
11	Shri Partha Sanyal	Indian Jute Industries' Research Association

Following members were absent in the meeting :

1	Shri Dipankar Mahto	Deputy Jute Commissioner, O/o the Jute Commissioner
2	Dr. U. S. Sharma	Director, Indian Jute Industries' Research Association (IJIRA)
3	Shri Manish Poddar	Chairman, Indian Jute Mills Association (IJMA)
4	Shri Nirmal Pujara	Chairman, Calcutta Jute Fabrics Shippers Association (CJFSA)
5	Shri T. A. N. Gupta	Executive Director, Sri Sitarama Lakshimi Jute Mills Pvt. Ltd. A.P.
6	Shri Manish Kajaria	Chairman, Jute Products Development and Export Promotion Council (JPDEPC)

Annexure - II

**PRICE LIST (AS ON 01.04.2015) OF CORE JUTE MACHINERY AND THEIR
SPECIFICATIONS AS PROVIDED BY THE ENLISTED VENDORS**

UPDATED AS ON 16TH MARCH 2016

Revised guidelines of ISAPM - Own Source

1. The Jute Mill / JDP unit will approach NJB with a Letter of Expression of interest for purchase of machinery and complete the same within a period of nine [09] months from date of the letter.
2. The Core Jute Machinery has to be purchased only from the enlisted vendors as approved by NJB whereas the non-core machinery may be procured from any vendor.
3. Subsequently, the Jute Mills / JDP units should submit the claim in the prescribed format to IJMA/ NJB [as stated under single-window concept at page 3 of the minutes] with fees as applicable for verification / vetting by IJIRA.
4. On receiving techno-financial appraisal from IJIRA, physical verification will be taken up by NJB as per extant practice and necessary processing will be taken up for release of incentive.

As such, the practice of issuing IPA may be eliminated.

Revised guidelines of ISAPM - Bank Finance

1. The Jute Mill / JDP unit will approach NJB with a Letter of Expression of interest for purchase of machinery.
2. The Jute Mill / JDP unit will acquire machinery for modernization out of loan amount drawn only from any scheduled bank.
3. The Core Jute Machinery has to be purchased from the enlisted vendors as approved by NJB whereas the non-core machineries may be procured from any vendor.
4. The Jute Mill / JDP unit should submit the claim in the prescribed format to IJMA/ NJB [as stated under single-window concept at page 3 of the minutes] along with the appraisal memo by the bank from which loan has been sanctioned showing the viability of the project and documents supporting sanction and disbursement of the loan, other documents that may be required by NJB. The claim should also include fees as applicable for verification / vetting by IJIRA.
5. On receiving techno-financial appraisal from IJIRA, physical verification will be taken up by NJB as per standard practice and necessary processing will be taken up for release of incentive.

As such, financing from any financial institution other than scheduled banks will no longer be entertained.

<p>Dr. Subrata Gupta, IAS, Jute Commissioner & Chairman of the Technical Committee Ministry of Textiles, Govt. of India, 3rd MSO Building, E & F Wing, CGO Complex, 4th Floor, Sector – I, DF Block, Salt lake City, <u>Kolkata – 700 064.</u></p>	<p>Shri Dipankar Mahato, Deputy Jute Commissioner, Ministry of Textiles, Govt. of India, 3rd MSO Building, E & F Wing, CGO Complex, 4th Floor, Sector – I, DF Block, Salt lake City, <u>Kolkata – 700 064.</u></p>
<p>Shri Arvind Kumar M, Secretary & Covenor of the Technical Committee, National Jute Board, 3A & 3B, Park Plaza, 71, Park Street, <u>Kolkata – 700 016.</u></p>	<p>Shri Raghavendra Gupta, Vice-Chairman, Indian Jute Mills Association, 6, Netaji Subhas Road, <u>Kolkata – 700 001.</u></p>
<p>Dr. U. S. Sharma, Director, Indian Jute Industries' Research Association, 17, Taratola Road, <u>Kolkata – 700 088.</u></p>	<p>Shri Nirmal Pujara, Chairman, Calcutta Jute Fabrics Shippers Association (CJFSA), 25, Princep Street, <u>Kolkata – 700 072.</u></p>
<p>Shri Manish Kajaria, Chairman, Jute Products Development and Export Promotion Council (JPDEPC), Chatterjee International (5th floor), Flat No. – 08, 33A, Jawaharlal Nehru Road, <u>Kolkata – 700 071.</u></p>	<p>Shri T. A. N. Gupta, Executive Director, Sri Sitarama Lakshimi Jute Mills Pvt. Ltd. Palakandyam (Village), G. Singdam Mandal, Pondur Road, Near Rajam, Srikakulam (Dist), Andhra Pradesh, <u>Pin Code – 532 168.</u></p>
<p>Shri Sajan B. Nair, Member Secretary, Jute Shippers Council, (ACI & Shippers Union Ltd.), Mayithara – 688539, Cherthala, <u>Kerala.</u></p>	<p>Shri Manish Poddar, Chairman Indian Jute Mills Association, 6, Netaji Subhas Road, <u>Kolkata – 700 001.</u></p>