



**GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
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CIRCULAR

The detailed operational guidelines for the various components of PowerTex India, a Comprehensive Scheme for Powerloom Sector Development, is enclosed.

Encl: As above.


(Dr.Kavita Gupta)
Textile Commissioner
Ministry of Textiles
Government of India

PowerTex India
(COMPREHENSIVE SCHEME FOR
POWERLOOM SECTOR DEVELOPMENT)
(01.04.2017 to 31.03.2020)



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COMPREHENSIVE SCHEME FOR POWERLOOM SECTOR
DEVELOPMENT

Schemes for Powerloom Sector Development (SPSD) is a continuing Central Sector Plan Scheme from 11th Plan for development of powerloom sector. It was in operation since the year 2007-08. An evaluation study of the scheme was done through 'The Synthetic & Art Silk Mill' Research Association (SASMIRA), Mumbai during 2009 and as recommended in their report, the scheme was further extended without any modification upto 30.09.2013. As per decision of the Standing Finance Committee (SFC) in its meeting held on 08.10.2013, the scheme was extended further upto 31.03.2017. It continued with additional components like Common Facilities Centers, Corpus for Yarn Bank and Tex-Venture Capital Fund and discontinued some of the components/sub-components e.g. Survey of Powerloom, Computer Aided Design Centres, Powerloom Cluster Development, development and upgradation of skills, publicity/print publicity, film on powerloom/TUFS etc.

In order to address the long felt need of the powerloom sector and to strengthen the effective implementation, the schemes have been modified by incorporating new components viz., Solar Energy Scheme and Pradhan Mantri Credit Scheme for Powerloom Weavers, Publicity and IT and rationalising/ upgrading the existing schemes viz., Group Workshed Scheme, Common Facility Centre Scheme, Yarn bank Scheme, Insitu Upgradation Scheme for plain Powerlooms. The scheme has now been renamed as PowerTex India and will be effective from 01.04.2017 to 31.03.2020.

COMPONENTS AND OBJECTIVES:

Sl.No.	Scheme	Objectives
1.	In situ Upgradation of Plain Powerlooms	<ul style="list-style-type: none"> The prime objective of the scheme is to upgrade existing plain looms to semi-automatic/shuttleless looms to improve quality and productivity of the fabric being produced by way of fixing certain additional attachments/kits and enable them to face the competition in domestic and international markets, by way of providing financial assistance to economically weaker low-end powerloom units.
2.	Group Workshed scheme	<ul style="list-style-type: none"> The prime objective of the scheme is to establish Group Worksheds for shuttleless looms in an existing or new cluster, which will provide required scale of economy for business operations. To organise powerloom units in a cluster and to provide improved working condition in terms of more space, work environment, improve the work efficiency to enhance their competitiveness in the global market.

Sl.No.	Scheme	Objectives
3.	Yarn Bank Scheme	<ul style="list-style-type: none"> To enable small Powerloom weavers to purchase the yarn at wholesale rate and in large quantities by avoiding middle man/local supplier's brokerage charges by providing interest free corpus fund to Special Purpose Vehicle (SPV) / Consortium of Powerloom weavers.
4.	Common Facility Centre (CFC) scheme	<ul style="list-style-type: none"> To establish Common Facility Centres (CFC) in various Powerloom clusters and provide pre-weaving, post weaving and other infrastructure facilities to Powerloom weavers/units, powerloom industry associations and other organizations allied with Powerloom industry by providing financial assistance for the setting up of Common Facility Centres (CFC).
5.	Solar Energy scheme for Powerlooms	<ul style="list-style-type: none"> The prime objective of the scheme is to alleviate the problem of power cut / shortage, being faced by the decentralized powerloom units in the country, so as to improve utilization, efficiency, productivity etc. to face the both domestic and international markets competitively by providing financial assistance/capital subsidy to small powerloom units for installation of Solar Photo Voltaic (SPV) plant.
6.	Pradhan Mantri Credit Scheme for Powerloom Weavers	<ul style="list-style-type: none"> To provide adequate and timely financial assistance to the powerloom weavers to meet their credit requirements, for investment needs (Term Loan) as well as for working capital, in a flexible and cost effective manner.
7.	Grant in Aid and Modernisation/ Upgradation of Powerloom Service Centres	<ul style="list-style-type: none"> To enable Powerloom weavers in various clusters to avail services of Powerloom Service Centres. Textile Research Associations (TRAs)/State Govt. agencies are running 32 no. of PSCs located across the country and providing various services like training, sample testing, design development, consultancy, conducting seminar/ workshop, etc. to the powerloom sector on behalf of the GoI. The Grant-in-Aid (GIA) provided to the PSCs of TRAs/State Govt. agencies is mainly for the recurring expenses for running the PSCs for providing the services to powerloom sector. The Govt. assistance will be provided for modernization of the existing infrastructure etc. Powerloom Service Centres and other facilities required in cluster for common services.

Sl.No.	Scheme	Objectives
8.	Tex Venture Fund	<ul style="list-style-type: none"> • To assist the Powerloom and allied units under MSME Sector for boosting their net-worth, leverage commercial bank debt, improve their manufacturing capacity and sales turnover, increase competitiveness and profitability by way of investment in the equity shares and / or instruments convertible into equity of textile units through Tex Venture Fund. The fund would operate under the Securities Exchange Board of India's Alternative Investment Fund Regulations 2012 (SEBI's AIF Regulations 2012).
9.	Facilitation, Awareness, Market Development and Publicity for Powerloom Schemes	IT, and for <ul style="list-style-type: none"> • Facilitation services to powerloom weavers like Help line, Registration services, SMS Alert, Bank services etc • Online Portal for Powerloom Schemes • To create awareness about schemes, disseminate the information about technology, products for the benefits of powerloom weavers/workers. • To provide a platform for powerloom weavers to market their products at cluster level, regional level, national and international level. • Publicity of powerloom schemes in Electronic and Print Media

All the above schemes will be implemented by Textile Commissioner through her Office, the Regional Office, the PSC and any other Organisation/Agency.

The detailed guidelines for each of the above components are as under:-

II. Guidelines for In-Situ Upgradation Scheme For Plain Powerlooms For SSI Powerloom Sector Under PowerTex India

Technology Up-gradation Fund Scheme (TUFS), introduced on 01.04.1999 intended to address technological obsolescence and to create economies of scale in the Textile Sector. The decentralized powerloom sector has also derived substantial benefits under TUFS for installing shuttleless looms and automatic looms. However, the economically weaker powerloom units in India are still largely characterized by their technological obsolescence, being unable to invest in brand new modern looms and have been seeking the In-situ modernization plan for upgrading their existing plain powerlooms. This requirement of economically weaker Powerloom units for In-situ upgradation is not addressed under TUFS as minimum benchmark is shuttleless loom, such low-end plain powerloom owners do not find it feasible to straightaway upgrade to shuttleless looms by replacing existing plain looms. Therefore, Government has decided to provide financial assistance to economically weaker plain powerlooms units for up-gradation of their existing ordinary loom, by attachment of additional kits likes Weft stop motion (Optical Weft Feller) , Warp stop motion (Electro Mechanical Type (or) Photo Cell Type) , Semi-positive let off motion, Efficient braking device, Anti-crack device, Replacement of metallic parts by self lubricative nylon parts, Dobby, Jacquard, Pirn winding machine and Rapier kit so as to upgrade the plain looms to semi-automatic/shuttleless looms.

1. Objective:

The prime objective of the scheme is to upgrade existing plain looms to semi-automatic/shuttleless looms to improve quality and productivity of the fabric being produced by way of fixing certain additional attachments/kits and enable them to face the competition in domestic and international markets, by way of providing financial assistance to economically weaker low-end powerloom units.

2. Period of Operation of Scheme:

In-situ Up-gradation Scheme for Plain Powerlooms for SSI Powerloom Sector under PowerTex India will be in operation from 01.04.2017 to 31.03.2020 on pan India basis.

3. Eligibility of Unit/Applicant:

- a) A Powerloom unit having powerloom permit / Acknowledgement against Information Memorandum issued by Regional Office of the Textile Commissioner for installation of the Powerlooms (or) SSI registration (or) Udyog Aadhar Memorandum (or) Electricity bill for the unit address/name of the owner are provided, is eligible for assistance under the scheme.
- b) Powerloom unit having a maximum 08 (eight) existing plain powerlooms, as per Powerloom Permit / Acknowledgement are only eligible for availing the

benefit under the scheme. Priority would be given to units having less than 4 looms.

- c) A unit should have electricity bill in its name or in the name of the owner of the unit or if the premises is on rental basis necessary power sharing agreement between lessor and lessee.

4. Attachment(s)/kit(s) for up-gradation of plain powerloom:

The existing plain loom is to be upgraded with following attachment(s)/kit(s) as additional features:

(a) In-situ Up-gradation of Plain Looms to semi-automatic shuttle looms:

- (i) Weft stop motion (Optical Weft Feeler)
- (ii) Warp stop motion (Electro mechanical warp stop motion for spun yarn or photocell type for filament yarn with loom stopping mechanism).
- (iii) Semi-positive let off motion
- (iv) Efficient braking device (electro-mechanical)
- (v) Anti Crack device.
- (vi) Replacement of metallic parts by self-lubricating nylon parts (like shedding roller, picking cams, picking bowl, crank bushes etc. having life more than 2 years)
- (vii) Mechanical Dobby (cast iron).
- (viii) Jacquard (cast iron).
- (ix) Pirn winding machine

(b) In-situ Up-gradation of semi-automatic shuttle looms to shuttleless Rapier looms:

- (i) Rapier kit

5. Quantum of Subsidy:

The applicant will be eligible for:

- (a) For in-situ up-gradation of subsidy: the existing plain power looms to Semi automatic shuttle looms/attachment of doobby, jacquard/pirn winding machine.
- (b) For in-situ up-gradation of existing upgraded semi automatic shuttle looms to shuttleless rapier looms and
- (c) For in-situ up-gradation of existing plain power looms directly to shuttleless rapier looms

In each of these in-situ up-gradation, Government of India shall provide financial assistance to the extent of 50%, 75% and 90% of the cost of up-gradation to a

maximum subsidy of Rs. 45,000, 67,500 and 81,000 per loom for General, SC and ST category applicants respectively, as shown below:

Category	Percentage of subsidy	Maximum subsidy Amount per loom (in Rs.)		
		Plain powerloom to semiautomatic shuttle loom/ attachments of dobby, jacquard/ pirn winding machine (up gradation without rapier kit)	Semi automatic shuttle loom to shuttleless rapier loom (Attachment of only Rapier Kit)	Plain powerloom to shuttleless rapier loom/Kits Attachments (Upgradation with Rapier kit)
General	50 %	20,000	25,000	45,000
SC	75 %	30,000	37,500	67,500
ST	90 %	36,000	45,000	81,000

Note:

The maximum ceiling of subsidy per loom is worked out for attachment/ specified kits including pirn winding machine and rapier kits. The detailed bifurcation of the subsidy shall be as shown in the table given below:

For In-situ Upgradation	Attachments/kit attached	Category	Maximum GOI subsidy/ loom
(a) From existing plain Powerlooms to Semi automatic shuttle looms/attachments of dobby, jacquard/pirn winding machine	(i) Weft stop motion (ii) Warp stop motion (iii) Efficient braking device (iv) Semi positive let off motion (v) Dobby (vi) Jacquard, (vii) Self lubricating nylon parts (viii) Anti crack device (ix) Pirn winding machine.	General	Rs.20,000
		SC	Rs.30,000
		ST	Rs.36,000
(b) From existing upgraded semi automatic shuttle looms already upgraded under In-Situ to shuttleless rapier looms (excluding attachments at (a)above)	Attachment of rapier kit for powerlooms	General	Rs.25,000
		SC	Rs.37,500
		ST	Rs.45,000
(c) From existing plain power looms directly to	(i) Weft stop motion, Warp stop motion, Efficient braking	General	Rs.45,000

shuttleless rapier looms (including attachments of kits at (a) & (b)).	device, Semi positive let off motion, Dobby, Jacquard, Self lubricating nylon parts, anti crack device. (ii) Rapier kit	SC	Rs.67,500
		ST	Rs.81,000

d) **Eligible subsidy under the scheme shall be based on the actual price of the attachments/kits or the maximum rates prescribed by the Textile Commissioner, whichever is less.**

e) The maximum rates for each admissible attachment are as under:

Sr.No.	Name of the attachments/ Kits	Maximum Price fixed
1.	Weft Stop motion (Optical Weft Feeler).	Rs. 3,000/-
2.	Warp Stop Motion.	
	Electro Mechanical Warp Stop Motion for spun yarn. Serrated Bar (4 Bars with 5000 Drop pins)	Rs. 8,000
	Photocell type Warp Stop Motion for filament yarn with loom stopping mechanism.	Rs. 3,500/-
3.	Semi Positive Let off Motion.	Rs. 15,000/-
4.	Efficient Braking Device (Electro Mechanical with Anti Crack Device).	Rs.16 ,000/-
5.	Anti Crack device.	Rs. 1,000/-
6.	Replacement of metallic parts by self – lubricating nylon parts (like shedding roller, picking cams, picking bowl, crank bushes etc. having life more than two years).	Rs. 1,000/-
7.	Mechanical doobby (Cast Iron).	8 Shaft/Jack : Rs. 12,000/- 12 Shaft/Jack : Rs. 14,000/- 16 Shaft/Jack : Rs. 18,000/- 24 Shaft/Jack : Rs. 22,000/-
8.	Jacquard (Cast iron)	100 Hooks:Rs.15,000/- 200 Hooks:Rs.25,000/- 300 Hooks:Rs.35,000/- 400 Hooks:Rs.40,000/- 600 Hooks:Rs.50,000/- 656 Hooks:Rs.55,000/- 800 Hooks:Rs.75,000/- 1200 Hooks:Rs.1,20,000/-
9.	Rapier Kit with other attachments	Rs.90,000/-
	Rapier Kit only	Rs.50,000/-
10.	Pirn Winding Machine	Upto 6 spindles Rs.15,000/-

- f) The Textile Commissioner shall from time to time enroll / register the manufactures of the attachments / kits and notify the list of manufacturers of kits/attachments.
- g) The manufacturer should have been certified under ISO 9001 to be eligible for registration with the Office of the Textile Commissioner. The prescribed format for application for registration of manufacturer is at Annexure A.
- h) The indigenous manufacturers/suppliers empanelled/registered under the scheme, who supply the kits/attachments, pirn winding machine and Rapier kits to the powerloom weavers/entrepreneurs on partial payment basis will be credited the eligible amount of subsidy into their Bank accounts on successful installation and commissioning of the attachment/kits and certification of the same by concerned weaver.
- i) In case the Powerloom weaver opts to purchase kits/attachments, pirn winding machine and Rapier kits from the empanelled/registered manufacturers/suppliers, on full payment basis, the eligible subsidy amount will be credited in the bank account of the Powerloom weaver.
- j) The attachment/kit(s), on which subsidy has been availed under this scheme, shall not be eligible for any other subsidy provided under any other scheme of Government of India. Looms once upgraded will not be eligible for subsidy to replace any of the attachments/kits which were purchased on Govt. of India subsidy. However, the particular looms of a unit of 8 powerlooms, which have not been upgraded can be upgraded upto the number of 8 in stage under In-Situ upgradation Scheme for Plain Powerlooms for SSI Powerloom Sector.

6. Implementation:

- a) The scheme will be implemented by the Textile Commissioner through the Regional Offices and Powerloom Service Centres under Textile Commissioner-PSCs & TRA-PSCs/State Govt. Agencies.
- b) The applicant will submit an application for ‘in-principal approval’ in the prescribed format at **Format-I**, either through online system for “PowerTex India” or to the nearest Powerloom Service Centre OR the concerned Regional Office of the Textile Commissioner (RO) giving the details of the attachments / kits to be installed.
- c) In-principle approval would be granted by concerned Regional Office of the Textile Commissioner, within 21 working days of the receipt of the application and would be intimated to the unit by e-mail in case of application submitted through online system for “PowerTex India” or by letter in case of application submitted to nearest PSC/RO. In principle approval would be valid for a period of 6 months within which weavers are required to install kits/attachments and submit their claims to Regional Office of Textile Commissioner.
- d) In-principle approval so granted by the concerned Regional Office of the Textile Commissioner, can be extended for a further period of 3 months, if the units/applicants fail to install the kits specified within the 6 month period due to non-availability of kits or other reasons beyond the control of

the applicant and apply for extension of validity of 'in-principle approval' to the Regional Office of Textile Commissioner within 21 working days expiry of the validity.

- e) The applicant/unit will acquire the attachments / kits and install the same on the existing Powerlooms. Thereafter, the applicant/unit shall submit the claim for release of financial assistance/subsidy to the respective Powerloom Service Centre / Regional Office of the Textile Commissioner supported with details as per **Format-II** after the kits/ attachments are installed and up-gradation of looms with new attachments is completed.
- f) The Regional Offices of the Textile Commissioner will depute Joint Inspection Team (JIT) for physical verification of the installation & commissioning of the attachment / kits. The team of JIT will consist of at least three members, including one member from Regional Office of the Textile Commissioner, one member from Powerloom Service Centre and a representative from any of the following organizations which may be present in that Region:
 - (i) Textile Research Association
 - (ii) Indian Textile Accessories & Machinery Manufacturers' Association (AMMA)
 - (iii) Textile Machinery Manufacturers' Association (India) (TMMA)
 - (iv) Textiles Committee
 - (v) Powerloom Development & Export Promotion Council (PDEXCIL)

The JIT will carry out the physical verification/inspection within 30 days from the date of submission of Format II to confirm satisfactory installation of the attachments / kits and submit a JIT report in **Format-III (two copies)** duly filled and signed along with all the related documents to concerned Regional Office of the Textile Commissioner. The Officer-in-charge of Regional Office of the Textile Commissioner after examining the JIT reports, will submit a consolidated proposal to Powerloom Development Cell of Office of the Textile Commissioner, Mumbai for approval of the Competent Authority (Textile Commissioner) for releasing of the subsidy in **Proforma-I**, along with details of individual units and their eligible subsidy in **Format IV** with due recommendation within 30 days from the submission of claim.

7. Other Conditions:

- a) The subsidy will be provided on the basic value of attachments / kits excluding tax components.
- b) The specifications of the attachments / kits necessary for registration shall be prescribed by the Office of the Textile Commissioner.
- c) The Textile Commissioner may recover the subsidy amount along with interest, in case it is found / proved that the unit has availed the subsidy by furnishing false information / documents.
- d) Project Approval Committee (under PowerTex India) decisions/directions is final.

8. Safeguards to ensure benefit flow to genuine applicants:

8.1 Engraving / punching / marking of a manufacturer registration No., attachments / kits code no, and the running serial number would be done on each attachment/kits as prescribed from time to time. There would be a ten digit identification code for each attachments / kits. The ten-digit identification code will include the following:

- a) The first three digits (000) of the identification code will indicate unique manufacturer registration No. for each manufacturer which has been allotted by the Textile Commissioner at the time of empanelling the manufacturer.
- b) The next two digits (00) are to be punched / engraved / marked besides three digit unique manufacturer Registration No. on each attachments / kits. The identification code for the attachments / kits are as under:

Attachments / kits	Code No.
Weft stop motion	01
Warp stop motion	02
Semi-positive let off motion	03
Efficient braking device	04
Anti Crack device	05
Replacement of metallic parts by self-lubricating nylon parts	06
Dobby	07
Jacquard	08
Rapier kit	09
Pirn winding machine	10

- c) The next five digits (00000) will indicate running serial number of attachments / kits of that manufacturer produced under the scheme. The five digit running Serial No. for each type of attachments / kits will be given by the respective manufacturer and is to be punched / engraved / marked next to attachments / kits code assigned by the Textile Commissioner.
- d) The upgraded loom under the scheme will also be identified by punching / engraving of 'In-principle Registration No. along with social status of the beneficiary' issued by Regional office of the Textile Commissioner to the applicant unit by the JIT to prevent possibility of duplicate benefits on same loom.
- e) Identification marking has to be made in each component at the following places:

- (i) In ‘Warp Stop Motion’ attachment: The identification mark should be engraved/punched on each side of the side bracket
- (ii) In ‘Weft Stop Motion (Optical Weft Feeler)’ attachment : The identification mark should be engraved/punched on Optical Weft Feeler/the sensor box/PCB/PLC panel board.
- (iii) In ‘Efficient -Braking Device’ attachment: The identification mark should be engraved/ punched on the PCB/PLC panel board.
- (iv) In ‘Self-lubricating Nylon parts’ attachment: The packet containing self-lubricating nylon parts would be stamped with indelible ink and packet should be preserved for JIT inspection. Further individual nylon parts should also carry an identification number.
- (v) In ‘Semi-positive Let-off Motion’ attachment: The identification mark should be engraved/punched on the bracket on which the semi-positive let-off motion is mounted.
- (vi) In ‘Dobby & Jacquard’ attachment: The identification mark should be engraved/punched on the side frame / body of the jacquard.
- (vii) In Rapier kits: On aluminum Sley/Gear box bed.
- (viii) In Pirn winding machine: On stand/leg of the machine.

8.2 JIT verification will be conducted as indicated in para 6(f) of the scheme.

8.3 Eligible subsidy will be released after getting a JIT report which shows a ‘satisfactory status’.

8.4 At random, verification will be conducted by the Senior Officers of Office of the Textile Commissioner, Mumbai/Ministry of Textiles periodically.

8.5 The Textile Commissioner is in the process of creating an i-PowerTex software so that all applications can be filed online. Once this software is put in place, a ten digit identification code as described in Para 8.1 will be generated by the system and the same is required to be inscribed/marked on the attachments/kits.

9. Monitoring of the progress of subsidy on attachments

Office of the Textile Commissioner will monitor the progress of the scheme through ROs / PSCs to assess for the impact of the scheme on the beneficiaries. Concurrent evaluation would be carried out to measure the scheme outcome and the same shall be reported to the Ministry of Textiles by the Textile Commissioner.

10. Grievance:

A Grievance Committee under chairmanship of the Textile Commissioner would attend grievance if any of the beneficiaries, after purchase and installation of the attachments under this scheme.

Format-I
Application for obtaining In-principle approval for claim under
In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under
PowerTex India

1.	Name & Address of the factory with pin code Taluka/Tahshil/Mandal: District: State: Pin code:				
	Whether premises is Owned or Rented		(Please attach copy of electricity bill of the unit or notarized rent deed)		
	Phone No./Mobile No.				
	Fax No.				
	E-Mail ID				
	PAN No.				
	Aadhaar No.				
	Name of Contact Person		Contact No.:	Mobile No.:	
2.	a) IM No. / Powerloom Permit No. & Date				
	b) Registering Authority				
3.	a) Constitution of Firm		Proprietorship / Partnership		
	b) Name of Proprietor / Partners / Managing Director(s)				
	c) Pl. mention the social Category of the Applicant/s & gender				
4.	Name & Address (with pin code) of the Bank, Branch, Phone No.				
	Account No.				
	IFSC No.				
5.	Number of looms to be upgraded		Plain loom to semi-auto/attachments(dobby, jacquard)/pirn winding machine		
			Semi-automatic to rapier		
			Plain loom to rapier		
6.	Attachments/Kits applied for with details				
	S.N.	Attachments	Quantity	Rate / unit	Total Cost
	i)	Weft stop motion			
	ii)		Electro mechanical type for spun yarn		

	Warp stop motion	Photo cell type for filament yarn with loom stopping mechanism			
iii)	Semi-positive let off motion				
iv)	Efficient braking device				
v)	Anti Crack device				
vi)	Replacement of metallic parts by self-lubricating nylon parts				
vii)	Mechanical Dobby (Pl.mention number of shaft/jack)				
viii)	Jacquard (Pl.mention the Hooks capacity)				
ix)	Pirn Winding Machine (up to 6 spindles)				
x)	Rapier Kit (Pl.mention with or with out attachment)				
	Total				

Date:

Place:

Signature of owners/
MD etc. & Seal of the
unit

Format-II

**Application for submitting the claim for subsidy after installation of Attachments/Kits under
In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under PowerTex India**

1.	In- principal registration No. and date issued by the RO of Textile Commissioner	
2.	Name & Address of the unit with pin code Taluka/Tahasil/Mandal : District: State: Pin code:	
	Whether premises is Owned or Rented	(Please attach copy of electricity bill of the unit or notarized rent deed)
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
	Aadhaar No.	
	Name of Contact Person	Contact No.:
3.	c) IM No. / Powerloom Permit No. & Date d) Registering Authority	
4.	a) Constitution of Firm	Proprietorship / Partnership
	b) Name of Proprietor / Partners / Managing Director(s)	
	c) Pl. mention the Social Category of the Applicant/s and gender	

5.	Name & Address (with pin code) of the Bank, Branch, Phone No.				
	Account No.				
	IFSC No.				
6.	Number of looms upgraded	Plain loom to semi-auto/attachments(dobby, jacquard)/ pirn winding machine			
		Semi-automatic to rapier			
		Plain loom to rapier			
7.	Attachments/kits installed under claim with details				
	S.N o.	Attachments	Quantity	Rate / unit	Total Cost
	i)	Weft stop motion			
	ii)	Warp stop motion	Electro mechanical type for spun yarn		
			Photo cell type for filament yarn with loom stopping mechanism		
	iii)	Semi-positive let off motion			
	iv)	Efficient braking device			
	v)	Anti Crack device			
	vi)	Replacement of metallic parts by self-lubricating nylon parts			
	vii)	Mechanical Dobby (Pl.mention the number of shaft/jack)			
	viii)	Jacquard (Pl.mention the Hook capacity)			
	ix)	Pirn Winding Machine (up to 6 spindles)			
	x)	Rapier Kit (with or without attachment)			
		Total			
	(i) I/We -----(Name of the Weaver & Beneficiary unit) hereby under take that, including this present claim, I/We----- has not availed/claiming the subsidy not more than eight plain powerlooms. Further, the kits/attachments has been purchased from the enrolled/registered manufacturer, who has having the valid ISO-9001 Certificate.				
	(ii) I/We----- (Name of the Weaver & Beneficiary unit) also undertake that in the event of any inconsistency found at any stage, the entire subsidy along with penal interest as imposed by the Government of India, Ministry of Textiles, Office of the Textile Commissioner shall be reimbursed to the Government directly through Scheduled bank within one month of the inconsistency found.				
	(iii) I/We----- (Name of the Weaver & Beneficiary unit) have no objection that the Office of the Textile Commissioner to release the eligible subsidy amount to the machine/kits manufacturer's account number. Since I/we have availed credit facilities option provided in the scheme.				

Date:
Place:

Signature of applicant & Seal of the unit

Format-III

Certification on Installation and Commissioning of Attachments / Kits by Joint Inspection Team under In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under PowerTex India

1.	In- principal registration No. and date issued by the RO of Textile Commissioner	
2.	Date of receipt of Format II in RO for JIT inspection	
3.	Name & Address of the unit with pin code Taluka/Tahasil/Mandal : District: State: Pin code:	
	Whether premises is Owned or Rented	(Please attach copy of electricity bill of the unit or notarized rent deed)
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
	Aadhaar No.	
	Name of Contact Person	Contact No.: Mobile No.:
4.	e) IM No. / Powerloom Permit No. & Date f) Registering Authority	
5.	a) Constitution of Firm	Proprietorship / Partnership
	b) Name of Proprietor / Partners / Managing Director(s)	
	c) Pl. mention the Social Category of the Applicant/s and gender	
6.	Name & Address (with pin code) of the Bank, Branch, Phone No.	

	Account No.				
	IFSC No.				
7.	Number of looms upgraded	Plain loom to semi-auto/attachments(dobby, jacquard)/ pirn winding machine			
		Semi-automatic to rapier			
		Plain loom to rapier			
8.	Name of the manufacturer of Attachments/kits (Item-wise)				
	Item	Manufacturer	Invoice No. & date	Qty.	10-digit code no.

9.	Attachments/Kits applied for with details						
	S.N.	Attachments		Quantity	Rate	Total Amount	Eligible Amount
	i)	Weft stop motion					
	ii)	Warp stop motion	Electro mechanical type for spun yarn				
			Photo cell type for filament yarn with loom stopping mechanism				
	iii)	Semi-positive let off motion					
	iv)	Efficient braking device					
	v)	Anti Crack device					
	vi)	Self-lubricating nylon parts					
	vii)	Mechanical Dobby					
		(Pl. mention the number of shaft/jack)					
	viii)	Jacquard (Pl.mention the hook capacity)					
	ix)	Pirn Winding Machine (up to 6 spindles)					
x)	Rapier Kit (with or without attachment)						
	TOTAL						
(Please attach copy of Final Invoice /Bill, stamped & signed by the unit & signed by all JIT members)							

10.	Payment Details: (Please attach payment receipts acknowledged by the attachments/kits supplier duly stamped and signed by unit & countersigned by JIT members)					
	S.N.	Manufacturer	Items	Invoice Value	Payment receipts No. & date	Amount on receipts
	i)					
	ii)					
	iii)					
	iv)					
	v)					
	vi)					
	vii)					
	viii)					
	ix)					
	x)					
		TOTAL				
	11	Recommendation/Remarks of Joint Inspection Team on eligibility of the claim: It is certified that the above said claims are checked and found to be in order in all respect as per the Guidelines of "In-Situ Upgradation Scheme for Plain Powerlooms for SSI Powerloom Sector under PowerTex India". Hence, recommended for subsidy.				

I/ unit have not availed any benefit on the above attachments / kits earlier under any scheme of Government of India.

Signature of applicant & Seal of the unit

Certified by: (1) (2) (3)

JIT members

Date:

Place:

(Each page of JIT report should be stamped and signed by unit as well as signed by JIT members).

(Certification by OIC of RO)

Format-IV

**Recommendation for Subsidy by Officer-Incharge of Regional Office of the Textile Commissioner under
In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under PowerTex India**

1.	In- principal registration No. and date issued by the RO of Textile Commissioner																			
2.	Date of receipt of Format in RO for JIT inspection																			
3.	Name & Address of the unit with pin code Taluka/Tahasil/Mandal: District: State: Pin code:																			
	Phone No./Mobile No.																			
	Fax No.																			
	E-Mail ID																			
	PAN No.																			
	Aadhaar No.																			
	Name of Proprietor / Partners / Managing Director(s)	Contact No.: Mobile No.:																		
4.	Name & Address (with pin code) of the Bank, Branch, Phone No.																			
	Account No.																			
	IFSC No.																			
5.	Pl. mention the Social Category of the Applicant/s and gender																			
6.	Number of looms upgraded	<table border="1"> <tr> <td>Plain loom to semi-auto/attachments(dobby, jacquard)/ pirn winding machine</td> <td></td> </tr> <tr> <td>Semi-automatic to rapier</td> <td></td> </tr> <tr> <td>Plain loom to rapier</td> <td></td> </tr> </table>	Plain loom to semi-auto/attachments(dobby, jacquard)/ pirn winding machine		Semi-automatic to rapier		Plain loom to rapier													
Plain loom to semi-auto/attachments(dobby, jacquard)/ pirn winding machine																				
Semi-automatic to rapier																				
Plain loom to rapier																				
7.	Attachments/Kits eligible for subsidy																			
	<table border="1"> <thead> <tr> <th>S.N.</th> <th>Attachments</th> <th>Quantity</th> <th>Rate</th> <th>Total Amount</th> <th>Eligible Amount</th> </tr> </thead> <tbody> <tr> <td>i)</td> <td>Weft stop motion</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>ii)</td> <td>Warp stop motion</td> <td>Electro mechanical</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	S.N.	Attachments	Quantity	Rate	Total Amount	Eligible Amount	i)	Weft stop motion					ii)	Warp stop motion	Electro mechanical				
S.N.	Attachments	Quantity	Rate	Total Amount	Eligible Amount															
i)	Weft stop motion																			
ii)	Warp stop motion	Electro mechanical																		

		type for spun yarn					
		Photo cell type for filament yarn with loom stopping mechanism					
iii)	Semi-positive let off motion						
iv)	Efficient braking device						
v)	Anti Crack device						
vi)	Self-lubricating nylon parts						
vii)	Mechanical Dobby (Pl.mention the number of shaft/jack)						
viii)	Jacquard (Pl.mention the capacity of Hooks)						
ix)	Pirn Winding Machine (up to 6 spindles)						
x)	Rapier Kit (with or with out attachment)						
	TOTAL						
	Eligible Subsidy Amount						

8. **Recommendation of Officer-Incharge of Regional Office of the Textile Commissioner on eligibility of the claim:**
It is certified that the above said claim is checked and found to be in order in all respect as per the Guidelines of "In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under powerTex India". Further, it is recommended to sanction an amount of Rs.----- as subsidy under "In-Situ Up gradation Scheme of Plain Power looms for SSI Powerloom Sector under PowerTex India"

(Certification by OIC of RO)

Recommendation for sanction of Subsidy by Officer-In-Charge of Regional Office of the Textile Commissioner, For the Month of under In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under PowerTex India

Sr. No.	Name of the Unit	Total No. of looms installed in the unit	Whether In-Principal approval for attachments/kits was issued by R.O	No. of looms on which attachments /Kits installed.			Total cost of the attachments/Kits installed on proposed looms (in Rupees)	Eligible Cost of the attachments/ Kits (in Rupees)	Eligible Subsidy recommended by Officer-In-Charge of Regional Office of the Textile Commissioner (in Rupees)	Remarks if any
				*	**	** *				
Total										

*- Plain to semi-automatic /attachment of dobby, jacquard/ pirn winding machine. **- Semi-automatic to Rapier loom. ***- Plain loom to Rapier loom

It is certified that the above said claims are checked and found to be in order in all respect as per the Guidelines of “In-Situ Upgradation Scheme of Plain Powerlooms for SSI Powerloom Sector under PowerTex India”.

Name:

Designation:

Name of Regional Office:

**DETAILS OF MANUFACTURING ACTIVITIES FOR REGISTRATION OF
MANUFACTURERS UNDER IN-SITU UPGRADATION SCHEME OF
PLAINPOWERLOOMS FOR SSI POWERLOOM SECTOR UNDER PowerTex**

India

Sr. No.	Particulars	Details
1	Name of Machine Manufacturer	
2	Registered Address with Pin Code	
3	Location of Factory with Pin Code	
4	Name of Proprietor / Partners / Managing Director(s)	
5	Constitution of Firm	Proprietorship / Partnership / Pvt. Ltd / Cooperative /LLP
6	Phone No	
7	Fax No	
8	Email	
9	Website Address	
10	Registration Certification of Establishment (Please enclose copy) a) No. and date b) Registering Authority	
11	Classification E M /I E M Acknowledgement (Please enclose copy) a) No. and date b) Registering Authority	MSME /Non-MSME Enterprise
12	ISO Certification (Please enclose copy) a) No. b) Date of Issue c) Valid upto d) Scope e) Certified by	
13	Sales Tax Registration (Please enclose copy) a) No. and date b) Registering Authority	
14	Central Excise No. & Date	

	(Please enclose copy)				
15	Items Manufactured (Please enclose copy of catalogue with detailed specification of machines)				
	Attachments/ kits		No. of kits/attachments supplied	Manufacturing capacity p.a.	Sale price
	Weft stop motion (Optical Weft Feeler)				
	Warp stop motion	Electro Mechanical Warp stop motion for spun yarn			
		Photocell type Warp stop motion for filament yarn with loom stopping mechanism			
	Semi-positive let off motion				
	Efficient braking device (Electro mechanical)				
	Anti Crack device				
	Replacement of metallic parts by self lubricating nylon parts (like shedding roller, picking cams, picking bowl, crank bushes etc. having life more than two years).				
	Mechanical Dobby	8 Shaft/Jack			
		12 Shaft/Jack			
		16Shaft/Jack			
		24 Shaft/Jack			
	Jacquard	Hook Capacity			
		100			
200					
300					
400					
600					
656					
800					
Pirn Winding Machine (up to 6 spindles)					
	Rapier kit				
16	Available total floor space a) Space available for manufacture b) Space available for storage c) Space available for inspection items				

	offered d) Other (Please enclose copy of layout plan)	
17	List of Manufacturing machines/ Equipments	
18	List of Testing equipments/ facilities	
19	List of Components manufactured In- house	
20	List of Components out-sourced	
21	No. of persons employed a) Technical b) Non technical	
22	Running of the Machine after assembly shop or at Customer's place	
23	Turnover in last three years (Yearwise)	
24	No. of machines sold in last three years (Please enclose copies of invoices)	
25	Proof of Address of the Factory/Unit premises (property tax receipt or rental agreement in stamp paper and should be notarised if it is rented)	
26	Recent Electricity bills	
27	PAN No.	
28	Whether R.O recommends for registration of the manufacturer(Yes/No)	

Place :

Date :

(Authorised Signatory of Unit with Seal and

Signature)

Verified by:

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

In-Situ upgradation of plain Powerloom Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	In-principle approval for installation of kit to be obtained by the unit.	SSI powerloom units having up to 8 looms. To be filed at concerned Regional office of the textile Commissioner. It would be granted within 21 working days.	Format- I Along with 1.Acknowledgement of IM or Powerloom permit or SSI registration or Udyog Aadhar Memorandum 2.Electricity Bill of unit 3.Notarized Lease deed/Power sharing agreement, if unit is leased. 4.Copy of Aadhar 5.Copy of PAN 6.Copy of Bank passbook	For taking In-principle approval
2..	Request for JIT To be submitted by the unit.	Within 6 months from the date of issue of In-principle approval. May be extended for further 3 months by requesting Concern RO.TxC within 21 working days of expiry of In-principle approval.	Format-II 1.Copy of Invoices 2.Payment receipts	After installation of Attachments/Kits Dobby,Jacquard Rapier kit Pirn winding machine purchased from empanelled /registered manufacturer/supplier with The Textile Commissioner.
3.	JIT Verification	Carried by concern RO TxC Within 30 days along with format III from the date of receipt of Format-II	1.Copy of Invoices 2.Payment receipts 3.Photos of the unit & In-principle approval number on looms	At the time of JIT visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Submission of JIT report	JIT has to submit report to Concern RO.	Format-III along with 1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms.	During submission of verification report to RO by JIT.
5.	Recommendation by OIC, ROTxC to release subsidy.	Recommendation by OIC, RO to Powerloom Development Cell, within 30 days to release subsidy	Format-IV Proforma-I	During recommendation by OIC, RO to release subsidy
6..	Issue of sanction by PDC	Availability of funds.	Authorization letter to concern RO to release subsidy to Manufacturers/suppliers/beneficiaries.	----
7.	Releasing of subsidy by RO to the manufacturer/beneficiary.	Within 7 days from the date of allocation of funds by PDC	----	----

III. GUIDELINES OF GROUP WORKSHED SCHEME (GWS)

1.0 Background

In order to organise powerloom units in a cluster and to provide improved working condition in terms of more space, work environment, improve the work efficiency to enhance their competitiveness in the global market the Government of India has been giving incentives for setting up new units under a scheme popularly known as the “Group Workshed Scheme” since the year 2003. The Group Workshed Scheme was introduced in 2003 with Govt. of India’s subsidy of Rs.80 per Sq.ft for construction of workshed, thereafter subsidy was enhanced to Rs.120 per Sq.ft and further, the subsidy was hiked to Rs.160 per Sq.ft. The last amendment with Govt. of India’s subsidy of Rs.300 per Sq.ft for construction of workshed was made on 4thFebruary, 2014 and being implemented till 31stMarch, 2017.

Now the Govt. of India, Ministry of Textiles decided to continue the scheme with enhanced benefits for the period of next three years i.e. 1stApril, 2017 to 31stMarch, 2020.

1.1 Objective

The prime objective of the scheme is to establish Group Worksheds for installation of modern looms in an existing or new cluster, which will provide required scale of economies for business operations and to organise powerloom units in a cluster and to provide improved working condition in terms of more space, work environment, improve the work efficiency to enhance their competitiveness in the global market.

2.0 Period of Operation

The Group Workshed Scheme shall remain in operation for the period of three years from 01.04.2017 to 31.03.2020

3.0 Scope of the Scheme

3.1 The Worksheds under the scheme include the space required for installation of Modern Shuttleless Looms, Weaving Preparatory such as Warping, Sizing, **Twisting (Two-for-one Twister and Three-for-one Twister), Texturizing, Testing Laboratory & Common Facilities such as Sample Display Room and construction of Dormitory.**

3.2 The eligible area under the Group Workshed Scheme would be restricted to **maximum 400 sq.ft. per loom** which is the requirement for working of a shuttleless loom, including raw material storage, grey fabric storage, Stores

and spare parts storage, grey fabric mending / folding and packing, beam gaiting and administration/utilities/workers amenities etc. Beneficiaries can have area of bigger size with their own contribution.

- 3.3 The beneficiary will be eligible for infrastructure benefit i.e., internal road to the extent of 10% of eligible expenditure (as per the scheduled of rates of CPWD/State PWD) towards construction of internal roads provided the total number of sheds is 4 (four) and above and at least one of the sheds is proposed to house weaving preparatory equipments with or without Shuttleless looms.
- 3.4 The additional benefit in terms of space/area will be provided for Weaving Preparatory such as Warping, Sizing, Twisting (Two-for-one Twister and Three-for-one Twister), Texturising, Testing Laboratory and Common Facilities such as Sample Display room upto a maximum of 40% of total loomage area.
- 3.5 **The additional subsidy for construction of Dormitory/workers' accommodation which includes adequate hygienic toilet and bathroom (kitchen with store room and dining hall may be included as optional) for accommodation of minimum 1.25 persons per powerloom will be provided @ 125 Sq.ft per person. The rate of subsidy per sq. ft for Dormitory/workers' accommodation will be equal to the rate of subsidy per sq. ft applicable to Group workshed.**
- 3.6 The beneficiary will not be eligible for any infrastructure benefits under any other scheme of Ministry of Textiles viz. SITP

4.0 **Eligibility:**

The following general guidelines are prescribed for selection of beneficiaries under the Scheme: -

- 4.1 Eligible beneficiaries would include weaver(s) and entrepreneur(s) associated with powerloom units, including master weaver(s), registered co-operative societies of powerloom weavers or any new entrepreneur(s) individually or in-group.
- 4.2 Group will consist of at least 4 weavers / entrepreneur(s) having separate legal entity. **At least 24 nos. of shuttleless looms of width upto 230 cms (or) 16 nos. of shuttleless looms of wider width i.e. 230 cms and above are to be installed in the Workshed.** Each beneficiary should have at least 4 number of Looms.
- 4.3 Group applications will be entertained. However, where sufficient beneficiaries are available, the subsidy will be restricted to one representative of a family only in the group.

4.4 “Powerloom unit” would include weaving preparatory such as Warping, Sizing, Twisting (Two-for-one Twister and Three-for-one Twister), Texturising, Testing Laboratory and Common Facilities such as Sample Display room` including stand-alone unit.

4.5 Only TUFS compatible machines are to be installed in the projects sanctioned under the Scheme. However, prior approval of TUFS subsidy need not be a pre-condition.

4.6 The scheme does not envisage more than 500 looms under one project proposal.

5.0 Purchase of Land & Clearance

5.1 The EA is required to be in possession of required land by either owned or leased before submission of Project report to the Govt. If land is taken on lease basis by the EA, it should have **minimum lease period of 10 years and the EA shall submit registered lease deed** along with the project proposal.

5.2 The land should be Industrial Non Agricultural land and necessary approach road to the land, Layout & Building plan should be approved by concerned State Govt. Authority

6.0 Operational Guidelines:

6.1 There would be an Executing Agency (referred as EA) for setting up of project under this scheme which may include the State Govt. or its agency, a registered Cooperative Society or a Company set up under Companies Act 1956, as amended/ **a firm set-up under the Limited Liability Partnership Act, 2008 as amended**, by a group of powerloom owners (minimum of four beneficiaries) or by the local powerloom association.

6.2 The EA shall submit an application as per format given at **Annexure-I** alongwith a Detailed Project Report (DPR) and documents enlisted in the enclosed checklist at **Annexure-II**, for the purpose of availing of subsidy under the scheme indicating the salient features and submit the same to the Powerloom Development Cell (PDC) at the Office of the Textile Commissioner, Mumbai, through its Regional Office of the Textile Commissioner with an advanced copy to PDC. The concerned Regional Office of the Textile Commissioner will forward the proposal with their recommendation or otherwise to the Office of the Textile Commissioner within 30 days of the receipt of the application. The DPR should, interalia, contain the following details:

- Executive summary of the Project

- Nature of the EA: whether the Govt. Agency or Co-operative society or a company set up by the group of Powerloom weavers/local Powerloom association.
 - Details of the land-location, nature of ownership (owned/leased) and the cost.
 - Details of beneficiaries, along with the Worksheds and looms proposed to be installed by each beneficiary.
 - Component-wise cost of Project
 - Project funding patterns, indicating the shares of the EA, Central Govt. and others, and loans
 - Schedule of construction indicating month-wise plan with PERT/CPM.
 - Layout of the Project Area indicating location of sheds, infrastructure such as road/water supply/electricity/drainage and other common facilities.
- 6.3 The schedule of rates of CPWD as in that state shall be used, as the basis, for arriving at the cost estimates of construction of building under the scheme.
- 6.4 The beneficiary (ies) should give a written undertaking as **per the format (Annexure-III) prescribed by the Textile Commissioner.**
- 6.5 The powerloom unit availing of subsidy should at least function for a minimum lock-in period of 3 (three) years under the same ownership from the date of disbursement of last instalment of subsidy.

6.6 Project Approval Committee (PAC)

All projects under the scheme will be submitted to Project Approval Committee constituting of following members for its approval, where,

- i) GOI share /assistance is more than Rs. 2.00 crore.
- | | |
|------------------|---|
| Chairman | - Secretary (Textiles) |
| Member | - SS & FA |
| Member | - Joint Secretary (PL) |
| Member | - Representative from Planning Commission |
| Member Secretary | - Textile Commissioner |
- ii) GOI share /assistance is less than Rs. 2.00 crore
- | | |
|------------------|--|
| Chairman | - Textile Commissioner |
| Member | - Joint Secretary (PL) |
| Member | - Representative from IFW |
| Member Secretary | - Additional Textile Commissioner/Director |

The Project Approval Committee may meet monthly but at least once in every quarter to review / assess the progress of the projects under the scheme. The PAC

may examine the proposal submitted by the Concerned Regional Office of the Textile commissioner within 90 days.

- 6.7 The EAs will open an ESCROW account with any schedule bank and all payments for GWS will be made through ESCROW account which will be jointly operated by one member of EA and one member from the concerned Regional Office of Textile Commissioner. After opening of ESCROW account, the EA shall submit the account details as per the format prescribed by Office of Textile Commissioner to Powerloom Development Cell.
- 6.8 After receipt of communication of approval of the project by PAC & opening of escrow account, the beneficiary would take up the construction. Initial 30% advance will be given only if the land is mortgaged to Govt. of India as first charge or 2nd charge. If the land is not mortgaged, initial 30% of the total GOI share will be released on incurring proportionate expenditure.
- 6.9 The EA should submit the claim for release of subsidy to the Textile Commissioner.
- 6.10 For any change/modification in project profile, the approval of PAC is to be obtained.

7.0 Local Level Monitoring Committee (LLMC):

Local Monitoring Committee will be formed for each centre which will include an officer from the concerned Regional Office of the Textile Commissioner & local District Industries Centres, a representative of local P/L association and/or respective FI/banks. The eligible subsidy will be released only after getting the physical verification report of LLMC **as per the format (Annexure-IV) prescribed by the Textile Commissioner.**

8.0 Financial Assistance & Funding Pattern

- 8.1 Under this scheme, subsidy for construction would be as under:-
 - General Category: 40% of the unit cost of construction of Group workshed, Dormitory/workers' accommodation subject to a maximum of Rs.400/- per Sq.ft**
 - SC Category: 75% of the unit cost of construction of Group workshed, Dormitory/workers' accommodation subject to a maximum of Rs.750/- per Sq.ft**
 - ST Category: 90% of the unit cost of construction of Group workshed, Dormitory/workers' accommodation subject to a maximum of Rs.900/- per Sq.ft**

8.2 The maximum permissible subsidy per beneficiary shall be restricted to Rs.22.00 lakh (including the subsidy for infrastructure benefit i.e. internal road to the extent of 10% of eligible expenditure towards construction of internal roads) .

9.0 **Release of Subsidies:**

The following schedule will be adopted for release of GOI share to the beneficiaries:

- 9.1 30% of the total GOI share will be released in advance, after approval of the project by the PAC and after submission of the claim by the EA within 90 days of the date of sanction of the project by the PAC in the prescribed Format at **Annexure-V** along with documents enlisted provided the land is mortgaged to GOI on 1st charge / 2nd charge. Otherwise the first instalment of 30% of Govt. of India subsidy will be released after the proportionate expenditure is incurred by the EA for construction which is approved by a Govt. Architect. The LLMC report will be submitted by the concerned Regional Office of the Textile Commissioner to the Office of the Textile Commissioner within 30 days from the date of submission of the claim.
- 9.2 Second instalment of 30% of the total GOI share will be released after furnishing of the Utilization Certificate (UC) of 1st instalment and the proportionate expenditure approved by a govt. approved architect and submission of claim within 180 days of the date of sanction in the prescribed Format at Annexure-VI alongwith documents enlisted therein. The LLMC report will be submitted by the concerned Regional Office of the Textile Commissioner to the Office of the Textile Commissioner within 30 days from the date of submission of the claim.
- 9.3 Third instalment of 20% of the total GOI share will be released after successful completion of Group Workshed along with the copy of proportionate expenditure incurred by the EA for construction which is approved by a Govt. Architect and submission of claim within 270 days of the date of sanction in the prescribed Format at **Annexure-VII** alongwith documents enlisted therein. The LLMC report will be submitted by the concerned Regional Office of the Textile Commissioner to the Office of the Textile Commissioner within 30 days from the date of submission of the claim.
- 9.4 Balance 20% of Govt. of India subsidy will be released after submission of claim by the EA within 2 years from the date of sanction in the prescribed Format at Annexure-VIII along with documents enlisted therein. The LLMC report regarding successful installation and satisfactory working of the machineries as approved by PAC will be submitted by the concerned Regional Office of the Textile Commissioner to the Office of the Textile Commissioner within 30 days from the date of submission of the claim.

9.5 If the land is not mortgaged, then no advance will be given, but pro rata reimbursement of subsidy will be done in the ratio of 30:30:20:20.

10.0 **Monitoring and Review:**

10.1 With a view to monitoring the implementation of the scheme and ensuring proper usage of the benefit, the Textile Commissioner shall call for any documents/information from the beneficiary as may be deemed necessary and cause inspection of the unit(s) as and when required.

10.2 Failure on the part of an Eligible Unit to submit any of the information / documents as called for by the Textile Commissioner within the specified time shall amount to breach of the provisions of the Group Workshed Scheme entailing suitable action as deemed fit including action to cancel the approval of the project, or premature recall of and immediate recovery of the incentives drawn / availed.

11.0 **Safeguard against Mis-utilisation:**

11.1 The land on which Group Workshed is proposed for establishment must have clear title for use in favour of EAs and also must have all NOC from local bodies, Municipal Authority, State Administrative and State Pollution Control Board as applicable.

11.2 The EA shall function atleast for a period of three years from date of release of fourth and final installment.

11.3 In order to avoid default by the beneficiaries, the mortgage of assets on 1st or 2nd charge would be taken in all cases approved under the scheme failing which the beneficiary shall execute surety bond **as per the format (Annexure-IX)** before release of funds.

11.4 In case of non utilization/mis-utilisation of subsidy and delay beyond 18 months in completion of the project, as approved by PAC, funds released shall be recovered from the Executive Agency with simple interest @10% per annum from the date of release to date of refund of the amount.

11.5 Before releasing the 1st instalment it will be ensured that the cost of land is more than the amount (1st instalment) being released to the EA.

11.6 Utilization of Govt. subsidy will be made through an Escrow account indicated in para 6.7 of the scheme.

12. **Time Limit for completion of Project:**

12.1 **The project as approved by the PAC shall be completed in all respect within 2 years from the date of communication of approval.**

12.2 The PAC may extend the time limit for one more year beyond 2 years period, based on the request of EA with sufficient reason/cause for non-completion of the project, failing which penalty @ 10% will be imposed and the same will be adjusted from the balance subsidy to be released.

Annexure I

APPLICATION FOR GRANT OF SUBSIDY UNDER GROUP WORKSHED SCHEME

(A) General Details

1.	Name of Executing Agency	
	Address of Registered/ Administrative Office	
	Location of Workshed	
	Phone No.	
	Fax	
	Website	
	Email	
2.	Nature of Executing Agency	The State Govt. or its agency / Registered Co-operative Society / Private Limited Company / Limited Liability Partnership / Public Limited Company / Powerloom Association
3.	Whether EA is registered under Companies Act of 1956 / LLP Act 2008 / Societies Act	
4.	Registration No. & Date	

(B) Details of Project costs & Financing

Sr. No.	Items	Financing (Rs. lakh)				
		Own contribution	Central Govt's. subsidy	State Govt's. subsidy	Loan from Financial Institutions	Total
1.	Land					
2.	Worksheds					
3.	Infrastructure					
	a) Internal roads					
	b) Electricity supply					
	c) Water supply					
	d) Drainage					
	e)					
	f)					
g)						
4.	Looms & Preparatory machinery					
	TOTAL					

Project Details

<u>Land</u>		
Total area in acres		
Nature of Ownership:		Owned / Leased
<u>Worksheds</u>		
a) Total No. of sheds for Looms Total No. of sheds for Preparatory		
Total:		
b) Total area in sq.ft. for Looms Total area in sq.ft. for Preparatory		
Total:		
c) Cost of construction per sq. ft		
<u>Infrastructure</u>		
a) Internal roads (area in sq. mtrs)		
b) Electricity supply (Load in M.W)		
c) Water supply (Quantity in K.L.)		
d) Drainage (Length in mtrs)		
e)		
f)		
g)		
<u>Looms & Preparatory machinery</u>		
a) Number of looms proposed to be purchased (Please specify type of Looms also)		
b) Number of Preparatory machinery proposed (Please specify type of machines also)		
a) Product Profile		
b) Production per loom/day		mtrs.
c) Total Production per annum		Lakh mtrs.
d) Export in terms of percentage		
e) Total Turnover per annum		` Lakh
f) Cost of production per annum		` Lakh
g) Net profitability		` Lakh
h) Employment		Persons

(C) Details of Executing Agency

Sr. No.	Name of the Member Unit	Name of the Director / Proprietor / Partner of the Unit	Contact details (E-mail and Mobile no.)	No. of Looms to be installed	Type of Looms to be installed.
	TOTAL				+

(D) Details of Beneficiaries

Sr. No.	Name of the Beneficiary	Gender	Religion	Category	Area of proposed workshed in sq.ft.	Machines proposed		Approx. cost of the machines to be purchased (Rs.lakh)
						Qty.	Type	
	TOTAL							

Note:

1. Please indicate the details of beneficiary who will be setting up preparatory machinery, if any, at the bottom of the above table.
2. * If more than one beneficiary is sharing one shed, write their names consecutively and indicate one shed jointly against them.
3. Please indicate Gender of Beneficiary -- M - Male, F - Female.
4. Please indicate Religion of Beneficiary -- H - Hindu, M - Muslim, S - Sikh, J - Jain, C - Christain, O - Other.
5. Please indicate Category of Beneficiary -- SC/ST/OBC/General.

(E) Details of expected annual contribution by the beneficiaries towards maintenance & repayment of loans

Sr. No.	Component	Amount (in Rs.)				
1.	Details of costs of maintenance/year					
	a) Worksheds					
	b) Infrastructure					
	➤ Supply of power					
	➤ Supply of water					
	➤ Maintenance of roads & drainages					
	c) Watch & ward					
	d) Total Costs					
	e) Total area of worksheds					
	f) Maintenance Cost/Sq.ft. of workshed area per year					
2.	<u>Loan Repayment</u>	Year 1	Year 2	Year 3	Year 4	Year 5
	* a) Total loan borrowed					
	b) Annual Repayment with interest					
	c) Annual payment to be done by					

	beneficiary per sq.ft. of workshed area year-wise.					
--	--	--	--	--	--	--

(F) Details of expected annual contribution by the beneficiaries towards maintenance & repayment of loans

Sr. No.	Component	Amount (in Rs.)				
		Year 1	Year 2	Year 3	Year 4	Year 5
1.	Details of costs of maintenance/year					
	g) Worksheds					
	h) Infrastructure <ul style="list-style-type: none"> ➤ Supply of power ➤ Supply of water ➤ Maintenance of roads & drainages 					
	i) Watch & ward					
	j) Total Costs					
	k) Total area of worksheds					
	l) Maintenance Cost/Sq.ft. of workshed area per year					
2.	<u>Loan Repayment</u>	Year 1	Year 2	Year 3	Year 4	Year 5
	* a) Total loan borrowed					
	b) Annual Repayment with interest					
	c) Annual payment to be done by beneficiary per sq.ft. of workshed area year-wise.					

* This is the loan amount borrowed by the EA for construction of worksheds and development of common facilities/infrastructure etc., if any.

For office use only :

Visited the site of Group Workshed of the EA i.e. M/s.....on and verified the documents submitted by the applicant and the proposal is recommended for sanction/ not recommended for reasons as under:

Signature of OIC

Regional Office of the Textile Commissioner,

Annexure-II

Checklist of documents to be submitted along with detailed project report (DPR)

1. Copy of the registration of land in the name Executing Agency or copy of the registered lease deed of the land for not less than 10 years, as applicable.
2. Non-agriculture land certificate issued by the concerned Gram Panchayat/District Town Planning Authority or any other competent authority, as applicable.
3. Layout Plan for construction of Workshed duly approved by the concerned Gram Panchayat/District Town Planning Authority or any other competent authority, as applicable.

Annexure-III

TO WHOMSOEVER IT MAY CONCERN

We, the undersigned Directors of M/s....., (EA), a Company Registered under Company's Act 1956/LLP Act 2008, hereby undertake that the work shed Building Measuring an area of Sq. ft, situated at,constructed under Group Work shed Scheme (GWS) under PowerTex India (Comprehensive Scheme for Powerloom Sector Development) launched by Govt. of India, Ministry of Textiles, shall be used only to install Technology Up gradation Fund Scheme(TUFS) compatible Weaving & Preparatory Machinery and shall not be utilized for any other purpose. Further, it is also declared that the said Company will function for a period of three years from the date of release of subsidy under GWS and availed by the company and the undersigned beneficiaries.

S.NO.	Name of the beneficiary	Designation	Signature
1		Managing Director	
2		Director	
3		Director	
4		Director	

The above resolution is passed by the company during the meeting held on -----
----and all the Directors of the company is aware of the same for the implementation of the said project under the Group Work shed Scheme.

Date :
Place :

Name :
Designation:
Name of the EA:
Seal of EA:

Annexure-IV

**Reporting format of Local Level Monitoring Committee(LLMC) of the Group Work
Shed**

Sr No.	Details of LLMC Report	Recommendation of LLMC
1	Name and address of the Group work shed	
2	Date of LLMC	
3	Venue of the Meeting	
4	Stage of LLMC	
5	Names of LLMC Members present	
6	Present status of work Shed	
7	Area of work shed constructed	
8	Financial progress made so far	
9	Chartered Engineer's Certificate	
10	Chartered Accountant Certificate	
11	Total area of the work shed approved	
12	Govt. of India Subsidy sanctioned	
13	Govt of India subsidy released	
14	Present area/construction of work shed completed	
15	Percentage of work completed	
16	Details of machinery proposed	
17	No. of machinery installed	
18	Eligible subsidy recommended	
19	Photographs with date & Time	
20	Over all Remarks	

Signature of LLMC Members

Annexure-V

Format of application by the EA alongwith documents to be submitted for the release of first instalment of 30% GOI subsidy. (To be submitted within 90 days of the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of first instalment of Govt. of India subsidy under the Group Workshed Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Mortgage deed of the land to the Govt. of India on 1st charge/2nd charge in case of advance release of GOI share.
2. Chartered Accountant Certificate of expenditures incurred towards construction of Worksheds.
3. Certificate of proportionate expenditure by a Govt. approved architect.
4. Any other details.

You are requested to conduct necessary LLMC verification at the earliest.

Yours faithfully,

(Authorised signatory of EA)

Annexure-VI

Format of application of claim by the EA alongwith documents to be submitted for the release of second instalment of 30% GOI subsidy. (To be submitted within 180 days of the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of second instalment of Govt. of India subsidy under the Group Workshed Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures incurred towards construction of Worksheds.
2. Certificate of proportionate expenditure by a Govt. approved architect.
3. Sanction letters of the bank for the Term Loan for purchasing plant and machineries for each beneficiaries /Executing agency for tie-up for funds for purchase of machineries.
4. Utilisation Certificate (UC) of 1st instalment.
5. Any other details.

You are requested to conduct necessary LLMC verification at the earliest.

Yours faithfully,

(Authorised signatory of EA)

Annexure-VII

Format of application of claim by the EA alongwith documents to be submitted for the release of third instalment of 20% GOI subsidy. (To be submitted within 270 days of the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of third instalment of Govt. of India subsidy under the Group Workshed Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures incurred towards construction of Worksheds.
2. Certificate of proportionate expenditure and construction completion certificate by a Govt. approved architect.
3. Documents of placement of order for plant and machineries and advance / token money released to the machinery supplier by each beneficiaries / Executing agency.
4. Utilisation certificate (UC) of 2nd instalment.
5. Any other details.

You are requested to conduct necessary LLMC verification at the earliest.

Yours faithfully,

(Authorised signatory of EA)

Annexure-VIII

Format of application of claim by the EA alongwith documents to be submitted for the release of last instalment of 20% GOI subsidy. (To be submitted within 2 years of the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of last instalment of Govt. of India subsidy under the Group Workshed Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures on incurred on plant and machineries.
2. Invoices of plant and machineries towards installation of machineries by each beneficiary / EA.
3. Utilisation Certificate (UC) of 3rd instalment.
4. Any other details.

You are requested to conduct necessary LLMC verification at the earliest.

Yours faithfully,

(Authorised signatory of EA)

Specimen of Surety Bond On Hundred Rupees Judicial Paper

BOND PRESCRIBED TO BE EXECUTED BEFORE GRANT IS RELEASED

KNOW ALL MEN BY THESE PRESENTS that we, M/s _____, a company incorporated under the Companies Act/Co-op. Society registered under Co-op Society Act of Govt. of _____ and having its registered office at _____ (hereinafter called the "Obligors") are held fully and firmly bounded to the President of India (hereinafter called the "Government") for the sum of Rs. _____ (Rupees _____ only) well and truly to be paid to the Government on demand and without a demur for which payment we firmly bind ourselves and our successors and assigns by these presents.

Signed on the _____ day of _____ in the year Two Thousand _____.

WHEREAS on the Obligors' request, the Government as per Sanction Order No. _____ Dated _____ of Office of the Textile Commissioner, Ministry of Textiles (hereinafter referred to as the "Letter of Sanction") which forms an integral part of these presents, and a copy whereof is annexed hereto and marked as Annexure-I, agreed to make in favour of the Obligors a grant of Rs. _____ (Rupees _____) for the purpose of construction of workshed and installation of specified looms and weaving preparatory machines at _____ out of which the sum of Rs. _____ (Rupees _____ only) have been paid to the Obligors (the receipt of which the Obligors do hereby admit and acknowledge) on condition of the Obligors executing a bond in the terms and manner contained hereinafter which the Obligors have agreed to do.

NOW the conditions of the above written obligation is such that if the Obligors duly fulfill and comply with all the conditions mentioned in the letter of sanction, the above written Bond or obligation shall be void and of no effect. But otherwise, it shall remain in full force and virtue. The Obligors will abide by the terms & conditions of the grant by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants and entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

THAT the Obligors shall abide by any other conditions specified in this agreement and in the event of their failing to comply with the conditions or committing breach of the bond, the Obligors and the sureties individually and jointly will be liable to refund to the President of India, the entire amount of the grant with interest of 10% per annum thereon. If a part of the grant is left unspent after the expiry of the period within which it is required to be spent, interest @10% per annum shall be charged upto the date of its refund to the Government, unless it is agreed to be carried over.

The Obligors agree and undertake to surrender/pay the Government the monetary value of all such pecuniary or other benefits which it may receive or derive / have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grant was intended of the property) building created/acquired constructed largely from out of the Grant sanctioned by Government of India, Ministry of Textiles or the Administrative Head of the Department concerned. As regards the monetary value aforementioned to be surrendered/paid to the Government, the decision of the Project Approval Committee will be final and binding on the Obligors.

AND THESE PRESENTS ALSO WITNESS THAT

i) the decision of the Secretary to the Government of India in the Ministry of Textiles on the question whether there has been breach or violation of any of the terms or conditions mentioned in the sanction letter shall be final and binding upon the Obligors and;

ii) the Government shall bear the stamp duty payable on these presents.

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obligors the day herein above written in pursuance of the Resolution No. _____ Dated _____ passed by the governing body of the Obligor, a copy whereof is annexed hereto as Annexure-II and on behalf of the sureties and by _____ for and on behalf of the president on the date appearing below:-

FOR

Signature of the AUTHORISED SIGNATORY
Signed for and on behalf of
(Name of the Obligor)

1. Signature of witness 2. Signature of witness
Name & Address Name & Address

TO BE FILLED UP BY THE OFFICE OF THE TEXTILE COMMISSIONER

(ACCEPTED)

For and on behalf of the President of India

Designation _____

Date: _____

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Group Workshed Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Sanction for construction of work shed.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner	Application in Annexure- I of the guidelines along with 1.Executive summary of the project. 2.Nature of EA 3.Sale /lease deed of land in the name of EA. 4.Non-agricultural land certificate. 5.Approved layout plan.	For taking Sanction for construction of work shed.
2.	Forwarding application to office of the Textile Commissioner	Forwarding application by Regional office with recommendation to office of the Textile Commissioner for sanction within 30 days of receipt of application.	1.Executive summary of the project. 2.Nature of EA 3.Sale /lease deed of land in the name of EA. 4.Non-agricultural land certificate. 5.Approved layout plan. 6. Photos of the site.	----
3..	Claiming for release of first installment of 30 %.	1.EA has to claim within 90 days from the date of sanction. 2.Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	1. Mortgage deed of the land to GOI in case of advance release of subsidy. 2.CA certificate of expenditure incurred for construction of workshed. 3. Certificate of proportionate expenditure by Govt. approved architect. 4. Photos of the construction.	During LLMC visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Claiming for release of second installment of 30 %.	<p>1. EA has to claim within 180 days from the date of sanction.</p> <p>2. Inform concern RO about 60 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred for construction of workshed.</p> <p>2. Certificate of proportionate expenditure by Govt. approved architect.</p> <p>3. Utilization certificate of first installment.</p> <p>4. Photos of the building construction.</p> <p>5. Sanction letter of bank for the Term loan for purchasing plant & machineries for each beneficiary/EA</p>	During LLMC visit
5.	Claiming for release of third installment of 20 %.	<p>1. EA has to claim within 270 days from the date of sanction.</p> <p>2. Inform concern RO about 100 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred for construction of workshed.</p> <p>2. Certificate of proportionate expenditure by Govt. approved architect.</p> <p>3. Photos of the building</p> <p>4. Utilization certificate of second installment.</p> <p>5. Documents of placement of order for plant & machinery by each beneficiary/EA & advance/token money released.</p>	During LLMC visit
6	Claiming for release of fourth installment of 20 %.	<p>1. EA has to claim within 2 years from the date of sanction.</p> <p>2. Inform concern RO about installation & commissioning of plant & machinery.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred on plant & Machineries.</p> <p>2. Submission of Invoices of Plant & Machineries</p> <p>3. Utilization certificate of third installment.</p>	During LLMC visit

IV. Guidelines Of Yarn Bank Scheme

1.0 Background

Small weavers in decentralized powerloom sector have no capacity to purchase yarn in bulk from the open market due to high rate. They depend on local supplier of yarn for their day to day consumption. The local supplier sells the yarn at high rate and takes advantage of fluctuation in price. Due to this the small Powerloom weaver is not able to get yarn at reasonable price and unable to plan his production. Therefore, it is necessary to set up yarn bank to assure the availability of yarn at reasonable rate, to the weavers. Such Yarn Bank will help the Powerloom Units to tide over the fluctuation in yarn prices.

Normal working capital cycle for powerloom industry includes yarn procurement, work-in-process like warper beam, size beam, knotting, weaving on looms, mending, folding at grey stage and sale of grey fabrics and cash/creditors etc. – taking approximately 2 – 2½ months for completion of the cycle. Therefore, in a year, the SPV is expected to rotate the corpus funds including their contribution at least 4 - 5 times.

1.1 Objectives

To enable small Powerloom weavers to purchase the yarn at wholesale rate and in large quantities by avoiding middle man/local supplier's brokerage charges by way of providing interest free corpus fund to Special Purpose Vehicle (SPV) / Consortium of Powerloom weavers.

2. Period of Operation

As a component under PowerTex India, the Yarn Bank Scheme shall remain in operation for the period of next three years i.e. 1st April, 2017 to 31st March, 2020.

3. Financial assistance

Government shall provide interest free corpus fund maximum upto Rs.200 lakh per yarn bank to SPV/Consortium.

4. Eligible Criteria

- a. The Special Purpose Vehicles (SPV) would be constituted in the form of a registered Co-op. Society, a trust or in the form of a company registered under Companies Act, 1956 and a firm established under Limited Liability Partnership Act, 2008.
- b. Minimum 11 members are required to form SPV.
- c. The Members of SPV should be Powerloom Weavers, Master Weavers, Co-operative Societies, Private Entrepreneurs, NGO's working for Powerloom Sector.

5. Pre-requisite

- a. The Special Purpose Vehicles (SPV) shall be registered as mentioned at 4(a)

above before applying for setting up of Yarn Bank.

- b. The SPV shall give undertaking
 - (i) for arrangement of their own fund equal to the fund provided by the Government
 - (ii) for submission of the bank guarantee for 25% of Government share of the corpus fund (or) an alternate option like Mortgage of Property, Surety Bond, Promissory Note, etc. for 25% of the GOI Share in favour of Textile Commissioner valid for at least 3 years period.
 - (iii) that all members of SPV are interested to participate in the Yarn Bank
 - (iv) that the corpus fund for yarn bank will be utilized by the SPV for purchasing and supply of the yarn to the members of SPV and weavers in and around the cluster.
 - (v) that they will arrange a suitable Warehouse for storage of yarn with safety / security arrangements and insurance
The specimen format prescribed for the above purpose is at **Annexure-I**.

6. Terms and Conditions for Implementation

The terms and conditions for providing corpus fund to SPV are as under:-

- a. Government shall provide interest free corpus fund maximum Rs.200 Lakh per yarn bank to SPV/Consortium.
- b. The SPV shall arrange their own fund equal to the fund sanctioned by the PAC within 60 days of the date of sanction.
- c. The said corpus fund provided by the Govt. shall be released to SPV against the bank guarantee for 25% of Government share of the corpus fund in favour of Textile Commissioner valid for at least 3 years period (or) an alternate option like Mortgage of Property, Surety Bond, Promissory Note, etc. for 25% of the GOI Share in favour of Textile Commissioner valid for at least 3 years period. Format of bank guarantee prescribed for this purpose is at **Annexure-II**.
- d. The SPV will identify/provide a suitable Warehouse for storage of yarn with proper documentation, safety / security arrangements and insurance.
- e. GOI share of corpus will be deposited in the ESCROW account which will be jointly operated by one member of SPV and one member from the concerned Regional Office of Textile Commissioner. The Govt. of India share shall be deposited in the ESCROW account immediately after deposit of share of SPV and furnishing of prescribed bank guarantee. After opening of ESCROW account, the EA shall submit their claim for Govt. of India share of the corpus fund within 60 days of the date of sanction, in the prescribed Format at Annexure-III along with the documents enlisted therein to the concerned

Regional Office of the Textile Commissioner who will in turn will forward to the Powerloom Development Cell of the Office of Textile Commissioner within 10 days of the receipt of claim.

- f. The said corpus fund for yarn bank will be utilized by the SPV for purchasing and supply of the yarn and maintaining its stock required by the weavers in and around the cluster.
- g. The SPV should rotate the corpus fund including their contribution at least 4 – 5 times in a year.
- h. After implementation of the project SPV shall have to furnish monthly performance report to the concerned Regional Office of the Textile Commissioner with a copy to the Office of the Textile Commissioner, Mumbai, in prescribed format at **Annexure-IV**.
- i. The SPV should maintain records properly with entry of each purchase and delivery of yarn, showing the details of member i.e. membership numbers whom yarn is sold by the yarn bank in the enclosed proforma at **Annexure-V**.
- j. The SPV should ensure that if demand of yarn is more than the availability, then the yarn supply should go to every member separately, and no members should be given the scheme benefit twice before each member has been given the scheme benefit at least once as per their requirement.
- k. The said corpus fund will be available with SPV for three years period, extension of which may be considered by Project Approval Committee (PAC) on the basis of its performance.
- l. In case, due to any reason, amount is not recovered from the bank guarantee / security, then the SPV / consortium shall have to refund the amount with simple interest (10%) w.e.f. the date of expiry of three years to Govt. of India.
- m. The SPV will submit an application in prescribed format at **Annexure-VI** along with DPR to the Textile Commissioner through concerned Regional Office of Textile Commissioner for sanction of the project. The concerned Regional Office of the Textile Commissioner will examine the proposal and forward the same along with recommendation within 30 days of the date of application.
- n. The said proposal for corpus fund will be further scrutinized by the Office of the Textile Commissioner and will be placed before Project Approval Committee (PAC) for approval, within 60 days of the date of receipt from the concerned Regional Office of the Textile Commissioner.

7. Implementing Agency

The scheme will be implemented/monitored by the Office of the Textile Commissioner through Regional Offices, in association with Powerloom Development Export Promotion Council (PDEXCIL), Powerloom Associations/Federations/Organizations, State Governments etc.

8. Project Approval Committee

All projects submitted under the scheme will be approved by the Project Approval Committee (PAC) constituted as under:-

Textile Commissioner	- Chairman
Joint Secretary (PL)	- Member
Representative from IFW	- Member
Joint Textile Commissioner/ Director	- Member Secretary

9. Monitoring and Review:

- a. With a view to monitoring the implementation of the scheme and ensuring proper usage of the benefit, the Textile Commissioner shall call for any documents/information from the SPV as may be deemed necessary.
- b. Failure on the part of SPV to submit any of the information / documents as called for by the Textile Commissioner within the specified time shall amount to breach of the provisions of the Yarn Bank Scheme and action as deemed fit including action to cancel the approval of the project, or premature recall of an immediate recovery of the corpus fund availed.
- c. The SPV shall function at least for a period of three years from the date of last release of the GOI share.

10. Redressal of Grievance

All grievances related to implementation of the scheme shall be submitted to the Textile Commissioner who will take necessary action to resolve the grievance.

UNDERTAKING

I/We, hereby undertake that

- (i) The SPV will arrange of their own fund equal to the fund provide by the Govt. of India.
- (ii) The SPV will arrange Bank Guarantee for 25% of Government Share of the Corpus Fund (or) an alternate option like mortgage of property, surety bond, Promissory Note etc. for 25% of Government Share in favour of Textile Commissioner valid for at least 3 year period from the date of issue of the bond.
- (iii) All Members of SPV are interested to participate in the Yarn Bank Scheme under PowerTex India.
- (iv) The interest free corpus fund for Yarn Bank under Scheme for PowerTex India will be utilised by the SPV for purchasing and supply of the yarn to the members of the SPV and weavers in and around the cluster.
- (v) The SPV has identified a warehouse of area measuringsq.ft located at (Full Address). Further, I/We undertake that the Safety/Security and Insurance will be done after the approval of the proposal.

Content of the undertaking are true and correct to the best of my/our knowledge.

Date :

Name :

Place :

Designation:

Name of the SPV:

Seal of SPV:

To,
The President of India,
Acting Through the Textile Commissioner,
Nishtha Bhavan, New C.G.O. Building,
Mumbai-400 020.

Bank Guarantee for utilization of Corpus for Yarn Bank under PowerTex India

Confirmation of this Bank Guarantee is available.

THIS DEED OF BANK GUARANTEE is executed by the Bank, (preferably a Nationalised Bank) a Banking Company within the meaning of the Companies Act, 1956 having its Registered Office at and one of its Branches at in favour of **the President of India acting through the Officer-in-charge, Regional Office of the Textile Commissioner, _____.**

WHEREAS the Project Approval Committee (PAC) constituted under the PowerTex India has agreed to grant to (name and address of the SPV / Consortium) the benefit of utilisation of Corpus for Yarn Bank under PowerTex India (as amended from time to time) which was approved by the Ministry of Textiles, Government of India and issued by the Office of the Textile Commissioner, Mumbai vide letter No. _____ under the terms and conditions mentioned in the Guidelines of Corpus for Yarn Bank under PowerTex India.

WHEREAS as the above said (name and address of the SPV / Consortium) is required to execute the Bond with such Surety and Security as may be specified by the Office of the Textile Commissioner, Mumbai binding themselves to fulfil the terms and conditions under the said Scheme.

WHEREAS The Officer-in-charge, Regional Office of the Textile Commissioner, _____ has called upon the above said (name and address of the SPV / Consortium) to furnish Security in the form of a Bank Guarantee for the fulfilment of the terms and conditions under the said Scheme.

AND WHEREAS the above said (name and address of the SPV / Consortium) has / have requested us (name of the Bank furnishing the Bank Guarantee) to furnish Bank Guarantee to the President of India acting through the Officer-in-charge, Regional Office of the Textile Commissioner, _____ for the amount due and payable under the above said Bond executed by (name and address of the SPV / Consortium).

WE, (name and address of the Bank furnishing the Bank Guarantee) do hereby unconditionally and irrevocably agree to pay to the President of India acting through Textile Commissioner on demand forthwith as and when such demand is made by an Officer authorized in that behalf without any demur or protest the amount due and payable under the above said Bond namely **Rs. _____ (Rupees _____ Only)** by way of Loss or damage caused or suffered or on any other count by the President of India acting through the Textile Commissioner, by reason of non fulfilment of the terms and conditions laid down in the Guidelines of Corpus

for Yarn Bank under PowerTex India or by reason or any breach of any of the terms and conditions of the above said Bond or otherwise by the said (name and address of the SPV / Consortium) .

WE, (name and address of the Bank furnishing the Bank Guarantee), unconditionally and unequivocally agree to pay the President of India acting through the Textile Commissioner, any money so demanded not withstanding any dispute raised by the said (name and address of the SPV / Consortium) before any Court / Tribunal or any other Authority.

WE, (name and address of the Bank furnishing the Bank Guarantee), further agree that the demand made by the President of India acting through the Textile Commissioner shall be conclusive as regards the amount due and payable by us under present agreement as our absolute and unequivocal liability.

WE, (name and address of the Bank furnishing the Bank Guarantee), further agree that this Guarantee shall remain in full force and effect during the period that would be taken for the implementation of the Guidelines of corpus for Yarn Bank under PowerTex India by the said (name and address of the SPV / Consortium) under the said Guidelines and it shall continue to be in force till all the said terms and conditions under the said Guidelines are fully discharged to **the Officer-in-charge, Regional Office of the Textile Commissioner,** _____ or till **Officer-in-charge, Regional Office of the Textile Commissioner,** _____ Certifies that the terms and conditions under the said guidelines are fully and properly carried out and the said bond executed by the said (name and address of the SPV / Consortium) fully discharged.

We, (name and address of the Bank furnishing the Bank Guarantee), further agree that the President of India acting through the Textile Commissioner shall have the fullest liberty without our consent and without affecting in any manner or obligation under this Bank Guarantee to vary any of the terms and conditions laid down in the Guidelines of Corpus for Yarn Bank under PowerTex India or extend the time for performance under the said Guidelines of Corpus for Yarn Bank under PowerTex India or to forebear or enforce any to the terms and conditions of the above said Guidelines and we shall not be relieved or our liability under this Bank Guarantee by reason of any such variation or extension of forbearance or indulgence or any act of commission on the part of the President of India acting through the Textile Commissioner which under the law relating to sureties, but for its provision, have the effect of so relieving us (name and address of the Bank furnishing the Bank Guarantee).

WE, (name and address of the Bank furnishing the Bank Guarantee), declare that this shall be a continuing Bank Guarantee and shall not be discharged by any change in the constitution of the said (name and address of the SPV / Consortium) . We further declare that we will not revoke this Bank Guarantee during its currency without prior written consent of the President of India acting through the Textile Commissioner.

WE, (name and address of the Bank furnishing the Bank Guarantee), further declare that this Bank Guarantee will be valid up to _____ **from** _____ **to** _____ and we undertake to renew this Bank Guarantee on our own till the matter is settled and fully discharged by **the Officer-in-charge, Regional Office of the Textile Commissioner,** _____

or till any demand is raised pursuant to this Bank Guarantee by the President of India acting through the Textile Commissioner.

Notwithstanding anything contained herein above.

1. Our liability under the Bank Guarantee shall not exceed **Rs. (Rupees _____ Only)**.
2. This Bank Guarantee shall be valid up to _____ .
3. We are liable to pay the guarantee amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand.
4. We further declare that this Bank Guarantee will be renewed automatically; we undertake to renew this Bank Guarantee on our own till the matter is settled and fully discharged by the Officer-in-charge, Regional Office of the Textile Commissioner, _____.

ANNEXURE-III

Format of application of claim by the SPV alongwith documents to be submitted for the release of Govt. of India share of Yarn Bank Scheme. (To be submitted within 60 days from the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of Govt. of India share towards Yarn Bank Scheme. We are enclosing the following documents further necessary action.

1. Escrow account details with the copy of the mandate form.
2. Proof of warehouse/godown for yarn storage.
3. Bank statement showing the deposit of equal amount of Govt. share in the Escrow account.
4. Document showing that the Officer in charge of the concerned Regional Office of the Textile Commissioner inducted as one of the Directors of the SPV.
5. Any other details.

You are requested to forward the above claim to the Office of the Textile Commissioner along with your recommendation.

Yours faithfully,

(Authorised signatory of SPV)

Monthly Progress Report of Yarn Bank

Name of SPV:																Report dated				
Month	Opening stock of yarn in Kgs		Value of Yarn in Rs.		Qty of yarn purchased in kgs		Value of Yarn in Rs.		Qty of yarn sold in kgs		Value of Yarn in Rs.		Closing stock of yarn in Kgs		Value of Yarn in Rs.		Turn over in Rs.	No. of Members added in SPV, if any	No. of Members discarded in SPV, if any	
	C	S	C	S	C	S	C	S	C	S	C	S	C	S	C	S				
April, 2017																				
May, 2017																				
June, 2017																				
July, 2017																				
August, 2017																				
Sept., 2017																				
October, 2017																				
Nov., 2017																				
Dec, 2017																				
January, 2017																				
Feb, 2017																				
March, 2017																				

Report shall be furnished on 5th day of every month

C-Cotton Yarn

S- Synthetic Yarn

Signature of OIC

Regional Office of the Textile Commissioner,

Annexure-V

Details of Monthly Purchase & Sales of Yarn Bank Scheme

Name of SPV:

Name of R.O.:

Month:

S.NO.	Date	Opening stock in Kgs.	Purchase	Total	Delivery			Yarn supplied in Kgs.	Closing Stock	Remark
					Membership No.	Share of the Member	No. of Looms			

ANNEXURE-VI

APPLICATION FOR YARN BANK SCHEME

Sl.No.	PARTICULARS	To Filled up by SPV
1	Name of the SPV	
2	Address of SPV	
3	SPV registered under	
4	Register No. and Date	
5	No. of Members of SPV & the list of Members in the enclosed format at Annexure-VII	
6	No. of powerlooms with SPV	
7	Name of the Cluster	
8	No. of Powerloom in the Cluster (i) Plain Powerloom (ii) Semi-automatic Looms (iii) Automatic Looms (iv) Shuttleless Looms	
9	Name of Products Manufactured	
10	Variety of yarn used in the Cluster (Cotton/Synthetic/Blended)	
11	Total Kgs of yarn required per annum	
12	Total fund required per annum to purchase the said yarn	
13	Interest free corpus/ fund required by SPV	
14	Details of funds arranged by SPV equal to the amount of fund requested for interest free corpus fund from Govt of India	
15	Details of funds arranged by SPV for Bank Guarantee for three years	
16	Details of suitable warehouse for storage of yarn with proper documentation, safety/ security arrangements and insurance	
17	List of documents enclosed	

Date :

Place :

Name :

Designation:

Name of the SPV:

Seal of SPV:

For office use only :

Visited the location of proposed yarn bank of SPV on and verified the documents submitted by the SPV. The proposal is recommended for sanction/ not recommended for reasons as under:

Signature of OIC

Regional Office of the Textile Commissioner,

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Yarn Bank Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of corpus for yarn bank	<p>Application to be submitted by the SPV at concerned Regional office of the Textile Commissioner.</p> <p>RO has to forward application to Powerloom Development Cell within 30 days from the date of receipt with recommendation.</p>	<p>Application in Annexure- IV of the guidelines along with</p> <ol style="list-style-type: none"> 1. Nature of SPV. 2. Bank guarantee for 25% of GOI share. 3. Arranging own fund equal to the fund provided by GOI. 4. Sale/lease deed of suitable warehouse for storage of yarn. 	During submission of application.
2.	Sanction of corpus for yarn bank	<p>Powerloom Development Cell to convey the sanction to SPV within 60 days from the receipt of application from Regional office.</p>	<p>Application in Annexure- IV of the guidelines along with</p> <ol style="list-style-type: none"> 1. Nature of SPV. 2. Bank guarantee for 25% of GOI share. 3. Arranging own fund equal to the fund provided by GOI. 4. Sale/lease deed of suitable warehouse for storage of yarn. 5. Insurance for warehouse. 	----
3.	Claim for releasing of GOI share	<p>SPV has to submit the claim within 60 days from the date of sanction.</p> <p>RO has to forward the claim to PDC within 10 days from the date of receipt.</p>	<ol style="list-style-type: none"> 1. ESCROW account details. 2. Copy of the Bank guarantee for 25% of GOI share. 3. Proof of fund equal to the fund provided by GOI in ESCROW account. 	Before release of GOI share.

V. COMMON FACILITY CENTRE SCHEME (CFC) FOR POWERLOOM CLUSTERS

The most critical problems being faced in the Powerloom sector are the abysmally low level of technology prevalent therein, coupled with widespread fragmentation of loom holding size, lack of economies of scale, frequent fluctuation of yarn prices, lack of preparatory/ pre-loom facility in powerloom clusters, poor productivity, generally poor product quality and low unit realization etc. The tackling of these problems requires further upgradation / modernisation of powerloom sector by setting-up of Common Facility Center (CFC) in the powerloom cluster.

1. **Objective:**

To establish Common Facility Centres (CFC) in various Powerloom clusters and provide pre-weaving, post weaving and other infrastructure facilities to Powerloom weavers/units, powerloom industry associations and other organizations allied with Powerloom industry by way of providing financial assistance for the setting up of Common Facility Centres (CFC). The Common Facility Centre will house design centre / studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory for workers, common pre-weaving facilities viz. Yarn dyeing, Warping & Sizing, Twisting etc. and post weaving facilities viz. Processing etc. There can also be other tangible assets that could be set up in clusters, **as long as they are put to common use by decentralized powerloom units in and around the cluster. A powerloom cluster means, a cluster having minimum 2000 powerlooms within a periphery of 50 kilometers.**

2. **Period of Operation of Scheme:**

Common Facility Centre Scheme (CFC) for Powerloom Clusters under PowerTex India will be in operation from 01.04.2017 to 31.03.2020 on pan India basis.

3. **Eligibility of SPV:**

It is necessary to form a Special Purpose Vehicle (SPV) with at least 11 members prior to setting up and running the proposed Common Facilities Centre. The SPV registered under Companies Act, 1956, registered Co-operative societies, a trust, Limited Liabilities Partnership (LLP) firm registered under LLP Act, 2008, State Government/State Government Agencies are eligible for establishment CFC under the Scheme. The members of the SPV should be the stake holders i.e. weavers, master weavers, private entrepreneurs, NGO's working for powerloom sector, Co-operative societies.

4. Operation of SPV

- In addition to the contributing members of the SPV, the organizers should obtain written commitments from as many 'users' of the proposed facility so that its benefits can be further enlarged.
- The SPV should have a democratic constitution with an inbuilt scope for increasing the membership including individual powerloom weavers/entrepreneurs in future.
- The SPV will be required to interact with the weavers and tie up with the connected organizations like banks/ financial institutions, market institutions / market experts, marketers, legal experts, Government machineries etc.
- The SPV will prepare project report for setting up of the Common Facilities Centre / yarn depot, infrastructure etc. specifying inter- alia annual action plans, clearly indicating the requirement of the cluster, activities and expected outputs, outcomes / deliverables time limit for completion of the projects and submit the proposal in the prescribed formats **Annexure I & II** along with documents enlisted in the checklist at **Annexure-III** to the concerned Regional Office of the Textile Commissioner. Regional Office of the Textile Commissioner will examine the proposal and forward the same to the Office of the Textile Commissioner along with their recommendation within 30 days of the receipt of the proposal. The Office of the Textile Commissioner will further scrutinize the proposal and place the same before the Project Approval Committee (PAC) within 60 days of the receipt of the proposal from the concerned Regional Office of the Textile Commissioner.
- The SPV will also submit physical and financial progress report periodically and also, completion report to the Textile Commissioner.
- After completion of the projects, the SPV will continue as consortium for the powerloom weavers to run and maintain the common facilities/infrastructure.
- The SPV shall not charge the non SPV members more than 20% of the charges they charge to their own SPV members towards the usage of Common Facility Centres, since the Govt. of India subsidy is provided for the establishment of CFC.

5. Conditions:

- i) More than one proposals/ projects in a single cluster are allowed as per the requirement of the cluster without restricting the maximum subsidy limit per CFC. However, the SPVs of CFCs shall not have any common Director i.e., Director of one SPV of a CFC shall not be a Director of any other SPV of CFC.
- ii) Owned Land/Building, Leased land/Building registered in favor of SPV for minimum period of 10 Years is to be arranged by SPV before submitting the proposal for financial assistance from Govt. of India is **prerequisite**.
- iii) A minimum of 11 members are required to form an SPV

- iv) In case of any change in project profile, the approval of PAC is to be obtained.
- v) Only TUF compatible machineries are eligible to install in the CFC.
- vi) In case of non utilization/mis-utilisation of subsidy and delay in completion of the project, as approved by PAC, funds released shall be recovered from the Executive Agency with simple interest @10% per annum.
- vii) PAC decision will be the final.

6. Eligible facilities, Machines, Equipments, Instruments etc under the Scheme:

Common Facility Centre will house design centre / studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory for workers/ worker’s residential place, common pre-weaving facilities viz. Yarn dyeing, Warping & Sizing, Twisting etc. and post weaving facilities viz. Processing etc. There can also be other tangible assets that could be set up in clusters, as long as they are put to common use by decentralized powerloom units in and around the cluster.

7. Quantum of Subsidy:

For Example:

<i>S.No.</i>	<i>Project cost</i>		<i>Maximum eligible cost for calculating the assistance</i>
<i>1</i>	<i>Machinery, plant, equipment, laboratory, other tangible assets, pre-operative/preliminary expenses, etc.</i>	<i>Rs. 2.00 crore</i>	<i>Rs. 2.00 crore</i>
<i>2</i>	<i>Construction of Building</i>	<i>Rs. 1.60 crore</i>	<i>Rs. 0.40 crore</i>
	<i>Total</i>	<i>Rs. 3.60 crore</i>	<i>Rs. 2.40 crore</i>

The Common Facility Centre is entitled to the different levels of assistance from the Government on the basis of different grading of powerloom clusters i.e.,:

- i. Grade - A - subsidy upto 60% of project cost.
- ii. Grade – B - subsidy upto 70% of project cost.
- iii. Grade - C - subsidy upto 80% of project cost.
- iv. Grade - D & clusters in NER/J&K - subsidy upto 90% of project cost.

The grading of the clusters will be done by a Committee constituted by the Textile Commissioner. The criteria for grading the Powerloom Cluster is indicated at **Annexure-IV**.

Assistance available for setting up of Common Facilities Centre including Yarn depot will be Rs. 200 lakh per CFC.

The project cost for providing the above assistance will include the following:

- i) The cost of building, the cost of Plant and machinery, equipment, laboratory, other tangible assets, pre-operative/ preliminary expenses etc.
- ii) Only 25% of the construction cost of the building will be eligible as subsidy subject to the maximum limit of Rs.40 lakhs. The schedule of rates of CPWD as in the state shall be used as the basis for arriving at the cost estimates of construction of building.
- iii) Proposals, where Building is already in existence, construction of the building is completed prior to sanction of the proposed CFC and registered lease building, then such proposals are allowed under CFC provided the building should be registered in the name of the SPV or the lease agreement of the building in favour of the SPV should be at least for 10 years. However, in such cases, subsidy shall be allowed only for the eligible machinery component and no subsidy will be given for the construction component.

8. Release of Assistance:

- i) The SPV will open an escrow account with any schedule bank and all payments for CFC will be made through escrow account which will be jointly operated by one member of SPV and one member from Regional Office.
- ii) The SPV should submit the claim for release of financial assistance to the concerned Regional Office of the Textile Commissioner.

9. Safeguard against Mis-utilisation:

9.1 The land on which Common Facility Centre is proposed for establishment must have clear title for use in favour of SPV and also must have all NOC from local bodies, Municipal Authority, State Administrative and State Pollution Control Board as applicable.

9.2 In order to avoid default by the beneficiaries, the mortgage of assets on 1st or 2nd charge would be taken in all cases approved under the scheme failing which the beneficiary shall execute surety bond **as per the format (Annexure-V)** before release of funds.

9.3 The SPV shall function at least for a period of five years from the date of release of last installment of GOI subsidy.

9.3 In case of non utilization/mis-utilisation of subsidy and delay beyond 18 months in completion of the project, as approved by PAC, funds released shall be recovered from the SPV with simple interest @10% per annum from the date of release to date of refunding back the amount.

9.4 Before releasing the 1st instalment it will be ensured that the cost of land is more than the amount (1st instalment) being released to the SPV.

- 9.5 Utilization of Govt. subsidy will be made through the Escrow account indicated in para 6.7 and 6.8 of the scheme.

10. Implementation:

Local Level Monitoring Committee (LLMC):

Local Level Monitoring Committee will be formed for each CFC; which will include an officer from the Regional Office of the Textile Commissioner, a representative of the SPV preferably Director and State Govt officer. The eligible financial assistance will be released only after getting the physical verification report of LLMC as per format at **Annexure-VI**.

The following schedule will be adopted for release of GOI subsidy to the SPV:

- (i) 1st instalment: 30% of the total GOI share will be released, after submission of the claim by the SPV in the prescribed format at **Annexure-VII** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 90 days of the sanction after the proportionate expenditure incurred by the SPV for construction which is approved by a Govt. Architect and Chartered Accountant. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.
- (ii) 2nd instalment: 30% of the total GOI share after getting the utilization Certificate of 1st instalment and after submission of claim by the SPV in the prescribed format at **Annexure-VIII** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 180 days from the date of sanction and the proportionate expenditure by the SPV, on completion of 60 % or above construction which will be duly approved by the Govt. Architect and Chartered Accountant. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.
- (iii) 3rd instalment: 40% of the total GOI share will be released after the successful completion of the construction of the building/shed and after submission of claim in prescribed format **Annexure-IX** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 270 days from the date of sanction and certification by Govt. Architect and Chartered Accountant. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.
- (iv) Financial Assistance for the machinery & equipments will be released after its purchase, installation, commissioning, commencement of Commercial Production and after submission

of claim in the prescribed format at **Annexure-X** along with documents enlisted therein to the Regional Office of the Textile Commissioner. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.

Annexure-I

1. Information about cluster & its Study to be submitted by SPV with their proposal for financial assistance for CFC

Summary Details of the Proposed Cluster

1. Location: (State, city/town/village)
2. The SPV/Co-op. Societies/Trust/Company, name of the contact person authorised in SPV in the cluster along with address, telephone no., fax, e-mail address, mobile no., etc.:

S.No.	Name of the member	Contact details (Email & Mobile)	Designation of the member in the SPV	No. of powerlooms owned by the member	Contribution of the member

3. Bank's details of SPV
4. Name of Products
5. Nature of the Cluster:
 - (a) Total No. of micro and small enterprises
 - (b) No. of enterprises of each category
 - (i) micro,
 - (ii) small,
 - (iii) women-owned,
 - (iv) owned by SC,
 - (v) owned by ST,
 - (vi) owned by minorities
 - (c) Total turnover of the cluster including exports
 - (d) Average yearly income of men/ women of workers/ unit owner
 - (e) pollution angle, if any
6. Major Cluster Problems: [Preliminary perception – Give in one or two page]
7. Key Intervention expected under Proposed CFC: Technology Improvement / Product Quality / Marketing / Export / Quality/ Design, etc.
8. Extent of Competition: With large domestic firms or other similar clusters in India or abroad [Give in one page]
9. Name of organisation/Committee which have assessed/evaluated/conducted/diagnosed the study of cluster with details of its appointment/nomination.

- 2. Check list for Common Facility Centre to be submitted by SPV with their proposal for financial assistance for CFC**
- I. What are the similar facilities in the cluster and the challenges faced by them.
 - II. How is the present CFC addressing these challenges.
 - III. What is (or are) proposed as “Common Facilities”? Give benefits of each in 2-3 sentences.
 - IV. These facilities already available if any, in cluster? Give its details.
 - V. From where these facilities are being availed at present? In absence of these facilities what problems are the units facing?
 - VI. Is there any other such facility established by Govt. /NGO in the Cluster or nearby to cater the need?
 - VII. Is the above facility being fully utilised? If no, what are the reasons?
 - VIII. How many units have confirmed that they are going to join the SPV? List may be given.
 - IX. Has SPV been constituted? Whether the members of the SPV have agreed to give their contribution. (formal letter of agreeing for contribution, certificate of incorporation, articles of association etc.).
 - X. Nature of SPV (open or close ended) - Whether enrolment of cluster members will open at any time in future and to that extent provision has been made in the capital structure of SPV (paid up capital should not be more than 30% of the authorized capital).
 - XI. How many other units wish to avail the common facility as “users”, without joining SPV?
 - XII. Has the suitable plant and machinery been identified, their specification and quotation invited for the purpose of DPR?
 - XIII. Name of the Agency who has prepared the DPR for the proposed CFC?
 - XIV. Whether “in-principle” approval from the bank has been obtained, in case loan is being availed of.
 - XV. Whether the State Govt. has been contributing in CFC, the confirmation of State Government for their contribution may be given.
 - XVI. Name of committees of SPV for implementing the project, including the 'purchase committee'.
 - XVII. Management Information System (MIS) for reporting/monitoring progress of work.

- XVIII. Has the capacity of plant and machinery been established on the basis of demand in the cluster? Evidence that CFC will be utilized at least 60% of their capacity.
- XIX. Whether viability-gap funding has been worked out for availing GoI assistance on the basis of following:
- Types of plant and machinery absolutely needed for the CFC.
 - The capacity of plant and machinery and their number on the basis of total demand of the services from the CFC.
- XX. Whether the “user charge” has been determined on the basis of the following:
- Will it generate sufficient revenue to meet all its cost of production?
 - Has Depreciation been calculated on written down value?

[NPV of the total depreciations during the usable life of plant and machinery should be equal to cost of plant and machinery]
 - There will be differential user charges: one for members of SPV and other for non-members. The user charges for the members may be fixed in a manner that they are suitably compensated towards the contribution made by them.
- XXI. Whether the CFC proposal comply with financial norms of appraisal, i.e. internal rate of return, break-even point analysis, debt service coverage ratio, sensitivity analysis, etc, using basic templates, such as projected profit & loss account, and projected balance sheet for the proposed CFC. Full details may be given.

Elements of Detailed Project Report to be submitted by SPV with their proposal for financial assistance for CFC

(1) Plant and machinery

(a) List of Plant and Machinery

Sr. No.	Particulars of plant and machinery	No.	Power requirement (HP/KW)	F.O.R. Price (Rs)	Name of proposed suppliers	Delivery Schedule (month-wise)
---------	------------------------------------	-----	---------------------------	-------------------	----------------------------	--------------------------------

Note: Add central sales tax/VAT, packing and forwarding charges, transit insurance, and freight charges to costs

- Capacity of plant and machinery on single shift basis
- Production pattern

(2) Annual requirement of raw materials and consumables at 100% capacity utilisation

Sr. No.	Particulars of raw material	Quantity required at full capacity	Unit price (Rs.)	Total value (Rs.)
---------	-----------------------------	------------------------------------	------------------	-------------------

(3) Utilities and services at full capacity utilization

(a) Power for industrial purpose

Sr. No.	Particulars of the machinery	KW	No. of working hrs. per month	KW/month	Rs./KWH	Total

(b) Power requirement for domestic purpose

(c) Water

(d) Gas/Oil

(4) Plant location, site and details of civil construction

Sr. No.	Particulars	Rate	Total Cost (Rs. in lakh)
(i)	Cost of land		
(ii)	Development cost of land & its development, if any		
(iii)	Cost of construction of shed/building including compound wall if any for the purpose of CFC		

- Land documents may be enclosed indicating that it is in the name of SPV whether on purchase or lease basis.
- The copy of NA Certificate for land may be enclosed.
- Building lay-out & Building Plan approval may be enclosed.

(5) Organizational set up and man power requirement

Sr. No.	Category	No. of persons	Salary per month (Rs)	Total salary (PM)

Note: Add 25% towards fringe benefits and 5% annual increment

(6) Project cost

Sr. No.	Particulars of cost	Amount (Rs.)
(i)	Land & site development cost (Total area)	
(ii)	Building/shed for the purpose of CFC(Total sq.ft. of construction). The cost will be inclusive of Misc. fixed assets (fixture, furniture, fire fighting equipment, first aid equipment, back up power supply, etc.)	
(iii)	Plant and machinery(cost of plant and machinery + 10% installation, electrification and commissioning)	
(iv)	Preliminary expenses (diagnostic study, DPR, legal & administrative expenses, telephone, stationery, etc.)	
(v)	Pre-operative expenses (establishment, travel, interest on borrowings, committed charges during construction period, start up expenses, etc.)	
(vi)	Provision for contingencies(2% building and 5% on plant and machinery)	
(vii)	Margin money for working capital	
	Total	

(7) Means of finance

Sr. No.	Agency	Amount(Rs. lakh)	% of the project cost
1.	SPV		
2.	GOI		
3.	State Govt. if any		
4.	Bank Borrowings		
5.	Others		

(8) Working capital and margin money calculation (on the basis of actual capacity utilisation year wise)

Sr. No.	Particulars	No. of months	Margin	1st year (as per capacity utilisation)	2nd Year (as per capacity utilisation)	3rd year (as per capacity utilisation)
1.	Raw material and consumables					
2.	Utilities					
3.	Working expenses (salary of manpower)					
4.	Works in process (cost of raw material, utility and salary on actuals)					
5.	Stock of finished goods (cost of raw material, utility, salary, factory overheads on actuals)					
6.	Bills receivables (Sales value)					

Broad parameters of financial viability of CFC and likely year of its becoming financially viable

(Rs. in lakh)

Working expenses**		Revenues**	
1. Salaries		1. Revenue stream 1 (specify)	
2. Consumables		2. Revenue stream 2 (specify)	
3. Depreciation		3.	

4. Others (specify)		4.	
5. Total		5. Total	

**** Note: Please give year-wise projections, till attainment of viability.**

(9) Cost of production (projection could be for a maximum of 10 years of project life)

- (i) Raw materials and consumables
- (ii) Utilities
- (iii) Wages and salary
- (iv) Repairs and maintenance
- (v) Insurance
- (vi) Administrative and factory overheads
- (vii) Selling expenses

(10) Estimation of profitability (projection for the project life)

- i) Installed capacity
- ii) Number of working days (single shift basis)
- iii) Capacity utilization
- iv) Production (in single unit)
- v) Sales realization
- vi) Cost of production
- vii) Gross profit [(v)-(vi)]
- viii) Financial expenses
 - (a) Interest on bank borrowing
- ix) Depreciation on written down value method (as per separate schedule to be attached for different categories of fixed assets)
- x) Preparatory expenses not written off
- xi) Operating profit [(vii) – {(viii) + (ix) + (x)}]
- xii) Tax vide separate schedule
- xiii) Profit after tax [(xi) – (xii)]
- xiv) Available surplus [(xiii) + (ix)]

(11) Cash flow statement (projection for the project life)

(A) Sources of fund:

- (a) Gross profit less depreciation
- (b) Term loan
- (c) Subsidy/Grant
- (d) Promoter's contribution
- (e) Increase in bank borrowings
- (f) Depreciation

(B) Disposal of funds:

- (a) Preliminary & pre-operative expenses
- (b) Capital expenditure
- (c) Increase in working capital
- (d) Interest on term loan
- (e) Interest on bank borrowings

- (f) Decrease in term loan
- (g) Taxes

(C) Opening balance of cash in hand or at bank [sum total of {(A)-(B)}]

(D) Net surplus/Deficit

(E) Closing balance of cash in hand or at bank

(12) Debt Service coverage ratio (projection for the project life)

(i) Available surplus as per the table at Sr. No. 10(xiv)

(ii) Interest on term loan

(iii) Term loan instalment

Debt Service Coverage Ratio (DSCR) = $\frac{[\text{Available surplus} + \text{interest on term loan}]}{[\text{Term loan instalment} + \text{interest on term loan}]}$

(13) Balance sheet & P/L account (projection for 10 years)

(14) Break even point = Fixed cost / Contribution (= Sales-Variable cost)

Annexure-II

Application for sanction of Common Facilities Centre under PowerTex India

S.NO.	Particulars			Details		
1.	Name & address of the SPV, its constitution along with copy of the Memorandum and Articles of Association, ROC/Partnership deed/Society Registration as the case may be.					
2.	S.No.	Name of the member	Contact details (Email & Mobile)	Designation of the member in the SPV	No. of powerlooms owned by the member	Contribution of the member
3.	Contact Mobile no of SPV & E mail ID					
4.	Name of the cluster where CFC is proposed to be set up alongwith DPR					
5.	Proof of Identity of the members of the group alongwith copy (PAN Card/ Bank Pass Book/ Aadhar Card/ Ration card/ Voter Card)					
6.	Full address of the SPV where the CFC will be set up					
7.	a. Area of land/Building documents for the proposed location (own/ leased). Registered land deed copy as the case may be b. Size of the Factory building					
8.	a. Area of land documents for the proposed location (own/ leased). Registered land deed copy as the case may be b. Size of the Factory building					
9.	Means of finance:					
	S.no.	Components	Promoter contribution	GOI subsidy	Bank loan	Total
	1	Factory Building				
	2	Plant & Machinery				
	3	Other eligible investment				
	TOTAL					

Place :

Date :

(Signature of SPV)

.....
For office use only :

Visited the location of proposed CFC on and verified the documents submitted by the SPV and the proposal is recommended for sanction/ not recommended for reasons as under:

Signature of OIC

Regional Office of the Textile Commissioner,

Annexure-III

Checklist of documents to be submitted along with detailed project report (DPR)

1. Copy of the registration of land in the name of SPV or copy of the registered lease deed of the land not less than 10 years, as applicable.
2. Non-agriculture land certificate issued by the concerned Gram Panchayat/District Town Planning Authority or any other competent authority, as applicable.
3. Layout Plan for construction of Common Facility Centre duly approved the concerned Gram Panchayat/District Town Planning Authority or any other competent authority, as applicable.

Annexure-IV

Reporting format of Local Level Monitoring Committee(LLMC) of the CFC

S. No.	Details of LLMC Report	Recommendation of LLMC
1	Name and address of the CFC	
2	Date of LLMC	
3	Venue of the Meeting	
4	Stage of LLMC	
5	Names of LLMC Members present	
6	Present status of work Shed / installation of Machinery	
7	Area of work shed constructed	
8	Financial progress made so far	
9	Chartered Engineer's Certificate	
10	Chartered Accountant Certificate	
11	Total area of the work shed approved	
12	Govt. of India Subsidy sanctioned	
13	Govt of India subsidy released	
14	Present area/construction of work shed completed	
15	Percentage of work completed	
16	Details of machinery proposed	
17	No. of machinery installed	
18	Eligible subsidy recommended	
19	Photographs with date & Time	
20	Over all Remarks	

Signature of LLMC Members

Criteria of grading the powerloom clusters

Sr. No.	Criteria	Total Mark	Mark allotted by Committee
1.	Loomage	10	
2.	Technology level	25	
	Number of Plain powerloom		
	Number of Semi-automatic loom		
	Number of automatic loom		
	Number of shuttle less loom		
3.	Product Profile	20	
	Low value fabrics (eg. mulmal, packing cloth, upholstery, flannel etc.)		
	Medium value fabric (e.g. Suiting, Shirting etc)		
	High value fabric		
	Value added fabric (e.g. embroidered, made-ups etc.)		
4.	Infrastructure	10	
	Preparatory level		
	Testing facilities		
	Mill stores availability		
	Yarn depot / Availability of yarn		
	Power availability and its price		
	Post-weaving (e.g. processing etc).		
	Transportation, water, communication		
5.	Market Access	15	
	Export and its value, percentage of total product of cluster		
	Domestic and its value, percentage of total product of cluster		
6.	Skilled Manpower Availability	10	
7.	No. of banks / financial institutions in the cluster	5	
8.	Own production/ Jobwork production	5	
	Total	100	

Grading on the basis of marks allotted

Upto 40 -	D
41 to 60 -	C
61 to 75 -	B
Above 75 -	A

Specimen of Surety Bond On Hundred Rupees Judicial Paper

BOND PRESCRIBED TO BE EXECUTED BEFORE GRANT IS RELEASED

KNOW ALL MEN BY THESE PRESENTS that we, M/s _____, a company incorporated under the Companies Act/Co-op. Society registered under Co-op Society Act of Govt. of _____ and having its registered office at _____ (hereinafter called the "Obligors") are held fully and firmly bounded to the President of India (hereinafter called the "Government") for the sum of Rs. _____ (Rupees _____ only) well and truly to be paid to the Government on demand and without a demur for which payment we firmly bind ourselves and our successors and assigns by these presents.

Signed on the _____ day of _____ in the year Two Thousand _____.

WHEREAS on the Obligors' request, the Government as per Sanction Order No. _____ Dated _____ of Office of the Textile Commissioner, Ministry of Textiles (hereinafter referred to as the "Letter of Sanction") which forms an integral part of these presents, and a copy whereof is annexed hereto and marked as **Annexure-I**, agreed to make in favour of the Obligors a grant of Rs. _____ (Rupees _____) for the purpose of construction of workshed and installation of specified machines at _____ out of which the sum of Rs. _____ (Rupees _____ only) have been paid to the Obligors (the receipt of which the Obligors do hereby admit and acknowledge) on condition of the Obligors executing a bond in the terms and manner contained hereinafter which the Obligors have agreed to do.

NOW the conditions of the above written obligation is such that if the Obligors duly fulfill and comply with all the conditions mentioned in the letter of sanction, the above written Bond or obligation shall be void and of no effect. But otherwise, it shall remain in full force and virtue. The Obligors will abide by the terms & conditions of the grant by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants and entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

THAT the Obligors shall abide by any other conditions specified in this agreement and in the event of their failing to comply with the conditions or committing breach of the bond, the Obligors and the sureties individually and jointly will be liable to refund to the President of India, the entire amount of the grant with interest of 10% per annum thereon. If a part of the grant is left unspent after the expiry of the period within which it is required to be spent, interest @10% per annum shall be charged upto the date of its refund to the Government, unless it is agreed to be carried over.

The Obligors agree and undertake to surrender/pay the Government the monetary value of all such pecuniary or other benefits which it may receive or derive / have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grant was intended of the property) building/machineries created/acquired constructed largely from out of the Grant sanctioned by Government of India, Ministry of Textiles or the Administrative Head of the Department concerned. As regards the monetary value aforementioned to be surrendered/paid to the Government, the decision of the Project Approval Committee will be final and binding on the Obligors.

AND THESE PRESENTS ALSO WITNESS THAT

i) the decision of the Secretary to the Government of India in the Ministry of Textiles on the question whether there has been breach or violation of any of the terms or conditions mentioned in the sanction letter shall be final and binding upon the Obligors and;

ii) the Government shall bear the stamp duty payable on these presents.

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obligors the day herein above written in pursuance of the Resolution No. _____ Dated _____ passed by the governing body of the Obligor, a copy whereof is annexed hereto as Annexure-II and on behalf of the sureties and by _____ for and on behalf of the president on the date appearing below:-

FOR

Signature of the AUTHORISED SIGNATORY
Signed for and on behalf of
(Name of the Obligor)

1. Signature of witness 2. Signature of witness
Name & Address Name & Address

TO BE FILLED UP BY THE OFFICE OF THE TEXTILE COMMISSIONER

(ACCEPTED)

For and on behalf of the President of India

Designation _____

Date: _____

Annexure-VII

Format of application of claim by the SPV alongwith documents to be submitted for the release of first instalment of 30% subsidy under CFC Scheme. (To be submitted within 90 days from the date of sanction)

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of first instalment of Govt. of India subsidy towards Common Facility Centre Scheme. We are enclosing the following documents for further necessary action.

1. Chartered Accountant Certificate of expenditures incurred towards construction of Common Facility Centre.
2. Certificate of proportionate expenditure by a Govt. approved architect.
3. Any other details.

You are requested to carryout LLMC verification and forward the report to the Office of the Textile Commissioner along with your recommendation.

Yours faithfully,

(Authorised signatory of SPV)

Annexure-VIII

Format of application by the SPV along with documents to be submitted for the release of second instalment of 30% GOI subsidy towards construction of building. (To be submitted within 180 days of the date of sanction)

To
The Officer In charge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of second instalment 30% of Govt. of India subsidy under the CFC Scheme of PowerTex India towards construction of building. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures incurred towards construction of Common Facility Centre.
2. Certificate of proportionate expenditure by a Govt. approved architect.
3. Sanction letters of the bank for the Term Loan for purchasing plant and machineries by the SPV.
4. Utilisation Certificate (UC) of 1st instalment.
5. Any other details.

You are requested to conduct necessary LLMC verification and forward the same to the Office of the Textile Commissioner along with your recommendation at the earliest.

Yours faithfully,

(Authorised signatory of SPV)

Annexure-IX

Format of application by the SPV along with documents to be submitted for the release of third instalment of 40% GOI subsidy towards construction of building. (To be submitted within 360 days of the date of sanction)

To
The Officer In charge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of third instalment of Govt. of India subsidy towards construction of buildings under the CFC Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures incurred towards construction of Common Facility Centre.
2. Certificate of proportionate expenditure and construction completion certificate by a Govt. approved architect.
3. Documents of placement of order for plant and machineries and advance / token money released to the machinery supplier by SPV.
4. Utilisation Certificate (UC) of 2nd instalment.
5. Certificate from pollution control authorities as applicable.
6. Any other details.

You are requested to conduct necessary LLMC verification and forward the same to the Office of the Textile Commissioner along with your recommendation at the earliest.

Yours faithfully,

(Authorised signatory of SPV)

Annexure-X

Format of application by the SPV along with documents to be submitted for the release of GOI subsidy towards installation of machineries under CFC Scheme. (To be submitted within 18 months from the date of sanction)

To
The Officer In charge,
Regional Office of the Textile Commissioner

Date-

Sir,

We herewith submit our claim for the release of Govt. of India subsidy towards installation of machineries under the CFC Scheme of PowerTex India. We are enclosing the following documents further necessary action.

1. Chartered Accountant Certificate of expenditures on incurred on plant and machineries.
2. Invoices of plant and machineries towards installation of machineries by SPV.
3. Utilisation Certificate (UC) of 3rd instalment towards building.
4. Any other details.

You are requested to conduct necessary LLMC verification and forward the same to the Office of the Textile Commissioner along with your recommendation at the earliest.

Yours faithfully,

(Authorised signatory of SPV)

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Common Facility Centre (CFC) Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of CFC.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan.	During submission of application.
2.	Forwarding application to office of the Textile Commissioner	RO has to forward application to Powerloom Development Cell within 30 days from the date of receipt with recommendation.	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan. 6.Photos of the site.	-----
3.	Claiming for release of first installment of 30 %.	EA has to claim within 90 days from the date of sanction. Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 30 days from the date of LLMC visit.	1. CA certificate of expenditure incurred for construction of workshed. 2.Certificate of proportionate expenditure by Govt.approved architect. 3.Photos of building under construction.	During LLMC visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Claiming for release of second installment of 30 %.	<p>1.EA has to claim within 180 days from the date of sanction.</p> <p>2.Inform concern RO about 60 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred for construction of workshed.</p> <p>2.Certificate of proportionate expenditure by Govt.approved architect.</p> <p>3.Utilization certificate of first installment.</p> <p>4.Sanction letter of bank for the Term loan for purchasing plant & machineries for each beneficiary/EA</p> <p>5.Photos of building under construction.</p>	During LLMC visit
5.	Claiming for release of third installment of 40 %.	<p>1.EA has to claim within 270 days from the date of sanction.</p> <p>2.Inform concern RO about 100 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred for construction of workshed.</p> <p>2.Certificate of proportionate expenditure & construction completion certificate by Govt.approved architect.</p> <p>3.Utilization certificate of second installment.</p> <p>4. Documents of placement of order for plant & machinery by SPV & advance/token money released.</p> <p>5.Photos of constructed building.</p>	During LLMC visit
6.	Claiming for release of subsidy for plant & machinery.	<p>1.EA has to claim within 18 months from the date of sanction.</p> <p>2.Inform concern RO about installation & commissioning of plant & machinery.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred on plant & Machineries.</p> <p>2. Submission of Invoices of Plant & Machineries.</p> <p>3. Utilization certificate of third installment.</p> <p>4.Pollution control certificate.</p> <p>5.Photos of Plant& machinery</p>	During LLMC visit

VI. Solar Energy Scheme for Powerloom Sector

I. Objective:

The prime objective of the scheme is to alleviate the problem of power cut / shortage, being faced by the decentralized powerloom units in the country, so as to improve utilization, efficiency, productivity etc. to face the both domestic and international markets competitively by providing financial assistance/capital subsidy to small powerloom units for installation of Solar Photo Voltaic (SPV) plant.

II. Scope of the Scheme:

Proposed **Solar Photo Voltaic (SPV) plant** is to be implemented in two modes; (i) On-Grid Solar Power Plant and (ii) Off-Grid Solar Power Plant.

On Grid Solar Power Plant is suitable for areas where power cut/shortage is negligible and power tariff is high whereas **Off Grid Solar Power Plant** is suitable for areas where there is power shortage & on grid power is not continuously available which require storage through battery back-up.

***On Grid Solar Power Plant** consists of Solar Photo Voltaic panels with installation poles and Invertors/PCUs with matching capacity whereas **Off Grid Solar Power Plant** consists of Solar Photo Voltaic panels with installation poles, Invertors/PCUs with matching capacity and battery with minimum backup capacity for 03 hours.*

III. Eligible Units:

- 1. Powerloom Units which are registered with the relevant authority as applicable and having up to 8 looms** in the decentralized MSME Sector along with Electricity Bill in favour of the applicant Unit or appropriate power (electricity) sharing documents as applicable.
2. Units should have shade free roof top/area
3. PAN card in favour of the applicant Unit

IV. Documents Required:-

Powerloom permit / Acknowledgement against Information Memorandum issued by the concerned Regional Office of the Textile Commissioner for installation of the Powerlooms.

V. Quantum of Subsidy:

Govt. of India shall provide financial assistance/capital subsidy to the extent of 50%,75% & 90% of the basic cost of the **Solar Energy Plant** (Cost of Solar Panel + Inverter + batteries) to the applicants of General category, SC & ST respectively, subject to a maximum ceiling of subsidy as per the following;

Sr. no	Capacity in terms of Kilo Watt Peak (KWP)	Maximum cost of Equipment and component eligible for subsidy		Maximum subsidy in rupees	
		For On-Grid Solar Power Plant	For Off-Grid Solar Power Plant	For On-Grid Solar Power Plant	For Off-Grid Solar Power Plant
1	4 KWP (Typically suitable for 04 looms)				
	General @ 50%	4,50,000/-	5,50,000/-	2,25,000/-	2,75,000/-
	SC @ 75%			3,37,500/-	4,12,500/-
	ST @ 90%			4,05,000/-	4,95,000/-
2	6 KWP (Typically suitable for 06 looms)				
	General @ 50%	6,00,000/-	7,50,000/-	3,00,000/-	3,75,000/-
	SC @ 75%			4,50,000/-	5,62,500/-
	ST @ 90%			5,40,000/-	6,75,000/-
3	8 KWP (Typically suitable for 08 looms)				
	General @ 50%	7,50,000/-	9,50,000/-	3,75,000/-	4,75,000/-
	SC @ 75%			5,62,500/-	7,12,500/-
	ST @ 90%			6,75,000/-	8,55,000/-

The Scheme is meant for Units having 04, 06 & 08 powerlooms and subsidy will be provided as per the above table. The subsidy for Units having less than 04 looms will be considered on pro-rata basis considering the subsidy meant for 04 looms as indicated in above table. For Units having 05 looms subsidy will be considered on pro-rata basis of the subsidy being provided to 06 looms as indicated in the table above. For Units having 07 looms, subsidy will be considered on pro-rata basis of the subsidy being provided to 08 looms as indicated in the table above.

For Shuttleless looms, the quantum of subsidy will be based on the actual requirement of power and on pro-rata basis of the subsidy being provided to 08 looms (8KWP) as indicated in the table above.

The above subsidy will be extended for both credit linked and non-credit linked projects.

The subsidy will be considered only for installation of the complete Solar Photo Voltaic (SPV) plant for running powerloom units and not for individual components.

VI. Duration of the Scheme:

The Scheme will be implemented from **01/04/2017** to **31/03/2020**.

