

F. No. C-11011/33/Proposals/2021-22/Infra

भारत सरकार

वस्त्र मंत्रालय

कार्यालय विकास आयुक्त (हस्तशिल्प)

(इंफ्रा अनुभाग)

पश्चिमी खंड संख्या-VII, आर.के. पुरम,

नई दिल्ली 110066

दिनांक : 22.11.2022

**विषय:** इंफ्रास्ट्रक्चर एंड टेक्नोलॉजी सपोर्ट - राष्ट्रीय हस्तशिल्प विकास कार्यक्रम (एनएचडीपी) के तहत निर्यातकों/उद्यमियों को प्रौद्योगिकी उन्नयन सहायता के लिए प्रस्ताव आमंत्रित करने की सूचना ।

**Subject:** Notice Inviting Proposal for Technology Upgradation Assistance to Exporters/ Entrepreneurs under Infrastructure & Technology Support - National Handicrafts Development Programme (NHDP).

The office of the Development Commissioner (Handicrafts), Ministry of Textiles, Government of India is implementing the Infrastructure and Technology Support Scheme under National Handicrafts Development Programme (NHDP).

In this regard, this office is inviting proposals from eligible agencies for **Technology Upgradation Assistance to Exporters/ Entrepreneurs**.

The basic objective of this component 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.

Interested agencies are advised to study the scheme guidelines carefully and submission of the proposals/applications shall be deemed to have been done with full understanding of the scheme guidelines.

For complete details of the above initiative, including details on project components, funding pattern, eligibility criteria and other terms and conditions of the proposals, please refer to the scheme guidelines available on the website at [handicrafts.nic.in](http://handicrafts.nic.in).

The proposals in prescribed proforma attached herewith along with all supporting documents in hard copy should reach the concerned Handicraft Service Center (HSC), O/o the DC (HC) in time. The timeline/last date for submission of proposals is as below:



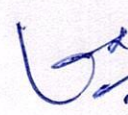
- By implementing agencies to concerned field office (HSC), O/o the DC (HC) latest by **9<sup>th</sup> December, 2022**.
- The concerned HSC should forward the proposal to Hqrs. Office with a copy to concerned Regional Director, O/o the DC (HC) along with their recommendations latest by **16<sup>th</sup> December, 2022**.
- The proposals in hard copy should reach the Headquarter office latest by **23<sup>th</sup> December, 2022** from field offices.

**The proposal sent earlier without any invitation or received after the timeline/last date, mentioned above, will not be entertained.** Incomplete proposals without the mandatory enclosures and proposals that are not clearly recommended and received after the due date will also not be considered. The following check points may be ensured by the Assistant Directors concerned;

1. All the Assistant Directors concerned are directed to verify the proposals and may either recommend or reject the proposals keeping in view of the Scheme Guidelines and ensure financial parameters should be correct in recommended proposals. A copy of the proposal alongwith the recommendation letter should also be forwarded to the respective Regional Office for information. The respective Regional Directors may submit their observations, if any, to Hqrs. Office within a week time.
2. It should be ensured that not more than one proposal from any of the implementing agency to be recommended.

This notice inviting proposal is being published subject to changes in scheme guidelines and approval of the component/scheme for further period by Competent Authority.

All clarifications or corrigendum/updates, if any, will be published on the above-mentioned official website only.

  
22/11/2022

(लक्ष्मी कान्त)

वरिष्ठ सहायक निदेशक (इंफ्रा)

कार्यालय विकास आयुक्त (हस्तशिल्प)



## **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 considered 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 (HC) 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. Standard Terms & conditions of the grant will be finalized after approval of Integrated Finance Wing (IFW), Ministry of Textiles. After receiving financial approvals from competent authority, 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 an assessment report from a Chartered Engineer/ Technical Valuer along with a certificate that the proposed machines are only for the purpose of assistance for making handicrafts products and not for machine made products. 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. Technical and Financial Feasibility duly certified by a scheduled commercial bank.
- f. Undertaking that balance of the total cost to be borne by the implementing agency, along with escalated cost, if any.
- g. List of Artisans already engaged with their Artisan Pehchan ID Card number.

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 The grant-in-aid can only be released after the submission of Pre-Receipt in triplicate along with Agency Details, Bank mandate, Authorization letter, acceptance of Terms and conditions on letter head, MOU on Non-Judicial stamp paper, performance bank guarantee (5% of total grant of Gol) for a period of 180 days beyond the completion of the project and other documents as mentioned in sanction order.

5.2 Disbursement of the final installment as re-imbursement - 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 signed by the Authorized signatory of the Organization.
- g) Any other document as per extent scheme guidelines/ Gol Instructions.

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 competent authority.

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 PROPOSAL FOR FINANCIAL ASSISTANCE UNDER THE  
INFRASTRUCTURE AND TECHNOLOGY SUPPORT- NATIONAL HANDICRAFTS  
DEVELOPMENT PROGRAMME (NHDP); TECHNOLOGY UPGRADATION  
ASSISTANCE TO EXPORTERS/ ENTREPRENEURS**

<b>Organization Profile</b>		
1.	Name of the Organization with complete postal address, Mob/telephone no., e-mail.	
2.	Whether manufacturer/ exporter/merchant exporter	
3.	Legal Status of the Firm (Partnership/ Proprietorship/Pvt. Ltd. /Pub. Ltd. etc.)	
4.	Year of incorporation (Enclose Copy of certificate)	
5.	Financial turnover for the last three years along with a brief note on the same.	
6.	Details of the Contact Person of the Organization with complete postal address, Mob/telephone no., e-mail address.	
7.	If the organization has any experience in maintaining the similar kind of project.	
8.	Details of activities undertaken by the organization in the field of Handicrafts.	
<b>Detail of the project (Mention page number of annexures/enclosures)</b>		
9.	Name of the project/component.	
10.	Location of the project/component (with complete postal address) Justification - How this location is suitable from project point of view.	
11.	Estimated cost of the Project (in Rs.)  Financial assistance requested from DC (HC) (in Rs.)	
12.	Total, head wise budget/ financial implication	
13.	Details of availability of space or building indicating:	



	a) Total area of the land. b) Status of Land/Building (owned/ lease/ rent agreement for atleast 15 years etc. in favour of the agency).	
14.	Detail of crafts to be covered.	
15.	Number of artisans likely to be benefited directly and indirectly	
16.	What is the expected output in terms of export/employment generation etc.	
17.	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)	
18.	Target date for completion of the project.	

**Document to be attached after self-attesting and mentioning proper Page Numbering**

19.	Enclose Detailed Project Report justifying the need and feasibility of setting up of the project/component (sustainability plan of the project to be detailed).	
20.	List of Artisans already engaged with their Artisan Pehchan ID Card number.	
21.	Copy of valid registration certificate under proper statute.	
22.	Details of Machineries/ infrastructures already available.	
23.	Copy of audited balance sheet (by chartered accountant) for last 3 years.	
24.	Copy of I.E. code number, EPCH registration certificate, if obtained.	
25.	Name and address of Bank where organization has its account and account number.	
26.	Details of grants received from the office of DC (Handicrafts) during last 3 years and its status of utilization.	
27.	Details of grants received from other	



	Central/State Govt. Deptt. or Agencies during last 3 years and its status of utilization.	
28.	<p>Enclose business plan prepared along with following <b>mandatory documents</b>;</p> <p>(i) Technical and Financial Feasibility duly certified by a scheduled commercial bank.</p> <p>(ii) Third party assessment report from a recognised Chartered Engineer/ technical valuer for equipment/ machines to be installed along with a certificate that the proposed machines are only for the purpose of assistance for making handicrafts products and not for machine made products.</p> <p>(iii) Undertaking that balance of the total cost to be borne by the implementing agency, along with escalated cost, if any.</p> <p>(iv) Land/Building ownership document/ Lease agreement for atleast 15 years in favour of the agency.</p>	
29.	<p>Affidavit regarding:</p> <p>a. Authenticity of the land document/ other documents submitted with the project proposal</p> <p>b. Comply with the norms/conditions prescribed in extant scheme guidelines and instructions issued by Gol from time to time.</p> <p>c. The Organization is not involved in any corrupt practices and has not been black-listed by any central/state agencies.</p>	

### 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. Certified that Organization is not involved in any corrupt practices and has not been black -listed by any central/state agencies.
6. Certified that no UC is pending in any scheme of the O/o DC (Handicrafts).

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

Dated:

Recommendation of the field office of DC (HC):

- (a) Whether proposal has been verified on ground by Assistant Director concerned:  
Yes/No
- (b) Whether Assistant Director concerned is satisfied with the feasibility of the  
proposal: Yes/No
- (c) Recommendation: Yes/No

Signature of Assistant Director  
(with rubber stamp)  
Name / Designation /Address

Dated: