

**MINUTES OF THE 11TH MEETING OF THE TECHNICAL COMMITTEE (TC) UNDER
THE INCENTIVE SCHEME ON ACQUISITION OF PLANTS & MACHINERY (ISAPM)**

Venue : NJB Conference Room, Kolkata
Date and Time : 2:00 PM, 16th March, 2018
Attendees : Annexure I

The meeting was held under the Chairmanship of the Deputy 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 10th Technical Committee under ISAPM held on
18th January 2018**

The Minutes of the 10th TC meeting under ISAPM held on 18th January, 2018 was circulated vide NJB's communication no. NJB/ISAPM/2017-18/10th TC Minutes/1617 dated 15th February, 2018 to all the members.

IJMA vide their letter no. K-3(6.4)/915-D dated 23.02.2018 submitted their request for inclusion of representative of respective Jute Mill in the meeting of the Verification Committee. The matter was placed before the TC and the same was accepted.

As there is no further comment received, the rest of the minutes have been considered as approved.

Agenda 2 : Action Taken Report on 10th Technical Committee meeting

The Committee noted the action taken by NJB on specific cases as directed in the 10th Meeting of the TC and some important issues are stated below:

- 2.1 During the 6th TC Meeting held on 16th March, 2016, IJMA suggested inclusion of Excise Installation Certificate during the claim submission by the mill as a proof of installation of the machinery, which was subsequently adopted and implemented.

Further, IJMA vide letter no. K-3(6.4)/971-D dated 14.03.2018 submitted that Jute Mill companies have to pursue the concerned GST Authorities for several months to obtain GST installation Certificates. The issue of difficulty in getting GST (erstwhile Excise) Installation Certificate from the Authority was discussed at length. Finally, the TC decided that GST (erstwhile Excise) Installation Certificates will not be required to be furnished with the claims. For the existing claims and any claims to be submitted in future, certificates of installation from Chartered Engineer will suffice. In addition, the claimant has to confirm receipt of the machinery at the mill premises / JDP unit and also intimate the date of installation of each machine at least 2-weeks' in advance to NJB. And accordingly during final joint inspection, on submission of claim, the Inspection team will verify the physical condition of the machines and details of installation with supporting documents as being carried out in the present / existing system.

- 2.2 Regarding the claim of M/s Tepcon International (India) Ltd. (OS/42 & OS/63), the Committee directed NJB to process the claims.
- 2.3 Regarding the claim of M/s Tepcon International (India) Ltd. (OS-52), the mill has been directed to take up the matter with IJMA and seek clarification on the date of submission of claim and the discrepancy arising out of the CA Certificate. The IJMA representative confirmed that clarification will be submitted shortly.

Agenda 3 : Status of the ISAPM Scheme as on date (erstwhile Scheme and on-going Scheme)

Status of the cases as on 15.03.2018 was placed before the Committee.

(i) Status of Own Source cases as on 15.03.2018 (erstwhile Scheme)

Sl. No.	Description	Proposed Amount of claim (in Lakh)		No. of cases
		Investment	Incentive	
1	Ready for inspection	552.69	110.54	07
2	Claim received and under process at NJB, after Inspection	2171.70	402.73	20
3	Claim received and under process at NJB before inspection	--	--	01
	Settled Claim	--	1687.28	94
	Disbursed in 2013-2014	Nil		
4	Disbursed in 2014-2015	Amount - Rs.205.25 lakhs -	14 cases	
	Disbursed in 2015-2016	Amount - Rs.338.65 lakhs -	20 cases	
	Disbursed in 2016-2017	Amount - Rs.476.77 lakhs -	28 cases	
	Disbursed in 2017-2018 (till 15.03.2018)	Amount - Rs.709.65 lakhs -	32 cases	
5	Cancelled / Rejected / Closed			41

(ii) Status of Bank Finance cases as on 15.03.2018 (erstwhile Scheme)

Sl. No.	Description	Proposed Amount of claim (in Lakh)		No. of cases
		Investment	Incentive	
1	Ready For Inspection	4.44	0.88	01
2	Claim received and under process at NJB, after Inspection	1876.69	284.05	05
3	Claim received and under process at NJB, before Inspection	--	--	02
4	Under process at IJIRA	--	--	00
	Settled Claim	--	1130.48	29
5	Disbursed in 2013-2014	Amount - Rs.236.30 lakhs -	06 cases	
	Disbursed in 2014-2015	Amount - Rs.156.93 lakhs -	04 cases	
	Disbursed in 2015-2016	Amount - Rs.16.92 lakhs -	01 case	
	Disbursed in 2016-2017	Amount - Rs.583.20 lakhs -	11cases	
	Disbursed in 2017-2018 (till 15.03.2018)	Amount - Rs.307.66 lakhs -	07 cases	
6	Rejected Case			11

▪ Summary of Payment Disbursement (till 15.03.2018)

Mode of Incentive	2013-14		2014-15		2015-16		2016-17		2017-18	
	No. of Cases	Amount (Rs./Lakh)	No. of Cases	Amount (Rs./Lakh)	No. of Cases	Amount (Rs./Lakh)	No. of Cases	Amount (Rs./Lakh)	No. of Cases	Amount (Rs./Lakh)
OS	00	-	14	205.25	20	338.65	28	476.77	32	709.65
BF	06	236.30	03	156.93	01	16.92	11	583.20	07	307.66
TOTAL	06	236.30	17	362.18	21	355.57	39	1059.97	39	1017.31