VII. Eligibility of manufacturers/Suppliers:

New indigenous manufacturers of complete **Solar Photo Voltaic (SPV) plant** system along with their authorized distributors / dealers as approved by Ministry of New and Renewable Energy (MNRE) are eligible for supplying the SPV system under the scheme. However they will be required to apply for registration with the concerned Regional office of the Textile Commissioner in the prescribed **Format-A**. On verification the concerned Regional office of the Textile Commissioner shall submit their report to the Office of the Textile Commissioner for necessary registration or otherwise.

VIII. Implementation:

1. The scheme will be implemented by the office of the Textile Commissioner through its Regional Offices and Powerloom Service Centers.
2. The weaver / entrepreneur of the unit will apply for 'In-principle approval' in the prescribed format at **Format-I** to the concerned Regional Office or Powerloom Service Center by providing the details of the SPV kits to be installed in the unit.
3. In-principle approval would be granted by concerned Regional Office of the Textile Commissioner within 21 working days of the receipt of the application as per guidelines and approval would be intimated to the unit to acquire /purchase the SPV system. In principle approval would be valid for a period of 6 months within which weavers are required to install SPV plant and submit their claims to RO of TxC.
4. The weaver / entrepreneur of the unit will purchase all the components of SPV plant completely and install the same in his unit. Thereafter, the weaver / entrepreneur shall submit the claim for subsidy to the respective Regional Office / Powerloom Service Centre with supporting purchased documents as per **Format-II**.
5. The Regional offices of the Textile Commissioner will depute Joint Inspection Team (JIT) for inspection of the unit for verification of the installation & commissioning of the SPV plant. The team of JIT will consist of at least two members including one member either from Regional Office (RO) or from

Powerloom Service Centre (PSC) and one member from different office viz. Powerloom Associations, Powerloom Development & Export Promotion Council (PDEXCIL), Textile Research Association (TRA) or Textile Machinery Manufacturers' Association (India) (TMMA) in the region. The JIT will carry out inspection to confirm satisfactory installation of the SPV plant and send the JIT report in **Format-III** (two copies) duly filled and signed along with all the related documents to concerned Regional Office. The Officer-in-Charge of Regional Office after examining the said reports, will forward his certificate / recommendation in **Format-IV** along with **Proforma - I** to Powerloom Development Cell of Office of the Textile Commissioner, Mumbai for release of eligible subsidy amount to the applicant units within 45 days from the submission of claim.

IX. Other Conditions:

1. Adequate safety arrangements for lightning arrester and earthing, required for the solar panel
2. Adequate space for Battery rooms.
3. The subsidy will be provided on the basic value of the components of SPV plant excluding tax components.
4. If subsidy is availed by the unit from MNRE, NABARD, and/or any other scheme of Govt. of India for the Solar Photo Voltaic Plant system, the unit shall not be eligible for availing benefit under this scheme.
5. The powerloom unit availing subsidy cannot sell/transfer the Solar Photo Voltaic (SPV) Plant for a minimum lock –in period of 5 years.
6. The Textile Commissioner has the right to recover the subsidy amount along with simple interest, in case, it is found / proved that the unit has availed the subsidy by furnishing false information / documents or the unit has disposed the solar photo Voltaic Plant within a period of 5 years.

X. Safeguards to ensure benefit flow to beneficiaries:

1. To prevent mis-utilisation of the subsidy being provided under the scheme, it is made mandatory that make, year of manufacture, name of the manufacturer and serial number of all the eligible benchmarked machinery are clearly indicated on the machine (s). Moreover, a “**Machine Identification Code**” (MIC) will be allotted by the Textile Commissioner, which will be a unique identification number for each machine/component procured under the scheme. This MIC shall be mandatorily inscribed on the machinery and shall be verified during the physical verification at different times. The Textile Commissioner is in the process of creating an i-PowerTex software so that all applications can be filed

online. Once this software is put in place, a ten digit identification code as described above will be generated by the system and the same is required to be inscribed/marked on the attachments/kits.

2. The looms under the scheme will also be identified by punching /engraving of 'In-principle Registration No.' along with their social status issued by Regional office of the Textile Commissioner to the applicant unit by the JIT to prevent duplicate benefits on same loom.
3. The component-wise identification marking to be made is as under:
 - a. Solar PV Panel – The identification mark should be marked with non erasable permanent ink or punched at each side of the panel.
 - b. Power Conditioning Unit (PCU)/Inverters– The identification mark should be marked with non erasable permanent ink or punched on each side.
 - c. Battery Bank– The identification mark should be marked with non erasable Permanent ink or punched on each side.

XI. Warranty:

The mechanical structures, electrical works including power conditioners/ inverters/charge controllers/ and other sub-systems including maximum power point tracker units/distribution boards/ digital meters/ switchgear/ storage batteries, etc. and overall workmanship of the SPV power plants/ systems must be warranted against any manufacturing/ design/installation defects for a minimum period of 5 years.

PV modules used in solar power plants/ systems must be warranted for their output peak watt capacity, which should not be less than 90% at the end of 10 years and 80% at the end of 25 years.

XII. Monitoring of the Scheme:

The Office of the Textile Commissioner will monitor the progress of the scheme through RO / PSCs for the impact of the scheme on beneficiaries. Concurrent evaluation would be carried out to measure outcome of the scheme and it shall be reported to the Ministry of Textiles by Office of the Textile Commissioner.

XIII. Grievance:

Grievance of the beneficiaries after purchase and installation of the SPV plant under this scheme would be considered by a Grievance Committee under the Chairmanship of Textile Commissioner and comprise of such members as Textile Commissioner deems fit.

Format-I**Application for obtaining In-principle approval for the claims under Solar Energy Scheme for Powerloom Sector under PowerTex India**

1	Name & Address of the factory Taluka/Tahshil/Mandal: District: State: Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
2	Aadhar Number	
3	Name of Contact Person with Tel./ Mob. no	
4	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
5	Number of Looms	
6	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
7	Name of Proprietor / Partner(s) / Director(s)	
8	Whether premises is Owned or Rented (Please attach copy of electricity bill of the unit or notarized rent deed)	
9	Total Area shade free roof top (in sq. feet)	
10	Gender of the Applicant (Male/Female)	
11	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the	
12	Name and address of the Bank	

	(complete Branch details with Pin code & IFS Code)	
	Account no:	
13	Complete details of Solar Power Plant to be installed, clearly highlighting it's type/mode along with quantity and capacity	
A	On Grid Solar Power Plant	
	Solar Photo Voltaic panels with installation poles	
	Invertors/PCUs with matching capacity	
B	Off Grid Solar Power Plant	
	Solar Photo Voltaic panels with installation poles	
	Invertors/PCUs with matching capacity	
	Battery with minimum backup capacity for 03 hours	

Date:

Place:

Signature of Proprietor/Partner/Director
along with Seal of the unit

Format-II**Application for submitting the subsidy claim after installation of Solar Power Plant under Solar Energy Scheme for Powerloom Sector under PowerTex India**

1	In- principle Registration No. and Date issued by the Regional Office of the Textile Commissioner	
2	Name & Address of the factory Taluka/Tahshil/Mandal: District: State: Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
3	Aadhar Number	
4	Name of Contact Person with Tel./ Mob. no	
5	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
6	Number of Looms	
7	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
8	Name of Proprietor / Partner(s) / Director(s)	
9	Whether premises is Owned or Rented (Please attach copy of electricity bill of the unit or notarized rent deed)	
10	Total Area shade free roof top (in sq. feet)	
11	Gender of the Applicant (Male/Female)	
12	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the	

13	Name and address of the Bank (complete Branch details with Pin code & IFS Code)			
	Account no:			
14	Complete details of Solar Power Plant to be installed, clearly highlighting it's type/mode along with quantity and capacity			
	A. On Grid Solar Power Plant	Quantity	Rate /Unit	Total Cost
	Solar Photo Voltaic panels with installation poles			
	Invertors/PCUs with matching capacity			
	B. Off Grid Solar Power Plant	Quantity	Rate /Unit	Total Cost
	Solar Photo Voltaic panels with installation poles			
	Invertors/PCUs with matching capacity			
	Battery with minimum backup capacity for 03 hours			
	Total			
	Note: Please attach copy of Final Invoice /Bill and the payment receipts duly stamped and signed by the unit.			

I/We -----(Name of the Weaver & Beneficiary unit) hereby under take that, including this present claim, I/We----- have not claimed/availed the subsidy not more than eight plain powerlooms. Further, the claimed Solar Power Plant & it's accessories have been purchased from the enrolled/registered ISO certified manufacturer.

I/We----- (Name of the Weaver & Beneficiary unit) also undertake that in the event of any inconsistency, irregularity found at any stage, the entire subsidy amount along with penal interest as imposed by the Government of India, Ministry of Textiles through Office of the Textile Commissioner, shall be returned back to the Government within one month of the inconsistency/irregularity found.

Date:

Place:

Signature of Proprietor/Partner/Director
along with Seal of the unit

Format-III**Certification on Installation & Commissioning of Solar Power Plant by Joint Inspection Team (JIT) under Solar Energy Scheme for Powerloom Sector under PowerTex India**

1	In- principle Registration No. and Date issued by the Regional Office of the Textile Commissioner	
2	Date of receipt of Unit's application in RO for JIT verification	
3	Name & Address of the factory	
	Taluka/Tahshil/Mandal:	
	District:	
	State:	
	Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
4	Aadhar Number	
5	Name of Contact Person with Tel./ Mob. no	
6	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
7	Number of Looms	
8	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
9	Name of Proprietor / Partner(s) / Director(s)	
10	Whether premises is Owned or Rented (Please attach copy of electricity bill of the unit or notarized rent deed)	
11	Total Area shade free roof top (in sq. feet)	
12	Gender of the Applicant (Male/Female)	
13	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the details	
14	Name and address of the Bank	

	(complete Branch details with Pin code & IFS Code)				
	Account no:				
	Cost of installed Solar Power Plant , clearly highlighting it's type/mode along with quantity and capacity				
15	A. On Grid Solar Power Plant	Qty.	Rate /Unit (in Rs.)	Total Cost (in Rs.)	MIC no. allotted by TxC.
	Solar Photo Voltaic panels with installation poles				
	Invertors/PCUs with matching capacity				
	B. Off Grid Solar Power Plant	Qty.	Rate /Unit (in Rs.)	Total Cost (in Rs.)	MIC no. allotted by TxC.
	Solar Photo Voltaic panels with installation poles				
	Invertors/PCUs with matching capacity				
	Battery with minimum backup capacity for 03 hours				
	Total				
	(Attach copy of Final Invoice /Bill duly stamped and signed by the unit)				
16	Eligible cost of Solar power Plant for Subsidy				
17	Details of Payment (attach payment receipts acknowledged by the supplier duly stamped and signed by unit & countersigned by JIT members)				
18	Eligible Subsidy				
19	Remarks , if any				

Signature of Proprietor/
Partner/Director along
with Seal of the unit

It is certified that the above said claimed Solar Power Plant is found installed & working in Unit's location and found to be in order in all respect as per the Guidelines of "Solar Energy Scheme for Powerloom Sector under PowerTex India hence JIT recommended for release of the subsidy.

Signature of the JIT
Member along
with his Seal

Signature of the JIT
Member along
with his Seal

Signature of the JIT
Member along
with his Seal

Signature of the JIT
Member along with
his Seal

(Name of the JIT Member along with his Designation & Name of the Organization should be
clearly mentioned)

Date:

Place:

Format-IV

**Recommendation for Subsidy by Officer-In charge of Regional Office of the Textile
Commissioner under Solar Energy Scheme for Powerloom Sector under PowerTex India**

1	In- principle Registration No. and Date issued by the Regional Office of the Textile Commissioner	
2	Date of receipt of Unit's application in RO for JIT verification	
3	Name & Address of the factory	
	Taluka/Tahshil/Mandal:	
	District:	
	State:	
	Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
4	Aadhar Number	
5	Name of Contact Person with Tel./ Mob. no	
6	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
7	Number of Looms	
8	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
9	Name of Proprietor / Partner(s) / Director(s)	
10	Whether premises is Owned or Rented (Please attach copy of electricity bill of the unit or notarized rent deed)	
11	Total Area shade free roof top (in sq. feet)	
12	Gender of the Applicant (Male/Female)	
13	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the details	

14	Name and address of the Bank (complete Branch details with Pin code & IFS Code)				
	Account no:				
15	Cost of installed Solar Power Plant , clearly highlighting it's type/mode along with quantity and capacity				
	A. On Grid Solar Power Plant	Qty.	Rate /Unit (in Rs.)	Total Cost (in Rs.)	MIC no. allotted by TxC.
	Solar Photo Voltaic panels with installation poles				
	Invertors/PCUs with matching capacity				
	B. Off Grid Solar Power Plant	Qty.	Rate /Unit (in Rs.)	Total Cost (in Rs.)	MIC no. allotted by TxC.
	Solar Photo Voltaic panels with installation poles				
	Invertors/PCUs with matching capacity				
	Battery with minimum backup capacity for 03 hours				
	Total				
	(Attach copy of Final Invoice /Bill duly stamped and signed by the unit)				
16	Eligible cost of Solar power Plant for Subsidy				
17	Details of Payment (attach payment receipts acknowledged by the supplier duly stamped and signed by unit & countersigned by JIT members)				
18	Eligible Subsidy				

It is certified that the above said claim is checked and found to be in order in all respect as per the Guidelines of "Solar Energy Scheme for Powerloom Sector under PowerTex India, hence JIT recommended for release of the subsidy.

Further, it is recommended to sanction an amount of Rs.----- as subsidy under "Solar Energy Scheme for Powerloom Sector under PowerTex India Signature of the OIC along with his Seal

Date:

Place:

FORMAT -A

**DETAILS OF MANUFACTURING ACTIVITIES FOR REGISTRATION OF
MANUFACTURERS UNDER SOLAR ENERGY SCHEME FOR
POWERLOOM UNITS UNDER PowerTex India**

Sr. No.	Particulars	Details
1	Name of the Manufacturer	
2	Registered Address with Pin Code	
3	Location of Factory with Pin Code	
4	Name of Proprietor / Partners / Managing Director(s)	
5	Constitution of Firm	Proprietorship / Partnership / Pvt. Ltd / Cooperative /LLP
6	Phone No	
7	Fax No	
8	Email	
9	Website Address	
10	Registration Certification of Establishment (Please enclose copy) c) No. and date d) Registering Authority	
11	Classification E M /I E M Acknowledgement (Please enclose copy) c) No. and date d) Registering Authority	MSME /Non-MSME Enterprise
12	Details of	

	Registration/approval with Ministry of New and Renewable Energy (MNRE) as authorised distributors/dealer (Please enclose copy)	
13	ISO Certification (Please enclose copy) f) No. g) Date of Issue h) Valid upto i) Scope j) Certified by	
14	Sales Tax Registration (Please enclose copy) c) No. and date d) Registering Authority	
15	Central Excise No. & Date (Please enclose copy)	
16	Items Manufactured	<ul style="list-style-type: none"> i. Solar Photo Voltaic (SPV) panels ii. Backup Batteries iii. Invertors/PCUs iv. Installation Poles
17	Available total floor space e) Space available for manufacture f) Space available for storage g) Space available for inspection items offered h) Other (Please enclose copy of layout plan)	
18	List of Manufacturing machines/ Equipments	
19	List of Testing equipments/ facilities	
20	List of Components manufactured In-house	
21	List of Components out-sourced	
22	No. of persons employed c) Technical d) Non technical	
23	Running of the Solar Photo Voltaic (SPV) plant at	

	assembly shop or at Customer's place	
24	Turnover in last three years (Year wise)	
25	No. of Solar Photo Voltaic (SPV) plant sold in last three years (Please enclose copies of invoices)	
26	Proof of Address of the Factory/Unit premises (property tax receipt or rental agreement in stamp paper and should be notarised if it is rented)	
27	Recent Electricity bills	
28	PAN No.	
29	Whether R.O recommends for registration of the manufacturer(Yes/No)	

Place :

Date :

(Authorised Signatory of Unit with Seal and Signature)

Verified by:

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Solar Energy Scheme for Powerlooms under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	In-principle approval for installation of Solar Photo Voltaic (SPV) plant.	SSI powerloom units having up to 8 looms. To be filed at concerned Regional office of the textile Commissioner. It would be granted within 21 working days.	Format- I Along with 1.Acknowledgement of IM or Powerloom permit or SSI registration or Udyog Aadhar Memorandum 2.Electricity Bill of unit 3.Notarized Lease deed/Power sharing agreement, if unit is leased. 4.Copy of Aadhar 5.Copy of PAN 6.Copy of Bank passbook	For taking In-principle approval
2..	Request for JIT to be submitted by the unit.	Within 6 months from the date of issue of In-principle approval.	Format-II along with 1.Copy of Invoices 2.Payment receipts	After installation Solar Photo Voltaic (SPV) plant. Purchased from empanelled /registered manufacturer/supplier with The Textile Commissioner.
3.	JIT Verification	Carried by concern RO TxC Within 30 days from the receipt of Format-II	1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms	During JIT visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Submission of JIT report	JIT submit report to Concern RO.	Format-III along with 1.Copy of Invoices 2.Payment receipts 3.Photos of the unit & In-principle approval number on looms.	During submission of verification report to RO by JIT.
5.	Recommendation by OIC, RO to release subsidy.	Recommendation by OIC of RO to Powerloom Development Cell to release subsidy Within 45 days.	Format-IV Proforma-I	During recommendation by OIC-RO to issue of sanction by PDC.
6..	Issue of sanction by PDC	Availability of funds.	Authorization letter to concern RO to release subsidy to Manufacturers/suppliers/beneficiaries.	----
7.	Releasing of subsidy by RO to the manufacturer/beneficiary.	Within 7 days from the date of allocation of funds by PDC.	----	----

VII Pradhan Mantri Credit Scheme for Powerloom Weavers

Objective

To provide adequate and timely financial assistance to the powerloom weavers to meet their credit requirements, for investment needs (Term Loan) as well as for working capital, in a flexible and cost effective manner.

Operational Guidelines

There are two components in the Scheme i.e. Category-I under Prime Minister MUDRA Yojana (PMMY) and Category-II under Stand-up India Scheme. The Office of the Textile Commissioner will enlist the lending agencies for the operation of the Scheme.

The details of the eligibility, mode of application and facilities available under these components are as under:

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
1	Eligibility	The eligible units are a. Existing individual powerloom units or b. New individual / group enterprises involved in weaving activity.	The eligible units are a. Only new powerloom units established by a person who belongs to a Scheduled Caste (SC) or Scheduled Tribe (ST) or is a woman entrepreneur. b. In case of non-individual units at least 51 % of the share holding and controlling stake should be held by either an SC (or) ST (or) women entrepreneur.
2	Type of Facility & Loan Amount	a. Working Capital & Term Loan: Maximum up to Rs.10 lakh under PMMY. b. The upper ceiling of the loan amount is applicable for all beneficiaries.	a. The loan shall be a Composite Loan i.e.to meet the requirement of Purchase of Plant & Machinery and Working Capital. b. The loan shall be between Rs.10 lakh and Rs.1 crore under Stand-up India

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
			Scheme.
3	Due-diligence, Financial benchmark, Requirement of audited financial documents, Fixation of Credit Limit	As per the prevailing norms of lending agency.	As per the prevailing norms of lending agency.
4	Repayment	As per the prevailing norms under PMMY.	As per the prevailing norms under Stand-up India Scheme.
5	Financial assistance under the scheme i. Margin Money Subsidy	a. Margin money for the project will be decided by the lending agency as per their existing norms. Govt. will provide financial assistance on margin money @ 20% of project cost with a ceiling of Rs.1 lakh for a borrower. Remaining amount of margin money will be borne by the borrower.	a. The Scheme envisages 25% Margin Money which will be provided as admissible subsidy by the Govt. of India. The borrower shall be required to bring in 10% of the Project Cost as his/her own contribution.
	ii. Interest Subvention	a. Interest Subvention @ 6% per year both for working capital and term loan will be provided upto 5 years subject to annual review terms of lending agency.	Not Applicable
6	Validity/ Renewal of Limit, Security, Rate of Interest & other charges	As per the prevailing norms of lending agency as well as PMMY.	As per the prevailing norms of lending agency as well as Stand-up India Scheme.

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
7	Reimbursement of Credit Guarantee	0.25% of the loan amount or the actual amount of fees charged for credit guarantee, whichever is less will be reimbursed by the Office of the Textile Commissioner on quarterly basis.	0.25% of the loan amount or the actual amount of fees charged for credit guarantee, whichever is less will be reimbursed by the Office of the Textile Commissioner on quarterly basis.
8	GOI Support	<p>a. Interest Subvention will be provided @ 6% per year to the borrower. Interest Subvention as applicable will be provided upto 5 years subject to annual review of lending agency.</p> <p>b. Margin money support of 20% of the project cost with a maximum of Rs.1 lakh for a borrower will be provided by the Govt.</p> <p>c. The concerned Regional Office of the Textile Commissioner will identify eligible borrowers and refer their applications to lending agency for onward processing. The Bank may carry out necessary due diligence, including eligibility as per its extant guidelines for sanctioning of such facilities.</p> <p>d. All the above financial support/facilities can be availed by the Existing individual powerloom units and New individual / group enterprises involved in weaving activity who are registered with MSME / Office of the Textile Commissioner.</p>	<p>a. Capital subsidy support of 25% of the project cost for a borrower will be provided by the Govt.</p> <p>b. The concerned Regional Office of the Textile Commissioner will identify eligible borrowers and refer their applications to lending agency for onward processing. The Bank may carry out necessary due diligence, including eligibility as per its extant guidelines for sanctioning of such facilities.</p> <p>c. All the above financial support/facilities can be availed by the individual/non-individual as per S.No.1 of this category who are registered with MSME /Office of the Textile Commissioner</p>

9	Claim of GOI's financial assistance	a. Concerned lending agency shall approach Office of Textile Commissioner alongwith the details of claims of beneficiaries as per the prescribed format at Annexure-III . b. Interest subvention will be claimed by the lending agency on a quarterly basis by 15 days of the end of the quarter.	a. Concerned lending agency shall approach Office of Textile Commissioner alongwith the details of claims of beneficiaries as per the prescribed format at Annexure-IV . Capital subsidy reimbursement will be claimed by the lending agency on a quarterly basis by 15 days of the end of the quarter.
10	Release of GOI's Financial assistance	Will be released within 30 days from the date of receipt of claim documents from the lending agency.	Will be released within 30 days from the date of receipt of claim documents from the lending agency.
11	Mode of release of GOI's subsidy	Through term loan account of the beneficiary unit.	Through term loan account of the beneficiary unit.
12	Issuance of cards/ Passbooks	The lending agency will issue the cards/passbooks to Powerloom weavers.	The lending agency will issue the cards/passbooks to Powerloom weavers.
13	Management Information System(MIS)	The Textile Commissioner is in the process of creating an i-PowerTex software so that all applications can be filed online. Till that time lending agencies are required to submit quarterly reports in the format prescribed at Annexure-V to the Office of the Textile Commissioner within 15 days of the end of the quarter.	The Textile Commissioner is in the process of creating an i-PowerTex software so that all applications can be filed online. Till that time lending agencies are required to submit quarterly reports in the format prescribed at Annexure-VI to the Office of the Textile Commissioner within 15 days of the end of the quarter.

Further Operational guidelines are being issued shortly in consultation with the Banks.

Safeguards against mis-utilisation of the Scheme.

1. The lending agencies are required to carry out due diligence before sanctioning of the loan under the Scheme.

2. The concerned Regional Office of the Textile Commissioner as well as the senior officers of the Office of the Textile Commissioner will carry out random verification of the beneficiaries.

Format-I

**Application Form for Loan under Pradhan Mantri Credit Scheme for Powerloom weavers (PMCSF)
(For Loan upto Rs.10,00,000/-)**

Name of Bank & Branch from where loan is required

I hereby apply for Cash Credit/Over Draft/Term loan of Rs. _____ for _____

Name of Applicant (s)	1. _____ 2. _____	Father's/Husband's name	1. _____ 2. _____
Constitution ()	Individual	Joint	Proprietor
Residential Address	_____ Rented/Owned		
Business Address	_____ Rented/Owned		
Date of Birth	Age	Sex : Male/Femat/T.G.	
Educational Qualification ()	Illiterate	Upto 10 th	Upto 12 th
KYC Documents (s)	Voter ID No.	Aadhaar No.	Driving License No.
ID proof (pl. Specify)			
Address Proof (Pl.specify)			
Telephone No.:	Mobile No.	E-mail:	
Line of Business	Existing		Period
Activity (Purpose)	Proposed		
Annual Sales (Rs.in Lakh)	Existing:	Proposed:	
Experience, if any	_____		
Social Category (Pl. tick)	General	SC	ST
If Minority ()	Buddhists	Muslims	Christians
Loan Amount Required	CC/OD- Rs.	Term Loan-Rs.	
Details of Existing Account(s), if any	Type (Pls tick) (Deposit/Loan)	Name of Bank & Branch	
A/C No.		If Loan A/c amount of loan taken	Rs.

Declaration:

I/We hereby certify that all information furnished by me/us is true, correct and complete. I/We have no borrowing arrangements for the unit except as indicated in the application form. I/We have not applied to any Bank. There is/are no overdue/statutory due owed by me/us. I/We shall furnish all other information that may be required by Bank in connection with my/our application. The information may also be exchanged by you with any agency you may deem fit. You, your representatives or Reserve Bank of India or MUDRA Ltd., or any other agency as authorised by you, may at any time, inspect/vefiry my/our assets, books of accounts etc. in our factory/business premises as given above. You may take appropriate safeguards/action for recovery of bank's dues.

Date: _____

Place: _____

Thumb Impression/Signature of Applicant(s)

(For Office use only)

Acknowledgement No. _____ Slop No. _____ Loan Application

No. _____ Dated _____

Received by _____

Date: _____

Place: _____

Authorized Signatory(Branch Seal and Sign)

-----Cut here-----

Acknowledgement slip no _____ for loan application under PMMY (Applicant's copy) received with thanks from Sh./Smt. _____ loan application dated _____ for Rs. _____

Date: _____

Place: _____

Authorized Signatory (Branch Seal and Sign)

CHECK LIST: (Document(s) to be submitted along with the application)

- 1) Proof of identity – Self attested copy of Voter’s ID Card/ Driving Licence /PAN Card/ Aadhaar Card/ Passport / Photo IDs issued by Govt. Authority etc.
- 2) Proof of Residence – Recent telephone bill/ electricity bill/ property tax receipt (not older than 2 months) /Voter’s ID Card/ Aadhaar Card/ Passport for Individual/ Proprietor /Partners Bank Passbook or latest account statement duly attested by Bank Officials/ Domicile Certificate/ Certificate issued by Govt. Authority/ Local Panchyat/Minicipality etc.
- 3) Applicant’s Recent Photograph (2 copies) not older than 6 months.
- 4) Quotation of Machinery/Other items to be purchased.
- 5) Name of supplier/details of machinery/ price of machinery and/or items to be purchased.
- 6) Proof of Identity/Address of the Business Enterprise – Copies of relevant Licenses/ Registration Certificates/ Other Documents pertaining to the ownership, identity and address of business unit, if any.
- 7) Proof of category like SC/ST/OBC/Minority etc.

NOTE :

- 1) No processing fee
- 2) No collateral
- 3) Repayment period of loan is extended upto 5 years
- 4) Applicant should not be defaulter of any bank/Financial Institution

ANNEXURE-II

Name of the Bank:

Bank's Logo

APPLICATION FORM FOR STAND UP INDIA SCHEME LOAN ABOVE 10 LAKH TO 100 LAKH

(To be submitted along with documents as per the check list)

A. For Office Use:

Enterprise Name	Application Sl. No.	Name of the Branch	Category
			SC/ST/Woman

B. Business Information:

Name of the Applicant / Enterprise										
Constitution	Proprietary	Partnership	Pvt. Ltd.	Ltd. Company	Any Others (specify)					
Business Address										
	State				PIN Code					
	Business Premises				Rented	Owned				
Telephone No.				Mobile No.	91					
E-mail:										
Business Activity	Proposed									
Date of Commencement(DD/MM/YYYY)										
Whether the Unit is Registered				Yes				No		
If Registered (Please mention: Registration no. And the Act under which registered)										
Udyog Adhar Registration No. ** ** Not Mandatory										
Registered Office Address										
Social Category			SC	ST	Minority Community					
If Minority Community	Buddhists	Muslims	Christians	Sikhs	Jains	Zoroastrians				

C. Background Information of Proprietor/ Partners/ Directors of Company and their addresses:

S.No.	Name	Date of Birth	Sex	Residential Address with Mobile No.	Academic Qualification	Experience in the line of activity (years)

S.No.	Id proof	Id proof no.	Address proof	Address proof no.	PAN Card/DIN No.	Relationship with the Official/ Director of the bank if any

D. Names of Associate Concerns, if any, of JV Partner or Director of proposed Unit:

Names of Associate Concern	Address of Associate Concern	Presently Banking with	Nature of Association Concern	Extent of Interest as a Prop./Partner/ Director or Just Investor in Associate Concern

E. Banking/Credit Facilities Existing: (In Rs.)

Type of Facilities	Banks Name and Branch	Limit Availed	Outstanding As on.....
Savings Account		N.A	
Current Account		N.A	
Term Loan			
If banking with this bank, customer ID to be given here:			
It is certified that our unit has not availed any loan from any other Bank / Financial Institution in the past and I/we am/are not indebted to any other Bank / Financial Institution other than those mentioned in column no. E above.			

F. Credit Facilities Proposed: (In Rs.)**

Types of Facilities	Amount	Purpose for which Required	Security Offered	
			Primary Security (Details with approx. value to be mentioned)	Whether Collateral Security Offered (If, yes, then provide details on column I) (yes/No)
Cash Credit**				
Term Loan				
LC/BG				
Total				

** Mandatory Fields

G. In case of Working Capital: Basis of Cash Credit Limit applied: (In Rs.)

Cash Credit	Projected						
	Sales	Working Cycle in Months	Inventory	Debtors	Creditors	Promoter's Contribution	Limits

H. In case of Term loan requirements, the details of machinery/equipment may be given as under:

Type of Machine/ Equipment	Purpose for which required	Name of supplier	Total Cost of Machine	Contribution being made by the promoters (Rs.)	Loan Required (Rs.)
Total					

Repayment period with Moratorium period requested for	
---	--

I. Future Estimates: (In Rs.)

Future Estimates (Estimates for current year and projections for first year to be provided for working capital facilities. However for term loan facilities projections to be provided till the proposed year of repayment of loan)				
	Current Year (Estimate)	First Year (Projection)	Second Year (Projection)	Third Year (Projection)
Net Sales				
Net Profit				
Capital (Net Worth in case of Companies)				

J. Status Regarding Statutory Obligations:

Statutory Obligations	Whether Complied with (select Yes/No) If not applicable then select N.A.	Remarks (Any details in connection with the relevant obligation to be given)
1. Registration under Shops and Establishment Act		
2. Registration under MSME (Provisional / Final)		
3. Drug License		
4. Latest Sales Tax Return Filed		
5. Latest Income Tax Returns Filed		
6. Any other Statutory dues remaining outstanding		

K. Declaration:

I/We hereby certify that all information furnished by me/us is true, correct and complete. I/We have no borrowing arrangements for the unit except as indicated in the application form. There is/are no overdue/statutory due owed by me/us. I/We shall furnish all other information that may be required by Bank in connection with my/our application. The information may also be exchanged by you with any agency you may deem fit. You, your representatives or Reserve Bank of India or any other agency as authorised by you, may at any time, inspect/verify my/our assets, books of accounts etc. in our factory/business premises as given above. You may take appropriate safeguards/action for recovery of bank's dues.

Space for Photo	Space for Photo	Space for Photo
(Signatures of Proprietor/partner/director whose photo is affixed above)		

Date: _____

Place: _____

CHECK LIST

1. Proof of Identity: Voter's ID/ Passport/Driving License/PAN Card/Signature identification from Present Bankers of Proprietor, partner of Director (If a company).
2. Proof of Residence: Recent Telephone Bills, Electricity Bill, Property Tax Receipt /Passport/Voter's ID Card of Proprietor, partner of Director (if a company).
3. Proof of Business Address.
4. Applicant should not be defaulter in any Bank/F.I.
5. Memorandum and articles of association of the Company/Partnership Deed of partner etc.
6. Assets and liabilities statement of promoters and guarantors along with latest income tax returns.
7. Rent Agreement (if business premises on rent) and clearance from pollution control board if applicable.
8. SSI / MSME registration if applicable.
9. Projected balance sheets for the next two years in case of working capital limits and for the period of the loan in case of term loan.
10. Photocopies of lease deeds/title deeds of all the properties being offered as primary and collateral securities.
11. Documents to establish whether the applicant belongs to SC/ST Category, wherever applicable.
12. Certificate of incorporation for ROC to establish whether majority stake holding in the company is in the hands of a person who belongs to SC/ST/Woman category.

For Cases with Exposure above Rs. 25 Lakhs

1. Profile of the unit (includes names of promoters, other directors in the company, the activity being undertaken addresses of all offices and plants, shareholding pattern etc.
2. Last three years balance sheets of the Associate / Group Companies (if any).
3. Project report (for the proposed project if term funding is required) containing details of the machinery to be acquired, from whom to be acquired, price, names of suppliers, financial details like capacity of machines, capacity of utilisation assumed, production sales, projected profit and loss and balance sheets for the tenor of the loan, the details of labour, staff to be hired, basis of assumption of such financial details etc.
4. Manufacturing process if applicable, major profile of executives in the company, any tie-ups, details about raw material used and their suppliers, details about the buyers, details about major-competitors and the company's strength and weaknesses as compared to their competitors etc.

(The check list is only indicative and not exhaustive and depending upon the local requirements at different places addition could be made as per necessity).

ANNEXURE-III

Format for submission of claims under Pradhan Mantri Credit Scheme [Pradhan Mantri Mudra Yojana (PMMY) Component

1	Name & Address of the factory Taluka/Tahshil/Mandal: District: State: Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
2	Aadhar Number	
3	Name of Contact Person with Tel./ Mob. no	
4	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
5	Number of Looms	
6	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
7	Name of Proprietor / Partner(s) / Director(s)	
8	Gender of the Applicant (Male/Female)	
9	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the detail	
10	Total Cost of Project	
11	Amount of Term Loan	
12	Name and address of the Bank (complete Branch details with Pin code & IFS Code	
13	Account no:	
14	Whether the Project confirms in accordance to the guidelines	
15	Eligible Subsidy	
16	Remarks , if any	

It is certified that the above said claim is found to be in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme [Pradhan Mantri Mudra Yojana (PMMY) Component]** under PowerTex India hence recommended for release of the subsidy.

Authorized Signatory (Branch Seal and Sign)

Date:

Place:

ANNEXURE-IV**Format for submission of claims under Pradhan Mantri Credit Scheme [Stand Up India Scheme Component]**

1	Name & Address of the factory	
	Taluka/Tahshil/Mandal:	
	District:	
	State:	
	Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
2	Aadhar Number	
3	Name of Contact Person with Tel./ Mob. no	
4	IM No. / Powerloom Permit No./Udhyog Aadhar No & Date along with Registering Authority	
5	Number of Looms	
6	Constitution of Firm (Proprietorship / Partnership/Pvt. Ltd.)	
7	Name of Proprietor / Partner(s) / Director(s)	
8	Category of the Applicant (Female/SC/ST)	
9	Total Cost of Project	
10	Amount of Term Loan	
11	Name and address of the Bank (complete Branch details with Pin code & IFS Code)	
12	Account no:	
13	Whether the Project confirms in accordance to the guidelines	
14	Eligible Subsidy	
15	Remarks , if any	

It is certified that the above said claim is found to be in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme [Stand Up India Scheme Component]** under **PowerTex India** hence recommended for release of the subsidy.

Authorized Signatory (Branch Seal and Sign)

Date:

Place:

ANNEXURE-V

Format for submission of the quarterly report by the lending agency under Pradhan Mantri Credit Scheme [PMMY Component]

1.Name and address of the lending agency:

2.Contact details of the Authorised signatory of the lending agency:

3.Quarterly period:

4. Details of progress of the scheme on cumulative basis

(In Rs. lakhs)

Quarterly period	No. of cases sanctioned during the quarter	Amount sanctioned during the quarter	Amount disbursed during the quarter	Subsidy claimed during the quarter under capital subsidy	Subsidy claimed during the quarter under interest subvention	Remarks
Apr-Jun 17						
Jul-Sep17						
Oct-Dec17						
Jan-Mar17						

It is certified that the above details are in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme [PMMY Component] under PowerTex India**

Authorized Signatory (Branch Seal and Sign)

Date:

Place:

ANNEXURE-VI

Format for submission of the quarterly report by the lending agency under Pradhan Mantri Credit Scheme [Stand-up India Scheme Component]

1. Name and address of the lending agency:

2. Contact details of the Authorised signatory of the lending agency:

3. Quarterly period:

4. Details of progress of the scheme on cumulative basis

(In Rs. lakhs)

Quarterly period	No. of cases sanctioned during the quarter	Amount sanctioned during the quarter	Amount disbursed during the quarter	Subsidy claimed during the quarter under capital subsidy	Remarks
Apr-Jun 17					
Jul-Sep17					
Oct-Dec17					
Jan-Mar17					

It is certified that the above details are in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme [Stand-up India Scheme Component] under PowerTex India**

Authorized Signatory (Branch Seal and Sign)

Date:

Place:

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Pradhan Mantri Credit Scheme (PMMY & stand-up India) under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of Working Capital & Term Loan	<p>Application to be submitted by the unit /beneficiary at concerned Regional office of the Textile Commissioner.</p> <p>RO will identify eligible borrowers and refer their applications to lending within 30 days from the date of receipt.</p>	<p>Application in Format-I for PMMY & Format-II for Stand-up India of the guidelines along with</p> <ol style="list-style-type: none"> 1. Copy of Aadhar. 2. Copy of PAN 3. Address proof residence 4. Address proof Business enterprise 5. Constitution of firm. 6. Sale/lease deed of land/building. 7. Photos of applicant 8. Quotations of machinery/items to be purchased 	During submission of application.
2.	Sanction of Working Capital & Term Loan	<p>The lending agencies are required to carry out due diligence and sanction the loan to the beneficiary within within 60 days from the receipt of application from Regional office.</p>	<p>Application in Format-I of the guidelines along with</p> <ol style="list-style-type: none"> 1. Copy of Aadhar. 2. Copy of PAN 3. Address proof residence 4. Address proof Business enterprise 5. Constitution of firm. 6. Sale/lease deed of land/building. 7. Photos of applicant 8. Quotations of machinery/items to be purchased 	During sanction of loan..

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
3.	Claim of GOI s financial assistance by lending agency.	<p>Concerned lending agency shall approach Office of the Textile Commissioner within 30 days from the date of complete disbursement of loan for the release of Morgin money subsidy.</p> <p>In case of PMMY Interest subvention will be claimed by the lending agency on an quarterly basis by 15 days of the end of the quarter</p>	<p>Concerned lending agency shall approach Office of the Textile Commissioner within 30 days from the date of complete disbursement of loan for the release of Morgin money subsidy in Format-III for PMMY & Format-IV for Stand-up India of the guidelines along with the details of beneficiaries from the date of complete disbursement</p>	Before release of GOI share.
4.	Release of GOI s Financial assistance.	Will be released within 30 days from the date of receipt of claim from the lending agency subject to availability of funds.	-----	---

VIII. Grant In Aid and Modernization/Upgradation of Powerloom Service Centres

15 Powerloom Service Centres under Office of the Textile Commissioner (Tx.C), 26 Textile Research Associations (TRAs) and 6 State Govt. are running and located across the country. The PSCs are offering various services like training, sample testing, design development, consultancy, conducting seminar/workshop, etc. to the powerloom sector on behalf of the Govt.

The Grant-in-Aid (GIA) provided to the PSCs of TRAs/state Govt. agencies is mainly for the recurring expenses for running the PSCs for providing the services to powerloom sector. The Grant-in-Aid to the PSCs of TRAs/State Government Agencies will be sanctioned by the Textile Commissioner as norms fixed by the Ministry.

The Govt. of India assistance will be provided for modernization and upgrading the Powerloom Service Centres with the facilities which are required in the cluster. This would include improving testing facilities and also installing modern looms to create awareness of the latest available technologies and provide training. Further, the Powerloom Service Centres would also be provided with Preparatory machines, Testing instruments, Sewing machines for Garment and Apparel, Embroidery Machines, Design Development facilities etc.

IX. Guidelines for TEX Fund - Venture Capital Fund for Powerloom and Allied Products and Services - within the Umbrella Scheme “Scheme for Powerloom Sector Development”

Title of the project/scheme

TEX Fund - Venture Capital Fund for Powerloom and allied products and services within the Umbrella Scheme “Schemes for Powerloom Sector Development”.

Name of the sponsoring agency

Ministry of Textiles, Government of India.

Proposed duration of the project

Started during 12th Five Year Plan (from 2013-14); Total duration 10 years from the date of Initial Closing, may be extended by 2 (two) years.

Total cost of the project over the proposed duration.

TEX Fund” would be a dedicated fund with a corpus of Rs. 35 crore for investing primarily in companies engaged in manufacturing and services activities in the powerloom industry. Government of India proposes to contribute Rs. 24.50 crore to the Fund. SIDBI proposes to contribute 30% of the fund size, subject to approval of its Board of Directors. The fund manager would approach other investors to contribute to the Fund and it is expected that the ultimate size of the Fund could be Rs.50 to 80 crore. However, the Fund may be of a minimum size of Rs. 35 crore, if other investors cannot be attracted to invest in the Fund.

An illustration of the fund sizes and contributions is given below :

	Fund sizes			
	Rs. 35 crore	Rs. 50 crore	Rs. 60 crore	Rs. 80 crore
Govt. of India	Rs. 24.50 crore (70%)	Rs. 24.50 crore (49%)	Rs. 24.50 (40.80%)	Rs. 24.50 (30.63%)
SIDBI	Rs. 10.50 crore (30%)	Rs. 15 crore (30%)	Rs. 18 crore (30%)	Rs. 24 crore (30%)
Other contributors such as banks, FIs, insurance companies, corporates	nil	Rs.10.50 crore 21%	Rs. 17.50 crore (29.20%)	Rs. 31.50 crore (39.37%)

As such, the contribution from Govt. of India would be Rs. 24.50 crore irrespective of the fund size. The contribution from SIDBI and the other contributors would vary, depending on fund size. While SIDBI’s contribution may vary as to amount contributed, it may be fixed at 30% of the fund size, subject to approval from its Board of Directors.

Project Objectives and targets

The TEX Fund would invest in the equity shares and / or instruments convertible into equity of textile Micro and Small Enterprises, as defined under MSMED Act, 2006 and as amended from time to time. The fund would operate under the Securities Exchange Board of India's Alternative Investment Fund Regulations 2012 (SEBI's AIF Regulations 2012). The investment in the equity of companies will help to boost their net-worth, leverage commercial bank debt, improve their manufacturing capacity and sales turnover, increase competitiveness and profitability. Investments from the Fund are also expected to lead to improvements in the investee companies' internal systems and procedures, management capability and corporate governance. The primary investment focus of the TEX Fund will be early and growth stage investments in MSEs across various emerging fields in the powerloom related products and services. Investments will typically be in innovative private MSE companies involved in manufacturing and services in powerloom sector. New products and technologies or innovative business model which have the potential to bring superior value proposition to the customers will be given preference. Companies undertaking expansions which already have sound financial performance are also encompassed in the scope of the fund.

The Fund's primary investment objective is to achieve attractive risk-adjusted returns through long term capital appreciation by way of investments in privately negotiated equity / equity related and/or convertible / non-convertible debt instruments in unlisted companies requiring early or growth stage capital infusion. Investments will generally be in early stage companies with innovative business model or new product and technology which have the potential to bring superior value proposition for the customer and clients and high growth in earnings and profitability. The Fund would invest into powerloom and allied product and services MSEs in the initial 5 years from Initial Closing date.

Project Design.

"TEX Fund" would be a dedicated fund with a corpus of minimum Rs. 35 crore for investing primarily to foster innovation in companies engaged in manufacturing and services activities in the powerloom industry and allied products / services.. An umbrella trust will be set up by the Small Industries Development Bank of India (SIDBI) under the Indian Trusts Act, 1882 and registered under the Registration Act, 1908. The Trust would be registered with Securities and Exchange Board of India (SEBI) under SEBI (Alternative Investment Funds) Regulations, 2012 to carry on the activity of a venture capital fund under its respective schemes and operating within the investment focus of The Trust and its respective unit scheme.

TEX Fund ("Fund") is structured as the first unit scheme of the proposed umbrella Trust. The Fund would be a close-ended fund and investment in the Fund will be limited to Contributors / Beneficiaries. SIDBI as the sponsor would invest upto 30% of the fund size, subject to approval from its Board. The Government of India may invest Rs. 24.50 crore. The balance amount is proposed to be raised from institutional investors / corporates such as banks, financial institutions, insurance companies, to make up the entire fund of Rs. 80 crore. It is proposed that the first close of the Fund may be at Rs. 50 crore, in the ratio of Govt of India (Rs.24.50 crore

or 49%) and SIDBI (Rs. 18 crore or 30%). After the first close, the fund manager can commence investing out of the fund and drawdown from the investors.

The fund manager will make efforts to raise the remaining amount from other investors such as banks, financial institutions, insurance companies etc. However, the Fund may also have the final close at Rs. 35 crore, if warranted.

The Commitment Period is proposed at 5 years from Initial Closing, extendable by another 12 months. During the Commitment Period, the investment manager can also reinvest proceeds from exits, if any. The Management Fee during Commitment Period is 2% per annum (plus any taxes as applicable thereon from time to time) of the aggregate Capital Commitments of Contributors. After the Commitment Period, the fee is 2% per annum (plus any taxes as applicable thereon from time to time) of the remaining investments less investments permanently written off.

Investments will be made in early stage, high-growth, unlisted, private companies which may have the potential of significant value creation in future. The likely optimum period of investment would be carefully considered in order to create and realize the value in the investment. It is proposed to take significant minority stakes (generally in the range of 10% - 30% of equity ownership) based on total investment in a company and an active role with Board representation in order to help create value for the companies. There will be a detailed evaluation of the proposals in terms of the rationale for the proposed investment, the potential benefits from the investment, special features and characteristics of the proposed investment proposal and also the most likely divestment mechanism all of which will be discussed and approved by the Investment Committee formed to monitor the investments made by the Fund. The Investment Committee formed shall make all investment and divestment decisions.

The Fund shall invest in accordance with its Investment Objectives and shall be as per guidelines adopted by it from time to time. The size of each investment would not exceed Rs. 3 crore. A balanced and diversified portfolio shall be developed for investments in start-ups, expansions, exports and for development of innovative ideas/products and new technologies. All investments made by the fund will be in MSE companies as defined under MSMED Act of 2006, as amended from time to time.

The Fund Manager will work to enable exits of the portfolio companies at an appropriate time, depending on market conditions and the status of the investee company. Exits by the Fund may be by way of sale to other financial / strategic investors, promoter / company buybacks, redemption of quasi debt instruments by investee companies and also by way of initial public offerings on stock exchanges. As and when exits happen, the funds would be distributed back to the contributors pro-rata. However, during the Commitment Period, the investment manager can reinvest the exit proceeds, both in new investee companies as well as in existing investee companies of the fund.

On exit, the fund will distribute funds back to the investors such as Government of India, SIDBI and other investors if any. The funds so distributed back would be (i) by way of distribution of original capital followed by (ii) capital gain, if any.

The scheme is on a pan-India basis and not restricted / constrained to any single location within India.

The investments by the Fund will be in companies. The companies can be identified by various means including PAN number and registration number with Ministry of Corporate Affairs.

The Investment Manager (IM) i.e. SVCL, is entitled to the payment of a periodic management Fee. The Investment Manager will be responsible for all normal operating expenses of managing the Fund, including (a) compensation for employees, (b) rent and utilities, (c) statutory, legal, audit, and other third party fees and operating expenses (including any taxes as applicable thereon from time to time) of the Investment Manager, (d) compensation to any advisors or consultants retained by the Investment Manager (other than on behalf of the Fund), (e) all normal expenses incurred in the identification and appraisal of investment opportunities and monitoring of Portfolio Investments (other than expenses borne by the Fund as provided in the section below) and (f) other day-to-day expenses of the Investment Manager including, but not limited to, travel, utilities and communications.

The Investment Manager shall also be entitled to payment of a Carried Interest. Carried Interest is a share of the profits of the investment fund which is paid to the Investment Manager after –

- the investment manager has returned all capital contributed by the investors; and
- after the fund has returned a previously agreed-upon rate of return (the "hurdle rate" or "preferred return") to investors

Project Human Resources (nodal officer directly in charge of the project)

Chief Executive Officer, SIDBI Venture Capital Ltd.

Project viability

The return of contributors' capital is not guaranteed in a venture capital fund. While the fund may make sizable returns in a particular investment, it may lose the entire amount in other investments. Typically, venture capital funds may lose their entire investments in 80% of the investee companies while only 20% of the investee companies may give returns. However, the returns provided by 20% of the investee companies may be sufficient to return the entire capital of the fund to the contributors, along with profits. As such, venture capital investments are high risk, high return.

Distributable Proceeds will be the funds available to be distributed back to the contributors upon realization of income by the fund. Proceeds available for distribution by the Fund will usually consist of net proceeds realised on the disposal of Portfolio Investments, as well as receipt of dividend, interest, fee from portfolio companies, treasury income etc. Distribution to the contributors would typically commence after say, 3 years of operation of the fund and would continue till the end of the fund life. Distribution would be irregular and would happen on the availability of distribution proceeds.

The hurdle rate, as per the PPM, is an IRR of 12% pre-tax. Once the distribution to the contributors is such that the contributors have achieved a return, equal to the hurdle rate, the fund would share its profits with the investment manager. The amount of profits shared with the investment manager is known as “carried interest” and would incentivise the investment manager.

On exit, the fund will distribute funds back to the investors such as Government of India, SIDBI and other investors if any. The funds so distributed back would be (i) by way of distribution of original capital followed by (ii) capital gain, if any.

Project implementation and monitoring

New structures / entities are not required. SIDBI Venture Capital Ltd, a subsidiary of SIDBI will be the fund manager and will be responsible for execution of the project.

The scheme will be implemented and monitored by Ministry Of Textiles through Office of the Textile Commissioner, Mumbai.

The Fund is structured as a unit scheme of a Trust proposed to be set up by SIDBI and registered with SEBI under Regulation of SEBI (Alternative Investment Funds) Regulations, 2012. As a unit scheme of SEBI registered venture capital fund, the fund would be subject to certain investment regulations / restrictions. The Fund’s operation shall be structured so as to maintain highest standards of corporate governance, business ethics, transparency of operations, hence following entities shall be part of the operations of the fund - The Board of Trustees, The Investment Manager (SIDBI Venture Capital Ltd.) and The Investment Committee.

The Fund will be managed by SIDBI Venture Capital Limited (Investment Manager), a wholly owned subsidiary of SIDBI. For the purpose of management of the Fund, the Investment Manager will enter into Investment Management Agreement with the Trustees, which may be amended from time to time. Primary responsibilities of Investment Manager will be managing the investments and exits by the Fund. The Investment Manager shall be responsible for generating deal flow, evaluating and negotiating investment opportunities, monitoring and periodically evaluating investments, constituting an Investment Committee and making recommendations to the Investment Committee for investments as well as suitable divestments. Investment Manager functions under overall directions of its Board.

The Investment Manager shall constitute an Investment Committee. The Investment Committee shall make all investment and divestment decisions. The Investment Committee shall comprise representatives of Investment Manager, industry experts and eminent people from the fields of finance, business management, marketing, law etc. The Investment Committee shall have minimum of four and a maximum of eight members. The Investment Committee shall function in the following manner –

- (i) The Investment Manager, after detailed and careful evaluation of an investment / divestment proposal, shall place such proposal to the

Investment Committee, whose decisions on such proposal shall be binding & final.

- (ii) At least three members of the Investment Committee shall be required to be present in person or via tele / video-conference to constitute a valid quorum.
- (iii) The meeting of the Investment Committee shall be convened by the Investment Manager for which prior notice of 7 days in writing shall be given.
- (iv) Investment Committee shall strive to arrive at decisions by consensus but in case the same is not achieved, the decisions may be made by a simple majority vote of members present and voting including Chairman of the meeting. In case of any equality of votes the Chairman of the meeting shall have a casting vote.

The Fund shall furnish every 180 days, via a Newsletter, details of its operations, investments and performance to the Contributors. The Newsletter may include an extract of the Fund's valuation, status report of Portfolio Companies, progress achieved in investments, proposals being received for investment and from which segment. Any other relevant information may be disclosed. Review meetings shall be held periodically (half yearly / annual basis) where the contributors would be apprised of the activities of the Fund. Being registered with SEBI, the Fund will also be periodically reporting to SEBI.

On exit, the fund will distribute funds back to the investors such as Government of India, SIDBI and other investors if any. The funds so distributed back would be (i) by way of distribution of original capital followed by (ii) capital gain, if any.

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Tex Fund-venture capital under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of Tex venture capital	<p>Application to be submitted by the unit /beneficiary at concerned Regional office of the Textile Commissioner.</p> <p>RO will identify eligible units and refer their applications to SIDBI within 30 days from the date of receipt.</p>	<p>1.Constitution of unit under MSME</p> <p>2.Copy of PAN</p> <p>3.Address proof Business enterprise</p> <p>4.Sale/lease deed of land/building.</p> <p>5.Project proposal.</p> <p>6.Quotations of machinery/items to be purchased</p>	During submission of application.
2.	Sanction of Tex venture capital	SIDBI venture capital ltd, the fund manager will process the applications expeditiously within 60 days from the receipt of application from Regional office.	<p>1.Constitution of unit under MSME</p> <p>2.Copy of PAN</p> <p>3.Address proof Business enterprise</p> <p>4.Sale/lease deed of land/building.</p> <p>5.Project proposal.</p> <p>6.Quotations of machinery/items to be purchased</p>	During sanction of Tex venture capital.

X. Guidelines for Facilitation, IT, Awareness, Market Development and Publicity for Powerloom Schemes

1.0 Background

The decentralized powerloom sector is one of the most important segments of the Textile Industry in terms of fabric production and employment generation.

With integration of the market under WTO agreement, the Powerloom Sector is facing several challenges. In addition to retaining its domestic market share in view of the stiff competition offered by the organized mill sector, it has to extend its share in the international market also. To augment the domestic production and marketing as well as export by powerloom weavers, Integrated Scheme has been implemented since 2007-08 with objective for modernization of powerloom sector, exposure visits, buyer-seller meets, cluster development activities, development/ upgradation of the skills etc.

In view of above, it is most essential to create awareness on unique and distinctive features and products of incentive schemes launched by the Govt. of India. It also seeks to highlight the role of the Central Government in facilitating development process through appropriate strategies. Another vital objective of the Scheme is to digitization of implementation process of all incentive schemes launched by the Govt. of India.

1.1 Objectives

- a) To give wide publicity, including event based publicity etc. through electronic, print, film media, multimedia, to the Powerloom schemes, programmes being run by the Office of Textile Commissioner, Mumbai (OTxC).
- b) To create an enabling environment for publicity
- c) To disseminate information about the modalities and benefits of schemes, programmes being run by OTxC, Mumbai.
- d) To promote awareness and to trigger the developmental mode of decentralised powerloom sector.
- e) To encourage volunteer action for ensuring effective implementation of schemes, programmes being run by the OTxC, Mumbai.
- f) To extend financial support for National & International events organized by OTxC, Mumbai

2.0 Period of Operation of the Scheme

The period of operation of the scheme will be from 1st April, 2017 to 31st March, 2020.

3.0 Components of Facilitation Services and IT:

(a) Facilitation Services:

- **Help – line:** A dedicated toll free **Help-line (1800 22 2017)** has been setup to provide necessary help/guidance/information to the Powerloom weavers by making toll free call.
- **Registration Facility for Powerloom weavers and units with the PSCs:** There would be a system to register the Powerloom weavers and Powerloom units at the Powerloom Service Centers so that the PSCs can reach out to these weavers and units to disseminate the information on the Government Schemes. The interface will also enable the weavers and the units to understand the facilities available with PSCs and so as to avail the benefits.
- **SMS alerts:** A system will be developed so as provide SMS alerts to Powerloom weavers on new developments/initiatives on Powerloom related subjects.
- **Bank Assistance:** The services of the lead bank and the major banks in the Powerloom clusters will be facilitated through with the Powerloom Service Centers so that necessary assistance can be extended to the Powerloom weavers and the Powerloom units to avail credit facilities and MUDRA loans from the Banks.
- **Entrepreneur Cell:** An Entrepreneur Cell will be created in each Powerloom Service Centers to disseminate information on the various Govt. Schemes.
- **Design and Technical Advancement:** The PSCs will provide designing facilities and requisite technical training, suitably structured for the Power loom weavers.
- **Any other facilitation services.**

(b) IT- Development of online-portal / mobile application in respect of schemes implemented by GOI.

Development of online-portal play a vital role in providing an easy and single point access to information about the various developmental schemes implemented by the Government of India and their various aspects including eligible beneficiaries, types of benefits, scheme details etc.

Mobile apps further provide a much faster alternative, as it only takes a second to launch a mobile app because the majority of the information is stored in the application itself making it possible to function offline. This helps build loyalty with the end users facilitating in connecting with the information. The advantages of a mobile application is to seamlessly connect and interact with end-users, making it a valuable tool for accessing the schemes implemented by the GOI, consequently reducing staff workload by information requests and phone calls.

4.0 Awareness and Market Development Programmes:

- (i) **Seminars/ Workshops:** To create awareness about Government schemes, disseminate the information about new technology/services for the benefits of Powerloom weavers/workers, Workshops/seminars/awareness programme are conducted by Regional Offices, Powerloom Service Centres of the office of Textile Commissioner as well as other organizations like Powerloom Development and Export Promotion Councils, TRAs etc.
- (ii) **Buyer Seller Meets:** The market development activities like Exhibition/Fair and Buyer-Sellers Meets are conducted for serving the needs of the powerloom weavers for marketing their products in national and international level.

Under this Scheme financial assistance are given for organizing exhibitions, infrastructure support, stall rent, stall furnishing, electricity charges, publicity, back up services and administrative expenses.

(iii) International events like Reverse Buyer Seller Meets:

International events like Reverse Buyer Seller Meet are conducted in India in association with PDEXCIL by inviting potential Buyers & Importers from foreign countries. In such events, leading Indian companies exhibit/ showcase the latest range of Powerloom-fabrics, Made-ups, and Home-textiles viz. Shirting, Suiting, Sarees, Dress materials, Denim, Bed-linen, Kitchen-linen, Bath-Linen, Living & Dining-linen & Technical Textiles etc. before the visiting foreign buyers, to enable participating members to develop / expand their export trade. Thus, the visiting buyers have a unique opportunity to see the latest products of leading textile companies under one roof, interact with the senior representatives of participating companies and conclude profitable business deals.

(iv) E-platform for marketing of Powerloom products:

Promotion of marketing of powerloom products through e-commerce is one of the priorities of Ministry of Textiles. In order to promote e-marketing of powerloom products in a transparent, competitive and effective manner, Office of the Textile Commissioner under Ministry of Textiles will avail the services

of any willing e-commerce platform with good track record for participation in online marketing of powerloom products.

(v) Exposure visit of Weavers:

The exposure visits of powerloom weavers/ entrepreneurs are organized with a view to understand better technology, product etc. The powerloom weavers/entrepreneurs from clusters with low level of technology are required to be exposed to the developed clusters having better technology/manufacturing, in order to motivate them to adopt technology and diversify the products.

Financial assistance @ Rs.5000 towards incidental expenses and to & fro train fare restricted to Sleeper-Class fare for each weaver is provided by GOI.

(vi) Conducting Studies, Survey & Evaluation Programmes/ Schemes on special needs:

The results of analytical studies and surveys help in designing appropriate strategies and measures of intervention by the Government, by itself or in public private partnership mode, to assist and enable the Powerloom Weavers in facing the challenges and availing of the opportunities with a view to enhancing their efficiency and competitiveness and also expanding generation of sustainable employment. The inferences drawn from these studies will help suggest changes to the schemes so that they fulfil their objectives.

Monitoring / evaluation of the schemes helps to obtain feedback on- (i) its performance (ii) how resources have been spent (iii) creditability on continuance of the schemes. Further, evaluation of schemes helps to address problematic issues viz. (i) Strengths and Weaknesses of the project implemented (ii) Implementation problems (iii) Success and failure indicators and (iv) the good practice issues.

(vi) Any other awareness and Market Development Programmes.

For eg. through print media, electronic media, hoardings, mobile-publicity van, adopting different ICT modes for creating maximum awareness.

5.0 Publicity in Electronic and Print Media:

The main intent of any media is to pass information to the public. Electronic media a more advanced form of media could be Internet, Television etc. can be reached faster through different channels, site etc. Print media typically includes Newspapers, Articles, and Journals etc. allowing users to read anytime and anywhere Be it Electronic or Print media, the needs of the Stake Holders / Powerloom weavers can be addressed by these tools through Information

Technology in assisting the publicity and creation of awareness of the various Powerloom Sector Schemes.

6.0 Implementation and Monitoring of the Schemes:

Office of the Textile Commissioner through its Regional Offices/ Powerloom Service Centers (PSCs) along with PDEXCIL and Powerloom Associations will implement the Scheme.

The Textile Commissioner will monitor and review the progress of the Schemes from time to time.

APPENDIX

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

In Situ upgradation of plain Powerloom Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	In-principle approval for installation of kit to be obtained by the unit.	SSI powerloom units having up to 8 looms. To be filed at concerned Regional office of the textile Commissioner. It would be granted within 21 working days.	Format- I Along with 1.Acknowledgement of IM or Powerloom permit or SSI registration or Udyog Aadhar Memorandum 2.Electricity Bill of unit 3.Notarized Lease deed/Power sharing agreement, if unit is leased. 4.Copy of Aadhar 5.Copy of PAN 6.Copy of Bank passbook	For taking In-principle approval
2..	Request for JIT To be submitted by the unit.	Within 6 months from the date of issue of In-principle approval. May be extended for further 3 months by requesting Concern RO.TxC within 21 working days of expiry of In-principle approval.	Format-II 1.Copy of Invoices 2.Payment receipts	After installation of Attachments/Kits Dobby,Jacquard Rapier kit Pirn winding machine purchased from empanelled /registered manufacturer/supplier with The Textile Commissioner.
3.	JIT Verification	Carried by concern RO TxC Within 30 days along with format III from the date of receipt of Format-II	1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms	At the time of JIT visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Submission of JIT report	JIT has to submit report to Concern RO.	Format-III along with 1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms.	During submission of verification report to RO by JIT.
5.	Recommendation by OIC, ROTxC to release subsidy.	Recommendation by OIC, RO to Powerloom Development Cell, within 30 days to release subsidy	Format-IV Proforma-I	During recommendation by OIC, RO to release subsidy
6..	Issue of sanction by PDC	Availability of funds.	Authorization letter to concern RO to release subsidy to Manufacturers/suppliers/beneficiaries.	----
7.	Releasing of subsidy by RO to the manufacturer/beneficiary.	Within 7 days from the date of allocation of funds by PDC	----	----

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Group Workshed Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Sanction for construction of work shed.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner	Application in Annexure- I of the guidelines along with 1.Executive summary of the project. 2.Nature of EA 3.Sale /lease deed of land in the name of EA. 4.Non-agricultural land certificate. 5.Approved layout plan.	For taking Sanction for construction of work shed.
2.	Forwarding application to office of the Textile Commissioner	Forwarding application by Regional office with recommendation to office of the Textile Commissioner for sanction within 30 days of receipt of application.	1.Executive summary of the project. 2.Nature of EA 3.Sale /lease deed of land in the name of EA. 4.Non-agricultural land certificate. 5.Approved layout plan. 6. Photos of the site.	----
3..	Claiming for release of first installment of 30 %.	1.EA has to claim within 90 days from the date of sanction. 2.Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	1. Mortgage deed of the land to GOI in case of advance release of subsidy. 2.CA certificate of expenditure incurred for construction of workshed. 3. Certificate of proportionate expenditure by Govt.approved architect. 4. Photos of the construction.	During LLMC visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Claiming for release of second installment of 30 %.	<p>1. EA has to claim within 180 days from the date of sanction.</p> <p>2. Inform concern RO about 60 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred for construction of workshed.</p> <p>2. Certificate of proportionate expenditure by Govt. approved architect.</p> <p>3. Utilization certificate of first installment.</p> <p>4. Photos of the building construction.</p> <p>5. Sanction letter of bank for the Term loan for purchasing plant & machineries for each beneficiary/EA</p>	During LLMC visit
5.	Claiming for release of third installment of 20 %.	<p>1. EA has to claim within 270 days from the date of sanction.</p> <p>2. Inform concern RO about 100 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred for construction of workshed.</p> <p>2. Certificate of proportionate expenditure by Govt. approved architect.</p> <p>3. Photos of the building</p> <p>4. Utilization certificate of second installment.</p> <p>5. Documents of placement of order for plant & machinery by each beneficiary/EA & advance/token money released.</p>	During LLMC visit
6	Claiming for release of fourth installment of 20 %.	<p>1. EA has to claim within 2 years from the date of sanction.</p> <p>2. Inform concern RO about installation & commissioning of plant & machinery.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1. CA certificate of expenditure incurred on plant & Machineries.</p> <p>2. Submission of Invoices of Plant & Machineries</p> <p>3. Utilization certificate of third installment.</p>	During LLMC visit

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Yarn Bank Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of corpus for yarn bank	Application to be submitted by the SPV at concerned Regional office of the Textile Commissioner. RO has to forward application to Powerloom Development Cell within 30 days from the date of receipt with recommendation.	Application in Annexure- IV of the guidelines along with 1.Nature of SPV. 2. Bank guarantee for 25% of GOI share. 3. Arranging own fund equal to the fund provided by GOI. 4. Sale/lease deed of suitable warehouse for storage of yarn.	During submission of application.
2.	Sanction of corpus for yarn bank	Powerloom Development Cell convey the sanction to SPV within 60 days from the receipt of application from Regional office.	Application in Annexure- IV of the guidelines along with 1. Nature of SPV. 2. Bank guarantee for 25% of GOI share. 3. Arranging own fund equal to the fund provided by GOI. 4. Sale/lease deed of suitable warehouse for storage of yarn. 5.Insurance for warehouse.	----
3.	Claim for releasing of GOI share	SPV has to submit the claim within 60 days from the date of sanction. RO has to forward the claim to PDC within 10 days from the date of receipt.	1.ESCROW account details. 2.Copy of the Bank guarantee for 25% of GOI share. 3.Proof of fund equal to the fund provided by GOI in ESCROW account.	Before release of GOI share.

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Common Facility Centre (CFC) Scheme under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of CFC.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan.	During submission of application.
2.	Forwarding application to office of the Textile Commissioner	RO has to forward application to Powerloom Development Cell within 30 days from the date of receipt with recommendation.	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan. 6.Photos of the site.	-----
3.	Claiming for release of first installment of 30 %.	EA has to claim within 90 days from the date of sanction. Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 30 days from the date of LLMC visit.	1. CA certificate of expenditure incurred for construction of workshed. 2.Certificate of proportionate expenditure by Govt.approved architect. 3.Photos of building under construction.	During LLMC visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Claiming for release of second installment of 30 %.	<p>1.EA has to claim within 180 days from the date of sanction.</p> <p>2.Inform concern RO about 60 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred for construction of workshed.</p> <p>2.Certificate of proportionate expenditure by Govt.approved architect.</p> <p>3.Utilization certificate of first installment.</p> <p>4.Sanction letter of bank for the Term loan for purchasing plant & machineries for each beneficiary/EA</p> <p>5.Photos of building under construction.</p>	During LLMC visit
5.	Claiming for release of third installment of 40 %.	<p>1.EA has to claim within 270 days from the date of sanction.</p> <p>2.Inform concern RO about 100 % completion of construction.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred for construction of workshed.</p> <p>2.Certificate of proportionate expenditure & construction completion certificate by Govt.approved architect.</p> <p>3.Utilization certificate of second installment.</p> <p>4. Documents of placement of order for plant & machinery by SPV & advance/token money released.</p> <p>5.Photos of constructed building.</p>	During LLMC visit
6.	Claiming for release of subsidy for plant & machinery.	<p>1.EA has to claim within 18 months from the date of sanction.</p> <p>2.Inform concern RO about installation & commissioning of plant & machinery.</p> <p>3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.</p>	<p>1.CA certificate of expenditure incurred on plant & Machineries.</p> <p>2.Submission of Invoices of Plant & Machineries.</p> <p>3. Utilization certificate of third installment.</p> <p>4.Pollution control certificate.</p> <p>5.Photos of Plant& machinery</p>	During LLMC visit

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Solar Energy Scheme for Powerlooms under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	In-principle approval for installation of Solar Photo Voltaic (SPV) plant.	SSI powerloom units having up to 8 looms. To be filed at concerned Regional office of the textile Commissioner. It would be granted within 21 working days.	Format- I Along with 1.Acknowledgement of IM or Powerloom permit or SSI registration or Udyog Aadhar Memorandum 2.Electricity Bill of unit 3.Notarized Lease deed/Power sharing agreement, if unit is leased. 4.Copy of Aadhar 5.Copy of PAN 6.Copy of Bank passbook	For taking In-principle approval
2..	Request for JIT to be submitted by the unit.	Within 6 months from the date of issue of In-principle approval.	Format-II along with 1.Copy of Invoices 2.Payment receipts	After installation Solar Photo Voltaic (SPV) plant. Purchased from empanelled /registered manufacturer/supplier with The Textile Commissioner.
3.	JIT Verification	Carried by concern RO TxC Within 30 days from the receipt of Format-II	1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms	During JIT visit.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Submission of JIT report	JIT submit report to Concern RO.	Format-III along with 1.Copy of Invoices 2.Payment receipts 3.Phots of the unit & In-principle approval number on looms.	During submission of verification report to RO by JIT.
5.	Recommendation by OIC, RO to release subsidy.	Recommendation by OIC of RO to Powerloom Development Cell to release subsidy Within 45 days.	Format-IV Proforma-I	During recommendation by OIC-RO to issue of sanction by PDC.
6..	Issue of sanction by PDC	Availability of funds.	Authorization letter to concern RO to release subsidy to Manufacturers/suppliers/beneficiaries.	----
7.	Releasing of subsidy by RO to the manufacturer/beneficiary.	Within 7 days from the date of allocation of funds by PDC.	----	----

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Pradhan Mantri Credit Scheme (PMMY & stand-up India) under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of Working Capital & Term Loan	<p>Application to be submitted by the unit /beneficiary at concerned Regional office of the Textile Commissioner.</p> <p>RO will identify eligible borrowers and refer their applications to lending within 30 days from the date of receipt.</p>	<p>Application in Format-I for PMMY & Format-II for Stand-up India of the guidelines along with</p> <ol style="list-style-type: none"> 1. Copy of Aadhar. 2. Copy of PAN 3. Address proof residence 4. Address proof Business enterprise 5. Constitution of firm. 6. Sale/lease deed of land/building. 7. Photos of applicant 8. Quotations of machinery/items to be purchased 	During submission of application.
2.	Sanction of Working Capital & Term Loan	The lending agencies are required to carry out due diligence and sanction the loan to the beneficiary within within 60 days from the receipt of application from Regional office.	<p>Application in Format-I of the guidelines along with</p> <ol style="list-style-type: none"> 1. Copy of Aadhar. 2. Copy of PAN 3. Address proof residence 4. Address proof Business enterprise 5. Constitution of firm. 6. Sale/lease deed of land/building. 7. Photos of applicant 8. Quotations of machinery/items to be purchased 	During sanction of loan..

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
3.	Claim of GOI s financial assistance by lending agency.	<p>Concerned lending agency shall approach Office of the Textile Commissioner within 30 days from the date of complete disbursement of loan for the release of Morgin money subsidy.</p> <p>In case of PMMY Interest subvention will be claimed by the lending agency on an quarterly basis by 15 days of the end of the quarter</p>	<p>Concerned lending agency shall approach Office of the Textile Commissioner within 30 days from the date of complete disbursement of loan for the release of Morgin money subsidy in Format-III for PMMY & Format-IV for Stand-up India of the guidelines along with the details of beneficiaries from the date of complete disbursement</p>	Before release of GOI share.
4.	Release of GOI s Financial assistance.	Will be released within 30 days from the date of receipt of claim from the lending agency subject to availability of funds.	-----	---

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Tex Fund-venture capital under PowerTex.

Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
1.	Application for Sanction of Tex venture capital	Application to be submitted by the unit /beneficiary at concerned Regional office of the Textile Commissioner. RO will identify eligible units and refer their applications to SIDBI within 30 days from the date of receipt.	1.Constitution of unit under MSME 2.Copy of PAN 3.Address proof Business enterprise 4.Sale/lease deed of land/building. 5.Project proposal. 6.Quotations of machinery/items to be purchased	During submission of application.
2.	Sanction of Tex venture capital	SIDBI venture capital ltd, the fund manager will process the applications expeditiously within 60 days from the receipt of application from Regional office.	1.Constitution of unit under MSME 2.Copy of PAN 3.Address proof Business enterprise 4.Sale/lease deed of land/building. 5.Project proposal. 6.Quotations of machinery/items to be purchased	During sanction of Tex venture capital.

