

HARYANA GOVERNMENT  
INDUSTRIES & COMMERCE DEPARTMENT  
DIRECTORATE OF MICRO, SMALL & MEDIUM ENTERPRISES

Notification

The 5<sup>th</sup> July, 2023

No. 12/03/2022-11B-II - In pursuance to the provision under Haryana AatmaNirbhar Textile Policy 2022-25 notified in Gazette vide No. 12/03/2022-11B-II - dated 19.12.2022, the Governor of Haryana is pleased to notify "Textile Cluster Development Scheme" as per details given below:

1. Background

Haryana was the first state to introduce State Mini Cluster Development Scheme for the development of MSME Clusters. Now on the similar lines to develop textile cluster, the State Government is introducing "Textile Cluster Development Scheme" which will aim at augmenting the competitiveness of textile MSMEs across the entire value chain by creating state of the art common facility centre for textile units and fostering innovation.

2. Objectives of the Scheme

- I. To support the sustainability and growth of textile MSMEs by addressing common issues such as improvement of technology, skills and quality, market access& innovation etc.
- II. To set up Common Facility Centres (design centres, new product development facility, embroidery facility& knitting facility, advanced printing facility, training hubs, incubation centres, etc.)
- III. The scheme shall commence with effect from 19.12.2022 and shall remain in operation till the operative period of the policy.

3. Quantum of Assistance

For creating Common Facility Centre (CFC) for a group of existing micro, small and medium textile units with funding pattern of 90% State contribution and 10% Special Purpose Vehicle (SPV) contribution for project cost up to Rs. 10 crores. A group of minimum 15 textile MSMEs shall be required for development of a Textile Cluster.

4. Definitions

- (i) Micro Enterprise: Investment in Plant and Machinery or Equipment does not exceed INR 1 Crore and turnover does not exceed INR 5

Crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.

- (ii) Small Enterprise: Investment in Plant and Machinery or Equipment does not exceed INR 10 Crore and turnover does not exceed INR 50 Crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.
- (iii) Medium Enterprise: Investment in Plant and Machinery or Equipment does not exceed INR 50 Crore and turnover does not exceed INR 250 Crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.

## 5. Eligibility

A group of 15 Micro, Small and Medium functional textile industrial units (as defined in 'Clause 3: Quantum of Assistance') of similar activity in an identified area (within 50 kilometer radius from multiple districts of the state), which have filed Udhyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) may apply. The CFC shall be functional within two years from the date of final approval, unless extended with the approval of DG, MSME, Haryana. SPV constituted for the purpose of availing benefits under the scheme should be a Section 8 Company not for profit, under Companies Act 2013.

Existing Textile cluster (CFCs) established under State Mini Cluster Development Scheme of HEEP 2020 and EPP 2015 are also eligible to upgrade their infrastructure/technology up to a max of Rs. 10 crores under this scheme.

Maximum 10 projects shall be eligible for grant under this scheme during the policy period.

## 6. Hard Interventions

Hard Interventions under the programme will consist of creation of tangible "assets" as Common Facility Centres (CFCs) like Common Production/ Processing Centre (for balancing/correcting/improving production line that cannot be undertaken by individual units), Knitting Centres, Design Centres, New Product Development Facility, Testing Facilities, Training Centre, R&D Centre, Embroidery Facility, Advanced Printing Facility, Marketing Display/Selling Centre, Common Logistics Centre, Common Raw Material Bank/Sales Depot, Incubation Centre, etc.

- I. The State Grant will be restricted to 90% of the cost of project with a maximum eligible project cost of Rs. 10.00 crores. The eligible cost of project for grant-in-aid shall include cost of land, building (cost of land not more than 15% of maximum eligible Project cost), machinery &

equipment and preliminary & pre-operative expenses (only expenses incurred for preparation of DPR and implementation of the project). The SPV shall arrange the working capital, if any, from its own resources and furnish documentary proof of margin money for working capital before the release of the final installment of grant in aid.

