

**Government of Haryana
Industries and Commerce Department**

Notification

The 12-01-2016

No. 49/43/2015-41B1 in pursuance to Enterprises Promotion Policy, 2015 notified vide No. 49/43/2015-41B1 dated 14th August, 2015, the Governor of Haryana is pleased to formulate Scheme for grant-in-aid for the Critical Infrastructure Development. The scheme will consist of the following provisions:

1. Objective:

The main objective of the Critical Infrastructure Development scheme is to create/ upgrade infrastructure facilities in a new/ existing industries occupied areas in conforming zones. The scheme aims at providing facilitation to the entrepreneurs to work in a congenial atmosphere with adequate provision of infrastructure. Infrastructure development projects under the scheme will consist of projects for providing infrastructure facilities like water, drainage and sewerage, setting up of Effluent Treatment Plant (ETP) and other pollution control remedies, roads, raw material banks and common service facilities, technology services backup for MSEs in the new / existing industries occupied areas in the conforming zones.

2. Eligibility Conditions:

- 2.1. Grant can be availed by industrial associations, industrial clusters with a minimum membership of 50 operating units. Smaller groups can however, be considered for financial assistance keeping in view the merits of each case. However, their number should not be less than 30.
- 2.2. The location selected should be approved by the department of Environment.
- 2.3. The infrastructure created shall not involve public inconvenience and shall have necessary permissions from competent authority.
- 2.4. There shall be an unambiguous revenue generation plan that shall ensure maintenance of critical infrastructure in a self-sustaining manner.
- 2.5. The requisite land for creating infrastructure shall have to be arranged by SPV from their own resources. However, in case of availability of public land, due permissions from the relevant authorities are essential.

3. Maximum amount of grant-in-aid:

The financial assistance/ grant-in-aid @ 80% shall be allowed on the cost of project of Rs. 2.00 crores. The SPV shall have to contribute 20% of the cost of project from their own resources. The cost of project would include the cost of infrastructure only and no preliminary and pre-operative expenses of any kind shall be considered.

4. Procedure of availing grant-in-aid:

4.1. It is necessary to form an SPV at the time of submission preliminary application on the prescribed Performa at Appendix-A on E-biz portal of the department. The SPV shall consist of members who fall under the definition of 'Micro and Small enterprises'. The member units should have filed EM PART-2 with the concerned DIC. The SPV should have a character of inclusiveness wherein provision for enrolling new members to enable prospective entrepreneurs in the cluster should be provided. In addition to the contributing members of the SPV, the organizers should obtain written commitments from 'users' of the proposed facilities, so that its benefits can be further enlarged. By-laws of SPV should have provisions for one State Govt. official as member of the SPV.

4.2. The share of the cluster beneficiaries should not be less than 20 per cent of the total cost of project. State Government contribution will be considered as gap funding. All the participating units should be independent in terms of their financial stakes and management. No single unit will hold more than 10 per cent in the equity capital (or equivalent capital contribution) of the SPV.

4.3. The project with a cost higher than Rs 2.00 crore can also be considered. However, the State grant will be calculated with project cost ceiling of Rs 2.00 crore.

5. Project Approval:

The project shall be sanctioned and implemented under the guidance of

State Level Steering Committee. The members of the Committee shall be as under:

1.	Principal Secretary Industries & Commerce	Chairman
2.	Representative of Finance Department	Member
3.	General Manager/ DGM, Haryana Financial Corporation (project appraising body)	Member
4.	Representative of Punjab National Bank (Lead Bank of the State)	Member
5.	Director General Industries & Commerce	Member-Secretary

NOTE: The Chairman of the State Level Steering Committee can co-opt any other member at his discretion.

- 5.1. DPR shall be got appraised through Haryana Financial Corporation or any other scheduled bank, at the cost of SPV.
- 5.2. The meeting shall be convened once in two months. Meeting can however, be called at any other time at the discretion of the Chairman of the State Level Steering Committee.
- 5.3. These preliminary applications along with a Detailed Project Report (DPR) shall be put up to the office of Director General Industries & Commerce for acceptance. On acceptance, the case shall be put up to the State Level Steering Committee meeting for approval for grant-in-aid.
- 5.4. The project implementation shall be done by a committee constituted by the SPV under the supervision of the concerned Joint Director/ Deputy Director.
- 5.5. **Purchase Committee:** The Purchase Committee shall consist of the following members.

1.	Joint director / Dy. Director, DIC of the concerned District	Chairman
2.	One Accounts Officer to be nominated by the DC of the District.	Member
3.	3 nominated SPV members	Member
4.	Consultant of project	Member

- 5.6. This Purchase Committee will ensure the transparency in the process of preparation of RFP/ floating of tenders and its finalization as per the GFR.

Disbursement of grant-in-aid:

For disbursement of grant-in-aid for creation/up-gradation of infrastructure, the SPV shall have to raise its contribution upfront.

- 5.7. The 1st installment of grant-in-aid shall be released after compliance of the following formalities:
 - a. In case of private land, it should be registered in the name of SPV.
 - b. The SPV has opened the bank account dedicated for the purpose of deposit of contribution of the SPV and State Government grant.
 - c. 50% (1st Tranche) amount of grant-in-aid shall be released only after Purchase Committee constituted for this purpose has recommended the grant-in-aid after ensuring that the transparent tendering process for construction of building and procurement of machinery has been finalized.

- 5.8. 2nd and final tranche of grant-in-aid shall be released after compliance of the following formalities:
 - a. Submission of Utilization Certificate (UC) of the 1st tranche of grant-in-aid duly verified by concerned Joint Director/ Deputy Director of District Industries Centre.
 - b. Physical Inspection Report of the status of work of infrastructure by the concerned Joint Director/ Deputy Director of District Industries Centre.
 - c. Recommendations of the Purchase Committee (Minutes) for release of 2nd tranche of grant-in-aid.

- 5.9. Pending utilization of State Government grant, the funds will be parked in a separate dedicated account created for this purpose. Interest accrued, if any, on unutilized fund shall be adjusted against future disbursement under the scheme.

6. Monitoring and Evaluation:

- 6.1. The State Level Steering Committee (SLSC) will be the apex body for co-coordinating and overseeing the progress of the projects.

- 6.2. SLSC will also facilitate the SPV members for obtaining State Government approvals from the other department.
- 6.3. The project shall be completed by the SPV within 18 months of the receipt of the Sanction Letter, or such extended time as the State Government may, on its satisfaction as to the reasons of delay, grant.

(Devender Singh)
Principal Secretary to Government of Haryana,
Industries and Commerce Department

Appendix-A

Highlights of the detailed Project Report covering all the standard financial projections including the following:-

S.No.	Documents/Information required	Page No.
1.	Name and location of the Cluster	
2.	Aadhaar Number of all the members of the cluster	
3.	EM/UAM number of all the members of the cluster	
4.	Nature of main activities and products in the cluster	
5.	Value of output of all the units during last three years	
6.	Value of export during last three years	
7.	Details of infrastructure required to be created	
8.	Implementation schedule	
9.	Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other to be specified.	
10.	Cost of project	
11.	Means of financing	
12.	Projection of output and exports after creation of required infrastructure	

NOTE: Detailed Project Report is to be submitted.

Authorized Signatory