

Invitation of Expression of Interest [EOI] for undertaking Technology Upgradation for individual Exporters/Entrepreneurs Under Infrastructure & Technology Support Scheme

The office of the Development Commissioner (Handicrafts) under the aegis of the Ministry of Textiles, Government of India has launched the implementation of Technology Upgradation for individual Exporters/Entrepreneurs under the Infrastructure and Technology support scheme.

In this regard, this office is inviting expression of interest from eligible Exporters/Entrepreneurs for the following activity:

“Technology Upgradation for Individual Exporters/Entrepreneurs”

Interested agencies are advised to study the EOI documents carefully and submission of the EOI shall be deemed to have been done with full understanding of the assignment.

For complete details of the above initiative, including details on project components, funding pattern, eligibility criteria and other terms, please refer to the detailed guidelines available on the website. The details of the scheme eligibility criteria and terms and conditions of the proposals can be obtained from the official website www.handicrafts.nic.in.

The last date of submission of EOI/applications along with all supporting documents (hard copy) to the concerned Handicraft Service Center will be 24th February, 2022 and the concerned HSC should forward their recommendations latest by 28th February, 2022.

All EOI related queries, corrigendum, updates, if any, will be published in the above-mentioned official websites only.

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GUIDELINES FOR TECHNOLOGY UPGRADATION ASSISTANCE TO EXPORTERS / ENTREPRENEURS UNDER INFRASTRUCTURE & TECHNOLOGY SUPPORT SCHEME

1) Purpose:

The objective is to extend the technological up gradation facility to exporters/entrepreneurs. The facility center should be an infrastructure with modern machinery including packaging machinery to support product, productivity, quality, etc. so that it encourages expansion of Business activities, enhance employment opportunities, production base and improve quality of products through Technology up gradation in the organized sector of Handicrafts.

2) Eligibility:

- 2.1 Recognized Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc.
- 2.2 Applicants should have minimum 3 years of experience duly supported by audited books of accounts.
- 2.3 Average sales turnover of Rs. 2 crores in the past 3 years.
- 2.4 Should have minimum 50 artisans engaged while submission of application.
- 2.5 Availing term loan from the Bank/Financial institutions (FI) for an amount not less than 10% of the project cost with a minimum re-payment period including moratorium of atleast three (3) years. The loan utilization is for the project only. Term loan other than the scheme proposed will not be consider for the project.
- 2.6 Land documents should be registered in the name of the applicant (Sale deed/lease deed). In case of lease deed, the lease period should not be less than 15 years.
- 2.7 For Proposals of NER states the Sales Turnover over Rs. 1 crore and employing minimum of 30 artisans.

3) Financial Assistance:

- 3.1 The maximum amount of funds to be sanctioned is INR 150 lakh for each facility center. The financial pattern would be based on 60:40 sharing between the Government of India through the Office of the D.C (H) and Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc. MOU between Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc. and Government of India (GOI) will be signed before release of funds.
- 3.2 Installation charges will be restricted to 10% of the cost of the machines with a max. ceiling of Rs.15 Lakhs. Second hand machines will not be allowed for the scheme.

3.3 Thus the assistance at the rate of 60% of the investment covering procurement & installation of machines is restricted to a max. ceiling of Rs. 90 lakhs per unit.

3.4 The proposal will be initially accorded approval through a Project Approval and Monitoring Committee. After receiving financial approvals, a sanction order will be issued for further submission of documents by the grantee to release of advance payment of 50% of grant followed by 40% of grant after submission of utilization of 80% of 1st installment in GFR-12A and balance 10% will be released as reimbursement after receipt of requisite audited statement of expenditure, UC in GFR-12A format, performance cum achievement report and other relevant documents etc. subject to actual.

3.5 An enterprise is eligible for above assistance only once in 10 years for one unit anywhere in India.

4) Submission of Application:

4.1 Application shall be submitted in the prescribed proforma through the concerned Assistant Director (HSC).

4.2 Application shall include following documents:

- a. List of machines with description, specification, quantity, approx price, etc. to be procured, and a certificate from a Chartered Engineer that, the proposed machines are relevant for the production activity proposed for expansion / up gradation. Also enclose a copy of Quotation in support of Machine Price.
- b. Auditors report for last 3 years in support of annual sales/turnover.
- c. Land documents in the name of the owner/company or 15 years registered lease deed.
- d. Copies of registration certification of GST, IEC, PAN.
- e. Business plan for the proposed facility center indicating BCR & IRR duly vetted by a Bank/financial Institutions.
- f. No. of beneficiaries.