(iii) Status of New cases (2017-2020) as on 15.03.2018 (*on-going Scheme*)

Sl. No.	Description	Investment (Rs./Lakh)	Incentive (Rs./Lakh)	No. of cases
1	Online LoI received	7429.88	1500.77	82
2	Ready for Inspection	682.93	136.59	04
3	Claim received & under process at NJB, before inspection	80.55	16.11	01
4	Under process at IJIRA	401.68	80.33	06

Agenda 4 : Detailed ISAPM Scheme (Apr 2017 - Mar 2020) and its guidelines - comments received from Technical Committee members thereof

The draft copy of the detailed ISAPM Scheme (Apr 2017 - Mar 2020) and its guidelines along with the erstwhile Scheme, was circulated to the members of the Technical Committee for their comments / suggestions / feedback etc. NJB has received comments from O/o the Jute Commissioner, IJIRA, IJMA and JPDEPC.

TC noted the observations and directed for the inclusions / modification of the following points. TC also directed NJB to forward the detailed ISAPM guidelines to the Ministry for its approval.

- i) In the event of submission of false / misleading declaration by the claimant under the Scheme, the plaintiff may be cautioned / issued show-cause notice and the TC may take necessary action against repeated offenders as deemed fit.
- ii) On completion of purchase and installation of machinery, the Jute Mill / JDP Unit have to submit online Claim within 12 months from the date of Letter of Intent. Only in case of force majeure, an additional 6 months will be allowed subject to approval from TC.
- iii) Disbursed loan amount from the bank should be strictly used for the purpose of sanction of loan i.e., for the procurement of machines and the appraisal memo of the bank should clearly indicate the feasibility of modernization.
- iv) Against a particular LoI, claim will be entertained only once and no part claim will be accepted.
- v) A charge of Rs.25,000/- will be imposed in case of re-inspection due to fault of mill / JDP unit.
- vi) At the time of inspection, machines should be in operation and well-maintained i.e., dust-free without tampering the originality of the machine.
- vii) Extent of modernization / upgradation should be clearly substantiated with supporting documents by the mill / JDP unit at the time of inspection.
- viii) All documents submitted with the claim by the mill / JDP units should be signed by the Director with his / her DIN.
- ix) All correspondences by the mill / JDP unit should be signed by some authorized representative with his name, designation, contact details / mobile number clearly specified.

Agenda 5 : Report of Verification Committee constituted by the Technical Committee in its 10th Meeting

The cases where machines were not considered for subsidy as these were found to be old (partially / entirely) / fabricated on old machinery / not as per the criteria prescribed in the ISAPM guidelines were forwarded to the Verification Committee constituted by the Technical Committee in its 10th Meeting. The following cases were placed before the Verification Committee:

1. Budge-Budge Company Ltd. (OS/91)
2. Prakash Jute Industries Pvt. Ltd. (BF/46)
3. Hooghly Mills Ltd. (OS/151)
4. Kamakshi Jute Industries Ltd. (BF/36)

The Verification Committee met on 22.02.2018 at NJB Office, Kolkata. The minutes of the Verification Committee as placed in the TC meeting was deliberated in light of the letter submitted by IJMA vide their communication no. K-3(6.4)/915-D dated 23.02.2018. The TC directed the NJB to convene another meeting inviting the representative of the respective mill, to discuss the merits of the cases and submit their reports in the next Technical Committee meeting.

Agenda 6: Updated Price list prepared and submitted by IJIRA

The draft Price list of Core and some Non-core Machinery and their Specification as provided by the Enlisted Vendors was submitted by IJIRA and the same was approved in principle by the TC. IJIRA was further directed to submit the final Updated Price List.


TC also directed IJIRA to evaluate the performance and set the benchmark for individual machine category which will facilitate the process of new vendor enlistment in future.

IJIRA was also directed to convene a meeting with the enlisted vendors for incorporating unique identification code on both sides of the gable by embossing / engraving the same.

Agenda 7 : Any other matter with the permission of the Chair

The representative from IJMA highlighted the issues on submission of claims beyond 9 (nine) months though the machines had been procured and installed within the period of 9 months from the date of LoI. TC directed NJB to process such claims where machines were installed within 9 months and the claim had been submitted within a period of 12 months from the date of LoI.

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


(Dipankar Mahto)
Dy. Jute Commissioner
for Chairman, Jute Commissioner

List of attendees

Following officials attended the meeting :

1	Shri Dipankar Mahto - Dy. Jute Commissioner & Chairman	O/o the Jute Commissioner
2	Shri Arvind Kumar M - Convenor & Secretary	National Jute Board
3	Dr. U.S. Sharma - IJIRA	IJIRA
4	Shri Manish Poddar - Chairman	IJMA
5	Shri Raghavendra Gupta – Vice-Chairman	IJMA
6	Shri Ajay Buchasia	JPDEPC
7	Shri Saurabh Ganguly	IJMA
8	Shri Sujit Pal - CFO	National Jute Board
9	Shri Mahadeb Datta - AD(T)	National Jute Board
10	Shri Jayabrata Kar	National Jute Board
11	Shri P. Das	National Jute Board
11	Shri Anup Kumar Nandi - Scientist	IJIRA
12	Shri Partha Sanyal - Scientist	IJIRA
13	Shri D.K. Dutta - Consultant	National Jute Board