- II. The CFC should be housed in Land/Building owned by the SPV. The cost of land and building shall be taken towards the contribution of the SPV in the project. CFC can also be set up on leased premises. However, the lease should be registered for a period but not less than 10 years. In case CFC is established on leased land, the land lease period should not be less than 15 years.
- III. It is necessary to form an SPV (Special Purpose Vehicle) prior to setting up of and running the proposed CFC. The SPV shall consist of members who fall under the definition of Micro, Small and Medium enterprises. The member units should have filed Udhyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) on the portal. The SPV should have a character of inclusiveness where in provision for enrolling new members to enable prospective entrepreneurs in the cluster to utilize the facility should be provided. SPV will be required to constitute an 'Executive Monitoring Committee (EMC)'. EMC will include concerned JD/DD DMC and minimum 3 representatives of the SPV, including their Board of Directors, to monitor various activities related to operationalization & running of the CFC. EMC will meet biannually to monitor the progress of the CFC and take decisions on various management issues i.e., job work charges, capacity utilization for members vs. non-members etc. A step pricing strategy may be adopted with lower CFC charges for SPV shareholders and slightly higher charges for non-SPV members.
- IV. SPV should comprise of textile MSMEs cluster units (minimum as defined in 'Clause 3: Quantum of Assistance') as serving members. There is no ceiling on the maximum number of members.
- V. SPV can be formed of textile MSMEs from adjoining district(s) also. Units located in 50 Kms geographical area can form an SPV. Implementing district will be the one with more numbers of units in the SPV or as decided by SLSC-Textiles.
- VI. The share of the cluster beneficiaries should be as high as possible but not less than 10 per cent of the total cost of CFC. State Government contribution will be considered as gap funding. All the participating units should be independent in terms of their financial stakes and management. A single unit in the SPV will hold maximum 10 per cent in the equity capital (or equivalent capital contribution) of the SPV.

- VII. Contribution by the SPV or the beneficiaries' share should be made up front on the basis of which matching grant-in-aid of the Government of Haryana may be released.
- VIII. The CFC may be utilized by the SPV members and also others in the cluster.
- IX. The CFC should be operationalized within two years from the date of final approval, unless extended with the approval of DG, MSME, Haryana.
- X. Escalation in the cost of project above the sanctioned amount, due to any reason, will be borne by the SPV.
- XI. User charges for services of CFC shall be close to prevailing market prices, as decided by the Governing Council of the SPV. The SPV members may be given reasonable preference in user charges and capacity utilization.
- XII. The CFC with cost higher than Rs 10.00 crore can also be considered. However, the State grant will be calculated with project cost ceiling of Rs 10.00 crore.
- XIII. An Agreement between State Government and the SPV shall be signed for CFC project. The format of the agreement is given at Annexure-A.
- XIV. No State Govt. grant on land cost shall be provided.

## 7. How to apply

The beneficiaries of the textile cluster shall submit the preliminary application along with concept note online on the portal. Minimum beneficiaries, as defined in the scheme guidelines, will have to be identified before the application. Application form along with the list of proposed beneficiaries, concept note & background verification form(s) are attached as Annexure – B, Annexure – C & Annexure – D respectively.

JD/ DD of concerned DMC shall conduct the verification of the proposed units and submit a verification report to Directorate of MSME within 7 days from the receipt of the online application on portal.

## 8. Project Approval

- I. Preliminary application along with concept note, & background verification report, will be put up to the Director General, MSME, Haryana for approval to conduct Detailed Project Report (DPR).

- II. The DPR will be prepared by an agency (as per clause no. 8 Project Implementation of the scheme guidelines)
- III. The DPR will have to be appraised by a scheduled bank, at the cost of SPV.
- IV. After evaluation of the DPR by the Directorate, the case will be placed in the State Level Steering Committee-Textiles for consideration of approval.
- V. State Level Steering Committee-Textiles: The project shall be approved and implemented under the guidance of State Level Steering Committee-Textiles. The members of the committee shall be as under:

1.	Administrative Secretary, Industries & Commerce	Chairman
2.	Director General, Industries & Commerce Department	Member
3.	Representative of Finance Department	Member
4.	Technical Expert from Institute like National Institute of Fashion Technology (NIFT), Panchkula/ The Technological Institute of Textile and Sciences (TITS) or any other Govt. Institute as nominated by SLSC-Textiles.	Member
5.	Director, MSME Development & Facilitation Office, Karnal (Govt. of India)	Member
6.	General Manager, SIDBI, Chandigarh	Member
7.	Director General, Directorate of MSME, Haryana	Member-Secretary

Note: The chairman of State Level Steering Committee-Textiles can co-opt any other member at his discretion and the proposal shall be sanctioned by the Committee within 30 days from the date of completion of the documentation. The meeting shall be convened once in two months. Meeting can, however, be called at any other time at the discretion of the Chairman of the State Level Steering Committee-Textiles.

## 9. Project Implementation

The project implementation shall be done by a committee constituted by the SPV under the supervision of the concerned Joint Director/ Deputy Director.

Purchase Committee: The Purchase Committee shall consist of following members

1.	Joint Director/ Deputy Director, DMC of the concerned district	Chairman
2.	3 nominated SPV members	Member
3.	Consultant of project	Member

Note: The chairman of the purchase committee can opt any other member at his discretion.

This Purchase Committee will ensure the transparency in the process of preparation of RFP/ floating of tenders and its finalization as per the GFR.

Administrative Secretary, Industries & Commerce will be competent to make any operational changes in the scheme guidelines.

The State Government (Directorate of MSME, Haryana) will engage/empanel a professional consultancy agency(s) as Project Management Unit (PMU) under the State Mini Cluster Development Scheme (HEEP-2020). The same agency(s) (upon recommendation of SPV and approval of Director General MSME) will be eligible to provide overall project management support including project conceptualization, preparation of DPR and implementation support under this scheme (Textile Cluster Development Scheme) also. A sum equivalent to max 3% of the total project cost will be considered as project management charges for the consultancy agency. Project management charges will include cost of preparation of DPR and implementation support for the project.

In a scenario where Directorate has not appointed a consultancy agency or the mandate of the consultancy agency have been completed, the SPV may propose to engage a competent firm as its project consultant, for complete project management. However, engagement of such consultant for a particular project will be required to be approved by the Directorate of MSME, Haryana.

The project management charges to be paid to the consultant engaged by the SPV/State Government will be made part of the preliminary and pre-operative component of eligible project cost and will be adjusted in the eligible grant-in-aid.

The project management charges to be paid to consultant for completing each milestone i.e. 1% of the project cost on final approval of DPR by the SLSC-Textiles, 0.5% of the project cost after the release of 1<sup>st</sup> installment of State grant-in-aid to SPV, 0.5% of the project cost after the release of

2<sup>nd</sup> installment of State grant-in-aid to SPV, 1% of the project cost after the release of 3<sup>rd</sup> installment of State grant-in-aid to SPV.

Engaged Consultancy agency will follow GFR rules for procurement management and will support the SPV in pre-approval (preparation of concept note, DPR) and implementation of the project as per the responsibilities of the consultant defined at Annexure – E.

#### 10. Disbursement of Grant-in-aid

Contribution by the SPV or the beneficiaries' share should be made upfront for matching disbursement of grant-in-aid of Government of Haryana. The grant-in-aid shall be disbursed in maximum three tranches basis the contribution made by the SPV.

1<sup>st</sup> Tranche of 40% approved grant-in-aid shall be released after compliance of the following formalities:

- (i) Land should be registered in the name of the Special Purpose Vehicle (SPV).
- (ii) The SPV has opened the bank account dedicated for the purpose of deposit of contribution of the SPV and State Government grant.
- (iii) After execution of the agreement by SPV with the State Government as per Annexure-A.
- (iv) 1<sup>st</sup> Tranche amount of grant-in-aid shall be released only after Purchase Committee constituted for this purpose has recommended the grant-in-aid after ensuring that the transparent tendering process for construction of building and procurement of machinery has been finalized.

2<sup>nd</sup> Tranche of 35% of approved grant-in-aid shall be released after compliance of the following formalities:

- (i) Submission of Utilization Certificate (UC) of the 1st tranche of grant-in-aid duly verified by concerned Joint Director/ Deputy Director of District MSME Centre.
- (ii) Physical Inspection Report of the status of CFC by the concerned Joint Director/ Deputy Director of District MSME Centre.
- (iii) Recommendations of the Purchase Committee (Minutes) for release of 2nd tranche of grant-in-aid with the details of plant & machinery finalized.

3<sup>rd</sup>/final tranche of 25% of approved grant-in-aid shall be released after compliance of the following formalities:

- (i) Submission of Utilization Certificate (UC) of the 2<sup>nd</sup> tranche of grant-in-aid duly verified by concerned Joint Director/ Deputy Director of District MSME Centre.
- (ii) Physical Inspection Report of the status of CFC by the concerned Joint Director/ Deputy Director of District MSME Centre.
- (iii) Recommendations of the Purchase Committee (Minutes) for release of 3<sup>rd</sup> tranche/final of grant-in-aid with the details of plant & machinery finalized.
- (iv) Documentary proof of margin money contribution for working capital.