4.3 The application needs to be recommended by the concerned AD(HSC).

5) Documents to be submitted for claim of assistance: The grant will be released in three installments. After the project approval through a Project Approval and Monitoring Committee and financial sanction, a sanction order will be issued for further submission of documents by the grantee to release of advance payment of 50% of grant followed by 40% of grant after submission of utilization of 80% of 1st installment in GFR-12A and balance 10% will be released as reimbursement subject to actuals.

5.1 For advance release: 1st installment can only release after the submission of Pre-Receipt in duplicate along with Agency Details, Bank mandate, Authorization letter, acceptance of Terms and conditions on letter head,

MOU on Non-Judicial stamp paper and other documents as mentioned in sanction order.

5.2 For 2nd installment: 2nd installment can only be release after 80% utilization of 1st installment. Documents to be submitted GFR-12 in prescribed format along with bank statement, CA certificate of utilization of fund and pre-receipt for the further grant.

5.3 Disbursement of the final installment as re-imbusement - On completion of expansion / up gradation of proposed activity the Organization shall submit a request letter in their letter head signed by the authorized person of the organization with the following documents.

- a) Inspection report from the concerned Asst. Director / Regional Director in the proforma, in confirmation of procurement, installation and functioning of the new facility.
- b) List of machines procured & installed indicating Machine description, specification, purpose of the machine, Quantity, Invoice number, Amount / cost of machine, Date of purchase, supplier address etc.
- c) A certificate from a chartered Engineer that, the machines have been procured, installed & working.
- d) Auditors report indicating that the detailed expenditure in line with the subheads of the sanction order.
- e) No. of beneficiaries.
- f) All above documents shall be countered by the Authorized signatory of the Organization.

6) Implementation schedule and penalty

6.1 The implementation schedule for the project would be 12 months from the date of issue of the approval letter/sanction order for the financial assistance. No extension of time for implementation of the project will be given. In exceptional circumstances, for the reason beyond the control of the promoter(s), the implementation period may be extended with the approval of the O/o DC Handicrafts.

6.2 In event of no progress is reported in the sanctioned project beyond 6 months for the date of issue of the approval letter the O/o DC Handicrafts reserves the right to withdraw approval accorded to the applicant and recall the advance amount along with interest.

6.3 Advance payment will be recalled along with interest in case of non-implementation of project by the beneficiary.

**PROFORMA FOR SUBMISSION OF PROPOSALS FOR TECHNOLOGY
UPGRADATION ASSISTANCE TO EXPORTERS/ENTREPRENEURS**

S.No.	Details	Remarks	Page #
1.	Name & Address of the Organization		
2.	Address/Location with craft in which the Facility Center is proposed to set up		
3.	Number of artisans likely to be benefited directly and indirectly		
4.	Whether manufacturer/ exporter/merchant exporter		
5.	Legal Status of the Firm (Partnership/ Proprietorship/Pvt. Ltd./Pub. Ltd. etc)		
6.	Year of incorporation (Enclose Copy of certificate)		
7.	Financial turnover for the last three years along with a brief note on the same.		
8.	Whether registered with EPCH, if yes enclose a copy of registration.		
9.	Whether I.E. code number obtained, if yes enclose a copy.		
10	Specify land title with name etc (enclose a copy of land document)		
11.	Cost of machineries proposed (Enclose a list with make, specification, quantity, supplier, approximate cost etc with a certificate from a chartered engineer that, the proposed machines are relevant for the production activity proposed for expansion/up gradation)		
12.	Whether power and water facilities are available (Please Specify)		
13.	Enclose business plan prepared along with technical feasibility and financial feasibility duly certified by an expert in the relevant field, clearly indicating the out put and giving the benefit cost ratio (BCR) and internal rate of return (IRR).		
14.	Source of balance amount to make the facility center fully operational (Whether from bank or from own resources or partners contribution, etc and provide supporting documents)		
15.	What is the expected output in		

	terms of export/employment generation etc.		
16.	Details of Machineries/ infrastructures already available.		
17.	Tentative duration for completion of the project.		
18.	Total, head wise budget/ financial implication		

Certificate

1. Certified that no financial assistance has been received from any other source for the same purpose.
2. Certified that the provisions of the scheme have been fully understood and we take the responsibility for successful completion of the project within the stipulated time.
3. Certified that all infrastructures are available with the organization to implement the project.
4. Certified that there is no duplication of efforts takes place with existing schemes of other Ministry.
5. That Organization is not involved in any corrupt practices and has not been black -listed by any central/state agencies.

Authorized signatory of the
Organization with Seal /Name
/ Designation/ Address

Dated:

Recommendation of the Office of DC(HC) Asstt. Director/Regional Director with full justification including cost component of the proposal.

Signature (with rubber stamp)
Name / Designation /Address

Dated: