

(To be published in Part I Section 1 of the Gazette of India)

Government of India

Ministry of Textiles

New Delhi, the June, 2019

RESOLUTION

Subject: Guidelines of the Comprehensive Scheme Guidelines for Development of Knitting & Knitwear Sector under PowerTex India w.e.f. 01.07.2019 to 31.03.2020.

No.1/6/2018-PL: - With a view to increasing support for knitting and knitwear sector which is one of the highest employment generator and it has a significant contribution in the export of textiles. Further, the knitting & knitwear units are mostly MSME units located in major clusters like Ludhiana, Tirupur, Kolkata, Surat, Bengaluru etc. Though, the Knitting & knitwear units are covered for benefits under Amended Technology Upgradation Fund Scheme (A-TUFS) towards installation of new machines of benchmarked technology level, there are no schemes focusing on the infrastructure development, access to credit, common facilities required in the cluster, raw material price fluctuation etc. for Knitting and Knitwear industry/sector. Therefore, Ministry of Textiles had decided to intervene/facilitate/assist the Knitting and Knit wear industry/sector and called the meeting at Ministry of Textiles, New Delhi on 05.06.2017 with the stake holders of the knitting and knit wear industry/sector. Based on the suggestions/inputs from the Industry and the Ministry of Textiles Senior Officers. The Scheme i.e Comprehensive Scheme for Development of Knitting & Knitwear Sector under PowerTex India was approved & will be in operation with effect from 01.07.2019 to 31.03.2020.

I. COMPONENTS AND OBJECTIVES:

S.No	COMPONENTS	OBJECTIVES
1.	Creation of New Service centers on PPP model by Industry/ Associations in the Knitting and Knitwear clusters.	The prime objective of the Scheme is to provide adequate facilities for testing, training, sample development, consultancy, trouble shooting, facilitation services in the knitting and knitwear clusters by way of creation of new service centers in the clusters on PPP model with participation from industry/association.
2.	Modernization and Upgradation of existing PSCs/institutions run by TRAs/ EPCs Associations in Knitting and Knitwear clusters.	To equip the existing Powerloom Service Centres/institutions run by the Textile Research Associations (TRAs) (or) Export Promotion Councils (EPCs) (or) any other Textile Industry Association with requisite machineries for training/testing purposes required for knitting & knitwear industry.
3.	Group Workshed Scheme for Knitting and Knitwear units.	The prime objective of the scheme is to facilitate the establishment of Group Worksheds for modern knitting machines and/or knitwear in an existing (or) new cluster, which will provide required scale of economy for business operations and improved working condition in terms of more space, work environment, improve the work efficiency to enhance their competitiveness in the global market.

S.No	COMPONENTS	OBJECTIVES
4.	Yarn Bank Scheme for Knitting & Knitwear units.	To provide interest free corpus fund to Special Purpose Vehicle (SPV) / Consortium of knitting units to enable them to purchase the yarn at wholesale rate and give the yarn at reasonable price to the small Knitting unit thereby avoiding middle man/ local supplier's brokerage charge on sales of yarn.
5.	Common Facility Centre (CFC) Scheme for Knitting and knitwear units.	To establish Common Facility Centres (CFC) in various knitting & knitwear clusters for providing common facilities like processing, dyeing, printing, design development, testing facilities, ETP etc. to the knitting & knitwear units.
6.	Pradhan Mantri Credit Scheme for Knitting and Knitwear units (Stand-up India scheme)	To provide adequate and timely financial assistance to the knitting & knitwear units to meet their credit requirements, for investment needs (Term Loan), for new entrepreneurs belonging to SC/ST & Women category.
7.	Facilitation, IT, Awareness, Studies, Surveys, Market Development and Publicity for Knitting and Knitwear Units	<p>Facilitation services to Knitting and Knitwear Units like Help line, Registration services, SMS Alert, Bank services etc.</p> <p>Online Portal for Knitting and Knitwear Schemes</p> <p>To create awareness about schemes, disseminate the information about technology, products for the benefits of Knitting and Knitwear Units.</p> <p>To provide a platform for Knitting and Knitwear Units to market their products at cluster level, regional level, national and international level.</p> <p>Publicity of Knitting and Knitwear schemes in Electronic and Print Media.</p>

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

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

II. Creation of New Service Centres in Knitting and Knitwear clusters.

1) Objective

Govt. of India will provide financial assistance for setting up of new Knitting and Knitwear Service Centres for providing testing, training, sample development, consultancy, trouble shooting, facilitation services in the Knitting and Knitwear clusters.

2) Setting-up of Knitting Service Centre (KSCs)

- a) The proposed KSCs would be set-up in Public Private Partnership (PPP) model.
- b) The Knitting and Knitwear industry / Stakeholders will form an association to be called as the Knitting and Knitwear Service Centre Association, to operate the Service Centres. The Knitting and Knitwear industry/associations would provide land and building for setting-up of new Knitting Service Centre (KSCs) and would be managed by them.
- c) In case of testing of samples, First-in-First-out (FIFO) rules will be strictly followed and the same should be technology driven. In case of urgent test reports for samples for export clearance, additional “express charges” may be levied.
- d) The recurring expenditure for running of the KSCs would be borne by the Stakeholders/ Industry associations.
- e) They would be free to decide on the user charges for availing various facilities in the Service Centre. However, the user charges decided by the association would be subject to any direction from the Textile Commissioner/Ministry of Textiles, Govt. of India in the said regard so that the facilities are made available even to the smaller and financially weaker units.

3) Financial Assistance

- a) Financial assistance up to **Rs.200 lakh per Center** will be provided towards purchase of testing equipments and machineries required for training for the KSCs. An indicative list of testing equipments and machineries for training is given at **Annexure-A1**. However, the testing equipments and machineries required for training can be decided by the stakeholders of the clusters as per their requirement within the overall

cap of Rs.200 lakh. Any additional equipment required for KSCs would be purchased by the stakeholders at their own cost.

4) Monitoring of KSCs

- a) The KSC set-up by the association would be subject to supervision and inspection/audit by the Textile Commissioner.
- b) The Office of the Textile Commissioner will supervise and monitor the functioning of the Knitting & Knitwear centre.

5) Safeguard against mis-utilisation

- a) In case of non-utilization/mis-utilisation of Financial Assistance and delay in completion of setting-up of KSCs within stipulated period, as approved by PAC/ Textile Commissioner/ Ministry of Textiles, Govt. of India, funds released shall be recovered from the Implementing Agency (IA) with simple interest @10% per annum from the date of release to date of refund of the amount.
- b) Project Approval Committee (under PowerTex India) decisions/directions is final.

6) Redressal of Grievance

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

**ESTIMATED LIST OF MACHINES & EQUIPMENTS AND ITS COST FOR
SETTING UP KNITWEAR SERVICE CENTRE**

A. TESTING LABORATORY :**(i) Physical testing**

Sl. No.	Name of machine	Number	Estimated Rate (Rs.)	Total amount (Rs.)
1.	Automatic Wrap reel	1 No.	35,000/-	35,000/-
2.	Electronic Analytical Balance	1 No.	1,25,000/-	1,25,000/-
3.	Electronic Lea Strength Tester	1 No.	2,00,000/-	2,00,000/-
4.	Electronic Twist Tester	1 No.	1,00,000/-	1,00,000/-
5.	Single Yarn Strength Tester (Electronic Type)	1 No.	42,00,000/-	42,00,000/-
6.	Laundry o meter with Grey Scales	1 No.	35,000/-	35,000/-
7.	Crockmeter with Grey Scale	1 No.	25,000/-	25,000/-
8.	Perspirometer	1 No.	20,000/-	20,000/-
9.	Air Conditioner (1.5 Ton)	1 No.	35,000/-	35,000/-
10.	Projection Microscope	1 No.	3,00,000/-	3,00,000/-
11.	Yarn Evenness Tester UT-5	1 No.	80,00,000/-	80,00,000/-
Total				Rs. 1,30,75,000

(ii) Fabric & Chemical testing Machines & Equipments

Sl. No.	Name of machine	Number	Estimated Rate (Rs.)
1.	Beasley Balance	1	10,000/-
2.	Fabric Strength tester	1	3,50,000/-
3.	Fabric sample cutting machine	1	25,000/-
4.	UV Cabinet	1	30,000/-
5.	Crease recovery tester	1	10,000/-
6.	Tumble Dryer	1	80,000/-
7.	Wet & Dry fastness testing machines	1	40,000/-
8.	Computerised colour Matching Unit	1	2,50,000/-
9.	Abrasion tester	1	5,00,000/-
Total			Rs. 12,95,000/-

B. Development of Training Facilities on Knitwear Manufacturing

The List of Machineries required and their approximate costing:

	Machine Type	Quantity	Approx. cost
1.	Single Needle lock stitch with clutch motor	25	6,87,500/-
2.	Double needle lock stitch	1	70,000/-
3.	Button hole	1	2,50,000/-
4.	Button stitch	1	85,000/-
5.	Over lock	1	85,000/-
6.	Feed of the Arm machine	1	1,70,000/-
7.	Lock stitch with computer control	1	70,000/-
8.	Pattern cutting table (2'6"×6'×6')	1	35,000/-
9.	Cutting machine (Straight Knife)	1	80,000/-
10.	Cutting machine (Round Knife)	1	70,000/-
11.	Attachment and tool kit	1	60,000/-
12.	Pressing table & iron	1	13,000/-
13.	Fusing machine	1	30,000/-
14.	IT infrastructure (Hardware and software systems)	Computers, Printers & LAN connections	3,50,000/-
15.	Furniture etc.	-	1,50,000/-
16.	Garment Software (CAD)	4	4,00,000/-
Total			26,05,500/-

C. DEVELOPMENT OF FABRIC EMBROIDERY & KNITTING TRAINING FACILITIES

	Machine Type	Quantity	Estimated Rate (Rs.)	Approx. cost
1.	Computerized Embroidery Machine (multi headed) with sequence	1	15,00,000/-	15,00,000 /-
2.	IT infrastructure (Hardware and CAD system)	6 computers, printers & CAD software	3,00,000/-	3,00,000/-
3.	Single Jersey Knitting M/C	1	50,000/-	50,000/-
4.	Single Jersey Knitting M/C with Auto stripper	1	80,000/-	80,000/-
5.	Rib Machine	1	50,000/-	50,000/-
6.	Collar/ Cuff Machine	1	50,000/-	50,000/-
7.	Furniture etc.		-	1,00,000/-
Total				21,30,000 /-

E. Others

Sl. No.	Name of machine	Number	Rate (Rs.)	Total amount (Rs.)
1.	Library- Cum -meeting room	--	--	50,000/-
2.	LCD Projector with screen	01	1,00,000/-	1,00,000/-
3.	DG Set 15 KVA	1 No.	2,00,000/-	2,00,000/-
4.	Furniture & Fixtures	--	--	1,00,000/-
5.	Fax	1 No.	30,000/-	30,000/-
6.	UPS	1 No.	3,00,000/-	3,00,000/-
Total				7,80,000

The list is not exhaustive, it is illustrative only. Any other machines/ equipments will be decided as per requirement for the cluster.



III. Modernisation and Up-gradation of existing Powerloom Service Centers run by TRAs/ EPCs etc.

1) Objective

Govt. of India will provide financial assistance towards incurring expenditure to the existing Powerloom Service Centres/institutions run by the Textile Research Associations (TRAs) (or) EPCs (or) any other Textile Industry Associations towards the purchase of machineries/equipments for training/testing for the development of Knitting and Knitwear Industry.

2) Financial Assistance

- a) Financial assistance up to **Rs.20 lakh per Centre** will be provided by the Textile Commissioner towards strengthening/ modernization of the such Centers/institutions.
- b) Based on the experience of new Knitting Service Centres (KSCs) which will operate on a PPP model, the possibility of converting the existing Powerloom Service Centres (PSCs) into Powerloom cum Knitting Service Centres (KSCs) which are operated on a PPP model will be explored.

3) Safeguard against mis-utilisation

- a) In case of non-utilization/mis-utilisation of Financial Assistance and delay in completion of setting-up of KSCs within stipulated period, as approved by PAC/ Textile Commissioner/ Ministry of Textiles, Govt. of India, funds released shall be recovered from the Implementing Agency (IA) with simple interest @10% per annum from the date of release to date of refund of the amount.
- b) Project Approval Committee (under PowerTex India) decisions/directions is final.

4) Redressal of Grievance

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

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IV. Group Workshed Scheme

1.0 Objectives

The prime objective of the scheme is to establish Group worksheds for installation of modern knitting and knitwear machines in an existing or new clusters, which will provide required scale of economies for business operations and to organize knitting and knitwear 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 from **01.07.2019 to 31.03.2020.**

3.0 Scope of the Scheme

The construction of worksheds under the scheme include the space required for installation of modern Knitting and knitwear sector machines, Air Compressor, Fabric Checking machines & Common facilities such as sample display room and construction of Dormitory for the workers.

3.1 Eligible area for Knitting units

S.No.	Eligible Machineries	Max. Eligible Area per Machine
KNITTING MACHINERIES		
1.	Socks knitting machine & flat collar knitting	250 sq.ft
2.	Circular knitting machine	600 sq.ft
3.	Auto stripper (open width type)	1200 sq.ft
4.	High speed knitting machine with Jacquard	1200 sq.ft

The above area includes requirement for working of a knitting machine, raw material storage for knitting, grey fabric storage, stores and spare parts storage, grey fabric checking / folding and packing, and administration/utilities/workers amenities etc. However, beneficiaries

can have area of bigger size with their own contribution.

3.2 Eligible area for Knitwear units

S.No.	Eligible Machineries	Eligible Area per Machine
KNITWEAR MACHINERIES		
1.	Stitching Machine	100 sq.ft

The above area includes requirement for working of a knitwear stitching machine, fabric storage, fabric cutting section, garment checking and packing section, stores and administration/utilities/workers amenities etc. However, beneficiaries can have area of bigger size with their own contribution.

3.3 Additional subsidy for construction of Dormitory for workers which includes adequate hygienic toilet and bath room (kitchen with store room and dining hall may also be included as optional) for accommodation of minimum 1.25 persons per knitting and knitwear stitching machine will be provided @ 125 sq.ft per person.

3.4 The beneficiaries who have availed benefit under Scheme would not be eligible for any infrastructure benefits under any other scheme of Ministry of Textiles viz. Scheme for Integrated Textile Park (SITP). However, benefit from State Govt. scheme as applicable may be availed.

4.0 Eligible Criteria

4.1 Eligible beneficiary would include Knitting and knitwear sector unit (or) Entrepreneurs associated with Knitting and knitwear sector & allied industry, Registered co-operative societies (or) any new entrepreneur(s) individually (or) in-group.

4.2 Group will consist of at least 4 entrepreneur(s) having separate legal entity. At least **24 nos. of knitting machine of all types (or) 8 nos. of Auto stripper (open width type) knitting machine (or) 4 nos. of High Speed Knitting machines with Jacquard** are to be installed in the Workshed. Each beneficiary should install at least 4 nos. of knitting machine (or) 2 nos. of Auto stripper (open width type) knitting machine (or) 1 no of High Speed Knitting machine with Jacquard.

- 4.3 Group will consist of at least 4 entrepreneur(s) having separate legal entity. At least **200 nos. of stitching machine of all types** are to be installed in the Workshed. Each beneficiary should install at least **50 nos. of stitching machine.**
- 4.4 In case of combination of knitting and knitwear stitching machines in Group Workshed, pro-rata number of machines will be allowed.
- 4.5 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. Family means Husband, Wife, dependent children & dependent parents.
- 4.6 “Knitting and knitwear sector unit” would include Knitting machines and knitwear stitching machine, Air Compressor, Fabric Checking/cutting machines & Common facilities such as sample display room and construction of Dormitory.
- 4.7 Only A-TUFS compatible machines would be allowed to install** in the projects sanctioned under the Scheme. However, prior approval of TUFS subsidy need not be a pre-condition.
- 4.8 The scheme does not envisage more than 300 Knitting machines and 2500 knitwear stitching machines under one project.

5.0 Purchase of land & Clearance

- 5.1 An Executing Agency (referred as EA) shall be formed for setting up of project under this scheme. However, the EA cannot be considered as beneficiary for Govt. of India subsidy.
- 5.2 EA may include the State Govt. (or) its agency (or) a Registered Co-operative Society (or) a Company set-up under Companies Act, 1956 as amended (or) a firm set-up under the Limited Liability Partnership Act, 2008 as amended, by a group of knitting and knitwear sector units (**minimum of Four beneficiaries**) (or) by the local knitting and knitwear sector and allied industry association.
- 5.3 The EA must be in possession of required land by owned/ leased before submission of project proposal. 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.

- 5.4 The proposed land must be **non-agriculture industrial land** and should have necessary approach road.
- 5.5 The EA should have **Layout and Building plan duly approved by 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 knitting & knitwear owners (minimum of four beneficiaries) or by the local knitting & knitwear 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 knitting & knitwear units/local knitting & knitwear associations.
 - Details of the land-location, nature of ownership (owned/leased) and the cost.
 - Details of beneficiaries, along with the Worksheds and knitting & knitwear machineries 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 knitting & knitwear units 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.
- 7.0 **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 | - AS & FA |
| Member | - Joint Secretary (PL) |
| Member | - Representative from Niti Ayog |
| 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.

- 7.1 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.
- 7.2 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.
- 7.3 The EA should submit the claim for release of subsidy to the Textile Commissioner.
- 7.4 For any change/modification in project profile, the approval of PAC is to be obtained.

8.0 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 knitting & knitwear associations 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.**

9.0 Financial Assistance & Funding Pattern

- 9.1 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

- 9.2 The maximum permissible subsidy per beneficiary shall be restricted to Rs.22.00 lakh
- 9.3 The lowest rate of subsidy should be adopted in case of the Group consisting of mixed category.

10.0 **Release of Subsidies:**

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

- 10.1 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.
- 10.2 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.

- 10.3 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.
- 10.4 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.
- 10.5 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.

11.0 Monitoring and Review:

- 11.1 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.
- 11.2 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.

12.0 Safeguard against Mis-utilisation:

- 12.1 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.
- 12.2 The EA shall function at-least for a period of three years from date of release of fourth and final instalment.
- 12.3 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.
- 12.4 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.
- 12.5 Before releasing the 1st instalment it will be ensured that the cost of land is more than the amount (1st instalment) being released to the EA.
- 12.6 Utilization of Govt. subsidy will be made through an Escrow account indicated in para 7.1 of the scheme.
- 12.7 Project Approval Committee (under PowerTex India) decisions/directions is final.

13. 0 Time Limit for completion of Project:

- 13.1 The project as approved by the PAC shall be completed in all respect within 2 years from the date of communication of approval.
- 13.2 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.

14. Redressal of Grievance

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

APPLICATION FOR GRANT OF SUBSIDY UNDER GROUP WORKSHED
SCHEME FOR KNITTING AND KNITWEAR SECTOR

(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 (State Govt. or its agency / Registered Co-operative Society / Private Limited Company / Public Limited Company / LLP/ Knitwear Association)	
3.	Registration No. & Date (Copy enclosed)	

(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) Others					
4.	Knitting machines					
5.	Knitwear machines					
6.	Dormitory					
	TOTAL					

(C) Project Details

1.	<u>Land</u> Total area in sq.ft Nature of Ownership:	Owned / Leased
2.	<u>Worksheds</u>	
	a) Total No. of sheds for Knitting machines	
	b) Total No. of sheds for Knitwear machines	
	Total number of Sheds (a) + (b)	
	c) Total area in sq.ft for sheds of Knitting machines	
	d) Total area in sq.ft for sheds of Knitwear machines	
	e) Total area in sq.ft. for Dormitory	
	Total area in sq.ft (c) + (d) +(e)	

	f) Proposed Cost of construction per sq. ft (in Rs)	
3.	<u>Infrastructure</u>	
	a) Electricity supply (Load in M.W)	
	b) Water supply (Quantity in K.L.)	
	c) Drainage (Length in mtrs)	
	d) Others	
4.	<u>Knitting and knitwear sector Machines</u> <u>Proposed</u>	
	a) Socks knitting & flat collar knitting machines	
	b) Circular knitting machines	
	a) No. of Auto stripper (open width type)	
	e) High speed knitting machines with Jacquard	
5.	a) Product Profile	
	b) Production per day (Kgs/ mtrs as applicable)	
	b) Total Production per annum (Kgs/ mtrs as applicable)	
	c) No. of Stitching & other allied machines proposed to be purchased (Knitwear sector)	(Also enclose the list of machinery.)
	d) Production per day	No. of Pieces
	e) Total Production per annum	No. of Pieces
	f) Export in terms of value & percentage	
	g) Total Turnover per annum	Lakh
	h) Cost of production per annum	Lakh
	i) Net profitability	Lakh
	j) Employment in nos.	

(D)Details of Beneficiaries

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

Note:

- a. If more than one beneficiary is sharing one shed, write their names consecutively and indicate one shed jointly against them.
- b. Please indicate Gender of Beneficiary -- M - Male, F - Female.
- c. Please indicate Religion of Beneficiary -- H - Hindu, M - Muslim, S - Sikh, J - Jain, C - Christain, O - Other.
- d. Please indicate Social Category of Beneficiary -- SC/ST/OBC/General.

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

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

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

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

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

For office use only :

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

Signature of OIC

Regional Office of the Textile Commissioner,

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 Workshed Scheme (GWS) under Schemes for Knitting and Knitwear Sector Development (A Comprehensive Scheme For Development of Powerloom and Knitting & Knitwear Sector) launched by Govt. of India, Ministry of Textiles, shall be used only to install Technology Up gradation Fund Scheme (TUFS) compatible 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 :

Name :

Place :

Designation:

Name of the EA:

Seal of EA:

Annexure-3**Format for furnishing ESCROW account details for Agency creation with PFMS**

(Note: All fields are mandatory)

S.No	Particulars	
1.	Agency Name (Name of Unit/EA/SPV)	
2.	Registration No. of EA/SPV	
3.	Date of Registration (DD/MM/YYYY)	
4.	Registration Authority	
5.	State of Registration	
6.	TIN Number	
7.	TAN Number	
8.	PAN Number	
9.	Address of Unit	
10.	City	
11.	District	
12.	State	
13.	Pin code	
14.	Contact Person & Mobile No. of Contact Person	
15.	ECSROW Account No. of Unit/EA/SPV	
16.	E-mail ID of the Unit/EA/SPV	
17.	Bank Name	
18.	Name of Branch and Address with pin code	
19.	City code of the bank	
20.	MICR Code of the bank	
21.	IFSC code of the bank	
22.	Branch Code of the bank	

Bank Stamp with Signature**Stamp with Signature of Unit/EA/SPV**

Reporting format of Local Level Monitoring Committee (LLMC) of the Group
Workshed

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	Govt. approved Architect/ 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 all members of LLMC and indicating the date & time	
20	Over all Remarks	

Signature of LLMC Members

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 Ist charge/2nd charge in case of advance release of GOI share.
2. Chartered Accountant Certificate of expenditures incurred towards construction of Worksheds.
3. Certificate of proportionate expenditure by a Govt. approved architect.
4. Any other details.

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

Yours faithfully,

(Authorised signatory of EA)

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 Ist instalment.
5. Any other details.

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

Yours faithfully,

(Authorised signatory of EA)

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)

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

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

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

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

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

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

The Obligors agree and undertake to surrender/pay the Government the monetary value of all such pecuniary or other benefits which it may receive or derive / have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grant was intended of the property) building 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
CSPKKWS

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 TO BE SUBMITTED PROJECT PROPOSAL UNDER GROUP WORKSHED SCHEME.

Stage s	Objectiv e	Requirement	Checklist of documents required	Stage of submission of documents
1.	Sanction for construction of work shed.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner.	Application in Annexure- 1 of the guidelines along with 1. Executive summary of the project. 2. Nature of EA 3. Sale /lease deed of land in the name of EA. 4. Non-agricultural land certificate. 5. Approved layout plan.	For taking Sanction for construction of work shed.
2.	Forwarding application to office of the Textile Commissioner	Forwarding application by Regional office with recommendation to office of the Textile Commissioner for sanction within 30 days of receipt of application.	1. Executive summary of the project. 2. Nature of EA 3. Sale /lease deed of land in the name of EA. 4. Non-agricultural land certificate. 5. Approved layout plan. 6. Photos of the site.	----
3..	Claiming for release of first installment of 30 %.	1. EA has to claim within 90 days from the date of sanction. 2. Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	1. Mortgage deed of the land to GOI in case of advance release of subsidy. 2. CA certificate of expenditure incurred for construction of workshed. 3. Certificate of proportionate expenditure by Govt. approved architect. 4. Photos of the construction.	During LLMC visit.
4.	Claiming for release of second installment of 30 %.	1. EA has to claim within 180 days from the date of sanction. 2. Inform concern RO about 60 % completion of	1. CA certificate of expenditure incurred for construction of workshed. 2. Certificate of proportionate expenditure by Govt. approved architect.	During LLMC visit

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

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V. Yarn Bank Scheme

1.0 Background

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

Normal working capital cycle for Knitting and knitwear industry includes yarn procurement, work-in-process, folding at grey stage and sale of grey knitted fabrics and cash/creditors etc., taking approximately 2- 2 ^{1/2} months for completion of the cycle. Therefore, in a year, the SPV is expected to rotate the corpus funds including their contribution at least **4 - 5 times**.

1.1 Objectives

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

2. Period of Operation

As a component under A Comprehensive Scheme for Development of Powerloom and Knitting & Knitwear Sector, the Yarn Bank Scheme shall remain in operation for the period i.e. 01.07.2019 to 31.03.2020.

3. Financial assistance

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

4. Eligible Criteria

- a. The Special Purpose Vehicles (SPV) would be constituted in the form of a registered Co-op. Society, a trust or in the form of a company registered

under Companies Act, 1956 and a firm established under Limited Liability Partnership Act, 2008.

- b. Minimum 11 members are required to form SPV.
- c. The Members of SPV should be Knitting and knitwear sector and its allied industry unit, Co-operative Societies, Private Entrepreneurs and NGO's working for Knitting and Knitwear sector.

5. Pre-requisite

- a. The Special Purpose Vehicles (SPV) shall be registered as mentioned at 4 (a) above before applying for setting up of Yarn Bank.
- b. The SPV shall give undertaking
 - i. for arrangement of their own fund equal to the fund provided by the Government.
 - ii. for submission of the bank guarantee for 25% of Government share of the corpus fund (or) an alternate option like Mortgage of Property, Surety Bond, Promissory Note, etc. for 25% of the GOI Share in favour of Textile Commissioner valid for at least 3 years period.
 - iii. that all members of SPV are interested to participate in the Yarn Bank.
 - iv. that the corpus fund for yarn bank will be utilized by the SPV for purchasing and supply of the yarn to the members of SPV and Knitting and knitwear sector units in and around the cluster.
 - v. that they will arrange a suitable Warehouse for storage of yarn, safety / security arrangements and insurance.

The specimen format prescribed for the above purpose is at **Annexure-I**.

6. Term and Conditions for Implementation

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

- a. Government shall provide interest free corpus fund maximum **Rs.200 Lakh** per yarn bank to SPV/Consortium.
- b. The SPV shall arrange their own fund equal to the fund sanctioned by the PAC within 60 days of the date of sanction.
- c. The said corpus fund provided by the Govt. shall be released to SPV against the bank guarantee for 25% of Government share of the corpus fund in favour of Textile Commissioner valid for at least 3 years period (or) an alternate option like Mortgage of Property, Surety Bond, Promissory Note, etc. for 25% of the GOI Share in favour of Textile Commissioner valid for at least 3 years period. Format of bank

- guarantee prescribed for this purpose is at **Annexure-II**
- d. The SPV will identify/provide a suitable Warehouse for storage of yarn with proper documentation, safety / security arrangements and insurance.
 - e. GOI share of corpus will be deposited in the ESCROW account which will be jointly operated by one member of SPV and one member from the concerned Regional Office of Textile Commissioner. The Govt. of India share shall be deposited in the Escrow Account immediately after deposit of share of SPV and furnishing of prescribed Bank Guarantee. After opening of ESCROW account, the SPV shall submit their claim for Govt. Of India share of the corpus fund within 60 days of the date of sanction, in the prescribed format at **Annexure-III** along with the documents enlisted therein to the concerned Regional Office of the Textile Commissioner who will in turn will forward to the Powerloom Development Cell of the Office of the Textile Commissioner within 10 days of the receipt of claim.
 - f. The said corpus fund for yarn bank will be utilized by the SPV for purchasing and supply of the yarn and maintaining its stock required by the knitting and knitwear sector units in and around the cluster.
 - g. The SPV should rotate the corpus fund including their contribution at least 4 – 5 times in a year.
 - h. After implementation of the project SPV shall have to furnish monthly performance report to the concerned Regional Office of the Textile Commissioner with a copy to the Office of the Textile Commissioner, Mumbai, in prescribed format at **Annexure-IV**.
 - i. The SPV should maintain records properly with entry of each purchase and delivery of yarn, showing the details of members i.e. the membership numbers whom yarn is sold by the yarn bank in the enclosed performa at **Annexure-V**.
 - j. The SPV should ensure that if the demand of the yarn is more than the availability, then the yarn supply should go to every member separately, and no members should be given the scheme benefit twice before each member is given the scheme benefit at least once as per their requirement.

- k. The said corpus fund will be available with SPV for **three years period**, extension of which may be considered by Project Approval Committee (PAC) on the basis of its performance.
- l. In case, due to any reason, amount is not recovered from the bank guarantee / security, then the SPV / consortium shall have to refund the amount with simple interest (10%) w.e.f. the date of expiry of three years to Govt. of India.
- m. The SPV will submit an application in prescribed format at **Annexure-VI** along with DPR to the Textile Commissioner through concerned Regional Office of Textile Commissioner for sanction of the project. The concerned Regional office of the Textile Commissioner will examine the proposal and forward the same along with recommendation within 30 days of the date of application.
- n. The said proposal for corpus fund will be further scrutinized by the Office of the Textile Commissioner and will be placed before Project Approval Committee (PAC) for approval within 60 days of the date of receipt from the concerned Regional Office of the Textile Commissioner.

7. Implementing Agency

The scheme will be implemented/ monitored by the Office of the Textile Commissioner through Regional Offices, in association with Knitting and Knitwear Export promotion councils, Knitting and knitwear sector Associations/Federations/Organizations, State Governments etc.

8. Project Approval Committee

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

Textile Commissioner	- Chairman
Joint Secretary (PL)	- Member
Representative from IFW	- Member
Joint Textile Commissioner/ Director/Deputy Director of Powerloom Development Cell in the Office of the Textile Commissioner	- Member Secretary

9. Monitoring and Review

- a. With a view to monitor the implementation of the scheme and ensuring proper usage of the benefit, the Textile Commissioner shall call for any documents/information from the SPV as may be deemed necessary.
- b. Failure on the part of SPV to submit any of the information / documents as called for by the Textile Commissioner within the specified time shall amount to breach of the provisions of the Yarn Bank Scheme and action as deemed fit including action to cancel the approval of the project, or premature recall of an immediate recovery of the corpus fund availed.
- c. The SPV shall function at least for a period of 3 years from the date of last release of the GOI share.
- d. Project Approval Committee (under PowerTex India) decisions/directions is final.

10. Redressal of Grievance

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

UNDERTAKING

I/We, _____ hereby undertake that

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

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

Date:

Name:

Place:

Designation:

Name of the SPV:

Seal of SPV:

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

Bank Guarantee for utilization of Corpus for Yarn Bank under Schemes for Knitting and Knitwear Sector Development under PowerTex India.

Confirmation of this Bank Guarantee is available.

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

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

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

WHEREAS The Officer-in-charge, Regional Office of the Textile Commissioner, _____ has called upon the above said (name and address of

the SPV / Consortium) to furnish Security in the form of a Bank Guarantee for the fulfilment of the terms and conditions under the said Scheme.

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

WE, (name and address of the Bank furnishing the Bank Guarantee) do hereby unconditionally and irrevocably agree to pay to the President of India acting through Textile Commissioner on demand forthwith as and when such demand is made by an Officer authorized in that behalf without any demur or protest the amount due and payable under the above said Bond namely Rs. **(Rupees**

_____ **Only)** by way of Loss or damage caused or suffered or on any other count by the President of India acting through the Textile Commissioner, by reason of non fulfilment of the terms and conditions laid down in the Guidelines of Yarn Bank Scheme under PowerTex India or by reason or any breach of any of the terms and conditions of the above said Bond or otherwise by the said (name and address of the SPV / Consortium) .

WE, (name and address of the Bank furnishing the Bank Guarantee), unconditionally and unequivocally agree to pay the President of India acting through the Textile Commissioner, any money so demanded notwithstanding any dispute raised by the said (name and address of the SPV / Consortium) before any Court / Tribunal or any other Authority.

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

WE, (name and address of the Bank furnishing the Bank Guarantee), further agree that this Guarantee shall remain in full force and effect during the period that would be taken for the implementation of the Guidelines of

Yarn Bank Scheme under PowerTex India by the said (name and address of the SPV / Consortium) under the said Guidelines and it shall continue to be in force till all the said terms and conditions under the said Guidelines are fully discharged to **the Officer-in-charge, Regional Office of the Textile Commissioner, _____ or till Officer-in-charge, Regional Office of the Textile Commissioner, _____** Certifies that the terms and conditions under the said guidelines are fully and properly carried out and the said bond executed by the said (name and address of the SPV / Consortium) fully discharged.

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

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

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

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

Notwithstanding anything contained herein above.

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

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

To
The Officer Incharge,
Regional Office of the Textile Commissioner

Date-

Sir,

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

1. Escrow account details with the copy of the mandate form.
2. Proof of warehouse/godown for yarn storage.
3. Bank statement showing the deposit of equal amount of Govt. share in the Escrow account.
4. Document showing that the Officer in charge of the concerned Regional Office of the Textile Commissioner inducted as one of the Directors of the SPV.
5. 25% Bank Guarantee on GoI share valid at least for a period of 3 years.
6. Any other details.

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

Yours faithfully,

(Authorised signatory of SPV)

Monthly Progress Report of Yarn Bank

Name of SPV:																	Report dated			
	Opening stock of yarn in Kgs		Value of Yarn in Rs.		Qty of yarn purchased in Kgs		Value of Yarn in Rs.		Qty of yarn sold in Kgs		Value of Yarn in Rs.		Closing stock of yarn in Kgs		Value of Yarn in Rs.		Turnover in Rs.	No. of Members added in SPV, if any	No. of Members discarded in SPV, if any	
Month	C	S	C	S	C	S	C	S	C	S	C	S	C	S	C	S				
April, 2019																				
May, 2019																				
June, 2019																				
July, 2019																				
August, 2019																				
Sept., 2019																				
Oct., 2019																				
Nov., 2019																				
Dec., 2019																				
Jan., 2020																				
Feb., 2020																				
March,																				

2020																			
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Report shall be furnished on 5th of every month

C-cotton

S- Synthetic Yarn

Signature of OIC

Regional Office of the Textile Commissioner: _____

Annexure-V

Details of Monthly Purchase & Sales of Yarn Bank Scheme

Name of SPV:

Name of R.O.:

Month:

Sr. NO.	Date	Opening stock (in Kgs.)	Purchase (in Kgs.)	Total (in Kgs.)	Delivery			Yarn supplied (in Kgs.)	Closing Stock (in Kgs.)	Remark
					Membership No.	Share of the Member	No. of Knitting M/c.			

APPLICATION FOR YARN BANK SCHEME

Sl. No.	PARTICULARS	To Filled up by SPV
1.	Name of the SPV	
2.	Address of SPV	
3.	SPV registered under	
4.	Registration No. and Date	
5.	No. of Members of SPV & the list of Members in the enclosed format at Annexure-VII	
6.	No. of Knitting Machines with SPV	
7.	Name of the Cluster	
8.	No. of Knitting machines in the Cluster (i) Ordinary Circular Knitting Machine (ii) High speed Circular Knitting Machine (iii) High Speed socks knitting and gloves knitting machines with or without electronic jacquard (iv) Computerized flat bed knitting machine with minimum speed of 11 revolutions per minute (v) Warp/Raschel Knitting Machines (vi) High speed computerized warping machine for Knitting (vii) Computerized label making machine (viii) Computerized strap (Collar/Cuff) flat bed knitting machine (ix) Others Knitting Machines	
9.	No. of knitwear (stitching) machines in the Cluster	
10.	Name of Products Manufactured	
11.	Variety of yarn used in the Cluster (Cotton/Synthetic/Blended)	
12.	Total Kgs. of yarn required per annum	
13.	Total fund required per annum to purchase the said yarn	
14.	Interest free corpus fund required by SPV	
15.	Details of funds arranged by SPV equal to the amount of fund requested for interest free corpus fund from Govt of India	
16.	Details of funds arranged by SPV & Bank Guarantee for three years	

17.	Details of suitable warehouse for storage of yarn with proper documentation, safety/ security arrangements and insurance	
18.	List of documents enclosed	

Date :

Name :

Place :

Designation:

Name of the SPV:

Seal of SPV:

For office use only :

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

Signature of OIC

Regional Office of the Textile Commissioner

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

**Yarn Bank Scheme under Scheme of Knitting & Knitwear Sector
Development under PowerTex India**

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

Format for furnishing ESCROW account details for Agency creation with

PFMS
CSPKKWS

(Note: All fields are mandatory)

S.No	Particulars	
1.	Agency Name (Name of Unit/EA/SPV)	
2.	Registration No. of SPV	
3.	Date of Registration (DD/MM/YYYY)	
4.	Registration Authority	
5.	State of Registration	
6.	TIN Number	
7.	TAN Number	
8.	PAN Number	
9.	Address of Unit	
10.	City	
11.	District	
12.	State	
13.	Pin code	
14.	Contact Person & Mobile No. of Contact Person	
15.	ECSROW Account No. of Unit/EA/SPV	
16.	E-mail ID of the Unit/EA/SPV	
17.	Bank Name	
18.	Name of Branch and Address with pin code	
19.	City code of the bank	
20.	MICR Code of the bank	
21.	IFSC code of the bank	
22.	Branch Code of the bank	

Bank Stamp with Signature

Stamp with Signature of /SPV

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VI. Common Facility Centre

COMMON FACILITY CENTRE SCHEME (CFC) FOR KNITTING & KNITWEAR CLUSTER

The most critical problems being faced in the Knitting & Knitwear sector are the low level of technology prevalent therein, coupled with widespread fragmentation of knitting & knitwear units, lack of economies of scale, lack of pre & post knitting facilities and design development/testing facilities in Knitting & Knitwear clusters in order to overcome poor productivity, generally poor product quality and low unit realization etc.

Objective:

To establish Common Facility Centres (CFC) in various Knitting & Knitwear clusters and provide pre & post knitting and other infrastructure facilities to group of knitters/units joined together, Knitting & Knitwear sector industry associations and other organizations allied with Knitting & Knitwear sector industry by way of providing financial assistance for the setting up of Common Facility Centres (CFC). The Common Facility Centre will house design centre / studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory for workers, common pre-knitting facilities viz. A-TUF Compatible Yarn processing and post knitting facilities viz. A-TUF Compatible fabric Processing machines, Folding machine, cutting machine & stitching machines and post knit wear facilities viz. A-TUF compatible garment processing machines. There can also be other tangible assets that could be set up in clusters, as long as they are put to common use by decentralized Knitting & Knitwear units in and around the cluster.

Period of Operation of Scheme:

Common Facility Centre Scheme (CFC) for Knitting & Knitwear Clusters under PowerTex India will be in operation from 01.7.2019 to 31.03.2020.

Eligibility of SPV:

It is necessary to form a Special Purpose Vehicle (SPV) with at least 11 members prior to setting up and running the proposed Common Facilities Centre. The SPV registered under Companies Act, 1956, registered Co-

operative societies, a trust, Limited Liabilities Partnership (LLP) firm registered under LLP Act, 2008, State Government/State Government Agencies are eligible for establishment CFC under the Scheme. The members of the SPV should be the stake holders i.e. weavers, master weavers, private entrepreneurs, NGO's working for Knitting & Knitwear sector, Co-operative societies.

Operation of SPV:

In addition to the contributing members of the SPV, the organizers should obtain written commitments from as many 'users' of the proposed facility so that its benefits can be further enlarged.

The SPV should have a democratic constitution with an inbuilt scope for increasing the membership including individual Knitting & Knitwear entrepreneurs in future.

The SPV will be required to interact with the weavers and tie up with the connected organizations like banks/ financial institutions, market institutions / market experts, marketers, legal experts, Government machineries etc.

The SPV will prepare project report for setting up of the Common Facilities Centre / yarn depot, infrastructure etc. specifying inter- alia annual action plans, clearly indicating the requirement of the cluster, activities and expected outputs, outcomes / deliverables time limit for completion of the projects and submit the proposal in the prescribed formats **Annexure I & II** along with documents enlisted in the checklist at **Annexure-III** to the concerned Regional Office of the Textile Commissioner. Regional Office of the Textile Commissioner will examine the proposal and forward the same to the Office of the Textile Commissioner along with their recommendation within 30 days of the receipt of the proposal. The Office of the Textile Commissioner will further scrutinize the proposal and place the same before the Project Approval Committee (PAC) on the receipt of the proposal from the concerned Regional Office of the Textile Commissioner.

The SPV will also submit physical and financial progress report periodically and also, completion report to the Textile Commissioner.

After completion of the projects, the SPV will continue as consortium for the Knitting & Knitwear units to run and maintain the common facilities/infrastructure.

The SPV shall not charge the non SPV members more than 20% of the charges they charge to their own SPV members towards the usage of Common Facility Centres, since the Govt. of India subsidy is provided for the establishment of CFC.

Conditions:

- (i) More than one proposals/ projects in a single cluster are allowed as per the requirement of the cluster without restricting the maximum subsidy limit per CFC. However, the SPVs of CFCs shall not have any common Director i.e., Director of one SPV of a CFC shall not be a Director of any other SPV of CFC.
- (ii) Owned Land/Building, Leased land/Building registered in favor of SPV for minimum period of 10 Years is to be arranged by SPV before submitting the proposal for financial assistance from Govt. of India is prerequisite.
- (iii) A minimum of 11 members are required to form an SPV
- (iv) In case of any change in project profile, the approval of PAC is to be obtained.
- (v) Only A-TUF compatible machineries are eligible to install in the CFC.
- (vi) In case of non utilization/mis-utilisation of subsidy and delay in completion of the project, as approved by PAC, funds released shall be recovered from the Executive Agency with simple interest @10% per annum.
- (vii) PAC decision will be the final.
- (viii) Multi source funding should be allowed provided the beneficiary contributes at least 5 % of the cost of project/equipment being subsidized by both the central and state government will be capped at 95 % of the eligible cost of the project/equipment.
- (ix) Subsidized assets are retained by the beneficiary for a period of at least 5 years from the date of release/withdrawal of subsidy from Escrow account.
- (x) Certificate of Commissioning of machineries should also be obtained from the Chartered Engineer during the final LLMC.

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

Common Facility Centre will house design centre / studio, testing facilities, training centre, information cum trade centre and common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory for workers/ worker's residential place, common pre-knitting facilities viz. A-TUF Compatible Yarn processing and post knitting facilities viz. A-TUF Compatible fabric Processing machines, Folding machine, cutting machine & stitching machines and post knit wear facilities viz. A-TUF compatible garment processing machines. There can also be other tangible assets that could be set up in clusters, as long as they are put to common use by decentralized Knitting & Knitwear units in and around the cluster.

Quantum of Subsidy:

(i) The Common Facility Centre is entitled to the different levels of assistance from the Government on the basis of different grading of Knitting & Knitwear clusters i.e.,:

Grade - A - subsidy upto 60% of project cost.

Grade - B - subsidy upto 70% of project cost.

Grade - C - subsidy upto 80% of project cost.

Grade - D & clusters in NER/J&K - subsidy upto 90% of project cost.

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

(ii) Assistance available for setting up of Common Facilities Centre including Yarn depot will be Rs. 400 lakh per CFC.

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

The cost of building, the cost of Plant and machinery, equipment, laboratory, other tangible assets, pre-operative/ preliminary expenses etc.

(iv) Only 25% of the construction cost of the building will be eligible as subsidy subject to the maximum limit of Rs.80 lakhs. The schedule of rates of CPWD as in the state shall be used as the basis for arriving at the cost estimates of construction of building.

(v) Proposals, where Building is already in existence, construction of the building is completed prior to sanction of the proposed CFC and registered lease building, then such proposals are allowed under CFC provided the building should be registered in the name of the SPV or the lease agreement of the building in favour of the SPV should be at least for 10 years. However, in such cases, subsidy shall be allowed only for the eligible machinery component and no subsidy will be given for the construction component.

(vi) For Example:

Project cost		Maximum eligible cost for calculating the assistance
Machinery, plant, equipment, laboratory, other tangible assets, pre-operative/preliminary expenses, etc.	Rs.3.20 crore	Rs. 3.20 core
Construction of Building	Rs.2.00 crore	Rs. 0.50 crore
Total	Rs.5.20 crore	Rs 3.70 core

Release of Assistance:

The SPV will open an escrow account with any schedule bank and all payments for CFC will be made through escrow account which will be jointly operated by one member of SPV and one member from Regional Office.

The SPV should submit the claim for release of financial assistance to the concerned Regional Office of the Textile Commissioner.

Safeguard against Mis-utilisation:

- (i) The land on which Common Facility Centre is proposed for establishment must have clear title for use in favour of SPV and also must have all NOC from local bodies, Municipal Authority, State Administrative and State Pollution Control Board as applicable.
- (ii) In order to avoid default by the beneficiaries, the mortgage of assets on 1st or 2nd charge would be taken in all cases approved under the

scheme failing which the beneficiary shall execute surety bond as per the format **(Annexure-V)** before release of funds.

- (iii) The SPV shall function at least for a period of five years from the date of release of last installment of GOI subsidy.
- (iv) In case of non utilization/mis-utilisation of subsidy and delay beyond 18 months in completion of the project, as approved by PAC, funds released shall be recovered from the SPV with simple interest @10% per annum from the date of release to date of refunding back the amount.
- (v) Before releasing the 1st installment it will be ensured that the cost of land is more than the amount (1st installment) being released to the SPV.
- (vi) Utilization of Govt. subsidy will be made through the Escrow account indicated in the foregoing para i.e release of assistance.

Implementation:

Local Level Monitoring Committee (LLMC):

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

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

1st instalment: 30% of the total GOI share will be released, after submission of the claim by the SPV in the prescribed format at **Annexure-VII** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 90 days of the sanction after the proportionate expenditure incurred by the SPV for construction which is approved by a Govt. Architect and Chartered Accountant. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.

2nd instalment: 30% of the total GOI share after getting the utilization Certificate of 1st instalment and after submission of claim by the SPV in the prescribed format at **Annexure-VIII** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 180 days from the date of sanction and the proportionate expenditure by

the SPV, on completion of 60 % or above construction which will be duly approved by the Govt. Architect and Chartered Accountant.

The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.

3rd instalment: 40% of the total GOI share will be released after the successful completion of the construction of the building/shed and after submission of claim in prescribed format **Annexure-IX** along with documents enlisted therein to the concerned Regional Office of the Textile Commissioner within 270 days from the date of sanction and certification by Govt. Architect and Chartered Accountant. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.

Financial Assistance for the machinery & equipments will be released after its purchase, installation, commissioning, commencement of Commercial Production and after submission of claim in the prescribed format at **Annexure-X** along with documents enlisted therein to the Regional Office of the Textile Commissioner. The LLMC will submit the report to the Office of the Textile Commissioner within 30 days of the submission of claim.

In case of CFC approved with pre existing building facilities on ownership/lease basis the time limit for the completion of the project is only 01 year from the date of communication of the PAC decision and the subsidy towards the project will be processed on installation & commissioning of machines & submission of LLMC report.

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

Summary Details of the Proposed Cluster

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

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

3. Bank's details of SPV
4. Name of Products
5. Nature of the Cluster:
 - (a) Total No. of micro and small enterprises
 - (b) No. of enterprises of each category
 - (i) micro,
 - (ii) small,
 - (iii) women-owned,
 - (iv) owned by SC,
 - (v) owned by ST,
 - (vi) owned by minorities
 - (c) Total turnover of the cluster including exports
 - (d) Average yearly income of men/ women of workers/ unit owner
 - (e) pollution angle, if any
6. Major Cluster Problems: [Preliminary perception – Give in one or two page]

7. Key Intervention expected under Proposed CFC: Technology Improvement / Product Quality / Marketing / Export / Quality/ Design, etc.
8. Extent of Competition: With large domestic firms or other similar clusters in India or abroad [Give in one page]
9. Name of organisation/Committee which have assessed/evaluated/conducted/diagnosed the study of cluster with details of its appointment/nomination.

2. Check list for Common Facility Centre to be submitted by SPV with their proposal for financial assistance for CFC

- I. What are the similar facilities in the cluster and the challenges faced by them.
- II. How is the present CFC addressing these challenges.
- III. What is (or are) proposed as “Common Facilities”? Give benefits of each in 2-3 sentences.
- IV. These facilities already available if any, in cluster? Give its details.
- V. From where these facilities are being availed at present? In absence of these facilities what problems are the units facing?
- VI. Is there any other such facility established by Govt. /NGO in the Cluster or nearby to cater the need?
- VII. Is the above facility being fully utilised? If no, what are the reasons?
- VIII. How many units have confirmed that they are going to join the SPV? List may be given.
- IX. Has SPV been constituted? Whether the members of the SPV have agreed to give their contribution. (formal letter of agreeing for contribution, certificate of incorporation, articles of association etc.).
- X. Nature of SPV (open or close ended) - Whether enrolment of cluster members will open at any time in future and to that extent provision has been made in the capital structure of SPV (paid up capital should not be more than 30% of the authorized capital).

- XI. How many other units wish to avail the common facility as “users”, without joining SPV?
- XII. Has the suitable plant and machinery been identified, their specification and quotation invited for the purpose of DPR?
- XIII. Name of the Agency who has prepared the DPR for the proposed CFC?
- XIV. Whether “in-principle” approval from the bank has been obtained, in case loan is being availed of.
- XV. Whether the State Govt. has been contributing in CFC, the confirmation of State Government for their contribution may be given.
- XVI. Name of committees of SPV for implementing the project, including the 'purchase committee'.
- XVII. Management Information System (MIS) for reporting/monitoring progress of work.
- XVIII. Has the capacity of plant and machinery been established on the basis of demand in the cluster? Evidence that CFC will be utilized at least 60% of their capacity.
- XIX. Whether viability-gap funding has been worked out for availing GoI assistance on the basis of following:
 - a. Types of plant and machinery absolutely needed for the CFC.
 - b. The capacity of plant and machinery and their number on the basis of total demand of the services from the CFC.
- XX. Whether the “user charge” has been determined on the basis of the following:
 - a. Will it generate sufficient revenue to meet all its cost of production?
 - b. Has Depreciation been calculated on written down value? [NPV of the total depreciations during the usable life of plant and machinery should be equal to cost of plant and machinery]
 - c. There will be differential user charges: one for members of SPV and other for non-members. The user charges for the members may be fixed in a manner that they are

suitably compensated towards the contribution made by them.

XXI. Whether the CFC proposal comply with financial norms of appraisal, i.e. internal rate of return, break-even point analysis, debt service coverage ratio, sensitivity analysis, etc, using basic templates, such as projected profit & loss account, and projected balance sheet for the proposed CFC. Full details may be given.

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

(1) Plant and machinery

(a) List of Plant and Machinery

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

te: Add GST, packing and forwarding charges, transit insurance, and freight charges to costs.

(b) Capacity of plant and machinery on single shift basis

(c) Production pattern

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

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

(3) Utilities and services at full capacity utilization

(a) Power for industrial purpose

Sr. No.	Particulars of the machinery	KW	No. of working hrs. per month	KW/month	Rs./KW H	Total
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(b) Power requirement for domestic purpose

(c) Water

(d) Gas/Oil

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

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

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

(5) Organizational set up and man power requirement

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

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

(6) Project cost

Sr. No.	Particulars of cost	Amount (Rs.)
(i)	Land & site development cost (Total area)	
(ii)	Building/shed for the purpose of CFC(Total sq.ft. of construction). The cost will be inclusive of Misc. fixed assets (fixture, furniture, firefighting equipment, first aid equipment, backup power supply, etc.)	
(iii)	Plant and machinery(cost of plant and machinery + 10% installation, electrification and commissioning)	
(iv)	Preliminary expenses (diagnostic study, DPR, legal & administrative expenses, telephone, stationery, etc.)	

(v)	Pre-operative expenses (establishment, travel, interest on borrowings, committed charges during construction period, start up expenses, etc.)	
(vi)	Provision for contingencies(2% building and 5% on plant and machinery)	
(vii)	Margin money for working capital	
Total		

(7) Means of finance

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

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

Sr. No.	Particulars	No. of months	Margin	1st year (as per capacity utilisation)	2nd Year (as per capacity utilisation)	3rd year (as per capacity utilisation)
1.	Raw material and consumables					
2.	Utilities					
	Working expenses (salary of manpower)					
4.	Works in process (cost of raw material,					

	utility and salary on actuals)					
5.	Stock of finished goods (cost of raw material, utility, salary, factory overheads on actuals)					
6.	Bills receivables (Sales value)					

Broad parameters of financial viability of CFC and likely year of its becoming financially viable (Rs. in lakh)

Working expenses**		Revenues**	
1. Salaries		1. Revenue stream 1 (specify)	
2. Consumables		2. Revenue stream 2 (specify)	
3. Depreciation		3.	
4. Others (specify)		4.	
5. Total		5. Total	

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

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

- (i) Raw materials and consumables
- (ii) Utilities
- (iii) Wages and salary
- (iv) Repairs and maintenance

- (v) Insurance
- (vi) Administrative and factory overheads
- (vii) Selling expenses

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

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

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

- (A) Sources of fund:
 - (a) Gross profit less depreciation
 - (b) Term loan
 - (c) Subsidy/Grant
 - (d) Promoter's contribution
 - (e) Increase in bank borrowings
 - (f) Depreciation
- (B) Disposal of funds:
 - (a) Preliminary & pre-operative expenses
 - (b) Capital expenditure
 - (c) Increase in working capital
 - (d) Interest on term loan

(e) Interest on bank borrowings

(f) Decrease in term loan

(g) Taxes

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

(D) Net surplus/Deficit

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

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

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

(ii) Interest on term loan

(iii) Term loan instalment

Debt Service Coverage Ratio (DSCR) = [Available surplus + interest on term loan] / [Term Loan instalment + interest on term loan]

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

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

Application for sanction of Common Facilities Centre under PowerTex

India

S.NO.	Particulars			Details		
	Name & address of the SPV, its constitution along with copy of the Memorandum and Articles of Association, ROC/Partnership deed/Society Registration as the case may be.					
	S.No.	Name of the member	Contact details (Email & Mobile)	Designation of the member in the SPV	No. of Knitting & Knitwear units owned by the member	Contribution of the member
	Contact Mobile no of SPV & E mail ID					
	Name of the cluster where CFC is proposed to be set up alongwith DPR					
	Proof of Identity of the members of the group alongwith copy (PAN Card/ Bank Pass Book/ Aadhar Card/ Ration card/ Voter Card)					
	Full address of the SPV where the CFC will be set up					
	a. Area of land/Building documents for the proposed location (own/ leased). Registered land deed copy as					

	the case may be b. Size of the Factory building				
	a. Area of land documents for the proposed location (own/leased). Registered land deed copy as the case may be b. Size of the Factory building				
Means of finance:					
S.no.	Components	Promoter contribution	GOI subsidy	Bank loan	
1	Factory Building				
2	Plant & Machinery				
3	Other eligible investment				
TOTAL					

Place :

Date :

(Signature of SPV)

.....

.....

For office use only :

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

Signature of OIC

Regional Office of the Textile Commissioner,

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

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

Annexure-IV

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

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

Signature of LLMC Members

Criteria of grading the Knitting & Knitwear cluster

Sr. No.	Criteria	Total Mark	Mark allotted by Committee
1.	Total number of knitting & knitwear machines	10	
2.	Technology level	25	
3.	Product Profile	20	
	Low value fabrics		
	Medium value		
	High value fabric		
	Value added		
4.	Infrastructure	10	
	Preparatory level		
	Testing facilities		
	Mill stores availability		
	Yarn depot / Availability of yarn		
	Power availability and its price		
	Post-Knitting		
	Transportation, water, communication		
5.	Market Access	15	
	Export and its value, percentage of total product of cluster		
	Domestic and its value, percentage of total product of cluster		
6.	Skilled Manpower Availability	10	
7.	No. of banks / financial institutions in the cluster	5	
8.	Own production/ Jobwork production	5	
	Total	100	

Grading on the basis of marks allotted

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

Specimen of Surety Bond One Hundred Rupees Judicial Paper

**BOND PRESCRIBED TO BE EXECUTED BEFORE GRANT IS
RELEASED**

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

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

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

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

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

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

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

AND THESE PRESENTS ALSO WITNESS THAT

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

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

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

FOR

Signature of the AUTHORISED SIGNATORY

Signed for and on behalf of

(Name of the Obligor)

1. Signature of witness 2. Signature of witness

Name & Address Name & Address

TO BE FILLED UP BY THE OFFICE OF THE TEXTILE COMMISSIONER

(ACCEPTED)

For and on behalf of the President of India

Designation _____

Date: _____

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

To

Date-

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

Sir,

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

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

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

Yours faithfully,

(Authorised signatory of SPV)

Annexure-VIII

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

To

Date-

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

Sir,

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

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

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

Yours faithfully,

(Authorised signatory of SPV)

Annexure-IX

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

To

Date-

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

Sir,

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

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

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

Yours faithfully,

(Authorised signatory of SPV)

Annexure-X

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

To

Date-

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

Sir,

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

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

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

Yours faithfully,

(Authorised signatory of SPV)

SUMMARY AND CHECKLIST OF DOCUMENTS REQUIRED

Common Facility Centre (CFC) Scheme under Knitting & Knitwear Sector.

Stage s	Objectiv e	Requirement	Checklist of documents required	Stage of submissi on of documen ts
1.	Applicati on for Sanction of CFC.	Application to be submitted by the Executing Agency (EA) at concerned Regional office of the Textile Commissioner	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan.	During submissi on of applicatio n.
2.	Forwardi ng applicati on to office of the Textile Commiss ioner	RO has to forward application to Knitting & Powerloom Development Cell within 30 days from the date of receipt with recommendation.	Application in Annexure- II of the guidelines along with 1.Detailed Project Report 2.Nature of SPV 3.Sale /lease deed of land/building in the name of SPV. 4.Non-agricultural land certificate. 5.Approved layout plan. 6.Photos of the site.	----- -
3.	Claiming for	EA has to claim within 90 days from	1.CA certificate of expenditure incurred for	During LLMC

	release of first installment of 30 %.	the date of sanction. Inform concern RO about 30 % completion of construction. 3. RO has to forward LLMC report to PDC within 30 days from the date of LLMC visit.	construction of workshed. 2.Certificate of proportionate expenditure by Govt.approved architect. 3.Photos of building under construction.	visit.
Stages	Objective	Requirement	Checklist of documents required	Stage of submission of documents
4.	Claiming for release of second installment of 30 %.	1. EA has to claim within 180 days from the date of sanction. 2.Inform concern RO about 60 % completion of construction. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	1.CA certificate of expenditure incurred for construction of workshed. 2.Certificate of proportionate expenditure by Govt.approved architect. 3.Utilization certificate of first installment. 4.Sanction letter of bank for the Term loan for purchasing plant & machineries for each beneficiary/EA 5.Photos of building under construction.	During LLMC visit
5.	Claiming for release of third installment	1.EA has to claim within 270 days from the date of sanction. 2.Inform concern RO about 100 %	1.CA certificate of expenditure incurred for construction of workshed. 2.Certificate of	During LLMC visit

	nt of 40 %.	completion of construction. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	proportionate expenditure & construction completion certificate by Govt. approved architect. 3. Utilization certificate of second installment. 4. Documents of placement of order for plant & machinery by SPV & advance/token money released. 5. Photos of constructed building.	
6.	Claiming for release of subsidy for plant & machinery.	1. EA has to claim within 18 months from the date of sanction. 2. Inform concern RO about installation & commissioning of plant & machinery. 3. RO has to forward LLMC report to PDC within 10 days from the date of LLMC visit.	1. CA certificate of expenditure incurred on plant & Machineries. 2. Submission of Invoices of Plant & Machineries. 3. Utilization certificate of third installment. 4. Pollution control certificate. 5. Photos of Plant & machinery	During LLMC visit

❀

VII. Pradhan Mantri Credit Scheme for Knitting and knitwear sector

1) Objective

- i) The clothing (Knitwear & woven) industry in India is fragmented and predominantly in the SSI sector. This industry operates in a cluster centric approach which has a clear-cut advantage in terms of raw material, services and customers. Though fragmented, each cluster is quite diversified and unique. **Tirupur, Ludhiana and Kolkata being the major centres for Knitting and knitwear.**
- ii) India's share in the total global apparel trade is about 3.6% and is ranked sixth. India exports more than one hundred garment product categories, mainly falling in cotton, semi fashion middle price segment of casual wear with the main product categories being T-shirts, men's shirts, ladies blouses, ladies dresses and skirts. Member states of the EU, USA, Canada, UAE, Japan, Switzerland and Australia are the major markets for India's clothing exports. The share of knitted garments in value terms is about 38 percent in overall export of clothing, while in quantum terms it is 53 percent. There is no doubt that the knitted sector is emerging as the faster growing sector of the two and over a period, has succeeded in overtaking woven garment sector.
- iii) Due to non-availability of timely funding for their day to day activities, most of the knitting and knitwear sector units/ entrepreneurs in the decentralized sector are not able to go for product diversification and machine modernization.
- iv) Considering the above scenario, the knitting and knitwear sector units/ entrepreneurs in the decentralized sector need more financial support Further, to encourage SC/ST and women entrepreneurs in the Country, timely financial support is quite necessary.
- v) In view of above, GOI decided to launch a "Pradhan Mantri Credit Scheme for Knitting and knitwear sector, which aims at providing adequate and timely financial assistance to the knitting and knitwear sector units to meet their credit requirements, for investment needs (Term Loan), in a flexible and cost effective manner. The scheme will be implemented in all knitwear clusters in the Country. Credit facility

should have been availed through all lending agencies covered under PMMY (MUDRA) and Stand-up India Scheme.

2) Implementation Procedure

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
1	Eligibility	<p>The eligible units are;</p> <p>a. Only New individual / group enterprises involved in Knitting and knit wear activity who are registered with MSME /Udyog Aadhar</p> <p>b. However Group Enterprises will be covered under the scheme without support of credit guarantee by the government and as per the prevailing norms of the Lending Agency.</p> <p>c. Units should not have availed subsidy under Amended Technology Upgradation Fund Scheme for the assets seeking benefits under PMMY.</p>	<p>The eligible units are;</p> <p>a. Only new knitting and knitwear unit established by a person who belongs to a Scheduled Caste (SC) or Scheduled Tribe (ST) or a woman entrepreneur who are registered with MSME / Udyog Aadhar</p> <p>b. In case of non-individual units at least 51 % of the share holding and controlling stake should be held by either an SC (or) ST (or) women entrepreneur.</p> <p>c. Units should not have availed subsidy under Amended Technology Upgradation Fund Scheme for the assets seeking benefits under Stand-up India Scheme.</p>
2	Type of Facility & Loan Amount	<p>a. The Term loan has to be availed.</p> <p>b. Maximum Loan up to Rs.10 lakh.</p> <p>c. Only new loans are eligible under the scheme. The loans already availed by a borrower are not eligible under the scheme.</p>	<p>a. The Term loan has to be availed for purchasing of Machinery.</p> <p>b. The loan shall be above Rs.10 lakh and up to Rs.1 crore.</p>
3	Due-diligence, Financial benchmark, Requirement of audited financial documents, Fixation of Credit Limit	As per the prevailing norms of lending agency.	As per the prevailing norms of lending agency.
4	Repayment	As per the prevailing norms of Banks.	As per the prevailing norms of Banks.

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
	<p>Financial assistance under the scheme</p> <p>i. Margin Money Subsidy</p>	<p>a. Margin money for the project will be decided by the lending agency as per their existing norms. Govt. will provide financial assistance on margin money @ 20% of basic cost with a ceiling of Rs.1 lakh for a borrower. Remaining amount of margin money will be borne by the borrower.</p>	<p>b. The Scheme envisages 25% of the Basic cost of new machinery installed will be provided as Margin Money subsidy subject to the ceiling of Rs. 25 lakh.</p> <p>c. The borrower shall be required to bring in 10% of the cost of machinery as his/her own contribution.</p>
5	<p>ii. Interest Subvention</p>	<p>(a) Interest Subvention will be given on Term Loan.</p> <p>(b) Interest Subvention @ 6% per year on term loan will be provided upto 5 years from the date of first disbursement so that term loan where repayment period is more than 5 years will be also eligible.</p> <p>After payment of interest by the beneficiary, the lending agency will send the details of interest subsidy to be paid on the end of every quarter to Textile Commissioner. TxC will release the same.</p>	<p>Not Applicable</p>
6	<p>Validity/ Renewal of Limit, Security, Rate of Interest & other charges</p>	<p>As per the prevailing norms of lending agency. No collateral/security is required to be given for PowerTex MUDRA Loan.</p>	<p>As per the prevailing norms of lending agency.</p>
7	<p>Reimbursement of Credit Guarantee</p>	<p>1% of the loan amount or the actual amount of fees whichever is less charged for the credit guarantee for a maximum of five years under CGTMSE/ Credit Guarantee Scheme for Micro Units under National Credit Guarantee Trustee Company (NCGTC) scheme. Not applicable for Group Enterprises.</p>	<p>1% of the loan amount or the actual amount of fees charged for the credit guarantee for a maximum of five years under CGTMSE/ Credit Guarantee Scheme for Stand-Up India under National Credit Guarantee Trustee Company (NCGTC) scheme, whichever is less.</p>
8	<p>GOI Support</p>	<p>a. Interest Subvention @</p>	<p>a. The Scheme envisages</p>

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
		<p>6% per year for term loan will be provided upto 5 years from the date of first disbursement so that term loan where repayment period is more than 5 years will be also eligible.</p> <p>b. Margin money for the project will be decided by the lending agency as per their existing norms. Govt. will provide financial assistance on margin money @ 20% of basic cost of new machinery installed with a ceiling of Rs.1 lakh for a borrower. Remaining amount of margin money will be borne by the borrower.</p> <p>c. Submission of applications will be done online to the Office of the Textile Commissioner which in turn will forward the application(s) to the Banks concerned, through online mode.</p> <p>d. Before submission of the claim for Margin Money Subsidy/Interest Subvention for the first time, particulars of the claim details shall be verified by a Joint Inspection Team (JIT) comprising of members from the Branch of the Bank and PSC/ROs of the Office of the Textile Commissioner in the prescribed format as at Annexure-III; the inspection details will be uploaded to iPowerTex India.</p>	<p>25% of the Basic cost of new machinery installed will be provided as Margin Money subsidy subject to the ceiling of Rs. 25 lakh. The borrower shall be required to bring in 10% of the cost of machinery as his/her own contribution.</p> <p>b. Submission of applications will be done online through iPowerTex portal to the Regional Office of the Textile Commissioner which in turn will forward the application(s) to the Banks concerned through online mode.</p> <p>c. Before submission of the claim for Margin Money Subsidy for the first time, particulars of the claim details shall be verified by the Joint Inspection Team (JIT) comprising members of the Branch of the Bank and PSC/ROs of the Office of the Textile Commissioner in the prescribed format Annexure-IV. The inspection report will be uploaded to iPowerTex India.</p>

Sr. No	Particulars	Category – I (under PMMY)	Category – II (under Stand-up India Scheme)
9	Mode of release of GOI's subsidy	<p>a. The Margin Money Subsidy will be credited in the term loan account of the borrower through respective Lending Agency.</p> <p>b. Reimbursement of Credit Guarantee fee will be credited to the Term loan a/c of the borrowers through Lending Agency on an annual basis.</p> <p>c. Interest subvention will be credited to the Term loan a/c of the borrowers through Lending Agency on an annual basis.</p>	<p>a. The Margin Money Subsidy will be credited in the term loan account of the borrower through respective Lending Agency.</p> <p>b. Reimbursement of Credit Guarantee fee will be credited to the Term loan a/c of the borrowers through Lending Agency on an annual basis.</p>
10	Issuance of cards/ Passbooks	The lending agency will issue the cards/passbooks to Knit and Knit wear units as per norms of the Lending Agency.	The lending agency will issue the cards/passbooks to Knitting & Knitwear unit as per norms of the Lending Agency.
11	Management Information System(MIS)	An i-PowerTex software has been developed so that all applications can be filed online.	An i-PowerTex software has been developed so that all applications can be filed online.

Safeguards against mis-utilisation of the Scheme.

1. The lending agencies are required to carry out due diligence before sanctioning of the loan under the Scheme.
2. The Regional Office concerned of the Textile Commissioner as well as the senior officers of the Office of the Textile Commissioner will carry out random verification of the beneficiaries.
3. Provision should be made for uploading the documents by Knitting & Knitwear Units after the machinery is purchased and installed under the term loan drawn under Stand Up India Scheme.
4. The scheme applications will be received through online portal i.powertex India. The sanction of loan will be conveyed by lending agency through this portal.
5. All decisions and advices of the lending agency will be communicated to Textile Commissioner's office and the borrowing units online.
6. PAC decision will be final

**FORMAT FOR INCLUSION OF LENDING AGENCY UNDER PRADHAN
MANTRI CREDIT SCHEME FOR KNITTING & KNITWEAR (PMCS)**

(To be submitted to the Textile Commissioner through ipowertex software)

1	Name of the Bank	
2	Address	
3	Name of the Contact Person	
4	Contact No. (O)	
5	Mobile No.	
6	E-mail ID	
7	Fax No.	
8	Name of the Nodal Branch/ Office Nominated by the Bank	
9	IFSC Code of the Nodal Branch/Office	
10	MICR Code of the Nodal Branch/ Office	
11	Contact Person	
12	Contact No. (O)	
13	Mobile No.	
14	E-mail ID	
15	Fax No.	

Signature

Date:

Name & Designation with Seal

List of enclosures:

1. Copy of Banking Licence issued by RBI under Banking Regulation Act 1949.
2. Copy of letter issued by RBI for inclusion in the 2nd Scheduled to the RBI Act, 1934.
3. Copy of letter issued by GOI for registration under Multi State Cooperatives Act, if applicable.
4. Copy of PAN/TAN No.
5. Copies of Audited Balance Sheet for the preceding 3 years.
6. Other relevant information, if any.

**Application Form for Loan under “Pradhan Mantri Credit Scheme for
Knit and Knit Wear ”(PowerTex MUDRA)**

For Loan upto Rs.10,00,000/-

Name of Bank & Branch from where loan is required

.....

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

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

Declaration:

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

Date: _____

Place: _____

Thumb Impression/Signature of Applicant(s)

(For Office use only)

Acknowledgement Slip No. _____ Loan Application

No. _____ Dated _____

Received by _____

Date: _____

Place: _____

Authorized Signatory(Branch Seal and Sign)

-----**Cut here**-----

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

Date: _____

Place: _____

Authorized Signatory (Branch Seal and Sign)

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

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

NOTE :

- 1) No collateral/security for PowerTex MUDRA Loan.
- 2) Applicant should not be defaulter of any bank/Financial Institution.

ANNEXURE-II**Name of the Bank:**

Bank's Logo

Loan under "Pradhan Mantri Credit Scheme for Knit and Knitwear(Stand Up India)"

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

A. For Office Use:

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

B. Business Information:

Name of the Applicant / Enterprise											
Constitution	Proprietary	Partnership	Pvt. Ltd.	Ltd. Company	Any Others (specify)						
Business Address	State			PIN Code							
	Business Premises				Rented		Owned				
	Telephone			Mobile No.	91						
E-mail:											
Business Activity	Proposed										
Date of Commencement(DD/MM/YYYY)											
Whether the Unit is Registered		Yes		No							
If Registered (Please mention: Registration no. And the Act under which registered)											
Udyog Aadhar Registration No. (Non Mandatory)											
Registered Office Address											
Social Category		SC	ST	Minority Community							
If Minority Community	Buddhists	Muslims	Christians	Sikhs	Jains	Zoroastrians					

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

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

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

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

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

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

Type of Facilities	Banks Name and Branch	Limit Availed	Outstanding As on.....
Savings Account		N.A	
Current Account		N.A	
Term Loan			

If banking with this bank, customer ID to be given here:

It is certified that our unit has not availed any loan from any other Bank / Financial Institution in the past and I/we am/are not indebted to any other Bank / Financial Institution other than those mentioned in column no. E above.

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

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

** Mandatory Fields

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

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

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

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

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

I. Future Estimates: (In Rs.)

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

J. Status Regarding Statutory Obligations:

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

K. Declaration:

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

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

Date: _____

Place: _____

CHECK LIST

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

For Cases with Exposure above Rs. 25 Lakhs

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

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

Format for verification of claims under “Pradhan Mantri Credit Scheme for Knit and Knitwear”(PowerTex MUDRA)

1	Name & Address of the factory Taluka/Tahshil/Mandal: District: State: Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
2	Aadhar Number	
3	Name of Contact Person with Tel./ Mob. no	
4	IM Acknowledgement No./Udhyog Aadhar No & Date along with Registering Authority	
5	Number of Looms	
6	Constitution (Individual/Proprietorship / Partnership/Pvt. Ltd.)	
7	Name of Proprietor / Partner(s) / Director(s)	
8	Gender of the Applicant(Male/Female)	
9	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the detail	
10	Total Cost of Project	
11	Amount of Loan a. Term Loan	
12	Amount of Loan disbursed a. Term Loan	
13	Existing Machineries a. Name of the Machine b. Quantity	
14	New Machineries installed under the scheme (if any) a. Name of the Machine b. Quantity	
15	Basic value of the claimed machineries	
16	Name and address of the Bank	

	(complete Branch details with Pin code, IFS Code& Email id	
17	Term Loan Account no:	
18	Whether the Project confirms in accordance to the guidelines	
19	Whether JIT recommends for release of	
	a. Margin Money subsidy	
	b. Interest Subvention subsidy	
20	If yes, then eligible	
	a. Margin Money subsidy	
	b. Interest Subvention subsidy	
21	Remarks , if any	

It is certified that the above said claim is found to be in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme for Knit and Knitwear[PowerTex MUDRA] under PowerTex India hence recommended for release of Margin Money subsidy.**

Signature of the Joint Inspection Team Member along with his seal (Representative from the Branch of the Lending Agency)

Signature of the Joint Inspection Team Member along with his seal (Representative of the Powerloom Service Centre/Regional Office of the Textile Commissioner)

ANNEXURE-IV**Format for verification of claims under “Pradhan Mantri Credit Scheme for Knit and Knitwear” (Stand Up India)**

1	Name & Address of the factory Taluka/Tahshil/Mandal: District: State: Pin code:	
	Phone No./Mobile No.	
	Fax No.	
	E-Mail ID	
	PAN No.	
2	Aadhar Number	
3	Name of Contact Person with Tel./ Mob. no	
4	IM Acknowledgement No./UdhyogAadhar No & Date along with Registering Authority	
6	Constitution (Individual/Proprietorship / Partnership/Pvt. Ltd.)	
7	Name of Proprietor / Partner(s) / Director(s)	
8	Gender of the Applicant(Male/Female)	
9	Category of the Applicant (General/ OBC/SC/ST/Minority etc.) In case of Minority pls. mention the detail	
10	Name and address of the Bank (complete Branch details with Pin code, IFS Code& Email id	
11	Total Cost of Machines a. Promoters Contribution b.Term Loan Disbursed	
12	New Machineries installed under the scheme (if any) c. Name of the Machine b. Quantity	
13	Basic value of the claimed machineries	
14	Term Loan Account no:	

15	Whether the Project confirms in accordance to the guidelines	
16	Whether JIT recommends for release of subsidy	
17	If Yes Amount of Margin Money subsidy	
18	Remarks	

It is certified that the above said claim is found to be in order in all respect as per the Guidelines of **Pradhan Mantri Credit Scheme for Knit and Knitwear under PowerTex India hence recommended for release of Margin Money subsidy.**

Signature of the Joint Inspection
Team Member along with his seal
(Representative from the Branch of
the Lending Agency)

Signature of the Joint Inspection
Team Member along with his seal
(Representative of the Powerloom
Service Centre/Regional Office of the
Textile Commissioner)

VIII. Guidelines for Facilitation, IT, Awareness, Market Development and Publicity for Knitting and Knitwear Sector Schemes

1.0 Objectives

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

2.0 Period of Operation of the Scheme

The period of operation of the scheme will be from 01.07.2019 to 31.03.2020.

(a) Components of Facilitation Services and IT :

(a) Facilitation Services

- **Help – line:** A dedicated toll free **Help-line** would be setup to provide necessary help/guidance/information to the Knitting and Knitwear Sector by making toll free call.
- **Registration Facility for Knitting and Knitwear Sector units with the KSCs:** There would be a system to register the Knitting and Knitwear Sector units at the Knitting Service Centers (KSC) so that the KSCs can reach out to these units to disseminate the information on the Government Schemes. The interface will also enable the units to understand the facilities available with KSCs and so as to avail the benefits.

- **SMS alerts:** A system will be developed so as provide SMS alerts to Knitting and Knitwear Sector units on new developments/initiatives on Knitting & Knitwear related subjects.
- **Bank Assistance:** The services of the lead bank and the major banks in the Knitting and Knitwear clusters will be facilitated through with the KSCs so that necessary assistance can be extended to the Knitting and Knitwear Sector units to avail credit facilities and MUDRA loans from the Banks.
- **Entrepreneur Cell:** An Entrepreneur Cell will be created in each Knitting and Knitwear Service Centre to disseminate information on the various Govt. Schemes.
- **Design and Technical Advancement:** The KSCs will provide designing facilities and requisite technical training, suitably structured for the Knitting and Knitwear Sector units.
- **Any other facilitation services.**

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

- Development of online-portal play a vital role in providing an easy and single point access to information about the various developmental schemes implemented by the Government of India and their various aspects including eligible beneficiaries, types of benefits, scheme details etc.
- Mobile apps further provide a much faster alternative, as it only takes a second to launch a mobile app because the majority of the information is stored in the application itself making it possible to function offline. This helps build loyalty with the end users facilitating in connecting with the information. The advantages of a mobile application is to seamlessly connect and interact with end-users, making it a valuable tool for accessing the schemes implemented by the GOI, consequently reducing staff workload by information requests and phone calls.

1.0 Awareness and Market Development Programmes

(i) **Seminars/ Workshops:** To create awareness about Government schemes, disseminate the information about technology, Services, products for the benefits of Knitting and Knitwear Sector units. Workshops/seminars/awareness programme are conducted by Regional Offices, Knitting and Knitwear Service Centres of the office of Textile Commissioner as well as other Export Promotion Councils, TRAs etc.

(ii) **Buyer Seller Meets:** The market development activities like Exhibition/Fair and Buyer-Sellers Meet under the scheme is serving the needs of the Knitting and Knitwear Sector units for marketing their products in national and international level.

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

(iii) **International events like Reverse Buyer Seller Meets:**

International events like Reverse Buyer Seller Meet are conducted in India in association with Export Promotion Councils/ Knitting and Knitwear Industry Associations by inviting potential Buyers & Importers from foreign countries. In such events, leading Indian companies exhibit/ showcase the latest range of Knitted fabric and Knitwear Garments before the visiting foreign buyers, to enable participating members to develop / expand their export trade. Thus, the visiting buyers have a unique opportunity to see the latest products of leading textile companies under one roof, interact with the senior representatives of participating companies and conclude profitable business deals.

(iv) **E-platform for marketing of Knitted and Knitwear products:**

Promotion of marketing of Knitted and Knitwear products through e-commerce is one of the priorities of Ministry of Textiles. In order to promote e-marketing of Knitted and Knitwear products in a transparent, competitive and effective manner, Office of the Textile Commissioner under Ministry of Textiles will avail the services of any willing e-commerce platform with good track record for participation in online marketing of Knitted and Knitwear products.

(v) **Exposure visits for entrepreneurs of Knitting and Knitwear clusters:**

The exposure visits for entrepreneurs of **Knitting and Knitwear clusters** are organized with a view to understand better technology, product etc. The entrepreneurs of **Knitting and Knitwear cluster** from present level of technology are required to be exposed to the developed cluster having latest technology/manufacturing in order to motivate them to adopt technology and diversify the products.

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

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

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

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

(vii) **Any other awareness and Market Development Programmes.**

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

5.0 Publicity in Electronic and Print Media:

The main intent of any media is to pass information to the public. Electronic media a more advanced form of media could be Internet, Television etc. can be reached faster through different channels, site etc. Print media typically includes Newspapers, Articles, and Journals

etc. allowing users to read anytime and anywhere be it Electronic or Print media, the needs of the Stake Holders / Knitting and Knitwear Entrepreneurs can be addressed by these tools through Information Technology in assisting the publicity and creation of awareness of the various Knitting and Knitwear Sector schemes.

6.0 Implementation Agency

Office of Textile Commissioner through its Regional Offices/ Knitting and Knitwear Service Centers (KSCs) alongwith Export Promotion Councils and Knitting and Knitwear Associations will implement the scheme.

7.0 Monitoring of the progress of the scheme

The Textile Commissioner will monitor the progress of the scheme from time to time.

(Nihar Ranjan Dash)

Joint Secretary, Ministry of Textiles

ORDER

- ORDERED that the Resolution be published in the Gazette of India for general information.
- ORDERED also that copies of the Resolution may be communicated to the Ministries /Departments /Organizations concerned.

(Nihar Ranjan Dash)

Joint Secretary, Ministry of Textiles

To

The Manager,
Government of India Press,
(Bharat Sarkar Press)
Mayapuri