However, to expedite implementation of projects - 2<sup>nd</sup> & 3<sup>rd</sup> tranche of approved grant-in-aid may also be combined in cases where tendering process is complete and SPV has mobilised its full contribution. In such cases, the documents required will be as follows:

- (i) Proof of SPV's complete contribution as approved in the DPR.
- (ii) Submission of Utilization Certificate (UC) of the 1<sup>st</sup> tranche of grant-in-aid duly verified by concerned Joint Director/ Deputy Director of District MSME Centre.
- (iii) Physical Inspection Report of the status of CFC by the concerned Joint Director/ Deputy Director of District MSME Centre.
- (iv) Recommendations of the Purchase Committee (Minutes) for release of 2<sup>nd</sup>&3<sup>rd</sup> tranche of grant-in-aid with the details of plant & machinery finalized.
- (v) Documentary proof of margin money contribution for working capital.

Pending utilization of any portion of State Government grant, the funds will be parked in a separate dedicated account created for this purpose in an interest-bearing instrument like sweep in deposit or flexi deposit facility. Interest accrued, if any, on unutilized fund shall be adjusted against future disbursement under the scheme.

The capping limit of grant-in-aid including Plant & machinery, building, consultancy charges for pre and post approval activities and project implementation cost shall be Rs.9.00 crores.

## 11. Monitoring and Evaluation

The State Level Steering Committee (SLSC) Textile will be the apex body for coordinating and overseeing the progress of the projects. SLSC will also facilitate the SPV members for obtaining State Government approvals from



the other department. The project implementation period shall be 2 years from the date of approval by SLSC. This period can be extended by the DG, MSME, keeping in view the justification of the delay.

The SPV will run the Common Facility Centre (CFC) for a period of 10 years from the date of going into operation. In case of its closure and violation of the terms & conditions of the sanction letter by the SPV, the possession of the CFC shall be taken over by the State Government. The SPV shall, at its own cost, insure and keep insured all the plant, machinery, fixtures and equipment of the CFC for a minimum period of 10 years. In case of loss or damage to such plant, machinery, fixtures and equipment, etc., the insurance claim shall be payable to the State Government. All plant, machinery, fixtures and equipment procured for the purpose of the CFC with the support of the State Government grant shall be the exclusive property of the Government.

The establishment of the CFC, including civil works, if any, shall be completed by the SPV within 24 months of the receipt of the Sanction Letter, or such extended time as the State Government may, on its satisfaction as to the reasons of delay, grant. No CFC under this scheme can be established in any non-conforming area in the state. Books of Accounts of the expenses incurred for the purchase of fixed assets for the purpose of setting up of CFC shall be maintained by the SPV. The accounts books shall be open for inspection by the statutory auditors/auditors of the State Government. SPV will submit a copy of audited balance sheet at the close of each financial year in the office of concerned JD/ DD, DMC before September.

## 12. Interpretation/ Clarification

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation/clarification and removal of any difficulties in provision of this scheme.

Dated, Chandigarh  
the, 27<sup>th</sup> June, 2023

Anand Mohan Sharan, IAS  
Additional Chief Secretary to Govt. Haryana,  
Industries & Commerce Department

Format for Agreement between Special Purpose Vehicle (SPV) and State Government for funding under Textile Cluster Development Scheme

This agreement is made at ..... on this the .....th day of ..... 20.... between (1) the Governor of Haryana, acting through and represented by Director General of MSME (hereinafter after referred to as the 'State Government'), (2) Special Purpose Vehicle (SPV), having its registered office at..... represented by its Managing Director/Chief Executive Officer (hereinafter referred to as the 'SPV') duly authorized by their Board of Directors/society.

WHEREAS the State Government has introduced a scheme named as "Textile Cluster Development Scheme" with the objective of capacity building of micro, small and medium enterprises and their collectives in the country;

AND WHEREAS the SPV has been created and constituted as section-8 company, inter alia, to create, establish, run and maintain a Common Facility Centre at.....(the CFC) for the use and benefit of its members and of other units engaged or coming up in the same industry, trade or vocation in the.....of .....(the Cluster);

AND WHEREAS the SPV has submitted a project for approval of the State Government under the Textile Cluster Development Scheme;

AND WHEREAS the State Government has approved the project submitted by the SPV subject to the conditions mentioned in the sanction letter No.....dated ....., which shall be deemed to be a part of this Agreement and the State Government has also agreed to contribute towards the cost of establishment of the CFC;

AND WHEREAS for binding the Parties to their respective obligations and to ensure long term use of the CFC by the enterprises in the Cluster, the Parties are desirous to enter into an agreement;

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The SPV shall set up the CFC at.....on a piece of land to be provided by it free of all encumbrances and charges.
2. The SPV shall contribute to the cost of establishment of the CFC from its resources to the extent and in the form as laid down in the Sanction Letter.
3. The State Government shall, on satisfactory proof of the contribution by the SPV, make their respective contributions towards the cost of

establishment of the CFC, at such time, in such manner and to such extent as laid down in the Sanction Letter.

4. The establishment of the CFC, including civil works, if any, shall be completed by the SPV within 24 months of the receipt of the Sanction Letter, or such extended time as the State Government may, on its satisfaction as to the reasons of delay, grant.
5. The SPV shall be exclusively responsible for the day-to-day running of the CFC. The aim of running the CFC shall be to provide common services to the enterprises in the Cluster at affordable cost as well as to generate enough income to meet all its running expenditure, depreciation and provision for replacement/expansion of capital assets. However, any shortfall or excess of income over expenses shall be kept or borne by the SPV only.
6. The disbursement of funds by the State Government will be made only after the upfront contribution is made by the SPV.
7. The amount of grant-in-aid shall be withdrawn and utilized by SPV for the purpose for which it has been sanctioned by the State Government. The grant amount shall not be used for working capital.
8. Further, the SPV/implementing agency will ensure that necessary infrastructure like provisioning of land including provision of water and power supply for CFC is completed before they approach State Government for release of its share.
9. Pending utilization of State Government grant, the funds will be parked in a separate dedicated account created for this purpose. Interest accrued, if any, on unutilized fund shall be adjusted against future disbursement under the scheme.
10. State Government will reserve the right to carry out physical verification of the assets acquired with the funds or initiate any other enquiry as it may deem fit to satisfy the competent authority with regard to the proper utilization of the funds released.
11. The SPV shall furnish utilization certificates for amounts released as grant-in-aid duly verified by the statutory auditors/ JD/ DD, DMC of the concerned district.
12. The State Government will act as a facilitator to supervise and evaluate the progress of the project separately.
13. All plant, machinery, fixtures or equipment procured for the purpose of the CFC out of or with the support of the State Government grant shall

be the exclusive property of the State Government, though in the custody and use of the SPV.

14. The SPV shall, at its own cost, insure and keep insured all the plant, machinery, fixtures and equipment of the CFC for a minimum period of 10 years. In case of loss of or damage to such plant, machinery, fixtures and equipment, etc., the insurance monies shall be payable to the State Government.
15. The SPV shall observe all the conditions and stipulations of the Sanction Letter.
16. The management of the SPV and the operation of the CFC shall be in accordance with the State Government Guidelines dated ....., which shall be deemed to be a part of this Agreement.
17. The SPV shall submit bi-annual progress report to the DMC office after the operationalization of the project highlighting performance of the CFC.
18. The SPV shall keep all monies not immediately required in interest bearing deposits with any Scheduled Bank in India.
19. In the event of any liquidation or bankruptcy proceedings or any threatened distress action against the SPV or any of its assets all plant, machinery, fixtures and equipment procured for the purpose of the CFC out of or with the support of the State Government grant shall be outside such proceedings and the State Government may assume the control and management of the SPV and appoint any of its officer to run the CFC.
20. The SPV represents and warrants:
  - a) That it has been duly constituted under the law as applicable and has full authority to enter into this Agreement.
  - b) That this agreement is binding upon it in all its provisions.
  - c) That it shall work on mutual co-operation basis on sound managerial and business principles and no managerial changes shall be made which may adversely affect the smooth functioning of the CFC.
  - d) That it shall keep all the plant, machinery, fixtures and equipment in good working order and shall undertake all preventive and remedial maintenance and upkeep and maintain insurance.

- e) That the plant, machinery, fixtures and equipment procured out of or with support of the State Government, is the property of State Government and the SPV shall not sell, hypothecate, mortgage, charge or create any encumbrances against the said plant, machinery, fixtures and equipment or any part of it in favour of any person, for any reason or transaction.
  - f) That the SPV shall follow the directions of the State Government, as may be issued from time to time for better management of the SPV or the better running of the CFC.
  - g) That the SPV acknowledges that the Textile Cluster Development Scheme provides for only one time grant towards capital cost of establishing the CFC and no subsidy/grant/assistance is envisaged for the recurring expenses or for replacement, renovation or expansion of the capital assets.
  - h) In the event, if it is found that the SPV has not utilized the amount of grant, or any part of it, for the setting up of the CFC or has subsequently sold or otherwise disposed of any of the assets of the CFC acquired out of the grant, the State Government, without prejudice to any other rights, shall be entitled to recover the amount of loss as arrears of land revenue from the SPV and / or persons connected with its management jointly and severally.
21. In case of any disputes or differences arising from, in relation to or in connection with this Agreement and not otherwise provided for in the succeeding clause, shall be settled by arbitration through reference to a sole arbitrator nominated by the State Government under the provisions of the Arbitration and Conciliation Act, 1996.
22. In case of violation of the stipulated conditions or non-observance of the Sanction Letter or the State Government Guidelines by the SPV which is not cured within 15days of issue of notice by the Directorate of MSME, may, for such time as it may think proper, assume the management of the SPV, to assure proper functioning of the CFC. The decision of State Government in this regard will be final. In such event the SPV shall have no claims for any investment made in the CFC or its management.
23. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions, which shall remain in full force.
24. No amendment to this agreement shall be valid unless expressed in writing and duly signed by both the Parties.

25. All the profits to be earned by the SPV will be ploughed back to the CFC and will not be distributed to the shareholders as dividends.
26. Charges for services in the CFC for both members and non-members will be published in the premises of the CFC by the SPV.
27. This agreement does not constitute any partnership of the State Government with SPV and the State Government shall not be responsible for any act, omission, negligence, etc. of the SPV or its employees, agents or contractors or any injury suffered or claim made by any person in respect of the working of the CFC.

1) State Government, Represented by Shri.....

2) Special Purpose Vehicle Represented by Shri.....

Witnesses:

1) .....

2) .....

## Application Form for Textile Cluster Development Scheme

## I. Detailed Summary of proposed Cluster at &lt;Name of District&gt;

Name of Cluster: \_\_\_\_\_

1.	Location	
2.	Cluster Products	
3.	Likely age of the Cluster	
4.	Nature of the Cluster	
5.	Major Cluster Problems	
6.	Key strategic interventions for proposed cluster	
7.	Extent of competition	
8.	Proposed Project Duration	
9.	Gross Project Fund requirements and likely sources of funds	As per Textile Cluster Development Scheme
10.	Key Indicators to reflect the outcome of the project	

## II. Current Information Requirements for Cluster Section

S. No.	Parameters	Answer
1.	Does the cluster have a minimum critical mass? Numbers of firm's structure of firms (large/medium/micro/small across the value chain)  ▪ Presence of the support firms	

S. No.	Parameters	Answer
	<p data-bbox="395 315 671 344">&amp;service providers</p> <ul style="list-style-type: none"> <li data-bbox="347 387 820 461">▪ Estimated turnover of broad groups in cluster</li> <li data-bbox="347 501 820 613">▪ Level of employment (No. of Man&amp; women) and likely income levels</li> <li data-bbox="347 654 767 728">▪ Contribution of cluster to expert</li> <li data-bbox="347 768 820 880">▪ Growth trends in the recent past(Turnover, Employment, investments, exports etc.)</li> <li data-bbox="347 920 820 1077">▪ Special features of the cluster in terms of seasonal, mainstay activities/dependence, if any</li> </ul>	
2.	<p data-bbox="331 1122 743 1196">Location of the cluster &amp; its geographical contours</p> <ul style="list-style-type: none"> <li data-bbox="347 1236 820 1429">▪ Within a city/village/linkage with nearby has a specific rural/urban mandate) attach a geographical map if available</li> </ul>	
3.	<p data-bbox="331 1473 804 1585">Linkage of the proposed cluster with other clusters or sectors if any</p>	
4.	<p data-bbox="331 1632 711 1706">Social and Environmental conditions</p> <ul style="list-style-type: none"> <li data-bbox="347 1747 810 1899">▪ Summary profile of typical owners/ Managers and workers and their economic status</li> <li data-bbox="347 1939 756 2013">▪ Average yearly earnings (Man/Women) of</li> </ul>	



S. No.	Parameters	Answer
	<p>Workers/Units Owners</p> <ul style="list-style-type: none"> <li>▪ Drudgery in activity, if any</li> <li>▪ Pollution related issue in the cluster</li> </ul>	
5.	<p>Viability</p> <ul style="list-style-type: none"> <li>▪ Prospects of upgrading production technology/ investment/ financial off take/ quality</li> <li>▪ Does the products have a future current national/ global setting</li> <li>▪ Main markets of the cluster products (Geographical, consumers segments)</li> <li>▪ Local institutional capacities for collective developmental action in the private &amp; public sector</li> </ul>	
6.	<p>Complementarily</p> <ul style="list-style-type: none"> <li>▪ Other development work either already under way</li> <li>▪ Scope of the proposed project for value addition to other development work as stated above</li> </ul>	

III. List of Proposed SPV members

To

The Director General

Directorate of MSME

Haryana

Sub: Submission of list of proposed SPV members for ' \_\_\_\_\_ cluster' in <District Name>

Sir,

Please find below the list of active members who have expressed keen interest in setting up of Common Facility Centre under Textile Cluster Development Scheme at \_\_\_\_\_Cluster, <District Name>. The members are fully aware and understand their responsibilities, willing to make financial contribution in the execution and sustainability of this facility.

S. No.	Unit Name	Authorized Person	Unit Address	URC No.	HUM No.	Exiting Investment in Plant & Machinery (INR lakh)	Turnover (INR lakh)	Email ID	Signature
1.									
2.									
3.									
4.									

S. No.	Unit Name	Authorized Person	Unit Address	URC No.	HUM No.	Exiting Investment in Plant & Machinery (INR lakh)	Turnover (INR lakh)	Email ID	Signature
5.									
6.									
7.									
8.									
9.									
10.									
11.									
12.									
13.									
14.									
15.									

## Template of Concept Note

S. No.	Particulars	Details
1.	Name of the cluster	
2.	Location of cluster units: (a) Percentage of units within the radius of 20 Km- (b) Percentage of units within the radius of 50 Km-	
3.	Nature of activity and products of the cluster	
4.	Number and size of units in cluster: (a) Micro (b) Small (c) Medium (d) Large (e) Units belongs SC/ST entrepreneurs	
5.	Main Issues of the cluster & the methodology used to perceived the need of CFC in cluster.	
6.	Whether share holding pattern of SPV members has been provided? {No single unit should hold more than 10 percent in the equity capital (or equivalent capital contribution) of the SPV}	
7.	How many cluster units, other than SPV members, are willing to utilize the services of CFC?	

S. No.	Particulars	Details
	(a) Micro (b) Small (c) Medium	
8.	Whether all the problems of the cluster have been addressed i.e., information on nature of critical gaps identified?	
9.	Please provide Process Flow Chart of the activities clearly indicating activities at CFC & unit level.	
10.	Proposed Facilities in the CFC	
11.	Justification on point 10 above	
12.	What would be the expected outcomes of the CFC in terms of increase in cluster units, total turnover, export, profitability and employment generation of cluster?	
13.	Is there any adverse effect on existing cluster units due to proposed CFC? If yes, up to what extent?	
14.	Whether the proposed activities in CFC are technically feasible and viable? Backward linkages (like raw material availability etc.) and forward linkages (gap between production capacity of the cluster and particular proposed activity of CFC) may be judged.	
15.	Whether proposed machinery for CFC is advanced (at present) and adequate to fulfill the existing & near future needs of the cluster?	

S. No.	Particulars	Details
16.	Whether SPV members will be able to utilize 60% of proposed production capacity of CFC (justification if necessary)?	
17.	Whether Technical viability, user charges and cost of machinery are ascertained?	
18.	Name and Address of the contact person	

Responsibilities of Consultant for Pre-approval support

1. Support in the filling of Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).
2. Assistance in the filling up the application form for setting up of CFC.
3. Identification of key stakeholders (MSME units, industries associations, government agencies, banks/FIs) in the cluster.
4. Sensitize key stakeholders (MSME units, industries associations, local offices) on the Scheme and its benefits.
5. Assistance in preparation of concept note for the project.
6. Support in the registration of Special Purpose Vehicle (SPV).
7. Undertake a cluster diagnostic study to assess the current infrastructure available with the cluster, existing status of the cluster.
8. Undertake detailed SWOT analysis of the cluster.
9. Identify and analyse cluster problems.
10. Provide a detailed action plan including recommendations for cluster including hard and soft interventions.
11. Finalize hard interventions to be implemented in the cluster.
12. Undertake technical feasibility and financial viability assessment for the CFC.
13. Identify the key plant and machinery requirement along with the requirement of manpower, raw material, utilities and services etc.
14. Support the SPV/required stakeholder to identify the manpower required to operate and maintain the CFC.
15. Undertake detailed financial feasibility for the CFC.
16. Preparation and submission of draft DPR
17. Provide support for approval of Detailed Project Report of Common Facility Centre by the State government and Ministry of MSME, wherever required.

### Responsibilities of Consultant for implementation support

1. Support in bid process management as per GFR guidelines i.e., preparation of bidding documents for civil works and equipment, preparation of bid evaluation reports, minutes of purchase committee/other meetings, contract documents etc.
2. Assist SPVs in development activities such as selection of consultants/agencies for detailed engineering, site supervision, construction, operational matters etc.
3. Monitor the physical and financial progress of the project and assist in submission of periodic progress reports.
4. Assist the SPV in preparing documentation required by the State Government for release of state's share of grant.
5. Participate in relevant review meetings of State Government and SPV.
6. Assist in obtaining financial closure from State Government after project operationalization and release of all grants.
7. Assist SPV in responding to queries raised and information sought by State Government from time to time.
8. Conduct a capacity building program for SPV members in operationalizing and running the CFC as per the Textile Cluster Development Scheme guidelines and the signed bipartite agreement.
9. Assist the SPV in documentation (w.r.t. Textile Cluster Development Scheme guidelines) required to ensure various compliances for successfully running the CFC.



## Background Verification Form

Sr. No	Required Details	Remarks
1.	Legal Name of Entity (SPV member)	
2.	URC number	
3.	HUM number	
4.	Industrial License under IDR Act 1951 (if applicable)	
5.	Type of Business <ul style="list-style-type: none"> <li>• Corporation</li> <li>• Individual</li> <li>• Sole Proprietorship</li> <li>• Joint Venture</li> <li>• Partnership</li> <li>• Limited Liability partnership</li> <li>• Other</li> </ul>	
6.	Company Identification No. (CIN if any)	
7.	PAN No. of SPV member	
8.	TAN No. of SPV member	
9.	VAT or CST of SPV member	
10.	Shareholding pattern of the SPV member entity/company/firm	
11.	Details of Board of Directors (if applicable)	
12.	Whether Entity/Company/firm is owned or controlled by a parent Company? Relationship with the parent company (Subsidiary/ Division) <ul style="list-style-type: none"> <li>• Legal name of the parent company</li> <li>• Full address of parent company</li> <li>• City/Town/Village</li> </ul>	

Sr. No	Required Details	Remarks
	<ul style="list-style-type: none"> <li>• District</li> <li>• State</li> <li>• PIN code</li> </ul>	
13.	<p>Financial Details</p> <ul style="list-style-type: none"> <li>• Authorized Capital of the Company</li> <li>• Paid up Capital of the Company</li> <li>• Turnover of the company for last three years</li> <li>• Net worth of the company for last three years</li> <li>• Profit of the company for last three years</li> <li>• Quality certificates received, if any</li> <li>• Awards and recognition received, if any</li> </ul>	
14.	<p>Whether in the past two years prior to the date of this application, the SPV member has been deemed to be in default on any contract, or been forcefully terminated from any contract of any Organisation? If yes, provide details.</p>	
15.	<p>Whether in the past two years prior to the date of this application, the SPV member has been blacklisted/debarred by any central/state Government department/organization. Yes/No.</p> <p>If yes, provide details</p>	
16.	<p>Tax compliance</p> <p>SPV member to confirm that it has paid all rents, royalties and all public demands such as income-tax, sales tax, GST and all other taxes and revenues payable to the Government</p>	

Sr. No	Required Details	Remarks
	of India or to the Government of Haryana or to any local authority and that at present there are no default in arrears of such rents, royalties, taxes and revenues due and outstanding and that no attachments or warrants have been served on us in respect of sales-tax, income-tax, GST, Govt. Revenues and other taxes.	
17.	Does SPV member have any pending litigation with Haryana Ggovernment? (Government includes Departments, Boards, Corporations, Missions, Societies, Authorities, etc.) If yes, provide details.	

Pre-Approval Check list

1. Application form as per the format should be filled in all respect.
2. Background verification form for the proposed SPV members duly filled and signed by the authorised members.
3. Udyam Registration Certificate (URC).
4. Haryana Udyam Registration Certificate (HUM).
5. Detailed Filled Concept Note as per format.
6. Physical Verification Report of the units conducted by the concerned district in-charge.
7. Recommendation report by the concerned district in-charge for setting of the CFC in the concern district.
8. Registration of SPV a section-8 Not for Profit Company.
9. Detailed Project Report along with the detailed financial analysis.
10. Bank Appraisal for the detailed project report from a scheduled bank.