

No.8 (50)/2011-IPHW

Dated: April 15, 2013

**Guidelines for Electronics Manufacturing Clusters (EMC) Scheme to provide world-class infrastructure for attracting investments in the Electronics Systems Design and Manufacturing (ESDM) Sector**

- References:**
1. Electronics Manufacturing Clusters (EMC) scheme Notification No.252 dated 22.10.2012 in Part-I, Section 1 of the Gazette of India (Extraordinary) [F.No.8 (50) – IPHW]
  2. Modified Special Incentives Package Scheme (M-SIPS) Notification No.175 dated 27.07.2012 in Part-I, Section 1 of the Gazette of India (Extraordinary) [F.No.24 (10) – IPHW]
  3. Guidelines for operation of M-SIPS scheme notified on 7.10.2012 [F.No.27 (3)/2012-IPHW]
  4. Guidelines for notifying Brownfield Clusters under M-SIPS scheme dated 14.01.2013 [F. No. 36(3)/2012 –IPHW]

**1. Background**

- 1.1. The Electronics Manufacturing Clusters (EMC) Scheme has been notified vide Notification No.252 dated 22.10.2012 in Part-I, Section-1 of the Gazette of India (Extraordinary) [F.No.8 (50) –IPHW], hereinafter referred to as the ‘Scheme’. In pursuance of paragraphs 2.2.3 and paragraph 7.2 of the Scheme, the following guidelines are being issued for effective functioning of the Steering Committee for Clusters (SCC) and for implementation of the scheme.

**2. Definitions**

- 2.1. **Applicant:** Applicant is a legal entity making a preliminary or a final application.
- 2.2. **Brownfield EMC:** A Brownfield EMC means a geographical area where a number of existing ESDM units are located and so notified by DeitY under the guidelines for notifying Brownfield EMCs cited as reference 4 above.

- 2.3. **Chief promoter:** Chief Promoter for the purpose of the Scheme is a legal entity which initiates the proposal for a project in a Brownfield or a Greenfield Electronic Manufacturing Cluster and takes such steps as are necessary for getting the project approved under the Scheme, getting the SPV formed and entrusting the project to an SPV in accordance with the Scheme and guidelines issued there under. A Chief Promoter may be an individual, registered company or society, industry association, financial institution, R & D institution, State or Local government or their agencies or a unit /units within the EMC.
- 2.4. **Electronics Manufacturing Cluster:** Electronics Manufacturing Cluster (EMC) means either a Greenfield EMC or a Brownfield EMC notified under the guidelines cited as reference 4 or a Greenfield EMC as notified under clause 6.8(iii) of these guidelines. Typically an EMC would be identified for an electronics product / product category.
- 2.5. **Final Application:** An application submitted by an applicant in the format for Final Application prescribed under these Guidelines seeking final approval for a project.
- 2.6. **Financial Closure :** Financial Closure for the purpose of the Scheme means:
- a. A formal sanction letter from the bank
  - b. Legally binding commitment from equity providers/ others to provide or mobilize funds towards the equity/ project.
  - c. Legally binding commitment of the funding from the internal accounts, in case of an application by the chief promoter /SPV already in existence.
- 2.7. **Greenfield EMC:** A Greenfield EMC is an Electronics Manufacturing Cluster so notified under clause 6.8(iii) of these Guidelines.
- 2.8. **Preliminary application:** An application submitted by an applicant in the format of Preliminary Application prescribed under these Guidelines containing requisite information, along with supporting documents and application fee, seeking in-principle approval for a project
- 2.9. **Processing area:** Processing activity would include all common facilities and physical infrastructure directly serving the production units such as R&D centre, tool rooms, training

centre, captive power generation etc. Services/ facilities listed under basic development, essential services, support services, manufacturing support at Annexure 2 shall typically be included under processing area.

Area in which a processing activity is located will be termed as processing area. SCC shall decide whether a particular activity/ component of a project is processing or not

- 2.10. **Non –Processing area:** The activities not included in processing shall be designated to be non-processing. The area in which non-processing activities are located shall be non-processing area.
- 2.11. **Project:** A Project for the purpose of these Guidelines would be the proposal for which financial assistance is sought under the scheme as per an application submitted.
- 2.12. **Special Purpose Vehicle (SPV):** An SPV for the purposes of the Scheme shall be a legal entity (Company or Society) duly constituted as per the structure specified by the Department of Electronics and Information Technology with the objective of establishing an EMC by way of development of the requisite common infrastructure and facilities within the scope of the EMC Scheme notified through the reference 1<sup>st</sup> above.
- 2.13. **Steering Committee for Clusters (SCC):** A Committee constituted in accordance with paragraph 2.2.2 of the Scheme. Its constitution is at **Annexure 1**.

### **3. Scope:**

- 3.1. These guidelines outline the procedure for providing financial assistance to projects in Greenfield and Brownfield EMCs under the Scheme.
- 3.2. The broad objective of financial assistance under the Scheme is as follows;
- 3.2.1. To provide assistance for setting up of “Greenfield EMCs” and upgradation of “Brownfield EMCs” with world class logistics and infrastructure and easy to do business facilities

- 3.2.2. To support development of appropriate infrastructure to support the EMCs including development of logistics hub, port-to-factory linkages, roads and highways etc.
- 3.3. An indicative list of eligible activities for which the financial assistance under the Scheme is available is at **Annexure 2**. The SCC may however include any activity which in its opinion would serve towards achieving the objective of the Scheme as mentioned in Clause 3.2 above.
- 3.4. Each EMC shall have a separate SPV for implementation and management of the project.
- 3.5. The cost of land and the cost of buildings of individual units shall not be eligible for support under the Scheme.

#### **4. Preliminary Application**

- 4.1. The process for seeking assistance under the Scheme for a Greenfield EMC shall be initiated either by a Chief Promoter or by an SPV, and in case of a Brownfield EMC by an SPV only.
- 4.2. Applicant may make multiple Preliminary Applications for same EMC provided that the ceiling of financial assistance for an EMC, as prescribed in the Scheme is not exceeded. Multiple preliminary applications can be made wherever there is phase wise implementation of various activities of the EMC.
- 4.3. A Preliminary Application, complete in all respects and seeking in-principle approval of a project shall be made by a Chief promoter or by the SPV for the project in application form provided in **Annexure 3**. The Preliminary Detailed Project Report attached with the Preliminary Application shall be as per format given in **Annexure 4**
- 4.4. A Preliminary Application shall be made based on a feasibility study of the project requirements and infrastructure within the identified EMC, based on demand and potential of electronics products /product category to be manufactured.

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- 4.5. The SCC shall consider the preliminary application for grant of in-principle approval towards fulfillment of the project parameters as per the Scheme and the guidelines and if so satisfied, grant in principal approval. The format of in-principle approval letter is given at **Annexure 5**.
- 4.6. A non-refundable Application Fee would be payable along with each Preliminary Application. The Application Fee would be payable in the form of a crossed Demand Draft made in favor of “Pay and Accounts Officer, Department of Electronics and Information Technology, New Delhi” payable at New Delhi from a scheduled bank. The Application Fee payable would be notified by the Department of Electronics and Information Technology separately.
- 4.7. A Preliminary Application, complete in all respects and received before the expiry of the Scheme will be appraised on an ongoing basis and considered for approval as per timelines given in Clause 11 of these guidelines.
- 4.8. The Department of Electronics and Information Technology would notify a Nodal Officer (EMC), for receiving applications under the Scheme. All applications including Preliminary and Final applications will be submitted to the Nodal Officer (EMC), Department of Electronics and Information Technology, New Delhi through the portal <[www.deity.gov.in](http://www.deity.gov.in)>. In case, the aforementioned portal is not available, the applications may be submitted in physical form to Nodal officer (EMC), Department of Electronics & Information Technology, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi – 110003.
- 4.9. Upon successful submission of the Preliminary Application, Nodal Officer, Department of Electronics and Information Technology will issue a unique Application ID and password, to the applicant for all future references. The status of the application may be tracked on the online portal by using the above ID and password. All future correspondences on the subject must refer to this unique ID.
- 4.10. The Department of Electronics and Information Technology would separately issue detailed instructions for the use of online portal.

## **5. Project Parameters**

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- 5.1. Only those preliminary applications involving projects with financial assistance of Rs. 10 crore or more from the Government shall be considered.
- 5.2. In a Greenfield EMC, a minimum 80% of the land has to be allotted to processing area. A maximum of 20% of the land may be allotted for non processing area.
- 5.3. The applicant shall specify the minimum committed investment by the constituent units, as part of the preliminary application. The minimum committed investment by the constituent units of the EMC should not be less than four times the assistance sought under the scheme.
- 5.4. 75% investment in the cluster should be related to units which are manufacturing electronics products as mentioned in M-SIPS Guidelines cited as reference 2 above.
- 5.5. The Government grant in processing area would be maximum 50% of the project and in Non-processing area it would be a maximum of 20%.
- 5.6. For Greenfield EMCs the assistance will be restricted to 50% of the project cost subject to a ceiling of Rs. 50 crores for every 100 acres of land. For larger areas, pro-rata ceiling would apply. For lower extent, the extent of support would be decided by the SCC subject to the ceiling of Rs. 50 crores. The remaining project cost will be financed by other stakeholders of the EMC with a minimum contribution of 25% of the project cost from the units within the EMC.
- 5.7. For Brownfield EMCs the assistance will be restricted to 75% of the project cost subject to a ceiling of Rs. 50 crores. The remaining project cost will be financed by other stakeholders of the EMC with a minimum contribution of 15%, from the units within the EMC.
- 5.8. The administrative expenses would be restricted to 3% of assistance in the project. However, the administrative expenses shall only be provided to an SPV and not to the Chief Promoter. Expenses towards preparation of Detailed Project Report may be included as a part of the administrative expenses.

- 5.9. Government assistance should not exceed twenty-five percent of approved administrative expenditure on pay and allowances of the SPV

## **6. Final Application**

- 6.1. An applicant must submit the Final Application within 6 months of the issue of in-principle approval.
- 6.2. The SCC may grant such extension to the applicant, to make Final Application as considered necessary in the best interest of the Scheme.
- 6.3. No Final Application shall be made unless the following activities relating to the project have been completed.
- i. The land for the Project has been procured and is under the possession of the applicant
  - ii. Detailed Project Report including detailed estimates for of project components proposed and their economic feasibility. Estimates shall be based on CPWD schedule of rates, wherever available. Wherever CPWD schedule of rates is not available the rates shall be based on the market rates.
  - iii. Financial Closure of the Project. The applicant should have a formal sanction letter from a scheduled bank. Before release of second installment by DeitY, first disbursement from the Bank should have been released.
  - iv. State of readiness for implementation of the Project and clearly defined timelines for completion of project components.
- 6.4. A Final Application may be made by the Chief Promoter or the SPV as per Final Application Form at **Annexure 6**. The Final Application should be accompanied by Final Detailed Project Report as per format at **Annexure 7**.
- 6.5. The SCC shall consider the Final Application and make appropriate recommendations regarding approval of the application to the Department of Electronics and Information Technology for seeking approval of the Competent Authority.
- 6.6. The SCC may seek additional information, as necessary for making its recommendation to the Department of Electronics and Information Technology.

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- 6.7. The SCC may seek such technical advice from technical experts, as necessary for its consideration. The SCC may, if necessary, constitute a Technology Advisory Committee for assisting it on technology related matters.
- 6.8. The SCC, in its recommendations, will clearly state
- i. The name of the applicant/SPV
  - ii. Location details of the proposed Project
  - iii. Location of the Greenfield EMC and recommendation to notify it so.
  - iv. Sector for which the Project in the EMC is proposed.
  - v. Project components wise: Estimated costs and financial assistance recommended
  - vi. Timelines for formation of SPV, if Final Application is by Chief Promoter
  - vii. Project Component wise timelines for implementation of the Project
  - viii. Monitoring arrangement till the constitution of the SPV and representation of the Government on the SPV
  - ix. Terms and conditions of approval
  - x. Such other things as SCC may deem fit
- 6.9. The approval for the project shall be conditional and the Chief Promoter shall be required to refund, with interest, any assistance taken, if the SPV as proposed is not constituted within the stipulated time period or if any assistance in the form of advance is not utilized for its intended purpose or if any of the terms of the scheme or guidelines are violated.
- 6.10. After incorporation of the SPV, any further project implementation and management shall be done by the SPV only and not by the Chief Promoter.
- 6.11. Final approval of a project under the scheme would be communicated as per format provided at **Annexure 8**
- 6.12. If the Final Application is made by the Chief Promoter, he/she shall indicate a timeline within which the SPV shall be formed. The SCC, shall, while approving the project, also approve the timeline for constitution of the SPV. However, in no case shall the time period allowed for constitution of the SPV shall be more than 24 months from date of issue of final approval.

Failure to formation of SPV within the allowed time, Chief promoter will have to refund the entire amount released along with interest as prescribed and the approval of the project shall stand to be cancelled.

- 6.13. The initial contribution of the Central Government @ 20% of the grant-in-aid shall be given as advance to the Chief Promoter/ SPV with suitable guarantees and warranties. Any subsequent release will be made only to the SPV subject to providing reasonable evidence of proper utilization of installments released earlier. Any grant-in-aid will be released after the Chief Promoter or the SPV has deposited an equivalent amount in the escrow account and has submitted a bank guarantee from a nationalized bank equivalent to 1.25 times of the amount sought as grant-in-aid. The Bank Guarantee shall be for an amount of 1.25 times of the outstanding amount of the grant-in-aid at all times till the grant-in-aid is fully utilized. Provided further that in case the project is not completed as per the approval the Government will have the right to recover entire amount released as grant-in aid along with the interest and penalties.

## **7. Project Management Unit**

- 7.1. A Program Management Unit (PMU) will be established by the Department of Electronics and Information Technology to assist in processing and appraising the Preliminary Applications and the Final Applications received under the Scheme.
- 7.2. The PMU, the SCC or the Department of Electronics and Information Technology may seek additional information from the applicant as felt necessary for considering the Preliminary Application or the Final Application. Failure to provide information sought within the specified time-period will make the application liable for rejection.
- 7.3. The PMU will prepare a detailed appraisal note for consideration of SCC.

## **8. Land ownership in EMC**

- 8.1. The Scheme supports any of the following different models of land ownership for an EMC
- 8.1.1. The land for the EMC and the Project is owned by the applicant.
- 8.1.2. The land for the Project is owned by the applicant but the remaining land for the EMC is not owned by the applicant. In such cases, it is for the applicant to demonstrate his

ability to meet the terms of scheme and guidelines with the involvement of the constituent units in the EMC.

- 8.2. The land for the EMC or the project may be acquired by the applicant through one of the following modes:
- 8.2.1. Outright purchase or long lease from private parties
  - 8.2.2. Sale (outright or conditional), or long lease of land by Central or State or Local Government or its agency
  - 8.2.3. Central or State or Local Government or its agency participating as equity partner in the SPV wherein the cost of land is provided as its share.
    - 8.3.2.1 In such cases (covered in 8.2.3 above), to protect interest of the concerned Government, the following additional conditions shall apply.
      - 8.3.2.2 There shall be at least one representative of the concerned Government or its agency on the board of directors in the SPV.
      - 8.3.2.3 Any change in the equity structure of the SPV shall be effected only with the prior approval of the concerned Government.

## **9 Project Implementation**

- 9.1 The chief promoter and the SPV (when constituted) shall make all endeavors to complete the Project within the timelines agreed to in the approval.
- 9.2 An applicant or the SPV may make requests for extension of time for implementation of the Project. Such requests may be considered by the SCC. SCC may grant extension as deemed necessary in the best interests of the Project. However, no Project shall be granted time beyond a period of five years from the date of approval for its completion.

## **10 Project Monitoring and Evaluation**

- 10.1 For promoting transparency, details of all projects approved under the Scheme including location details, project components and the estimated costs, timelines, etc. shall be made available on the website <[www.deity.gov.in](http://www.deity.gov.in)>

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- 10.2 The Department of Electronics and Information Technology shall review the progress of the projects under the scheme on quarterly basis through a Project Review Committee (PRC) constituted by DeitY for this purpose. The constitution of the Project Review Committee (PRC) for this purpose is given at Annexure-9 of these guidelines.
- 10.3 Before disbursement of financial assistance, the applicant shall enter into an Agreement with the Department of Electronics and IT spelling out clearly the deliverables, timelines and proposed guarantees and warranties of the same. If the applicant is a Chief Promoter, it shall also undertake to bind the SPV to honor the terms of the agreement, as and when the same is constituted.
- 10.4 Every successive installment of financial assistance must be conditional upon the Chief promoter/SPV providing reasonable evidence of proper utilization of installments released earlier. Any such release of installments of Grant-in –Aid will be subject to recommendation of the Project review Committee.
- 10.5 In the event of cancellation / Termination of project of any applicant under the EMC Scheme, the time limit for the refund of grant, along with interest/ penalties, would be determined by DeitY appropriately at that point of time.
- 10.6 For all bank assisted projects before release of second installment by DeitY, first disbursement from the bank should have been released. If the project is being funded without bank finance, the binding commitment for full release funds should be provided.
- 10.7 Government may require that any special terms and conditions may be incorporated in the Agreement Articles of Association or bye-laws of the SPV.

**11 Timelines**

- 11.1 The following timelines are indicated with regard to appraisal and approval of the Project:

Event	Timeline in days
Submission of Preliminary Application	A

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Event	Timeline in days
Response to applicant for required information (if any)	A + 2
Receipt of completed Preliminary Application in Department of Electronics and Information Technology	T
Issue of acknowledgment along-with Application Id	T + 2
Preparation of appraisal report by PMU	T + 9
Internal appraisal by Department of Electronics and Information Technology	T + 16
Placing appraisal note for consideration of SCC	T + 30
Circulation of Minutes of Meeting (MoM) of SCC	Within 7 days of SCC meeting
Communication of in-principle approval to applicant	Within 7 days of approval from SCC
Submission of Final Application by SPV	B
Response to applicant for required information (if any)	B + 2
Receipt of completed Final Application in Department of Electronics and Information Technology	S
Issue of acknowledgment	S + 2
Preparation of appraisal report by PMU	S + 16
Internal appraisal by Department of Electronics and Information Technology	S + 23
Placing appraisal note for consideration of SCC	S + 30
Circulation of Minutes of Meeting (MoM) of SCC	Within 7 days of SCC meeting
Preparation and circulation of SFC / EFC note	Within 7 days of release of MoM of SCC meeting

11.2 Note:

- a. 'A' is date of submission of preliminary application
- b. 'T' is date of submission of complete preliminary application. For cases, where the complete application is submitted at the first instance and no further information or update is required from applicant, 'A' and 'T' will be same

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- c. 'B' is date of submission of final application
- d. 'S' is date of submission of complete preliminary application. For cases, where the complete application is submitted at the first instance and no further information or update is required from applicant, 'B' and 'S' will be same

**12 Miscellaneous**

- 12.1 The Department of Electronics and Information Technology may issue supplementary guidelines from time to time for the smooth implementation of the Scheme.
- 12.2 The final decision on approval of the financial assistance to the EMC Clusters rests with Department of Electronics and Information Technology
- 12.3 As per para 7.1 of Scheme, EMC Scheme will be open for receiving applications for five years from date of notification, i.e. till 21.10.2017.



**(Dr. Ajay Kumar)**  
**Joint Secretary to Government of India**  
**Tel: 24360160**

**New Delhi, Dated 15<sup>th</sup> April 2013**

Copy to:

- 1. All Concerned Ministries / Departments of Government of India**
- 2. All State Governments**
- 3. Cabinet Secretariat**
- 4. PMO**
- 5. Planning Commission**
- 6. Comptroller and Auditor General of India**
- 7. AS&FA, Department of Electronics and Information Technology**
- 8. Internal circulation**

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**ANNEXURE 1**

**Constitution of Steering Committee for Clusters (SCC)**

<b>1</b>	<b>Secretary, Department of Electronics and Information Technology (DeitY)</b>	<b>Chairman</b>
2	AS&FA DeitY	Member
3	Secretary, Planning commission	Member
4	Secretary Department of Economic Affairs	Member
5	Chairman Railway Board	Member
6	Secretary, Ministry of Civil Aviation	Member
7	Secretary, Department of Telecommunications	Member
8	Secretary, Department of Science and Technology	Member
9	Secretary, Department of Commerce	Member
10	Secretary, DIPP	Member
11	Secretary, MSME	Member
12	Secretary, Ministry of Power	Member
13	Secretary, Ministry of Road Transport and Highways	Member
14	Secretary, Ministry of Urban Development	Member
15	Secretary of the Nodal Department of the concerned Government	Member
16	Representative from Financial Institution	Member
17	Representative from the Academic / R&D Institution associated with the project	Member
<b>18</b>	<b>Joint Secretary DeitY</b>	<b>Member Secretary</b>

**An illustrative list of eligible activities under the EMC scheme**

**Basic Development**

1. Boundary Wall
2. Internal Roads
3. Street Lighting
4. Storm Water Drains

**Essential Services**

1. Government Support Office
2. Water Treatment Plant
3. Sewage Lines/ Treatment
4. Waste Disposal /Recycling/Water Harvesting
5. Electricity Sub-Station / Distribution
6. Backup Power Plant
7. Warehousing

**Welfare Services**

1. Employee Hostel & Mess
2. Hospital and ESIC
3. Recreational Facility Playground Clubhouse
4. Crèche / Nursery
5. Local Shopping Centre
6. Restaurants
7. Educational Facilities

### **Support Services**

1. Centre of Excellence (R&D, Incubation and Consultancy Services)
2. Training Facility /ITI
3. Auditorium & Conference Facility
4. Video Conferencing
5. IT Infrastructure / Telecom
  - Broadband Connectivity
  - Cloud Computing
  - ERP/ Factory Management System

### **Manufacturing Support (Proposed - Flatted Factory Complex)**

1. Tool Room
2. CAD/CAM Design House
3. Plastic Molding
4. Sheet Metal Stamping
5. Packaging / Epoxy Suppliers
6. Testing and Certification Facility
7. Component Testing:
  - Safety, Life Test, Reliability, Electrical & mechanical properties
  - RoHS Testing
  - EMI / EMC Testing

### **Government Regulatory Support / Services**

1. Development Commissioner / Designated Officer
2. Tax Support/ Filing

3. Factory / Labour Compliance Support
4. Pollution Control

**ANNEXURE 3**

**Electronics Manufacturing Cluster (EMC) scheme Preliminary Application Form**

**1. Introduction**

- 1.1. The application shall be duly signed by the authorized signatory of legal entity making the application duly authorized by the Board of Directors or equivalent body.
- 1.2. Applicants are advised to follow the format provided in this template for submitting their applications. Applicants are requested to provide information and enclose all supporting documents as detailed
- 1.3. The application should be submitted to Nodal officer (EMC), Department of Electronics & Information Technology, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi – 110003, India, in 2 copies along with a Non-refundable, crossed Demand Draft for INR <xxx>/- (INR <xxx>only) in favour of “Pay and Accounts Officer, Department of Electronics & Information Technology” payable at New Delhi from a commercial bank as application fee.
- 1.4. Applicants should go through the Guidelines carefully before filling up the details in the application.
- 1.5. Application has been divided into the following sections and sub-sections:
  - a. Applicant details
  - b. Electronic Manufacturing Cluster Details
  - c. SPV details
  - d. Means of Finance
  - e. Initial Application Fee Details
- 1.6. If any document which is required to be submitted along with the application is available on a government website, the website link where this document can be viewed may be provided. The responsibility of the correctness/veracity of contents rest with the applicant.

**2. Applicant details:**

- 2.1.** Name of applicant and its constitution : Whether individual, registered company or society, industry associations, financial institutions, R & D institutions, State or Local governments or their agencies or units within the EMC, Others.

*Documents to be furnished:*

- a. Certified copy of the memorandum and articles of association or equivalent registration document if applicant is a legal entity registered in India.*

- 2.2.** Details of the applicant: Address, phone, email, PAN, nature of current business, turnover, net worth, experience, achievements, etc. in activity proposed to be undertaken in the project, if any. Include brief profile in case applicant is an individual. For legal entities, provide shareholding details for companies and other equivalent details disclosing nature of control/ownership of the applicant.

*Documents to be furnished:*

- a. CA certified copies of PAN, Service Tax and Central Excise Certificate for the legal entity,*  
*b. CA certified copies of Annual Reports including Annual Financial Reports along with schedules for three years. Most recent reports to be provided. For individual investors, details on audited net worth (incl. sources and uses of funds) need to be provided.*  
*c. CA certificate showing shareholding pattern (indicating number of shares and investment) if applicant is a company registered under Companies Act. Equivalent document disclosing nature of control and ownership for other entities.*

- 2.3.** Promoters Details: In case the applicant is a legal entity registered in India - Include the following details for all promoters holding stake greater than or equal to 10% in applicant entity if the applicant entity is a company registered under the Companies Act. For other legal entities, equivalent details of main promoters to be furnished. Names, Address, Phone, Email, PAN.

*Documents to be furnished:*

- a. CA certificate showing shareholding pattern (indicating number of shares and investment) in applicant and its promoter companies.*  
*b. Copies of PAN for promoters/promoter companies of the applicant.*  
*c. Equivalent document disclosing nature of control and ownership for other entities.*  
*d. CA certificate on net-worth for individual applicants.*

- 2.4.** Pending legal cases against applicant: Please provide details of all pending legal cases and contingent liabilities.

*Documents to be furnished:*

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- a. Certificate from company secretary/Board Director for companies and Secretary for society regarding above
- b. Self certificate that the applicant is not blacklisted by any Government department

2.5. Contact details of authorized representative of the applicant. Details would include Name, Designation, Address, phone, email.

2.6. Financial Details: Please provide self-certified details on the following

- a. Revenues (in Rs Cr.) – by key product lines and key geographic area (last 3 yrs)
- b. Profit before Tax (PBT) and Profit after Tax (PAT) (In Rs. Cr.) – by key product lines and key geographic area (last 3 yrs)

**3. Electronics Manufacturing Cluster details:**

3.1. Location of the cluster including description and geographical spread of the EMC

*Documents to be furnished:*

- a. Proof of being authorized manufacturing / Industrial area
- b. Relevant maps indicating the EMC area

3.2. Land requirements for the project and ownership / acquisition details

*Documents to be furnished:*

- a. In-principle approval letter / Lease deed/Letter of Intent / Land possession documents

3.3. Copy of diagnostic study conducted for the EMC including gaps which are proposed to be filled by the project

3.4. Brief description of the nature of activity and type of manufactured ESDM product(s) / service(s) / shared manufacturing process / service or shared manufacturing inputs in the EMC

3.5. For Brownfield clusters, please provide details of existing units as per the table below

S. No.	Name of Unit	Input (Raw material)	Final product	Manufacturing Capacity	Output in last 3 years	Contact Details (Registered name, address, email, phone, contact person)
1						
2						
3						
...						
...						
				Total Capacity	Total Output of the EMC	

Also provide segment-wise value of output of the EMC in the last 3 years, including export output, if any

*Documents to be furnished:*

- a. *Self attested copies of all the constituent units certifying correctness of information furnished in the table above*
- b. *Audited Annual reports for last 3 years for the constituent units*

#### **4. SPV details**

- 4.1.** Timeline for formation of SPV and structure of SPV proposed with details and profile of individual members.

*Documents to be furnished:*

- a. *Self certified undertaking for formation of SPV*
- b. *Copy of certificate of incorporation of SPV (if already formed),*
- c. *Articles of association of SPV (if formed)*
- d. *Letter of agreement with stakeholders (if applicable)*

- 4.2.** Any previous track record of co-operative initiatives pursued by the proposed SPV members need to be highlighted

*Documents to be furnished:*

- a. *Any support documentation*

- 4.3.** Need for seeking Government grant

#### **5. Means of Finance**

- 5.1.** Means of finance (contribution from cluster enterprises / stakeholders / banks / FIs, grant-in-aid under EMC Scheme, etc.) and the amount.

*Documents to be furnished:*

- a. *Sanction letter/In-principle approval/agreement with banks (if available)*

- 5.2.** Investments proposed by individual units in the project

- 5.3.** Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified)

#### **6. Initial Application Fee Details**

- 6.1.** Details of Demand Draft: No. date, Bank Name and Branch.

**ANNEXURE 4**

**GENERIC STRUCTURE OF PRELIMINARY DPR**

- (i) Context/background:** This section should provide a brief description of the sector/ sub-sector, the national priority, strategy and policy framework as well as a brief description of the existing situation.
- (ii) Problems to be addressed:** The diagnostic study undertaken should form the basis of this section. This section should elaborate the problems to be addressed through the project/scheme at the local/regional/national level, as the case may be. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/surveys/reports.
- (iii) Project Objectives:** This section should indicate the Development Objectives proposed to be achieved, ranked in order of importance. The deliverables/ outputs for each Development Objective should be spelt out clearly. This section should also provide a general description of the project.
- (iv) Target beneficiaries:** There should be clear identification of target beneficiaries.
- (v) Project components:** This section should present a description of project components like activities under basic development like boundary wall, essential services like water treatment plant etc.
- (vi) Legal Framework:** This section should present the legal framework within which the project will be implemented.
- (vii) Environmental impact assessment:** Environmental impact assessment should be undertaken, wherever required and measures identified to mitigate adverse impact, if any.
- (viii) On-going initiatives:** This section should provide a description of ongoing initiatives and the manner in which duplication will be avoided and synergy created through the proposed project.
- (ix) Technology issues:** This section should elaborate on technology choices, if any, evaluation of options, as well as the basis for choice of technology for the proposed project.
- (x) Management arrangements:** Responsibilities of different agencies for project management and implementation should be elaborated.

**(xi) Means of Finance and Project Budget:** This section should focus on means of finance, evaluation of options, project budget, cost estimates and phasing of expenditure.

**(xii) Time frame:** This section should indicate the proposed 'Zero' date for commencement of project and also provide a PERT/CPM chart, wherever relevant.

**(xiii) Risk analysis:** This section should briefly highlight project risks and how these are proposed to be mitigated.

**(xiv) Evaluation:** This section should focus on lessons learnt from evaluation of similar projects implemented in the past.

**(xv) Success criteria:** Success criteria to assess whether the Development Objectives have been achieved should be spelt out in measurable terms.

**(xvi) Financial and economic analysis:** Financial and economic analysis of the project may be undertaken where the financial returns are quantifiable.

**(xvii) Sustainability:** Issues relating to sustainability, including stakeholder commitment, operation and maintenance of assets after project completion, and other related issues should be addressed in this section.

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Ministry of Communications and Information Technology  
Department of Electronics and Information Technology

To

Date:

.....  
.....  
.....

Subject: Electronics Manufacturing Cluster Scheme – In principle approval for <Greenfield or Brownfield> Electronics Manufacturing Cluster at <<location>>

Sir,

I am directed to convey the “in-principle” approval of the Government of India under Electronics Manufacturing Cluster Scheme (EMC) for project at << location >> with estimated project cost of Rs. <<>>, including estimated Central grant of Rs. <<>>.

2. The in-principle approval is valid for a period of 6 months from the date of this letter, which may be extended by SCC, as found necessary in the best interest of the scheme. The final approval of the project would be subject to achievement of certain milestones as detailed below, within the prescribed period:

- (i) Formation of the SPV
- (ii) Procurement of land for the project
- (iii) Financial Closure of the project
- (iv) Collection of at least 10% of the stipulated financial contribution from industrial institutions/association
- (v) Preparation of detailed drawings and designs of the works and their detailed cost estimates
- (vi) A firm implementation schedule (component/activity wise) specifying milestones and timelines

3. The eligible activities and break-up of project cost as approved, “in-principle” by the Steering Committee for Clusters are as follows:

S.No.	Particulars	Cost

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	Total	

Means of Finance

Source	Amount
Total	

4. Any other conditions as required by Steering Committee for Clusters (SCC)

Yours sincerely,  
<<Authorized signatory>>

**Electronics Manufacturing Cluster (EMC) scheme Final Application Form**

**1. Introduction**

- 1.1. The application shall be duly signed by the authorized signatory of legal entity making the application duly authorized by the Board of Directors or equivalent body.
- 1.2. Applicants are advised to follow the format provided in this template for submitting their applications. Applicants are requested to provide information and enclose all supporting documents as detailed.
- 1.3. The application should be submitted to Nodal officer (EMC), Department of Electronics & Information Technology, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi – 110003, India, in 4 copies (both hard and soft formats) along with a Non-refundable, crossed Demand Draft for INR <xxx>/- (INR <xxx>only) in favour of “Pay and Accounts Officer, Department of Electronics & Information Technology” payable at New Delhi from a commercial bank as application fee.
- 1.4. Applicants should go through the Guidelines carefully before filling up the details in the application.
- 1.5. Application has been divided into the following sections and sub-sections:
  - a. Preliminary Application details
  - b. Applicant details
  - c. Land details
  - d. Financial Closure details
  - e. Project components and cost
  - f. Bank Account details
- 1.6. If any document which is required to be submitted along with the application is available on a government website, the website link where this document can be viewed may be provided. The responsibility of the correctness/veracity of contents rest with the applicant(s).

**2. Preliminary application ID/number**

**3. Applicant details**

**3.1.** Whether SPV or Chief promoter

**3.2.** Details of SPV (if formed)

*Documents to be furnished:*

- a. Copy of certificate of incorporation of SPV*
- b. Memorandum and Articles of association of SPV*
- c. Letter of agreement with stakeholders (if applicable)*
- d. Audited statement of accounts sources*
- e. Pattern of Income*

**3.3.** Details of constituent units of SPV

*Documents to be furnished*

- a. CA certified copies of Annual Reports including Annual Financial Reports along with schedules for three years.*
- b. Self certified copies of brief bio of Chairman, CEO and CXOs of applicant*
- c. Revenues (in Rs Cr.) – by key product lines and key geographic area (last 4 yrs)*
- d. Profit before Tax (PBT) and Profit after Tax (PAT) (In Rs. Cr.) – by key product lines and key geographic area (last 4 yrs)*

**3.4.** Pending legal cases: Please provide details of all pending legal cases and contingent liabilities for all constituent units.

*Documents to be furnished:*

- a. Certificate from company secretary/Board Director for companies and Secretary for society regarding above*
- b. Self certificate that the unit is not blacklisted by any Government department*

**3.5.** Contact details of authorized representative of the applicant. Details would include Name, Designation, Address, phone, email.

**3.6.** Information regarding nature of activity of units in EMC. Please specify clearly which units are among verticals identified under Modified Special Incentives Package Scheme (MSIPS) mentioned as Reference 2 above and which are Non- MSIPS units.

**4. Land details**

4.1. Land ownership: Please tick the applicable ownership pattern:

- a. Whether land of EMC and project is owned by the applicant
- b. Whether land of the project is owned/leased to the applicant but land for EMC is not owned/leased to the applicant

4.2. Please provide means through which land has been acquired:

- a. Sale purchase or long lease between private parties
- b. Sale or long lease of land by Central or State or Local Government or its agency
- c. Central or State or Local Government or its agency participating as equity partner in the SPV wherein cost of land is provided as its share. Please specify which government agency is participating in the project

*Documents to be furnished:*

- a. *Lease deed / Land possession letter*

4.3. Location of the cluster including description and geographical spread of the EMC

*Documents to be furnished:*

- a. *Proof of being authorized manufacturing / Industrial area*
- b. *Relevant maps indicating the EMC area*

4.4. Details of utilization of available area:

- a. Area for processing activities
- b. Area for non-processing activities

**5. Financial Closure details**

S.No.	Source	Amount
1	Central grant under EMC	
2	Industry contribution	
3	Term Loan	
4	Others	
	Total	

*Documents to be furnished:*

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- a. *Copy of the Bank / FI appraisal note*
- b. *Company Secretary certified copy of the bank Sanction letter. However, disbursement of 1st installment of Term Loan by banks is must before the 2nd installment of grant by DeitY is released*
- c. *Company Secretary certified copy of Board Resolution for equity for companies or equivalent for other legal entities / Proof of equity having been brought in*

**6. Project components and cost**

<b>S.No</b>	<b>Project Component</b>	<b>Cost</b>
1		
2		
3		
4		
5		
6		
7		
8		
	Grand Total	

*Details of funding for Total Project*

1. Central grant
2. Industry Contribution
3. Term Loan/Others
4. Other Sources

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*Documents to be furnished:*

- a. Detailed CPWD project cost estimates component wise

**7. Bank Account details**

7.1 Name and address of Nationalized bank where escrow account is opened

7.2 Bank account number with IFSC code, RTGS details

**ANNEXURE 7**

**STRUCTURE OF FINAL DPR**

- (i) **Context/background:** This section should provide a brief description of the sector/ sub-sector, the national priority, strategy and policy framework as well as a brief description of the existing situation.
- (ii) **Problems to be addressed:** This section should detail the problems to be addressed through the project/scheme at the local/regional/national level, as the case may be. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/surveys/reports. Clear evidence should be available regarding the nature and magnitude of the problems to be addressed.
- (iii) **Project Objectives:** This section should indicate the Development Objectives proposed to be achieved, ranked in order of importance. The deliverables/ outputs for each Development Objective should be spelt out clearly. This section should also provide a general description of the project.
- (iv) **Target beneficiaries:** There should be clear identification of target beneficiaries. Stakeholder analysis should be undertaken, including consultation with stakeholders at the time of project formulation. Options regarding cost sharing and beneficiary participation should be explored and incorporated in the project. Impact of the project on weaker sections of society, positive or negative, should be assessed and remedial steps suggested in case of adverse impact. Details of units which benefitting should be provided and units should be categorized whether they are belonging to verticals covered under Modified Special Incentives Package Scheme (MSIPS) mentioned as Reference 2 above or non-MSIPS
- (v) **Project components:** This section should present a detailed description of project components like activities under basic development like boundary wall, essential services like water treatment plant etc. with details regarding utilization of available area in processing/non-processing activities.

- (vi) **Legal Framework:** This sector should present the legal framework within which the project will be implemented and strengths and weakness of the legal framework in so far as it impacts on achievement of project objectives.
- (vii) **Details regarding Support Infrastructure:** This section should provide details regarding source of water, electricity, information on proximity to national highway, port, rail, road. Information regarding availability of training, testing, warehousing facilities for components should be provided.
- (viii) **Environmental impact assessment:** Environmental impact assessment should be undertaken, wherever required and measures identified to mitigate adverse impact, if any. Issues relating to land acquisition, diversion of forest land, rehabilitation and resettlement should be addressed in this section.
- (ix) **On-going initiatives:** This section should provide a description of ongoing initiatives and the manner in which duplication will be avoided and synergy created through the proposed project.
- (x) **Technology issues:** This section should elaborate on technology choices, if any, evaluation of options, as well as the basis for choice of technology for the proposed project.
- (xi) **Management arrangements:** Responsibilities of different agencies for project management and implementation should be elaborated. The organization structure at various levels as well as monitoring and coordination arrangements should be spelt out.
- (xii) **Means of Finance and Project Budget:** This section should provide details on means of finance, evaluation of options, project budget, cost estimates and phasing of expenditure. This section should be prepared based on legally binding commitments from equity and debt holders participating in the project
- (xiii) **Time frame:** This section should indicate the proposed 'Zero' date for commencement and also provide a PERT/CPM chart, wherever relevant. Concrete timelines should be provided

- (xiv) **Risk analysis:** This section should focus on identification and assessment of project risks and how these are proposed to be mitigated. Risk analysis could include legal/contractual risks, environmental risks, revenue risks, project management risks, regulatory risks, etc.
- (xv) **Evaluation:** This section should focus on lessons learnt from evaluation of similar projects implemented in the past. Evaluation arrangements for the project, whether concurrent, mid-term or post-project should be spelt out. It may be noted that continuation of projects/schemes from one Plan period to another will not be permissible without an independent, in depth evaluation being undertaken.
- (xvi) **Success criteria:** Success criteria to assess whether the Development Objectives have been achieved should be spelt out in measurable terms. Base-line data should be available against which success of the project will be assessed at the end of the project (Impact assessment). In this regard, it is essential that base-line surveys be undertaken in case of large, beneficiary-oriented projects. Success criteria for each Deliverable/Output of the project should also be specified in measurable terms to assess achievement against proximate goals.
- (xvii) **Financial and economic analysis:** Financial and economic analysis of the project may be undertaken where the financial returns are quantifiable.

The following details should be provided

- a. Working capital and margin money (proposed capacity utilisation year wise for 10 years)
- b. Cash flow statement (projections for 10 years)
- c. Proposed Debt Service coverage ratio
- d. Balance sheet & P/L account (projection for 10 years)
- e. Proposed Debt-Equity ratio
- f. Break-Even (BE) Analysis / Break-Even Point, internal rate of return (IRR) calculations
- g. Return on Capital Employed (ROCE)
- h. Sensitivity Analysis
- i. Repayment schedule
- j. Annual estimated income, expenditure, gross and net profit expected (projections for 10 years)
- k. Payback period

- (xviii) Sustainability:** Issues relating to sustainability, including stakeholder commitment, operation and maintenance of assets after project completion, and other related issues should be addressed in this section.

**Format for Final approval letter**

To

Date: .....

.....  
 .....  
 .....  
 .....

Subject: Electronics Manufacturing Cluster Scheme – Final approval for <Greenfield or Brownfield>  
 Electronics Manufacturing Cluster at <<location>>

Sir,

I am directed to convey the approval of the Government of India under Electronics Manufacturing Cluster Scheme (EMC) for project at << location >> with a project cost of Rs. <<>>, including Central grant of Rs. <<>>. The Central grant for the project is subject to compliance of the scheme and guidelines issued by Government of India from time to time, and the terms and conditions stipulated hereafter.

2. The area mentioned above is notified as a <Greenfield or Brownfield> Electronic manufacturing cluster under EMC scheme.

3. The eligible activities, break-up of project cost and funding pattern as approved by the DeitY under Electronics Manufacturing Clusters Scheme are as follows:

S.No	Project Component	Cost
1		
2		
3		
4		

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5		
6		
7		
8		
	Grand Total	

*Details of funding for Total Project*

1. Central grant
2. Industry Contribution
3. Term Loan/Others
4. Other Sources

4. Implementation schedule: The project components wise implementation schedule is as follows:

Total Duration of the project - << >> months

Project Component wise timeline

5. In case an approval is granted to the Chief Promoter, he/she shall ensure that SPV is formed as per full compliance terms and conditions in the Electronics Manufacturing Cluster Scheme, the guidelines and any other instructions issued by DeitY from time to time, and within the timelines as approved by DeitY. In the event of failing to comply with the conditions or committing breach of the bond it shall be liable to refund to the President of India the entire amount of the grant with interest @10% per annum thereon and will be liable to such other penalties as provided under the approval and any other law.

7. The Chief Promoter (if the approval is granted to a Chief Promoter) and the SPV shall execute a bond for proper utilization of grant wherein it shall undertake that it shall abide by the terms and conditions specified in the approval letter, the terms of the Scheme and guidelines and any instruction issued by the Department of Electronics and Information Technology from time to time. The Chief

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Promoter or the SPV shall also be required to provide a *Self certified undertaking that they have not obtained or applied for grants for the same purpose or activity from any other Ministry or Department of the Government of India or State Government.* In the event of failing to comply with the conditions or committing breach of the bond it shall be liable to refund to the President of India the entire amount of the grant with interest @10% per annum thereon and will be liable to such other penalties as provided under law.

8. Terms & Conditions

A. General

- i. The Chief Promoter and the SPV, when formed, shall create an escrow Account with a Nationalized Bank and provide the details thereof to the Government of India. The Government of India shall enter into a tripartite agreement with the Chief Promoter or the SPV, as the case be, and the Bank where the escrow account of the SPV is maintained for proper utilization of the central grant.
- ii. The Chief Promoter and the SPV shall ensure that minimum 80% of the land of the Electronic Manufacturing Cluster shall be allotted to processing area while remaining 20% of the land may be allotted for non processing area.
- iii. The Chief Promoter and the SPV shall ensure that a minimum of 75% units within the EMC should be from among the verticals covered under Modified Special Incentives Package Scheme
- iv. The first installment of 20% of the approved Central grant will be released in advance. The subsequent installments will be released as mentioned below:
  - a. The second installment of 30% of Central grant will be released after utilization of 80% of first installment and proportionate contribution from Industry/ State Government/ Financial Institution.
  - b. The third installment of 30% of Central grant will be released after the utilization of 80% of the second installment and proportionate contribution from Industry/ State Government/ Financial Institution.
  - c. The final installment of 20% of Central grant will be released after successful completion of the project.
- v. The Government of India's disbursement will be effected to the escrow account only when proportionate contribution from chief promoter or the SPV (as the case may be) is deposited in

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the escrow account. All the payment to the Chief promoter or the SPV will be released in accordance to clause 6.13 of the EMC Guidelines. The deposits in the escrow account shall be utilized only for authorized expenditure for the approved project.

- vi. The grant sanctioned by the Government of India would be utilized only for the project components mentioned in this letter.
- vii. Enhancement in the cost of the individual project components will be the responsibility of the Chief Promoter or the SPV, as the case be. The Chief Promoter or the SPV, as the case be, shall arrange additional funds, if any required, to meet time and cost overruns. The Central grant for the purposes shall be limited to amount approved by the DeitY as per this approval.
- viii. In event of reduction of cost in a project component, the Central grant shall automatically get reduced on pro-rata basis for the said project component.
- ix. It shall be the responsibility of the Chief Promoter or the SPV, as the case be, to obtain necessary approvals and clearances as applicable before implementation.
- x. The Chief Promoter and the SPV, as the case be, shall submit the "Utilization Certificate" on the basis of audit done by Chartered Accountant and after the acceptance of the same by its Board of Directors.
- xi. The Chief Promoter or the SPV, as the case be, shall maintain subsidiary accounts of the Government grant and furnish to the Accounts Officer a set of audited statement of accounts. These audited statements of accounts should be furnished after utilization of grant-in-aid or whenever called for.
- xii. The Chief Promoter or the SPV, as the case be, shall undertake all procurement of goods, equipment and services or any other item through a transparent and competitive procurement process. Appropriate performance guarantees should be built in the agreement to ensure timely and good quality delivery of goods and services procured.
- xiii. In case the Government of India is of the opinion that the implementation of the project or operation of the Chief Promoter or the SPV is not satisfactory or in case of disputes amongst the Board members of the Chief Promoter or the SPV, the Government of India would have the powers to change the Chief Promoter or effect a change in the management of the SPV or issue such directions as may be necessary. The articles of association of the SPV and the agreement with the Chief Promoter shall be suitably formulated and if required modified to enable the

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Government of India to enforce, if required the above conditions stipulated while sanctioning the grant.

- xiv. Any other special terms and conditions or procedures for transaction of business, as Government may desire to be followed by Chief Promoter or the SPV, shall be incorporated in the Articles of Association of bye-laws of SPV and in the Agreement with the Chief Promoter before release of grant-in-aid.
  - xv. The SPV shall appoint a Managing Director or Chief Executive Officer with approval of its Board of Directors. However, the appointment shall need ratification by the Department of Electronics and Information Technology thereafter. The Chief Promoter or the Managing Director of the Chief Promoter, or the Managing Director of SPV, as the case be, would be the Drawing and Disbursing Officer for the amounts released under this sanction.
  - xvi. The Chief Promoter or the SPV, as the case be, shall submit performance-cum-achievement report before applying for the next installment as grant. <<within 6 months from end of every Financial Year>>
  - xvii. The accounts of Chief Promoter or SPV shall be open to inspection by the Department of Electronics and Information Technology and audit, both by the Comptroller and Auditor General of India under the provision of CAG (DPC) Act 1971 and internal audit by the Principal Accounts Office of the Ministry of Communication and Information Technology or Department of Electronics and Information Technology, whenever the Chief promoter or the SPV, as the case be, is called upon to do so.
  - xviii. The Chief Promoter or the SPV, as the case be, shall complete process for transfer of the roads and Right of Way as per proposal to Govt. of India for the project.
- B. Assets
- i. The assets acquired wholly or substantially out of Government grants should not, without the prior sanction of the Government, be disposed of, encumbered or utilized for the purpose other than for which the funds have been released.
  - ii. A certificate of actual utilization of the grants received for the purpose for which it was sanctioned in Form GFR 19-A would be required to be provided by the Chief Promoter or the SPV, as the case be.
  - iii. The Utilization Certificate should be submitted within six months of the closure of the financial year by the Chief Promoter or the SPV, as the case be. Receipt of such certificate

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shall be scrutinized by DeitY. Where such certificate is not received from the grantee within the prescribed time, the Ministry or Department will be at liberty to blacklist such Chief Promoter and/or the SPV from any future grant, subsidy or other type of financial support from the Government.

- iv. A register of permanent and semi-permanent assets acquired wholly or mainly out of the funds be maintained on the basis of Form GFR -19.
- v. A return of such assets acquired during a financial year should be furnished in the Form-GFR-19.
- vi. The SPV shall fix user charges for various facilities and services by it to fully recover the O&M cost and make the project sustainable.
- vii. In case of dissolution of Chief Promoter or the SPV, as the case be, at any point in time, all assets and any unutilized grant shall vest with the Government of India.

C. Monitoring

- i. The Chief Promoter and the SPV shall report on the physical progress as well as the expenditure incurred in the project to the Government of India every quarter.
- ii. The DeitY shall display on its website the details of the project approved and the progress of its implementation.

D. Administrative Expenses:

- i. Out of the Central grant, administrative expenses shall be limited to that approved as per this approval. Administrative expenses beyond this amount shall be met by the Chief Promoter or the SPV, as the case be, from its own resources.
- ii. The administrative expenses will be incurred during execution of the project.

In case of any dispute, Secretary, Department of Electronics and Information Technology, Government of India, shall be the sole "Arbitrator" and his decision shall be binding for all concerned.

Yours faithfully,  
<<Authorized Signatory>>

**Project Review Committee (PRC) for EMC**

**Constitution of PMC**

1	Joint Secretary DeitY	Chairman
2	DG/ Representative of DG STPI	Member
3	Director Finance, DeitY	Member
4	Director, IPHW Division, DeitY	Member
5	Nodal Officer MSIPS, DeitY	Member
6	Secretary industries, State Government of the concerned cluster	Member
7	Shri R.C Chopra , Senior Advisor The Confederation of Indian Industry (CII)	Member
8	Shri Rajoo Goel, Secretary General Electronic Industries Association of India (ELCINA)	Member
9	Shri Rajiv Jain, Associate Director Government Affairs, Indian Electronic System Design and Manufacturing (IESA)	Member
10	The committee may co-opt any other member(s) as it deems appropriate	Member
11	Director/ Additional Director /Nodal Officer EMC, DeitY	Member Convenor

**Roles and responsibilities of PMC.**

- 1 To oversee the implementation of the project as per approval
- 2 Issuing directives to the chief promoter/ SPV implementing the project.
- 3 Monitoring and evaluation of project progress and utilization of the funds as per approval of SCC.