



Haryana Government Gazette

EXTRAORDINARY

Published by Authority

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No. 86-2023/Ext.] CHANDIGARH, FRIDAY, MAY 12, 2023 (VAISAKHA 22, 1945 SAKA)

HARYANA GOVERNMENT

INDUSTRIES AND COMMERCE DEPARTMENT

Notification

The 12th May, 2023

No. 25/05/2020-4IB-I.— In pursuance to the provision under chapter 14 of Haryana Enterprises & Employment Policy, 2020 notified dated 29.12.2020, the Governor of Haryana is pleased to notify Scheme for grant-in-aid for the setting up of **Primary Processing Centers(PPCs)/Collection Centers(CC)**s in the State. The scheme will consist of the following provisions:

1. Objective:

The objective of the scheme is creation of effective backward linkages and empowerment of farmers. This can be achieved by value addition of produce, providing processing and preservation facilities at village level to help farmers to enhance shelf life of perishable produce resulting in better remunerative prices for their agricultural produce.

2. Features of the Scheme:

The Scheme is applicable to both horticulture and non-horticulture produce such as: fruits, vegetables, grains & pulses, dairy products, meat, poultry and fish etc. for setting up of Primary Processing center (PPCs)/Collection Centers (CCs):

- (a) Processing Facilities at the farm level which may include facilities for weighing cleaning, sorting, grading, packing, pre-cooling, Controlled Atmosphere (CA)/ Modified Atmosphere (MA), Cold Storage, Dry Warehouses and IQF.
- (b) Mobile Pre-cooling trucks/ vans and reefer vans which may be suitable for transportation of the perishable agricultural produce/horticulture/ dairy/meat/poultry/fish produce as per requirement.
- (c) Value addition and or processing of fruits and vegetables, using local produce as raw material.

3. Quantum of Assistance:

Capital subsidy @ 50% of FCI on plant & machinery and technical works, maximum of INR 1.75 crore for eligible entrepreneurs engaged in washing, grading, waxing, drying, packaging, cold chain and processing of fruits & vegetables using local produce as raw material for bank financed project in 'B', 'C' or 'D' category blocks. The cost of land will not be considered in the calculation of FCI for grant in aid.

4. Eligibility:

The applicant shall be an entrepreneur/ farmer, group of entrepreneurs/farmers, associations/organizations, co-operative societies, self-help groups, non- government organizations developing the eligible facilities with following conditions:

- i. The Land area covered by the PPC / CC shall be minimum 1 acres.
- ii. The Proposals for the project should be duly appraised by the Nationalized/ Scheduled Bank/ Financial Institutions/Small Industries Development Bank of India (SIDBI).
- iii. The appraisal report should contain the project components for which grant is sought under the scheme.
- iv. Date of commercial operations should not be prior to the date of submission of application.
- v. No second proposal from the same applicant/ organization shall be accepted.

5. In-eligible components:

5.1 In-eligible components of technical works

- i. Compound wall
- ii. Internal roads
- iii. Administrative Office Building
- iv. Toilets
- v. Labour rest room and quarters for workers
- vi. Sanitation Room
- vii. Security/ Guard room or enclosure
- viii. Electricity connection/electricity installation work
- ix. Consultancy fee

All expenditure on account of civil works which is not related to the production of processing is excluded. Construction activities on account of labour welfare are excluded totally.

5.2 Ineligible components of plant and machinery:

- i. Fuel, consumable, spares, and stores
- ii. Computers and allied office furniture
- iii. Transport vehicles, except reefer vans
- iv. Erection, installation and commissioning, service charges, carriage and freight charges, more than 5% of the total cost of machinery and equipment
- v. Electricity connection/electricity installation work are not eligible
- vi. Second hand/old machines/refurbished machinery
- vii. Closed Circuit TV Camera and related equipment
- viii. Consultancy Fee
- ix. Stationary items

6. Documents required:

Applicant shall submit the following self-attested documents:

- i. Application in the prescribed format (Annexure-A)
- ii. Detailed Project Report
- iii. Sanction letter of term loan from bank/financial institutions
- iv. Appraisal report from Bank/Financial Institution
- v. Certificate of incorporation/ registration of the organization, memorandum and Articles of Association and Bye laws of the society (if applicable)/partnership deed etc.
- vi. Annual reports and Audited statement of Accounts of last three years, in case of existing establishment
- vii. Blueprint of the building plan
- viii. Conveyance Deed
- ix. Land title documents i.e. sale deed or lease deed
- x. Item wise and cost wise details of civil work envisaged duly certified by Chartered Engineer (Civil)
- xi. Item wise and cost wise details of plant and machinery envisaged duly certified by Chartered Engineer (Mechanical)
- xii. Copy of SSI/EM/IEM
- xiii. A declaration to the effect: (duly notarized on non-judicial stamp paper)

“that the organization has not obtained/applied for or will not obtain any grant/subsidy from any Ministry/Department of Central Govt./GoI organization/agencies for the same purpose/activity/same components.”

7. Sanctioning and Disbursal Authority:

The District officer of the respective district will screen, monitor and apprise the case to the Director General, Directorate of MSME, for approval and sanction of the incentives.

The Director General, Directorate of MSME, shall disburse the grant after compliance of the requisite formalities.

8. Release of grant:

Applicants seeking financial assistance are required to submit their applications in prescribed format (Annexure-A) to the Director General, Micro, Small and Medium Enterprises along with complete documents within 3 months of commencement of commercial production / services.

The approved grant-in-aid will be released in 2 installments after the beneficiary has spent the entire amount as per the following schedule:

8.1 Release of the 1st instalment: 50% of the approved grant amount will be released directly in a bank account opened specially for this purpose on submission of utilization certificate of 50% of the project cost. The release is also subject to production of the following documents:

- i. Duly notarized Surety Bond- To be executed on Non-Judicial stamp paper of not less than INR. 100 (**Annexure-B**)
- ii. A Declaration as per **Annexure-C**
- iii. Chartered Accountant Certificate- Actual expenditure incurred on the project showing the means of financing and 50% utilization of promoter's contribution (**Annexure -D**).
- iv. An undertaking to the effect that the grant-in-aid shall be utilized for the project and purpose for which it has been sanctioned.
- v. IEM Part-II.
- vi. Site inspection report by a team of officers to be decided by the Principal Secretary Industries.

8.2 Release of the 2nd installment: The remaining 50% of the grant amount will be released subject to the following condition:

- i. UC of 1st installment as per **Annexure-E**.
- ii. CA certificate showing 100% expenditure of project cost (**Annexure- D**)
- iii. Site inspection report by a team of officers to be decided by the Administrative Secretary, Department of Industries & Commerce.

9. Implementation and Monitoring of Project:

9.1 The implementation schedule for the project will be 24 months from the date of the approval of project.

9.2 The application for 1st installment should be made within 3 months of date of utilization of the 50% of the project cost or from the date of commencement of production/service whichever is earlier

9.3 The application for 2nd installment shall be submitted within 3 months of start of utilization of 100% of the project cost.

9.4 The extension in the time period of implementation shall be given by the State Level Committee, keeping in view the merits of each case.

9.5 The units availing grant-in-aid under the scheme would have to remain in production for a period of at least 5 years from the date of commercial production. In case, the unit is closed before the stipulated period, grant-in-aid shall be recovered along with compound interest @ 12% per annum.

10. Power to condone delay in submission of application & appeal:

- a. The Director/ Director General, Micro, Small and Medium Enterprises, Haryana shall be competent to condone the delay up to a period of 03 months after the prescribed time limit.
- b. The Administrative Secretary, Industries & Commerce, Haryana shall be competent to condone the delay up to a period of 06 months after the prescribed time limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application based on the substantial evidence/documents/ arguments presented by the applicant.

11. Service Delivery Timeline

S. No.	Tasks	Time limit (working days)
1	Letter of Approval	30 days
2	Letter of Sanction	07 days
3	Disbursement	07 days

ANAND MOHAN SHARAN,
Additional Chief Secretary to Government Haryana,
Industries and Commerce Department.

Annexure-A**Application Form for Setting up of Primary processing Centers/ Collection Centers in rural areas:**

Sr. No.	Particulars	Details
A. Promoters		
1.	Name and Address of the Promoter including telephone, fax, e-mail etc.	
2.	Type of organization like Govt. Institution/organization, Industry Association, University, NGO, Co-operative, Entrepreneur, partnership firm, Company, etc.	
3.	Background/credentials of applicant organization. Details of having experience in food processing or supply chain management, if any.	
4.	Financial Status	
5.	Existing Industry, if any	
B. Project Description		
6.	Name of the Project	
7.	Location/Area of the project	
8.	Products/By Products	
9.	Complete flow chart of the activities proposed to be undertaken	
10.	Technology (Indigenous/ imported)	
11.	Capacities of the various components of the PPC/CC	
12.	Commodities/PPC/CC to be handled at PPC/CC	
C. Project Cost (indicating proposed cost, appraised cost separately)		
13.	Capital Investment (Fixed Capital): i. Land Area Cost ii. Building iii. Plant and machinery iv. Civil Works v. Technical Works	
14.	Plant & Machinery (Indigenous) (Capacity/Specifications/Cost)	
15.	Imported Machinery (Capacity/Specifications/Cost)	
16.	Pre-operative expenses	
17.	Working Capital	
18.	Raw Material / Packaging (Source/Quantity/Cost)	
19.	Labour (Quantity/Cost)	
20.	Effluent Disposal (Method/Machinery/Cost)	

D. Means of Finance (indicating proposed & appraised means of finance, separately)		
21.	Means of financing: a. Equity(Promoter/Foreign/Other) b. Loan (Term/Working capital) c. Assistance from other sources d. Fund requirement Total:	
22.	Financial Benchmarks: a. Cash Flow b. Break Even Point c. Internal Rate of Return d. Debt Equity Ratio Debt Service Coverage Ratio	
23.	Details of quality/safety Standards to be followed (if any)	
E. Marketing		
24.	Marketing: a. Existing Market b. Future Demand c. Marketing Strategy d. Linkage to farm/backward linkages Forward market linkages	
F. Implementation Schedule		
25.	Item of work Date of implementation (Bar charts, Milestone charts or PERT/CPM may be enclosed)	
G. Personnel		
26.	Details of technical & Managerial personnel (Operation Maintenance, managerial, finance, marketing etc.) required & available	
H. Employment Generation- Direct/Indirect		
27.	a. Direct (Male & Female Separately) b. Indirect (Male & Female Separately)	

Date:

Signature

Name and Designation

Place:

Seal of the organization

Annexure B**SURETY BOND**

KNOW ALL MEN BY THESE PRESENTS that we, M/s _____, a
 _____ (Type of organization) incorporated/registered under the _____
 _____ (Name of the Act) and having its registered office at _____
 _____ (hereinafter called the "Obligors") are held fully and firmly bound to the Governor
 of State _____ (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 assignees 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 _____ (hereinafter referred to as the "Letter of
 Sanction") which forms an integral part of these presents, and a copy whereof is annexed here to and marked as
 Annexure-I, agreed to make in favour of the Obligors grants-in-aids-in-aid of Rs. _____ (Rupees
 _____ only) for the purpose of _____ (description of the project) 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 grants-in-aid by the target dates, if any specified therein. THAT the Obligors shall not divert
 the grants-in- aids 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
 individually and jointly will be liable to refund to the President of India, the entire amount of the grants-in-aid
 with interest of 10% per annum thereon. If a part of the grants-in-aid 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 grants-in-aid was intended of the property)
 buildings created / acquired constructed largely from out of the grants-in-aid sanctioned by the State
 Government of _____, 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 Government will be
 final and binding on the Obligors. AND THESE PRESENTS ALSO WITNESS THAT the decision of the
 Chief Secretary to the State Govt. of _____ 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 IN
 WITNESS WHEREOF these presents have been executed as under on behalf of the Obligors the day here in
 above written in pursuance of the Resolution No. _____ Dated _____

_____ passed by the governing body of the Obligors, a copy whereof is annexed hereto as
 Annexure-II and by _____ for and on
 behalf of the Governor of State _____ on the date appearing below:

Signature of the AUTHORISED SIGNATORY

Signed for and on behalf
 of (Name of the Obligor in block letters)
 (Seal/Stamp of Organization)

1. Signature of Witness
Name & Address

2. Signature of Witness
Name & Address

TO BE FILLED UP BY DIRECTORATE OF INDUSTRIES & COMMERCE (ACCEPTED)

For and on behalf of the Governor of State_____

Name:_____

Designation:_____

Dated:_____

Notary Seal & Signature

Annexure C**Declaration of the grantee**

I S/o Resident of
director / proprietor of M/s do here by solemnly affirms and state as follows:

- (a) That the organization has not obtained/applied for or will not obtain any grant/subsidy from any Ministry/Department of Central Government/GOI organization/agencies and State Government for the same purpose/activity /same components.

Authorized signatory

Annexure D

(Letter Head of the CA)

CA certificate (With membership No. of CA) in the following format

Project Cost:(Rs. In lacs)

Sr. No.	Name of the component/Item	Project Cost	Cost as appraised by the bank	Actual Cost
1.	Land			
2.	Building/Civil Works			
3.	Plant & Machinery			
4.	Technical works			
5.	Misc. Fixed Assets			
6.	Others			
	Total			

Means of Finance: (Rs. In lacs)

Sr. No.	Item	Project Cost	As per appraisal report	Actual Cost
1.	Promoter's Equity			
2.	Term Loan			
3.	Unsecured Loan			
4.	Grant-in-aid			
5.	Others			
	Total			

Details of unsecured loans, if any, duly certified by CA.

Signature and Seal of C.A.

Utilization Certificate

(Letter Head of the CA)

Sr. No.	Letter No. & Date	Amount
1.		

Certified that out of **Rs.-----** of grant-in-aid sanctioned during the year----- in favor of ----- under this Ministry/ Department letter No. given in the margin and **Rs.-----** on account of unspent balance of the previous year, a sum of **Rs.-----** has been utilized for the purpose of for which it was sanctioned, that the balance of **Rs. -----** remaining un-utilized at the end of the year ---- has been surrendered to Government (vide No. ----dated -----) will be adjusted towards the grants-in-aid payable during the next year --.

2. Certified that I have satisfied myself that conditions on which the grant-in-aid was sanctioned have been dully fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised:

- 1.
- 2.
- 3.

Signature(CA)_____

Designation_____

Date_____

Counter signature of
promoter of company
with Seal