

Mission Solar Charkha

Details (Mission Solar Charkha)

The scheme “Mission Solar Charkha” a pilot project was implemented by the Ministry of Micro, Small & Medium Enterprises, Government of India. The scheme envisages setting up of Solar Charkha Clusters which would mean a focal village and other surrounding villages in a radius of 8 to 10 Kilometres. The Scheme is envisaged to generate direct employment of nearly one lakh persons in the approved Fifty (50) Clusters. Objectives: To ensure inclusive growth by the generation of employment, especially for women and youth, and sustainable development through solar charkha clusters in rural areas.

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Important Features (Mission Solar Charkha)

- The scheme “Mission Solar Charkha” a pilot project was implemented by the Ministry of Micro, Small & Medium Enterprises, Government of India.
- The scheme envisages setting up of Solar Charkha Clusters which would mean a focal village and other surrounding villages in a radius of 8 to 10 Kilometres.
- Further, such a cluster will have 200 to 2042 beneficiaries (spinners, weavers, stitches, and other skilled artisans).
- Each spinner will be given two charkhas of 10 spindles each.
- On average, it is considered that such a cluster will have about 1000 charkhas.
- A cluster with full capacity will provide direct employment to 2042 artisans.

Benefits (Mission Solar Charkha)

- Project Interventions/Financial Assistance: One cluster of Solar Charkha would involve a maximum subsidy of ₹9.599 cr. The scheme would cover three types of Interventions, namely
- A. Capital subsidy for individual and for Special Purpose Vehicle (SPV): 2000 Solar Charkhas at the maximum price of ₹45,000/
 - per charkha and a subsidy of ₹15,750/
 - per charkha works out to a cumulative subsidy of ₹3.15 crores for 1000 spinners. One unit of two Solar Charkhas would produce 2.0 kg of yarn on average per day, resulting in a production of 2.0 tons per 2000 charkhas. Thus, 500 Solar Looms would be required to convert the yarn into the fabric at the maximum price of ₹1,10,000/
 - per loom and subsidy @35% at ₹38,500/
 - per loom and the cumulative subsidy works out to ₹1.93 crores for 500 weavers. Capital cost of construction of work shed with a minimum space of 20,000 sq. feet with 100% subsidy at the maximum rate of up to ₹1.20 crore per cluster for the SPV. Capital cost of Solar Grid of 50 KW capacity with 100% subsidy at the maximum rate upto ₹0.40 crore per cluster for the SPV. One
 - time Capital Cost Subsidy for the SPV @35% works out to a maximum of ₹0.75 crore per Cluster for the purchase of twisting machines, dying machines, and stitching machines (500 in number) for making the unit self
 - sustainable and for value addition. B. Interest subvention for Working Capital: It is proposed to have a ceiling of 8% of interest subvention on working capital irrespective of the interest rates being charged by the Banks/Financial Institutions for a period of six months. Recurring Working Capital cost for a period of six months at the rate of interest subvention of 8% works out to ₹1.584 crores for one cluster including the cost of roving, and wages of spinners and weavers. C. Capacity building: The scheme envisages courses for the spinners/weavers and others involved in the garmenting unit at a total cost of ₹ 0.595 crore per cluster for a period of two years.

Eligibility (Mission Solar Charkha)

- Criteria for selection of Promoter Agency/SPV: A. Existing Khadi and Village Industry Institution (KVI) could apply for setting up such a Cluster. However, the following parameters must be fulfilled: KVI

having a positive balance sheet and assets in favour of the institution. KVI having an artisan base of not less than 200. KVI having a sales turnover of not less than ₹1.00 Crore in each of the preceding three financial years. Should have been an increase in a number of new artisans in the last three years. B. Other Institutions such as SPV, Society, Trust, Section 8 Company or LLP under the Companies Act, 2013 registered under respective statutes could also apply for setting up a new Solar Charkha Cluster, with the following criteria: Vision and Mission Board and Governing Structure with sufficient experience. Proper Management Information System (MIS). Financial resources

- equity and debt. Financial Performance for last three years
- profitability and IRR. C. First Timers who want to join the village industry movement through solar charkha clusters could apply for a new cluster, with the following criteria: Highest Commitment to the cause of Social and rural upliftment. Funding commitment from Scheduled Commercial Banks/NBFC/Venture Capital Fund/Private Equity funds. Proper Management Information System (MIS). Any other criteria to be approved by the governing council. Promoter will fulfill the following criteria at the time of application: A baseline survey will be conducted by the promoter, and at least 200 members will be identified with Aadhaar Numbers of which at least 50% shall be women. Land of a minimum of 20,000 sq. feet and upto 2 acres will be provided by the promoter either owned or on a long term lease of a minimum of 15 years. The land will be arranged by the promoter and all expenditure pertaining to the land will be made by the promoter. The small promoter agency will deposit at least 15% of the requirement of the working capital or at least three months' projected amount of working capital in a separate dedicated account only after the final selection of the promoter by the SSC and before the first release fund is made. The promoter agency will form a Special Purpose Vehicle (SPV), before the release of the first installment of funds, possibly a Section 8 Company or a Producer company under the Companies Act, 2013 for putting up the integrated model of solar charkhas, solar looms, sewing machines, etc. with one village being a focal village.

Application Process (Mission Solar Charkha)

- Step 01: The applicant/Promoter Agency may visit the Official Website of Mission Solar Charkha (MSC) to apply online: <https://kviconline.gov.in/msc/view1.jsp> ■ Step 02: The registered applicant may apply by clicking on 'Apply Online', if not registered, click on 'New Registration' and fill in all mandatory details.
- Step 03: After successful registration, the registered applicant may 'Login' to apply for the scheme.
- Step 04: Fill in all the mandatory details required in the application form and submit.

Documents Required (Mission Solar Charkha)

- Legal Status of the organization (enclose certificate of registration) & whether a National or International organization Establishment date & summary of registered Objectives List of Governing Body / Board of Directors Details of Areas of activity Major Regular Donors (if any) List of organizations with which formal MoU's / linkages exist Date of last Annual General Meeting (attach the minutes of the meeting) Enclose the Annual Audited statement & IT returns for the last 3 years A brief CV/bio-data
- a person with domain expertise and having conceptual understanding and a deep interest in innovation and entrepreneurship Awards & Recognition (Last 5 years): Details of Recognitions & Awards (having significant importance) won Details of any other notable activities in innovation and entrepreneurship Details on the institution's strength and preparedness in hosting Cluster Year-wise work plan for three years (a separate time-linked activity chart to be provided along with the detailed work plan Any other documents
- as required