

### 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 4<sup>th</sup>February, 2014 and being implemented till 31<sup>st</sup>March, 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. 1<sup>st</sup>April, 2017 to 31<sup>st</sup>March, 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, Dormintory/workers' accommodation subject to a maximum of Rs.750/- per Sq.ft**
  - ST Category: 90% of the unit cost of construction of Group workshed, Dormintory/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 1<sup>st</sup> instalment it will be ensured that the cost of land is more than the amount (1<sup>st</sup> 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.

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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)                            |                      |                         |                       |                                  |       |
| 4.      | Looms & Preparatory machinery |                      |                         |                       |                                  |       |
|         | TOTAL                         |                      |                         |                       |                                  |       |

Project Details

|   |        |                |
|---|--------|----------------|
| <b>Land</b>   |        |                |
| Total area in acres   |        |                |
| Nature of Ownership:  |        | Owned / Leased |
| <b>Worksheds</b>  |        |                |
| 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  |        |                |
| <b>Infrastructure</b>   |        |                |
| 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)  |        |                |
| <b>Looms &amp; Preparatory machinery</b>  |        |                |
| a) Number of looms proposed to be purchased<br>(Please specify type of Looms also)    |        |                |
| b) Number of Preparatory machinery proposed<br>(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. |
|---------|-------------------------|---|---|------------------------------|--------------------------------|
|         |                         |   |   |                              |                                |
|         |                         |   |   |                              |                                |
|         | <b>TOTAL</b>            |   |   |                              | +                              |

(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 |  |
|         |                         |        |          |          |                                     |                   |      |  |
|         |                         |        |          |          |                                     |                   |      |  |
|         | <b>TOTAL</b>            |        |          |          |                                     |                   |      |  |

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.) |        |        |        |        |
|---------|--|-----------------|--------|--------|--------|--------|
|         |  | Year 1          | Year 2 | Year 3 | Year 4 | Year 5 |
| 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  |                 |        |        |        |        |
|         | ➤ 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>  |                 |        |        |        |        |
|         | * 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/2<sup>nd</sup> 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 <b>Annexure- I</b> of the guidelines along with<br>1.Executive summary of the project.<br>2.Nature of EA<br>3.Sale /lease deed of land in the name of EA.<br>4.Non-agricultural land certificate.<br>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 <b>within 30 days</b> of receipt of application.   | 1.Executive summary of the project.<br><br>2.Nature of EA<br><br>3.Sale /lease deed of land in the name of EA.<br><br>4.Non-agricultural land certificate.<br><br>5.Approved layout plan.<br><br>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.<br>2.Inform concern RO about 30 % completion of construction.<br>3. RO has to forward LLMC report to PDC <b>within 10 days</b> from the date of LLMC visit. | 1. Mortgage deed of the land to GOI in case of advance release of subsidy.<br>2.CA certificate of expenditure incurred for construction of workshed.<br>3. Certificate of proportionate expenditure by Govt. approved architect.<br>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 <b>within 180 days</b> 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 <b>within 10 days</b> 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 &amp; machineries for each beneficiary/EA</p> | During LLMC visit                |
| 5.     | Claiming for release of third installment of 20 %.  | <p>1. EA has to claim <b>within 270 days</b> 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 <b>within 10 days</b> 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 &amp; machinery by each beneficiary/EA &amp; advance/token money released.</p>  | During LLMC visit                |
| 6      | Claiming for release of fourth installment of 20 %. | <p>1. EA has to claim <b>within 2 years</b> from the date of sanction.</p> <p>2. Inform concern RO about installation &amp; commissioning of plant &amp; machinery.</p> <p>3. RO has to forward LLMC report to PDC <b>within 10 days</b> from the date of LLMC visit.</p> | <p>1. CA certificate of expenditure incurred on plant &amp; Machineries.</p> <p>2. Submission of Invoices of Plant &amp; Machineries</p> <p>3. Utilization certificate of third installment.</p>   | During LLMC visit                |