



OFFICE ORDER

In order to ensure wider participation in each project, enhance transparency in functioning of Common Facility Centres (CFCs), ensure easy access of the CFC to the cluster enterprises, and to conduct effective monitoring of projects under the State Mini Cluster Development Scheme of HEEP 2020, following additional measures shall be undertaken:

1. District MSME Centres (DMCs) will be required to widely propagate the scheme among all the MSME industry associations in the district to mobilise a good number of members for the application under the scheme. DMCs will be required to ensure that a minimum critical mass of units is mobilised as per following before the application is forwarded by the DMC to HQ:
 - a) For State Govt. grant-in-aid up to Rs. 2.50 Crores: *Minimum 10 MSE members*
 - b) For State Govt. grant-in-aid of more than Rs. 2.50 Crores and up to Rs. 4.50 Crores: *Minimum 15MSE members*
2. Upon receiving an application from a group of MSEs, the DMC staff will be required to undertake extensive efforts to enhance the participation by engaging with the industry associations and sensitize relevant industry bodies about the proposed project. This should be done with an attempt to mobilize more MSEs beyond the minimum requirement.
3. During the preparation of the Diagnostic Study Report (DSR) for cluster projects, concerned DMC office will release an advertisement in local newspapers informing about the proposed project and urging other similar MSEs from the district and nearby areas to participate in the project. JD/DD DMC will also ensure that the premises, where CFC is going to be established, should not be owned by any of the shareholders of the SPV.
4. Special Purpose Vehicle (SPV), for creation of the CFC, shall only be created only as a Section 8 (Not for profit) Company as per Companies Act, 2013. The company registered under this section enjoys all the privileges and be subject to all the obligations of limited companies to ensure transparency and better control. Further, it can only apply its profits to promote its objects and prohibit the payment of any profit/ dividend to its members. Key provisions of section 8 company as per Companies Act 2013 have been enclosed as **Annexure 'A'**.



5. Memorandum of Association (MoA) of the SPV shall include provisions of inclusiveness and wider control as 'Main objects of the Company'. The clauses to be added in MoA of every SPV are enclosed as **Annexure 'B'**.
6. 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 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.
7. In addition to the constitution of the EMC, JD/DD DMC will also monitor the performance of the CFC on a monthly basis and will provide all the support required for successful operationalization of the CFC to achieve its objectives.
8. After approval of the project, SPVs will be required to create CFC website highlighting their facilities, charges for utilization of facilities by SPV & non-SPV members, contact details of SPV as well as DMC officials and a grievance filing mechanism for various stakeholders.
9. CFC charges for members as well as non-members will also be required to be displayed for the public outside the CFC premises to maintain complete transparency.
10. 50% of the CFC capacity will be reserved for the SPV members and remaining 50% of the capacity will be reserved for non-members so that CFC facilities may be utilised by MSEs at large. In case, the reserved capacity is not fully utilized by the non-SPV members, it may be allowed to be used by the SPV members. Vice-versa, if the SPV members are not able to utilize the full reserved capacity for them, it may be allowed to be used by non-SPV members. This aspect will be reviewed by EMC in its meeting.
11. After the operationalization of the CFC, DMC office will be required to send a communication to all the concerned MSME associations in the district urging them to inform their members about the CFC and to utilise the facility fully.
12. Contact information of the JD/DD DMC as well as of concerned officials of Directorate of MSME shall be required to be made available outside the CFC premises for any grievances related to CFC charges and capacity utilization. The grievances, that remain unresolved at the level of JD/DD DMC, will be required to be raised with Additional Director at Directorate, post which in case of non-redressal, the matter will be taken up by the W/DG (MSME).


सूक्ष्म, लघु एवं
मध्यम उद्यम निदेशालय
हरियाणा सरकार



Directorate of Micro,
Small and Medium Enterprises
Government of Haryana

13. Details of each cluster CFC including contact information, details of SPV representatives, details of the CFC facilities, link of CFC website etc. will be made available on the Directorate of MSME website.
14. Further, SPV shall be required to submit a copy of audited balance sheet at the close of each financial year in the office of concerned DMC before September of each year as specified as per the scheme guidelines.
15. A quarterly progress report (QPR) shall be obtained by JD/DD DMC from each cluster SPV post operationalization of the project.

Dated Panchkula, the



Amneet P. Kumar, IAS
Director General, MSME, Haryana

Endst. No. 494

Dated: 06/01/2022

A copy of the above is forwarded to the following for information and necessary action: -

- i. PA to W/PS(I&C) for the kind information of W/PS(I&C)
- ii. PA to DG (MSME)
- iii. Additional Director (Cluster)
- iv. All the JD/DD, District MSME Centres
- v. Officials Concerned


Amneet P. Kumar, IAS
for Director General, MSME, Haryana