AGENDA

for

35th STEERING COMMITTEE MEETING

of

Micro & Small Enterprises - Cluster Development Program (MSE-CDP)

DATE : 15.01.2014
TIME : 3.30 PM
VENUE : Vereneya Room No. 227, Udyog Bhawan, New Delhi.
<table>
<thead>
<tr>
<th>Agenda</th>
<th>Description</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 35.1   | Approval for preparation of Detailed Project Report (DPR) in 05 ID centre to set up / up-grade the existing industrial estate at:  
  i) To set up at Peddapuram, East Godavari.  
  ii) To set up at Mangalagiri, Guntur district.  
  iii) To up-grade at Palakkollu, West Godavari.  
  iv) To up-grade at Palasa, Srikakulam.  
  v) To up-grade at Machilipatnam, Krishna District |          |
| 35.2   | Proposal for final approval to set up CFC in Gold Jewellery Cluster, Vijayawada, Krishna district |          |
| 35.3   | Proposal for final approval to set up new Industrial Estate at Nizamabad. |          |
| 35.4   | Proposal for final approval to set up new Industrial Estate at Madikonda Village, Warangal District. |          |
| 35.5   | Soft intervention in Silk Handloom Cluster, Dharmavaram, Anantapur District. |          |
| Gujarat |                                                                                                                                                                                                 |          |
| 35.6   | Proposal for final approval of setting up of CFC in Pump and Foundry Cluster, Rajkot, Gujarat |          |
| Goa    |                                                                                                                                                                                                 |          |
| 35.7   | DSR in 07 clusters  
  i) Bamboo made Handicrafts Products cluster, Thane, Satari, Valpoi, North Goa District,  
  ii) Bamboo made Handicrafts Products cluster, Morlem, Ponda, North Goa District  
  iii) Patch Work Cluster, Mayem, Bicholim, North Goa District  
  iv) Patch Work Cluster, Curti, Ponda, North Goa District  
  v) Jute Product cluster, Shiroda, Ponda, North Goa District  
  vi) Patch Work Cluster, Saliem Bhat, Taleigao, North Goa District  
  vii) Pottery cluster, Paliem, Tuem, Pernem, North Goa District |          |
| Karnataka |                                                                                                                                                                                                 |          |
| 35.8   | DSR in 17 clusters  
  i) Handloom Cluster, Betageri, Gadag  
  ii) Jaggery Processing Cluster, Chikkodi, Belguam  
  iii) Spices Manufacturing Cluster, Gadag  
  iv) Power Loom Cluster, Ramdurg, Belguam  
  v) Bricks processing cluster, Khanaapur, Belguam.  
  vi) Cashew Processing Cluster, Muroor, Uttar Kannada.  
  vii) Food Processing, Narasapur, Gadag.  
  viii) Handloom Reeling, Konappalli, Chikkaballapur.  
  x) Printing Cluster, Betageri, Gadag.  
  xi) Printing Cluster, Manipal, Udupi.  
  xii) Puffed Rice, Holalkere Road Chitradurga, Chitradurga.  
  xiii) Readymade Garment Cluster, Ramdurg, Belguam.  
  xiv) Wooden Furniture Cluster, Betageri, Gadag.  
  xv) Electronic Products Cluster, Devanahalli, Bangalore Rural  
  xvi) Auto & Engineering Components Cluster, Kadur, Chikkamagalare |          |
<table>
<thead>
<tr>
<th>Agenda No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>xvii)</td>
<td>Wooden furniture, Srinivasanagar, Chikkamangalore</td>
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<tr>
<td>35.9</td>
<td>Proposal for in-principle approval to set up CFC in Raisin Processing Industries Cluster, Bijapur.</td>
</tr>
<tr>
<td>35.10</td>
<td>Proposal for in-principle approval to set up CFC in Electronics City Industries Cluster, Bangalore.</td>
</tr>
<tr>
<td>35.11</td>
<td>Extension of time limit for submission of DPR for final approval for Textile Cluster, Rabakavi- Banahatti, Bagalkot.</td>
</tr>
<tr>
<td>35.12</td>
<td>Soft intervention in Silk Handloom Cluster, Y.N. Hosakote, Tumkur.</td>
</tr>
<tr>
<td>Kerala</td>
<td></td>
</tr>
<tr>
<td>35.13</td>
<td>Extension of duration for setting up of CFC in Ethnic Food Cluster, Pala, Kottayam, Kerala.</td>
</tr>
<tr>
<td>35.14</td>
<td>Extensions of duration of Project in respect of setting up of CFC in General Engineering Cluster, Malappuram (Manjeri) –Kerala</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Terry Towel Cluster, Solapur, Maharashtra</td>
</tr>
<tr>
<td>35.16</td>
<td>Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Turmeric Cluster, Sangli, Maharashtra</td>
</tr>
<tr>
<td>35.17</td>
<td>Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Textile Cluster, Navapur, Nandubar, Maharashtra</td>
</tr>
<tr>
<td>35.18</td>
<td>Proposal for final approval of New Infrastructure Development, Mahasainik Industrial Estate, Pimpri, Pune, Maharashtra</td>
</tr>
<tr>
<td>35.19</td>
<td>Soft interventions in Kokum Processing Cluster, Kundal, Maharashtra</td>
</tr>
<tr>
<td>35.20</td>
<td>Soft interventions in Gold Jewellery Cluster, Jalgaon, Maharashtra</td>
</tr>
<tr>
<td>35.21</td>
<td>Soft interventions in General Engineering Cluster, Jalgaon, Maharashtra</td>
</tr>
<tr>
<td>35.22</td>
<td>Soft interventions in Tiny General Engineering and Allied Cluster, Aurangabad, Maharashtra</td>
</tr>
<tr>
<td>Tamilnadu</td>
<td></td>
</tr>
<tr>
<td>35.23</td>
<td>Proposal for final approval of setting up of CFC in Refractory Cluster, Vridhachalam, Tamilnadu</td>
</tr>
<tr>
<td>35.24</td>
<td>Proposal for final approval of setting up of CFC in Gold Jewellery Cluster, Madurai, Tamilnadu</td>
</tr>
<tr>
<td>35.25</td>
<td>Proposal for final approval of setting up of CFC in Readymade Garment Cluster, Dhalviapuram, Tamilnadu</td>
</tr>
<tr>
<td>35.26</td>
<td>Proposal for final approval of setting up of CFC in Safety Match Cluster, O. Mettupatti, Sattur, Tamilnadu</td>
</tr>
<tr>
<td>35.27</td>
<td>Proposal for final approval of setting up of CFC in Powerloom Cluster, Salem, Tamilnadu</td>
</tr>
<tr>
<td>35.28</td>
<td>Proposal for final approval of setting up of CFC in Engineering Cluster, Paramakudi, Tamilnadu</td>
</tr>
<tr>
<td>35.29</td>
<td>Proposal for final approval of setting up of CFC in Gate and Grill Cluster, Thirumullaivoil, Tamilnadu</td>
</tr>
<tr>
<td>35.30</td>
<td>Proposal for in-principle approval for setting up of Common Facility Centre of Coir and Coir Products, Erode, Tamilnadu</td>
</tr>
<tr>
<td>35.31</td>
<td>Approval for preparation of Detailed Project Report (DPR) for CFC in Printing Cluster, Salem, Tamilnadu.</td>
</tr>
<tr>
<td>35.32</td>
<td>Proposal for time extension project for setting up of Common Facility Centre (CFC) in Rice Mill Cluster, Keelapavoor, Tamilnadu.</td>
</tr>
<tr>
<td>35.33</td>
<td>Proposal for time extension project for setting up of Common Facility Centre (CFC) in Printing Cluster, Sivakasi, Tamilnadu.</td>
</tr>
<tr>
<td>35.34</td>
<td>Soft Interventions of Loom Cluster, Salem, Tamilnadu.</td>
</tr>
<tr>
<td>Agenda</td>
<td>Description</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
</tr>
</tbody>
</table>
| 35.35  | Condone the delay in setting up of ID Centres  
  i) Village Ammanur, Vellore District, Tamilnadu.  
  ii) Village Asanur, Distt. Villupuram, Tamilnadu.  
  iii) Village Elambalur, Distt. Perambalur, Tamilnadu | |
| 35.36  | Extension of time limit for 05 ID projects:  
  i) Setting up of Industrial Estate at Karaikudi, Sivaganga District.  
  ii) Up-gradation of existing ID centre at village Alathur, Kancheepuram.  
  iii) Up-gradation of existing industrial estate at Athur, Karur district, Tamilnadu  
  iv) Setting up of new industrial estate at Mathur, Pudukkottai district, Tamilnadu.  
  v) Setting up of new industrial estate at Virudhunagar (Urban), Virudhunagar district | |

*****
Agenda No. 35.1 (i): Proposal for preparation of DRP to set up ID centre at Peddapuram, East Godavari, Andhra Pradesh.

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation Limited, Vide Online Ref. No: 1233 / Dated : 10/03/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Andhra Pradesh Industrial Infrastructure Corporation Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District</td>
<td>East Godavari</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Peddapuram-Traditional Food Park</td>
</tr>
</tbody>
</table>

**Basic Information about Proposal:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>No</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre)</td>
<td>36.044 Acres</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>36.044 Acres</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>118 Plots ranging from 300 sqm to 500 sqm</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>2 years</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc. :</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**Details about Proposal:**

<table>
<thead>
<tr>
<th>Implementing Agency (IA)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIIC</td>
<td>An undertaking of Govt. of Andhra Pradesh.</td>
</tr>
</tbody>
</table>

**Track Record of the IA**

The Corporation has so far developed more than 300 Industrial parks spreading over an extent of about 1,21,655 acres(including allotted area).

**Appraisal by SIDBI**

The present Application is only for obtaining In principle --
<table>
<thead>
<tr>
<th>Description</th>
<th>Comments By Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>recommendations). Attach SIDBI report.</td>
<td>Approval from DC-MSME for preparation of DPR</td>
</tr>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>The project site is near to Samalkota Railway Station and SH-40. The required internal infrastructure facilities will be developed in due course of time</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with):</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>Yes</td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>Standard Scheduled of Rates</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>Establishment of 118 Traditional Food manufacturing Units with all required Infrastructure Facilities that provides direct employment opportunities to about 1000 persons and indirect employment generation by about 5000 persons at different levels in the district</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>East Godavari district is well known for Traditional Foods. Currently, the units are scattered and mostly home based wherein there is a limitation of support infrastructure facilities that optimizes the productivity as well as quality of products. A more planned and systematic growth of the cluster could therefore be sought only by</td>
</tr>
</tbody>
</table>
relocating existing units in the sector/segment in the Kakinada & Rajahmundry Region to a dedicated Industrial Park and offering customized infrastructure facilities. The development of the Traditional Food Cluster would thus confer distinct locational advantages and enhance the collective competitiveness of cluster firms in domestic as well export led markets.

### Project Cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Comments By Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>relocating existing units in the sector/segment in the Kakinada &amp; Rajahmundry Region to a dedicated Industrial Park and offering customized infrastructure facilities. The development of the Traditional Food Cluster would thus confer distinct locational advantages and enhance the collective competitiveness of cluster firms in domestic as well export led markets.</td>
<td></td>
</tr>
</tbody>
</table>

**Project Cost:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>17.58</td>
</tr>
<tr>
<td>Laying roads</td>
<td>377.28</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>0.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>62.80</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>8.39</td>
</tr>
<tr>
<td>Drainage</td>
<td>127.08</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>184.80</td>
</tr>
<tr>
<td>Road side greenery</td>
<td>0.00</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>10.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>15.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>10.00</td>
</tr>
<tr>
<td>Raw material storage facility, Marketing outlets</td>
<td>10.00</td>
</tr>
<tr>
<td>First aid centre, Creche Canteen</td>
<td>10.00</td>
</tr>
<tr>
<td>Effluent Treatment Facilities</td>
<td>0.00</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>71.38</td>
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<tr>
<td>Other (Sewerage System):</td>
<td>50.35</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>1026.22</strong></td>
</tr>
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</table>
Means of finance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>800.00</td>
</tr>
<tr>
<td>State Government</td>
<td>226.22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1026.22</strong></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for preparation of DPR to set up ID centre at Peddapuram, East Godavari, Andhra Pradesh.
Agenda No. 35.1 (ii): Proposal for preparation of DPR to set up new industrial estate at Mangalagiri, Guntur district, Andhra Pradesh.

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation Limited, Vide Online Ref. No:- 1234 / Dated : 10/03/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>Andhra Pradesh Industrial Infrastructure Corporation Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Andhra pradesh</td>
</tr>
<tr>
<td>District :</td>
<td>Guntur</td>
</tr>
<tr>
<td>Industrial Estate :</td>
<td>Mangalagiri- Industrial Park</td>
</tr>
</tbody>
</table>

Basic Information about Proposal:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>No</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre):</td>
<td>51. 83 Acres</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>51. 83 Acres</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>174 Plots ranging from 66 sq.m to1.5 Acres</td>
</tr>
<tr>
<td>Implementing Period :</td>
<td>2 Years</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc. :</td>
<td>Nil</td>
</tr>
</tbody>
</table>

Details about Proposal:

<table>
<thead>
<tr>
<th>Description</th>
<th>Comments By Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency (IA):</td>
<td>APIIC</td>
</tr>
<tr>
<td>Track Record of the IA</td>
<td>The Corporation has so far developed more than 300 Industrial parks spreading over an extent of about 1,21,655 acres(including allotted area).</td>
</tr>
<tr>
<td>Description</td>
<td>Comments By Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Appraisal by SIDBI (Observations and recommendations). Attach SIDBI report.</td>
<td>is under implementation.</td>
</tr>
<tr>
<td>The present Application is only for obtaining In principle Approval from DC-MSME for preparation of DPR</td>
<td>--</td>
</tr>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>The project site is near to Mangalagiri &amp; Vijayawada Railway Stations. The required internal infrastructure facilities will be developed in due course of time</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with)</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost</td>
<td>Yes</td>
</tr>
<tr>
<td>Basis of elements of project Cost</td>
<td>Standard Scheduled of Rates</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>Establishment of 174 General Engineering Units with all required Infrastructure Facilities and Amenities that provides direct employment opportunities to about 2000 persons and indirect employment generation by about 5000 persons</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>A more planned and systematic growth of the cluster could therefore be sought only by relocating the existing general engineering units that are located scattered around Mangalagiri into a dedicated</td>
</tr>
</tbody>
</table>
The Industrial Park and offering customized infrastructure facilities. The development of the General Engineering Cluster would thus confer distinct locational advantages and enhance the collective competitiveness of cluster firms in domestic markets.

**Project Cost:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>88.75</td>
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<tr>
<td>Laying roads</td>
<td>834.77</td>
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<tr>
<td>Road side greenery &amp; social forestry</td>
<td>0.00</td>
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<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>87.62</td>
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<tr>
<td>Water harvesting</td>
<td>0.00</td>
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<tr>
<td>Drainage</td>
<td>332.62</td>
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<td>Power distribution, Street light arrangements, etc.</td>
<td>417.28</td>
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<tr>
<td>Road side greenery</td>
<td>16.29</td>
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<tr>
<td>Administrative and Other Services Complex</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>10.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>30.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>10.00</td>
</tr>
<tr>
<td>Raw material storage facility,Marketing outlets</td>
<td>20.00</td>
</tr>
<tr>
<td>First aid centre,Creche Canteen</td>
<td>20.00</td>
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<tr>
<td>Effluent Treatment Facilities</td>
<td>80.00</td>
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<td>Contingencies &amp; Pre operative expenses :</td>
<td>160.82</td>
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<tr>
<td>Other (Sewerage System):</td>
<td>98.39</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>2537.52</strong></td>
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Means of finance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>800.00</td>
</tr>
<tr>
<td>State Government</td>
<td>1737.52</td>
</tr>
<tr>
<td>Others</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2537.52</strong></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for preparation of DPR to set up new industrial estate at Mangalagiri, Guntur district, Andhra Pradesh.
Agenda No. 35.1 (iii): Proposal for preparation of DPR to up-grade infrastructure facilities at Palakollu, West Godavari, Andhra Pradesh.

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation Limited, Vide Online Ref. No: - 1251 / Dated : 25/03/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Andhra Pradesh Industrial Infrastructure Corporation Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State:</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District:</td>
<td>West Godavari</td>
</tr>
<tr>
<td>Industrial Estate:</td>
<td>Palkollu Coir Industrial park Upgradation</td>
</tr>
</tbody>
</table>

**Basic Information about Proposal:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>No</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre):</td>
<td>12.24 Acres</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>12.24 Acres</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed:</td>
<td>28 Plots</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>2 Years</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc. :</td>
<td>NIL</td>
</tr>
</tbody>
</table>

**Details about Proposal:**

<table>
<thead>
<tr>
<th>Implementing Agency (IA):</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIIC An undertaking of Govt. of Andhra Pradesh</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Track Record of the IA</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Corporation has so far developed more than 300 Industrial parks spreading over an extent of about 1,21,655 acres(including allotted area).</td>
<td>AP Industrial Infrastructure Corporation Ltd. (APIIC)/ Under the scheme two projects approved in the Kurnool and Nellore Districts of Andhra Pradesh in which 273 units to be established. However, only 17 units are in production in these centres. Further, 01 project i.e. JRD Industrial Estate, Kanuru, Vijayawada, Krishna District is under implementation.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Appraisal by SIDBI (Observations and recommendations). Attach SIDBI report.</th>
<th>The present Application is only for obtaining In principle Approval from DC-MSME for preparation of DPR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether sufficient facilities</td>
<td>The project site is near to</td>
</tr>
</tbody>
</table>

--
<table>
<thead>
<tr>
<th>Description</th>
<th>Comments By Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>Pallakollu Railway Station. The required upgradation of internal infrastructure facilities will be carried out in due course of time to meet the growing needs of the Industry.</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes (Layout Approved by Competent Authority)</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with:</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>Yes</td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>Standard Scheduled of Rates</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>Enhanced productivity by the total 28 Coir Units due to upgradation of Infrastructure Facilities and common Amenities Employment generation by two folds that enhances the economic prosperity of the area/region.</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>A more planned and systematic growth of the cluster could therefore be sought only by relocating the cluster firms around Palkollu to the dedicated Industrial Park and offering customized infrastructure facilities to suit the Industry requirement. The upgradation of Infrastructure Facilities in the existing Coir Cluster would thus confer distinct locational</td>
</tr>
</tbody>
</table>
advantages and enhance the collective competitiveness of cluster firms in domestic and export markets.

<table>
<thead>
<tr>
<th>Description</th>
<th>Comments By Cluster Division</th>
</tr>
</thead>
</table>

**Project Cost:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>63.95</td>
</tr>
<tr>
<td>Laying roads</td>
<td>267.57</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>0.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>68.37</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>14.70</td>
</tr>
<tr>
<td>Drainage</td>
<td>159.79</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>46.95</td>
</tr>
<tr>
<td>Road side greenery</td>
<td>2.48</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>10.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>5.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>5.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>5.00</td>
</tr>
<tr>
<td>Raw material storage facility,Marketing outlets</td>
<td>10.00</td>
</tr>
<tr>
<td>First aid centre,Crèche Canteen</td>
<td>3.00</td>
</tr>
<tr>
<td>Effluent Treatment Facilities</td>
<td>0.00</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>52.66</td>
</tr>
<tr>
<td>Other (Sewerage collection system &amp; STP):</td>
<td>36.41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>750.88</strong></td>
</tr>
</tbody>
</table>

**Means of finance:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>750.88</td>
</tr>
<tr>
<td>State Government</td>
<td>0.00</td>
</tr>
<tr>
<td>Others</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>750.88</strong></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for preparation of DPR to up-grade infrastructure facilities at Palakollu, West Godavari, Andhra Pradesh.
**Agenda No. 35.1 (iv): Proposal for preparation of DPR to up-grade infrastructure facilities at Palasa, Srikakulam, Andhra Pradesh.**

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation Limited, Vide Online Ref. No:- 1250 / Dated : 25/03/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Andhra Pradesh Industrial Infrastructure Corporation Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District</td>
<td>Srikakulam</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Palasa Cashew Processing Industrial park Upgradation</td>
</tr>
</tbody>
</table>

**Basic Information about Proposal:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan:</td>
<td>No</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre):</td>
<td>31.61 Acres</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>31.61 Acres</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed :</td>
<td>107 Plots</td>
</tr>
<tr>
<td>Implementing Period :</td>
<td>2 Years</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc. :</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**Details about Proposal:**

<table>
<thead>
<tr>
<th>Implementing Agency (IA):</th>
<th>Description</th>
<th>Comments By Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIIC</td>
<td>The Corporation has so far developed more than 300 Industrial parks spreading over an extent of about 1,21,655 acres (including allotted area).</td>
<td>An undertaking of Govt. of Andhra Pradesh</td>
</tr>
<tr>
<td>Track Record of the IA</td>
<td>AP Industrial Infrastructure Corporation Ltd. (APIIC)/ Under the scheme two projects approved in the Kurnool and Nellore Districts of Andhra Pradesh in which 273 units to be established. However, only 17 units are in production in these centres. Further, 01 project i.e. JRD Industrial Estate, Kanuru, Vijayawada, Krishna District is under implementation.</td>
<td></td>
</tr>
<tr>
<td>Appraisal by SIDBI (Observations and recommendations). Attach SIDBI report.</td>
<td>The present Application is only for obtaining In principle Approval from DC-MSME for preparation of DPR</td>
<td>--</td>
</tr>
<tr>
<td>Whether sufficient</td>
<td>The project site is near to Palasa</td>
<td>--</td>
</tr>
<tr>
<td>Description</td>
<td>Comments By Cluster Division</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>------------------------------</td>
<td></td>
</tr>
<tr>
<td>facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>Railway Station and NH-5. The required upgradation of internal infrastructure facilities will be carried out in due course of time to meet the growing needs of the Industry.</td>
<td></td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes (Layout Approved by Competent Authority )</td>
<td></td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with:</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted :</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>Standard Scheduled of Rates</td>
<td></td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>Enhanced productivity by the total 107 cashew Processing Units due to upgradation of Infrastructure Facilities and common Amenities Employment generation by two folds that enhances the economic prosperity of the area/region.</td>
<td></td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>A more planned and systematic growth of the cluster could therefore be sought only by relocating the cluster firms around Palasa to the dedicated Industrial Park and offering customized infrastructure facilities to suit the Industry requirement. The upgradation of Infrastructure Facilities in the existing cashew Processing Units Cluster would thus confer distinct locational advantages and enhance the collective competitiveness of</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Comments By Cluster Division</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>------------------------------</td>
<td></td>
</tr>
<tr>
<td>cluster firms in domestic as well as export markets.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Project Cost:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>83.10</td>
</tr>
<tr>
<td>Laying roads</td>
<td>72.96</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>0.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>55.80</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>16.10</td>
</tr>
<tr>
<td>Drainage</td>
<td>175.10</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>98.54</td>
</tr>
<tr>
<td>Road side greenery</td>
<td>4.92</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>5.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>10.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>10.00</td>
</tr>
<tr>
<td>Raw material storage facility,Marketing outlets</td>
<td>20.00</td>
</tr>
<tr>
<td>First aid centre,Creche Canteen</td>
<td>5.00</td>
</tr>
<tr>
<td>Effluent Treatment Facilities</td>
<td>35.27</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>44.79</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>656.58</strong></td>
</tr>
</tbody>
</table>

**Means of finance:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>656.58</td>
</tr>
<tr>
<td>State Government</td>
<td>0.00</td>
</tr>
<tr>
<td>Others</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>656.58</strong></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for preparation of DPR to up-grade infrastructure facilities at Palasa, Srikakulam, Andhra Pradesh.
Agenda No. 35.1 (v): Proposal for preparation of DPR to up-grade infrastructure facilities at Machilipatnam, Krishna District, Andhra Pradesh.

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation Limited, Vide Online Ref. No:- 1239 / Dated : 10/03/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Andhra pradesh industrial infrastructure corporation limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra pradesh</td>
</tr>
<tr>
<td>District</td>
<td>Krishna</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Machilipatnam Imitation Jewellery Park</td>
</tr>
</tbody>
</table>

**Basic Information about Proposal:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>No</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre)</td>
<td>43.00 Acres</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>43.00 Acres</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>504 Plots ranging from 216 sq.m to 960 sq.m</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>2 Years</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc.</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**Details about Proposal:**

<table>
<thead>
<tr>
<th>Implementing Agency (IA):</th>
<th>Description</th>
<th>Comments By Cluster Div</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIIC</td>
<td>An undertaking of Govt. of Andhra Pradesh.</td>
<td></td>
</tr>
</tbody>
</table>

**Track Record of the IA**

The Corporation has so far developed more than 300 Industrial parks spreading over an extent of about 1,21,655 acres(including allotted area).

AP Industrial Infrastructure Corporation Ltd. (APIIC)/ Under the scheme two projects approved in the Kurnool and Nellore Districts of Andhra Pradesh in which 273 units to be established. However, only 17 units are in production in these centres. Further, 01 project i.e. JRD Industrial Estate, Kanuru, Vijayawada, Krishna District is under implementation.

**Appraisal by SIDBI (Observations and recommendations). Attach**

The present Application is only for obtaining In principle Approval from DC-MSME for --
<table>
<thead>
<tr>
<th>SIDBI report.</th>
<th>preparation of DPR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>The project site is near to Chilakalapudi and Machilipatnam Railway Station and NH-214. The required upgradation of internal infrastructure facilities will be developed in due course of time to meet the growing needs of the Industry.</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes (This is an Existing Industrial Park)</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with):</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>Yes</td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>Standard Scheduled of Rates</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>Enhanced productivity by the total 504 Imitation Jewellery Units due to upgradation of Infrastructure Facilities and common Amenities Employment generation by two folds that enhances the economic prosperity of the area/region.</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>A more planned and systematic growth of the cluster could therefore be sought only by relocating the cluster firms around Machilipatnam to a dedicated Industrial Park and offering customized infrastructure facilities. The development of the existing Jewellery Cluster would thus confer distinct locational</td>
</tr>
</tbody>
</table>
advantages and enhance the collective competitiveness of cluster firms in domestic markets.

Project Cost:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA (In Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>72.00</td>
</tr>
<tr>
<td>Laying roads</td>
<td>490.55</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>0.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>53.00</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>0.00</td>
</tr>
<tr>
<td>Drainage</td>
<td>264.84</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>186.54</td>
</tr>
<tr>
<td>Road side greenery</td>
<td>10.00</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>20.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>50.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>10.00</td>
</tr>
<tr>
<td>Raw material storage facility,Marketing outlets</td>
<td>30.00</td>
</tr>
<tr>
<td>First aid centre,Creche Canteen</td>
<td>20.00</td>
</tr>
<tr>
<td>Effluent Treatment Facilities</td>
<td>130.00</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>109.93</td>
</tr>
<tr>
<td>Other (Sewerage collection system &amp; Septic tanks):</td>
<td>62.17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1529.03</strong></td>
</tr>
</tbody>
</table>

Means of finance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>743.54</td>
</tr>
<tr>
<td>State Government</td>
<td>785.49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1529.03</strong></td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Committee may consider the proposal for preparation of DPR to up-grade infrastructure facilities at Machilipatnam, Krishna District, Andhra Pradesh.
Agenda No. 35.2: Proposal for setting up Common Facility Centres of Gold Jewellery Cluster, Vijayawada, Krishna, Andhra Pradesh.

Proposal was received from Sri Vishwakarma Goldsmiths Private Limited, Vide Online Ref. No:- 1421 / Dated : 21/05/2013 & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Sri Vishwakarma Goldsmiths Private Limited with the help of Foundation for MSME Clusters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Commissioner of Industries, Government of AP and MSME-DI, Hyderabad</td>
</tr>
<tr>
<td>When Started</td>
<td>18/01/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>13/04/2011</td>
</tr>
</tbody>
</table>

1. **Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Gold Jewellery Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Vijayawada</td>
</tr>
<tr>
<td>Main Product</td>
<td>Gold Ornaments like Bangles, Necklace, Bracelets etc.</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium) :</td>
<td>All the 6250 Micro units in the cluster</td>
</tr>
<tr>
<td></td>
<td>The letter no. 4551/D/2012 dated 04.10.2012 is already attached in the DPR stating that Vijayawada is one of major centre for gold jewellery in the State of A.P. with more than 6,000 units. More than 90% of these units are having a fixed investment range of 2 to 10 lakh which is inclusive of machinery, equipment, tools and thus fall under micro enterprises category as per MSME act.</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years:</td>
<td>1st Year : 2007-2008 Amount : 118</td>
</tr>
<tr>
<td></td>
<td>2nd Year : 2008-2009 Amount : 131</td>
</tr>
<tr>
<td></td>
<td>3rd Year : 2009-2010 Amount : 146</td>
</tr>
<tr>
<td></td>
<td>4th Year : 2010-2011 Amount : 162</td>
</tr>
<tr>
<td></td>
<td>5th Year : 2011-2012 Amount : 180</td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years :</td>
<td>Nil</td>
</tr>
<tr>
<td>Employment in Cluster</td>
<td>24000</td>
</tr>
<tr>
<td>Technology Details :</td>
<td>Casting, Electroplating, enameling, assembling, polishing process</td>
</tr>
<tr>
<td>Whether DS Conducted :</td>
<td>Yes, the validated done by MSME-DI, Hyderabad, DIC, Krishna and cluster actors in the Validation workshop of the DSR held on 13.04.11 at Vijayawada.</td>
</tr>
<tr>
<td>Main findings of DSR :</td>
<td>The Vijayawada Industries plays the most dominant part in the economy of the city. In fact the Vijayawada Industries contribute much to the industrial scenario of the state of Andhra Pradesh. There are more than 6000 firms which are related to jewelry industry in the cluster. Refinery Units, Wire &amp; Sheet Units, Micro Manufacturing</td>
</tr>
</tbody>
</table>
units, Embossing & Dye units, Engraving Units, fitting & cutting units, Design & Drilling, Moulding & Casting Units, Polishing units constitutes local value chain. With an estimated annual turnover of 180 crores and providing direct and indirect employment to 24000 workers, Vijayawada Gold Jewelry Cluster is undoubtedly one of the major jewelry making regions in the country. However its unorganized nature, poor growth of micro firms due to lack of infrastructure facilities, limited skill sets of workers in making of high-end jewelry, invasion of major retail chains are adversely effecting the growth of local jewelry making industry.

Main Problems of Cluster:
The micro enterprises and craftsman of the cluster are lacking basic infrastructure facilities and proper equipment in the cluster and are depending on part manufacturing firms for making of various types of gold ornaments. This is having adverse impact on economics of scale. Hence there is a need for establishment of Common Processing plant in the cluster. As BIS has made it mandatory for Jewelry Industry to follow hall mark norms and maintain the specified purity, majority of the micro and artisan firms are finding it tough to know purity of the ornament they make. The existing hallmark centre is run by a private company and is charging exorbitant prices due to monopoly and is unable to meet the growing demand. Majority of cluster firms are finding it hard to establish a Design Development Section on their own and are not in a position to hire the services of a professional designer. This is resulting in limited market penetration beyond cluster area.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>1. Common Production cum Demonstration Plant: More than 2000 craftsman are lacking basic infrastructure facilities and proper equipment in the cluster and are depending on part manufacturing firms for making of various types of gold ornaments. This is mainly because of their unplanned growth and dearth of affordable and cost effective technology. Their large number and diverse trade have further aggravated the problem. Under these constraints, setting up of an individual manufacturing Plant is no longer feasible. Moreover even the part manufacturing firms with their obsolete machinery and manufacturing process are unable to meet Hallmark standards there by incurring heavy losses and limited market penetration. Hence the desirable option is of shared or combined production plant where in managerial and...</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>operational aspects are collectively addressed and the cost of manufacturing becomes affordable. Such common facilities also facilitate proper management of quality standards. The proposed plant will cater to the needs of 200 such craftsmen who are in need of production facilities in Governorpet, a major area of concentration and serve as a model plant for other areas of concentration to emulate in future. 2. Common Testing cum Hall Mark Centre. As BIS has made it mandatory for Jewelry Industry to follow hall mark norms and maintain the specified purity, majority of the cluster firms are finding it tough to know what the purity of the ornament they made. Moreover there is only one private firm viz. M/s Pavan Hall Mark Centre which is dealing with laser hall marking which is charging exorbitant prices in the cluster. This is resulting in higher rejection rates and dent in profit margins. Thus there is definite need to establish a common testing cum 3D laser Hall Mark Facility which will cater to the need of all cluster firms. 3. Common Design Development Centre In the cluster only 20 composite firms are having their own design development facilities, whereas other firms are depending on skilled workers for manual design development without any formal training. These cluster firms are finding it hard to establish a Design Development Section on their own and are not in a position to hire the services of a professional designer. This is resulting in limited market penetration beyond cluster area there by effecting economics of scale. The cluster firms are not in a position to compete with those of West Bengal, Rajasthan and Kerala nor can they export their jewelry made of obsolete designs. Establishment of a common design development centre will ensure cluster firms to choose proper designs from design bank at affordable prices besides sending their workers to be trained in latest trends in designs and patterns.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>through CAD and other related software. The establishment of a design bank not only increases the market share but also increase employee wages in the cluster.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Door No: 27-14-56A, Jhansi Nilayam, Rajagopalachari Street, Governorpet, Vijayawada - 520002</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Leased Premises</td>
<td>As per SIDBI appraisal, the CFC is proposed to be set up in leased premises taken from I. Jhansi Rani with lease period of 14 years from 01.05.2011 to 30.04.2025 initially. Now, the extension of lease agreement by one year i.e. 01.05.2011 to 30.04.2026 (15 years) has been done.</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>Not Applicable, Leased Premises</td>
<td></td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes for present and future requirements</td>
<td></td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>A commercial complex approved by local municipality</td>
<td></td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>15 years lease (registered)</td>
<td></td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Yes</td>
<td>--</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>2016</td>
<td>--</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>NA</td>
<td>--</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>• Common processing cum demonstration centre • Testing cum hall marking facility • Design development cum training facility</td>
<td>--</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>9600 job works in processing, 1800 designs, training programme for 100 persons, 40800 hall markings, 15000 quality tests, 36000 nos. of gold and silver coin making, and 48000 nos. of packing</td>
<td>--</td>
</tr>
</tbody>
</table>
(h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>An estimated 300 artisans who do not have units of their own will benefit from the proposed Common Processing cum Demonstration Plant which results reduction in production costs by 20 to 30%, increase in profitability by 7 to 12%. 2. The Common Design Development Centre is expected to be utilised by 300 designers whose wage component will be increased by 30% and also encourage free lance designing in the cluster. Around 500 cluster firms will purchase designs at subsidised rate which results in production of new patterns and models to penetrate high end markets. 3. The Common Testing cum Hall Mark Facility is expected to be utilised by 1000 firms there by improving the quality of ornaments produced and reducing rejection rates. The hall marking will enable part manufacturing firms to go for direct marketing. 4. Export marketing will be initiated by atleast 20 composite manufacturing firms with the development of new designs as per the international market trends. 5. Increased productivity and sales will have direct impact on employment which is expected to increase by 20% in the cluster. 6. Domestic Turnover will increase by 25%, reaching an export turnover of Rs. 5 crores, increase in profitability by 5%, employment by 20%.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(i.) Pollution clearance required or not

Not required, but obtained Clearance for Establishment for CFC. As the CFC comes under non-polluted category, the State Pollution Control Board has empowered to concerned DIC to issue NOC vide GO MS No. 63.

(j.) Man Power in CFC

A total of 22 skilled and 4 administrative personnel are required for smooth running of the CFC

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

1. The user charges for processing centre are considered Rs.1000 per job work. The average sale price of each design is considered at Rs. 1200 for members and Rs. 1300 for non members. Rs. 10000 is considered as training fees in CAD per
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>candidate. The user charge for each hall marking is Rs. 50 for member and Rs. 60 for non-member. 2. Rs. 75 will be charged for each quality test from members and Rs. 90 from non-members in common testing facility. For each gold coin making the user charge will be Rs. 30 for members and Rs. 20 for non-members. Likewise for Silver coins the charges will be Rs. 20 &amp; 30. 3. Finally for packing the members will give Rs. 5 per pack and non members Rs. 10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Sri Vishwakarma Goldsmiths Private Limited, Door No: 27-14-56A, Jhansi Nilayam, Rajagopalachari Street, Governorpet, Vijayawada, Krishna District, Andhra Pradesh 520002</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited Company under the Companies Act 1956</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>A provision already made in this regard in amended AOA, the names will be given after the approval of the proposal by steering committee</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>25.07.2011</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>32</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Yes</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>27,20,000</td>
</tr>
<tr>
<td>(h.) Paid up capital as on..........</td>
<td>8,70,000</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>At present 32 gold smiths/ artisans of SPV are the members with each members having equal or less than 10% shareholding</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>SPV already given commitment for contribution.</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>SPV specific account opened in Bank of India, Vijayawada Branch bearing A/c No: 860520110000150</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to to be highlighted with support documentation</td>
<td>All the SPV members belongs to Cooperative Society viz. M/s Sri Vishwakarma Gold Ornaments Manufacturers Industrial cooperative Society Limited. The society was established in the year 2006, under societies act with the main objective of establishing Common facilities and promoting common sales for</td>
</tr>
</tbody>
</table>
part manufacturing firms. So far the society has undertaken following cooperative initiatives: 1. Formed a marketing consortia with 50 of its members and established a common sales outlet called Swarna Bazar in the year 2009. The total project cost is Rs. 50 lakhs out of which Bank of India has given a working capital loan to the tune of Rs. 30.00 lakhs. The annual turnover of the outlet for the year 2010-11 has touched 1 crore mark and established reasonable brand name in the local market. 2. The society with the help of a cluster expert has conducted a diagnostic survey in the cluster to highlight the issues plaguing the cluster. The DSR was submitted to DC-MSME along with application for in-principle approval for hard interventions. 3. The society has organized an awareness work shop on 13.04.11 about the importance of hard interventions in the cluster with the help of MSME-DI, Hyderabad. 4. The Society is also contemplating to form an entrepreneur club by the end of the July 2011 under the aegis of MSME-DI, Hyderabad. 5. An interface with technical expert was organized on 28th and 29.09.11 where Mr. Ramakrishna, Director, BIS, who explained about quality norms and guidelines for establishment of Hallmark centre. 6. The Society members regularly participate in all India industrial exhibition organised annually at Vijayawada and UBM, Chennai through establishment of their own stalls. 7. Facilitated Collateral free lending to the tune of Rs. 30 lacs for 50 firms through bank of India as working capital loan for purchase of Gold. Applications for 100 more firms are under process. 8. Organised awareness programme for public on hallmarking at All India Industrial exhibition supported by District Industries Centre

(m.) Technical Institution

SPV will abide by the decision of Commissioner of Industries and MSME-DI, Hyderabad decision on finalisation and appointment of a suitable Technical Institution

(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.

SPV has already given commitment letter.

(o.)

<table>
<thead>
<tr>
<th>(a) Power requirement for commercial/domestic purpose</th>
<th>22 HP</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Water</td>
<td>100 liters per day</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>Nil</td>
</tr>
</tbody>
</table>
4. Implement Arrangements

<table>
<thead>
<tr>
<th>Remarks</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(a.) Implementing Agency</strong></td>
<td>Commissioner of Industries will nominate suitable agency in this regard</td>
</tr>
<tr>
<td><strong>(b.) Fund receiving Agency</strong></td>
<td>Commissioner of Industries will nominate suitable agency in this regard</td>
</tr>
<tr>
<td><strong>(c.) Implementation Period</strong></td>
<td>One year</td>
</tr>
<tr>
<td><strong>(d.) Appraisal of DPR and main Recommendations</strong></td>
<td>The present initiative of SPV/State Govt./GoI to establish CFC for the gold ornaments cluster to provide upgraded common facilities to MSEs under MSECDP of GoI, appears to be timely and need based approach. The project is technically feasible and financially viable. The proposed performance indicators and financial position are satisfactory. (as given by SIDBI) SIDBI recommended the proposal for establishment of CFC.</td>
</tr>
<tr>
<td><strong>(e.) Comments of Technical Division</strong></td>
<td>Technical Division has cleared the machinery of Rs. 217.37 lakh. Technical Division has cleared the plant &amp; machinery of Rs. 217.37 lakh.</td>
</tr>
<tr>
<td><strong>(f.) Approval of Technical Committee</strong></td>
<td>Technical Committee recommended the proposal. SPV has given its commitment to bear the expenses of reference material of Rs. 6.00 lakh and when required and they will not seek any GoI grant for the same.</td>
</tr>
<tr>
<td><strong>(g.) Working capital(In-principle sanction of loan from a bank,if applicable arrangement made)</strong></td>
<td>Bank of India already given consent for Working Capital limits.</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Remarks</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(a.) BEP</strong></td>
<td>25.13 (As per SIDBI appraisal-29.46) --</td>
</tr>
<tr>
<td><strong>(b.) IRR, Payback period</strong></td>
<td>19.11(As per SIDBI appraisal-16.99) 16.99</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>30.26 (As per SIDBI appraisal-25.56)</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>Positive, 78.76 lakhs (As per SIDBI appraisal- 100.84)</td>
</tr>
<tr>
<td>(f.) DER</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(g.) Sensitivity Analysis</th>
<th>Case</th>
<th>IRR(%) (Post tax)</th>
<th>NPV (Post tax) (Rs. in lakh)</th>
<th>BEP (%)</th>
<th>ROCE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suggested permissible limits as per the MSE CDP guidelines</td>
<td>10% minimum</td>
<td>Positive</td>
<td>60% maximum</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Base Case</td>
<td>16.99</td>
<td>100.84</td>
<td>29.46</td>
<td>25.56</td>
<td></td>
</tr>
<tr>
<td>10% reduction usage of the facilities of CFC</td>
<td>13.56</td>
<td>49.40</td>
<td>29.46</td>
<td>20.57</td>
<td></td>
</tr>
<tr>
<td>10% decrease in sales and job income</td>
<td>13.05</td>
<td>41.98</td>
<td>35.05</td>
<td>19.50</td>
<td></td>
</tr>
</tbody>
</table>

6. Total Cost: The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>5.58</td>
<td>5.58</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery(including electrification)</td>
<td>223.37</td>
<td>217.37</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>5.86</td>
<td>5.86</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses,maximum 2% of project cost</td>
<td>5.19</td>
<td>5.19</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>11.28</td>
<td>11.28</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>5.40</td>
<td>5.40</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>259.68</strong></td>
<td><strong>250.68</strong></td>
</tr>
</tbody>
</table>
7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>10.18</td>
<td>26.45</td>
<td>34.52</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>89.82</td>
<td>233.23</td>
<td>225.16*</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td>259.68</td>
<td>259.68</td>
</tr>
</tbody>
</table>

*GoI grant will be restricted to 70% of the cost of project of maximum Rs 15.00 crore. GoI grant will be 90% for CFCs in NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units.

8. Plant & Machinery: List of machineries is at [Annexure](#).

9. Proposal for the Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for final to set up the CFC in Gold Jewellery Cluster, Vijayawada, Krishna, Andhra Pradesh at a total cost of Rs. 259.68 lakh with GoI contribution of Rs. 225.16 lakh and SPV contribution of Rs. 34.52 lakh.
## Annexure

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>No.</th>
<th>Power Requirement(HP/KW)</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Kanni Forming Machine</td>
<td>1</td>
<td>2</td>
<td>533055.000</td>
</tr>
<tr>
<td>2.</td>
<td>Diamond Wire Drawing Dies of various sizes</td>
<td>100</td>
<td>0</td>
<td>301783.000</td>
</tr>
<tr>
<td>3.</td>
<td>Faceting &amp; Milling Machine</td>
<td>1</td>
<td>1</td>
<td>1643000.000</td>
</tr>
<tr>
<td>4.</td>
<td>Faceting &amp; Milling Machine for Bangles &amp; Wedding Bands</td>
<td>1</td>
<td>1</td>
<td>1770200.000</td>
</tr>
<tr>
<td>5.</td>
<td>Bangle Design Machine</td>
<td>1</td>
<td>1.5</td>
<td>413400.000</td>
</tr>
<tr>
<td>6.</td>
<td>Wire Sheet &amp; Rolling Mill</td>
<td>1</td>
<td>1</td>
<td>275600.000</td>
</tr>
<tr>
<td>7.</td>
<td>Gold &amp; Silver Dies</td>
<td>36</td>
<td>0</td>
<td>3339000.000</td>
</tr>
<tr>
<td>8.</td>
<td>Fly Press Machine</td>
<td>2</td>
<td>1</td>
<td>74200.000</td>
</tr>
<tr>
<td>9.</td>
<td>Gold Melting Machine</td>
<td>1</td>
<td>2</td>
<td>201400.000</td>
</tr>
<tr>
<td>10.</td>
<td>Gold Refinery Machine</td>
<td>1</td>
<td>2</td>
<td>328600.000</td>
</tr>
<tr>
<td>11.</td>
<td>Hydraulic Coining Press Machine</td>
<td>1</td>
<td>2</td>
<td>1340900.000</td>
</tr>
<tr>
<td>12.</td>
<td>Chain Making Machine</td>
<td>1</td>
<td>2</td>
<td>689000.000</td>
</tr>
<tr>
<td>13.</td>
<td>Laser Welding Machine</td>
<td>1</td>
<td>2</td>
<td>1102400.000</td>
</tr>
<tr>
<td>14.</td>
<td>Fill &amp; Seal Machine</td>
<td>1</td>
<td>0.5</td>
<td>477000.000</td>
</tr>
<tr>
<td>15.</td>
<td>Laser Marking Machine</td>
<td>1</td>
<td>1</td>
<td>1886800.000</td>
</tr>
<tr>
<td>16.</td>
<td>XRF Machine</td>
<td>2</td>
<td>2</td>
<td>4801800.000</td>
</tr>
<tr>
<td>17.</td>
<td>Assay Balance</td>
<td>1</td>
<td>1</td>
<td>694300.000</td>
</tr>
<tr>
<td>18.</td>
<td>Tools&amp; Equipment for sampling</td>
<td>1</td>
<td>0</td>
<td>524700.000</td>
</tr>
<tr>
<td>19.</td>
<td>Furnaces, Scrubber Parting tray</td>
<td>1</td>
<td>0</td>
<td>413400.000</td>
</tr>
<tr>
<td>20.</td>
<td>Safety Equipment</td>
<td>1</td>
<td>0</td>
<td>601020.000</td>
</tr>
<tr>
<td>21.</td>
<td>Personal computers</td>
<td>5</td>
<td>0</td>
<td>185941.000</td>
</tr>
<tr>
<td>22.</td>
<td>Software with training</td>
<td>1</td>
<td>0</td>
<td>67416.000</td>
</tr>
<tr>
<td>23.</td>
<td>Laser Printers</td>
<td>2</td>
<td>0</td>
<td>31875.000</td>
</tr>
<tr>
<td>24.</td>
<td>Cabling</td>
<td>1</td>
<td>0</td>
<td>20200.000</td>
</tr>
<tr>
<td>25.</td>
<td>Accessories</td>
<td>1</td>
<td>0</td>
<td>20200.000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>21737190</td>
</tr>
</tbody>
</table>
Agenda No. 35.3: Proposal for final approval to set up new Industrial Estate at Nizamabad, Andhra Pradesh.

Proposal was received from LIDCAP, Vide Online Ref. No:- 1535 / Dated : 05/07/2013 from LIDCAP () & recommended by MSME-DI, Hyderabad.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>LIDCAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District</td>
<td>Nizamabad</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Armoor Village &amp; Mandal,</td>
</tr>
</tbody>
</table>

**Basic Information about Proposal:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>Yes</td>
<td>As per SIDBI appraisal, approval of layout plan would need to be sought from the competent authority after final approval. A condition to this effect is stipulated.</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre): (P-31 of DPR)</td>
<td>Acres 28.01</td>
<td>--</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>Acres 28.01</td>
<td>--</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>80-100 plots in 14.60 acres average size of plot in the park in the range of around 700 sq. Yards.</td>
<td>--</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>24 months from the date of final approval from GoI.</td>
<td>--</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Performance of ID projects in state.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Details about Proposal:

<table>
<thead>
<tr>
<th>Description</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency (IA):</td>
<td>Leather Industries Development Corporation of Andhra Pradesh Ltd. (LIDCAP)</td>
</tr>
<tr>
<td>Track Record of the IA</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Appraisal by SIDBI (Observations and recommendations). Attach SIDBI report.</td>
<td>Yes, Though the financial position of LIDCAP is not healthy, taking an overall view, particularly in view of the likely benefits accruing to the units in the Mini Leather Park, the proposal is considered to be support worthy.</td>
</tr>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>Yes, It is mentioned in the SIDBI appraisal that Nizamabad railway station is approx. 20 kms. away from the site. Armoor bus stand is 3 kms away from the site. NH(Hyderabad- Nagpur Road) is around 25 kms from the site. Ground water level availability varies from 300 to 350 ft. Armoor is the nearest village and mandal, manpower can be mobilized from here and other nearby areas. 33/11 KV general substation is at a distance of 3 kms from the site. Basis and mobile telephone facilities are available.</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes. Government of A.P has transferred the title in the name of LIDCAP vide G.O.Ms.No:166, Dt. 13-2-2004.</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with):</td>
<td>Yes, Revenue Divisional Officer, Nizamabad vide letter dated 04.02.2013 indicated that the conversion orders are not required to the Govt. land allotted to</td>
</tr>
<tr>
<td>Description</td>
<td>Remarks</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>LIDCAP in Sy. No. 401/59/2, Extent Ac: 28.01 guntas situated at Armoor Village &amp; Mandal.</td>
<td></td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted:</td>
<td>Yes, GoAP vide G.O Ms.No:249, dated:08-12-2009 constituted a State level Steering Committee.</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>The cost in excess of approved project cost/any escalation in the cost shall be met by LIDCAP.</td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>The cost estimates have been made as per Standard Schedule of Rates(SSR) 2012-13 of GoAP.</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>No. of New Units 80-100 Employment - Direct (1000) and indirect (500). Turnover - Average Rs.50-60 lakh per unit.</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>The proposed Mini Lather park will have integrated facilities, viz. industrial plots, exhibition center, testing, training, product sampling facilities, marketing and trading outlet, raw material storage facility and other facilities, such as Creche, canteen, medical center, bank, post office, etc.</td>
</tr>
</tbody>
</table>

**Project Cost:**

(\text{Rs. in lakh})

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
<th>Estimated by SIDBI</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/leveling including boundary wall and fencing:</td>
<td>109.51</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Laying roads</td>
<td>177.24</td>
<td>177.24</td>
<td>177.24</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>14.94</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>112.82</td>
<td>110.00</td>
<td>110.00</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>13.00</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Particulars</td>
<td>Estimated by IA</td>
<td>Estimated by SIDBI</td>
<td>Recommended by O/o DC(MSME)</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>-----------------</td>
<td>--------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Drainage</td>
<td>64.00</td>
<td>60.00</td>
<td>60.00</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>207.85</td>
<td>207.85</td>
<td>207.85</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>20.72</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>20.32</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>30.78</td>
<td>30.00</td>
<td>30.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>22.72</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Raw material storage facility, Marketing outlets</td>
<td>45.43</td>
<td>40.00</td>
<td>40.00</td>
</tr>
<tr>
<td>First aid centre, Creche Canteen</td>
<td>20.77</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Effluent Treatment Facilities</td>
<td>80.31</td>
<td>80.00</td>
<td>80.00</td>
</tr>
<tr>
<td>Other (Solid Waste Management System (Rs.14.14 lakhs)&lt;br /&gt;and Traffic Signages (Rs.21.91 lakhs)&lt;br /&gt;):</td>
<td>36.05</td>
<td>10.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>24.41</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1000.87</strong></td>
<td><strong>935.09</strong></td>
<td><strong>925.09</strong></td>
</tr>
</tbody>
</table>

**Means of finance:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
<th>Proposed By SIDBI as per MSE-CDP</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>800.00</td>
<td>748.07</td>
<td>740.07*</td>
</tr>
<tr>
<td>State Government</td>
<td>200.87</td>
<td>252.80</td>
<td>260.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1000.87</strong></td>
<td><strong>1000.87</strong></td>
<td><strong>1000.87</strong></td>
</tr>
</tbody>
</table>

* As per guidelines, The GoI grant will be restricted to 60% of the cost of project of Rs 10.00 crore. GoI grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.

**Observations:**
Implementing agency (IA) will provide documentary proof (that more than 50% units are belong to SC/ST & Women) to avail 80% GoI grant

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for final approval to set up new Industrial Estate at Nizamabad, Andhra Pradesh at project cost of Rs. 1000.87 lakh with GoI assistance of Rs. 740.07 lakh.
Agenda No.35.4: Proposal for final approval to set up new Industrial Estate at Madikonda Village, Warangal District, Andhra Pradesh.

Proposal was received from Andhra Pradesh Industrial Infrastructure Corporation, Vide Online Ref. No: 1552 / Dated : 13/07/2013 & recommended by MSME-DI, Hyderabad.

Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Andhra Pradesh Industrial Infrastructure Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District</td>
<td>Warangal</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Madikonda</td>
</tr>
</tbody>
</table>

Basic Information about Proposal:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>Yes</td>
<td>As per SIDBI appraisal, layout plan has been approved by Kakatiya Urban Development Authority, Warangal on 20.03.13.</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre)</td>
<td>60 acres</td>
<td>--</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>41 acres</td>
<td>--</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>364 plots with average size of 538 Square yards per plot</td>
<td>--</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>2 years</td>
<td>--</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district: year of sanction, number of plots allotted, units set up, etc.</td>
<td>Not Applicable</td>
<td></td>
</tr>
<tr>
<td>Performance of ID projects in state.</td>
<td>Satisfactory</td>
<td></td>
</tr>
</tbody>
</table>

Details about Proposal:

<table>
<thead>
<tr>
<th>Implementing Agency (IA):</th>
<th>Description</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC)</td>
<td>An undertaking of Govt. of Andhra Pradesh</td>
</tr>
<tr>
<td>Track Record of the IA</td>
<td>The corporation has so far developed more than 300 industrial parks spreading over an extent of about 121655 acres (including allotted area)</td>
<td>Under the scheme, two projects approved in the Kurnool and Nellore Districts of Andhra Pradesh in which 272 units to be established. However, only</td>
</tr>
<tr>
<td>Description</td>
<td>Remarks</td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>Appraisal by SIDBI (Observations and recommendations). Attach SIDBI report.</td>
<td>17 units are in production in these centres.</td>
<td></td>
</tr>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers) (p- 2 of SIDBI appraisal)</td>
<td>Yes appraised (copy of appraisal report will be submitted along with hard copies of online application) As per SIDBI appraisal, the proposal is considered to be support worthy.</td>
<td></td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title (p- 3 of SIDBI appraisal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with) (p- 3 of SIDBI appraisal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted (p- 3 of SIDBI appraisal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved</td>
<td>No, as per SIDBI appraisal, they have agreed during the discussion. Condition stipulated to the effect that the cost in excess of approved project cost/ any escalation in the cost shall be met by APIIC out of its own sources.</td>
<td></td>
</tr>
</tbody>
</table>
**Description**

project cost and any escalation in cost (p- 3 of SIDBI appraisal)

<table>
<thead>
<tr>
<th>Remarks</th>
</tr>
</thead>
</table>

**Basis of elements of project Cost:**

As per the civil estimates prepared and page number 28 of the DPR.

**Tangible Outcomes of the project (P- 38 of DPR)**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>At present</th>
<th>After interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of units</td>
<td>100 (Owned by expatriates)</td>
<td>500 (after 5 years)</td>
</tr>
<tr>
<td>Turnover</td>
<td>Rs. 100 crores</td>
<td>Rs. 300 crores (after 5 years)</td>
</tr>
<tr>
<td>Export</td>
<td>--</td>
<td>Rs. 50 (after 5 years)</td>
</tr>
<tr>
<td>Employment</td>
<td>2000</td>
<td>7000</td>
</tr>
<tr>
<td>Skill Development</td>
<td>--</td>
<td>2000 (after 5 years)</td>
</tr>
<tr>
<td>Profit</td>
<td>5%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Justification of the Proposal**

Warangal is one of the major industrial Hubs in state of Andhra Pradesh with industries ranging from food processing, mineral based and textiles are well spread across the district. Its proximity to Hyderabad and Vijayawada also makes it a focal point for industrial development. The abundant availability of raw material form Hyderabad and presence of migrant skilled workforce from Surat have driven APIIC to establish a Textile Park near Warangal as there is also growing demand for suiting and shirting cloth from textile clusters located at Hyderabad, Guntur, Rayadurg, Pamidi of AP and Bellary, Bangalore of neighboring state Karnataka. This park will act as induced cluster for power looms to manufacture necessary cloth required by Apparel Industry.

**Project Cost:**

(Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated by IA</th>
<th>Estimated by SIDBI</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land filling/levelling including boundary wall and fencing:</td>
<td>101.87</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Particulars</td>
<td>Estimated by IA</td>
<td>Estimated by SIDBI</td>
<td>Recommended by O/o DC(MSME)</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-----------------</td>
<td>--------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Laying roads</td>
<td>323.59</td>
<td>200.00</td>
<td>200.00</td>
</tr>
<tr>
<td>Road side greenery &amp; social forestry</td>
<td>10.19</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Water supply including overhead tanks, and pump houses</td>
<td>112.72</td>
<td>110.00</td>
<td>110.00</td>
</tr>
<tr>
<td>Water harvesting</td>
<td>10.48</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Drainage</td>
<td>60.09</td>
<td>60.00</td>
<td>60.00</td>
</tr>
<tr>
<td>Power distribution, Street light arrangements, etc.</td>
<td>250.14</td>
<td>250.00</td>
<td>250.00</td>
</tr>
<tr>
<td>Sanitary Conveniences</td>
<td>10.41</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Administrative and Other Services Complex</td>
<td>21.52</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Telecom/Cyber/Documentation centre</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Conference Hall/Exhibition centre</td>
<td>30.00</td>
<td>30.00</td>
<td>30.00</td>
</tr>
<tr>
<td>Bank/Post office</td>
<td>20.37</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Raw material storage facility, Marketing outlets</td>
<td>39.61</td>
<td>39.61</td>
<td>39.61</td>
</tr>
<tr>
<td>First aid centre, Creche Canteen</td>
<td>19.89</td>
<td>19.89</td>
<td>19.89</td>
</tr>
<tr>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>30.31</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1061.19</strong></td>
<td><strong>919.50</strong></td>
<td><strong>919.50</strong></td>
</tr>
</tbody>
</table>

Means of finance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Proposed by IA</th>
<th>Proposed By SIDBI as per MSE-CDP</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Grant under MSE-CDP:</td>
<td>743.60</td>
<td>735.60</td>
<td>735.60*</td>
</tr>
<tr>
<td>Contribution from Association</td>
<td>317.59</td>
<td>325.59</td>
<td>325.59</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1061.19</strong></td>
<td><strong>1061.19</strong></td>
<td><strong>1061.19</strong></td>
</tr>
</tbody>
</table>

* As per guidelines, The GoI grant will be restricted to 60% of the cost of project of Rs 10.00 crore. GoI grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.

Observations:
Implementing agency (IA) will provide documentary proof (that more than 50% units are belong to SC/ST & Women) to avail 80% GoI grant.

Proposal for Steering Committee: Cluster Division recommends the proposal. Committee may consider the proposal for final approval to set up new Industrial Estate at Madikonda Village, Warangal District, Andhra Pradesh at project cost of Rs. 1061.19 lakh with GoI assistance of Rs. 735.60 lakh.
Agenda No. 35.5: Proposal for soft interventions in Silk Handloom Cluster, Dharmavaram, Ananthpur, Andhra Pradesh.

Proposal was received from Central Silk Technological Research Institute, Vide Online Ref. No:- 1532 / Dated : 01/07/2013 & recommended by MSME-DI, Hyderabad.

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>IntaGlio Technical and Business Services, Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Cluster /SPV Members, CSTRI, MSME DI Hyderabad, Department of Sericulture Govt. of Andhra Pradesh</td>
</tr>
<tr>
<td>When Started</td>
<td>19/04/2013</td>
</tr>
<tr>
<td>When Completed</td>
<td>03/06/2013</td>
</tr>
</tbody>
</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Central Silk Technological Research Institute</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>District</td>
<td>Ananthpur</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>Silk Handloom Cluster, Dharmavaram</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Handloom Silk Products, Silk Dress Materials, Silk Sarees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using traditional looms with jacquard. Most of the twisting units use only old technology with insufficient capacity machineries. The cluster has little pollution problem due to the use of chemicals and different types of synthetic colours for dyeing the yarn, there is no effluent treatment facility in the cluster.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>110</td>
</tr>
<tr>
<td>No. of Units</td>
<td>500</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 500 Small : 0 Medium : 0 Women : 50 Village : 0 SC/ST : 10</td>
</tr>
<tr>
<td>Turnover (Per Annum) (Rs. in Lakhs)</td>
<td>35000.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>7000.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 40000 Indirect : 20000 Women : 10000 SC/ST : 800</td>
</tr>
</tbody>
</table>
**Whether DSR conducted. Main outcomes of DSR:**

1. Trust Building within Stake Holders
2. Motivation of Entrepreneurs
3. Create Interest towards cluster development

**Extent of Competition for cluster:**

Domestic Competition from silk weaving industries in Tamilnadu. The Cluster products are facing huge competition from China.

**Main Problems of Cluster:**

- Lack of awareness on MSE-CDP and other Government Schemes
- Lack of Proper Raw Material Bank
- Lack of Automatic Pre- Looming Process Machineries
- Traditional methods and Conventional Technology
- Insufficient Dyeing Facilities
- Insufficient Design Development Facility
- Lack of Design Clinic/Design Development Centre/Design Studio
- Lack of Post Looming Processing Machine

**Need for CFC, if any:**

Yes. The cluster needs the CFC with the following facilities.
- Common Raw Material Procurement Bank
- Common Silk Twisting Centre
- Common Silk Dyeing Centre
- Common Zari-Thread Making Facility
- Common Design Development Centre
- CFC with Embroidery Machining Facility
- Common Facility Centre with Post Loom Material Finishing Facilities
- Common Branding and Packaging Facility
- Common Training Facility

**Any other information:**

Silk industry in Dharmavaram region is an important agro-based, labour intensive, export-oriented cottage industry. Dharmavaram is the chief place where fine cloth for female wear is made. The silk industry in Dharmavaram region dates back to 18th century and is eminent throughout the country for its elegant silk sarees.

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Central Silk Technological Research Institute, Central Silk Board, Bangalore is the implementing Agency with more than 20 years of experience in implementing various schemes.</td>
<td>--</td>
</tr>
</tbody>
</table>

- Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.)

Trust Building Activities Awareness Programs on Various Schemes of MSME, Govt. of India and Govt. of Andhra Pradesh Capacity Building Activities

--
<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality and Skill Upgradation Trainings Training on Financial Management Training on Fashion Design and Product Diversification and IPR related training Study Tours and Visit to other Cluster</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>Yes; the DSR is validated by the Cluster Members and state government.</td>
<td>--</td>
</tr>
<tr>
<td>Project Cost with break up :</td>
<td>(Rs. in lakh)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Project Cost</td>
<td>18.20</td>
</tr>
<tr>
<td></td>
<td>GOI Contribution</td>
<td>13.84</td>
</tr>
<tr>
<td></td>
<td>Cluster Beneficiaries</td>
<td>4.36</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>Central Silk Technological Research Institute, Central Silk Board, Bangalore will appoint appropriate agency as the CDE/CDA</td>
<td>--</td>
</tr>
<tr>
<td>Justification for SI</td>
<td>There is a need to create awareness on various schemes of Government and MSE-CDP for the cluster members and create trust building among cluster members. The training programmes and workshops will enhance their skills and knowledge on overseas marketing. The visit to aboard and meeting with machinery suppliers will enable them to identify latest technology machineries for the proposed CFC.</td>
<td>--</td>
</tr>
<tr>
<td>Main outcomes (before &amp; after) in terms of sales, Exports, Investment, Profitability, Employment, ISO &amp; other Certification, others</td>
<td>Particulars Before Intervention After Intervention Units 500 : 800 Turnover-Rs. Lakhs 35000.00 : 50000.00 Exports 7000.00 : 15000.00 Employment (Direct) 40000 : 65000 Quality Improvement and Product Diversification Lacking facility will be available in cluster</td>
<td>--</td>
</tr>
</tbody>
</table>
### Action Plan (for Months) & Budget (Rs in lakh)

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>01. TRUST BUILDING :- 2 nos. (one day each)</strong></td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td></td>
</tr>
<tr>
<td>Organizing Meetings/ Seminars for cluster actors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of participants- 50 (each Programme)</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Month-1 &amp; Month-2</td>
<td></td>
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<tr>
<td><strong>ESTIMATED EXPENDITURE :-</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall and other arrangements</td>
<td>Rs.10,000/-</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Hiring of Audio Visual Aids</td>
<td>Rs 3,000/-</td>
<td></td>
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<tr>
<td>Refreshments</td>
<td>Rs.15,000/-</td>
<td></td>
<td></td>
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<tr>
<td>Literature</td>
<td>Rs.3,000/-</td>
<td></td>
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<tr>
<td>Honorarium to guest Speaker</td>
<td>Rs. 6,000/-</td>
<td></td>
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<tr>
<td>Local TA/DA</td>
<td>Rs. 3,000/-</td>
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<tr>
<td></td>
<td>Rs. 40,000/-</td>
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<tr>
<td>(Rs. 40,000 x 2 programmes = Rs. 80,000/-)</td>
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<tr>
<td><strong>Support Agency</strong></td>
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<tr>
<td>1. DIC, Ananthpur</td>
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<tr>
<td>2. CSTRI-CSB Bangalore</td>
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<tr>
<td>3. MSME-DI</td>
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<tr>
<td>4. CDA/CDE</td>
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<tr>
<td>5. SPV</td>
<td></td>
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</tr>
<tr>
<td><strong>02. DIFFERENT TYPES OF AWARENESS PROGRAMME ON :</strong></td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td>Awareness and Enhancement of knowledge on different Govt. schemes, awareness of availability of Modern machinery and technology.</td>
</tr>
<tr>
<td>2 nos. One Day each</td>
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<tr>
<td>Month-3 &amp; Month-4</td>
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</tr>
<tr>
<td>Cluster Programme, MSME, NSICS Scheme, State Govt. Schemes, Quality up-gradation, Waste minimization, Energy Conservation, Use of modern machinery &amp; equipments, Faculty support from concerned office. (For each Programme no. of participants 50 Nos.)</td>
<td></td>
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<tr>
<td><strong>ESTIMATED EXPENDITURE :-</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall</td>
<td>Rs.10,000/-</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Audio Visual, Decoration</td>
<td>Rs 3,000/-</td>
<td></td>
<td></td>
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<tr>
<td>Refreshments</td>
<td>Rs.12,000/-</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Honorarium to visiting faculty</td>
<td>Rs. 10,000/-</td>
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<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Outcome</td>
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<td>-------------------------------------------------------</td>
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<tr>
<td>Stationery &amp; Misc.</td>
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<td>Rs. 5,000/-</td>
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<td>Rs. 40,000/-</td>
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<td>(Rs. 40,000 x 2 programmes = Rs. 80,000/-)</td>
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<td>Support Agency</td>
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<td>1. DIC, Ananthpur</td>
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<td>2. CSTRI-CSB Bangalore</td>
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<td>3. MSME-DI</td>
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<td>4. CDA/CDE</td>
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<tr>
<td>5. NSIC</td>
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<tr>
<td>6. SPV</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>03. TRAINING PROGRAMME ON :- 2 nos.</td>
<td>1.80</td>
<td>1.44</td>
<td>0.36</td>
<td>Introducing modern technology, Use of latest machinery, Increase in productivity, Improvement in quality and upgradation of Skill and process</td>
</tr>
<tr>
<td>Month-5 and Month-6 (product diversification)</td>
<td></td>
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</tr>
<tr>
<td>(I) SKILL DEVELOPMENT WITH PRACTICAL DEMONSTRATION :- 10 days duration per Programme</td>
<td></td>
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<tr>
<td>(For each Programme no. of participants-50.</td>
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<tr>
<td>Cost Details:-</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall</td>
<td>Rs.30,000/-</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Refreshments</td>
<td>Rs  20,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium for Trainers</td>
<td>Rs.25,000/-</td>
<td></td>
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<tr>
<td>Raw materials</td>
<td>Rs. 5,000/-</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Misc. &amp; local TA</td>
<td>Rs. 10,000/-</td>
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<tr>
<td></td>
<td>Rs. 90,000/-</td>
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<tr>
<td>(Rs. 90,000 x 2 programmes = Rs. 1,80,000/-)</td>
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<td>Support Agency</td>
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<tr>
<td>1. DIC, Ananthpur</td>
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<td>2. CSTRI-CSB Bangalore</td>
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<tr>
<td>3. MSME-DI</td>
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<tr>
<td>4. CDA/CDE</td>
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<tr>
<td>5. Dept. Of Sericulture Govt. of AP</td>
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<tr>
<td>6. SPV</td>
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</tr>
<tr>
<td>(II) FINANCIAL MANAGEMENT AND IPR RELATED TRAINING PROGRAMME :- 1 Nos. (two days duration Programme)</td>
<td>0.90</td>
<td>0.72</td>
<td>0.18</td>
<td>Knowledge on accounting procedures and maintaining books of accounts Budgeting procedure, Estimation of value of Products, Operation of Financial</td>
</tr>
<tr>
<td>Month-7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of participants-----------------------------</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost details per Programme:-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall</td>
<td>Rs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>OutCome</td>
</tr>
<tr>
<td>---------------------------------</td>
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<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Refreshment</td>
<td>Rs. 10,000/-</td>
<td></td>
<td></td>
<td>Transaction of business</td>
</tr>
<tr>
<td>Honorarium to guest speaker</td>
<td>Rs. 15,000/-</td>
<td></td>
<td></td>
<td>Awareness on Government Rules and Regulations</td>
</tr>
<tr>
<td>Stationary/Miscellaneous</td>
<td>Rs. 5,000/-</td>
<td></td>
<td></td>
<td>Awareness about IPR procedures and Importance.</td>
</tr>
<tr>
<td>Local travel &amp; logistic</td>
<td>Rs. 5,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Rs. 45,000/-</td>
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</tbody>
</table>

Support Agency
1. DIC, Ananthpur, Dept. Of Sericulture
2. CSTRI-CSB Bangalore, CDA/CDE
3. MSME-DI
4. Financial Institution

III) Study tours to Other Clusters-2 Nos. 4 Days Month-8 & Month-9 No. of participants------------------------
10 each.
EXPECTED EXPENDITURE :-
Expenditure for Fare of train AC II Class and local travel and for boarding and lodging for 5 Days Estimated Expenditure @ Rs. 90,000/- per visit. (Rs. 90,000 X 2 programmes = Rs. 1,80,000/-)

SUPPORT AGENCY :
1. DIC, Ananthpur, Dept. Of Sericulture
2. CSTRI-CSB
3. CDA/CDE
4. SPV

IV) PROGRAMME ON PACKAGING :- 1 Nos. (30 participants) With Indian institute of Packaging, Govt. of India, etc. (2 days duration) Month-10
EXPECTED EXPENDITURE :-
Rent for hall Rs 10,000/- Honorarium/fee for Consultant Rs 25,000/- Refreshment Rs 10,000/-

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.50</td>
<td>0.40</td>
<td>0.10</td>
<td>To learn modern and attractive packaging of cluster products as per the demand customers</td>
</tr>
</tbody>
</table>

42
<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Travel &amp; Miscellaneous Rs 5,000/- Total Rs.50,000/- (Rs. 50,000 x 1 programmes = Rs. 50,000/-) Support Agency:- DIC, Ananthpur, CSB, CDA/CDE, Dept. of Sericulture National Institute of Design</td>
<td>0.60</td>
<td>0.40</td>
<td>Support for wider publicity of the Cluster and its products</td>
<td></td>
</tr>
<tr>
<td>04. CAPACITY BUILDING :- (Website launching and Up-gradation for Brochure Preparation, initial recruitment ) Total Rs. 1,00,000/- SUPPORT AGENCY : 1- S.P.V 2- CSB, CDA/CDE</td>
<td>2.70</td>
<td>0.30</td>
<td>Supporting officer for conducting soft interventions</td>
<td></td>
</tr>
<tr>
<td>05. SERVICES OF BDS PROVIDERS, (20 person-days @ Rs 7000/- per day + boarding/lodging charges as per Group A officers entitlement)</td>
<td>2.50</td>
<td>2.50</td>
<td>Exposure visit to foreign fairs and industries will give the cluster members a broad global perspective of the sector.</td>
<td></td>
</tr>
<tr>
<td>06. PARTICIPATION FOR FOREIGN FAIR VISIT EXPECTED EXPENDITURE :- Activity for 12th Month Expenditure for Air Fare and local travel and for boarding and lodging for 7 Days Estimated Expenditure @ Rs. 5,00,000/- per visit. (Rs. 5,00,000 X 1 programmes = Rs.5,00,000/-) SUPPORT AGENCY : 1-DIC, Ananthpur, Dept. of Sericulture 2-CSTRI-CSB, CDA/CDE 3-S.P.V.</td>
<td>0.60</td>
<td>0.00</td>
<td>Operational expenses</td>
<td></td>
</tr>
<tr>
<td>07. Local Travel, Telephone, Stationery &amp; Miscellaneous (@ Rs. 5,000 for 12 months)</td>
<td>0.75</td>
<td>0.00</td>
<td>Technical capacity building and office Infrastructural setup. Infrastructure required for conduction programs</td>
<td></td>
</tr>
<tr>
<td>08. Local Purchases- 1)Computer-Rs. 35,000/- 2)Telephone, -Rs. 2,000/- 3)Printers -Rs. 8,000/- 4)LCD Projector-Rs. 30,000/-</td>
<td>1.25</td>
<td>1.25</td>
<td>The CDE/CDA will be helpful in smooth implementation of</td>
<td></td>
</tr>
<tr>
<td>09. Participation of CDE/CDA For 12 Months including TA/DA @ Rs. 10,000/- per month (12x10,000/- = Rs. 1,20,000/-)</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Outcome</td>
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<td></td>
</tr>
<tr>
<td>Total:</td>
<td>18.20</td>
<td>13.84</td>
<td>4.36</td>
<td></td>
</tr>
</tbody>
</table>

Proposed Soft Interventions will help in trust building, capacity building of the cluster members. The interventions will also help in educating the cluster members on various advanced technologies to achieve design development improvement and product diversification.

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for soft interventions of Silk Handloom Cluster, Dharmavaram, Ananthpur, Andhra Pradesh for 12 months at a total cost of Rs. 18.20 lakh and GoI grant of Rs.13.84 lakh & the remaining Rs.4.36 lakh to be contributed by cluster units/associations.
Agenda No. 35.6: Proposal for final approval for setting up Common Facility Centre (CFC) in Pump and Foundry Cluster, Rajkot, Gujarat.

Industries Commissioner, Govt. of Gujarat has submitted proposal for setting up of CFC in Pump and Foundry Cluster, Rajkot, Gujarat. The proposal was also discussed in the 32nd Steering Committee Meeting held on 20.03.2013 under the Chairmanship of Secretary, MSME and accorded in-principle approval. Salient features of the cluster and the proposal are as follows:

DSR Details

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By</td>
<td>Private Agency</td>
</tr>
<tr>
<td>Validated By</td>
<td>Rajkot Engineering Association</td>
</tr>
<tr>
<td>When Started</td>
<td>01/08/2009</td>
</tr>
<tr>
<td>When Completed</td>
<td>30/09/2011</td>
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</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>Name of Cluster</td>
<td>Pump and Foundry Cluster</td>
</tr>
<tr>
<td>Location of Cluster</td>
<td>Rajkot</td>
</tr>
<tr>
<td>Main Product</td>
<td>Casting for automobile components, Casting for pumps &amp; machine tools, Centrifugal Pumps and Submersible Pumps</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium) :</td>
<td>Micro :584 Small :10 Medium : 0</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years :</td>
<td>2007-08 - 330.00 2008-09 – 379.50 2009-10 – 436.42 2010-11 – 501.88 2011-12 – 613.50</td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years :</td>
<td>Information not available.</td>
</tr>
<tr>
<td>Employment in Cluster :</td>
<td>4104 Direct and 41000 Indirect</td>
</tr>
<tr>
<td>Technology Details :</td>
<td>Conventional technology, the cluster members lack technological knowledge and awareness</td>
</tr>
<tr>
<td>Whether DS Conducted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Main findings of DSR :</td>
<td>Interactions with various units in the cluster revealed that there is an urgent need to strengthen the following areas: (a) Common Product Development, Testing and Calibration (PDTC) facility within the Cluster. Facilities for conducting a number of important tests such as metallurgical microstructure analysis, NDT (non-destructive testing) analysis such as magnetic particle testing, X-ray and Radiography) and so on are not available within the cluster. Hence, the engineering units have to send their samples to laboratories in Ahmedabad (such as Divine</td>
</tr>
</tbody>
</table>


laboratory, in Vadodara (such as TCR Laboratory). In addition, there is a need at the cluster level for a common facility for applications like casting simulation and methoding software, pump design software and other ERP solutions. There is a need for the comprehensive testing facility for pump and electric motors also in the cluster.

(b) Export documentation and facilitation services: A number of MSMEs are exporting their products to OEM in Europe and after-sales market in Middle East. However, due to lack of knowledge and inability to complete the documentation formalities, they are unable to claim government benefits such as DEPB (Duty Entitlement Pass Book) Scheme etc. There is a dearth of BDS providers in this area in the cluster.

(c) Technical support: Majority of the MSMEs are presently using conventional manufacturing processes such as manual lathe and turning machines. Knowledge about up gradation of manufacturing processes by use of advanced machining centres such as CNC (computer numerically controlled) machines and VMC (Vertical Milling Centre) is not existing among majority of the units. Similarly, most of the machine tool manufacturers in the cluster manufacture conventional machine tools only and do not have knowledge of upgrading to advance machine tool manufacture.

(d) Vendor development: Most of the high end product manufacturers are buying castings from foundries located in other clusters such as Kolhapur, Belgaum, Ahmedabad etc due to lack of availability of good quality castings for machine tools within Rajkot. Most of the foundries in Rajkot are primarily catering to diesel engine, pumps and motors and automobile segments. There is a need to develop good local vendors of castings in Rajkot.

Main Problems of Cluster:

1. From the survey result, 65% of the units faced testing related problems due to unavailability of advance testing laboratory within Rajkot.
2. Currently cluster members have to send samples for testing to EQDC, Gandhinagar and ERDA, Vadodara which results in time loss and transportation cost.
3. The cost of carrying out tests is higher which results in higher cost of the final product for the unit.
4. The queue at the present testing facility in Gujarat becomes an obstacle to pump manufacturing to get ISI/BEE certification. This has resulted in decreasing their competitiveness in the market. ISI and BEE both required independent testing laboratory report. As a result the units have to incur more expenses on testing.
5. Testing laboratory takes much time for testing and thus delay in certification.
6. Priority charges to get early turn for testing of products.
7. The cluster members lack technological knowledge and awareness needed for growth and sustainability.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification</td>
<td>Only a handful of MSMEs have reach to better technology and affordability to have</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>its own laboratory setup in this cluster. 1. A vast segment of pump units in the cluster can be categorised as micro and lack the vision to modernize and grow their business. Thus the proposed facility will help the cluster in long term to compete in the market. 2. MSME have traditional manufacturing systems and little awareness about the new technologies and product developments due to lack of knowledge of latest technology and know-how, lack of access to finance/capital for expansion/modernization and lack of marketing skills. Thus advance laboratory testing and research centre is required for Rajkot Pump Cluster. 3. The MSME units have need to reduce the cost of testing to able to reduce cost of the product thus the proposed facility will provide testing services at cheaper rate compared to that of prevailing in the market. 4. The casting is the main component for the pump manufacturing units. The proposed facility will provide metallurgical testing facility to foundry units to improve the quality of casting and subsequently the final end product. i.e. pumps and overall quality level of the cluster.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(b.) Location of CFC | Phase II, Plot No 372, Aaji GIDC Estate, Rajkot-360001 Gujarat | -- |

| % age of units in radius of 5km | 90 | -- |
| % age of units in radius of 10km | 10 | -- |

(c.) Land for CFC

<p>| i. Whether land acquired | yes | Copy of Registered lease deed for a period of 16 years received. |
| ii. Title is in name of | Rajkot Engineering Association | Yes. |
| iii. Valuation and its basis | not applicable | NA |
| iv. Land is sufficient | Yes | - |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>v. Change of land use</td>
<td>Necessary approval from GIDC has been taken</td>
<td>NA</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>18000 square feet</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs 265.80 Lacs</td>
<td>Construction cost is Rs. 1427 per sq. ft.</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>testing facility for pumps and foundry</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>annexure-7, page 16</td>
<td>-</td>
</tr>
</tbody>
</table>
| (h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.) | 1. Wide range of test can be performed.  
2. Quality Equipments for accurate testing of the samples.  
3. Testing rates are lower compared to other testing lab providing similar services.  
4. The CFC will provide complete testing for Pump & foundry units, as a result individual units need not establish their own laboratory, avoiding capital investment for the units.  
5. Quality of the product will increase with the testing services of the proposed CFC.  
6. Lower testing price & Timely testing services to the Cluster members.  
7. The proposed CFC will satisfy certification need of the cluster units and help in competing in the local & international market.  
8. It is estimated that 60% of the unit will go for ISO /BEE quality certification with service of proposed CFC.  
9. The cluster units will save on testing cost and time.  
10. The productivity of the cluster member will increase by 25% and the employment generation will also increase 25%.  
11. The number of units that will be benefited from the proposed CFC is 62 members and around 532 non-member units.  
12. The number of units going for ISI/BEE certification would increase by 60% | Major outcomes given. |
### 13. Proposed by Implementation Agency (IA)

#### Comments by Cluster Division

- Not applicable

#### a. Pollution clearance required or not

- NOC applied for on 12.4.2013.

#### b. Man Power in CFC

- 10 Nos

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

- The testing charge at proposed CFC will be 40% lower than that of prevailing in the market.

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Name and Address</td>
<td>Rajkot Engineering testing and Research centre, Plot No. 58/1, Bhaktinagar GIDC, Rajkot-360001Gujarat</td>
<td>--</td>
</tr>
<tr>
<td>b. Nature of SPV (company or Society or Trust)</td>
<td>Company Under section 25 of the companies act 1956</td>
<td>--</td>
</tr>
<tr>
<td>c. Name of the state Govt. and MSME officials in SPV</td>
<td>Government of Gujarat</td>
<td>-</td>
</tr>
<tr>
<td>d. Date of formation of SPV</td>
<td>26 September, 2011</td>
<td>-</td>
</tr>
<tr>
<td>e. Number of Members</td>
<td>62- all are from Micro Category</td>
<td>Details of only 59 nos. given.</td>
</tr>
<tr>
<td>f. Bye Laws or MA and AOA submitted</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>g. Authorized Share Capital</td>
<td>Rs. 5,00,000</td>
<td>-</td>
</tr>
<tr>
<td>h. Paid up capital as on</td>
<td>Rs. 5,00,000</td>
<td>-</td>
</tr>
<tr>
<td>i. Shareholding Pattern</td>
<td>Total 10 Directors each holding 5000 shares of Rs. 10 each</td>
<td>-</td>
</tr>
<tr>
<td>j. Commitment letter for contribution</td>
<td>Commitment letter for contribution is provided</td>
<td>-</td>
</tr>
<tr>
<td>k. SPV specific A/c</td>
<td>Bank of India Bhaktinagar SME branch, Rajkot</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>The REA (Rajkot Engineering Association) is operating raw material bank which provides services around 500 micro and small foundry units of Rajkot. At present they are procuring pig iron, which is the major raw material for foundry. In the FY 2009-2010 the raw material bank has traded 2983.25 MT of pig iron with a turn-over of Rs. 69 Lacs.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>The Energy Research Institute (TERI), New Delhi</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>The usage of CFC by the members has been considered at present for the financial projection purpose. The rate of non-members will be different than that of members. However at present we have not considered revenue generation from the non-members. The parameter such as utilization of the facility and rate of service etc. is based on the market survey carried out by GITCO. The survey was spanning across Pump Manufacturers, Foundry units and Testing Laboratories of Gujarat</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>Commercial Purpose</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>1. For domestic purpose- 1000 Ltr. per day 2. For testing purpose- 10000 Ltrs. per month</td>
<td>-</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>not applicable</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>-</td>
<td>CED, Gandhinagar</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>8-10 months from the approval of the proposal and from respective government. ( as per annexure-15, page no-63)</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>DPR has been submitted to SIDBI appraisal report is awaited.</td>
<td>SIDBI appraisal done. Annexure-I</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(e.) Approval of Technical Committee</td>
<td>-</td>
<td>Technical Committee recommended the proposal for placing before the SCM.</td>
</tr>
<tr>
<td>(f.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>not applicable</td>
<td>-</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>break even comes at 25% for third year at 65% capacity utilization</td>
<td>24.07% as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>IRR @ 16.89% Payback period comes at 5 years</td>
<td>18.08% as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>Not applicable as SPV will be getting grant from GOI/GOG, so there wouldn't any debt component in project</td>
<td>NA as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>10.31%</td>
<td>41.60% as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>NPV @ 10% comes Rs.321 crores</td>
<td>Before Tax: 745.70 After Tax : 386.27 as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(f.) DER</td>
<td>Not applicable as SPV will be getting grant from GOI/GOG, so there wouldn't any debt component in project</td>
<td>1.22 as per SIDBI appraisal report.</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>Sensitivity Analysis</td>
<td></td>
</tr>
<tr>
<td>Case</td>
<td>Percentage</td>
<td>IRR (Post tax)</td>
</tr>
<tr>
<td>Base value</td>
<td></td>
<td>18.08%</td>
</tr>
<tr>
<td>10% reduction in user charges</td>
<td>10%</td>
<td>15.39%</td>
</tr>
<tr>
<td>10% fall in capacity utilization</td>
<td>10%</td>
<td>15.07%</td>
</tr>
</tbody>
</table>

Sensitivity analysis has been carried out by reducing user charges (income) by 10% and capacity utilization lowered by 10% and the key indicators are mentioned above. If can be observed that with change in capacity utilization/drop in income, the SPV would achieve break even at
24.07% & 27.39% respectively and IRR is above 10% and NPV is positive (As per SIDBI appraisal).

6. Total Cost: The total cost of the CFC is as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost</th>
<th>SIDBI recommendation</th>
<th>Cluster Division recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>64.50</td>
<td>64.50</td>
<td>64.50</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>265.80</td>
<td>255.02</td>
<td>255.02</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery (including electrification)</td>
<td>328.65</td>
<td>328.65</td>
<td>328.65</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>13.80</td>
<td>13.80</td>
<td>13.80</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>21.50</td>
<td>13.50</td>
<td>13.50</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>40.42</td>
<td>21.39</td>
<td>21.39</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>6.48</td>
<td>5.14</td>
<td>5.14</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>741.15</strong></td>
<td><strong>702.00</strong></td>
<td><strong>702.00</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
<th>SIDBI recommendation</th>
<th>Cluster Division recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>74.12</td>
<td>74.12</td>
<td>74.12</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>421.63</td>
<td>382.48</td>
<td>382.48</td>
</tr>
<tr>
<td>(3.) Grant-in-aid from Govt. of Gujarat</td>
<td>245.40</td>
<td>245.40</td>
<td>245.40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>741.15</strong></td>
<td><strong>702.00</strong></td>
<td><strong>702.00</strong></td>
</tr>
</tbody>
</table>

8. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Pump and Foundry Cluster, Rajkot, Gujarat at total project cost of Rs.702.00 lakh with GoI assistance of Rs.382.48 lakh, Government of Gujarat of Rs.245.40 lakh and SPV contribution of Rs.74.12 lakh.
Agenda No. 35.7 (i): Proposal for conducting Diagnostic Study Report (DSR) of Bamboo made Handicrafts Products Cluster, Valpoi, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1345/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

**Details of the proposal are as under:**

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Goa</td>
</tr>
<tr>
<td>District :</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Bamboo Made Handicrafts Products Cluster, Valpoi</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Bamboo Handicrafts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Technology used is very old and needs to be upgraded. No pollution.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>25</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>60</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro :60 Small :0 Medium :0 Women :60 Village :60 SC/ST :60</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>20.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>2.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :100 Indirect :20 Women :120 SC/ST :120</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Skill-up-gradation training. Improved tool-kits and knowledge of their use. New design knowledge and design development. Revolving funds and access to micro-credit. Access to raw material. Marketing of the products.</td>
</tr>
<tr>
<td>Any other information :</td>
<td>NA</td>
</tr>
</tbody>
</table>
## Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill up-gradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.20.00 lakh only. 100% micro units owned by women, Villages and SC/ST community.</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Bamboo Made Handicrafts Products Cluster, Valpoi, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (ii): Proposal for conducting Diagnostic Study Report (DSR) of Bamboo Made Handicrafts Products Cluster, Morlem, Honda, Sattari, Valpoi, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1347/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Goa</td>
</tr>
<tr>
<td>District :</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Bamboo Made Handicrafts Products Cluster, Morlem, Honda, Sattari, Valpoi, North Goa</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Bamboo Handicrafts &amp; Utility Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Lack of upgraded technology and skill upgradation training, due to lack of support and guidance. No pollution.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>20</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>50</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro :50 Small :0 Medium :0</td>
</tr>
<tr>
<td></td>
<td>Women :50 Village : 50 SC/ST :50</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>20.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :100 Indirect :10</td>
</tr>
<tr>
<td></td>
<td>Women :110 SC/ST :110</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
</tbody>
</table>

Main Problems of Cluster :
- Common facility centre.
- Skill-up-gradation training.
- Improved tool-kits and knowledge of their use.
- New design knowledge and design development.
- Revolving funds and access to micro-credit.
- Access to raw material.
- Marketing of the products.

Any other information : NA
### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster, technology gap and propose soft intervention and appropriate CFC. It will also focus on drawing up a marketing strategy and tapping up the Goan Tourism Market to its optimum. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.20.00 lakh only. 100% micro units owned by women, Villages and SC/ST community.</td>
</tr>
</tbody>
</table>

### Proposal for Steering Committee:
Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Bamboo Made Handicrafts Products Cluster, Morlem, Honda, Sattari, Valpoi, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (iii): Proposal for conducting Diagnostic Study Report (DSR) of Patch Work Cluster, Mayem, Bicholim, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1348/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Goa</td>
</tr>
<tr>
<td>District</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Patch Work Cluster, Mayem, Bicholim</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Patchwork products, Home furnishing, Utility Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Lack of upgraded technology and skill upgradation training, due to lack of support and guidance and lack of raw material. No pollution.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units</td>
<td>100</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro :100  Small :0  Medium :0</td>
</tr>
<tr>
<td></td>
<td>Women :100 Village :100 SC/ST :10</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>20.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>2.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct :120 Indirect :30</td>
</tr>
<tr>
<td></td>
<td>Women :150 SC/ST :20</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>➢ Common facility centre.</td>
</tr>
<tr>
<td></td>
<td>➢ Skill-up-gradation training.</td>
</tr>
<tr>
<td></td>
<td>➢ Improved tool-kits and knowledge of their use.</td>
</tr>
<tr>
<td></td>
<td>➢ New design knowledge and design development.</td>
</tr>
<tr>
<td></td>
<td>➢ Revolving funds and access to micro-credit.</td>
</tr>
<tr>
<td></td>
<td>➢ Access to raw material.</td>
</tr>
<tr>
<td></td>
<td>➢ Marketing of the products.</td>
</tr>
<tr>
<td>Any other information</td>
<td>NA</td>
</tr>
</tbody>
</table>
## Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs. 20.00 lakh only. 100% micro units owned by women, Villages and SC/ST community.</td>
</tr>
</tbody>
</table>

### Proposal for Steering Committee:
Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Patch Work Cluster, Mayem, Bicholim, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (iv): Proposal for conducting Diagnostic Study Report (DSR) of Patch Work Cluster, Curti, Ponda, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1350/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

| Name of Organization :          | South Asia Foundation          |
| State :                        | Goa                            |
| District :                     | North Goa                      |
| Cluster Name & Location :      | Patch Work Cluster, Curti, Ponda|

Brief Information of Cluster

| Main Product :                  | Patchwork products and Utility Items |
| Technological details, Pollution angle, etc : | Lack of upgraded technology and skill upgradation training, due to lack of support and guidance. No pollution. |
| Age of Cluster :                | 20 |
| No. of Units :                  | 60 |
| Profiles of Units/Category :    | Micro :60 Small :0 Medium :0 |
|                                 | Women :60 Village :60 SC/ST :0 |
| Turnover (Per Annum) : (Rs. in Lakhs) | 20.00 |
| Export : (Rs. in Lakhs)         | 1.00 |
| Employment (Direct/Indirect) :  | Direct :120 Indirect :30 |
|                                 | Women :140 SC/ST :10 |
| Presence of association/NGO, Contact details : | South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 safgoa@gmail.com, www.southasiafoundation.in |
| Main Problems of Cluster :      | ➢ Common facility centre.  
                                | ➢ Skill-up-gradation training.  
                                | ➢ Improved tool-kits and knowledge of their use.  
                                | ➢ New design knowledge and design development.  
                                | ➢ Revolving funds and access to micro-credit.  
                                | ➢ Access to raw material.  
                                | ➢ Marketing of the products. |
| Any other information :         | NA |
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.20.00 lakh only. 100% micro units owned by women and Villages.</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Patch Work Cluster, Curti, Ponda, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (v): Proposal for conducting Diagnostic Study Report (DSR) of Jute Product Cluster, Shiroda, Ponda, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1352/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Goa</td>
</tr>
<tr>
<td>District :</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Jute Product Cluster, Shiroda, Ponda</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Jute products &amp; Utility Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Lack of upgraded technology and skill upgradation training, due to lack of support and guidance. No pollution.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>60</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro :60 Small :0 Medium :0 Women :100 Village :0 SC/ST :0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>25.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>5.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :120 Indirect :30 Women :150 SC/ST :10</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
<tr>
<td>Any other information :</td>
<td>NA</td>
</tr>
</tbody>
</table>
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.25.00 lakh only. 100% micro units owned by women.</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Jute Product Cluster, Shiroda, Ponda, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (vi): Proposal for conducting Diagnostic Study Report (DSR) of Patch Work Cluster, Saliem Bhat, Taleigao, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1353/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Goa</td>
</tr>
<tr>
<td>District :</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Patch Work Cluster, Saliem Bhat, Taleigao</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Patchwork products and Utility Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Lack of upgraded technology and skill upgradation training, due to lack of support and guidance. No pollution.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>100</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro :100 Small :0 Medium :0 Women :100 Village :100 SC/ST :10</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>25.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :120 Indirect :30 Women :150 SC/ST :10</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
<tr>
<td>Any other information :</td>
<td>NA</td>
</tr>
</tbody>
</table>
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.25.00 lakh only. 100% micro units owned by women, Villages and SC/ST community.</td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Patch Work Cluster, Saliem Bhat, Taleigao, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.7 (vii): Proposal for conducting Diagnostic Study Report (DSR) of Pottery Cluster, Paliem, Tuem, Pernem, North Goa.

Proposal applied by South Asia Foundation, Delhi on behalf of Directorate of Industries, Trade and Commerce, Government of Goa, Vide Online Ref. No:- 1349/Dated : 02/05/2013 & recommended by MSME-DI, Goa.

Details of the proposal are as under:

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>South Asia Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Goa</td>
</tr>
<tr>
<td>District :</td>
<td>North Goa</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Pottery Cluster, Paliem, Tuem, Pernem</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Pottery Items, Idols &amp; others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Lack of upgraded technology and skill upgradation training, due to lack of support and guidance. Negligible pollution</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>25</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>50</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro :50  Small :0  Medium :0  Women : 0  Village : 50  SC/ST :0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>20.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>5.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :100  Indirect : 20  Women : 10  SC/ST :0</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>South Asia Foundation, Deshprabhu Building, Next to Hindu Pharmacy, Rua Cunha Rivera Road, Opposite Municipal Garden, Panaji- 400301, Goa. Ph: 09717173052/ 09891938553 <a href="mailto:safgoa@gmail.com">safgoa@gmail.com</a>, <a href="http://www.southasiafoundation.in">www.southasiafoundation.in</a></td>
</tr>
</tbody>
</table>

Main Problems of Cluster :
- Common facility centre.
- Skill-up-gradation training.
- Improved tool-kits and knowledge of their use.
- New design knowledge and design development.
- Revolving funds and access to micro-credit.
- Access to raw material.
- Marketing of the products.
- Technology, energy efficient kiln

Any other information : NA
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>DIC and DITC, Govt. of Goa and South Asia Foundation</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>Rs. 3.00 lakh</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>South Asia Foundation will be engaged in skill upgradation training and designing aspects with the support of DIC &amp; DITC, Govt. of Goa. SAF has 22 years of expertise.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>DSR will help to know the problem of the cluster and propose soft intervention and appropriate Common Facility Centre. Also to know the problems of availability of raw materials and marketing aspects along with mapping of the socio-economic conditions and unavailability of technology and basic requirements.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will give a detailed current status of the Cluster and analyse on the areas for comprehensive Development.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.50</td>
</tr>
<tr>
<td>Observations</td>
<td>Cluster turnover is Rs.20.00 lakh only. 100% micro units owned by Villages community.</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Pottery Cluster, Paliem, Tuem, Pernem, North Goa at a total cost of Rs. 2.50 lakh with 100% GoI, subject to condition that Goa Handicrafts Rural Small Scale Industries Development Corporation (GHRSSIC) should be the Implementing Agency and selection of the agency should be done after approval as per provisions of GFR.
Agenda No. 35.8 (i): Proposal for conducting Diagnostic Study Report (DSR) of Handloom Cluster, Betageri, Gadag, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1620 / Dated : 14/08/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

### Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Gadag</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Handloom Cluster , Betageri</td>
</tr>
</tbody>
</table>

### Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Handloom Made Cotton and Silk Mixed Sarees, Handloom Made Cotton Sarees, Handloom Made Dress Material and Cloth, Handloom Made Shawls and Blankets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The handlooms are conventional pit looms and the process is laborious. There are new technological advancements taken place in the handloom technology like the use of pneumatic and electronics actuation of the jacquard. This technology is adopted by very few units. The cluster members need training on these technologies adaptations.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>300</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 300, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 0, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>3500.000</td>
</tr>
<tr>
<td>Export (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 1000, Indirect : 10000</td>
</tr>
<tr>
<td></td>
<td>Women : 300, SC/ST : 150</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Shri Rangavadooth Dying and Embraiding Cluster, Narasapur, Gadag. 9880507405</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1)The cluster members lack of design center 2) Lack of pre loom and post loom machineries 3) Poor marketing methodologies and linkages 4) Export infrastructure not available in the cluster</td>
</tr>
<tr>
<td>Any other information</td>
<td>The Handloom sector plays a very important role in the countrys</td>
</tr>
</tbody>
</table>
economy. It is one of the largest economic activities providing direct employment to about 29.09 lakhs (more than 2.9 million) weavers, reportedly worked in the handloom sector as per the Handloom Census of India 2009-10 and a total combined employment of over 65 lack people engaged in weaving and allied activities. There are totally 46 lakh handlooms in the whole world out of which 85 percent of handlooms represented to 38,90,576 are located in India. Out of this 32,80,087 looms are present in the rural areas, while 6,10,489 looms are in the urban areas. This sector contributes nearly 12% of the total cloth produced in the country and also adds substantially to export earnings. The handloom sector also contributes in Indian textile sector having a total export value of US $ 324.14 million in the year 2012. The sector is presently facing stiff competition from many countries like China, Japan, Bangladesh.

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>1 Stationery &amp; Printing</td>
<td>0.30</td>
</tr>
<tr>
<td>2 Salary for 3 months</td>
<td>0.90</td>
</tr>
<tr>
<td>3 Traveling Cost</td>
<td>0.65</td>
</tr>
<tr>
<td>4 Admn &amp; Misc. Cost</td>
<td>0.35</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2.20</strong></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The Handloom industry is one of the important industry and is an unorganized industry. This industry is facing stiff competition. This industry is needed to be supported with technological interventions and it is necessary to organize the industry for larger benefits. The cluster development program will benefit the industry by organizing it and supporting it with technological interventions. The DSR will help to identify the Necessary Interventions needed for the cluster.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems. The DSR will be able to suggest the technological gap filling measures that can be taken up to promote the growth of the cluster.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.20</td>
</tr>
</tbody>
</table>

**Proposal for the Steering Committee:** Cluster Division recommends the proposal for conducting Diagnostic Study Report (DSR) in Handloom Cluster, Betageri, Gadag, Karnataka at a total cost of Rs. 2.20 lakh with 100% GoI grant.
Agenda No. 35.8 (ii): Proposal for conducting Diagnostic Study Report (DSR) of Jaggery Processing Cluster, Chikkodi, Belgaum, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1614 / Dated : 14/08/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Belgaum</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Jaggery Processing Cluster, Chikkodi</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Jaggery Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using under capacity crushing machineries and open air conventional chullas to produce Jaggery products. There an acute pollution problem due to burning of baggas and rubber tyres in open air.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>40</td>
</tr>
<tr>
<td>No. of Units</td>
<td>80</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 80, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 0, Village : 80, SC/ST : 15</td>
</tr>
<tr>
<td>Turnover (Per Annum) (Rs. in Lakhs)</td>
<td>5500.000</td>
</tr>
<tr>
<td>Export (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 800, Indirect : 2000</td>
</tr>
<tr>
<td></td>
<td>Women : 150, SC/ST : 200</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Chief Promoter-Mr.Suresh Rao Saheb Mirje, Kallol, Chikodi taluk, Belgaum, Ph: 94483 04770</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1)The cluster members are using age old processing technology 2)Lack of quality testing lab/equipments. 3)Low shelf Life of the products due to poor technology and lack of storage facilities. 4)Adaption of conventional heating, drying and cooling process which degrades the quality of Jaggery 5)Non availability of modern packing machines 6)Product marketable only in the domestic and regional market 7)Need for effective and fast industrial boilers 8)Lack of common marketing and branding</td>
</tr>
</tbody>
</table>
Any other information: The cluster products have huge demand in the cluster region and other markets. The international market is also giving importance to Jaggery since it is an ayurvedic medicine and has healing properties for treatment of lungs cancer. The jaggery is also gaining importance as a substitute to white sugar. The cluster members are having good skills and experience. The cluster is having scope for both soft and hard interventions.

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>1  Stationery &amp; Printing</td>
<td>0.30</td>
</tr>
<tr>
<td>2  Salary for 3 months</td>
<td>0.90</td>
</tr>
<tr>
<td>3  Traveling Cost</td>
<td>0.60</td>
</tr>
<tr>
<td>4  Admin &amp; Misc. Cost</td>
<td>0.35</td>
</tr>
<tr>
<td>TOTAL</td>
<td><strong>2.15</strong></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>Jaggery industry is a dominant cottage industry in India employing nearly 2.5 million people in the post and pre production sector. The industry has a very bright future as it is considered as healthy alternative for sugar. Hence diagnostic study of the jaggery cluster will bring out the short comings of this industry and will highlight the major issues related to this industry.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems &amp; intergrate the various agencies for the benefit of the cluster.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td><strong>2.15</strong></td>
</tr>
</tbody>
</table>

**Proposal for the Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Jaggery Processing Cluster, Chikkodi, Belguam, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI grant.
Agenda No. 35.8 (iii): Proposal for conducting Diagnostic Study Report (DSR) of Spices Manufacturing Cluster, Gadag, Gadag, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1619 / Dated : 14/08/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Gadag</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Spices Manufacturing Cluster, Gadag</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc.</td>
<td>The cluster members are using conventional techniques/equipments/machineries for Grinding spices (condiments). The cluster lacks testing facility and storage facility. The cluster does not have any pollution related problems.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>63</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 63, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 18, Village : 0, SC/ST : 2</td>
</tr>
<tr>
<td>Turnover (Per Annum) (Rs. in Lakhs)</td>
<td>945,000</td>
</tr>
<tr>
<td>Export (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 300, Indirect : 750</td>
</tr>
<tr>
<td></td>
<td>Women : 150, SC/ST : 25</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Lobosa Chilli &amp; Species Cluster Contact: 9945136871</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1)Lack of Quality testing and quality Management facility</td>
</tr>
<tr>
<td></td>
<td>2)Lack of Packaging Facility</td>
</tr>
<tr>
<td></td>
<td>3)Lack of Cold Storage facility</td>
</tr>
<tr>
<td></td>
<td>4)Unable to match the safety regulations for exports</td>
</tr>
<tr>
<td></td>
<td>5)Lack of national and international marketing linkage</td>
</tr>
<tr>
<td></td>
<td>6)Poor product branding and poor brand promotion.</td>
</tr>
<tr>
<td></td>
<td>7)Stiff competition of major spices manufacturing brands</td>
</tr>
<tr>
<td>Any other information</td>
<td>The cluster products have huge demand in the cluster region and</td>
</tr>
</tbody>
</table>
other markets. The cluster is facing stiff competition from major spices manufacturing brands. The cluster is having scope for both soft and hard interventions.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>1  Stationery &amp; Printing</td>
<td>0.30</td>
</tr>
<tr>
<td>2  Salary for 3 months</td>
<td>0.90</td>
</tr>
<tr>
<td>3  Traveling Cost</td>
<td>0.60</td>
</tr>
<tr>
<td>4  Admin &amp; Misc. Cost</td>
<td>0.35</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2.15</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The cluster product has huge demand in local/domestic, National and International Market. The cluster region has good availability of different variety of spices. The processing is not taking place in a scientific manner and as a result there is huge quality difference compared to the international food standards. The development of the cluster can help in overcoming this problem and will help the cluster to capture the larger market. A Spices Cluster with CFC can be an industrial Cluster for processing and value addition of Spices and Spice products which offer the processing facilities at par with the international standards. The Regional crop specific Spices Cluster is a well-conceived approach to have an integrated operation for cultivation, post harvesting, processing for value addition, packaging, storage and exports of spices and spice products by meeting the quality specifications of the consuming countries. The basic objective of the cluster is to provide common infrastructure facilities for both post harvest and processing operations of spices and spice products, which also aims at backward integration by providing rural employment. It is therefore necessary to identify the weak areas of the cluster and also the potential fields where interventions can be taken up to overcome the cluster problems and promote the cluster in international market. The cluster industries are required to be supported with technological interventions and it is necessary to organize the industry for larger benefits. The cluster development program will benefit the industry by organizing it and supporting it with...</td>
</tr>
</tbody>
</table>
Outcomes of conducting DSR

The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems. The DSR will also help to prepare the action plan for implementation of Soft Interventions and connecting the cluster members to organizations like Spices Board of India and CFTRI for training the cluster members to produce high quality products. The DSR will be useful to identify technological advancement that has taken place in the industry and will suggest the technology adoption.

Amount Recommended : (Rs. in Lakhs) 2.15

Proposal for the Steering Committee: Cluster Division recommends the proposal for conducting Diagnostic Study Report (DSR) in Spices Manufacturing Cluster, Gadag, Gadag, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI grant.
Proposals was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1611 / Dated : 14/08/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Belguam</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Power Loom Cluster, Ramdurg</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Sarees, Fabric production &amp; Embroidery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The cluster units lack pre and post looming machinery for finishing job. There is no serious pollution in the cluster but the cluster need effluent treatment plant for dyeing units.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units</td>
<td>200</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 165, Small : 35, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 65, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>2950.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 600, Indirect : 1500</td>
</tr>
<tr>
<td></td>
<td>Women : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>Birds Powerloom Development Association, Near Head Post Old Syndicate Bank Building Ramdurg-591123. Phone No:08335-241098, 9663009626</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Non availability of machineries for Pre looming and Post Looming activities.</td>
</tr>
<tr>
<td></td>
<td>Lack of calendaring machinery and fabric finishing machinery.</td>
</tr>
<tr>
<td></td>
<td>Lack of fabric sizing machinery.</td>
</tr>
<tr>
<td></td>
<td>Lack of modern colour dyeing facility.</td>
</tr>
<tr>
<td></td>
<td>Raw Material outlets not available in the region.</td>
</tr>
<tr>
<td></td>
<td>No Design Facilities</td>
</tr>
<tr>
<td></td>
<td>Lack of training facility.</td>
</tr>
<tr>
<td></td>
<td>Dominance of traders due to Lack of marketing and branding facility.</td>
</tr>
<tr>
<td>Any other information :</td>
<td>The decentralized power loom sector is the lifeline of Indian Textile Industry. India is having approximately 19.42 lakhs of</td>
</tr>
</tbody>
</table>
Power looms weaving almost 19,000 million meters of fabric, and provides employment to more than 7 million workers. The sector needs immediate support to regain Indian position as a global player in the sector.

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Cost with break up</th>
<th>(Rs. in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. No</td>
<td>Particulars</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admn &amp; Misc. Cost</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technical Agency to be associated &amp; its expertise</th>
<th>IntaGlio Technical &amp; Business Services, Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has expertise in textile sector and has experience in preparing DSR for Textile Sector.</td>
<td></td>
</tr>
</tbody>
</table>

| Justification for DSR | 60% of Indian cloth is produced through decentralized power loom sector. Most of the Power loom units are concentrated in semi urban, or rural area providing employment opportunities. Number of shuttleless, looms has augmented to almost 50,000 and from this about 35,000 looms are working in the decentralized sector. This sector is one of the old and futuristic sectors of Indian which requires good interventions for its prosperous growth. |

| Outcomes of conducting DSR | The DSR will bring out the short comings of the cluster and will propose necessary soft and hard intervention. It will highlight the key technologies missing and SWOT of the cluster to prepare action plan for implementing Interventions. |

| Amount Recommended : (Rs. in Lakhs) | 2.45 |

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Power Loom Cluster, Ramdurg, Belguam, Karnataka at a total cost of Rs. 2.45 lakh with 100% GoI.
Agenda No. 35.8 (v): Proposal for conducting Diagnostic Study (DS) in Bricks processing Cluster, Khanapur, Belguam, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1556 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Belguam</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Bricks processing cluster, khanapur</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Red Soil Bricks , Red Soil Roof tiles</th>
</tr>
</thead>
</table>
| Technological details, Pollution angle, etc | • Use of Conventional technology for Mixing of mortar and Molding.  
  • Use of Conventional Heating process for Bricks.  
  • There is little pollution due to open air burning of bricks and tiles. |

<table>
<thead>
<tr>
<th>Age of Cluster</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Units</td>
<td>120</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 120, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 6, Village : 0, SC/ST : 30</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>6000.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 1200, Indirect : 20000</td>
</tr>
<tr>
<td></td>
<td>Women : 5, SC/ST : 300</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>SPV yet to be formed</td>
</tr>
</tbody>
</table>
| Main Problems of Cluster                   | • Use of Conventional technology for Mixing of mortar and Molding.  
  • Use of Conventional Heating process for Bricks.  
  • Lack of quality testing technology.  
  • Lack of common marketing and Branding |
| Any other information                      | 1) The Cluster products have very good market.  
  2) The region is not having hard rock base and construction industry is using fire bricks or Red Soil Bricks as a major raw material for construction.  
  3) The cluster members are supplying their products to regional |

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markets like belgaum, gokak, hubli, gadag regions.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technical Upgradation (Govt. of Karnataka) KCTU is the Nodal Agency for Cluster projects on behalf of State Government.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No</td>
<td>Particulars</td>
</tr>
<tr>
<td>:-----</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admn &amp; Misc. Cost</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.05</strong></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The cluster is a very old cluster and has been providing employment to rural population. The cluster products have good market. There is huge problem of pollution due to smoke from open air heating using husk and coal. The cluster need closed chamber heating mechanism for controlled heat and effective utilization of fuel. The cluster members need support and training under soft interventions to upgrade their knowledge of business management. The clusters need technological support. The DSR will help to identify the strengthen and the weak areas of the cluster. The DSR study will guide further to undertake necessary interventions for the cluster development.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will be useful to identify the weak areas of the cluster that are hindering the cluster growth. The DSR will help to indentify the necessary interventions that can be taken to support the cluster. The Study will help to prepare an action plan for the cluster promotion.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.05</td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Bricks processing cluster, Khanapur, Belguam, Karnataka at a total cost of Rs. 2.05 lakh with 100% GoI.
Agenda No. 35.8 (vi): Proposal for conducting Diagnostic Study Report (DSR) of Cashew Processing Cluster, Muroor, Uttara Kannada, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1557 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Uttara kannada</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Cashew Processing Cluster, Muroor</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Cashew Nuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>At present the cluster members are adopting age old conventional technology for processing. Lot of advancement has taken place in the processing methodology but the cluster members are not able to adopt the advance machineries as it demands huge investment and it is not viable for individual enterprises to procure the machineries. The cluster members get huge amount of cashew shells that is causing pollution as it is just used for burning as fuel. The present days technology can be used to extract Oil that is having high demand in the industry. The cluster does not has any other serious pollution problem.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>45</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 45, Women : 5, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>3200.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>SPV yet to be formed</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1. The cluster members lack dedicated storage facility for raw material and finished product. 2. The cluster members lack advance raw material drying facility. 3. The cluster members lack automatic peeling machinery.</td>
</tr>
</tbody>
</table>
4. The cluster members lack advance grading and sorting machinery.
5. The cluster members lack advance packaging facilities.
6. The cluster members lack Raw Cashew nut oil extraction facility.
7. There is no value addition activity taking place in the cluster.
8. The cluster members are also facing acute shortage of skilled labors.
9. The cluster members are utilizing conventional technology as a result the production capacity of the cluster is low and the quality is not of international standards.

Any other information:
Cashew is an important plantation crop of India. Cashew kernels are exported to more than 65 countries of which the largest buyers of Indian cashew kernels are USA and The Netherlands. There is an ever increasing demand for cashew kernel both in international market and also in the domestic market. In order to keep the competitiveness of the Indian cashew industry it is very necessary that this industry must adopt advance technology and processing methodologies to compete with the other major producers in other countries.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No.</td>
<td>Particulars</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admn &amp; Misc. Cost</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>IntaGlio Technical and Business Services, Bangalore will be the technical agency involved. The SPV has selected the Consultant; the consultant has already having experience in cashew processing cluster reporting.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>At present the cluster is having very good availability of large quantity of raw material locally and raw material is easily available. The annual raw material availability is around 12-18 thousand tons but the cluster members are able to process only 4-thousand tons of raw materials due to non availability of technology. An intervention like establishment of CFC will improve the quality of the output as the machinery like size grading and sorting will help to achieve high standard quality. The cluster will be able to process the export quality products. The sorting and grading machines save the time to processing...</td>
</tr>
</tbody>
</table>
and this will help the cluster members to increase their productivity by more than 40%. The DSR will further narrow down the major problems and will be useful to suggest the necessary interventions.

<table>
<thead>
<tr>
<th>Outcomes of conducting DSR</th>
<th>The Diagnostics study of the cluster will help to identify the major shortcomings in the cluster present processing methodology and will help of identify the exact technological requirement of the cluster. The DSR will suggest the action plan for undertaking necessary interventions in the cluster.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount Recommended : (Rs. in lakhs)</td>
<td>2.50</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Cashew Processing Cluster, Muroor, Uttara Kannada, Karnataka at a total cost of Rs. 2.50 lakh with 100% GoI.
Agenda No. 35.8 (vii): Proposal for conducting Diagnostic Study Report (DSR) of Food Processing, Narasapur, Gadag, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1559 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Gadag</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Food Processing, Narasapur</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Fruit based products like Jam, Candy, pappad, chip, Fruit based pulp and syrup items as health drinks, Processed cooking food items like chilli, turmeric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using conventional cutting, grinding, frying and processing machineries. Mostly the process is Osmotic dehydration and all others traditional technology based processing. The cluster does not have any serious pollution problem.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>60</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 60, Women : 35, Village : 0, SC/ST : 10</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in lakhs)</td>
<td>600.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Jayashree Food Industries Cluster</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1) The cluster member process different Fruit based ready to eat food materials using fruits as raw material and no new value addition is taking place. 2) Use of traditional Chullas based on charcoal and wood for heating and drying process 3) Use of conventional methods for storage. 4) No marketing strategies and stagnated growth. 5) Lack of product brand and unable to promote the cluster products in national and international market. 6) Use of packaging materials like plastic bags with ordinary</td>
</tr>
</tbody>
</table>
Any other information:

The cluster members are involved in food processing activities and some of the major processed food items made by the cluster members are Fried Jackfruit flakes, Jackfruit papads, Potato Chips, jams, Mango pulp, Mango chutney, Tamarind and Amla value added products.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technological Upgradation (KCTU-Govt. of Karnataka) is the nodal and Implementation Agency for Cluster Projects and MSME Govt. of India Schemes on Behalf of State Government.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Cost with break up (Rs. in lakh)</th>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Stationery &amp; Printing</td>
<td>0.50</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Salary for 3 months</td>
<td>0.90</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Travelling Cost</td>
<td>0.60</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Admin &amp; Misc.</td>
<td>0.40</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>2.40</strong></td>
</tr>
</tbody>
</table>

Technical Agency to be associated & its expertise

The SPV will select the appropriate technical agency for the preparation of the DSR.

Justification for DSR

The cluster members have good local and regional market linkage but the urban market linkage is very week, due to age old methodologies and inadequate infrastructure for advertisement of their products in urban, National and International markets. The processing methodology that the cluster members are following is very labor intensive and time consuming. The DSR will help to identify the technological weakness of the cluster and will suggest the action plan for implementing soft and hard interventions.

Outcomes of conducting DSR

It is expected that the diagnostic study will help to clearly identify the major problems/challenges faced by the cluster. The study will help to identify the necessary interventions that may be undertaken.

Amount Recommended : (Rs. in lakhs) 2.40

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Food Processing, Narasapur, Gadag, Karnataka at a total cost of Rs. 2.40 lakh with 100% GoI.
Agenda No. 35.8 (viii): Proposal for conducting Diagnostic Study (DS) in Handloom Reeling, Konappalli, Chikkaballapur, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1626 / Dated : 14/08/2013 & recommended by MSME-DI, Bangalore.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Chikkaballapur</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Handloom Reeling, Konappalli</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Handloom Made Cotton and Silk Mixed Sarees, Handloom Made Cotton Sarees, Handloom Made Dress Material and Cloth, Handloom Made Shawls and Blankets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The handlooms are conventional pit looms and the process is laborious. There are new technological advancements taken place in the handloom technology like the use of pneumatic and electronics actuation of the jacquard. This technology is adopted by very few units. The cluster members need training on these technologies adaptations.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>20</td>
</tr>
<tr>
<td>No. of Units</td>
<td>2500</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 2500, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 25, Village : 0, SC/ST : 100</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>120.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 5000, Indirect : 500</td>
</tr>
<tr>
<td></td>
<td>Women : 200, SC/ST : 500</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>Chief promoter-Nagaraj Gandhi, # 108F, MLA Layout, RMV 2nd Stage, Bhoopsandra, Bangalore-560 094, Ph:94480 59673</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1)The cluster members lack of design center 2) Lack pre loom and post loom machineries 3) Poor marketing methodologies and linkages 4) Export infrastructure not available in the cluster</td>
</tr>
</tbody>
</table>
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No</td>
<td>Particulars</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>This industry require to be supported with technological interventions and it is necessary to organize the industry for larger benefits. The cluster development program will benefit the industry by organizing it and supporting it with technological interventions. The DSR will help to identify the Necessary Interventions needed for the cluster.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems. The DSR will be able to suggest the technological gap filling measures that can be taken up to promote the growth of the cluster.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.20</td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Handloom Reeling, Konappalli, Chikkaballapur, Karnataka at a total cost of Rs. 2.20 lakh with 100% GoI.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1573 / Dated : 18/07/2013 & recommended by MSME-DÍ, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Belgaum</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Machine Tool and Engineering Cluster-Udyambag, Belgaum, Belgaum</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Assemblies parts and Molds, Automotive Components, Engineering Components, Hydraulic press Components, Machine tools Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The Cluster Members are using Conventional Machines like Lathes, Grinders, Foundry forging equipment, Hydraulic Press, and Allied Machinery. The Cluster Lack Advance Machining facility with precision tooling capability as a result the cluster is not able to produce quality products. The lack of research, training and testing facility is leading to poor product diversification. The Cluster does not have any serious pollution problem.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>20</td>
</tr>
<tr>
<td>No. of Units</td>
<td>550</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in lakhs)</td>
<td>50000.00</td>
</tr>
<tr>
<td>Export : (Rs. in lakhs)</td>
<td>800.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 7500, Indirect : 20000 Women : 500, SC/ST : 500</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Belgaum VIP ASIDE PROJECT BELGAUM VISVESWARAYAH INDUSTRIAL PARK Plot No. 10 Mr. P.B.Hedge Phone: 0831-2440998</td>
</tr>
</tbody>
</table>
Lack of Advanced Machining Facility with VMCs, CNCs, Wire cut/water jet Facility, Laser Cutting, Lack of Heat Treatment and Material Tempering Facilities, Lack of Effluent Treatment Plant, Dependence on service level activities, Poor Direct Export Marketing Facility, Poor Quality upgradation and Lack of Dedicated Training Facility, Lack of Value Addition and Product Diversification.

Any other information:

The Cluster has the following opportunities:

- Rising domestic consumption of mechanical components
- Demands from both low-end and high-end Manufacturing segments
- Ever growing demand for auto components
- Growth and establishment of new industries
- Emerging Engineering export markets, exports value had reached US$ 59.78 billion in 2011
- India Emerging as a key global manufacturing hub
- Opportunity to shift from Component manufacturing to product or system solution providers.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technical Upgradation (Govt. of Karnataka) KCTU is the Nodal Agency for Cluster projects on behalf of State Government.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td></td>
</tr>
<tr>
<td>S. No.</td>
<td>Particulars</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admn &amp; Misc. Cost</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the Appropriate Technical Agency for the DSR Work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>In India, there have been a few key domestic companies which have captured the market but after economic liberalization, international companies have overshadowed the local companies, because they have sophisticated &amp; advanced technology, and have taken over the market share. The Engineering Units in Belgaum are providing Services to Many OEMs, Public Sector and Multinational Companies. The cluster is providing huge employment. The Cluster Lack Advance Machining facility with precision tooling capability as a result the cluster is not able to produce quality products. The lack of research, trainign and testing facility is leading to poor</td>
</tr>
</tbody>
</table>
### Outcomes of conducting DSR

The DSR will be useful to identify the weak areas of the cluster that are hindering the cluster growth. The DSR will help to indentify the necessary interventions that can be taken to support the cluster. The Study will help to prepare an action plan for the cluster promotion.

| Amount Recommended : (Rs. in lakhs) | 2.15 |

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Machine Tool and Engineering Cluster-Udyambag, Belgaum, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI.
Agenda No. 35.8 (x): Proposal for conducting Diagnostic Study Report (DSR) of Printing Cluster, Betageri, Gadag, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1555 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Gadag</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Printing Cluster, Betageri</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>banners printing, Books printing, business cards printing, calendar printing, catalog printing, envelope printing, invitation cards printing, journal printing, stationery printing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using conventional offset printing machines and Screen Printing Machines. The cluster has huge business potential. The cluster do not have any serious pollution problem.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>48</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 48&lt;br&gt;Women : 2, Village : 0, SC/ST : 5</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in lakhs)</td>
<td>1800.00</td>
</tr>
<tr>
<td>Export : (Rs. in lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 275, Indirect : 1500&lt;br&gt;Women : 60, SC/ST : 5</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Printing Tech Cluster Betageri-Gadag</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>The cluster members are using conventional offset and screen printing machineries. The cluster members lack the Advance machinery for printing. The cluster requires multicolored printing facility and design and development center.</td>
</tr>
<tr>
<td>Any other information</td>
<td>Printing cluster gadag is an important cluster supporting the printing needs of the district and the surrounding regions. The cluster has good market, but lacks advance machinery.</td>
</tr>
</tbody>
</table>
### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
</tbody>
</table>

### Project Cost with break up (Rs. in lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
<td>0.30</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
<td>0.90</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
<td>0.60</td>
</tr>
<tr>
<td>4</td>
<td>Admin &amp; Misc. Cost</td>
<td>0.35</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>2.15</strong></td>
</tr>
</tbody>
</table>

### Technical Agency to be associated & its expertise

The SPV will select the appropriate technical agency for the DSR work

### Justification for DSR

The cluster region is having huge business market for printing activities due to educational and industrial growth in the region. The cluster members are using conventional age-old technology and are unable to provide the better quality of work to the customers. The digital printing with multi colour print is not available in the cluster as a result the cluster members are loosing huge business. The cluster members also need interventions for training and design development.

### Outcomes of conducting DSR

The diagnostic study of the printing cluster Betageri-Gadag will help to identify the weak areas of the cluster and the DSR will also help to evaluate the technological demand in the cluster and will guide to undertake the soft and hard interventions.

### Amount Recommended : (Rs. in lakhs)

2.15

---

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Printing Cluster, Betageri, Gadag, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI.
Agenda No. 35.8 (xi): Proposal for conducting Diagnostic Study (DS) in Printing Cluster, Manipal, Udupi, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1608 / Dated : 14/08/2013 & recommended by MSME-DI, Bangalore.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District :</td>
<td>Udupi</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Printing Cluster, Manipal</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Binding work, Printing of Books, Printing of Brochures, Business Advertisement Mate, Printing of Visiting Cards, Weeding Cards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The cluster members are using offset printing and do not have advance multi colour printing facility. The cluster need design development infrastructure. There is no serious pollution problem in the cluster.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>50</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>400</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro : 375, Small : 25, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 0, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>3200.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct : 1200, Indirect : 5000</td>
</tr>
<tr>
<td></td>
<td>Women : 200, SC/ST : 75</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>a) Using age old machines and traditional method of printing b) The printing industry has changed a lot in terms of new technology, advance machines with greater capacity and high quality. Cluster member are not able to afford these technologies/ Machines. c) The Cluster members are not able to cope-up with market demand because of technology gaps.</td>
</tr>
</tbody>
</table>
d) Lack of multi colour printing machines.
e) Lack of digital embossing and filing machines

Any other information:
- The cluster products have huge market demand in the local market as the cluster location is known to be educational hub of the state.
- Majority of the text books are published in the cluster region for the state.
- The presence of skilled labour and artistic persons with great creativity in the printing business has resulted in the formation of the cluster in this region.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No</td>
<td>Particulars</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admin &amp; Misc. Cost</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The diagnostic study will guide to undertake the necessary Interventions required for the cluster growth. The cluster is facing stiff competition from large scale printing organizations. The Cluster has good business potential and need immediate technical support. There is need for identifying short comming &amp; bottlenecks of the printing activity chain also integrate the resources. Hence preparing DSR will diagnose the problems.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will identify the necessary areas where Soft and Hard Intervention is required for the cluster. The DSR will help to Prepare an action plan for the implementations of the suggested interventions.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td><strong>2.40</strong></td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Printing Cluster, Manipal, Udupi, Karnataka at a total cost of Rs. 2.40 lakh with 100% GoI.
Agenda No. 35.8 (xii): Proposal for conducting Diagnostic Study (DS) in Puffed Rice, Holalkere Road Chitradurga, Chitradurga, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1607 / Dated : 14/08/2013 & recommended by MSME-DÍ, Bangalore.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District :</td>
<td>Chitradurga</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Puffed Rice, Holalkere Road Chitradurga</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Puffed Rice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The cluster members are using conventional and old techniques for making puffed rice and using out dated paddy cleaning equipment. The cluster has little pollution problems and needs effluent treatment plant.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>35</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>70</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro : 70, Small : 0, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 0, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>1050.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.000</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct : 800, Indirect : 3000</td>
</tr>
<tr>
<td></td>
<td>Women : 50, SC/ST : 80</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>Jai Bharath Mandakki Society Chief Promoter-Md. Hussain, S/o Kajapur Sab Holalkere road, Chitradurga 9731377572</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Raw material storage problem Use of conventional Technology. Non availability of drying yards No packaging facility available in the cluster. Lack of technology for Value addition and Product Diversification &amp; pollution</td>
</tr>
<tr>
<td>Any other information :</td>
<td>The cluster products have huge demand in the cluster region and other markets. The cluster members are having good skills and are trained by experience. The cluster is having scope for both soft and hard interventions.</td>
</tr>
</tbody>
</table>
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster</td>
<td>Karnataka Council for Technology Upgradation (KCTU), Bangalore, Govt. of Karnataka. is the nodal agency for Cluster</td>
</tr>
<tr>
<td>development</td>
<td>Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No</td>
<td>Particulars</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admin &amp; Misc. Cost</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>Puffed rice is used in breakfast cereals, snack foods like puffed rice cakes, and is also a popular street food in India. this industry is highly un organized and need proper interventions to overcome its adversaries. The cluster units are using conventional technology and need interventions</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems. The DSR will help to prepare an action plan for soft and hard interventions in the cluster.</td>
</tr>
<tr>
<td>Amount Recommended (Rs. in Lakhs)</td>
<td>2.05</td>
</tr>
</tbody>
</table>

Proposal for Steering Committee: Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Puffed Rice, Holalkere Road Chitradurga, Chitradurga, Karnataka at a total cost of Rs. 2.05 lakh with 100% GoI.
Agenda No. 35.8 (xiii): Proposal for conducting Diagnostic Study Report (DSR) of Readymade Garment Cluster, Ramdurg, Belguam, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1297 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Belguam</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Readymade Garment Cluster, Ramdurg</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Ready-made Menswears like Shirts, Paints, Readymade Churidar, Suits and Salwars, Readymade Hosiery Products, Readymade Kids wears</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The Cluster Units are using conventional and semi automatic machines for stitching the clothes, the cluster members lack automatic stitching and overlock machines, the cluster lack automatic cloth cutting machines. There is lack of dry cleaning, packaging and training facilities in the cluster. The cluster is not having any major pollution problem.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>25</td>
</tr>
<tr>
<td>No. of Units</td>
<td>78</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 78, Women : 10, Village : 0, SC/ST : 10</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>500.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>25.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Adarsh Environmental Protection and Rural Development Foundation</td>
</tr>
<tr>
<td>Address: Adarsh Environmental Protection and Rural Development Foundation. Old Syndicate Bank Building, Ramdurg-591123 Halagatti Road Ramdurg, Tq:Ramdurg, Dist:Belgaum. Mobile No.9663009626</td>
<td></td>
</tr>
</tbody>
</table>
Lack of Dying Facilities.
Lack of Training on Advance Machineries.
Lack of Packaging Facility.
Poor Marketing Strategies.
Improper Linkage to the National and International Market.

Any other information:
Garment is one of the many labour intensive sectors that provide a gateway for developing countries to the global market. It offers important opportunities to countries to start industrializing their economies and in course of time diversify away from commodity dependence. Forty years ago, the industrialized countries dominated global exports in this area. Today, developing countries produce half of the world's textile exports. Moreover, the economic performance of the apparel and textiles industry in developing countries has large impacts on employment opportunities, especially for women, the development of small and medium sized enterprises SMEs and spillovers into the informal sector UNCTAD, 2005. The clothing sector is a labour intensive, low wage industry and a dynamic, innovative sector, depending on which market segments one focuses upon.

In the high quality fashion market, the industry is characterized by modern technology, relatively well paid workers and designers and a high degree of flexibility. The competitive advantage of firms in this market segment is related to the ability to produce designs that capture market demand, customer preferences, and cost effectiveness of the products.

**Analysis of Proposal**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technological Upgradation (KCTU-Govt. of Karnataka) is the nodal and Implementation Agency for Cluster Projects and MSME Govt. of India Schemes on Behalf of State Government.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Cost with break up (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. No.</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Technical Agency to be associated & its expertise
IntaGlio Technical and Business Services, Bangalore. The consultant has experience in cluster development and has conducted diagnostic Studies for many Clusters.

Justification for DSR
Majority of the Micro and Small Enterprises have been operating with traditional and conventional technology. The
Cluster enterprises lack the advance technology knowledge and not up-graded their technology for decades resulting in declining competitiveness compared to other locations in India and international competition. The obsolescence in this sector has been a major concern and a handicap for the growth of these sectors. The lower productivity is directly linked to the issue of traditional and inefficient technology in use. The Diagnostic Study will help to identify the major problems associated with the cluster and the problems which are hindering the Growth of the Cluster. The Diagnostic Study will be able to suggest the necessary soft and hard interventions that will be helpful to overcome the cluster problems.

<table>
<thead>
<tr>
<th>Outcomes of conducting DSR</th>
<th>The DSR will help to suggest the necessary soft and hard interventions that are required to overcome the cluster problems and the diagnostic study will guide to layout am implementation schedule and action plan for the cluster interventions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount Recommended : (Rs. in lakhs)</td>
<td>2.10</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Readymade Garment Cluster, Ramdurg, Belguam, Karnataka at a total cost of Rs. 2.10 lakh with 100% GoI.
Agenda No. 35.8 (xiv): Proposal for conducting Diagnostic Study Report (DSR) of Wooden Furniture Cluster, Betageri, Gadag, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1567 / Dated : 18/07/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Gadag</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Wooden Furniture Cluster, Betageri</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Wooden Furniture Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using conventional techniques for furniture making and using simple cutting, carving and finishing tools. The cluster does not have any pollution related problems.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>10</td>
</tr>
<tr>
<td>No. of Units</td>
<td>60</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 60</td>
</tr>
<tr>
<td></td>
<td>Women : 2, Village : 0, SC/ST : 13</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>2500.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>0.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 1500, Indirect : 3000</td>
</tr>
<tr>
<td></td>
<td>Women : 50, SC/ST : 80</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Karnataka Carpenters Association (KOPPA)</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>1. Lack of Wood Carving Machineries</td>
</tr>
<tr>
<td></td>
<td>2. Lack of Brand Saw and Lathe Machine for Furniture Making</td>
</tr>
<tr>
<td></td>
<td>3. Lack of Wood Polishing Machinery</td>
</tr>
<tr>
<td></td>
<td>4. Lack of CNC Designing Machine</td>
</tr>
<tr>
<td></td>
<td>5. Lack of Design Software and Design Development Setup</td>
</tr>
<tr>
<td></td>
<td>6. Poor knowledge of training, product branding, poor access to regional markets</td>
</tr>
<tr>
<td>Any other information</td>
<td>The cluster products have huge demand in the cluster region and other markets. The cluster members are having good skills and are trained by experience. The cluster is having scope for both soft and hard interventions.</td>
</tr>
</tbody>
</table>
Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technology Upgradation-KCTU, Bangalore, Govt. of Karnataka. KCTU is the nodal agency for Cluster Development in the State.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>S. No.</td>
<td>Particulars</td>
</tr>
<tr>
<td>1</td>
<td>Stationery &amp; Printing</td>
</tr>
<tr>
<td>2</td>
<td>Salary for 3 months</td>
</tr>
<tr>
<td>3</td>
<td>Travelling Cost</td>
</tr>
<tr>
<td>4</td>
<td>Admn &amp; Misc. Cost</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>The SPV will select the appropriate technical agency for the DSR work.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The furniture industry is one of the important industry and is an unorganized industry. This industry is facing stiff competition from countries like china. This industry is needed to be supported with technological interventions and it is necessary to organize the industry for larger benefits. The cluster development program will benefit the industry by organizing it and supporting it with technological interventions.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The DSR will help to identify the weaker areas of the cluster and will suggest the interventions that can be taken up to overcome the cluster problems.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in lakhs)</td>
<td>2.15</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Wooden Furniture Cluster, Betageri, Gadag, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI.
Agenda No. 35.8 (xv): Proposal for conducting Diagnostic Study Report (DSR) in Electronic Products Cluster, Devanahalli, Bangalore, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1833 / Dated : 30/10/2013 & recommended by MSME-DI, Bangalore.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>Karnataka Council For Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District :</td>
<td>Bangalore</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Electronic Products, Devanahalli</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The cluster is using average level of technology and tools. need advance testing, calibration and design development facilities, STP and ETP is also needed in the cluster</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>1</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>33</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro : 18, Small : 14, Medium : 0, Women : 1, Village : 0, SC/ST : 0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs) :</td>
<td>19500.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs) :</td>
<td>500.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>ESDM Cluster Group of CLIK (Consortium of Electronic Industries of Karnataka) No 91 &amp; 91/1, Ground floor NAKSHATRA, AECS Layout, P.O. Main Road, Sanjay Nagar, Bangalore 560094 Tel No: 080-23511851, 080-42061421 Fax no : 080-23511851</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>One of the major issues ESDM Cluster Members face specially in a high technology area like Electronics, is the high cost of tools and equipment required for design and further testing and validation of the products. Equipment required for testing and certification of our products compliance to international standards and norms are very expensive for individual members to easily have access to high</td>
</tr>
</tbody>
</table>
end Machinery.

Any other information:  
Most businesses will be of Import Substitution & Value Addition in nature and will result in saving of considerable Foreign Exchange for the Country

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technical Up gradation (Govt. of Karnataka) KCTU is the Nodal Agency for Cluster projects on behalf of State Government.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>DSR and DPR Rs 25 Lakhs Rupees twenty five lakhs</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>Jurong Consultants (India) Pvt Ltd</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The electronics industry is the future's most important source of economic development. the cluster is lacking advance technology, the study is expected to bring out the strength and weakness of the cluster and will guide to take the necessary interventions</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>Establishment of common facility centre with advance testing, calibration and tooling centre.</td>
</tr>
<tr>
<td>Amount Recommended: (Rs. in Lakhs)</td>
<td></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Electronic Products Cluster, Devanahalli, Bangalore, Karnataka at a total cost of Rs. .......... with 100% GoI.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1834 / Dated : 30/10/2013 & recommended by MSME-DI, Bangalore.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Karnataka council for technological upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District</td>
<td>Chikkamagalore</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Auto and Engineering Components Cluster, KADUR</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Body Building, Engineering Works, Metal Fabrication, Servicing of all type of Automobiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>No major pollution problems, Non-availability of Advanced Technology for major repair work. Lack of testing and calibration facility, Difficulty of getting accurate machining, No modern servicing Tools and Equipments</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>20</td>
</tr>
<tr>
<td>No. of Units</td>
<td>150</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 150, Small : 0, Medium : 0, Women : 0, Village : 0, SC/ST : 35</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>1200.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>25.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>Chief Promoter - Mr. Isran, Kadur Auto Cluster, Association C/o Rehman Engineering Works, Beside Indian Oil Petrol Bank, Kadur, Chikkamagalure Dist.577 548 Ph: 98860 61083</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Non-availability of Advanced Technology for major repair work. Lack of testing and calibration facility.</td>
</tr>
<tr>
<td>Any other information :</td>
<td>Auto industry has substantially contributed to the GDP of our country, generating huge employment.</td>
</tr>
</tbody>
</table>
**Analysis of Proposal**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technical Up gradation (Govt. of Karnataka) KCTU is the Nodal Agency for Cluster.</td>
</tr>
<tr>
<td>Project Cost with break up</td>
<td>(Rs. in lakh)</td>
</tr>
<tr>
<td>1. Stationery &amp; Printing</td>
<td>0.40</td>
</tr>
<tr>
<td>2. Salary</td>
<td>1.50</td>
</tr>
<tr>
<td>3. T.A</td>
<td>0.20</td>
</tr>
<tr>
<td>4. Others</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.15</strong></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>This diagnostics study will be conducted by Intaglio Technical and Business Services. Bangalore.</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The Auto Cluster Kadur is located in Chikkamagalore in which is centre location for many other major cities and highways. The wooden furniture industry is needed to be supported with advance technology to produce the better product with good aesthetic look. The cluster members are not capable to adopt the advance technology available due to their economic backwardness. The DSR will help to identify areas where necessary interventions both soft and hard interventions are to be taken up to support the cluster.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The cluster DSR study will help to identify the major interventions area that can be undertaken to develop the cluster and solve the major problems faced by the cluster members.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.15</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Auto and Engineering Components Cluster, Kadur, Chikkamagalore, Karnataka at a total cost of Rs. 2.15 lakh with 100% GoI.
Agenda No. 35.8 (xvii): Proposal for conducting Diagnostic Study Report (DSR) in Wooden Furniture Cluster, Srinivasanagar, Chikkamagalore, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1835 / Dated : 30/10/2013 & recommended by MSME-DI, Bangalore.

Details of the proposal are as under:

### Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization :</th>
<th>Karnataka Council for Technological Upgradation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Karnataka</td>
</tr>
<tr>
<td>District :</td>
<td>Chikkamagalore</td>
</tr>
<tr>
<td>Cluster Name &amp; Location :</td>
<td>Wooden Furniture, Srinivasanagar</td>
</tr>
</tbody>
</table>

### Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Wooden Furniture &amp; Allied Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>Non Pollution based cluster. Cluster Members using old technology and lack training, Design facility</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>50</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro : 50, Small : 0, Medium : 0 Women : 0, Village : 0, SC/ST : 15</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs) :</td>
<td>600.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs) :</td>
<td>1.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct : 300, Indirect : 1500 Women : 15, SC/ST : 75</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details :</td>
<td>Chief Promoter - Mr. B.Madhur Sudhana Rao, SPV: Wooden Furniture &amp; Allied Cluster Gavanahalli Rampura Post, Chikmagalur Karnataka State Mob.No. 9448270275</td>
</tr>
</tbody>
</table>

### Main Problems of Cluster :

No innovative and modern furniture design Lack of advance machineries. The Cluster Members Lack Advance technology like Wood Cutting, Grinding, Brand SAW machine and Pattern Making Machine. There is no pollution problem in the cluster. The cluster members are using conventional technology like handmade tools and carving items. the cluster lack machinery like brand saw, lathe machine for pattern making, automatic drilling machine, the cluster product need design diversification a design development centre is needed. The artisans are not getting skill upgradation and hence need training centre for enhancing the skill of existing artisans and to train the new
**Analysis of Proposal**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Karnataka Council for Technical Upgradation (Govt. of Karnataka) KCTU is the Nodal Agency for Cluster Development.</td>
</tr>
<tr>
<td>Project Cost with break up (Rs. in lakh)</td>
<td></td>
</tr>
<tr>
<td>1. stationary &amp; printing cost</td>
<td>0.30</td>
</tr>
<tr>
<td>2. Salary</td>
<td>1.20</td>
</tr>
<tr>
<td>3. Travel</td>
<td>0.20</td>
</tr>
<tr>
<td>4. Admin Expenses</td>
<td>0.30</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2.00</strong></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>KCTU/SPV will select appropriate agency</td>
</tr>
<tr>
<td>Justification for DSR</td>
<td>The cluster products are facing stiff competition from imported furniture from countries like China and Italy. The wooden furniture industry is needed to be supported with advance technology to produce the better product with good aesthetic look. The cluster members are not capable to adopt the advance technology available due to their economic backwardness. The DSR will help to identify areas where necessary interventions both soft and hard interventions are to be taken up to support the cluster.</td>
</tr>
<tr>
<td>Outcomes of conducting DSR</td>
<td>The Diagnostic study is expected to give information on the production process of the cluster units and to identify the problems &amp; Propose necessary intervention required for the cluster.</td>
</tr>
<tr>
<td>Amount Recommended : (Rs. in Lakhs)</td>
<td>2.00</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for conducting diagnostic study in Wooden Furniture Cluster, Srinivasanagar, Chikkamagalore, Karnataka at a total cost of Rs. 2.00 lakh with 100% GoI.
Agenda No. 35.9: Proposal for in-principle approval to set up Common Facility Centre in Raisin Processing Industries Cluster, Bijapur, Karnataka.

Proposal was received from Karnataka Council for Technological Upgradation, Vide Online Ref. No:- 1653 / Dated : 07/08/2013 & recommended by MSME-DI, Hubli.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>IntaGlio Technical and Business Services, Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>SPV Members, DIC Bijapur, KCTU, MSME-Hubli</td>
</tr>
<tr>
<td>When Started</td>
<td>27/08/2012</td>
</tr>
<tr>
<td>When Completed</td>
<td>26/10/2012</td>
</tr>
</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Raisin Processing Industries Cluster Bijapur</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Bijapur</td>
</tr>
<tr>
<td>Main Product</td>
<td>Black Raisins, Golden Raisins, Yellow Raisins</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 81</td>
</tr>
</tbody>
</table>
| Turnover(Rs in Crore) for the last five years : | 1st Year : 2007-2008 : 14  
2nd Year : 2008-2009 : 18  
3rd Year : 2009-2010 : 21  
4th Year : 2010-2011 : 25  
5th Year : 2011-2012 : 28 |
| Exports(Rs in Crore) for the last five years : | Nil |
| Employment in Cluster      | Direct 2500 Indirect 15000                          |
| Technology Details         | The Cluster Members are following Traditional practices like open air Drying, Mechanical vibrator type Grading machine, Manual Sorting and packaging methods for raisins processing |
| Whether DS Conducted       | Yes, the DSR is conducted by IntaGlio Technical and Business Services, Bangalore. The DSR is validated by the Cluster Members, DIC Bijapur, KCTU and MSME-DI Hubli. The DSR recommends the Hard Interventions for the Cluster The SPV members have accepted the Proposed Interventions and the State Government and the MSME-DI Hubli Government of India has supported the proposed interventions as need based and support worthy. |
| Main findings of DSR       | Bijapur taluk is the highest producer of grapes having nearly 232 cultivators. The yield of grapes produced per acre is estimated to be around 5 tons |
and the minimum land holding of the grape farmers in the cluster region is 5 acres. There are 81 units involved in raisin processing in the cluster employing nearly 2500 people directly and 15000 people indirectly. The cluster units have an abundant supply of raw material due to the geographical and climatic conditions of Bijapur district which is very suitable for grape cultivation and the district lies between two major rivers namely the Krishna and the Bhima. The Bijapur taluk region produces nearly 16,000 Metric tons of raisins annually. The cluster units are producing raisins from the past 27 years.

| Main Problems of Cluster: | 1. The cluster members are following traditional and outdated processing methods in production of raisins. 2. The sun drying method has a drawback as it depends upon the weather conditions 3. The open air drying is inhomogeneous drying. The cluster members are not able to maintain uniform and standard moisture content in the raisins. 4. Inhomogeneous or Non-Homogeneous drying is leading to poor quality raisins production. 5. The mechanical vibrator type low standard mesh graders are used for grading. 6. The cluster units lack sorting, cleaning and Automatic grading machines. 7. The raisin sorting process is labour intensive and manual, this has resulted in poor quality of sorting. 8. The cluster lack dedicated cold storage units. 9. The cluster members are forced to sell their raisins at lower rates to the agents who have dominated the market. 10. The cluster members lack direct marketing linkage to national and international market. 11. The cluster units have poor packaging facilities. 12. The product branding is lacking in the cluster and need a brand identity for the cluster produce. |
| Other Information: | Comparative Advantage of the Cluster India in modern times has been producing Raisins on a commercial scale since 1983. The main areas of raisin production are in the state of Maharashtra (District of Sangli, Solapur, Satara, Kolhapur and Nasik) and Karnataka (District of Belgaum and Bijapur). The Raisins cluster in Bijapur district had been established in the year 1985 since then a horizontal growth has taken place and encouraged many farmers to start the raisin processing activity. The Raisins cluster units have an added advantage since this cluster is situated in Krishna Grape valley and recognized by the Karnataka State Government. The cluster members have an experience of 27 years in cultivation of grapes and raisins processing. Raisins are a highly marketable product, both domestically and internationally. The cluster raisins |
are well known in the region and all over India. The cluster units on an average produce 2500 tons of raisins annually. Bijapur district is one of the highest producers of grapes and raisins and the climate of Bijapur is best suited for grapes and raisins cultivation.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>The Bijapur district in agricultural sector is famous for grape cultivation and it fall under government recognized Krishna grape valley. More than 3,500 farmers grow the fruit (grapes) on 7,200 hectares in the district. Sangli, Solapur and Bijapur, the first two in Maharashtra and the third in Karnataka, are the main raisin producers and contribute 80,000 tonnes of the total raisins produced in the country, contributing one third of the raisins produced. Currently Indian growers are following the semi mechanical and handpicked methods for the cleaning, grading and sorting of Raisins, this results in delay in processing whereas most of the top raisins producer countries of the world are using the complete mechanized processing Line for the manufacturing of the Raisins in hygienic conditions. Hence they are getting better demand and market. Necessary interventions suggested by the DSR are required in order to overcome the adversaries in the cluster, as Bijapur is one of the major producers of raisins. A common facility Center for raisins industry is very much needed for the growth of this industry in the cluster region. India which is currently in 18th position in world grapes production has not made its mark in raisins production globally. Though it exports raisins to Europe the worlds largest consumer via Dubai the Indian raisins get mixed up in Afghan raisins by agents and marketed this is due to low export quantity and poor branding image of India. The CFC will help the cluster members to increase their production capacity, quality and marketability and can contribute to the nations export target. The CFC can bring about holistic changes in the cluster. The cluster members who have adopted innovative and scientific methods in grape cultivation will be hugely benefited through the CFC which will scientifically help them in the short</td>
<td>--</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>comings of raisins production. The cold storage unit which can be used for both storage of the raw grapes as well as the raisins can provide year long production and sales capability to the cluster members. The aesthetic packaging will give the cluster raisins the necessary boost for marketing in urban retail markets this will increase the confidence of the cluster members to produce more raisins and the CFC will help them in export activities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>The land for the proposed CFC is located in Tidagundi Village, Taluk and District Bijapur. Survey No. 18/2B, 18/3, 18/4, and 18/5. The total extent of land is 3Acres 7Guntas.</td>
<td>--</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>30</td>
<td>--</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>70</td>
<td>--</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td>--</td>
</tr>
<tr>
<td>i. Wheather land acquired</td>
<td>Yes</td>
<td>--</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>Yes, the Land Lease Agreement Executed</td>
<td>--</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>As per Government Rates</td>
<td>--</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>--</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>Yes, Land is Converted for Industrial Use</td>
<td>--</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>15 Years</td>
<td>--</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Yes</td>
<td>--</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>38249 sq feet</td>
<td>--</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Details provided in DPR</td>
<td>--</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Details provided in the DPR</td>
<td>--</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>(h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)</td>
<td>Units in the cluster Before: 81, After: New- 50 units Total- 131 Employment Before: 2500 Direct, 15000 Indirect After: Direct-4000 Indirect- 25000 Output Before: 35 tons/unit After: 50 tons/unit Certification Before: No certification After: More than 20 units will have ISO, HACCP etc certification. Marketing Before: Only local market, Selling through Agents/dealers Indirect Export through network of traders After: Direct marketing to urban, national and international markets Export Before: No direct exports After: 15 units Turnover Before: Rs. 28 crores After: Rs. 50 crores Testing Before: No such facility presently available at the cluster region After: Dedicated testing laboratory for the cluster units Packaging Before: Poor packaging practices After: Good quality packaging for better storage and marketing Profit margin of individual units Before: Low profit margin After: Increase in profit margin, up to 30%</td>
<td>--</td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>Not Applicable as the proposed CFC facilities fall under Green Category. A Consent letter from Pollution Control Board received. Details attached in Annexure 4 at section 9</td>
<td>--</td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>60 Direct Employment at the CFC</td>
<td>--</td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other to be specified)</td>
<td>Service Charges for the Facilities of the CFC 1. Raisins Drying and Cleaning Section 2. Raisins Sorting, Metal Detection and Packaging Section 3. Cold Storage Section</td>
<td>--</td>
</tr>
</tbody>
</table>

3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Gurudev Raisins Industrial Processing and Preservation Cluster- Association Gurudev Farm, Gurudevpur, Tidagundi -586119 Solapur Road Bijapur Taluk, Bijapur</td>
<td>--</td>
</tr>
<tr>
<td>(b.) Nature of SPV (company or Society or Trust)</td>
<td>GRIIPP-Cluster (GURUDEV RAISINS INDUSTRIAL PROCESSING AND PRESERVATION CLUSTER) is a Special Purpose Vehicle (SPV) registered under Karnataka Society (Registration) Act, 1960</td>
<td>--</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Representatives from DIC Bijapur, KCTU Bangalore Government of Karnataka and MSME-DI Hubli Government of India</td>
<td>--</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>22/10/2012</td>
<td>--</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>60 units have joined the SPV</td>
<td>--</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Attached</td>
<td>--</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Details available</td>
<td>--</td>
</tr>
<tr>
<td>(h.) Paid up capital as on.........</td>
<td>Details available</td>
<td>--</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Details available</td>
<td>--</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Details available</td>
<td>--</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Details available</td>
<td>--</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to to be highlighted with support documentation</td>
<td>The Cluster members have completed majority of the Soft Interventions activities like Trust Building and capacity building activities. Visits of other Cluster Awareness about cluster development and other Schemes/Policies. Hence the Diagnostic Study recommends the Hard Interventions for the cluster.</td>
<td>--</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>IntaGlio Technical and Business Services, Bangalore</td>
<td>--</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>The SPV is an open type and has provision for incorporation of newer members. The capacity proposed is as per the requirement of SPV and members will be able to use the required capacity.</td>
<td>--</td>
</tr>
<tr>
<td>(o.) (a) Power requirement for commercial/domestic purpose</td>
<td>209.708 Kw</td>
<td>--</td>
</tr>
<tr>
<td>(b) Water</td>
<td>6 Million Liters of Water Annually. Ground water is Available</td>
<td>--</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>NA</td>
<td>--</td>
</tr>
</tbody>
</table>
4. Implement Arrangements

| Remarks |
|-----------------|---------------------------------|
| (a.) Implementing Agency | Karnataka Council for Technological Upgradation KCTU-Bangalore, (Govt. of Karnataka) - will be the implementing agency. |
| (b.) Fund receiving Agency | Karnataka Council for Technological Upgradation KCTU-Bangalore, (Govt. of Karnataka) - will be the fund receiving agency. |
| (c.) Implementation Period | The implementation schedule for setting up of the common Facility center has been worked out for 18 months from the time of approval of Project and release of grant in aid for Government of Karnataka and GRIPP Cluster Contribution. The SPV has already been formed. The land is given on lease to the SPV and the buildings for the CFC will be constructed in 11 months. The project will be implemented by the GRIPP Cluster SPV in close association with the MSME Hubli, KCTU and Dept. of Industries and Commerce department Govt. of Karnataka. The commercial activities will begin from the 19th month. |
| (d.) Appraisal of DPR and main Recommendations | The State Government has approved the Project in the State Level Steering Committee Meeting and has already Submitted the Proposal for SIDBI Appraisal. The SIDBI Bangalore office has completed the Inspection visit and has submitted the appraisal report to Head Office for approval. SIDBI Appraisal is yet to be received. |
| (e.) Comments of Technical Division | Comments received and replied -- |
| (f.) Approval of Technical Committee | Yet to be received Technical commitee has recommended the proposal. |
| (g.) Working capital(In-principle sanction of loan from a bank,if applicable arrangement made) | Bank letter for working capital is obtained |

5. Financial Analysis of CFC

| Remarks |
|-----------------|-----------------|
| (a.) BEP | 31% |
| (b.) IRR, Payback period | 28% |
| (c.) DSCR | Not Applicable |
| (d.) Return on Capital employed (ROCE) | 36% | As per guideline |
| (e.) NPV | 27% | -- |
| (f.) DER | Not Applicable | -- |
| (g.) Sensitivity Analysis | yes, the figures are positive as required by the guidelines. The ratios with sensitivity of 5% reduction in revenue: a) IRR 26 % b) NPV 26 % c) Breakeven Point 33 % d) ROCE 34 % The ratios with sensitivity of 10% reduction in revenue: a) IRR 23 % b) NPV 23 % c) Breakeven Point 35 % d) ROCE 31 % | -- |

6. Total Cost: The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost (Rs. in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>61.50</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>216.98</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery (including electrification)</td>
<td>1123.78</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>12.00</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>7.00</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>60.53</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>15.09</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>1496.88</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>10.00</td>
<td>149.69</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>80.00</td>
<td>1197.50</td>
</tr>
<tr>
<td>(3.) Grant-in-aid from Govt. of</td>
<td>10.00</td>
<td>149.69</td>
</tr>
<tr>
<td>(4.) Bank Loan/others</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1496.88</strong></td>
</tr>
</tbody>
</table>
Proposal for Steering Committee: Cluster Division recommends the proposal. Committee may consider the proposal for in-principle approval to set up Common Facility Centre in Raisin Processing Industries Cluster, Bijapur, Karnataka.

Agenda No 35.10: Proposal for in-principle approval to set up Common Facility Centres of Electronics City Industries Cluster, Bangalore, Karnataka.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Conducted By</th>
<th>Intaglio Technical &amp; Business Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>SPV, KCTU-Bangalore, MSME-Bangalore</td>
</tr>
<tr>
<td>When Started</td>
<td>28/09/2012</td>
</tr>
<tr>
<td>When Completed</td>
<td>25/10/2012</td>
</tr>
</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Electronics City Industries Cluster Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Electronic City Industrial Area Bangalore</td>
</tr>
<tr>
<td>Main Product</td>
<td>Communication Devices, Consumer Electronics Devices, Electronics Home &amp; Industry Appliances, Electronics Measuring Devices, High Precision Components and Sheet Metal Products, Housing and Cabinets for Electronics Devices, Medical Electronics Products and Devices, PCB Design and Fabrication, Strategic Electronics, Telecom and Office Automation Devices</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium) :</td>
<td>60 (Micro : 5 &amp; Small : 55)</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years:</td>
<td>1st Year : 2007-2008 Amount : 134.00 2nd Year : 2008-2009 Amount : 139.40 3rd Year : 2009-2010 Amount : 159.90 4th Year : 2010-2011 Amount : 205.00 5th Year : 2011-2012 Amount : 275.00</td>
</tr>
<tr>
<td>Employment in Cluster :</td>
<td>Direct=3000 Indirect=15000</td>
</tr>
<tr>
<td>Technology Details :</td>
<td>The Cluster Members are having average level of technology. Majority of the cluster units are using conventional technology for manufacturing the products. The cluster members are using traditional methods of PCB fabrication, PCB Assembly is mostly manual, and the Machining Job is accomplished by using Conventional Lathe, Milling and Drilling machinery. The sophisticated job work is out sources to Large Scale Units and PSUs. The Cluster members also outsource some of the work to foreign</td>
</tr>
</tbody>
</table>
countries also. The absence of Advance Technology for Processing and Testing is hindering the Growth of the Cluster.

Whether DS Conducted:
Yes, the DSR is conducted by IntaGlio Technical and Business Services, Bangalore, Details provided at Executive Summary Section of the DSR and DPR. The DSR is validated by Cluster Members, DIC Bangalore Govt. of Karnataka, KCTU Bangalore Govt. of Karnataka, MSME-DI Bangalore Govt. of India. The SPV members have accepted the proposed interventions by the Diagnostic Study and the Govt. Agencies has supported and recommended the Interventions as need based and Support worthy.

Main findings of DSR:
Electronic City, is one of Indias largest electronic industries park, spread over 800 acres in Konappana Agrahara and Doddathogur in Bangalore. It has housed many major companies. There are approximately 187 IT/ITES companies and 60 micro and Small industries involved in electronics mechatronics and mechanical product and ancillary parts manufacturing. These MSEs are providing support to the other MNCs and also have their own domestic and international Clients. The MSEs lack necessary infrastructure for machining, R&D, Testing and Calibration of the products as a result facing huge challenges of quality compliances, productivity, innovative new product development and are facing stiff competition from the MNCs. In order to address these problems and promote the MSEs the industries have come together under cluster concept. The Electronic City Industries Association Cluster (ELCIA-Cluster) is A Special Purpose Vehicle formed to represent the MSEs located in the electronics city industrial area. Type of Cluster/Products: Electronics Product Manufacturing No. of Units: 60 Type of Units: Micro and Small Scale Employment: Direct-3000, Indirect-15000

Main Problems of Cluster:
- The Cluster members lack advance technology for Designing of Electronics Products.
- The Cluster members lack PCB Designing, Prototyping, Assembling and Fabrication Facility
- The Cluster members lack Electronic and Mechanical Testing Facility.
- The Cluster members lack Rapid Prototyping Facility.
- The Cluster members are facing problems due to absence of advance machining facility at the cluster location.
- The Cluster members are facing Challenges from ever advancing technology and fast technology Changes
- The Cluster members are economically not sound enough to adopt the advance technology.
- The cluster members are force to outsource majority of the work to larger MNC or PSU companies.
- The quality and time to service is getting affected due to the lack of facilities at the cluster location.
- The cluster is facing problems due to poor product branding and poor marketing linkage.
- The cluster need a dedicated training and research center for skill up gradation of their existing work force and to train the
2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>In India, there have been a few key domestic companies which have captured the market but after economic liberalization, international companies have overshadowed the local companies, because they have sophisticated &amp; advanced technology, and have taken over the market share. The Indian Micro and Small industries are larger in number at Electronic City but in terms of value they are at very low levels. The Research and certification facilities, linkages are not well developed in the cluster region and time consuming which affects their productivity. The cluster members are highly dedicated to their respective domains but fall behind due to their incapacity to meet the market demands and technological barriers due to non availability of machinery, equipments. The CFC which is being proposed with advanced Machining Centre, PCB fabrication, Rapid Prototyping, R&amp;D and Testing Equipment will bring about holistic changes in the cluster. It will increase the productivity and decrease the processing time used for innovation and further help the cluster members to experiment on a higher knowledge intensive level and will enhance their scientific expertise. This will help them to increase their market potential. It is estimated that the turnover of the cluster will increase to 40% as the cluster members will not be dependent on MNCs and will be able to directly test, certify their products with added help from BDS providers. The training center will help human resource present in the cluster units to learn and upgrade working procedures, get trained on machinery of the cluster units and this</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>will enhance their skills, knowledge and will help them to keep up with the ever changing technology and industrial demands. The diagnostic study recommends the hard interventions for the cluster in terms of establishment of Common Facility Center to address the problems of the cluster. The proposed interventions will help the cluster units/members to overcome their shortcomings and tap the emerging electronic market.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Electronic city industrial area, Greater Bangalore. ELCIA Cluster is located in south Bangalore on Hosur road and has the access to good road infrastructure and amenities. It is situated on national highway 7 and has an easy access to NICE road. The Bangalore International Airport is 52 kms away from electronics city. The ECLIA Cluster is situated 22 kms from central majestic railway station. The nearest sea port is situated 335 kms away at Chennai sea port.</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Yes</td>
<td>As per SIDBI appraisal report, SPV (ELCIA-Cluster) has entered into lease agreement dated 27.08.13 with ELCIA (Lessor) for a period of 15 years for built-up premises with an area of about 20000 sq. ft. An initial down payment of Rs. 75.00 lakh has to be paid by the lessor at the time of occupation. However, it is not clear in the SIDBI report that the how much amount will be paid for 15 years lease period.</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>Land and Building will be taken on Lease, Details- in DPR</td>
<td></td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>15 Years and extendable on mutual agreement</td>
<td></td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>20000</td>
<td>Further, copy of lease agreement is also required.</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Not applicable, Land and Building will be taken on Lease.</td>
<td>As per SIDBI appraisal, The construction of building is expected to commence on sanction of the grant and be completed within 06 months.</td>
</tr>
</tbody>
</table>
| (f.) Main Facility Proposed   | 1. A Common Facility Center with Modern Research and Development Facility Like PCB Prototyping, Rapid Prototyping, CAD/CAM Designing Facilities  
3. A Common Calibration and Machining Centre: High Precision System Calibration, High Precision Lathes, Milling and Machining Facilities.  
4. A Common Training Center with state of the art development electronics boards and interfacing circuits.  
5. Common Raw Material Procurement Centre for purchase of bulk raw material from foreign countries.  
6. Common Marketing, Display and Branding Center for establishing better international market linkage and creating brand identity for the cluster products.  
7. Common Facility Center with legal advisers and financial auditors consultants for supporting the cluster members in handling business as per the international standards and requirements. | As per SIDBI appraisal, the main facility proposed are as under:  
a. R&D  
b. Electronics Testing and Certification  
c. Calibration & Machining Centre,  
d. Training Centre  
e. Raw Material Procurement Centre & Product Display Centre |
<p>| (g.) Prod capacity of CFC      | Details provided in the DPR           | --                                                                      |
| (h.) Major                    | Units Total Members- 60 SPV members   | As per SIDBI appraisal:                                                 |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)</td>
<td>-28 After Another 20 New units Research and development Before: Basic and limited research After: More Advanced levels of research and greater level of innovative product Development Market Before: Limited reach to market. Very few members are able to explore the export market potential. After: The CFC will help to expand the market of the cluster by at least 30% more market reach then the present level. Employment Before: Direct-3000, Indirect-15000 After: Direct-5000 Indirect-20000 Exporting units Before: 8 units After: Additional 15 units Turnover of cluster Before: 275 crore After: 600 crore by 5 years of CFC Establishment Innovative products Before: 400 After: 700 Training Before: No such facility available. Little in-house training is done. After: Dedicated training center Patents Before:25 After: 50 Testing Facilities Before: dominated by MNCs. After: Dedicated Testing facilities Profit Before: Extra recurring expenditure, increased process cost and reduced profit margins After: Increase in profit 30-40% higher output no extra recurring cost.</td>
<td>• More advanced levels of research and greater level of innovative product development. • The CFC will help to expand the market of the cluster by at least 30% more market reach than the present level. • Direct 5000 indirect 20000 employment. • Additional 15 directly exporting units. • Increase in profit 30-40% higher output no extra recurring cost. • Increase in profit margins of the cluster units upto 20-30% from the present level. • Manufacture products of global standards adhering to international standard certification. • Promote R&amp;D in the electronic and mechatronics industry by providing world class research and development centre at the cluster. • Upgrade technology and bring it at par with global benchmark. • Generate additional employment of 500 people in the cluster • Have at least 100 intellectual properties patented.</td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>Not Applicable as the Proposed facility falls in Green Category</td>
<td>NOC from Pollution Control Board is required.</td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>Total Man Power at CFC=61</td>
<td></td>
</tr>
<tr>
<td>(k.) Revenue generation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Remarks</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified)</td>
<td>S. No. Section Amount</td>
<td></td>
</tr>
<tr>
<td>1. Electronics Section</td>
<td>3,09,65,000</td>
<td></td>
</tr>
<tr>
<td>2. Machining Centre Section</td>
<td>1,47,70,000</td>
<td></td>
</tr>
<tr>
<td>3. Design and Development Centre</td>
<td>4,42,50,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8,99,85,000</td>
<td></td>
</tr>
</tbody>
</table>

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Electronic City Industries Association Cluster (ELCIA-Cluster) # 7A, Office of the Electronics City Industries Association, Electronics City Phase-1, Bangalore-560100</td>
<td></td>
</tr>
<tr>
<td>(b.) Nature of SPV (company or Society or Trust)</td>
<td>ELCIA Cluster (Electronic City Industries Association Cluster) is a Special Purpose Vehicle (SPV) registered under Karnataka Society (Registration) Act, 1960 for the implementation of this project and for the establishment of Common Facility Center.</td>
<td>Society</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Representative from DIC Bangalore, KCTU Bangalore Govt. of Karnataka and MSME DI Bangalore Govt. of India</td>
<td></td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>11/7/2012</td>
<td></td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Available in Annexure document attached at section 9</td>
<td>As per SIDBI appraisal, amended by laws required.</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Available in Annexure document attached at section 9</td>
<td>As per SIDBI report, according to Karnataka Societies Registration Act 1960, there is no provision for shareholding (share capital) in the Societies, but the society can raise funds in terms of contribution or loans from</td>
</tr>
<tr>
<td>(h.) Paid up capital as on.........</td>
<td>Available in Annexure document attached at section 9</td>
<td></td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Available in Annexure document attached at section 9</td>
<td></td>
</tr>
</tbody>
</table>
its members or any other individual / organisation. The society can collect funds in the terms of membership fees annually, lifetime fees, service charges or contribution towards CFC project implementation from cluster members etc.

| (j.) Commitment letter for contribution | Available in Annexure document attached at section 9 | Commitment letter required. |
| (k.) SPV specific A/c | Current A/c No. 6063063215 in Indian Bank, Electronic City Branch, Bangalore | -- |
| (l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to to be highlighted with support documentation | Soft Interventions The diagnostic study has found that majority of the cluster members are having sound knowledge of their business, Govt. Policies and financial management. Hence the study recommends that the cluster can take up Hard interventions activity as it is the need of the hour and the cluster need to address its technological problems immediately to sustain the ever increasing competition. Some of the other Soft Interventions such as 1.Exposure visits to Bench Marked Clusters. 2.Program on Design, Development and IPR activities. May be taken-up during the implementation of the CFC | As per SIDBI appraisal, various meeting have taken place (as is evident from the minutes of such meeting) with the cluster members to appraise them of the modalities of the scheme and benefits for the cluster as a whole on implementation of proposed CFC. |
| (m.) Technical Institution | IntaGlio Technical & Business Services, Bangalore | -- |
| (n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity. | The SPV is an open type and has provisions for incorporation new members. The capacity planned is as per the requirement and the SPV members will be able to utilize the mentioned capacity. Details of Capacity utilization are Available in the DPR | As per SIDBI report, it is mentioned in the bye laws (Clause 5.6), separate user fee for members / non-members. However, there is no specific clause clearly indicating that the facilities may be used by non-members as well. |
| (o.) | Total Power Requirement=175Kw | -- |
### 4. Implement Arrangements

<table>
<thead>
<tr>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
</tr>
<tr>
<td>(e.) Comments of Technical Division</td>
</tr>
<tr>
<td>(f.) Approval of Technical</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water</th>
<th>The region has got sufficient ground water resource</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas/Oil/Other Utilities</td>
<td>NA</td>
</tr>
<tr>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>
Committee has recommended the plant & machineries of worth Rs. 12,54,73,587/- [excluding VMC 8000 RPM (Die - Mould / Tool Room) of worth Rs. 49.50 lakh]

(g.) Comments of Cluster Development Division:

(h.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made) Bank Commitment Letter for Working Capital Loan is Received. Letter of In-principle sanction of loan is required.

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP 41% --</td>
</tr>
<tr>
<td>(b.) IRR, Payback period 29% --</td>
</tr>
<tr>
<td>(c.) DSCR Not Applicable --</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE) 35% As per guidelines</td>
</tr>
<tr>
<td>(e.) NPV 29% --</td>
</tr>
<tr>
<td>(f.) DER Not Applicable --</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis Satisfactory --</td>
</tr>
</tbody>
</table>

6. Total Cost : The total cost of the CFC is as follow: (Rs. in Lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
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<td>1254.74</td>
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<tr>
<td>(4.) Misc. fixed assets</td>
<td>16.29</td>
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<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>12.50</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>65.21</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>21.56</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>1445.30</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance: The suggested means of finance are as follows: (Rs. in lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
(1.) SPV contribution 15.00 216.79
(2.) Grant-in-aid from Govt. of India 70.00 1011.71
(3.) Grant-in-aid from Govt. of 15.00 216.80
Total 100.00 1445.30

Observations:

- Registered lease agreement is required.
- As per SIDBI appraisal report, SPV (ELCIA- Cluster) has entered into lease agreement dated 27.08.13 with ELCIA (Lessor) for a period of 15 years for built-up premises with an area of about 20000 sq. ft. An initial down payment of Rs. 75.00 lakh has to be paid by the lessor at the time of occupation. **However, it is not clear in the SIDBI report that the how much amount will be paid for 15 years lease period.**
- As per SIDBI report, according to Karnataka Societies Registration Act 1960, there is no provision for shareholding (share capital) in the Societies, but the society can raise funds in terms of contribution or loans from its members or any other individual / organisation. The society can collect funds in the terms of membership fees annually, lifetime fees, service charges or contribution towards CFC project implementation from cluster members etc.
- Visit Report from MSME-DI, Bangalore is required.
- Commitment letter for contribution of SPV is required.
- NOC from Pollution Control Board is required.
- Letter of in-principle sanction of loan is required.
- Copy of amended bye-law is required.


9. **Proposal for the Steering Committee:** Cluster Division recommends the proposal. Steering Committee may grant in-principle approval to set up Common Facility Centre at Electronics City Industries Cluster, Bangalore, Karnataka.
Agenda item No. 35.11: Proposal for extension of time limit for submission of Detailed Project Report (DPR) for final approval for Textile Cluster, Rabakavi- Banahatti, Bagalkot District, Karnataka.

The proposal for setting up of CFC for Textile Cluster, Rabakavi- Banahatti, Bagalkot District was approved in-principally and accorded the approval for GoI grant of Rs. 5.00 lakh for preparation of DPR for CFC in the 30th Steering Committee Meeting held on 19.06.2012 & 20.06.2012. In-principle approval was issued on 24.08.2012 with a condition that the in-principle approval would be valid for a period of 6 months from the date of Steering Committee Meeting i.e. upto 20.12.2012, so that complete proposal is submitted by State Govt. for final approval, failing which the proposal will be dropped.

2. Karnataka State Textile Infrastructure Development Corporation Limited, Bengaluru had earlier requested for extension of time limit upto June 2013 for submission of DPR for final approval. At that time, as per decision, a reminder was issued for all proposals approved in-principally in the 30th SCM ((including Textile Cluster, Rabakavi) to submit the final proposals to this office immediately.

3. Now, Karnataka State Textile Infrastructure Development Corporation Limited, Bengaluru again requested to extend the time limit upto December 2013 for submission of DPR for final approval due to the following reasons:
   i) The financing agency has not yet accorded sanction for term loan.
   ii) Hence appraisal report from competent agency is still pending for want of sanction of term loan from the financing agency.
   iii) The Board of Directors Meeting was scheduled to be held on 13.09.2013 to take final decision on willingness to give personal guarantee for availing term loan from Vijaya Bank, Banahatti.

4. So far, no request for release of funds for preparation of DPR has been received from Implementing Agency.

5. **Proposal for Steering Committee:** Proposal is for further extension of time limit for submission of DPR. A view of the Steering Committee may be taken regarding this proposal.

Proposal was received from Central Silk Technological Research Institute, Vide Online Ref. No:- 1527 / Dated : 01/07/2013 & recommended by MSME-DI, Bangalore.

DSR Details

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>IntaGlio Technical and Business Services, Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Cluster /SPV Members, CSTRI- CSB Bangalore, MSME Bangalore, Department of Handlooms and Textiles (Go</td>
</tr>
<tr>
<td>When Started</td>
<td>19/04/2013</td>
</tr>
<tr>
<td>When Completed</td>
<td>06/06/2013</td>
</tr>
</tbody>
</table>

Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Central Silk Technological Research Institute</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>KARNATAKA</td>
</tr>
<tr>
<td>District</td>
<td>TUMKAR</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>SILK HANDLOOM CLUSTER, Y.N.Hosakote</td>
</tr>
</tbody>
</table>

Brief Information of Cluster

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Handloom Silk Products, Silk Dress Materials &amp; Silk Sarees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>The cluster members are using traditional looms with jacquard. Most of the twisting units use only old technology with insufficient capacity machineries. The cluster has little pollution problem due to the use of chemicals and different types of synthetic colours for dyeing the yarn, there is no effluent treatment facility in the cluster.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>52</td>
</tr>
<tr>
<td>No. of Units</td>
<td>250</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 250 Small : 0 Medium : 0 Women : 25 Village : 0 SC/ST : 25</td>
</tr>
<tr>
<td>Turnover (Per Annum)</td>
<td>(Rs. in Lakhs) 7200.00</td>
</tr>
<tr>
<td>Export</td>
<td>(Rs. in Lakhs) 120.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct : 6000 &amp; Indirect : 20000 Women : 1500 &amp; SC/ST : 120</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Sri Chowdeshwari Silk weavers cooperative society limited Mr. C.A Balaji, Secretary Mobile: 09880862135</td>
</tr>
</tbody>
</table>
Whether DSR conducted. Main outcomes of DSR :
The Programs proposes will help in achieving the following goals
1. Trust Building within Stake Holders
2. Motivation of Entrepreneurs’
3. Create Interest towards cluster development
4. Sharing of information and problem identification

Extent of Competition for cluster :
Domestic Competition from silk weaving industries in Andhra Pradesh and Tamilnadu. The Cluster products are facing huge competition from China.

Main Problems of Cluster :
- Lack of awareness on MSE-CDP and other Government Schemes
- Lack of Proper Raw Material Bank
- Lack of Automatic Pre- Looming Process Machineries
- Traditional methods and Conventional Technology
- Insufficient Dyeing Facilities
- Insufficient Design Development Facility
- Lack of Design Clinic/Design Development Centre/ Design studio
- Poor Knowledge of Automation in Handloom

Need for CFC, if any :
Yes. The cluster needs the CFC with the following facilities.
Common Raw Material Procurement Bank
- Common Silk Twisting Centre
- Common Silk Dyeing Centre
- Common Zari-Thread Making Facility
- Common Design Development Centre
- CFC with Embroidery Machining Facility
- Common Facility Centre with Post Loom Material Finishing Facilities
- Common Branding and Packaging Facility
- Common Testing & Training Facilities

Any other information :
Silk industry of YN Hosakote region is famous for its pure silk sarees, though the cluster is not very old cluster but has gain reorganization in regional market as a symbol for pure silk handloom producing cluster. The cluster is located near the Bangalore silk Market and has good connectivity with roads and rail link.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Central Silk Technological Research Institute, Central Silk Board, Bangalore is the implementing Agency with more than 20 years of experience in implementing various</td>
<td></td>
</tr>
<tr>
<td>Parameters</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Parameters</td>
<td>schemes.</td>
<td>--</td>
</tr>
<tr>
<td>Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.)</td>
<td>Trust Building Activities Awareness Programs on Various Schemes of MSME, Govt. of India and Govt. of Karnataka Capacity Building Activities Quality and Skill Upgradation Trainings Training on Financial Management Training on Fashion Design and Product Diversification and IPR related training Study Tours and Visit to other Cluster</td>
<td>--</td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>Yes; the DSR is validated by the Cluster Members.</td>
<td>--</td>
</tr>
<tr>
<td>Project Cost with break up:</td>
<td>Project Cost : (Rs. in 18.200 Lakhs)</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>GOI Contribution : (Rs. 16.380 in Lakhs)</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>Cluster Beneficiaries : 1.820 (Rs. in Lakhs)</td>
<td>--</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>Central Silk Technological Research Institute, Central Silk Board, Bangalore will select the appropriate agency as CDA/CDE</td>
<td>--</td>
</tr>
<tr>
<td>Justification for SI</td>
<td>There is a need to create awareness on various schemes of Government and MSE-CDP for the cluster members and create trust building among cluster members. The training programmers and workshops will enhance their skills and knowledge on overseas marketing. The visit to aboard and meeting with machinery suppliers will enable them to identify latest technology machineries for the proposed CFC.</td>
<td>--</td>
</tr>
<tr>
<td>Main outcomes (before &amp; after) in terms of sales, Exports, Investment, Profitability, Employment, ISO &amp; other Certification, others</td>
<td>Particulars Before Intervention After Intervention Units 250 300 Turnover-Rs. Lakhs 7200.00</td>
<td>--</td>
</tr>
<tr>
<td>Parameters</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>12500.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports</td>
<td>120.00 500.00</td>
<td></td>
</tr>
<tr>
<td>Employment</td>
<td>6000 9000</td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>Diversification Absent New Products</td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td>with better quality and designs</td>
<td></td>
</tr>
</tbody>
</table>

**Action Plan (for 12 Months) & Budget (Rs in lakh)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>01. TRUST BUILDING :- 2 nos. (one day each)</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td></td>
</tr>
<tr>
<td>Organizing Meetings/ Seminars for cluster actors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of participants- 50 (each Programme)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Month-1 &amp; Month-2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ESTIMATED EXPENDITURE :-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall and other arrangements</td>
<td>Rs.10,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Audio Visual Aids</td>
<td>Rs 3,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refreshments</td>
<td>Rs.15,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Literature</td>
<td>Rs.3,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium to guest Speaker</td>
<td>Rs. 6,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local TA/DA</td>
<td>Rs. 3,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs. 40,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Rs. 40,000 x 2 programmes = Rs. 80,000/-)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support Agency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. DIC, Ananthpur</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. CSTRI-CSB Bangalore</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. MSME-DI</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. CDA/CDE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. SPV</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>02. DIFFERENT TYPES OF AWARENESS PROGRAMME ON : 2 nos.</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td></td>
</tr>
<tr>
<td>One Day each Month-3 &amp; Month-4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cluster Programme, MSME, NSICS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scheme, State Govt. Schemes, Quality up-gradation, Waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>minimization, Energy Conservation, Use of modern machinery</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&amp; equipments, Faculty</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Trust Building within Stake Holders
2. Capacity building & awareness
3. Motivation of Entrepreneurs
4. Create Interest towards cluster development
5. Sharing of information.

Introducing modern technology, Use of latest machinery, Improvement in quality of production, Market awareness, Enhancement of knowledge on.
<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td>support from concerned office. (For each Programme no. of participants 50 Nos.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ESTIMATED EXPENDITURE :-**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hiring of Hall</td>
<td>Rs.10,000/-</td>
</tr>
<tr>
<td>Audio Visual, Decoration</td>
<td>Rs 3,000/-</td>
</tr>
<tr>
<td>Refreshments</td>
<td>Rs.12,000/-</td>
</tr>
<tr>
<td>Honorarium to visiting faculty</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td>Stationery &amp; Misc.</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td></td>
<td>Rs. 40,000/-</td>
</tr>
</tbody>
</table>

(Rs. 40,000 x 2 programmes = Rs. 80,000/-)

Support Agency
7. DIC, Ananthpur
8. CSB Bangalore
9. MSME-DI
10. CDA/CDE
11. NSIC
12. SPV

<table>
<thead>
<tr>
<th>Month-5 and Month-6 (product diversification)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hiring of Hall</td>
<td>Rs.30,000/-</td>
</tr>
<tr>
<td>Refreshments</td>
<td>Rs 20,000/-</td>
</tr>
<tr>
<td>Honorarium for Trainers</td>
<td>Rs.25,000/-</td>
</tr>
<tr>
<td>Raw materials</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td>Misc. &amp; local TA</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td></td>
<td>Rs. 90,000/-</td>
</tr>
</tbody>
</table>

(Rs. 90,000 x 2 programmes = Rs. 1,80,000/-)

Support Agency
7. DIC, Ananthpur
8. CSB Bangalore
9. MSME-DI
10. CDA/CDE

03. TRAINING PROGRAMME ON :- 2 nos.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hiring of Hall</td>
<td>Rs.10,000/-</td>
</tr>
<tr>
<td>Audio Visual, Decoration</td>
<td>Rs 3,000/-</td>
</tr>
<tr>
<td>Refreshments</td>
<td>Rs.12,000/-</td>
</tr>
<tr>
<td>Honorarium to visiting faculty</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td>Stationery &amp; Misc.</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td>Raw materials</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td>Honorarium for Trainers</td>
<td>Rs.25,000/-</td>
</tr>
<tr>
<td>Misc. &amp; local TA</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td></td>
<td>Rs. 90,000/-</td>
</tr>
</tbody>
</table>

(Rs. 40,000 x 2 programmes = Rs. 80,000/-)

Support Agency
7. DIC, Ananthpur
8. CSB Bangalore
9. MSME-DI
10. CDA/CDE

Increase in productivity, Improvement in quality and upgradation of Skill and process

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hiring of Hall</td>
<td>Rs.30,000/-</td>
</tr>
<tr>
<td>Refreshments</td>
<td>Rs 20,000/-</td>
</tr>
<tr>
<td>Honorarium for Trainers</td>
<td>Rs.25,000/-</td>
</tr>
<tr>
<td>Raw materials</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td>Misc. &amp; local TA</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td></td>
<td>Rs. 90,000/-</td>
</tr>
</tbody>
</table>

(Rs. 90,000 x 2 programmes = Rs. 1,80,000/-)

Support Agency
7. DIC, Ananthpur
8. CSB Bangalore
9. MSME-DI
10. CDA/CDE

Increase in productivity, Improvement in quality and upgradation of Skill and process
<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. Dept. Of Sericulture Govt. of AP 12. SPV</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Month -7 (II) FINANCIAL MANAGEMENT AND IPR RELATED TRAINING PROGRAMME : - 1 Nos. (two days duration Programme)</td>
<td>0.90</td>
<td>0.72</td>
<td>0.18</td>
<td>Knowledge on accounting procedures and maintaining books of accounts Budgeting procedure, Estimation of value of Products, Operation of Financial Transaction of business Awareness on Government Rules and Regulations</td>
</tr>
<tr>
<td>No. of participants----------------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>50 each.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost details per Programme:-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring of Hall</td>
<td>Rs. 15,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refreshment</td>
<td>Rs. 10,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium to guest speaker</td>
<td>Rs. 10,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationary/Miscellaneous</td>
<td>Rs. 5,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local travel &amp; logistic</td>
<td>Rs. 5,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Rs. 45,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Rs. 45,000 x 2 = Rs. 90,000/-)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support Agency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. DIC, Tumkur</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSB Bangalore, CDA/CDE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. MSME-DI</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Financial Institution</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>III) Study tours to Other Clusters-2 Nos. 4 Days</td>
<td>1.80</td>
<td>1.44</td>
<td>0.36</td>
<td>Visit to other clusters will enhance the knowledge of the cluster members and skills implied by other clusters in their production.</td>
</tr>
<tr>
<td>Month-8 &amp; Month-9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of participants----------------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10 each.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXPECTED EXPENDITURE :-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure for Fare of train AC II Class and local travel and for boarding and lodging for 5 Days Estimated Expenditure @ Rs. 90,000/- per visit. (Rs. 90,000 X 2 programmes = Rs. 1,80,000/-)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUPPORT AGENCY :</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. DIC, Tumkur</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSB</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. CDA/CDE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. SPV</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>OutCome</td>
</tr>
<tr>
<td>-------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td>---------</td>
</tr>
<tr>
<td>IV) PROGRAMME ON PACKAGING :- 1 Nos. (30 participants) With Indian institute of Packaging, Govt. of India, etc. (2 days duration) Month-10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXPECTED EXPENDITURE :- Rent for hall Rs 15,000/- Honorarium/fee for Consultant Rs 25,000/- Refreshment Rs 5,000/- Local Travel &amp; Miscellaneous Rs 5,000/- Total Rs.50,000/- (Rs. 50,000 x 1 programmes = Rs. 50,000/-) Support Agency:- DIC, Tumkur, CSB, CDA/CDE, National Institute of Design</td>
<td>0.50</td>
<td>0.40</td>
<td>0.10</td>
<td>To learn modern and attractive packaging of cluster products as per the demand customers</td>
</tr>
<tr>
<td>04. CAPACITY BUILDING :- (Website launching and Up-gradation for Brochure Preparation, initial recruitment ) Total Rs. 1,00,000/- SUPPORT AGENCY : 1- S.P.V 2- CSB- Bangalore</td>
<td>1.00</td>
<td>0.60</td>
<td>0.40</td>
<td>Support for wider publicity of the Cluster and its products</td>
</tr>
<tr>
<td>05. SERVICES OF BDS PROVIDERS, (20 person-days @ Rs 7000/- per day + boarding/lodging charges as per Group A officers entitlement)</td>
<td>3.00</td>
<td>2.70</td>
<td>0.30</td>
<td>Supporting officer for conducting soft interventions</td>
</tr>
<tr>
<td>06. PARTICIPATION FOR FOREIGN FAIR VISIT EXPECTED EXPENDITURE :- Activity for 12th Month Expenditure for Air Fare and local travel and for boarding and lodging for 7 Days Estimated Expenditure @ Rs. 5,00,000/- per visit. (Rs. 5,00,000 X 1 programmes = Rs.5,00,000/-) SUPPORT AGENCY : 1-DIC, Tumkur 2- CSB, CDA/CDE 3-S.P.V.</td>
<td>5.00</td>
<td>2.50</td>
<td>2.50</td>
<td>Exposure visit to foreign fairs and industries will give the cluster members a broad global perspective of the sector.</td>
</tr>
<tr>
<td>07. Local Travel, Telephone, Stationery &amp;</td>
<td>0.60</td>
<td>0.60</td>
<td>0.00</td>
<td>Operational</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>OutCome</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td>---------</td>
</tr>
<tr>
<td>Miscellaneous (@ Rs. 5,000 for 12 months)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08. Local Purchases- 1) Computer-Rs. 35,000/- 2) Telephone, -Rs. 2,000/- 3) Printers -Rs. 8,000/- 4) LCD Projector-Rs. 30,000/-</td>
<td>0.75</td>
<td>0.75</td>
<td>0.00</td>
<td>Technical capacity building and office setup. Infrastructure required for conduction programs</td>
</tr>
<tr>
<td>09. Participation of CDE/CDA For 12 Months including TA/DA @ Rs. 10,000/-per month (12x10,400/-= Rs. 1,25,000/-)</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>The CDE/CDA will be helpful in smooth implementation of the Soft interventions</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>18.20</strong></td>
<td><strong>13.84</strong></td>
<td><strong>4.36</strong></td>
<td>Proposed Soft Interventions will help in trust building, capacity building of the cluster members. The interventions will also help in education the cluster members on various advance technologies to achieve design development improvement and product diversification</td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for soft interventions of Silk Handloom Cluster, Y.N.Hosakote, Tumkar, Karnataka for 12 months at a total cost of Rs. 18.20 lakh and GoI grant of Rs.13.84 lakh & the remaining Rs.4.36 lakh to be contributed by cluster units/associations.
Agenda No. 35.13: Extension of duration for setting up of CFC in Ethnic Food Cluster, Pala, Kottayam, Kerala.

It is informed that the proposal for CFC in Ethnic Food Cluster, Pala, Kottayam was approved in the 17th meeting of Steering Committee of MSE-CDP held on 11.11.2009. The administrative approval for the project was issued on 2.07.2010. It is women cluster of 250 units with a turnover of Rs. 9.00 crore and providing employment to thousand of women. The project cost of CFC and means of finance are as follows:

Component of Project Cost:

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Description</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land</td>
<td>15.00</td>
</tr>
<tr>
<td>2.</td>
<td>Building</td>
<td>35.75</td>
</tr>
<tr>
<td>3.</td>
<td>Plant and Machinery</td>
<td>337.11</td>
</tr>
<tr>
<td>4.</td>
<td>Working Capital required</td>
<td>10.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>397.86</td>
</tr>
</tbody>
</table>

Means of finance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI contribution</td>
<td>70.00</td>
<td>278.50</td>
</tr>
<tr>
<td>SPV Contribution</td>
<td>10.00</td>
<td>39.79</td>
</tr>
<tr>
<td>Govt. of Kerala</td>
<td>20.00</td>
<td>79.57</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>397.86</td>
</tr>
</tbody>
</table>

2. Since the project proposal was prepared during 2008 and being implemented now, Technical Expert concerned with the project i.e. Food Safety Solutions International, Cochin suggested a revised list of plant and machinery which is as per the present requirement and need of the cluster. As per the request received from Director of Industries & Commerce, Govt. of Kerala, the matter regarding approval of revised list of plant & machinery was considered in 32nd SCM held on 20.03.2013 and the Steering Committee approved the same.

3. The CFC is to be operationalised by October 2013. However, Secretary (Industries & IT) vide his letter dated 19.09.2013 has requested O/o DC (MSME) that SPV in the cluster has requested for extension of duration of project up to October 2014 as due to excessive rain and flood situation, building construction of the CFC could not started. Secretary (Industries & IT) has also informed that e-tender for construction of CFC building has been done and State Govt. matching share has already been sanctioned and released and kept in separate bank account with KBIP, Thiruvananthapuram (IA).

Proposal for Steering Committee:

The SPV and State Govt. is requesting for extension for another one year. The cluster being a women cluster employing thousands of women workers, Steering Committee may approve extension of duration up to another one year i.e. 31st October 2014 as requested by State Govt.
Agenda No. 35.14: Extensions of duration of Project in respect of setting up of CFC in General Engineering Cluster, Malappuram (Manjeri) – Kerala

It is informed that the proposal for setting up of CFC in General Engineering Cluster, Malappuram (Manjeri) was approved in the 23rd meeting of Steering Committee held on 23.08.2010. The Administrative Approval for the project was issued on 29.10.2010. Steering Committee in its 31st SCM held on 1.11.2012 has granted extension of duration of project up to 31st December 2013. The cost of project and means of finance are as follows:

2. The total project cost for setting up of aforesaid CFC will be shared as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of India</td>
<td>Rs.199.00 lakh</td>
</tr>
<tr>
<td>State Govt. contribution</td>
<td>Rs. 63.00 lakh</td>
</tr>
<tr>
<td>SPV &amp; Bank contribution</td>
<td>Rs. 53.01 lakh</td>
</tr>
<tr>
<td>Total</td>
<td>Rs. 315.01 lakh</td>
</tr>
</tbody>
</table>

The components of project cost are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land</td>
<td>8.00</td>
</tr>
<tr>
<td>2.</td>
<td>Buildings</td>
<td>84.01</td>
</tr>
<tr>
<td>3.</td>
<td>Machinery</td>
<td>168.00</td>
</tr>
<tr>
<td>4.</td>
<td>Installation &amp; Commissioning</td>
<td>10.00</td>
</tr>
<tr>
<td>5.</td>
<td>Fire Fighting Equipments</td>
<td>2.00</td>
</tr>
<tr>
<td>6.</td>
<td>Generators</td>
<td>8.00</td>
</tr>
<tr>
<td>7.</td>
<td>Office equipments and furniture</td>
<td>5.00</td>
</tr>
<tr>
<td>8.</td>
<td>Electrical Fittings</td>
<td>6.00</td>
</tr>
<tr>
<td>9.</td>
<td>Preliminary &amp; Pre operative expn.</td>
<td>10.00</td>
</tr>
<tr>
<td>10.</td>
<td>Contingencies</td>
<td>10.00</td>
</tr>
<tr>
<td>11.</td>
<td>Margin money for working capital</td>
<td>4.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>315.01</td>
</tr>
</tbody>
</table>

3. Progress of setting up of CFC in the cluster has been received as follows:
   i) Tripartite agreement signed
   ii) Pollution control certificate obtained from Pollution Control Board
   iii) Fire and rescue license obtained for Building construction
   iv) Infrastructure (including electrification) for installation of plant and machinery at CFC site is ready.
   v) Purchase Committee has finalized the Tender for supply of machinery and equipments for the CFC
   vi) SPV and State Govt. share of has already been received.

4. No GoI funds has been released so far and could not be processed in the extended period of project i.e. up to 31st December 2013 as funds under the head Grants for creation of capital assets (77.00.35) in the current FY 2013-14 has been exhausted. Funds may be available under RE and can be considered for release thereafter.

**Proposal for Steering Committee:**

Steering Committee is requested to grant extension of duration of project for another six months i.e. up to 30th September 2014 for facilitation of release of funds and completion of the project.
Agenda No. 35.15: Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Terry Towel Cluster, Solapur, Maharashtra.

Proposal was received from Terry Towel Cluster Pvt. Ltd. (SPV), vide online ref. no:- 0937 / dated : 02/08/2013 recommended by State Government and MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Solapur Textile Cluster Ltd (SPV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>DIC, Solapur</td>
</tr>
<tr>
<td>When Started</td>
<td>15/06/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>02/11/2011</td>
</tr>
</tbody>
</table>

**1. Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Terry Towel Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Solapur</td>
</tr>
<tr>
<td>Main Product</td>
<td>Chadars, Cotton Terry Towel and Grey Fabric</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium):</td>
<td>Micro : 4900 Small : 100 Medium : 0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Turnover(Rs in Crore) for the last five years:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-2007 - 1675.00</td>
</tr>
<tr>
<td>2007-2008 - 1620.00</td>
</tr>
<tr>
<td>2008-2009 - 1680.00</td>
</tr>
<tr>
<td>2009-2010 - 1535.00</td>
</tr>
<tr>
<td>2010-2011 - 1634.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exports(Rs in Crore) for the last five years:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-2007 - 500.00</td>
</tr>
<tr>
<td>2007-2008 - 400.00</td>
</tr>
<tr>
<td>2008-2009 - 400.00</td>
</tr>
<tr>
<td>2009-2010 - 350.00</td>
</tr>
<tr>
<td>2010-2011 - 200.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment in Cluster</th>
<th>The direct employment provided by MSME's in terry towel cluster is around 40,000 persons.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Technology Details</th>
<th>Conventional in a large scale and semi automated now a day in units. The powerlooms are used for weaving the dyed yarns to towels and bed sheets. The present technology here does not match with the speed and quality.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether DS Conducted</td>
<td>Yes.</td>
</tr>
<tr>
<td>Main findings of DSR</td>
<td>Common Raw Material Depot, Common Wet Processing Facility, Common Preparatory Facility, Laboratory, Testing Facility &amp; R&amp;D, Design &amp; Communication Centre</td>
</tr>
</tbody>
</table>
Main Problems of Cluster:

Non Availability of own testing lab, fluctuations in the yarn rate due to fluctuations in the cotton rates but at the same time finished goods may not get enhanced price. Conventional and Semi-automated machineries, low efficiency of Plant and Machinery, shortage of skilled labours, lack of capacity building of the staff, no training centre, shortage of raw material, lack of export business management, lack of support system for meeting global challenges requirements, lack of common facilities etc.

Other Information:
The above details are given considering 5000 units in the cluster.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
</table>
| (a.) Justification for CFC           | a. Cone Dyeing Facility: Due to absence of the cone dyeing facility, the units are facing following problems. Presently, the units use Yarn Hand dyeing method (traditional). In this method, the units fail to get even dyeing results. This process takes around 6 to 7 days to complete. The water consumption in the process is huge. Since, the dyed material is dried in the sunlight, it takes about 24 hrs to dry. There are huge batch-wise colour variations in the material. The wastage is about 18%. The inventory cost of the unit is high. These all affects the quality and costing of the final product. As a result of this, units fail to provide time bounded services with better quality and price.  

b. Sizing Facility: Presently, there is no sizing facility available at the Solapur. Units have been availing this facility from the Ichalkaranji, Kolhapur and Bhivandi. As the proposed facility is not available at Solapur, the units have to send the material at Ichalkaranji for Sizing which about 240 kms. It increases the transportation cost for the units. It takes about 15 days to get sized the material from Ichalkaranji. There are a considerable percentage of the damages while traveling the material from Solapur to Ichalkaranji and again bringing the material from Ichalkaranji to Solapur. Therefore most of the units, use double yarn for weaving the towel instead getting material sized from Ichalkaranji, Kolhapur and Bhivandi. The advance sizing facility requires only the single yarn as such it
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>is more applicable considering the cost and time involved as compared to double yarn. There will be an increase in the number of shuttles looms at solapur due to the proposed advance sizing facility.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Warping Facility: The warping is done with the traditional process. The efficiency of the present method is very poor. The proportions of the knots are very high in the present process. In the present warping method, beams can be filled upto the limited length about 1000 mtrs per day. if the units have to make a beam of 5000 mtrs, it will take 5 days to complete whereas in the advance warping facility, 5000 mtrs beam can be filled in a one day with a no knot. It is more suitable for shuttles looms.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Chemical Processing Facility: The sized material is weaved on the loom to manufacture grey towel. Once the grey terry towel is ready, it needs chemical processing in order to get rid of size applied during sizing (desizing), removing natural impurities and waxes, Deocolorising of impurities to achieve whiteness , applying desire colour, etc. The units cannot supply the sized material directly to the customer without chemical processing. As this process is not available at the Solapur, units get processed the sized material from Ichalkaranji, Kolhapur and Bhivandi. This increases their transportation cost and consumed a lot of time. As such cluster units are unable to deliver their products to customer in time. e. Testing Facility: Presently, advance testing lab is not available at the terry towel cluster, Solapur. The entrepreneurs purchase raw material with the belief on the raw material supplier about the quality. Entrepreneurs are unable to know the exact quality of the raw material purchased. Many a times, the entrepreneurs do purchase a raw material of 1st grade which is without any certification but when they sale finished output manufactured with the same material, the dealer/customer treat it as a substandard quality material and it is determined on the basis of the testing certificate. Units are unable to provide any testing certification because of non availability.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Description** | **Proposed by Implementation Agency (IA)** | **Comments by Cluster Division**
--- | --- | ---
 | of testing lab. The cluster units will be able to confirm accurate quality of the raw material as well as finished goods due to the availability of Testing Facility. |  |
(b.) Location of CFC | Chincholi MIDC, Pune Road | - |
 | % age of units in radius of 5km | 100 | - |
 | % age of units in radius of 10km | 0 | - |
(c.) Land for CFC |  |  |
 | i. Whether land acquired | Yes, we have received letter of comfort from MIDC, Mumbai | Land yet to be allotted by MIDC, Mumbai. Only comfort letter received. |
 | ii. Title is in name of | Yes. | No. |
 | iii. Valuation and its basis | Total land area is 28000 sq.mtr. Rate of per sq. mtr Rs.185/- The total cost of Land is Rs.5180000/- | - |
 | iv. Land is sufficient | Sufficient. | - |
 | v. Change of land use | Yes. | Proposed in MIDC Industrial Area. |
 | vi. If on lease, duration of lease | NA | - |
 | vii Whether lease is legally tenable | NA | - |
(d.) Total Building area(sq ft) | 65000 sq. ft. | - |
(e.) Rate of construction of building | The cost of construction is calculated @Rs.438.60/- per sq. ft. for total area 65000 sq.ft., the total cost of building Rs.2,85,09,000/- | - |
(g.) Prod capacity of CFC | 1. Common Towel Yarn Dyeing Facility- 3.00 Tons per day. 2. Common Sectional Warping Facility- 2.66 tons per day. 3. Common Sizing | - |
### Proposed by Implementation Agency (IA)

- Facility - 4.52 tons per day.
- 4. Common Towel Chemical Processing Facility- 5.88 tons per day.

### Comments by Cluster Division

- Outcome are provided on the page no. 32 in the Detail Project Report.

#### (h.) Major Outputs/Deliverables of CFC
Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)

- Required.

#### (i.) Pollution clearance required or not

- Consent to establish required.

#### (j.) Man Power in CFC

- Manpower Details are provided from page no. 75 to 77 in Detail Project Report.

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

- Revenue Generation is provided on the page no. 54 in Detail Project Report.

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Name of SPV: Solapur Textiles Cluster Pvt. Ltd Address: Chincholi MIDC, Pune Road, Solapur, Dist- Solapur, Maharashtra</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Company</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provision made in the Articles of Association of the Company. Yet to be nominated.</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>24th Oct. 2012</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>There are 54 units which are members of the SPV. Out of total 54 members, 7 are directors and 47 are the members.</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Yes, Bye Laws or MOA and AOA are submitted.</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Authorised Share Capital of SPV is Rs.150.00 Lakhs</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital as on..........</td>
<td>Paid up capital as on is Rs.17.00 Lakhs.</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Documents related Share holding pattern is uploaded in upload section.(Any other Documents)</td>
<td>-</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Commitment letter for contribution given dated 22th Nov. 2012 to General Manager, SIDBI, Pune</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Details of the SPV Bank account is given on the page number 131 in DPR.</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>Soft Intervention Programme is sanctioned by Steering committee for various trust building, capacity building, building awareness, study tour to other clusters, participation in Exhibition, etc for the cluster members and Previous track record of co-operative initiatives pursued by SPV members is highlighted on page number 57 of DPR.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>Solapur Textile Cluster Ltd. has made MOU with Technical Institution namely: 1. Government Polytechnic, Solapur 2. DKTEs Societies Textiles and Engineering Institute, Ichalkaranji, Dist- Kolhapur</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>It is given on the page number 60 in DPR.</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>1164.93 KW</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>901 lakh ltrs. p.a. Total Cost Rs.38.00 Lakhs</td>
<td>-</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>MIDC, Mumbai. MIDC, Mumbai will be IA for MSE-CDP in the state of Maharashtra.</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>MIDC, Mumbai.</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>18 Months.</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>SIDBI has appraised the Detail Project Report and Recommended to State Govt. through District Industries Centre, Solapur.</td>
<td>SIDBI appraisal report yet not received.</td>
</tr>
<tr>
<td>(e.) Approval of Technical Committee</td>
<td>-</td>
<td>Technical Committee recommended the proposal.</td>
</tr>
<tr>
<td>(f.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>-</td>
<td>In-principle approval required.</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>38.44%</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>15%</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>39.72%</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>Rs.535.51 Lakhs</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(f.) DER</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>Sensitivity Analysis is done by 5% drop in users charges. Impact on the major financial parameters/indicators are as follows: 1. Break Even Analysis: 41.89% 2. Return on Capital Employed : 30.11% 3. Internal Rate of Returns: 12% 4. Net Present Value: Rs.230.67 Lakhs.</td>
<td>As per guidelines.</td>
</tr>
</tbody>
</table>
6. Total Cost : The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost (Rs. in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>51.80</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>285.09</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery(including electrification)</td>
<td>1326.56</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>42.63</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>80.80</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>0.00</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>12.29</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>1799.17</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance : The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>10.00</td>
<td>179.92</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>75.03</td>
<td>1350.00</td>
</tr>
<tr>
<td>(3.) Bank Loan/others</td>
<td>14.97</td>
<td>269.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1799.17</strong></td>
</tr>
</tbody>
</table>

8. Plant and machinery (with Brief Specification)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>No.</th>
<th>Power Requirement (HP/KW)</th>
<th>Cost (Rs. in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>A. Laboratory Testing Facilities &amp; R &amp; D: 1. Grey Scale ISO &amp; AATCC-G246A,G246B,G246AA &amp;G246BB</td>
<td>1</td>
<td>00</td>
<td>71000.00</td>
</tr>
<tr>
<td>2.</td>
<td>2. Light fastness testing- SUN FAST C 2401</td>
<td>1</td>
<td>00</td>
<td>258000.00</td>
</tr>
<tr>
<td>3.</td>
<td>3. Computer color matching equipment-5100A with software</td>
<td>1</td>
<td>00</td>
<td>1044000.00</td>
</tr>
<tr>
<td>4.</td>
<td>4. SINGLE END YARN STRENGTH TESTER- Y263A</td>
<td>1</td>
<td>00</td>
<td>812000.00</td>
</tr>
<tr>
<td>5.</td>
<td>5. Wash Fastness Tester- UNISSC0356</td>
<td>1</td>
<td>00</td>
<td>192000.00</td>
</tr>
<tr>
<td>6.</td>
<td>6. Color Viewing cabinet- G0251</td>
<td>1</td>
<td>00</td>
<td>96000.00</td>
</tr>
<tr>
<td>7.</td>
<td>7. Weighting balances of 300 gms, 1kg ,5 kgs- OHAUS PA 413</td>
<td>3</td>
<td>00</td>
<td>280000.00</td>
</tr>
<tr>
<td>8.</td>
<td>8. lab Dyeing system- C0426 - 1012 - SS &amp; C0419 - 512 –SS</td>
<td>1</td>
<td>00</td>
<td>369000.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>No.</td>
<td>Power Requirement (HP/KW)</td>
<td>Cost</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----</td>
<td>---------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>9.</td>
<td>9. ELECTRONIC CROCKMETER- c0252 - Smartrub ST</td>
<td>1</td>
<td>00</td>
<td>50000.00</td>
</tr>
<tr>
<td>10.</td>
<td>10. MECHANICAL PACKAGE DENSITY TESTER- BA-11</td>
<td>1</td>
<td>00</td>
<td>32000.00</td>
</tr>
<tr>
<td>11.</td>
<td>11. WRAPREEL ELECTRONIC- Y0155 - Ele Warp 10</td>
<td>1</td>
<td>00</td>
<td>59000.00</td>
</tr>
<tr>
<td>12.</td>
<td>12. LEA COUNT &amp; STRENGTH TESTER- Y0511 - Combodata II</td>
<td>1</td>
<td>00</td>
<td>399000.00</td>
</tr>
<tr>
<td>13.</td>
<td>13. TWIST TESTER MANUAL- 17-Y0701- Mec Twist</td>
<td>1</td>
<td>00</td>
<td>27000.00</td>
</tr>
<tr>
<td>14.</td>
<td>14. SIZE REFRACTOMETER</td>
<td>1</td>
<td>00</td>
<td>6000.00</td>
</tr>
<tr>
<td>15.</td>
<td>15. CRIMP TESTER- C0901 - ACCU CRIMP</td>
<td>1</td>
<td>00</td>
<td>37000.00</td>
</tr>
<tr>
<td>16.</td>
<td>16. DIGITAL THICNESS &amp; COMPRESSIBILITY TESTER- C1051 – DigiThick</td>
<td>1</td>
<td>00</td>
<td>189000.00</td>
</tr>
<tr>
<td>17.</td>
<td>17. FABRIC SAMPLE CUTTER- C0101 – CIRCUCUT</td>
<td>2</td>
<td>00</td>
<td>21000.00</td>
</tr>
<tr>
<td>18.</td>
<td>18. ELECTRONIC MOISTURE METER- F0261 – DigiMoist</td>
<td>1</td>
<td>00</td>
<td>40000.00</td>
</tr>
<tr>
<td>19.</td>
<td>19. Refrigerator of 1000 ltrs for hypoxide storage etc.</td>
<td>1</td>
<td>00</td>
<td>27000.00</td>
</tr>
<tr>
<td>20.</td>
<td>20. Microwoven for quick sample drying</td>
<td>1</td>
<td>00</td>
<td>36000.00</td>
</tr>
<tr>
<td>21.</td>
<td>21. Water bath with temperature controls</td>
<td>2</td>
<td>00</td>
<td>36000.00</td>
</tr>
<tr>
<td>22.</td>
<td>22. Burette with stand</td>
<td>24</td>
<td>00</td>
<td>14400.00</td>
</tr>
<tr>
<td>23.</td>
<td>23. Pippette</td>
<td>24</td>
<td>00</td>
<td>8640.00</td>
</tr>
<tr>
<td>24.</td>
<td>24. Wrist shaker</td>
<td>2</td>
<td>00</td>
<td>72000.00</td>
</tr>
<tr>
<td>25.</td>
<td>25. Glass ware,chemical stand etc.</td>
<td>1</td>
<td>00</td>
<td>30000.00</td>
</tr>
<tr>
<td>26.</td>
<td>26. Stirrer</td>
<td>1</td>
<td>00</td>
<td>9000.00</td>
</tr>
<tr>
<td>27.</td>
<td>27. Water distillation plant</td>
<td>1</td>
<td>00</td>
<td>39600.00</td>
</tr>
<tr>
<td>28.</td>
<td>B. Common Package Yarn Facility ( Yarn Dyeing Facility)- 1. SOFT WINDING- 36 SPINDLE M/C- PEASS/U FLEX –S</td>
<td>2</td>
<td>26.86</td>
<td>7038000.00</td>
</tr>
<tr>
<td>29.</td>
<td>2. PKG WINDING - 60 SPINDLE M/C- PEASS/ VERSA-C</td>
<td>2</td>
<td>28.65</td>
<td>4830000.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>No.</td>
<td>Power Requirement (HP/KW)</td>
<td>Cost</td>
</tr>
<tr>
<td>--------</td>
<td>------------------------------------------------------------------------------</td>
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<td>------------</td>
</tr>
<tr>
<td>30.</td>
<td>3. PNEUMATIC PRESS- FONGS EP</td>
<td>1</td>
<td>5</td>
<td>1161000.00</td>
</tr>
<tr>
<td>31.</td>
<td>4. DYEING VESSEL ( 516 KG )- ALWIN 145</td>
<td>1</td>
<td>70</td>
<td>8132000.00</td>
</tr>
<tr>
<td>32.</td>
<td>5. DYEING VESSEL ( 330 KG )- ALWIN 120</td>
<td>2</td>
<td>101</td>
<td>13315000.00</td>
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<tr>
<td>33.</td>
<td>6. DYEING VESSEL ( 112 KG )- ALWIN 85</td>
<td>1</td>
<td>21.50</td>
<td>4410000.00</td>
</tr>
<tr>
<td>34.</td>
<td>7. DYEING VESSEL ( 35 KG )- ALWIN 53</td>
<td>1</td>
<td>10.50</td>
<td>3468000.00</td>
</tr>
<tr>
<td>35.</td>
<td>8. DYEING VESSEL ( 1 KG )- LAB WIN 145</td>
<td>1</td>
<td>8</td>
<td>919000.00</td>
</tr>
<tr>
<td>36.</td>
<td>9. LOADING CRAIN SYSTEM</td>
<td>1</td>
<td>00</td>
<td>1296000.00</td>
</tr>
<tr>
<td>37.</td>
<td>10. HYDRO EXTRACTOR</td>
<td>1</td>
<td>00</td>
<td>1703000.00</td>
</tr>
<tr>
<td>38.</td>
<td>11. R F DRYER 85 KW</td>
<td>1</td>
<td>3.00</td>
<td>6840000.00</td>
</tr>
<tr>
<td>39.</td>
<td>12. YARN CARRIER TROLLEYS</td>
<td>12</td>
<td>4</td>
<td>110000.00</td>
</tr>
<tr>
<td>40.</td>
<td>13. WINDING CHEESES 20,000 NOS</td>
<td>90</td>
<td>00</td>
<td>276000.00</td>
</tr>
<tr>
<td>41.</td>
<td>C. Common Preparatory Facility: 1. DIRECT WARPING 140 CMS WITH 640 END - CREEL,TENSION CONTROL DEVICES, AUTO BRAKE, AUTO TENSION BEAM PRESSSURE CONTROL ELECTRONIC STOP MOTIN ETC.- SIZING MACHINE OF 3600 CMS WIDTH, 1100 MM BEAM DIA, 18 CREEL, DOUBLE SIZE BOX, SYNCHRO-FOUR WITH ALL TENSION, MOISTURE &amp; STRETCH CONTROL DEVICES CREEL, TENSION CONTROL DEVICES, ETC. COOKER, STORAGE BECK &amp; PREPARATION TANK PRVSTATION, CONDENSATE TANK</td>
<td>1</td>
<td>55</td>
<td>17717000.00</td>
</tr>
<tr>
<td>42.</td>
<td>2. SECTIONAL WARPING OF WARPING WITH COMPLETE PLC CONTROL 260 CMS WIDTH</td>
<td>1</td>
<td>18</td>
<td>4400000.00</td>
</tr>
<tr>
<td>43.</td>
<td>3. PALLETE TROLLEYS</td>
<td>2</td>
<td>00</td>
<td>112000.00</td>
</tr>
<tr>
<td>44.</td>
<td>4. WEIGHING SCALE FOR BEAMS</td>
<td>2</td>
<td>00</td>
<td>336000.00</td>
</tr>
<tr>
<td>45.</td>
<td>5. WARPERS BEAMS</td>
<td>48</td>
<td>00</td>
<td>1344000.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>No.</td>
<td>Power Requirement (HP/KW)</td>
<td>Cost</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------------------------------------------------</td>
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<td>---------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>46.</td>
<td>6. LOADING UNLOADING CRAIN</td>
<td>1</td>
<td>0.1</td>
<td>224000.00</td>
</tr>
<tr>
<td>47.</td>
<td>D. Common Wet Processing Facility: 1. S.S. scray BOX ,OIL HEATED- 100 MTR</td>
<td>1</td>
<td>2.24</td>
<td>2124000.00</td>
</tr>
<tr>
<td></td>
<td>CAPACITY- LUCY ENGG, 2.6 MTR, FABRIC WIDTH</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>48.</td>
<td>2. Jumbo JIGGER FOR PREP,&amp;DYEING- 500 KGS- SWATEMA, SEMIAUTO, 2.4 MTR FABRIC</td>
<td>1</td>
<td>7.4</td>
<td>1284000.00</td>
</tr>
<tr>
<td>49.</td>
<td>3. HYDROEXTRACTOR- 100 KG CAPACITY</td>
<td>2</td>
<td>8</td>
<td>2124000.00</td>
</tr>
<tr>
<td>50.</td>
<td>4. RELAX DRYER ,2 CHAMBER- LUCY ENGG, SEMIAUTO, 2.4 MTR FABRIC</td>
<td>1</td>
<td>28.35</td>
<td>3304000.00</td>
</tr>
<tr>
<td>51.</td>
<td>5. TOWEL DYEING ( soft flow) 300-350 kg-</td>
<td>1</td>
<td>58</td>
<td>6932000.00</td>
</tr>
<tr>
<td>52.</td>
<td>6. STENTER OF 3 CHAMBERS- PIN TYPE- LUCY ENGG, 2.6 MTR, FABRIC WIDTH</td>
<td>1</td>
<td>93</td>
<td>9676000.00</td>
</tr>
<tr>
<td>53.</td>
<td>7. PALLATES TROLLEYS FOR MATERIAL- HANDLING ( SMALL &amp; WIDER )- ( 12 NOS )</td>
<td>1</td>
<td>00</td>
<td>581000.00</td>
</tr>
<tr>
<td>54.</td>
<td>E. DESIGN &amp; Communication Centre- 1. COMPUTER</td>
<td>2</td>
<td>00</td>
<td>74000.00</td>
</tr>
<tr>
<td>55.</td>
<td>2. BROD BAND MODEM &amp; ROUTER</td>
<td>1</td>
<td>00</td>
<td>20000.00</td>
</tr>
<tr>
<td>56.</td>
<td>3. WiFi ACESS POINT</td>
<td>1</td>
<td>00</td>
<td>19000.00</td>
</tr>
<tr>
<td>57.</td>
<td>4. 16 PORT SWITCH 10/100/1000 MBPS</td>
<td>1</td>
<td>00</td>
<td>20000.00</td>
</tr>
<tr>
<td>58.</td>
<td>5. TATA PHOTN USB WITH 3 G</td>
<td>2</td>
<td>00</td>
<td>15000.00</td>
</tr>
<tr>
<td>59.</td>
<td>6. ERP FOR A/C &amp; INVENTORY</td>
<td>1</td>
<td>00</td>
<td>29000.00</td>
</tr>
<tr>
<td>60.</td>
<td>7. DESIGNING SOFT WARE</td>
<td>1</td>
<td>00</td>
<td>42000.00</td>
</tr>
<tr>
<td>61.</td>
<td>8. PHOTO SCANNER</td>
<td>1</td>
<td>00</td>
<td>20000.00</td>
</tr>
<tr>
<td>62.</td>
<td>9. COLOR LASER JET PRINTER</td>
<td>1</td>
<td>00</td>
<td>91000.00</td>
</tr>
<tr>
<td>63.</td>
<td>G- UTILITIES 1. BOILERS STEAM 3 TONS</td>
<td>1</td>
<td>26.11</td>
<td>3267000.00</td>
</tr>
<tr>
<td>64.</td>
<td>2. BOILERS THERMOPACK</td>
<td>1</td>
<td>14.92</td>
<td>1840000.00</td>
</tr>
<tr>
<td>65.</td>
<td>3. CHIMNEY,PIPING ,INSULATION , VALVES ETC.</td>
<td>1</td>
<td>00</td>
<td>2357000.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>No.</td>
<td>Power Requirement (HP/KW)</td>
<td>Cost</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------------------------------------</td>
<td>-----</td>
<td>---------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>66.</td>
<td>4. COMPRESSORS</td>
<td>2</td>
<td>60</td>
<td>1160000.00</td>
</tr>
<tr>
<td>67.</td>
<td>5. PIPING &amp; VALVES</td>
<td>1</td>
<td>00</td>
<td>232000.00</td>
</tr>
<tr>
<td>68.</td>
<td>F. OTHER EQUIPMENTS: 1. WEIGHTING SCALES</td>
<td>2</td>
<td>0.2</td>
<td>116000.00</td>
</tr>
<tr>
<td>69.</td>
<td>2. TOOL KITS FOR MAINTENANCE SETS</td>
<td>3</td>
<td>00</td>
<td>157000.00</td>
</tr>
<tr>
<td>70.</td>
<td>3. LABORATORY TABLES, OFFICE FURNITURE, ETC</td>
<td>1</td>
<td>00</td>
<td>928000.00</td>
</tr>
<tr>
<td>71.</td>
<td>4. PALLETE TROLLEYS</td>
<td>3</td>
<td>00</td>
<td>122000.00</td>
</tr>
<tr>
<td>72.</td>
<td>5. SIZING COOKER &amp; STORAGE BECK WITH - STAIR CASE</td>
<td>1</td>
<td>00</td>
<td>174000.00</td>
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<tr>
<td>73.</td>
<td>6. MOUNTING OF YARN DYEING VESSELS</td>
<td>1</td>
<td>00</td>
<td>348000.00</td>
</tr>
<tr>
<td>74.</td>
<td>7. FIRE FIGHTING EQUIPMENTS (HYDRANT )</td>
<td>1</td>
<td>3</td>
<td>1160000.00</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>120101640.00</td>
</tr>
</tbody>
</table>

9. **Short comings:-**
   i) Registered lease / sale deed in the name of SPV.
   ii) Consent to establishment.
   iii) SIDBI appraisal.
   iv) In-principle sanction for working capital.
   v) Preliminary & Pre-operative expenses should be maximum 2% of project cost

10. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for ‘In-principle’ approval so that complete proposal as per guidelines is submitted by the State Government within six months, failing which the proposal shall be dropped. Steering Committee may consider the proposal for in-principle approval for setting up of Common Facility Centre (CFC) in Terry Towel Cluster, Solapur, Maharashtra.
Agenda No. 35.16: Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Turmeric Cluster, Sangli, Maharashtra.

Proposal was received from Sangli Turmeric Cluster Pvt Ltd. (SPV), vide online ref. no:- 1632 / dated : 10/08/2013 recommended by State Government and MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Private Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>MSME-DI, Mumbai, DIC, Sangli, NABARD, Halad Sanshodhan Kendra, GOVT. Polytechnic, PVTIT</td>
</tr>
<tr>
<td>When Started</td>
<td>07/03/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>21/02/2012</td>
</tr>
</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Turmeric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Sangli</td>
</tr>
<tr>
<td>Main Product</td>
<td>Polished Turmeric &amp; Turmeric Powder</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 129 Small : 1 Medium : 0</td>
</tr>
</tbody>
</table>
| Turnover(Rs in Crore) for the last five years | 2007-2008 - 58  
2008-2009 - 60  
2009-2010 - 78  
2010-2011 - 80  
2011-2012 - 122 |
| Exports(Rs in Crore) for the last five years | 2007-2008 - 7  
2008-2009 - 8  
2009-2010 - 9  
2010-2011 - 15  
2011-2012 - 18 |
| Employment in Cluster | 600 Nos. |
| Technology Details | The present technology adopted since last 70-80 years with little simple machine innovation at ground level has not proved Turmeric to comply with any forms of standards available. Manual handling & open drying, cooking leads to unhygienic end product, thus Turmeric Processing & Turmeric Powder Making requires new technology so as to comply with national & international standards & in turn which would result in its potential to reach to export market. |
| Whether DS Conducted | Yes, Diagnostic Study Report has been submitted to the Govt. of India, M/o MSME through DC Industries, Govt. of Maharashtra & in the receipt of I release of grant in aid from GOI to carry out Soft Interventions in r/o Turmeric Cluster, |
Main findings of DSR:
Requirement of Common Facility Centre with the components; Common Drying, Common Polishing, Common Testing laboratory, Common Packaging & Processing of Value Added Products.

Main Problems of Cluster:
1. Improper sun drying method adopted since ancient time. 2. Open drying & non conducive situation invite insect attack spoiling quantity (wt) & quality. 3. Due to open to sky method adopted (i.e. Sun drying) throughout the day & change in climatic condition in night time causes accumulation of moisture making turmeric fingers hardened resulting in deterioration of colour & quality. 4. Unhygienic way of drying leads to prohibit & minimize the chances to meet international standards. Concerns 1. Non availability of testing facilities to carry out analysis of the contents of turmeric produced. 2. Lack of R&D at every intermediate stage of value chain. 3. Lack of awareness & facilities of export quality packaging. 4. Polishing processes involve mild steel make machines which lead to ferrous impurities in finished products violating the international norms. 5. Lack of facilities to manufacture value added products restricts exploitation in prominent sector like Health & Pharma, Cosmetic, Food, Dyes etc. 6. Fail to establish as a recognized location specific brand i.e. Sangli Turmeric.

Other Information:
1) Sangli region has been internationally acknowledged as Turmeric City. 2) Ample quantity of turmeric locally produced as well as turmeric produced from various states are transported to this region to store turmeric in PEVS for long duration at local village Haripur which is known for its quality of soil to store Turmeric in its original form retaining valued contents for long duration with minimum storage cost & provide good quality of raw material.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>The Justification for CFC is based on the findings of DSR. Please refer the conclusion from page no. 39-47</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>The CFC is located in Village Samdoli, Tal. Miraj, Dist. Sangli</td>
<td>Only copy of the notarized agreement provided.</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>70</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>M/s Sangli Turmeric Cluster Pvt Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>SPV is in the possession of land on long lease of 30 years with Rs.2/- per annum</td>
<td>-</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>30 years</td>
<td>-</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>26950</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>564</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Common Mechanized Drying Facility, Common Polishing Facility, Common Product Testing Laboratory, Processing of Value Added Products, Common Packaging Facility, Common Conversion of Waste into Bio-Compost</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Capacity Utilization 1st Year - 60%, 2nd Year - 70% &amp; 3rd Year - 80%</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Major Outputs/ Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/ domestic sales and direct/ indirect employment, etc.)</td>
<td>Please refer to page no. 48 – 52</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>Not Required</td>
<td>Consent establishment is required.</td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>Total 53 no. of personnel would be the projected requirement to look after the day to day work of CFC</td>
<td>-</td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets(service/user charges to be levied, any other-to be specified)</td>
<td>The details of revenue generation have been explained in detail from page no.88-103</td>
<td>-</td>
</tr>
</tbody>
</table>
### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>M/s Sangli Turmeric Cluster Pvt Ltd Address: 1st Floor Shiv Pavilion, Near Ram Mandir, Sangli Miraj Road, Sangli - 416416, Maharashtra, India</td>
<td></td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Non Profit sharing company under Sec. 25 of Company Act 1956.</td>
<td></td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provision made in the articles of association of the company yet to be nominated</td>
<td></td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>10/12/2012</td>
<td></td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>There are 130 units which are member of the SPV</td>
<td></td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Yes, The Bye Laws or MOA &amp; AOA are submitted</td>
<td></td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Authorized Share Capital of SPV is Rs.223.70 Lakh</td>
<td></td>
</tr>
<tr>
<td>(h.) Paid up capital as on</td>
<td>Paid up capital as on is Rs. 33.00 Lakh</td>
<td></td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>As per the list attached</td>
<td></td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>As per the list attached</td>
<td></td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Presently banking with M/s Vijaya Bank, Sangli Branch Current A/c No. 504100301000141 IFSC Code - VIJB0005041</td>
<td></td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>Soft Intervention Programme has been approved by the M/o MSME, GOI in the steering committee on 23/03/2013 for various activities like Capacity Building, Technology Upgradation (Workshops, Seminars), Quality Related Issues, Trust Building &amp; Institutional Tie-up</td>
<td></td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>Central Food Research &amp; Training Institute (CFTRI), Halad Sanshodhan Kendra, Sangli, Padmabhushan Vasantdada Patil Collage of Engineering (PVPIT)</td>
<td></td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence</td>
<td>Presently SPV is having 130 Members (97 Nos. of Primary Processing Units &amp; 33 Nos. of Turmeric Powder)</td>
<td></td>
</tr>
</tbody>
</table>
should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.

Manufacturing Units. Considering their average production of 60 MT of Dry Turmeric per annum & 100 MT of Turmeric Powder per annum more than 60 % capacity of the CFC will be utilized by the SPV members.

(a.) Power requirement for commercial/domestic purpose
Power requirement for the CFC will be 540 HP (approx)

(b) Water
Water requirement for CFC 10 Kilo liter per day (approx)

(c) Gas/Oil/Other Utilities
Not Required

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>MIDC</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>MIDC</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>12 Months from the date of sanction</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>DPR will be forwarded to SIDBI for appraisal after Technical Committee's Scrutiny</td>
<td>SIDBI appraisal required.</td>
</tr>
<tr>
<td>(e.) Approval of Technical Committee</td>
<td>-</td>
<td>Technical Committee recommended the proposal.</td>
</tr>
<tr>
<td>(f.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>-</td>
<td>In-principle sanction for working capital is required.</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>38.63%</td>
<td>-</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>After Tax 17%</td>
<td>-</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>--</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed</td>
<td>27.55%</td>
<td>-</td>
</tr>
</tbody>
</table>
6. Total Cost: The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost (Rs. in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>0.00</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>152.00</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery (including electrification)</td>
<td>1298.60</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>15.00</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>30.82</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>57.51</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>19.77</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>1573.70</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>14.21</td>
<td>223.70</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>85.79</td>
<td>1350.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1573.70</strong></td>
</tr>
</tbody>
</table>

8. Plant and machinery – Annexure-I

9. Short comings:-
   i) Registered lease deed of land.
   ii) Consent to establishment is required.
   iii) SIDBI appraisal.
   iv) In-principle sanction for working capital is required.
   v) Certificate regarding micro status from State Government.

10. Proposal for the Steering Committee: Cluster Division recommends the proposal for ‘In-principle’ approval so that complete proposal as per guidelines is submitted by the State Government within six months, failing which the proposal shall be dropped. Steering Committee may consider the proposal for in-principle approval for setting up of Common Facility Centre (CFC) in Turmeric Cluster, Sangli, Maharashtra.
Agenda No. 35.17: Proposal for in-principle approval for setting up Common Facility Centre (CFC) in Textile Cluster, Navapur, Nandubar, Maharashtra.

Proposal was received from Siddhipriya Eco Textile Park Limited, vide online ref. no:- 1618 / dated: 02/08/2013 recommended by State Government and MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By</td>
<td>Private Consultancy</td>
</tr>
<tr>
<td>Validated By</td>
<td>DIC, Nandurbar</td>
</tr>
<tr>
<td>When Started</td>
<td>18/05/2012</td>
</tr>
<tr>
<td>When Completed</td>
<td>30/07/2012</td>
</tr>
</tbody>
</table>

**1. Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Cluster</td>
<td>Textile Cluster</td>
</tr>
<tr>
<td>Location of Cluster</td>
<td>Navapur, District – Nandurbar</td>
</tr>
<tr>
<td>Main Product</td>
<td>Narrow Fabrics and Polyester Gray Fabrics</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 2   Small : 49 Medium : 0</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years :</td>
<td>2007-2008 - 0.00 2008-2009 - 0.00 2009-2010 - 89.736 2010-2011 - 111.747 2011-2012 - 131.155</td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years :</td>
<td>Nil</td>
</tr>
<tr>
<td>Employment in Cluster</td>
<td>The direct employment to 1293 persons and indirect employment to around 2000 to 2500 persons have been provided by MSME's in Textiles Cluster, Navapur.</td>
</tr>
<tr>
<td>Technology Details</td>
<td>The technologies used by cluster units are conventional and old age. Most of the looms are outdated and aged by 5 years and most operations are carried out by old power loom machines. The present technology doesn't match with the speed. Most of the SMEs units in textile cluster, Navapur are labour intensive. As looms are not up-gradated and modernized, their systems and techniques are outdated and, suffer from inadequate maintenance. The efficiency of the present technology is very low. It results in low production. The wastage is around 4% to 5%.</td>
</tr>
<tr>
<td>Whether DS Conducted</td>
<td>Yes.</td>
</tr>
</tbody>
</table>
| Main findings of DSR             | Main Findings includes: 1. No common raw material is
Main Problems of Cluster:
- Procured to leverage the bargaining power, smooth flow of raw material supply, etc.
- 2. Non Availability of Texturizing Facility
- 3. No value addition to the products. No dyeing facility available.
- 4. Less skilled labour.
- 5. Raw material as well as finished goods testing facility is not available.
- 6. Migration of labour to other state in search of jobs due to less employment opportunities.
- 7. No R & D for the new product developments, designs, quality standards, market research for the latest trends, advancements in the technology, manufacturing process, etc.

Other Information:
- One unit was setup in Power Loom sector at Navapur in mid of 2007 after words number of units has increased. This cluster taken shape of present cluster over a period of 5 years. Hence details of the turnover are given for 3 years.

### 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>The high cost raw material and non existence of texturising, no value addition to the products and dependency on the one market as the final product produced are Polyester gray fabric which is further process in order to make the value added products like sarries, dress material, etc. are the key issues in the cluster. The CFC will enhance the productivity, quality of products, generate good amount of employment opportunities which will minimize the migration, value added products and new domestic as well as international market.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Gut No.148/1234, Maharashtra Eco Textile Park, Amlan, Tal- Navapur, Dist- Nandurbar, Maharashtra</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Land is procured and Transaction Receipt (Sauda Pawati) is done on the name of SPV</td>
<td>Land should be registered in the</td>
</tr>
</tbody>
</table>
### Description | Proposed by Implementation Agency (IA) | Comments by Cluster Division
--- | --- | ---

| ii. Title is in name of | SPV- M/s. Siddhipriya Eco Textile Park Limited | -
| iii. Valuation and its basis | The cost of proposed land is Rs.80.90 Lakhs (@ Rs. 100/- per sq.ft.x 80899.40 sq.fts) | -
| iv. Land is sufficient | Yes. | -
| v. Change of land use | Yes. | -
| vi. If on lease, duration of lease | NA | -
| vii Whether lease is legally tenable | NA | -
| (d.) Total Building area(sq ft) | 32262.24 sq.ft. | -
| (e.) Rate of construction of building | @Rs.475/-per sq.ft. | -
| (f.) Main Facility Proposed | 1.Texturising Facility 2.Yarn Dyeing Facility with ETP 3.Testing Lab 4.Training Centre 5.R and D Centre | -
| (g.) Prod capacity of CFC | The capacity of the Common Texturising Facility is 7.5 Tons per Day and Polyester Yarn Dyeing Facility is 5.00 Tons per day. | -
| (h.) Major Outputs/ Deliverables of CFC. Projected performance of the cluster after proposed intervention (in terms of production, export/ domestic sales and direct/ indirect employment, etc.) | The projected turnover is Rs.32000 lakhs from the present Rs.13115.48 lakhs. No. of units expected to increase to 120 units from the present 51 units. Investments in Plant and machineries Rs.16400.00 lakhs from present Rs.3168.67. Export is expected at Rs.1000.00 Lakhs. Profitability of the units will increase from 3% to 12%, the Direct employment is expected to increase 4700 nos from present 1290 nos. and the indirect to 8000 nos. from present 2500 nos. The migration of labour is expected to reduce to 20%-25% from the present 60%-70%. | Deliverables should be with time limits.
| (i.) Pollution clearance required or not | Required | Consent to establish is required.
| (j.) Man Power in CFC | Total manpower required to run CFC is 72 Persons in which 65 persons will engaged mainly | -

name of SPV. Document submitted seems to be a sale agreement in Marathi language.
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>includes dyeing master, Texturising Manager, maintenance in charge, electrician, dyeing operator, hydro extractor, lab in charge, etc. and 7 persons in office administration.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified)</td>
<td>The revenue generation mainly include the revenue from Polyester Yarn Dyeing, Texturising, Laboratory and training facility.</td>
<td></td>
</tr>
</tbody>
</table>

3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Siddhipriya Eco Textile Park Limited, C/o Mr. Madanlal R Agrawal, Sah pat sanstha, K.K. Corner, Near Old Post office, Nehru Road, Navapur, Tal: Navapur, Dist: Nandurbar, Maharashtra, 425 418 ,Tele/Fax No.: - 02569 251373/251774 Mobile:- 9422287472 E-mail id: - <a href="mailto:amn_navapur@rediffmail.com">amn_navapur@rediffmail.com</a></td>
<td></td>
</tr>
<tr>
<td>(b.) Nature of SPV (company or Society or Trust)</td>
<td>Company</td>
<td></td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provision made in the Articles of Association of the Company. Yet to be nominated.</td>
<td></td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>25th June 2012.</td>
<td></td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>40 Members</td>
<td></td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Details given from page 167 to page no.203</td>
<td></td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs.5.00 Lakhs</td>
<td></td>
</tr>
<tr>
<td>(h.) Paid up capital as on.........</td>
<td>Rs.3.00 Lakhs</td>
<td></td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Given on from page no.128 to page no.135</td>
<td></td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Given dated 20th Sep. 2012 to Deputy Director (Cluster), Directorate of Industries, Mumbai</td>
<td></td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>SPV- Siddhipriya Eco Textile Park Limited having account with the State Bank of</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>Details given from the page no.71 to 73 and from 157 to 161. The Members of the cluster have participated in the exhibition at MSME, Saki Naka, Mumbai from 5th January 2013 to 7th January 2013, Participated in Vibrant Gujarat from 11th Jan. 2013 to 13th Jan. 2013, Exposure Visit to Yarn Dyeing Project, Website of Siddhipriya Eco Textile Park Ltd, etc.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>1. DKET Societys Textile and Engineering Institute, Ichalkaranji, Maharashtra 2. Surat Technical Education &amp; Research Association, Surat, Gujarat</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>The cluster units consume 7917.84 Tons Texturised Yarn per Year. It means 26.39 Tons per Day. The proposed capacity of the Common Texturising Facility is 7.5 Tons per Day. The Texturised yarn will be dyed for the purposed of weaving on the looms. The proposed capacity of Polyester Yarn Dyeing Facility is 5.00 Tons per day.</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>651.614 KW</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>10 tankers of 10,000 ltrs each @ Rs. 500 per /tanker = Rs.15.00 p.a.</td>
<td>-</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>MIDC, Mumbai. MIDC, Mumbai will be IA for MSE-CDP in the state of Maharashtra.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>MIDC, Mumbai.</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>18 Months</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>-</td>
<td>SIDBI appraisal required.</td>
</tr>
<tr>
<td>(e.) Approval of Technical</td>
<td>-</td>
<td>Technical Committee</td>
</tr>
</tbody>
</table>
Committee recommended the proposal.

(f.) Working capital (In-principle sanction of loan from a bank, if applicable arrangement made)  
State Bank of India, Navapur has given letter about sanction of Rs.50.00 Lakhs as working capital on page no.205.

<table>
<thead>
<tr>
<th>5. Financial Analysis of CFC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>(a.) BEP</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
</tr>
<tr>
<td>(c.) DSCR</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
</tr>
<tr>
<td>(e.) NPV</td>
</tr>
<tr>
<td>(f.) DER</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
</tr>
<tr>
<td>(h.) Status of CFCs approved in the State</td>
</tr>
</tbody>
</table>

| 6. Total Cost : The total cost of the CFC is as follow: (Rs. in Lakh) |
|-----------------------------|------------------|
| **Particulars** | **Total Cost** |
| (1.) Land and its Development | 80.90 |
| (2.) Building and other Civil Constructions | 153.25 |
| (3.) Plant & Machinery(including electrification) | 1245.14 |
| (4.) Misc. fixed assets | 26.00 |
| (5.) Preliminary & Pre-operative expenses, maximum 2% of project cost | 60.00 |
| (6.) Contingency (2% building and 5% on plant and machinery) | 65.32 |
| (7.) Margin money for Working Capital | 7.68 |
| **Total Project Cost** | **1638.30** |
7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>9.16</td>
<td>150.00</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>82.40</td>
<td>1350.00</td>
</tr>
<tr>
<td>(3.) Bank Loan/others</td>
<td>8.44</td>
<td>138.30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1638.30</strong></td>
</tr>
</tbody>
</table>

8. Plant and machinery (with Brief Specification)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>No.</th>
<th>Power Requirement (HP/KW)</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Polyester Yarn Dyeing Machines Capacity-60 kg+2Carriers + stock tank Full automation</td>
<td>1</td>
<td>17</td>
<td>4742000.00</td>
</tr>
<tr>
<td>2.</td>
<td>300 kg+2Carriers + stock tank Full automation</td>
<td>1</td>
<td>42</td>
<td>7664000.00</td>
</tr>
<tr>
<td>3.</td>
<td>500 Kg+2Carriers + stock tank Full automation</td>
<td>1</td>
<td>63</td>
<td>10419000.00</td>
</tr>
<tr>
<td>4.</td>
<td>HIMSON TFO twisting machine 5040 spindle @ Rs. 3800 each</td>
<td>12</td>
<td>180</td>
<td>23434000.00</td>
</tr>
<tr>
<td>5.</td>
<td>HIMSON Cop Winder CLV DD having 106 spindles( 212 pos) each. 212 pos @ Rs. 12500 each</td>
<td>2</td>
<td>15</td>
<td>3243000.00</td>
</tr>
<tr>
<td>6.</td>
<td>HIMSON cheese winder HSW â€“2 having 96 spindles each,mechanical type. 480 spindles @ Rs. 16000 each</td>
<td>5</td>
<td>25</td>
<td>9397000.00</td>
</tr>
<tr>
<td>7.</td>
<td>Hydro Extractor 8T Fully Auto</td>
<td>1</td>
<td>22</td>
<td>2104000.00</td>
</tr>
<tr>
<td>8.</td>
<td>voltage stabilizer- dyeing</td>
<td>1</td>
<td>80</td>
<td>2597000.00</td>
</tr>
<tr>
<td>9.</td>
<td>Hot air dryer 500kg/batch- dyeing</td>
<td>1</td>
<td>60</td>
<td>4156000.00</td>
</tr>
<tr>
<td>10.</td>
<td>Boiler 2.5 Tons/hr + Chimney + Economizer 30 HP</td>
<td>1</td>
<td>30</td>
<td>3636000.00</td>
</tr>
<tr>
<td>11.</td>
<td>Compressor</td>
<td>2</td>
<td>20</td>
<td>338000.00</td>
</tr>
<tr>
<td>12.</td>
<td>Water Softening plant 4 L lit/day</td>
<td>1</td>
<td>5</td>
<td>1493000.00</td>
</tr>
<tr>
<td>13.</td>
<td>Himson for Draw Texturising Machine Model HDS-VX3M- 336 Spindles</td>
<td>2</td>
<td>160</td>
<td>30301000.00</td>
</tr>
<tr>
<td>14.</td>
<td>Effluent treatment plant 500m 3/day</td>
<td>1</td>
<td>30</td>
<td>17442000.00</td>
</tr>
<tr>
<td>15.</td>
<td>Pilot dyeing machine 0.2/5 kg, Testing Machines</td>
<td>1</td>
<td>5</td>
<td>2050000.00</td>
</tr>
<tr>
<td>16.</td>
<td>Computers, Projectors &amp; Accessories</td>
<td>5</td>
<td>1</td>
<td>2200000.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>No.</td>
<td>Power Requirement (HP/KW)</td>
<td>Cost</td>
</tr>
<tr>
<td>-------</td>
<td>-------------</td>
<td>-----</td>
<td>--------------------------</td>
<td>------------</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>123236000.00</td>
</tr>
</tbody>
</table>

9. **Short comings:**
   i) Registered sale deed in the name of SPV.
   ii) Consent to establishment.
   iii) SIDBI appraisal.
   iv) Minimum 10% contribution from SPV.
   v) Preliminary and Pre-operative should be maximum 2% of the project cost.

10. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for ‘In-principle’ approval so that complete proposal as per guidelines is submitted by the State Government within six months, failing which the proposal shall be dropped. Steering Committee may consider the proposal for in-principle approval for setting up of Common Facility Centre (CFC) in Textile Cluster, Navapur, Nandubar, Maharashtra.
Agenda No. 35.18: Proposal for final approval of setting up New Industrial Estate by Maharashtra Ex-Servicemen Corporation Ltd (a Government of Maharashtra undertaking) at Pune, Maharashtra.

Proposal was received from Maharashtra Ex-Servicemen Corporation Ltd (a Government of Maharashtra undertaking) vide online ref. no:- 1647 / dated : 16/09/2013 recommended by State Government & MSME-DI, Mumbai.

Details of the proposal are as under:

Pre-registration Information

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Maharashtra Ex-Servicemen Corporation Ltd (a Government of Maharashtra undertaking)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>District</td>
<td>Pune</td>
</tr>
<tr>
<td>Industrial Estate</td>
<td>Mahasainik Industrial Estate</td>
</tr>
</tbody>
</table>

Basic Information about Proposal:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether appraised DPR with approved layout plan</td>
<td>Yes</td>
</tr>
<tr>
<td>Total Area of industrial estate/ area (acre)</td>
<td>10,000 Sq Mtrs</td>
</tr>
<tr>
<td>Area to be developed (acre)</td>
<td>10,000 Sq Mtrs</td>
</tr>
<tr>
<td>Number and sizes of plots to be developed</td>
<td>97 industrial flats with floor area 48.67 Sq Mtr to 92.41 Sq Mtr.</td>
</tr>
<tr>
<td>Implementing Period</td>
<td>2 Year</td>
</tr>
<tr>
<td>Other ID projects sanctioned in same district:</td>
<td>No Infrastructure project in the District granted under MSE-CDP.</td>
</tr>
</tbody>
</table>

Details about Proposal:

<table>
<thead>
<tr>
<th>Implementing Agency (IA):</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharashtra Ex servicemen Corporation Ltd (A Government of Maharashtra Undertaking)</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>Track Record of the IA</td>
<td>Satisfactory. Financials as under (Refer Page 4 of SIDBI's appraisal)</td>
</tr>
<tr>
<td></td>
<td>Year wise - 2011 - 2012 - 2013 Sales(Cr)- 89.93 - 72.80 - 106.21</td>
</tr>
<tr>
<td></td>
<td>As per SIDBI appraisal, MSESCO have its own civil construction division and executed</td>
</tr>
<tr>
<td>Description</td>
<td>Comments By Cluster Div</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Net Profit(Cr)- 5.28 - 13.81 - 10.67</td>
<td>various contracts of construction.</td>
</tr>
<tr>
<td>Net worth(Cr)- 27.03 - 42.05 - 55.01</td>
<td></td>
</tr>
<tr>
<td>SIDBI has recommended the proposal for GoI grant under MSE-CDP.</td>
<td></td>
</tr>
<tr>
<td>Whether sufficient facilities available at site. (Proximity to railway stations / state highways, availability of water supply, adequate power supply, telecom facilities, dwelling places of workers)</td>
<td>Yes. Project at MIDC, Pimpri Industrial Estate, Pune. Site easily approachable by road, rail and air. Basic infrastructures power, water and telecom available</td>
</tr>
<tr>
<td>Whether land is in possession in the name of IA with Clear Title</td>
<td>Yes. MESCO has obtained possession of land vide Possession Receipt dated 12/12/2011 issued by MIDC, Pune</td>
</tr>
<tr>
<td>Whether Zoning regulations and non-agricultural conversion etc complied with):</td>
<td>The plot is allotted by MIDC after compliance of zoning regulation and non-agriculture conversion</td>
</tr>
<tr>
<td>Whether State Level Committee to coordinate and monitor progress has been Constituted:</td>
<td>The committee constituted.</td>
</tr>
<tr>
<td>Whether confirmation received form IA that it will meet the cost in excess of approved project cost and any escalation in cost :</td>
<td>Yes. MESCO has certified accordingly.</td>
</tr>
<tr>
<td>Basis of elements of project Cost :</td>
<td>The entire Project has been conceptualized by Architect. Costs estimates are prepared in accordance with schedule of rates for Pune District, as published in District Schedule Rate (DSR) 2011-12 of Public Works Department, Govt. of Maharashtra.</td>
</tr>
<tr>
<td>Tangible Outcomes of the project</td>
<td>97 new micro units. Approx. 2450 ex-servicemen to get direct and indirect employment. Estate Annual Turnover estimated at Rs.71.25 Cr. Indirect Export estimated at Rs.14.25 Cr.</td>
</tr>
<tr>
<td>Justification of the Proposal</td>
<td>MESCO (A Govt of Maharashtra)</td>
</tr>
</tbody>
</table>
Undertaking) is constructing Mahasainik Industrial Estate on plot of MIDC for re-employment of ex-servicemen and disabled soldiers. Approved infrastructural components of MSE-CDP exactly assessed and their detailed costing undertaken as per District Schedule Rate (DSR). The proposal, totally purposeful and cost-effective.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Estimated by IA</th>
<th>Recommended by SIDBI</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land filling/ leveling including boundary wall and fencing:</td>
<td>88.29</td>
<td>88.29</td>
<td>88.29</td>
</tr>
<tr>
<td>2.</td>
<td>Laying roads</td>
<td>112.27</td>
<td>112.27</td>
<td>112.27</td>
</tr>
<tr>
<td>3.</td>
<td>Road side greenery &amp; social forestry</td>
<td>2.91</td>
<td>2.91</td>
<td>2.91</td>
</tr>
<tr>
<td>4.</td>
<td>Water supply including overhead tanks, and pump houses</td>
<td>110.00</td>
<td>110.00</td>
<td>110.00</td>
</tr>
<tr>
<td>5.</td>
<td>Water harvesting</td>
<td>10.00</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>6.</td>
<td>Drainage</td>
<td>59.37</td>
<td>59.37</td>
<td>59.37</td>
</tr>
<tr>
<td>7.</td>
<td>Power distribution, Street light arrangements, etc.</td>
<td>250.00</td>
<td>250.00</td>
<td>250.00</td>
</tr>
<tr>
<td>8.</td>
<td>Road side greenery</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>9.</td>
<td>Administrative and Other Services Complex</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>10.</td>
<td>Telecom/Cyber/Documentation centre</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>11.</td>
<td>Conference Hall/Exhibition centre</td>
<td>22.02</td>
<td>22.02</td>
<td>22.02</td>
</tr>
<tr>
<td>12.</td>
<td>Bank/Post office</td>
<td>15.00</td>
<td>15.00</td>
<td>15.00</td>
</tr>
<tr>
<td>13.</td>
<td>Raw material storage facility, Marketing outlets</td>
<td>12.21</td>
<td>12.21</td>
<td>12.21</td>
</tr>
<tr>
<td>14.</td>
<td>First aid centre, Creche Canteen</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>15.</td>
<td>Effluent Treatment Facilities</td>
<td>50.84</td>
<td>50.84</td>
<td>50.84</td>
</tr>
<tr>
<td>16.</td>
<td>Contingencies &amp; Pre operative expenses :</td>
<td>15.00</td>
<td>15.00</td>
<td>15.00</td>
</tr>
<tr>
<td>S. No.</td>
<td>Particulars</td>
<td>Proposed by IA</td>
<td>Proposed By SIDBI as per MSE-CDP</td>
<td>Percentage (%)</td>
</tr>
<tr>
<td>-------</td>
<td>-----------------------------------</td>
<td>----------------</td>
<td>----------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>1</td>
<td>GoI Grant under MSE-CDP:</td>
<td>654.33</td>
<td>654.33</td>
<td>80.00</td>
</tr>
<tr>
<td>2</td>
<td>MSESCO</td>
<td>163.58</td>
<td>163.58</td>
<td>20.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>817.91</td>
<td>817.91</td>
<td>100.00</td>
</tr>
</tbody>
</table>

**Observation:** Maharashtra Ex-Servicemen Corporation Ltd (a Government of Maharashtra undertaking) has proposed to develop a Flatted Factory Complex on 10,000 Sq Mtrs of land allotted by MIDC with 97 industrial flats with floor area 48.67 Sq Mtr to 92.41 Sq Mtr. for re-employment of ex-servicemen and disabled soldiers and requesting GoI grant for infrastructure development cost as per eligible components for ID under MSE-CDP. The main building of FFC has to be build up by IA their own sources with bank loan of Rs.700.00 lakh.

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the proposal for final approval of setting up New Industrial Estate for Pune, Maharashtra at project cost of Rs. 817.91 lakh with GoI assistance of Rs. 654.33 lakh and MESCO of Rs.163.58 lakh.

Proposal was received from Kokumunity Industries Pvt. Ltd., Vide Online Ref. No:- 0862 / Dated : 11/11/2012 from State Government & recommended by MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By</td>
<td>Kokumunity Industries Pvt. Ltd.</td>
</tr>
<tr>
<td>Validated By</td>
<td>District Industrial Centre, Sindhudurg</td>
</tr>
<tr>
<td>When Started</td>
<td>15/05/2012</td>
</tr>
<tr>
<td>When Completed</td>
<td>15/08/2012</td>
</tr>
</tbody>
</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Applicant</td>
<td>Kokumunity Industries Pvt. Ltd.</td>
</tr>
<tr>
<td>State</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>District</td>
<td>Sindhudurg</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>Kokum processing, Kudal</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Product</td>
<td>Kokum Amsole, syrup and Kokum butter</td>
</tr>
<tr>
<td>Technological details, Pollution angle, etc.</td>
<td>The entire activity of the cluster is based on manufacturing products from Kokum (Gracenia indica) fruit, which are kokum Ghul, Amsole, syrup, concentrate, and butter. Most of the processors are still using traditional processing methods. The cluster doesn't have any aseptic packing facility or facility such as tetra pack or retorting or aseptic bottling. The butter extraction method is crude and has to be improved for better quality and shelf life. Pollution angle.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>30</td>
</tr>
<tr>
<td>No. of Units</td>
<td>42</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 40 Small : 2 Medium : 0 Women : 13 Village : 42 SC/ST : 2</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>46.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>3900 Nos. (Direct :1700 &amp; Indirect :2200 ) (Women :1350 &amp; SC/ST :180)</td>
</tr>
</tbody>
</table>
Presence of association/NGO, Contact details :
Kokumunity Industries Pvt. Ltd.
Mobile no- 9422632987
Email- kokumunity@yahoo.com

Whether DSR conducted. Main outcomes of DSR :
Consolidation of MEs trust building of all MEs Participation of 40 existing, 40 new willing entrepreneurs and 40 secondary stakeholders of kokum. About 40 members will join the cluster activity.

Extent of Competition for cluster :
The cluster has monopoly in production and processing of Kokum products. The cluster produces. The cluster produces more than 50% of the total production of India. Kokum products are used in beverages, medicine, functional food, spices, soft drink and has demand worldwide. The cluster is a pioneer in these products and competent to face any competition.

Main Problems of Cluster :
1. Information constraints related to appropriate processing technique/technology, future markets, raw material prices and existing support schemes
2. Lack of raw material storage, preservation facility.
3. Lack of Exposure, management and marketing skills.
4. Lack of awareness on quality, food laws and certification.
5. Absence of forum to carry out "targeted joint action".
6. Technical constraints related to processing and packing.

Need for CFC, if any :
Yes, CFC needed for Raw material and cold storage, processing, aseptic packing, butter extraction, R&D, testing lab and training centre.

Any other information :
Kokum is species belong to India and has great demand in international market for food, medicine, cosmetics. Govt. India trying to promote producers and processors true National Horticulture mission, National Medicinal Plant Board, Spices Board.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>Implementing agency for proposed cluster is District Industry Centre, Sindhudurg (DIC), agency of Industry development, Maharashtra. (DIC) has vast experience to work with kokum units and well aware about the potential and problems of the entrepreneurs engaged in kokum processing in the cluster. DIC has an office at district place and has trained expertise in the field of Cluster Development</td>
<td>MIDC should be the implementing agency.</td>
</tr>
<tr>
<td>Activities Proposed</td>
<td>1. Trust building &amp; counselling- 4 meetings</td>
<td>Activities proposed</td>
</tr>
<tr>
<td>Parameters</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(Technology/Quality/Marketing/Export/Design, etc.)</td>
<td>2. Awareness and motivation - 4 meetings 3. Training, demonstration and study tours- Skill development Skill up upgradation, management lean management training, study tours, technology demonstration 4. Capacity building-Brochure preparation, Website development. 5. Technology Up gradation and quality control and Marketing BDS services- 6. BDS for Gap analysis, certification</td>
<td>towards market development programme should be as per Annx-I of the guidelines.</td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>The DSR is prepared by stakeholders with the help of local experts in kokum processing and cluster development. The DSR is validated by the stake holders in a meeting.</td>
<td>-</td>
</tr>
<tr>
<td>Project Cost with break up : (Rs. in Lakhs)</td>
<td>Project Cost : 25.00 GOI Contribution : 18.14 Cluster Beneficiaries : 6.86</td>
<td>-</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>CFTRI, Mysore CFTRI is a reputed institute of GOI and has vast experience in food technology. The agency is engaged in research for kokum for last many years. CFTRI has developed many kokum product formulation and technology for industry use.</td>
<td>--</td>
</tr>
<tr>
<td>Justification for SI</td>
<td>1. Trust building- At present, most of the MEs act independently without interaction with each other. They need to come closer and understand the problem in a collective manner. It is necessary to build trust amongst them for joint program such as cluster development. 2. Awareness and motivation- The awareness programs are needed to make aware, motivate and increase their participation in program. The support and involvement of kokum processors is essential for any changes to be initial</td>
<td>-</td>
</tr>
<tr>
<td>Main outcomes (before &amp; after) in terms of sales, Exports, Investment,</td>
<td>SI No.</td>
<td>Before</td>
</tr>
<tr>
<td>Profitability, Employment, ISO &amp; other Certification, others</td>
<td>Processing(MT)</td>
<td>2200</td>
</tr>
<tr>
<td></td>
<td>Sales (in lakhs)</td>
<td>4600</td>
</tr>
<tr>
<td></td>
<td>Export(in)</td>
<td>1</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td><strong>lakhs</strong></td>
<td></td>
</tr>
<tr>
<td>ISI,HACCP</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Investment</td>
<td>3680</td>
<td>9400</td>
</tr>
<tr>
<td>Profitability</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>Value added products</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Employment</td>
<td>1700</td>
<td>3000</td>
</tr>
</tbody>
</table>

**Action Plan (for 18 Months) & Budget (Rs in lakh)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GoI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Trust building &amp; Consolidation</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td>Consolidation of MEs trust building of all MEs Participation of 40 existing, 40 new willing entrepreneurs and 40 secondary stakeholders of kokum. About 40 members will join the cluster activity.</td>
</tr>
<tr>
<td>4 block level meetings of kokum cluster actors One day meeting for 40 beneficiaries - 4 program</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>2</strong> Awareness and motivation</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td>Will develop positive mindset about cluster approach. Increase in participation of program. Will insure participation in SPV up to 40 stakeholders. The stakeholders will participate and take benefit or govt. program such as, NHM, MSME, MSIDS Etc.</td>
</tr>
<tr>
<td>a. Awareness camps about SICDP of MSME and motivation of MEs</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1 day program for 40 ben</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total- 40,000X2 programme</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3</strong> Training, demonstration and study tours:-</td>
<td>3.00</td>
<td>2.40</td>
<td>0.60</td>
<td>a. Will enhance the Skill, and production capacity of kokum products All 40 members will follow the standard processing methods for their product preparation. Developed 6 new value added kokum products. The developed skill will enhance the production capacity by 30%.</td>
</tr>
<tr>
<td>Skill development programs for existing Kokum and value added products. Ex. Breakup/program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hall rent- 5000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food- 10000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel- 5000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training material- 7000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium- 10000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Guest stay food- 10000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc. cont.- 3000</td>
<td></td>
<td></td>
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<tr>
<td>Total for 3 program 300000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(b) Training in management (1), lean management (1) and</td>
<td>2.00</td>
<td>1.60</td>
<td>0.40</td>
<td>Capacity building of all 40 units for handling mass level</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GoI</td>
<td>Association</td>
<td>OutCome</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
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<td>---------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Packaging dev. (1)</td>
<td></td>
<td></td>
<td></td>
<td>processing. 50% management skills will improved. 5 new packaging will be developed.</td>
</tr>
<tr>
<td>Rs.1,00,000 x 2= 2,00,000/-</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(c) Study tours, exposure visit for developed industry areas 3 tours</td>
<td>1.00</td>
<td>0.80</td>
<td>0.20</td>
<td>Adaption of 5 techniques from units visited. Information dissimilation with 5 related units.</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Capacity Building</td>
<td>0.50</td>
<td>0.30</td>
<td>0.20</td>
<td>20% increase in market the activity of the cluster will reached at least in 4 states</td>
</tr>
<tr>
<td>Brochure preparation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exp. Breakup 2000 copies</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Design - 10000</td>
<td></td>
<td></td>
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<tr>
<td>Printing – 40000</td>
<td></td>
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<tr>
<td>Total - 50000</td>
<td></td>
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</tr>
<tr>
<td>(b) Website development</td>
<td>0.50</td>
<td>0.30</td>
<td>0.20</td>
<td>100% increase accessing ability of MES. 50% increase in communication and information dissimilation, development 30% new market orders.</td>
</tr>
<tr>
<td>Exp. Breakup</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Design - 20000</td>
<td></td>
<td></td>
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<tr>
<td>Fees 3 years – 30000</td>
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<tr>
<td>Total – 50000</td>
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<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(a) BDS Service</td>
<td>0.60</td>
<td>0.54</td>
<td>0.06</td>
<td>a. The gaps in storage, juice and butter extraction &amp; packing will be identified and minimized.</td>
</tr>
<tr>
<td>Hiring of BDS for GAP analysis in existing technology.</td>
<td></td>
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<tr>
<td>Exp. Breakup for 5 days BDS consultancy / Honorarium - 35000</td>
<td></td>
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<tr>
<td>Stay and travel – 15000</td>
<td></td>
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<td></td>
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<tr>
<td>Contingency - 10000</td>
<td></td>
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<tr>
<td>Total - 60000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(b) BDS workshop on HACCP GMP and ISO FDA, FSSAI certification</td>
<td>0.60</td>
<td>0.54</td>
<td>0.06</td>
<td>b. Will upgrade the knowledge about quality standards and laws. All 40 members will follow the standard processing methods for their product preparation. More the 10 units will incorporate ISO/HACCP certification. All units will incorporate FDA/FPO/FSSAI certification.</td>
</tr>
<tr>
<td>Exp. Breakup/programme</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Hall rent – 4000</td>
<td></td>
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<tr>
<td>Food - 10000</td>
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<tr>
<td>Sound &amp; LCD – 4000</td>
<td></td>
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<tr>
<td>Travel - 10000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Honorarium – 15000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guest stay food – 10000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenience - 4000</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Misc. Cont. – 3000</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Total - 60000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Development of BDS as technical consultant in processing, packing</td>
<td>0.90</td>
<td>0.81</td>
<td>0.09</td>
<td>c. Improvement in production process. Enhancement of 5 new packaging systems</td>
</tr>
<tr>
<td>Exp. Breakup 10 days</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium - 70000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Stay and travel – 15000</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Contingency - 5000</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total - 90000</td>
<td></td>
<td></td>
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</tbody>
</table>
### Proposal for Steering Committee:
Cluster Division recommends the proposal. Steering Committee may approve the proposal for Soft Interventions in Kokum Processing Cluster, Kudal, Sindhudurg, Maharashtra for 18 months at a total cost of Rs. 25.00 lakh and GoI grant of Rs.18.14 lakh & the remaining Rs.6.86 lakh to be contributed by cluster units/associations.
Agenda No. 35.20: Proposal for Soft Interventions in Gold Ornament Cluster, Jalgaon, Maharashtra.

Proposal was received from Jalgoan Goldsmith Cluster India Private Limited (SPV), vide online ref. no: 0943 / dated : 08/12/2012 from State Government & recommended by MSME-DI, Mumbai

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Conducted By :</th>
<th>Jalgaon Goldsmith Cluster India Private Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By :</td>
<td>District Industries Centre, Jalgaon</td>
</tr>
<tr>
<td>Started :</td>
<td>12/06/2012</td>
</tr>
<tr>
<td>Completed :</td>
<td>04/08/2012</td>
</tr>
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</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Applicant :</th>
<th>Jalgoan Goldsmith Cluster India Private Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>State :</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>District :</td>
<td>Jalgaon</td>
</tr>
<tr>
<td>Cluster Product &amp; Location :</td>
<td>Gold Ornament Cluster, Jalgaon</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product :</th>
<th>Bangles, Ear Rings, Finger Rings, Mangalsutra and Necklace</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc :</td>
<td>The present technology is being traditionally used by the units and which are not modernized since many years. The entrepreneurs have been using the traditional tools and machineries to manufacture the products. Most of the work is either done with manually or with the help of semi-automatic machines like semi-automatic casting machine, cutting machine, faceting machine.</td>
</tr>
<tr>
<td>Age of Cluster :</td>
<td>350</td>
</tr>
<tr>
<td>No. of Units :</td>
<td>4800 nos. (74 Registered Micro enterprises)</td>
</tr>
<tr>
<td>Profiles of Units/Category :</td>
<td>Micro:4800 Small : 0 Medium : 0</td>
</tr>
<tr>
<td>Women :</td>
<td>2</td>
</tr>
<tr>
<td>Village :</td>
<td>0</td>
</tr>
<tr>
<td>SC/ST :</td>
<td>0</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Crore) :</td>
<td>3087.50</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs) :</td>
<td>1.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) :</td>
<td>Direct :19000 &amp; Indirect :5000</td>
</tr>
<tr>
<td>Women :</td>
<td>5</td>
</tr>
<tr>
<td>SC/ST :</td>
<td>12</td>
</tr>
<tr>
<td>Presence of association/NGO, Shree Maidh Kshatriya Suvarnakar Navyuvak Mandal, Saraf</td>
<td></td>
</tr>
</tbody>
</table>
Contact details : Bazar, Jalgoan, 425001, Contact No.: 0257-2222127

| Whether DSR conducted. Main outcomes of DSR : | MSE-CDP awareness to enhance trust building amongst the cluster actors- All cluster members |
| Extent of Competition for cluster : | The gold ornaments of Jalgoan have a special importance and identity. It is called as Gold City. Jalgoan gold ornaments have not only created fame in Maharashtra but also in India. Because of the fame of Jalgoan Gold Ornaments, the traders, consumers from all over India reach at Jalgaon for purchasing the gold jewellery. Apart from its fame, another reason to attract the people towards the Jalgaon is the purity of Gold as compared to the other cities. The art of gold ornament manufacture. |
| Main Problems of Cluster : | Lack of capital, Lack of advance technologies, lack of awareness about BIS or Hall mark standards, Lack of finance for working capital, Less profit margin against dedicated hard work because of traditional business method, less awareness about the Govt. support., Lack of training and workshop, Lack of testing facility for material and finished goods, No upgradation of units Designing facility is not available, etc. |
| Need for CFC, if any : | Common Processing Centre, Hall Marking Centre, Dye Making facility, Refining and Testing Facility, Training Centre, Advance Design and Dye-making Facility |
| Any other information : | This is the cottage industry. The individual craft men is an entrepreneur. Most of the unit's activities have been running at their own house. As per the information given by the Shree Maitri Suvarnakar Mandal, Jalgaon, there are around 4800 units. There are 42 units which are registered with the District Industries Centre, Jalgaon. Based on the registered units, data is given. |

Analysis of Proposal

<p>| Parameters | Proposed by Implementation Agency (IA) | Comments by Cluster Division |
| Implementing Agency, its experience in cluster development | State Government &amp; Respective DIC in the District will be the IA. They have good experience in development of clusters. | Should be MIDC, Mumbai as per present arrangement in the State of Maharashtra. |
| Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.) | Trust Building, Organising Training Programmes Seminar/Workshops, Study Tours, Capacity Building, Etc. | As per guidelines. |
| Whether DSR validated by the stakeholders | Yes, DSR is validated by the stakeholders dated 04/08/2012 at District Industries Centre. | Minutes on validation meeting given. |
| Project Cost with break up : (Rs. in | Project Cost : 21.12 | As per guidelines. |</p>
<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lakh)</td>
<td>GOI Contribution :15.65</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cluster Beneficiaries :5.47</td>
<td></td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>Bhagirathi Industrial Training Institute, Jalgaon</td>
<td>-</td>
</tr>
<tr>
<td>Justification for SI</td>
<td>Lack of trust building, awareness about the govt. schemes, technology exposure, participation in exhibition, need quality awareness, lack of awareness about Banking and Accounting System, etc.</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>Main outcomes (before &amp; after) in terms of sales, Exports, Investment, Profitability, Employment, ISO &amp; other Certification, others</td>
<td>It is expected that after the various proposed interventions Sales will increased by 40% from the present sales. The present export is almost nil. The export is expected to increased upto Rs.500.00 Lakhs. The investments expected to grow by 30%. The direct and indirect employment is expected to grow by 35%.</td>
<td>-</td>
</tr>
</tbody>
</table>

**Action Plan (for Months) & Budget (Rs in lakh)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>01. Trust Building</td>
<td>0.20</td>
<td>0.18</td>
<td>0.02</td>
<td>MSE-CDP awareness to enhance trust building amongst the cluster actors- All cluster members</td>
</tr>
<tr>
<td>02. Building Awareness- Other Schemes of MSME related to cluster and schemes of other concerned ministries</td>
<td>0.30</td>
<td>0.27</td>
<td>0.03</td>
<td>Awareness about the other schemes like NMCP, BARCODING, schemes for branding, Logo, copyright, etc.</td>
</tr>
<tr>
<td>03. Workshop about the schemes for bulk purchasing of raw material</td>
<td>0.40</td>
<td>0.36</td>
<td>0.04</td>
<td>Awareness about the schemes from NSIC and other departments about bulk purchasing.</td>
</tr>
<tr>
<td>04. Organizing training programmes/seminars/workshops/study tours to other clusters - 1. Programme on Hall Marking and Quality Standards 2. Study Tour to other cluster 3. Awareness programme on</td>
<td>5.50</td>
<td>4.40</td>
<td>1.10</td>
<td>To aware about the Hall marking, quality standards, Modern technology, advance marketing techniques, export procedures, accounting and taxation system, etc.</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Outcome</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
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<td>------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>advance Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Awareness programme on Design Clinic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Awareness on Advance marketing techniques, Market development, Export Procedures and Documentation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Banking, Taxation, Accounting and legal Procedure related to gold sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>05. Capacity Building-Brochure Preparation</td>
<td>0.58</td>
<td>0.348</td>
<td>0.232</td>
<td>To advertise and provide information about the cluster facilities and activities.</td>
</tr>
<tr>
<td>06. Website Design</td>
<td>0.42</td>
<td>0.252</td>
<td>0.168</td>
<td>To facilitate Online information and services to all cluster members and users.</td>
</tr>
<tr>
<td>07. Service of BDS Provider (@15,000 p.m.)-Marketing and Business Development Executive</td>
<td>2.70</td>
<td>2.43</td>
<td>0.27</td>
<td>To avail services for business development marketing- All cluster members</td>
</tr>
<tr>
<td>08. Participation in one foreign fair- Asia s Fashion Jewellary &amp; Accessories Fair, 4-7 March 2013, Hong-Kong</td>
<td>5.00</td>
<td>2.50</td>
<td>2.50</td>
<td>To exhibit the products in the international market and thereby creates opportunities for business in the international market -for all cluster members</td>
</tr>
<tr>
<td>09. Misc. Development Cost- Participation in domestic exhibition and other related development cost</td>
<td>1.50</td>
<td>1.20</td>
<td>0.30</td>
<td>To exhibit the products in the domestic market. - All cluster members</td>
</tr>
<tr>
<td>10. Local Organizer (@ Rs. 9,000 p.m. for 18 Months)</td>
<td>1.62</td>
<td>0.81</td>
<td>0.81</td>
<td>To organise the activities of the SPV office and cluster members.</td>
</tr>
<tr>
<td>11. Local Travel, Staff, telecommunication, etc</td>
<td>0.90</td>
<td>0.90</td>
<td>0.00</td>
<td>To maintain the activities of the SPV office.</td>
</tr>
<tr>
<td>12. Purchase of Laptop with printer and Projector</td>
<td>0.75</td>
<td>0.75</td>
<td>0.00</td>
<td>To equip the office of SPV for better communication and supports to carry out the day by day activities.</td>
</tr>
<tr>
<td>13. Participation of CDE/CDA/Cluster Official along with entrepreneurs of the cluster, Economy/excursion fair +TA</td>
<td>1.25</td>
<td>1.25</td>
<td>0.00</td>
<td>Participation of CDE/ CDA/Cluster official along with the entrepreneurs of the cluster in the international exhibition.</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>21.12</strong></td>
<td><strong>15.65</strong></td>
<td><strong>5.47</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for Soft Interventions in Gold Ornament Cluster, Jalgaon, Maharashtra for 18 months at a total cost of Rs.21.12 lakh and GoI grant of Rs.15.65 lakh & the remaining Rs.5.47 lakh to be contributed by cluster units/associations.

Proposal was received from Shree Sai Engineering Cluster Jalgaon, Vide Online Ref. No: 0982 / Dated : 10/12/2012 from recommended by State Government and MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Shree Sai Engineering Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>District Industries Centre, Jalgaon</td>
</tr>
<tr>
<td>When Started</td>
<td>12/08/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>08/11/2011</td>
</tr>
</tbody>
</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Shree Sai Engineering Cluster Jalgaon</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>District</td>
<td>Jalgaon</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>Engineering Cluster, Jalgaon</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Auto parts, Dyes and moulds, Fabrication work, Fabrication work and Machines and parts manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>Most of the technology is indigenous. The technologies used by cluster units are conventional and old age, employed in the process of designing the system particularly in casting, forging and fabrication units. The fabrications units are using conventional as well as recent techniques. The Machining units are employing conventional machine tools like SPM, slotting machine bending, welding machines, etc.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>50</td>
</tr>
<tr>
<td>No. of Units</td>
<td>130</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro :100 Small :30 Medium : 0 (Women :15 Village :0 SC/ST :10)</td>
</tr>
<tr>
<td>Turnover (Per Annum) : (Rs. in Lakhs)</td>
<td>36000.00</td>
</tr>
<tr>
<td>Export : (Rs. in Lakhs)</td>
<td>1080.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect) : 4500 nos) Direct :1500&amp; Indirect :3000 (Women :300 SC/ST :80)</td>
<td></td>
</tr>
<tr>
<td>Presence of association/NGO,</td>
<td>Small Scale Engineering Industries Associations, G-32, MIDC,</td>
</tr>
</tbody>
</table>
Contact details: Jalgaon, 425 003, Maharashtra, Ph: 0257- 2210356, Shri. Chandrakant J Bendale, Chairman, Mo: 9422292003.

Whether DSR conducted. Main outcomes of DSR: MSE-CDP awareness to enhance trust building amongst the cluster actors- All cluster members

Extent of Competition for cluster: The intense competition has led to developing improved capabilities that have made engineering units more competitive. Companies/OEMs have become more quality and advance designing conscious. Engineering units face problems to compete and even sustain due to intense Competition, poor technology, infrastructural bottlenecks, high transaction costs, etc. Engineering cluster need to support for adoption of latest technology and services, adequate finance and market support to sustain the

Main Problems of Cluster: Lack of trust building, lack of awareness about the govt.supports, Lack of trained manpower, lack of modern technology and designing centre, R & D centre, Quality Testing and Calibration Labs, Advanced tool rooms, etc.

Need for CFC, if any: comprehensive testing and quality control laboratory facilities, Training Centre, metallurgical laboratory, Common Processing Centre, training of labour, tool designing facilities, etc.

Any other information: There are about 1018 units engaged in engineering sector in Jalgaon District. The details of 130 units which are located in the MIDC, Jalgaon is uploaded.

Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>State Government &amp; Respective DIC in the District will be the IA. They have good experience in development of clusters.</td>
<td>MIDC, Mumbai should be the implementing agency.</td>
</tr>
<tr>
<td>Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.)</td>
<td>Trust Building, Organising Training Programmes Seminar/Workshops, Study Tours, Capacity Building, Etc.</td>
<td>-</td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>Yes, DSR is validated on 08/11/2011 at MIDC, Jalgaon under the Chairmanship of General Manager, District Industries Centre, Jalgaon.</td>
<td>Yes.</td>
</tr>
<tr>
<td>Project Cost with break up: (Rs. in Lakhs)</td>
<td>Project Cost: 20.22</td>
<td>GOI Contribution: 14.97</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cluster Beneficiaries: 5.25</td>
</tr>
<tr>
<td>Parameters</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
<td>------------------------------</td>
</tr>
</tbody>
</table>
| Technical Agency to be associated & its expertise                         | 1. Government Polytechnic, Jalgaon  
2. College of Engineering, Jalgaon  
3. Bhagirathi Industrial Training Institute, Jalgaon. | -                            |
| Justification for SI                                                      | Lack of trust building, awareness about the govt. schemes, technology exposure, participation in exhibition, need quality awareness, lack of awareness about lean manufacturing, design clinic, etc. | --                           |
| Main outcomes (before & after) in terms of sales, Exports, Investment, Profitability, Employment, ISO & other Certification, others | It is expected that after the various proposed interventions Sales will increased by 30% to 40% from the present sales. The present export is expected to increase by 50%. The investments expected to grow by 40%. The direct and indirect employment is expected to grow by 30%. The average present profitability is about 8% and it is expected to increase the profitability upto 15% after the various interventions. | -                            |

**Action Plan (for 18 Months) & Budget (Rs in lakh)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GOI</th>
<th>Association</th>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Trust Building</td>
<td>0.20</td>
<td>0.18</td>
<td>0.02</td>
<td>Trust building about the project will be enhanced amongst the cluster actors through MSE-CDP awareness.</td>
<td>It is expected that after MSE-CDP awareness about 50 new units will register as member of SPV.</td>
</tr>
<tr>
<td>2. Building Awareness-Other Schemes of MSME related to cluster and schemes of other concerned ministries</td>
<td>0.30</td>
<td>0.27</td>
<td>0.03</td>
<td>Awareness about the schemes like NMCP, Bar Coding, schemes for branding, logo, copyright, etc. will be created amongst the cluster actors.</td>
<td>It is expected that due to the awareness 30 MSE will create their products trade mark and get it registered and use the bar coding system as per their products.</td>
</tr>
<tr>
<td>3. Workshop about the</td>
<td>0.40</td>
<td>0.36</td>
<td>0.04</td>
<td>Awareness about</td>
<td>It is expected that</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Qualitative</td>
<td>Quantitative</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
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<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>schemes for bulk purchasing of raw material</td>
<td></td>
<td></td>
<td></td>
<td>the schemes from NSIC and other departments about bulk purchasing.</td>
<td>about 30 members will be purchased the required quantity and quality of raw material at bulk at bargained rate.</td>
</tr>
<tr>
<td>4 Organizing training programmes/seminars/workshops / study tours to other clusters- 1. Workshop on quality control awareness programme</td>
<td>4.80</td>
<td>3.84</td>
<td>0.96</td>
<td>Awareness about the quality control will be created amongst the cluster members.</td>
<td>It is expected that about 25 units will undertake quality control steps is their units and after effective steps their units will be ISO certified.</td>
</tr>
<tr>
<td>2. Study Tour to other cluster</td>
<td>0.50</td>
<td>0.30</td>
<td>0.20</td>
<td>It is expected that due to practical awareness trust building amongst the members will be created to the great extend.</td>
<td>It is expected that about 50 new units will become a member of the cluster.</td>
</tr>
<tr>
<td>3. Awareness programme on advance and updated Technology</td>
<td></td>
<td></td>
<td></td>
<td>The awareness about the export procedure and documentation will be created amongst the members.</td>
<td>It is expected that about 30 units will invest in the higher technologies needed by their unit after awareness available at domestic as well as international market.</td>
</tr>
<tr>
<td>4. Awareness on export procedures and documentation</td>
<td></td>
<td></td>
<td></td>
<td>The productivity and efficiency of the units will be enhanced.</td>
<td>It is expected that after awareness about 20 units will get IEC (import export code) number and work on export using the various resources.</td>
</tr>
<tr>
<td>5. Lean Manufacturing Programme</td>
<td></td>
<td></td>
<td></td>
<td>Knowledge about the new services/designs offered by SPV in future will be given to the potential buyers in order to</td>
<td>It is expected that the productivity of the enterprises will be enhanced by 20%.</td>
</tr>
<tr>
<td>6. Buyer Seller Meet programme</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>It is expected that the sales of the units will be increased by about 15% to 20%.</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Qualitative</td>
<td>Quantitative</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>5. Capacity Building-Brochure Preparation Website Design</td>
<td>0.30</td>
<td>0.18</td>
<td>0.12</td>
<td>generate new job opportunities and market.</td>
<td>It is expected that due to the publicity about services offered by SPV through brochure and website about 20% to 30% increase in number of users and good number of inquiries will be generated.</td>
</tr>
<tr>
<td>6. Service of BDS Provider Marketing and Business Development Executive</td>
<td>2.70</td>
<td>2.43</td>
<td>0.27</td>
<td>To avail services for business development marketing all cluster members.</td>
<td>Good number of inquiries about the product, new design will be generated, explore export potential market help in increase in export share.</td>
</tr>
<tr>
<td>7. Participation in one foreign fair-</td>
<td>5.00</td>
<td>2.50</td>
<td>2.50</td>
<td>The products of cluster will have an exposure in the international market and thereby opportunities for business in the international market created.</td>
<td>Good number of inquiries about the product, new design will be generated, explore export potential market in India for products.</td>
</tr>
<tr>
<td>8. Misc. Development Cost- Participation in domestic exhibition and other related development cost</td>
<td>1.50</td>
<td>1.20</td>
<td>0.30</td>
<td>Exhibition of the products in the domestic market to attract and aware the Indian buyers for business.</td>
<td></td>
</tr>
<tr>
<td>9. Local Organizer (@ Rs. 9,000 p.m. for 18 Months)</td>
<td>1.62</td>
<td>0.81</td>
<td>0.81</td>
<td>To organize the activities of the SPV office and cluster members.</td>
<td></td>
</tr>
<tr>
<td>10. Local Travel, Staff, telecommunication, etc</td>
<td>0.90</td>
<td>0.90</td>
<td>0.00</td>
<td>To maintain the activities of the SPV office.</td>
<td></td>
</tr>
<tr>
<td>11. Purchase of Laptop with printer and Projector</td>
<td>0.75</td>
<td>0.75</td>
<td>0.00</td>
<td>To equip the office of SPV for better communication and supports to carry out the day by day activities.</td>
<td></td>
</tr>
<tr>
<td>12. Participation of</td>
<td>1.25</td>
<td>1.25</td>
<td>0.00</td>
<td>Participant of</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GOI</td>
<td>Association</td>
<td>Outcome</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
<td>-------------</td>
<td>--------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>CDE/CDA/ Cluster Official along with entrepreneurs of the cluster. Economy/ excursion fair+TA</td>
<td>20.22</td>
<td>14.97</td>
<td>5.25</td>
<td>CDE/CDA/cluster official along with the entrepreneurs of the cluster in the international exhibition.</td>
<td></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for Soft Interventions in Engineering Cluster, Jalgaon, Maharashtra for 18 months at a total cost of Rs. 20.22 lakh and GoI grant of Rs.14.97 lakh & the remaining Rs.5.25 lakh to be contributed by cluster units/associations.

Proposal was received from Tiny General Engineering and Allied Industries Cluster (SPV), vide online ref. no:- 1509 / dated : 22/06/2013 recommended by State Government and MSME-DI, Mumbai.

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By</td>
<td>MSME-Development Institute, Mumbai</td>
</tr>
<tr>
<td>Validated By</td>
<td>Br. MSME Aurangabad</td>
</tr>
<tr>
<td>When Started</td>
<td>29/06/2010</td>
</tr>
<tr>
<td>When Completed</td>
<td>07/07/2012</td>
</tr>
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</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Applicant</td>
<td>Tiny General Engineering and Allied Industries Cluster</td>
</tr>
<tr>
<td>State</td>
<td>Maharashtra</td>
</tr>
<tr>
<td>District</td>
<td>Aurangabad</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>Tiny General Engineering &amp; Allied Industries Cluster, Aurangabad</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Product</td>
<td>Auto parts, Engineering comp. Tools &amp; Dies, Press, Ferrous &amp; Non ferrous castings and Press components, Fabrication</td>
</tr>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>Conventional technology being primarily used by most of the units hardly there is any scope for pollution.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>15</td>
</tr>
<tr>
<td>No. of Units</td>
<td>61</td>
</tr>
<tr>
<td>Profiles of Units/Category</td>
<td>Micro : 61 Small : 0 Medium : 0 Women : 7 Village : 0 SC/ST : 5</td>
</tr>
<tr>
<td>Turnover (Per Annum) (Rs. in Lakhs)</td>
<td>1050.00</td>
</tr>
<tr>
<td>Export (Rs. in Lakhs)</td>
<td>124.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect)</td>
<td>Direct :490 Indirect :500</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>M/s Tiny Industries Co-Op. Industrial Estate Ltd., MIDC Chikhalthana, Aurangabad Mr. Santosh Kulkarni-9225316649</td>
</tr>
<tr>
<td>Whether DSR conducted. Main outcomes of DSR</td>
<td>MSE-CDP Aware Ness To Enhance Trust Building Amongst The Cluster Actors-All Custer Members (61 Units&amp; 15 To 20</td>
</tr>
</tbody>
</table>

181
Micro Small Enterprises From The Surrounding Of The Cluster.

**Extent of Competition for cluster:**
As Aurangabad being auto component manufactures hub, it is required to switch over to upgraded technology to meet the quality standards and export quality auto component. cluster would be competitive if provided with the common facility center with adequate common facility services.

**Main Problems of Cluster:**
Most of the cluster actor have been maintaining either conventional or partially technology upgraded units but failed to achieve export quality due to lack of testing and advance technology tools. there is no product enovation and diversification marketing is a pain area. No identification & exploring new OEMs and product development is a concern for most of the units.

**Need for CFC, if any:**
Yes, There is requirement of common facility center in the cluster for cluster members in order to address the concerns with respect to technological services, testing facility, NABL accredited meteorology laboratory etc.

**Any other information:**
All 61 members are the first generation entrepreneurs and play pro active role in every activity.

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>MIDC, Mumbai. MIDC being declared as implementing agency for MSE-CDP In the State of Maharashtra</td>
<td>-</td>
</tr>
<tr>
<td>Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.)</td>
<td>Capacity building, Technology upgradation, Marketing assistance, study tour etc</td>
<td>-</td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>DIC Aurangabad, MSME-DI, Mumbai, Lead Bank &amp; SPV members and cluster actors</td>
<td>-</td>
</tr>
</tbody>
</table>
| Project Cost with break up: (Rs. in Lakhs) | Project Cost: 22.60  
GOI Contribution: 5.68  
Cluster Beneficiaries: 16.92 | - |
| Technical Agency to be associated & its expertise | Marathwada Institute of Technology, Govt. Engg. college, IGTR, Aurangabad | - |
| Justification for SI | To enhance the capacity building of cluster actors and to provide opportunity for all cluster members to under go seminar, workshops on technology upgradation quality related issues to create awareness amongst all cluster members it would make them cost commutative and to provide with marketing tools and techniques. | - |

<table>
<thead>
<tr>
<th>Main outcomes (before &amp;</th>
<th>Pre</th>
<th>Post</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parameters</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Turnover (Rs. in crores)</td>
<td>10.50</td>
<td>12.00</td>
</tr>
<tr>
<td>Exports(Rs. in crores)</td>
<td>1.24</td>
<td>2.00</td>
</tr>
<tr>
<td>Direct employment</td>
<td>490</td>
<td>600</td>
</tr>
<tr>
<td>Indirect employment</td>
<td>500</td>
<td>900</td>
</tr>
<tr>
<td>Pre intervention profitability</td>
<td>3%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Justification for SI
To enhance the capacity building of cluster actors and to provide opportunity for all cluster members to undergo seminar, workshops on technology upgradation quality related issues to create awareness amongst all cluster members it would make them cost commutative and to provide with marketing tools and techniques -

Action Plan (for 18 Months) & Budget (Rs in lakh)

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>GoI</th>
<th>Association</th>
<th>OutCome</th>
</tr>
</thead>
<tbody>
<tr>
<td>01. Trust Building Organising (4) Meetings/ Seminars</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td>MSE-CDP Aware Ness To Enhance Trust Building Amongst The Cluster Actors-All Custer Members (61 Units &amp; 15 To 20 Micro Small Enterprises From The Surrounding Of The Cluster.</td>
</tr>
<tr>
<td>02. Building Awareness Other Schemes of MSME Related To Cluster &amp; Schemes Of Other Concerned Ministry</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
<td>Awareness Amongst All The Cluster Members About Government Schemes Etc. It Would Create Awareness About Other Schemes Like NMCP,BAR CODE ,Schemes For Branding, IPR Related Schemes It Would be Beneficial to All 61Members</td>
</tr>
<tr>
<td>03. Organising Trainings Programmes/Seminars/Work Shop/Study Tours to other clusters 1 Workshop about the schemes for Bulk Purchasing of Raw Material 2 Workshop on QMS (ISO 9001-2008, 14000, TS-16949)</td>
<td>6.00</td>
<td>4.80</td>
<td>1.20</td>
<td>It would create awareness amongst all the cluster members with respect to modern technology tools to deal with technology up gradation, cost competitiveness &amp; minimizing wastages. All 70 members would participate &amp; avail the benefits forming Lean Manufacturing Clusters of group of 10 each</td>
</tr>
<tr>
<td>Description</td>
<td>Total</td>
<td>GoI</td>
<td>Association</td>
<td>OutCome</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-------</td>
<td>------</td>
<td>-------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3 Study Tour to Clusters in other states</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Awareness Programme on Advance &amp; Up-dated Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Awareness Programme on Design Clinic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Awareness Programme on Export Procedures &amp; Documentation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>04. Capacity Building Brochure Preparation Website Design</td>
<td>0.80</td>
<td>0.48</td>
<td>0.32</td>
<td>To advertise and provide information about the cluster facilities and activities, as a marketing tool for all 61 cluster members.</td>
</tr>
<tr>
<td>05. Services of BDS Providers @ 7,000/- Per Day Marketing &amp; Business Development Executive</td>
<td>3.00</td>
<td>2.70</td>
<td>0.30</td>
<td>To avail the services of Business Development Providers for all 61 cluster members.</td>
</tr>
<tr>
<td>06. Participation in International Trade Fair</td>
<td>5.00</td>
<td>2.50</td>
<td>2.50</td>
<td>To exhibit the competence of the cluster members on International Platform &amp; to provide exposure to all 61 members in international market, so as to explore avenues abroad.</td>
</tr>
<tr>
<td>07. Misc. Development Cost participation in domestic exhibition</td>
<td>1.50</td>
<td>1.20</td>
<td>0.30</td>
<td>To exhibit cluster products of all 61 members in domestic market to explore new OEMs.</td>
</tr>
<tr>
<td>08. In house Institutional Staff Local Organizer / NDA for 18 months @ 10,000 Per Month</td>
<td>1.80</td>
<td>0.90</td>
<td>0.90</td>
<td>To co-ordinate the activities of the SPV office and all 61 cluster members &amp; with other institutions.</td>
</tr>
<tr>
<td>09. Local Travel in the cluster for the in house staff &amp; Telecommunication Expenses</td>
<td>0.90</td>
<td>0.90</td>
<td>0.00</td>
<td>To maintain the office activities with good communication linkages between all the 61 cluster members &amp; SPV office.</td>
</tr>
<tr>
<td>10. Purchase of Laptop with Printer and Projector</td>
<td>0.75</td>
<td>0.75</td>
<td>0.00</td>
<td>To equip the office bearers of the SPV to communicate to all 61 cluster members effectively.</td>
</tr>
<tr>
<td>11. Participation of CDE / Cluster Official along with entrepreneurs of the cluster</td>
<td>1.25</td>
<td>1.25</td>
<td>0.00</td>
<td>To accompany all 20 member group of cluster members in International Exhibition</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>22.60</strong></td>
<td><strong>16.92</strong></td>
<td><strong>5.68</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for Soft Interventions in Tiny General Engineering & Allied Industries Cluster, Aurangabad, Maharashtra for 18 months at a total cost of Rs. 22.60 lakh and GoI grant of Rs.16.92 lakh & the remaining Rs.5.68 lakh to be contributed by cluster units/associations.
Agenda No. 35.23: Proposal for final approval for Common Facility Centre (CFC) in Refractory Cluster, Vridhachalam, Tamilnadu under MSE- CDP.

Secretary, Govt. of Tamilnadu has submitted a proposal for setting up of CFC in Refractory Cluster, Vridhachalam, Tamilnadu. The proposal was also discussed in the 30th Steering Committee Meeting held on 19.6.2012 under the Chairmanship of Secretary, MSME. The Committee has accorded in-principle approval. This office has conveyed the in-principle approval vide letter dated 24.8.2012. Salient features of the cluster and the proposal are as follows:

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>a.</th>
<th>Name of the cluster</th>
<th>Refractory Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>b.</td>
<td>Location of Cluster</td>
<td>Vridhachalam, Distt. Cuddalore, Tamilnadu</td>
</tr>
<tr>
<td>c.</td>
<td>Products of the cluster</td>
<td>Bottam Pouring Set, Fire Bricks, Refractory Bed Materials</td>
</tr>
<tr>
<td>d.</td>
<td>No. of Enterprises including break up (micro, small, medium) (page no. 7 of DPR)</td>
<td>102 units (Small- 1 &amp; Micro- 101)</td>
</tr>
</tbody>
</table>
| e. | Turnover (Rs in crore) for the last five years (in additional information) | 2006-07- Rs. 34.00  
2007-08- Rs. 35.00  
2008-09- Rs. 38.00  
2009-10- Rs. 40.00  
2010-11- Rs. 45.00 |
| f. | Exports (Rs in crore) for the last five years (page no. 8 of DPR) | Nil |
| g. | Employment in Cluster (page no. 8 of DPR) | 4500 persons (60% of women workers) |
| h. | Technological Details (page no. 10 of DPR) | Present- DD Kiln technology is being used.  
Proposed- Tunnel and Rotary Kiln technology will be used. |
| i. | Whether DS conducted and validated. | DPR is validated by Govt. of Tamilnadu. |
| j. | Main findings of DSR | NA |
| k. | Main Problems of cluster | • The cluster units are using only DD Kiln for firing the refractories.  
• Fire wood is used as the fuel for firing, which results in pollution.  
• The wastage percentage is more since they use DD Kiln.  
• The cost of manufacture only very limited products on account of lack of facilities.  
• Their market segment is very limited.  
• The units also face lack of finance for expansion.  
• There is also lack of testing facilities for product diversification. |
## 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>By Implementing/recommending Agency</th>
<th>Remarks, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Justification for CFC</td>
<td>Old technology / machinery are being used.</td>
<td>-</td>
</tr>
<tr>
<td>b. Location of CFC</td>
<td>Vridhachalam, Cuddalore Distt., Tamilnadu.</td>
<td>-</td>
</tr>
<tr>
<td>c. Land for CFC (page no. 19 of DPR)</td>
<td>3 acres &amp; 98 cent- SPV is in process of purchasing of land (Agreement papers submitted but in local language)</td>
<td>-</td>
</tr>
<tr>
<td>i. Weather land acquired</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>v. Change of land use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vii. Whether lease is legally tenable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Total Building area (sq ft) (Building estimates)</td>
<td>48000 sq ft.</td>
<td>-</td>
</tr>
<tr>
<td>e. Rate of construction of building</td>
<td>For construction of A.C. sheet roofed shed @. 300/sq. ft.</td>
<td>-</td>
</tr>
<tr>
<td>f. Main facilities proposed (page no. 14 of DPR)</td>
<td>Kiln section, Processing section, Tool Room facility, Testing centre and R&amp;D section.</td>
<td>-</td>
</tr>
<tr>
<td>g. Prod. capacity of CFC</td>
<td>Rotary – 40 tones per day. Tunnel Kiln – 50 tones each per day.</td>
<td>-</td>
</tr>
<tr>
<td>h. Major Outputs / Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.) (page no. 53 of DPR)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Present Status</td>
<td>Within One Year from setting up of CFC</td>
</tr>
<tr>
<td>Number of units</td>
<td>102</td>
<td>122 (Increase by 15-20%)</td>
</tr>
<tr>
<td>Employment (Direct &amp; Indirect)</td>
<td>4500</td>
<td>5175 (Increase by 15%)</td>
</tr>
<tr>
<td>Turnover</td>
<td>Rs. 45.00 crore</td>
<td>Rs. 51.75 crore (Increase by 15%)</td>
</tr>
<tr>
<td>Export</td>
<td>Nil</td>
<td>Rs. 1.00 crore</td>
</tr>
<tr>
<td>Quality</td>
<td></td>
<td>Quality of fired bricks will increase (as specified for refractory products) and rejections due to firing will be very less (less than 1%)</td>
</tr>
<tr>
<td>Product</td>
<td>Mostly Diversification</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>By Implementing/recommending Agency</td>
<td>Remarks, if any</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>diversification</td>
<td>bottom pouring sets &amp; fire bricks</td>
<td>to high alumina Refractory products.</td>
</tr>
<tr>
<td>Increase in income (profit) level for individual unit</td>
<td>Increase by 15-20% (due to increase in production &amp; reduction in fuel cost)</td>
<td></td>
</tr>
<tr>
<td>Other benefits</td>
<td>Eco friendly situation &amp; less pollution</td>
<td></td>
</tr>
<tr>
<td>Testing facilities for raw materials and finished products and practical training for Ceramic Institute students.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

i. Pollution clearance required or not | Not given | Consent of Pollution Deptt. is required. |

j. Man power in CFC (page no. 32 of DPR) | 61 | - |

k. Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified) (page no. 39 of DPR) | Income assumption made on the basis of user charges 1st year – Rs. 671.89 lakh proposed. |

l. Estimated net profit for 1st & 2nd year. (page no. 40 of DPR) | Retained profit (after tax) 1st year– Rs. 68.73 lakh 2nd year- Rs. 77.91 lakh | - |

3. **Information about SPV**

<table>
<thead>
<tr>
<th>Description</th>
<th>By Implementing/recommending Agency</th>
<th>Remarks, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Name and address (page no. 16 of DPR)</td>
<td>M/s Vriddhachalam Refractories Consortium Private Ltd. 184, Aladi Road, Vriddhachalam- 606 001, Cuddalore Distt. Tamilnadu.</td>
<td>----</td>
</tr>
</tbody>
</table>

b. Nature of SPV (company or Society or Trust) (Annexure of Private Ltd. Company [(registered under Act 1956)] | - |
<table>
<thead>
<tr>
<th>Description</th>
<th>By Implementing/recommending Agency</th>
<th>Remarks, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPR) (No. 1 of 1956) with section 3 (1) (iii)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Name of the state Govt. and MSME officials in SPV</td>
<td>-----</td>
<td>Provision in the byelaws has been made on 28.01.12.</td>
</tr>
<tr>
<td>d. Date of formation of SPV</td>
<td>5th April 2010</td>
<td></td>
</tr>
<tr>
<td>e. Number of members (in additional information)</td>
<td>29 nos.</td>
<td></td>
</tr>
<tr>
<td>f. Bye laws or MA and MoA submitted</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>g. Authorized share capital (in additional information)</td>
<td>Rs. 45,00,000/- dividend into Rs. 45,000/- equity share of Rs. 10/- each(raised on 28.1.12)</td>
<td>-</td>
</tr>
<tr>
<td>h. Paid up capital (in additional information)</td>
<td>Rs. 40,16,500</td>
<td></td>
</tr>
<tr>
<td>i. Shareholding Pattern (in additional information)</td>
<td>Given.</td>
<td></td>
</tr>
<tr>
<td>j. Commitment letter for contribution (in additional information)</td>
<td>Given.</td>
<td></td>
</tr>
<tr>
<td>k. SPV specific A/c (in additional information)</td>
<td>State Bank of India, Vriddchalam Current A/c No. 31137208391</td>
<td>-</td>
</tr>
<tr>
<td>l. Trust building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>SPV formed, only photographs of some training and exposure visit attached with the DPR.</td>
<td>MSME-DI, Chennai conducted MDP.</td>
</tr>
<tr>
<td>m. Technical Institution (page no. 16 of DPR)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>n. CFC may be utilized by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilize at least 60 per cent of installed capacity. (in additional information)</td>
<td>Given.</td>
<td>-</td>
</tr>
<tr>
<td>o. (a) Power requirement for commercial/ domestic purpose (page no. 31 of DPR)</td>
<td>250 HP</td>
<td></td>
</tr>
</tbody>
</table>
4. **Implementation Arrangements**

<table>
<thead>
<tr>
<th>Description</th>
<th>By Implementing/recommending Agency</th>
<th>Remarks, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Implementation Agency (page no. 15 of DPR)</td>
<td>Industries Commissioner &amp; Department of Industries and Commerce (IC&amp;DIC), Govt. of Tamilnadu</td>
<td>TANSIDCO, Chennai</td>
</tr>
<tr>
<td>b. Fund receiving Agency (page no. 15 of DPR)</td>
<td>TANSIDCO, Chennai</td>
<td></td>
</tr>
<tr>
<td>c. Implementation Period (in additional information)</td>
<td>12 months from approval by Purchase Committee</td>
<td>-</td>
</tr>
<tr>
<td>d. Appraisal of DPR and main recommendations</td>
<td>State Bank of India appraised the DPR. In its recommendation mentioned that project to setup a CFC for processing, production, testing centre and training centre is technically feasible and economically viable.</td>
<td>Term loan of 100.00 lakh proposed. DPR is appraised by SBI. Annexure-I</td>
</tr>
<tr>
<td>e. Comments of Technical Committee</td>
<td>-</td>
<td>Technical committee recommended the proposal for consideration of SCM.</td>
</tr>
</tbody>
</table>

5. **Financial Analysis of CFC:**

<table>
<thead>
<tr>
<th>Description</th>
<th>By Implementing/recommending Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. BEP (page no. 51 of DPR)</td>
<td>51.00% (below 60%)</td>
</tr>
<tr>
<td>b. IRR, payback period (page no. 48 of DPR)</td>
<td>13.33% (More than 10%)</td>
</tr>
<tr>
<td>c. DSCR (page no. 44 of DPR)</td>
<td>6.29 (Above 3)</td>
</tr>
<tr>
<td>d. Return on Capital employed (ROCE) (page no. 46 of DPR)</td>
<td>30.21% (above 25%)</td>
</tr>
<tr>
<td>e. NPV (page no. 48 of DPR)</td>
<td>Rs. 109.70 lakh</td>
</tr>
</tbody>
</table>
| f. Sensitivity Analysis (page no. 49-51 of DPR) | DSCR – 5.28  
IRR – 11.02%  
NPV@10% - 33.46 |
| g. Working capital (In-principle sanction of loan from a bank, if applicable arrangement made) | In-principle given by State Bank of India, Chennai. |
| h. Status of CFCs approved in the State | |

6. **Total Cost: The total cost of the CFC is as follows** (page no. 18 of DPR):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost (Rs. in lakh)</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Land</td>
<td>40.00</td>
<td>40.00</td>
</tr>
<tr>
<td>2 Building</td>
<td>150.00</td>
<td>150.00</td>
</tr>
<tr>
<td>3 Plant &amp; Machinery</td>
<td>603.36</td>
<td>603.36</td>
</tr>
<tr>
<td>4 Misc. fixed assets</td>
<td>40.00</td>
<td>40.00</td>
</tr>
<tr>
<td>5 Preliminary exp.</td>
<td>*5.00</td>
<td>17.93</td>
</tr>
<tr>
<td>6 Pre-operative exp.</td>
<td>*15.00</td>
<td></td>
</tr>
</tbody>
</table>
7. **Means of Finance:** The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Recommended by DC(MSME)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Grant-in-aid from Govt. of India</td>
<td>571.44</td>
<td>573.51</td>
</tr>
<tr>
<td>2. Grant-in-aid from Govt. of Tamilnadu</td>
<td>89.85</td>
<td>89.85</td>
</tr>
<tr>
<td>3. SPV contribution</td>
<td>135.17</td>
<td>135.17</td>
</tr>
<tr>
<td>4. Bank Loan/ others</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>898.53</strong></td>
</tr>
</tbody>
</table>

(Rs. in lakh)

8. **Plant and machinery - Annexure-II**

9. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Refractory Cluster, Vridhachalam, Tamilnadu at total project cost of Rs.896.46 lakh with GoI assistance of Rs.571.44 lakh, Government of Tamilnadu contribution of Rs.89.85 lakh, SPV contribution of Rs.135.17 lakh and Bank loan of Rs.100.00 lakh.

* Pre-operative and preliminary expenses should be 2% of Project Cost.
Agenda No. 35.24: Proposal for final approval for Common Facility Centre (CFC) in Gold Jewellery Cluster, Madurai, Tamilnadu.

Secretary, Govt. of Tamilnadu has submitted a proposal for setting up of CFC in Gold Jewellery Cluster, Madurai, Tamilnadu. The proposal was also discussed in the 32nd Steering Committee Meeting held on 20.03.2013 under the Chairmanship of Secretary, MSME. The Committee has accorded in-principle approval. This office has conveyed the in-principle approval vide letter dated 15.05.2013. Salient features of the cluster and the proposal are as follows:

**DSR Details**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By</td>
<td>Friday Solutions</td>
</tr>
<tr>
<td>Validated By</td>
<td>TANSIDCO/ Go TN Deptt. of MSME</td>
</tr>
<tr>
<td>When Started</td>
<td>04/10/2010</td>
</tr>
<tr>
<td>When Completed</td>
<td>01/04/2012</td>
</tr>
</tbody>
</table>

1. **Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Cluster</td>
<td>Gold Jewellery Cluster</td>
</tr>
<tr>
<td>Location of Cluster</td>
<td>Madurai</td>
</tr>
<tr>
<td>Main Product</td>
<td>Gold Jewellery, Gold rings, Gold Studs, Chain</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 400 Small : 0 Medium : 0</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years :</td>
<td></td>
</tr>
<tr>
<td>1st Year :</td>
<td>350</td>
</tr>
<tr>
<td>2nd Year :</td>
<td>380</td>
</tr>
<tr>
<td>3rd Year :</td>
<td>400</td>
</tr>
<tr>
<td>4th Year :</td>
<td>450</td>
</tr>
<tr>
<td>5th Year :</td>
<td>475</td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years :</td>
<td></td>
</tr>
<tr>
<td>1st Year :</td>
<td>-</td>
</tr>
<tr>
<td>2nd Year :</td>
<td>-</td>
</tr>
<tr>
<td>3rd Year :</td>
<td>2</td>
</tr>
<tr>
<td>4th Year :</td>
<td>2.5</td>
</tr>
<tr>
<td>5th Year :</td>
<td>3</td>
</tr>
<tr>
<td>Employment in Cluster :</td>
<td>15000 (Direct/Indirect)</td>
</tr>
<tr>
<td>Technology Details</td>
<td>Conventional machines using mostly hand tools</td>
</tr>
<tr>
<td>Whether DS Conducted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Main findings of DSR :</td>
<td>Majority of manufactures are artisan type, not having state of art of technology, CFC will create opportunity for product diversification, a tool to minimize waste, specialization and enhancing supply chain, quality testing, improvement in efficiency of the skilled force.</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Technology constraint, low productivity, poor product diversification, lack of skilled man power, lack of brand image, poor market penetration due to low brand penetration like new design activity. Obsolete technology, household type of venture.</td>
</tr>
<tr>
<td>Other Information :</td>
<td>Poor marketing tie up, poor R&amp;D, lack of testing facility within the cluster.</td>
</tr>
</tbody>
</table>
### 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>All are artisan type players. Low product diversification. Poor productivity, Low state of art of technology. CFC will reduce the cost of production, enhance the quality of the products. Improve the productivity and increase the income level at unit level. Additional employment opportunity, minimization of waste.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Madurai</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>90</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Wheather land acquired</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>SPV</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>prevailing market rate</td>
<td>-</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>Yes</td>
<td>Non-agriculture land. NOC obtained from Revenue Authority.</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>--</td>
<td>-</td>
</tr>
<tr>
<td>vii. Whether lease is legally tenable</td>
<td>--</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>2312 sq.ft</td>
<td>SPV clarified that land area is 2312 sq. ft. &amp; building area will be 4000 sq. ft.</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs.1000/sq.ft</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Common melting facility, common pressing &amp; die, Casting facility. Gold check facility</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Gold check facility 4 (1KW) Melting machine 6 (3.375 kw) Sheet, wire drawing machine: 1 Press &amp; Die : 1 Electro polishing</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>and electro plate: 9 Finishing: 2 Refining : 1 Common Laser:2 Common casting : 2 Calibration: 1 Ancillary/testing items: 7 (Details of the capacity is given in report)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| (h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.) | ➢ Average turnover of 200 Goldsmith units to go up from Rs.10 lakh per annum to Rs.25 lakh per annum.  
➢ Direct sales through consortium to avg. Rs.5 lakh per Goldsmith unit per annum total Rs.10 crore in three years.  
➢ Employment in 200 units eclub members – 500 direct job and 1000 indirect job.  
➢ Investment individual firms from Rs.5 lakh to Rs. 10 lakh in 100 units.  
➢ Profitability individual firms go up from Rs.2 to 4 lakh range to Rs.6 to 8 lakh in 100 units. | - |
| (i.) Pollution clearance required or not | Not required. However, SPV applied for consent for establishment | - |
| (j.) Man Power in CFC | 40 | - |
| (k.) Revenue generation mechanism for sustainability of assets(service/user charges to be levied,any other-to be specified) | Service charges from CFC Total expected income from CFC 132.15 lakh in first year. From training facility Rs.6.24 lakh in the first year. | - |

3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Madurai Jewellary Manufacturers' Consortium Private Limited, 12A Kansa Mettu Street, Lane 1, Jewellary Bazaar, Madurai 625 001</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited Company</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Representative of IC &amp; Dlc Director or and his representative</td>
<td>Provision in bye-laws made.</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>18-7-2010</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>33</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital as on............</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>Submitted</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>made a tie up gold jewellay export promotion council</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster.However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>submitted</td>
<td>-</td>
</tr>
</tbody>
</table>

(a) Power requirement for commercial/domestic purpose 2.64 lakh in the first year of

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>Madurai Jewellery Manufacturers Consortium Private Limited (MJM) is the Special Purpose Vehicle formed by the cluster units</td>
<td>TANSIDCO, Chennai.</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>1 year</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>Appraisal of report was done by Indian Bank in line with SIDBI.</td>
<td>SIDBI has also appraised. Appraisal received on 20.5.13. Annexure-I</td>
</tr>
<tr>
<td>(e.) Recommendation of Technical Committee</td>
<td>The technical committee of Govt of Tamilnadu has already cleared the proposal and the GoTN recommended the project to GoI for financial assistance under MSE-CDP scheme.</td>
<td>Technical Committee recommended the proposal.</td>
</tr>
<tr>
<td>(g.) Comments of Cluster Development Division:</td>
<td>Soft interventions in Gold Jewellery Cluster, Madurai was approved in 33rd SCM held on 14.06.13.</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>Make with banker</td>
<td>-</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>44.68</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>10 years IRR 10.54%</td>
<td></td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>8.38 lakh in the first year</td>
<td></td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>average ROC 27.23%</td>
<td></td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>8.55 lak at 10%</td>
<td></td>
</tr>
<tr>
<td>(f.) DER</td>
<td>0.68 in the first year</td>
<td></td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>positive</td>
<td></td>
</tr>
</tbody>
</table>

6. Total Cost : The total cost of the CFC is as follow: (Rs. in Lakh)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost</th>
<th>Recommended as per SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>10.50</td>
<td>10.50</td>
<td>10.50</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>40.00</td>
<td>40.00</td>
<td>40.00</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery(including electrification and )</td>
<td>269.86</td>
<td>259.86</td>
<td>259.86</td>
</tr>
<tr>
<td>Particulars</td>
<td>Amount</td>
<td>Recommended as per SIDBI appraisal</td>
<td>Recommended by DC(MSME)</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>---------</td>
<td>------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>(1.) SPV contribution</td>
<td>39.92</td>
<td>39.92</td>
<td>39.92</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>260.82</td>
<td>260.82</td>
<td>255.80</td>
</tr>
<tr>
<td>(3.) Grant-in-aid from Govt. of Tamilnadu</td>
<td>29.14</td>
<td>29.14</td>
<td>29.14</td>
</tr>
<tr>
<td>(4.) Bank Loan/others</td>
<td>31.60</td>
<td>31.60</td>
<td>31.60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>361.48</strong></td>
<td><strong>361.48</strong></td>
<td><strong>356.46</strong></td>
</tr>
</tbody>
</table>

*Pre-operative and preliminary expenses should be 2% of Project Cost.*

7. Means of Finance: The suggested means of finance are as follows:

8. Plant and machinery (with Brief Specification) - Annexure-III

9. Proposal for the Steering Committee: Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Gold Jewellery Cluster, Madurai, Tamilnadu at total project cost of Rs.356.46 lakh with GoI assistance of Rs.255.80 lakh, Government of Tamilnadu contribution of Rs.29.14 lakh, SPV contribution of Rs.39.92 lakh and Bank loan of Rs.31.60 lakh.
Agenda No. 35.25: Proposal for final approval for setting up of Common Facility Centre (CFC) in Readymade Garments (Women) Cluster, Dhalavaipuram, Virudhunagar, Tamilnadu.

Secretary, Govt. of Tamilnadu has submitted a proposal for setting up of CFC in Readymade Garments (Women) Cluster, Dhalavaipuram, Virudhunagar, Tamilnadu. The proposal was also discussed in the 32nd Steering Committee Meeting held on 20.03.2013 under the Chairmanship of Secretary, MSME. The Committee has accorded in-principle approval. This office has conveyed the in-principle approval vide letter dated 15.05.2013. Salient features of the cluster and the proposal are as follows:

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Readymade Garments (Women) Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Dhalavaipuram</td>
</tr>
<tr>
<td>Main Product</td>
<td>Chudithar, Inskirts, Night suit and Nighties</td>
</tr>
<tr>
<td>No. of Enterprises</td>
<td>Micro :320 Small : 30 Medium : 0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Turnover(Rs in Crore) for the last five years :</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-07</td>
</tr>
<tr>
<td>2007-08</td>
</tr>
<tr>
<td>2008-09</td>
</tr>
<tr>
<td>2009-10</td>
</tr>
<tr>
<td>2010-11</td>
</tr>
</tbody>
</table>

| Exports(Rs in Crore) for the last five years : | NIL |
|------------------------------------------------|

<table>
<thead>
<tr>
<th>Employment in Cluster</th>
<th>Direct 8500 Indirect 10000</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Technology Details</th>
<th>The units in the cluster use indigenous / imported Tailoring Machines. Only few units have the facility for Embroidery work with very little capacity (4-5 heads)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Whether DS Conducted</th>
<th>Yes</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Main findings of DSR</th>
<th>Very limited product range Most of them are micro units Dependence on bigger units for embroidery work Inadequate infrastructure and working capital Requirement for skill development</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Main Problems of Cluster</th>
<th>The product range is very limited Frequent power shut down They do not have the capacity to manufacture value added products (such as embroidery work on Churidars &amp; nighties) Lack of market development and marketing.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Other Information</th>
<th>Dhalavaipuram and its surroundings have more than 2500 micro and small units engaged in readymade garments. The garment cluster at Dhalavaipuram has a sub cluster of about 350 women cluster. More than 80% of workers in the cluster are women workers. Promoting the women cluster of 350 units under the MSE-CDP would not only increase the income of the micro and small units, but will also encourage more women to take up entrepreneurship.</th>
</tr>
</thead>
</table>
### 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>The proposed CFC will create value added products from the cluster. The proposed CFC will enable micro and small units to go for diversification through embroidery work to other products viz., Curtains, Pillow Covers, Sofa Covers, Embroidery Sarees etc., The Training Centre will generate 150 - 160 skilled tailors per annum</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>&quot;Aranmanai Veedu&quot; Street, Zamminkottai, Zamminkollankondan, Rajapalayam Taluk, Virudhunagar District.</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>70</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>NA. CFC on leased Premises</td>
<td>leased Premises</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>NA</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>Yes. Lease for 15 years</td>
<td>-</td>
</tr>
<tr>
<td>vii. Whether lease is legally tenable</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>1500 sq. ft.</td>
<td>Lease of 2511 sq.ft. for 15 years</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Computerised Embroidery and Stitching Facility Training for Women Tailors</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Variable - will depend upon the size of the design. 600 pieces per day - Churidars or Nighties 420 pieces per day - Curtains 540 pieces per day - Pillow Covers etc.,</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>(h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)</td>
<td>No of units expected to increase from 350 to 375 within one year and to 450 within 3 years. Employment to increase from 8500 to 9500 within one year and to 10500 within 3 years. Turnover to increase from Rs.820 Crores to Rs.900 Crores within one year and to Rs.1000 crores within 3 years. Diversification to newer products viz., Curtains, Pillow Covers, sofa Covers, embroidery sarees etc., Generation of 150 to 160 skilled women tailors per annum</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>Not required</td>
<td>Consent to operate is required.</td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets(service/user charges to be levied, any other-to be specified)</td>
<td>Service Charges for Embroidery work and stitching work on Churidars, Nighties, Sarees, Curtains, Pillow Covers, sofa covers. Fees for training tailors.</td>
<td>-</td>
</tr>
</tbody>
</table>

3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Dhalavaipuram Women's Garments Manufacturers' Association 1/57 Saravana Hospital Street, Dhalavaipuram, Rajapalayam Taluk, Virudhunagar District.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Society</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provision has been made to include one state government official and one MSME official in the bye-laws of the society. Yet to be nominated by the Government.</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>15.01.2011 (registered on 22-03-2011)</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA</td>
<td>Bye-laws of society enclosed as</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>submitted</td>
<td>annexure to DPR</td>
<td></td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>NA (Society)</td>
<td>NA</td>
</tr>
<tr>
<td>(h.) Paid up capital as on...........</td>
<td>Contribution as on date - Rs.6.00 lacs</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Contribution of members enclosed as annexure to DPR</td>
<td>-</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Commitment letter for contribution is enclosed as annexure to DPR.</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Indian Overseas Bank Current A/c No. 133102000002300</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to to be highlighted with support documentation</td>
<td>MSME-DI Chennai conducted number of programmes for the cluster members and some of them exclusively for the women entrepreneurs. A section of women entrepreneurs at the cluster have joined together and have formed the consortium M/s Dhalavaipuram Women's Garments Manufacturers” Association.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>Apparel Training &amp; Design Centre, Guindy, Chennai 600032</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>Undertaking for utilisation has been given by the SPV. The SPV members will utilise 60% of the capacity and 40% will be utilised by non-members.</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>10 HP</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>Only for civic purposes</td>
<td>-</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
</tbody>
</table>
(b.) Fund receiving Agency: TANSIDCO, Chennai

(c.) Implementation Period: 12 months

(d.) Appraisal of DPR and main Recommendations: SIDBI has appraised the DPR. The existing units in the cluster and the new entrepreneurs need modern technology support which these units could not afford due to huge capital investment. Besides the operations of the cluster will grow manifold, which would result in improvement in the overall socio economic conditions of large number of people and society at large in this district. The project is technically feasible and financially viable. The proposed performance indicators and financial position are satisfactory. The proposal may be submitted to the steering committee of the MSE-CDP for its consideration.

(e.) Technical Committee: Technical Committee recommended the proposal for consideration of SCM.

(f.) Working capital (In-principle sanction of loan from a bank, if applicable arrangement made): Working Capital limit of Rs.1.50 lacs would be availed from Indian Overseas Bank

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>50.78%</td>
<td>-</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>16.93%</td>
<td>-</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>36.68%</td>
<td>-</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>Rs.28.58 lacs</td>
<td>-</td>
</tr>
<tr>
<td>(f.) DER</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>With 5% fall in the income, the IRR would still be 13.26%</td>
<td>-</td>
</tr>
</tbody>
</table>
6. Total Cost: The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
<th>Recommended as per SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>3.00</td>
<td>3.00 (rental advance)</td>
<td>3.00</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery(including electrification)</td>
<td>78.64</td>
<td>90.36 (including excise duty)</td>
<td>90.36</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>5.00</td>
<td>3.36</td>
<td>3.36</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>2.50</td>
<td>2.50</td>
<td>2.50</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>3.93</td>
<td>4.52</td>
<td>4.52</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>93.57</td>
<td>104.24</td>
<td>104.24</td>
</tr>
</tbody>
</table>

7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
<th>Recommended as per SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>9.93</td>
<td>20.60</td>
<td>20.60</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>74.28</td>
<td>74.28</td>
<td>74.28</td>
</tr>
<tr>
<td>(3.) Grant-in-aid from Govt. of Tamilnadu</td>
<td>9.36</td>
<td>9.36</td>
<td>9.36</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>93.57</td>
<td>104.24</td>
<td>104.24</td>
</tr>
</tbody>
</table>

8. Plant and machinery - Annexure-II

9. Proposal for the Steering Committee: Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Readymade Garments (Women) Cluster, Dhalavaipuram, Virudhunagar, Tamilnadu at total project cost of Rs.104.24 lakh with GoI assistance of Rs.74.28 lakh, Government of Tamilnadu of Rs.9.36 lakh and SPV contribution of Rs.20.60 lakh.
Agenda No. 35.26: Proposal for final approval for setting up of Common Facility Centre (CFC) in Safety Matches, O. Mettupatti, Sattur, District - Virudhunagar, Tamilnadu.

Secretary, Government of Tamilnadu has submitted a proposal for setting up of CFC in Safety Matches, O. Mettupatti, Sattur, District - Virudhunagar, Tamilnadu. The proposal was also discussed in the 33rd Steering Committee Meeting held on 14.06.2013 under the Chairmanship of Secretary (MSME) and accorded in-principle approval. Salient features of the cluster and the proposal are as follows:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By :</th>
<th>MSME DI Chennai</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By :</td>
<td>MSME DI Chennai</td>
</tr>
<tr>
<td>When Started :</td>
<td>01/01/2007</td>
</tr>
<tr>
<td>When Completed :</td>
<td>31/03/2007</td>
</tr>
</tbody>
</table>

1. **Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Name of Cluster :</th>
<th>Safety Matches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster :</td>
<td>O. Mettupatti</td>
</tr>
<tr>
<td>Main Product :</td>
<td>Safety Matches and Wax Matches</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium) :</td>
<td>Micro: 476 Small: 26 Medium:0</td>
</tr>
</tbody>
</table>

### Turnover (Rs in Crore) for the last five years :
- 2007-2008 - 295
- 2008-2009 - 340
- 2009-2010 - 375
- 2010-2011 - 400
- 2011-2012 - 410

### Exports (Rs in Crore) for the last five years :
- 2007-2008 - 15
- 2008-2009 - 20
- 2009-2010 - 25
- 2010-2011 - 30
- 2011-2012 - 30

### Employment in Cluster :
- Total 20000 Women 19000

### Technology Details :
- No Technology in the Handmade / Cottage sector (Labor Oriented) Low level of Technology even in semi-mechanised sector

### Whether DS Conducted :
- Yes by Friday Solutions Private Limited, Chennai; validated by MSME DI, DIC, TANSIDCO, SPV & Association

### Main findings of DSR :
- No. of Labors available per unit has decreased by 20%
- Increase in number of private splint manufacturers, who control the market, indirectly
- Increase in input costs over 100% compared to 2007
- Substantial increase in Labor Quality of life and their income (above National Per capita...
Main Problems of Cluster:

- Lack of Financial Strength for Capex Investments to increase productivity/ modernization
- Lack of brand identity to cluster units, leading to lower profit margins (highly sensitive)
- High supply constraint for dipped splints

Other Information:

- Cluster has legacy expertise in Safety matches
- Manufacturing Cluster has demonstrated ability to sustain despite many changes in the market environment in the last decade
- Cluster has strong distributor network
- O Mettupatti Cluster has the potential to grow to 10% of National Safety Matches Production with CFC support

### 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>An estimated 200 units require 120 kgs of matches to be produced per day. Currently only 50% are available from the market. CFC with 6.2 MT per day can cater to 18 to 20% of requirements of the units.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>O.Mettupatti, Sattur Taluk, Virudhunagar District</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td>1 Acre 35 cents land has purchased by the SPV.</td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Acquired</td>
<td>1 Acre 35 cents land has purchased by the SPV.</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>O. Mettupatti Safety Matches Consortium Private Limited</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>Government Guide line value</td>
<td>6,73,348/- sale deed.</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Sufficient</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>NOC obtained from Authorities</td>
<td>NOC obtained for CFC from local body.</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>Not applicable</td>
<td>NA</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Not applicable</td>
<td>NA</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Agency (IA)</td>
<td>Implementation Agency (IA)</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>9504</td>
<td></td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs. 789.14</td>
<td></td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Matches manufacturing facility</td>
<td></td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>390 kgs per hour</td>
<td></td>
</tr>
<tr>
<td>(h.) Major Outputs/ Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/ domestic sales and direct/ indirect employment, etc.)</td>
<td>It is proposed that of the total capacity requirement of 288 Million sticks / 24000 kgs per day for 200 units the short supply of 86 Million sticks / 7200 kgs per day which is 26 % of the requirement shall be produced in the CFC. Subsequently the surplus shall be used for increasing the capacity to 500 Million sticks / 42000 kgs per day to meet 35% requirement of 1000 units of total capacity in 5 to 7 years span. Second phase of development shall involve making varieties of sticks and boxes to meet out to increase the product range from 1 today to 25 in 5 years. Parallel initiatives shall be farming activities to grow yellow matti trees in large scale and have splints manufacturing. Other ancillary activities such as printing and board manufacturing activities shall be done in partnership with existing units of the cluster.</td>
<td></td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>Required. Applied for pre-consent. awaited for pre-consent from TNPCB.</td>
<td></td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>Manager 2 nos. Workers 29 nos.</td>
<td></td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified)</td>
<td>Production of splints 6240 kgs per day @ Rs.70.50; Making match boxes 4000 nos per day @ Rs.0.42</td>
<td></td>
</tr>
</tbody>
</table>
### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>O. Mettupatti Safety Matches Consortium Private Limited, No 2/145, O. Mettupatti Po, Sattur Taluk - 626203, Tamil Nadu.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited company registered under Companies Act 1956</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provisions Made, yet to be nominated</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>15th June 2012</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>As per MSE CDP guidelines, copy uploaded / Enclosed.</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs. 1,00,000 ; Provision in the AoA to increase; it will be done after GoI approval</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital as on.........</td>
<td>Rs. 1,00,000 ; share application money of Rs.17 Lacs is already received</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Enclosed ; equal among all members None of member have more than 10% shares.</td>
<td>-</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Enclosed ; as per DPR ; also any increase in costs will be borne by SPV</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Enclosed: State Bank of India, Sattur ; Account No.00000032390866566 IFSC Code: SBIN0000961</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of cooperative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>The members have already committed to the Consortium approach for future development of MSEs; SPV is formed; provisions are made in the AoA for good governance and accountability. SPV formed.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>A number of Engineering, Polytechnic &amp; ITI institutions are present in 25 KM radius. SPV had initiated to involve them in the CFC process Tie-up made with Engineering College.</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by</td>
<td>Commitment letter from SPV</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>members is enclosed. A detailed working of utilisation is addressed in the DPR. CFC capacity can meet upto 20% requirement of the cluster units</td>
<td>-</td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>100 KVA</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>45 weeks from the date of release of grants</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>Consortium has applied to SIDBI along with Processing Fee. Appraisal report expected shortly from SIDBI.</td>
<td>Appraisal report done by SIDBI. <strong>Annexure-II</strong></td>
</tr>
<tr>
<td>(e.) Technical Committee</td>
<td>-</td>
<td>Technical Committee recommended the proposal for consideration of SCM.</td>
</tr>
<tr>
<td>(f.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>Banks have verbally agreed, they require technical acceptance of the Proposal by GoI, to commit a written acceptance. Due to year end (March April) banks has asked to approach after April for loan sanction. In the meanwhile, as contingency, Consortium has obtained support for unsecured long term loan from local sources. Consortium members have also agreed for providing advance for working capital.</td>
<td>-</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>Break even over 100% installed capacity sales is 43.05 %; For decrease in sales by 5 %,</td>
<td>-</td>
</tr>
</tbody>
</table>
Break even is not more than 59.84 %;

(b.) IRR, Payback period
The Internal rate of return is 22.45 %; Payback period is 3 years and 8 months;

(c.) DSCR
DSCR: Year 1 - 5.99; Year 2 - 6.04; Year 3 - 6.37; Year 4 - 7.43; Year 5 - 8.01; Year 6 - 8.74; Year 7 - 10.62;

(d.) Return on Capital employed (ROCE)
Cumulative ROCE 25.74%; Year 1 - 22.27%; Year 2 - 21.73%; Year 3 - 22.19%; Year 4 - 25.27%; Year 5 - 25.44%; Year 6 - 25.49%; Year 7 - 28.22; Year 8 - 28.13%; Year 9 - 28.03%; Year 10 - 30.67%

(e.) NPV
Net present value is Rs. 215.52 with Discount rate adopted 10% and Initial Project inflow is Rs. 351.17 Lakhs excluding working capital

(f.) DER
Year 1 - 0.58; Year 2 - 0.30; Year 3 - 0.17; Year 4 - 0.10; Year 5 - 0.05; Year 6 - 0.02;

(g.) Sensitivity Analysis
For decrease in sales by 5 %, Break even is not more than 59.84 %;

6. Total Cost: The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total Cost</th>
<th>SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) Land and its Development</td>
<td>6.80</td>
<td>6.80</td>
<td>6.80</td>
</tr>
<tr>
<td>(2.) Building and other Civil Constructions</td>
<td>75.00</td>
<td>75.00</td>
<td>75.00</td>
</tr>
<tr>
<td>(3.) Plant &amp; Machinery (including electrification and commissioning)</td>
<td>224.33</td>
<td>224.33</td>
<td>224.33</td>
</tr>
<tr>
<td>(4.) Misc. fixed assets</td>
<td>11.50</td>
<td>11.50</td>
<td>11.50</td>
</tr>
<tr>
<td>(5.) Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>20.82</td>
<td>7.21</td>
<td>7.21</td>
</tr>
<tr>
<td>(6.) Contingency (2% building and 5% on plant and machinery)</td>
<td>12.71</td>
<td>12.71</td>
<td>12.71</td>
</tr>
<tr>
<td>(7.) Margin money for Working Capital</td>
<td>9.34</td>
<td>9.34</td>
<td>9.34</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>360.50</td>
<td>346.89</td>
<td>346.89</td>
</tr>
</tbody>
</table>
7. Means of Finance: The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs. in lakh)</th>
<th>SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1.) SPV contribution</td>
<td>42.50</td>
<td>42.50</td>
<td>42.50</td>
</tr>
<tr>
<td>(2.) Grant-in-aid from Govt. of India</td>
<td>218.25</td>
<td>204.64</td>
<td>204.64</td>
</tr>
<tr>
<td>(3.) Grant-in-aid from Govt. of Tamilnadu</td>
<td>36.00</td>
<td>36.00</td>
<td>36.00</td>
</tr>
<tr>
<td>(4.) Bank Loan/others</td>
<td>63.75</td>
<td>63.75</td>
<td>63.75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>360.50</strong></td>
<td><strong>346.89</strong></td>
<td><strong>346.89</strong></td>
</tr>
</tbody>
</table>

8. Plant and machinery (with Brief Specification)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>No.</th>
<th>Power Requirement (HP/KW)</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Splints First Selecting Machine - Size: 6' * 10' Four stages Wood frame with 3 HP motor</td>
<td>2</td>
<td>4.4</td>
<td>240900.00</td>
</tr>
<tr>
<td>2.</td>
<td>Splints Second Selecting Machine Size: 6' * 10' Three stages Wood frame with 3 HP Motor</td>
<td>2</td>
<td>4.4</td>
<td>229950.00</td>
</tr>
<tr>
<td>3.</td>
<td>Polishing Drum Hexagonal type MS sheet construction with 5 HP motor</td>
<td>2</td>
<td>7.4</td>
<td>865050.00</td>
</tr>
<tr>
<td>4.</td>
<td>Cup Selecting Machine Size: 19 cm * 10.85 cm * 10.20 cm with 1.5 HP motor</td>
<td>2</td>
<td>0.7</td>
<td>416100.00</td>
</tr>
<tr>
<td>5.</td>
<td>Splints Cleaning &amp; Polishing conveyor system Conveyor belt and gear box system with 2 nos 1.5 hp mot</td>
<td>2</td>
<td>2.2</td>
<td>98550.00</td>
</tr>
<tr>
<td>6.</td>
<td>Ball Mill 40 to 45 kgs mixture/ 45 minutes with Drum, structural, driving mechanism with 3 hp motor</td>
<td>2</td>
<td>4.4</td>
<td>240900.00</td>
</tr>
<tr>
<td>7.</td>
<td>Chemical mixing machine 10 kg mixing per 10 minutes with 2 hp motor</td>
<td>1</td>
<td>1.5</td>
<td>38325.00</td>
</tr>
<tr>
<td>8.</td>
<td>Splints Bunger Splint storage bin with 1 HP vibrating motor</td>
<td>2</td>
<td>3.3</td>
<td>229512.00</td>
</tr>
<tr>
<td>9.</td>
<td>Dipping Machine</td>
<td>3</td>
<td>21.2</td>
<td>14894700.00</td>
</tr>
<tr>
<td>10.</td>
<td>Inner Box Machine</td>
<td>2</td>
<td>1.1</td>
<td>1834000.00</td>
</tr>
<tr>
<td>11.</td>
<td>Generator 100 KVA</td>
<td>1</td>
<td>0</td>
<td>708000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>19795987.00</strong></td>
</tr>
</tbody>
</table>

9. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Safety Matches, O. Mettupatti, Sattur, District - Virudhunagar, Tamilnadu at total project cost of Rs.346.89 lakh with Gof assistance of Rs.204.64 lakh, Government of Tamilnadu of Rs.36.00 lakh, SPV contribution of Rs.42.50 lakh and Bank loan / others of Rs.63.75 lakh.
Agenda No. 35.27: Proposal for final approval for setting up of Common Facility Centre (CFC) in Powerloom Cluster, Salem, Tamilnadu.

Secretary, Government of Tamilnadu has submitted a proposal for setting up of CFC in Powerloom Cluster, Salem, Tamilnadu. The proposal was also discussed in the 32nd Steering Committee Meeting held on 20.03.2013 under the Chairmanship of Secretary (MSME) and accorded in-principle approval. Salient features of the cluster and the proposal are as follows:

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSR Conducted By :</td>
<td>Private Agency</td>
</tr>
<tr>
<td>Validated By :</td>
<td>SPV &amp; State Steering Committee</td>
</tr>
<tr>
<td>When Started :</td>
<td>01/03/2011</td>
</tr>
<tr>
<td>When Completed :</td>
<td>31/05/2011</td>
</tr>
</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Cluster :</td>
<td>Powerloom Cluster</td>
</tr>
<tr>
<td>Location of Cluster :</td>
<td>Salem</td>
</tr>
<tr>
<td>Main Product :</td>
<td>Fabrics of various types</td>
</tr>
<tr>
<td>No. of Enterprises including</td>
<td>1710 Nos. (Micro :1500 Small :200 Medium : 10)</td>
</tr>
<tr>
<td>break up (Micro, Small, Medium) :</td>
<td></td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years :</td>
<td>Nil</td>
</tr>
<tr>
<td>Employment in Cluster :</td>
<td>110000 to 120000</td>
</tr>
<tr>
<td>Technology Details :</td>
<td>Majority Power looms &amp; fast growing auto looms; lack of adequate capacity for sizing, warping, dyeing (less than 5% of the cluster need)</td>
</tr>
<tr>
<td>Whether DS Conducted :</td>
<td>Yes</td>
</tr>
<tr>
<td>Main findings of DSR :</td>
<td>Production of Fabric, input supply of yarn are as per growing capacity needs. But, sizing, warping and dyeing are far less than the cluster needs.</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>The cluster units have to depend on few sizing, warping and dyeing units from other locations such as Erode which is 70 km away. This results in delay in production and increase in costs. hence the units are always under utilised.</td>
</tr>
<tr>
<td>Other Information :</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>CFC with Dyeing facility for Yarns, Sizing &amp; Warping facility for the cluster units shall improve their business multi folds. Having Auto Loom as a training setup and model center shall help to build skills and help to compliment many power loom units.</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>8 3A part 3B part kalikoundanpalayam village sankari TK salem Salem District PIN Code : 637103</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>70</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>Salem Looms Clusters Consortium Private Limited</td>
<td>Yes.</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>--</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>NOC obtained from Local Body, Government of Tamilnadu</td>
<td>NOC obtained from local body subject to getting approval of DIC and town and country planning department at the time of starting project.</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>Not Applicable</td>
<td>-</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>Not Applicable</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>35000</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs.650 per sq ft</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Dyeing Unit, Effluent Treatment Plant, Sizing, Warping and Auto Loom Facilities</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Dyeing 2100 KG per day. Sizing - 22000</td>
<td>-</td>
</tr>
</tbody>
</table>
### Description

<table>
<thead>
<tr>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>M, Warping 60000 M, Auto Loom - 2730 per day</td>
<td>-</td>
</tr>
</tbody>
</table>

(h.) Major Outputs/ Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export / domestic sales and direct / indirect employment, etc.)

Production to improve by 30% to the members and 5 to 10% for about 2000 units. Cluster members through consortium shall directly avail export orders and supply to domestic retailers; employment expected to improve by 5000 over 5 years

(i.) Pollution clearance required or not

Required Already applied to Tamilnadu Pollution Control Board Form I & Form II. After completion of construction final clearance shall be obtained

(j.) Man Power in CFC

154

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

Service Charges for Dyeing, Sizing, Warping & Training

- |

3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Salem Looms Cluster Consortium Private Limited 11/6, East Street No.1, Karungalpatty, Salem 636006</td>
<td>As per guidelines.</td>
</tr>
</tbody>
</table>

(b.) Nature of SPV (company or Society or Trust)

Private Limited

As per guidelines.

(c.) Name of the state Govt. and MSME officials in SPV

To be informed by MSME DI & TANSIDCO

Provision made of inclusion of State Govt. and MSME official in SPV byelaws

(d.) Date of formation of SPV

13.05.2011

- |

(e.) Number of Members

47

- |

(f.) Bye Laws or MA and AOA submitted

enclosed

Revised bye laws received as per guidelines.
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs.1 Lac; Members have approved to increase it to Rs.2 Cr.</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital as on.............</td>
<td>Rs.37 Lacs as Share application Money received</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Minimum 0.93% (of Rs.1.68 Lacs) to Maximum of 2.80% (of Rs.5.04 Lacs).</td>
<td>-</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Enclosed</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>State Bank of Mysore; Letter enclosed A/c No. 64079007022, State Bank of Mysore.</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of cooperative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>SPV has taken various proactive steps since January 2011.</td>
<td>Soft interventions are to be discussed in the SCM.</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>PDEXIL, SITRA</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>Members have committed for 60% utilisation</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>926 KW</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>525 KLD capacity (Ground water available)</td>
<td>-</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>N.A</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Government of Tamilnadu</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>TANSIDCO</td>
<td>-</td>
</tr>
</tbody>
</table>
(c.) Implementation Period  

45 Weeks

(d.) Appraisal of DPR and main Recommendations  

Government of Tamilnadu has recommended the proposal  
Proposal is appraised by State Bank of Mysore and recommended at technically feasible and financially viable. SIDBI appraisal also received on 15.10.2013. **Annexure-I**

(e.) Approval of Technical Committee  

Approval from GoI to be obtained

Technical Committee recommended the proposal for consideration of SCM.

(f.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)  

State Bank of Mysore has provided in principle sanction

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>45.89%</td>
<td>-</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>IRR is 14.01%; Payback Period is 5 years 2 Months</td>
<td>-</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>6.19</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>31.77%</td>
<td>-</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>Rs.279.67 Lacs</td>
<td>-</td>
</tr>
<tr>
<td>(f.) DER</td>
<td>0.66</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>For decrease in Sales by 10% BEP is 62.23%, hence viable</td>
<td>-</td>
</tr>
</tbody>
</table>

6. Total Cost : The total cost of the CFC is as follow:  

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Total Cost</th>
<th>SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land and its Development</td>
<td>9.52</td>
<td>9.52</td>
<td>9.52</td>
</tr>
<tr>
<td>2</td>
<td>Building and other Civil Constructions</td>
<td>227.50</td>
<td>227.50</td>
<td>227.50</td>
</tr>
<tr>
<td>3</td>
<td>Plant &amp; Machinery (including)</td>
<td>1160.59</td>
<td>1110.21</td>
<td>*967.50</td>
</tr>
<tr>
<td>S. No.</td>
<td>Particulars</td>
<td>Total Cost</td>
<td>SIDBI appraisal</td>
<td>Recommended by DC(MSME)</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>4</td>
<td>Misc. fixed assets</td>
<td>12.00</td>
<td>37.00</td>
<td>37.00</td>
</tr>
<tr>
<td>5</td>
<td>Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>20.00</td>
<td>29.60</td>
<td>29.60</td>
</tr>
<tr>
<td>6</td>
<td>Contingency (2% building and 5% on plant and machinery)</td>
<td>61.68</td>
<td>60.06</td>
<td>60.06</td>
</tr>
<tr>
<td>7</td>
<td>Margin money for Working Capital</td>
<td>5.65</td>
<td>5.65</td>
<td>5.65</td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Cost</strong></td>
<td><strong>1496.94</strong></td>
<td><strong>1479.54</strong></td>
<td><strong>1336.83</strong></td>
</tr>
</tbody>
</table>

*Technical Committee recommended 04 Autolooms (two air jet looms & two rapier looms) instead of 14 Auto looms proposed for training purpose.*

7. Means of Finance: The suggested means of finance are as follows: *(Rs. in lakh)*

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
<th>SIDBI appraisal</th>
<th>Recommended by DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SPV contribution</td>
<td>179.58</td>
<td>162.18</td>
<td>162.18</td>
</tr>
<tr>
<td>2</td>
<td>Grant-in-aid from Govt. of India</td>
<td>1032.03</td>
<td>1032.03</td>
<td>889.32</td>
</tr>
<tr>
<td>3</td>
<td>Grant-in-aid from Govt. of Tamilnadu</td>
<td>98.78</td>
<td>98.78</td>
<td>98.78</td>
</tr>
<tr>
<td>4</td>
<td>Bank Loan/others</td>
<td>186.55</td>
<td>186.55</td>
<td>186.55</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1496.94</strong></td>
<td><strong>1479.54</strong></td>
<td><strong>1336.83</strong></td>
</tr>
</tbody>
</table>

8. Plant and machinery (with Brief Specification) *(Amount in rupees)*

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>No.</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>sectional warping machine &amp; accessories</td>
<td>3</td>
<td>6375000.00</td>
</tr>
<tr>
<td>2</td>
<td>Direct Warping Machine &amp; Accessories</td>
<td>2</td>
<td>10000000.00</td>
</tr>
<tr>
<td>3</td>
<td>Sizing Machines with Accessories</td>
<td>1</td>
<td>7500000.00</td>
</tr>
<tr>
<td>4</td>
<td>Auto Looms with Accessories</td>
<td>04</td>
<td>5708286.00</td>
</tr>
<tr>
<td>5</td>
<td>Dyeing Unit with ETP</td>
<td>1</td>
<td>70106000.00</td>
</tr>
<tr>
<td>6</td>
<td>Generator 250 KVA</td>
<td>1</td>
<td>2500000.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>93189286.00</strong></td>
</tr>
</tbody>
</table>

9. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Powerloom Cluster, Salem, Tamilnadu at total project cost of Rs.1336.83 lakh with GoI assistance of Rs.889.32 lakh, State Government contribution of Rs.98.78 lakh, SPV contribution of Rs.162.18 lakh and Bank loan of Rs.186.55 lakh.
Agenda No. 35.28: Proposal for final approval for setting up Common Facility Centres of Engineering (Eb Line Materials) Cluster, Paramakudi, Ramanathapuram, Tamilnadu.

Proposal was received from Paramakudi Engineering Cluster Private Limited, vide online ref. no:- 1965 / dated : 25/12/2013 recommended by TANSIDCO, Chennai and MSME-DI, Chennai.

The in-principle approval for setting up of the CFC in Engineering Cluster, Paramakudi, Tamilnadu was given in the 30th SCM held on 19.06.2012. The validity of in-principle approval was up to 20.12.2012. The proposed project cost was Rs.233.39 lakh with GoI of Rs.133.47 lakh. The facilities proposed were Structural Fabrication Centre, R&D cum Testing and Training Centre.

Now, the SPV has revised the proposal and proposed facility are laser cutting, bending, press works (angle/flat notching & cutting), sheet sharing. The project cost is Rs.498.92 lakh with GoI of Rs.373.83 lakh, state government contribution of Rs.23.43 lakh, SPV contribution of Rs.53.75 lakh and bank loan of Rs.48.00 lakh.

DSR Details

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Private Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Govt. of Tamilnadu &amp; MSME-DI, Chennai</td>
</tr>
<tr>
<td>When Started</td>
<td>26/11/2009</td>
</tr>
<tr>
<td>When Completed</td>
<td>30/06/2010</td>
</tr>
</tbody>
</table>

1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Engineering (EB Line Materials)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Paramakudi</td>
</tr>
<tr>
<td>Main Product</td>
<td>Aluminum Knob, Transformer Bushing Clamps, Bimetallic Clamps, Earthing Rod, Distribution Boxes all Types (A, B and C), Meterin, LT Open Type Fuse Sets, Blot and Nuts, Eye Blots, Main Equipment Board, Earth Pit, Earth Spike, LT/H, Single or Double Break A. B. Switches with or with, Solar Panels and Structures, Fabrication of all ty, Tapping and Guarding Cross Arms, Stirrups, Form Bo, U-Bolt. RTS/TMT Grills, All Types of Structure, V CROSS Arms LT/HT, Clamps for Stay, Back and St</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro :46            Small : 1 Medium : 0</td>
</tr>
<tr>
<td>Exports(Rs in Crore) for the last five years</td>
<td>Nil</td>
</tr>
<tr>
<td>Employment in Cluster</td>
<td>Total: 798 Of which Women: 150 SC/ST: 657</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Technology Details</td>
<td>All the machineries used by the cluster units are indigenously manufactured. Most of the units use obsolete or old technology machineries. Few units have recently installed some relatively latest technology machines.</td>
</tr>
<tr>
<td>Whether DS Conducted</td>
<td>Yes.</td>
</tr>
<tr>
<td>Main findings of DSR</td>
<td>Micro players with high level of competition among themselves. Lack of easy, adequate and timely credit, and non-availability of funds for modernization and technology upgradation. Increasing raw material cost. Non availability of hot dip galvanizing plant. Increasing demand by TNEB, KSEB and Puducherry EB. Opportunities to start manufacturing structural materials for the sub-stations and for towers on the transmission side. Lots of scope in the rural electrification programme of the Government. Electrification of railways in the southern part of TN. Solar power plant mounting structure fabrication.</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>Most of the units are micro and have limited capacity. Inability to get adequate finance for expansion. Increasing trend of raw material prices. Non-availability of latest technology higher capacity CNC machineries with the cluster units. Non availability of material handling equipments with the cluster units. Lack of awareness and availability of design tools. Non availability of galvanizing plant. Cluster located in backward area. Some of the identical Electrical products like AB switches having different current rating ranges from 11KV to 1256KV requires type test for every 5 years from CPRI (Central Power Research Institute) which costs heavily for individual micro units. For the Turnkey projects like (R-APDRP, RGGVY, HVDS) supply need more production capacity with short of time duration which are not available at the unit level.</td>
</tr>
</tbody>
</table>

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>Presently limited product range - EB line materials needed for distribution. Greater scope for manufacture of structural materials required for transmission and also towers. The cluster units require latest technology Computer Numeric Controlled (CNC) machineries to handle larger volume, high accuracy, faster production and cost reduction. The proposed Structural Fabrication Centre will enable cluster members to take orders for Control Panels, sub-station structures such as CT-</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Structure, PT-Structure and other structures in the sub-station yards besides fabrication of Tower structures (110 KV, 230 KV and 400 KV). Enable the cluster members to manufacture various products for BHEL, L &amp; T and others at competitive prices. Enhance their competitiveness, increase turnover, employment and profitability.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Plot Nos. 22, 32 &amp; 40 SIDCO Industrial Estate, Urapuli, Paramakudi Taluk, Ramanathapuram Dist.</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Yes.</td>
<td>Land in possession of SPV.</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>SPV - M/S Paramakudi Engineering Cluster Private Limited</td>
<td>Land is allotted by TANSIDCO, Chennai and in possession of SPV. Registered sale/lease deed has yet not executed.</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>Purchase Price From SIDCO</td>
<td>-</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>Industrial Land situated within SIDCO Industrial Estate.</td>
<td>-</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>10070 sq. ft.</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs.805/- sq. ft.</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Laser Cutting Bending Press Works (Angle/Flat Notching &amp; Cutting) Sheet Shearing</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>Variable - Depends upon the Job</td>
<td>-</td>
</tr>
</tbody>
</table>
### Description

(h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct indirect employment, etc.)

<table>
<thead>
<tr>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in number of units from 47 to 55 within 1 year and 60 within 3 years Increase in turnover from Rs.43.48 crores to Rs.48.00 within 1 year and Rs.55.00 crores within 3 years Increase in employment from 798 to 1000 within 1 year and 1200 within 3 years. Product Diversification - Solar Mountings, Industrial and Wind Mill Panel Boards, Transformer &amp; Material Handling Accessories, Sub-structure Structures etc., Cost Reduction by 10% and Increase in Profit at unit level</td>
<td>-</td>
</tr>
</tbody>
</table>

(i.) Pollution clearance required or not

<table>
<thead>
<tr>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consent to establish to be obtained by SPV. Obtained.</td>
</tr>
</tbody>
</table>

(j.) Man Power in CFC

<table>
<thead>
<tr>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Charges for Laser Cutting Machine Rs.4000 to Rs.5300 per hour depending upon material and thickness. User Charges for Shearing Machine Rs.2500 per MT User Charges for Press Break Rs.700 to Rs.800 per MT depending upon thickness. User Charges for Press work Rs.450 per MT</td>
</tr>
</tbody>
</table>

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Paramakudi Engineering Cluster Private Limited 3/51 H Electricity Materials Manufacturers Association Building, SIDCO Industrial Estate, Thelichathanallur, Paramakudi 623707</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited Company</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provisions made in the AOA for inclusion of State Govt. and MSME officials in SPV. Yet to be nominated.</td>
<td>Provision made in the AoA.</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>08 July 2008</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Yes. MOA and AOA enclosed</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs.100.00 lacs</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital</td>
<td>Rs.26.00 lacs</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Enclosed</td>
<td>The details of share holding provided is seems to be incorrect showing 10% shareholding of each of 26 SPV members.</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Enclosed</td>
<td>-</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>A/c No. 0919201002045 with Canara Bank, Paramakudi.</td>
<td>-</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>SPV has already been formed by 26 cluster members. The cluster has a strong industry association. The members of the cluster are already taking lot of initiatives to enhance their competitiveness. They jointly participate in EB Tenders whenever EB invites tender for supply of large quantity of certain materials. The cluster members visited few existing successful clusters in Kerala. The members of the cluster have also visited Maharastra, Punjab &amp; Gujarat for identification of machineries for the proposed CFC and also for their units. MSME-DI, Chennai has conducted Management Development Programme for enhancing the knowledge of cluster members. MSME-DI, Chennai also conducted a B2B meet at Paramakudi.</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>Syed Ammal Engineering College, Ramanathapuram.</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>Undertaking by the SPV for utilization of 60% of the capacity by them and balance by non SPV members is enclosed.</td>
<td>-</td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>127.5 KW</td>
<td>-</td>
</tr>
</tbody>
</table>
(b) Water

1000 liters Only for Civic purposes

(c) Gas/Oil/Other Utilities

Premix Laser gas (combined of Co2,N2,He) 8m3/Month Assist gas Oxygen-280m3/Month Diesel 25 liters per day

4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>TANSIDCO, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>15 months</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>Appraisal done by Canara Bank. Recommended that the Project is Technically and Economically Feasible and Financially viable.</td>
<td>The appraisal is done by Canara Bank in SIDBI format are found to be technically and economically feasible &amp; financially viability and in-principally approved term loan for construction of building of Rs.48.00 lakh and working capital (OCC Limit) Rs.15.00 lakh.</td>
</tr>
<tr>
<td>(e.) Recommended of Technical Committee</td>
<td>-</td>
<td>Technical Committee recommended the proposal.</td>
</tr>
<tr>
<td>(f.) Working capital (In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>Canara Bank has given their in-principle sanction for Term Loan of Rs.48 lacs and working capital of Rs.15 lacs</td>
<td>-</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>50.00%</td>
<td>-</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>16.40%</td>
<td>-</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>9.27</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>25.59%</td>
<td>27.26% as per Canara Bank appraisal.</td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>Rs.133.32 lacs</td>
<td>-</td>
</tr>
</tbody>
</table>
### Description
<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(f.) DER</td>
<td>1.17</td>
<td>0.89 (for firm as a whole) as per Canara Bank appraisal.</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>with drop in income by 5%, IRR 14.53% DSCR 7.85</td>
<td>-</td>
</tr>
</tbody>
</table>

### 6. Total Cost
The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Total Cost</th>
<th>Recommended by Canara Bank</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land and its Development</td>
<td>16.75</td>
<td>16.75</td>
<td>16.75</td>
</tr>
<tr>
<td>2</td>
<td>Building and other Civil Constructions</td>
<td>80.00</td>
<td>80.00</td>
<td>80.00</td>
</tr>
<tr>
<td>3</td>
<td>Plant &amp; Machinery(including electrification)</td>
<td>359.83</td>
<td>359.83</td>
<td>359.83</td>
</tr>
<tr>
<td>4</td>
<td>Misc. fixed assets</td>
<td>7.75</td>
<td>7.75</td>
<td>7.75</td>
</tr>
<tr>
<td>5</td>
<td>Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>10.00</td>
<td>10.00</td>
<td>*9.97</td>
</tr>
<tr>
<td>6</td>
<td>Contingency (2% building and 5% on plant and machinery)</td>
<td>19.59</td>
<td>19.59</td>
<td>19.59</td>
</tr>
<tr>
<td>7</td>
<td>Margin money for Working Capital</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Cost</strong></td>
<td><strong>498.92</strong></td>
<td><strong>498.92</strong></td>
<td><strong>498.89</strong></td>
</tr>
</tbody>
</table>

* Preliminary and pre-operative expenses restricted to 2% of project cost.

### 7. Means of Finance
The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Total Cost</th>
<th>Recommended by Canara Bank</th>
<th>Recommended by O/o DC(MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Grant-in-aid from Govt. of India</td>
<td>373.83</td>
<td>373.83</td>
<td>373.80</td>
</tr>
<tr>
<td>2</td>
<td>Grant-in-aid from Govt. of Tamilnadu</td>
<td>23.34</td>
<td>23.34</td>
<td>23.34</td>
</tr>
<tr>
<td>3</td>
<td>SPV contribution</td>
<td>53.75</td>
<td>53.75</td>
<td>53.75</td>
</tr>
<tr>
<td>4</td>
<td>Bank Loan/others</td>
<td>48.00</td>
<td>48.00</td>
<td>48.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>498.92</strong></td>
<td><strong>498.92</strong></td>
<td><strong>498.89</strong></td>
</tr>
</tbody>
</table>
8. Plant and machinery (with Brief Specification)

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>No.</th>
<th>Power Requirement(HP/KW)</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Shearing Machine</td>
<td>1</td>
<td>22 kw</td>
<td>29.82</td>
</tr>
<tr>
<td>2.</td>
<td>Laser Cutting Machine</td>
<td>1</td>
<td>38 kw</td>
<td>186.30</td>
</tr>
<tr>
<td>3.</td>
<td>Compressor with drier</td>
<td>1</td>
<td>15 kw</td>
<td>4.57</td>
</tr>
<tr>
<td>4.</td>
<td>CNC Press Break</td>
<td>1</td>
<td>15 kw</td>
<td>55.95</td>
</tr>
<tr>
<td>5.</td>
<td>Power Press</td>
<td>1</td>
<td>18.75 kw</td>
<td>14.96</td>
</tr>
<tr>
<td>6.</td>
<td>EOT Crane</td>
<td>1</td>
<td>10.5 kw</td>
<td>30.30</td>
</tr>
<tr>
<td>7.</td>
<td>Diesel Generator 125 kva</td>
<td>1</td>
<td>-</td>
<td>7.25</td>
</tr>
<tr>
<td>8.</td>
<td>Diesel Generator 35 kva</td>
<td>1</td>
<td>-</td>
<td>3.56</td>
</tr>
<tr>
<td>9.</td>
<td>Steblizer 100 kva</td>
<td>1</td>
<td>-</td>
<td>1.37</td>
</tr>
<tr>
<td>10.</td>
<td>Tools and Dies Accessories</td>
<td>1</td>
<td>-</td>
<td>4.00</td>
</tr>
<tr>
<td>11.</td>
<td>Measuring Instruments</td>
<td>2</td>
<td>-</td>
<td>1.00</td>
</tr>
<tr>
<td>12.</td>
<td>Fabricated Items- Tool &amp; Job Holders</td>
<td>1</td>
<td>-</td>
<td>2.50</td>
</tr>
<tr>
<td>13.</td>
<td>Design Centre</td>
<td>1</td>
<td>-</td>
<td>3.50</td>
</tr>
<tr>
<td>14.</td>
<td>Safety Equipments</td>
<td>1</td>
<td>-</td>
<td>0.75</td>
</tr>
<tr>
<td>15.</td>
<td>Installation &amp; Commissioning</td>
<td>1</td>
<td>-</td>
<td>4.00</td>
</tr>
<tr>
<td>16.</td>
<td>Electrification</td>
<td>1</td>
<td>-</td>
<td>10.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>359.83</strong></td>
</tr>
</tbody>
</table>

9. **Shortcomings:**
   i) Land is allotted by TANSIDCO in Industrial Estate and possession of SPV, but registered sale/lease deed is yet not executed.
   ii) The details of share holding provided is seems to be incorrect showing 10% shareholding of each of 26 SPV members.

10. **Proposal for the Steering Committee:** Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Engineering (Eb Line Materials) Cluster, Paramakudi, Ramanathapuram, Tamilnadu at total project cost of Rs.498.89 lakh with GoI assistance of Rs.373.80 lakh, State Government contribution of Rs. 23.34 lakh, SPV contribution of Rs. 53.75 lakh and Bank loan of Rs.48.00 lakh.
Agenda No. 35.29: Proposal for final approval for setting up of Common Facility Centre (CFC) in Gate and Grill Cluster, Thiruvallur, Tamilnadu.

Secretary, Govt. of Tamilnadu has submitted a proposal for setting up of CFC in Gate and Grill Cluster, Thiruvallur, Tamilnadu. The proposal was also discussed in the 32nd Steering Committee Meeting held on 20.03.2013 under the Chairmanship of Secretary, MSME and accorded in-principle approval. Salient features of the cluster and the proposal are as follows:

### DSR Details

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Private Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Government of Tamilnadu</td>
</tr>
<tr>
<td>When Started</td>
<td>01/09/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>01/02/2012</td>
</tr>
</tbody>
</table>

### 1. Basic Information of Cluster

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Gate and Grill Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Thiruvallur, Tamilnadu</td>
</tr>
<tr>
<td>Main Product</td>
<td>Grill Accessories, Mild Steel Staircase Grills, Mild Steel Window Grills, MS and Cast iron Compound Grills and MS Grill Gates</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 2900 Small : 100 Medium : 0</td>
</tr>
<tr>
<td>Turnover(Rs in Crore) for the last five years</td>
<td>2006-07 – 375.00 2007-08 – 402.00 2008-09 – 429.00 2009-10 – 462.00 2010-11 – 500.00</td>
</tr>
<tr>
<td>Exports(Rs in Crore)</td>
<td>2010-11- 1.00</td>
</tr>
<tr>
<td>Employment in Cluster</td>
<td>Direct - 15000 Indirect - 10000</td>
</tr>
<tr>
<td>Technology Details</td>
<td>The Technology has been very low. The individual micro units use Welding Machine, Grinding Machine and Drilling Machine in their units.</td>
</tr>
<tr>
<td>Whether DS Conducted</td>
<td>Yes</td>
</tr>
<tr>
<td>Main findings of DSR</td>
<td>High cost of raw materials and difficulty in the availability at the required time, Low level of technology used the micro units, Inadequate capital base unable to access credit easily, Poor economies of scale High dependence on Real estate construction activity, Limited accessibility to Research and Development facilities.</td>
</tr>
<tr>
<td>Main Problems of Cluster</td>
<td>Poor Capital Base, Low Technology, Lower Productivity, High Cost of Raw Materials, Difficulty in timely availability of Raw Materials of required</td>
</tr>
</tbody>
</table>
quantity, Inadequate Quality Control, Limited Marketing Network and Managerial Ability.

2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>Mild steel in the form of rods, tubes, angles, flats and channels are Main raw material for cluster members. The members use these materials that has lesser weight. Steel re-rolling mills prefers to manufacture in such dimensions and thicknesses that will have more weight. Lesser weight materials are manufactured only in their excess capacity and only when they have sufficient orders for such items. The cost of raw materials is high when procured from the Traders. Timely getting delivery of raw materials is another problem. The micro players survival heavily depends on the raw material cost and its timely availability. When materials are procured from two different mills for a single order, they differ in quality which in turn will affect the quality of the final products manufactured by the cluster units. A Common Facility Centre for raw materials, A Steel Re-rolling Mill will solve all the above problems.</td>
<td></td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>Nemiliagaram Village in Thiruvallur District, Thiruvallur Circle, Kancheepuram Registration District, Thiruvallankadu Registrar</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>Thirumullaivoil Grills &amp; Fabrication Cluster Private Limited</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>Rs.8.24 lacs - Purchase price + Rs.11.76 Stamp duty, registration &amp; site development</td>
<td>-</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>obtained</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>6975 sq.ft</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs.230/- per sq.ft.</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Steel Rerolling Facility</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>18 T to 25 T per shift</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Major Outputs/Deliverables of CFC, Projected performance of the cluster after proposed intervention (in terms of production, export/domestic sales and direct/indirect employment, etc.)</td>
<td>Increase in number of units from 3000 to 3200 within a year Increase in employment from 25000 to 26500 Increase in turnover from Rs.500 crores to Rs.530 crores Increase in exports from Rs.1 crore to Rs.4 crore Increase in unit level income for Micro from Rs.6 lacs to Rs.7.5 lacs and Small from Rs.10 lacs to Rs.12 lacs</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Pollution clearance required or not</td>
<td>No discharge of toxic effluents Obtained.</td>
<td></td>
</tr>
<tr>
<td>(j.) Man Power in CFC</td>
<td>39</td>
<td>-</td>
</tr>
<tr>
<td>(k.) Revenue generation mechanism for sustainability of assets (service/user charges to be levied, any other-to be specified)</td>
<td>Conversion charges for conversion of ingots to flats, angles, square rods depending upon the output rates. For 18 T per shift - Rs.5.00 per kg, for 20 T per shift - Rs.4.50 per kg and for 25 T per shift Rs.3.60 per kg</td>
<td>-</td>
</tr>
</tbody>
</table>

### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Thirumullaivoil Grills &amp; Fabrication Cluster Private Limited 1/8 Manikandapuram 4th street, Thirumullaivoil, Chennai 600032</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited Company</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Provision made in the Articles of Association of the Company. Yet to be nominated by the State Government and MSME-DI, Chennai</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>---------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>9-11-2009</td>
<td></td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Memorandum of Association and Articles of Association enclosed as annexure to DPR</td>
<td></td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs.40.00 lacs</td>
<td></td>
</tr>
<tr>
<td>(h.) Paid up capital as on..................</td>
<td>Rs.30.00 lacs</td>
<td></td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Share Holding Pattern enclosed as Annexure to DPR</td>
<td></td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Commitment Letter for Contribution enclosed as Annexure to DPR</td>
<td></td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>Bank of India Current Account</td>
<td>Current A/C No. 8058201100000017</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to to be highlighted with support documentation</td>
<td>The Cluster members have a strong Association Akila India Grill Thozhilalarkal Nala Snagam which has conducted a number of awareness programme. The MSME-DI has also conducted awareness programme about cluster development programmes. Following these programmes, the SPV was formed as a private limited company and it has 30 members as on date.</td>
<td></td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>CSIR (Structural Engineering Research)</td>
<td></td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>Undertaking given that SPV members would be utilising 60% of the operating capacity of the CFC and non-SPV members would be utilising 40% of the operating capacity of the CFC.</td>
<td></td>
</tr>
<tr>
<td>(o.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Power requirement for commercial/domestic purpose</td>
<td>1500 HP</td>
<td></td>
</tr>
<tr>
<td>(b) Water</td>
<td>Not required for Processing. Only for</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>civic purposes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>Coke - 2 Tonnes per Shift</td>
<td>-</td>
</tr>
</tbody>
</table>

### 4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Chennai</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(b.) Fund receiving Agency</td>
<td>TANSIDCO, Chennai</td>
<td></td>
</tr>
<tr>
<td>(c.) Implementation Period</td>
<td>12 months</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Appraisal of DPR and main Recommendations</td>
<td>SIDBI has appraised the DPR. In its recommendation it has stated that the Project is technically and financially viable. The proposed performance indicators and financial position are satisfactory. SIDBI has recommended the proposal for placing the CFC proposal in the Steering Committee.</td>
<td>SIDBI has recommended the proposal is considered to be support worthy under MSE-CDP. <strong>Annexure-I.</strong></td>
</tr>
<tr>
<td>(e.) Approval of Technical Committee</td>
<td>Technical committee recommended the proposal for consideration of SCM.</td>
<td></td>
</tr>
<tr>
<td>(f.) Working capital (In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>Bank of India has given their in-principle sanction for working capital facilities.</td>
<td>It is mentioned in the SIDBI appraisal that Bank of India, Thiruvallur agreed in-principle to sanction WC.</td>
</tr>
</tbody>
</table>

### 5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>51.36%</td>
<td>In SIDBI appraisal on 60% capacity utilization (1st year) BEP is 32.10% as per guidelines.</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>16.46%</td>
<td>21.21% as per SIDBI appraisal.</td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>34.19%</td>
<td>As per SIDBI appraisal in the 1st year ROCE is 13.94% and in the optimum year is 25.69% .</td>
</tr>
</tbody>
</table>
Description | Proposed by Implementation Agency (IA) | Comments by Cluster Division
---|---|---
(e.) NPV | Rs.79.94 lacs | NPV after tax is Rs.429.55 lakh
(f.) DER | - | --
(g.) Sensitivity Analysis | With 5% fall in income the IRR should still be 11.58% | Positive

6. Total Cost: The total cost of the CFC is as follow: as per SIDBI appraisal report. (Rs. in Lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Total Cost by SPV</th>
<th>As per SIDBI appraisal</th>
<th>Recommended by DC (MSME)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land and its Development</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>2</td>
<td>Building and other Civil Constructions</td>
<td>16.07</td>
<td>16.07</td>
<td>16.07</td>
</tr>
<tr>
<td>3</td>
<td>Plant &amp; Machinery(including electrification)</td>
<td>135.29</td>
<td>135.29</td>
<td>135.29</td>
</tr>
<tr>
<td>4</td>
<td>Misc. fixed assets</td>
<td>89.19</td>
<td>89.19</td>
<td>89.19</td>
</tr>
<tr>
<td>5</td>
<td>Margin money for Working Capital</td>
<td>7.07</td>
<td>7.07</td>
<td>7.07</td>
</tr>
<tr>
<td>6</td>
<td>Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>12.75</td>
<td>12.75</td>
<td>*5.70</td>
</tr>
<tr>
<td>7</td>
<td>Contingency (2% building and 5% on plant and machinery)</td>
<td>11.55</td>
<td>11.55</td>
<td>11.55</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>291.92</strong></td>
<td><strong>296.92</strong></td>
<td><strong>284.87</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Preliminary and pre-operative expenses restricted to 2% of the project Cost.
** Totalling mistake of Rs.5.00 lakh, observed in the SIDBI appraisal.

7. Means of Finance: The suggested means of finance are as follows: (Rs. in lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
<th>As per SIDBI appraisal report.</th>
<th>O/o DC (MSME) recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SPV contribution</td>
<td>57.25</td>
<td>57.25</td>
<td>57.25</td>
</tr>
<tr>
<td>2</td>
<td>Grant-in-aid from Govt. of India</td>
<td>204.98</td>
<td>209.98</td>
<td>197.93</td>
</tr>
<tr>
<td>3</td>
<td>Grant-in-aid from Govt. of Tamilnadu</td>
<td>29.69</td>
<td>29.69</td>
<td>29.69</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>291.92</strong></td>
<td><strong>296.92</strong></td>
<td><strong>284.87</strong></td>
<td></td>
</tr>
</tbody>
</table>

8. Plant and machinery - Annexure-II

9. Proposal for the Steering Committee: Cluster Division recommends the proposal for final approval for setting up of Common Facility Centre (CFC) in Gate and Grill Cluster, Thiruvalur, Tamilnadu at total project cost of Rs.284.87 lakh with GoI assistance of Rs.197.93 lakh, Govt. of Tamilnadu contribution of Rs.29.69 lakh and SPV contribution of Rs.57.25 lakh.
Agenda No. 35.30: Proposal for In-principle approval of setting up Common Facility Centres of Coir and Coir Products, Erode.

The Secretary, Govt. of Tamilnadu has submitted a proposal for setting up of CFC in Coir and Coir products, Erode, Tamilnadu.

The proposal for setting up of CFC in Coir and Coir Products Cluster, Erode, Tamilnadu was placed in the 31st meeting of the Steering Committee of MSE-CDP held on 1st November, 2012. The proposal was not approved by the committee stating that Coir Board should take a leadership and implement the project. If needed, supplement resources funding under MSE-CDP could be examined on merit basis.

Later on Coir Board has clarified that the project cannot be consider under its any of the ongoing schemes and requested to consider the proposal of coir products cluster under MSE-CDP with TANSIDCO / SIDCO as the implementing agency for which even the State Government has agreed and recommended the proposal. In view of above, it is decided to place the proposal again before the SCM.

Salient features of the cluster and the proposal are as follows:

Details of the proposal are as under:

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>SPV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Govt. of Tamilnadu</td>
</tr>
<tr>
<td>When Started</td>
<td>16/06/2010</td>
</tr>
<tr>
<td>When Completed</td>
<td>16/03/2010</td>
</tr>
</tbody>
</table>

**1. Basic Information of Cluster**

<table>
<thead>
<tr>
<th>Name of Cluster</th>
<th>Coir and coir products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Cluster</td>
<td>Erode</td>
</tr>
<tr>
<td>Main Product</td>
<td>Coir Fibre, Pith Bricks, Coir Yarn, Curled Rope</td>
</tr>
<tr>
<td>No. of Enterprises including break up (Micro, Small, Medium)</td>
<td>Micro : 221 Small : 28 Medium : 0</td>
</tr>
<tr>
<td>Turnover (Rs in Crore)</td>
<td>110.00</td>
</tr>
<tr>
<td>Exports (Rs in Crore):</td>
<td>7.00</td>
</tr>
<tr>
<td>Employment in Cluster :</td>
<td>6000 Nos.</td>
</tr>
<tr>
<td>Technology Details :</td>
<td>De-fibring, Pith Compression, Yarn Spinning, Curling</td>
</tr>
<tr>
<td>Whether DS Conducted :</td>
<td>Yes.</td>
</tr>
<tr>
<td>Main findings of DSR :</td>
<td>Traditional method of production, No product diversification for value added items</td>
</tr>
<tr>
<td>Main Problems of Cluster :</td>
<td>Lack of technology up-gradation &amp; Value added product</td>
</tr>
</tbody>
</table>
### 2. Information about Proposed CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Justification for CFC</td>
<td>Training centre in the CFC will provide skill enhancement, Testing Centre in the CFC will become a nodal centre for quality parameters of the products, CFC will become a centralized unit for making value added products</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Location of CFC</td>
<td>land at Kangayam Taluk, Nathakadaiyur village, resurvey no. 41/1.</td>
<td>Location is well connected and approachable to all cluster members- mentioned in SIDBI appraisal.</td>
</tr>
<tr>
<td>% age of units in radius of 5km</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>% age of units in radius of 10km</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td>(c.) Land for CFC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Whether land acquired</td>
<td>Yes</td>
<td>Copy of registered Sale deed is required.</td>
</tr>
<tr>
<td>ii. Title is in name of</td>
<td>M/s Indian Coir Products Cluster (Erode) Pvt. Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>iii. Valuation and its basis</td>
<td>Rs. 3.5 Lakhs (Based on Market value)</td>
<td>-</td>
</tr>
<tr>
<td>iv. Land is sufficient</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>v. Change of land use</td>
<td>Industrial purpose</td>
<td>Agriculture land, required NOC from revenue department.</td>
</tr>
<tr>
<td>vi. If on lease, duration of lease</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>vii Whether lease is legally tenable</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d.) Total Building area(sq ft)</td>
<td>3250 Sq. Meters</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Rate of construction of building</td>
<td>Rs.4100 / Sq. Meters</td>
<td>-</td>
</tr>
<tr>
<td>(f.) Main Facility Proposed</td>
<td>Training Centre for Skill enhancement, Testing centre and Coir composite product manufacturing</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Prod capacity of CFC</td>
<td>320 coir composite panels perday Shown in annexure XI (Page No.</td>
<td>-</td>
</tr>
</tbody>
</table>
### 3. Information about SPV

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Name and Address</td>
<td>Indian Coir Products Cluster (Erode) Pvt. Ltd., Erode, Tamilnadu</td>
<td>-</td>
</tr>
<tr>
<td>(b.) Nature of SPV(company or Society or Trust)</td>
<td>Private Limited Company</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(c.) Name of the state Govt. and MSME officials in SPV</td>
<td>Representatives of MSME-DI, Chennai and IC &amp; DIC</td>
<td>Provision should be made.</td>
</tr>
<tr>
<td>(d.) Date of formation of SPV</td>
<td>26.03.2008</td>
<td>-</td>
</tr>
<tr>
<td>(e.) Number of Members</td>
<td>29 Nos.</td>
<td>Proposed share subscription shows 30 members.</td>
</tr>
<tr>
<td>(f.) Bye Laws or MA and AOA submitted</td>
<td>Given</td>
<td>Objective of the SPV should be MSE Cluster development and SPV should be open ended and Bye-laws should be as per MSE-CDP guidelines.</td>
</tr>
<tr>
<td>(g.) Authorized Share Capital</td>
<td>Rs. 50 Lakh</td>
<td>-</td>
</tr>
<tr>
<td>(h.) Paid up capital as on.............</td>
<td>Rs.18 Lakh</td>
<td>-</td>
</tr>
<tr>
<td>(i.) Shareholding Pattern</td>
<td>Given</td>
<td>None of individual member</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>(j.) Commitment letter for contribution</td>
<td>Given</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(k.) SPV specific A/c</td>
<td>A/c with SBI. Kangeyam A/c No. 30366808189,</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(l.) Trust Building of SPV, Previous track record of co-operative initiatives pursued by SPV members need to be highlighted with support documentation</td>
<td>series of training programme, awareness programes, members participated in the trade fairs, undertaken R &amp; D works,</td>
<td>-</td>
</tr>
<tr>
<td>(m.) Technical Institution</td>
<td>Coir Board</td>
<td>-</td>
</tr>
<tr>
<td>(n.) CFC may be utilised by SPV members as also others in a cluster. However, evidence should be furnished with regard to SPV member ability to utilise at least 60 percent of installed capacity.</td>
<td>More than 60% by the Cluster Members for the value addition of their product.</td>
<td>As per guidelines.</td>
</tr>
<tr>
<td>(o.) Power requirement for commercial/domestic purpose</td>
<td>150 KW</td>
<td>-</td>
</tr>
<tr>
<td>(b) Water</td>
<td>10000Liters / Day</td>
<td>SPV proposed to dig borewell/ open well.</td>
</tr>
<tr>
<td>(c) Gas/Oil/Other Utilities</td>
<td>nominal</td>
<td>-</td>
</tr>
</tbody>
</table>

### 4. Implement Arrangements

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) Implementing Agency</td>
<td>TANSIDCO, Govt. of Tamilnadu</td>
<td>A Government of Tamilnadu undertaking.</td>
</tr>
<tr>
<td>(b.) Implementation Period</td>
<td>2 years after final approval</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(c.) Appraisal of DPR and main Recommendations</td>
<td>SIDBI Appraisal uploaded</td>
<td>SIDBI mentioned proposal as support worthy and may be submitted to SCM of MSE-CDP.</td>
</tr>
<tr>
<td>(d.) Approval of Technical</td>
<td>State Level Technical</td>
<td>Yet to be placed before the</td>
</tr>
<tr>
<td>Description</td>
<td>Proposed by Implementation Agency (IA)</td>
<td>Comments by Cluster Division</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Committee</td>
<td>Committee Approved the project</td>
<td>Technical Committee of MSE-CDP.</td>
</tr>
<tr>
<td>(e.) Working capital(In-principle sanction of loan from a bank, if applicable arrangement made)</td>
<td>-</td>
<td>In-principle sanction of working capital is required.</td>
</tr>
</tbody>
</table>

5. Financial Analysis of CFC

<table>
<thead>
<tr>
<th>Description</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a.) BEP</td>
<td>35.76%</td>
<td>As per guidelines</td>
</tr>
<tr>
<td>(b.) IRR, Payback period</td>
<td>22.49% after tax (Pay back period is 8 yrs. and 3 months)</td>
<td></td>
</tr>
<tr>
<td>(c.) DSCR</td>
<td>5.55</td>
<td></td>
</tr>
<tr>
<td>(d.) Return on Capital employed (ROCE)</td>
<td>49.25%</td>
<td></td>
</tr>
<tr>
<td>(e.) NPV</td>
<td>positive</td>
<td></td>
</tr>
<tr>
<td>(f.) DER</td>
<td>NA</td>
<td>-</td>
</tr>
<tr>
<td>(g.) Sensitivity Analysis</td>
<td>favourable</td>
<td>-</td>
</tr>
</tbody>
</table>

6. Total Cost : The total cost of the CFC is as follow:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Total Cost (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land and its Development</td>
<td>3.50</td>
</tr>
<tr>
<td>2</td>
<td>Building and other Civil Constructions</td>
<td>135.92</td>
</tr>
<tr>
<td>3</td>
<td>Plant &amp; Machinery(including electrification)</td>
<td>440.63</td>
</tr>
<tr>
<td>4</td>
<td>Misc. fixed assets</td>
<td>0.00</td>
</tr>
<tr>
<td>5</td>
<td>Preliminary &amp; Pre-operative expenses, maximum 2% of project cost</td>
<td>10.65</td>
</tr>
<tr>
<td>6</td>
<td>Contingency (2% building and 5% on plant and machinery)</td>
<td>0.00</td>
</tr>
<tr>
<td>7</td>
<td>Margin money for Working Capital</td>
<td>2.22</td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Cost</strong></td>
<td><strong>600.00</strong></td>
</tr>
</tbody>
</table>

7. Means of Finance : The suggested means of finance are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>%age</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>1</td>
<td>SPV contribution</td>
<td>10.00</td>
<td>60.00</td>
</tr>
<tr>
<td>2</td>
<td>Govt. of India</td>
<td>68.55</td>
<td>411.93</td>
</tr>
<tr>
<td>3</td>
<td>Govt. of Tamilnadu</td>
<td>8.10</td>
<td>48.65</td>
</tr>
<tr>
<td>4</td>
<td>Bank Loan/others</td>
<td>13.26</td>
<td>79.42</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100.00</td>
<td>600.00</td>
</tr>
</tbody>
</table>

8. **Plant and machinery - Annexure-II**

9. **Shortcomings**
(i) Copy of the registered Sale deed.
(ii) Bye laws & objective of SPV should be as per of MSE-CDP. Moreover the company should be registered under section 25, if possible.
(iii) Consent to establish from Pollution Control Board.

10. **Proposal for Steering Committee:** Cluster Division recommends the proposal for ‘In-Principle’ approval so that complete proposal as for guidelines is submitted by the State Government within 6 months, failing which the proposal shall be dropped. Steering Committee may consider the proposal for ‘In-principle’ to set up of Common Facility Centre (CFC) for Coir and Coir Products Cluster, Erode, Tamilnadu.
Agenda No. 35.31: Proposal for preparation of Detailed Project Report (DPR) to set up CFC in Printing Cluster, Salem, Tamilnadu.

Proposal was received from Salem District Offset Printer's Association (SOPA) & recommended by MSME-DI, Chennai.

Details of the proposal are as under:

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Salem District Offset Printer's Association (SOPA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Tamilnadu</td>
</tr>
<tr>
<td>District</td>
<td>Salem</td>
</tr>
<tr>
<td>Cluster Name &amp; Location</td>
<td>Printing Cluster, Salem, Tamilnadu</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product:</th>
<th>School exercise books, note books, magazines and periodicals, wedding cards, bill books, labels, registers, forms and other stationery items etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc:</td>
<td>--</td>
</tr>
<tr>
<td>Age of Cluster:</td>
<td>50</td>
</tr>
<tr>
<td>No. of Units:</td>
<td>500</td>
</tr>
<tr>
<td>Profiles of Units/Category:</td>
<td>Micro : 480, Small : 20, Medium : 0</td>
</tr>
<tr>
<td></td>
<td>Women : 50, Village : 100, SC/ST : 10</td>
</tr>
<tr>
<td>Turnover (Per Annum): (Rs. in Lakhs)</td>
<td>16000.00</td>
</tr>
<tr>
<td>Export: (Rs. in Lakhs)</td>
<td>5.00</td>
</tr>
<tr>
<td>Employment (Direct/Indirect):</td>
<td>Direct : 2380, Indirect : 4000</td>
</tr>
<tr>
<td></td>
<td>Women : 500, SC/ST : 100</td>
</tr>
<tr>
<td>Presence of association / NGO, Contact details:</td>
<td>Salem District Small scale and tiny industries</td>
</tr>
<tr>
<td>Main Problems of Cluster:</td>
<td>Doubling in raw material, manpower and power costs in the last 5 years and firms operating at barely 10% margins on sale realisation</td>
</tr>
<tr>
<td>Any other information:</td>
<td>Evolution of the cluster since 1940s; offset printing since early 1960s</td>
</tr>
</tbody>
</table>
## Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed / Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether any diagnostic study of the cluster has been conducted? Does the study recommend establishment of a CFC</td>
<td>A diagnostic study has been prepared by the cluster industry association with inputs from TANSIDCO and DIC, Salem and MSME-DI-Chennai etc.</td>
</tr>
<tr>
<td>Summary details of the proposed CFC</td>
<td>The need for a common facility to plug critical value chain gaps and upgrade technology in the cluster is evident. Such a common facility may be visualised as one that would provide / facilitate: (i) design development (ii) training (iii) value added product development. Such a common facility will not supplement but complement activities of firms in the cluster and there is no similar facility available in the region for use by cluster small-enterprises. Critically, cluster enterprises will be able to develop design capabilities, manpower skills and undertake new premium market jobs like quality exercise notebooks and print back jobs etc. The activity flows vis-a-vis such a common facility may be visualised as follow:-</td>
</tr>
<tr>
<td></td>
<td>➢ <strong>Activity by individual SPV members and cluster micro enterprises</strong> – Purchase of raw material paper, board, printing ink and chemicals by individual SPV member or cluster micro enterprise; undertake single and multi-colour jobs; simple designing activity in some jobs; printing of traditional products including note books for low-end market segments; upgrading into sheet ruling and sheet fed web offset equipment; post –press finishing activity in some jobs; manual packaging and dispatch for some jobs.</td>
</tr>
<tr>
<td></td>
<td>➢ <strong>Operation within the CFC</strong>: Complex and rapid designing in the case of some jobs; training of cluster manpower is advanced sheet ruling and web offset equipment; quality product development, required for some jobs targeting premium markets; die punching and creasing and variable data printing for some large-volume premium market segment targeting print and print back jobs. This relevant skill upgrading requirements of cluster manpower in this context may be visualized in terms of operation of related facility. Such training is also provided by machinery suppliers free of cost/sans additional cost.</td>
</tr>
<tr>
<td>Likely benefits to cluster/member firms (how many firms)</td>
<td>Expected annual turnover of the cluster after envisaged interventions based on the current turnover for the year 2012-13 at Rs.180 crore is presented below. There is an expected turnover rise to Rs.370 lakhs during 2016-17 from the existing turnover of Rs.180 crore for the period 2012-13. Increase in employment by about 2000 persons. About 240 manpower will be groomed every year in the envisaged facility.</td>
</tr>
<tr>
<td>It there any such facility available in the cluster? Need for the proposed CFC.</td>
<td>There is no similar facility available for use by micro units in the cluster.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Will the SPV be formed/has already been formed for the CFC?</td>
<td>SPV has already been legally constituted as a private limited entity.</td>
</tr>
</tbody>
</table>
| Indicative Project Cost with break up (Rs. in lakh) | Land and building 145.00  
Plant and machinery and accessories and related equipments 1350.00  
Miscellaneous Fixed assets 15.00  
Preliminary and Pre-operative expenses 30.00  
Working capital margin 40.00  
**Total Project Cost** 1580.00 |
| Indicative source of funds (Rs in lakh) | SPV contribution 200.00  
GoI contribution 1350.00  
Bank Loan 30.00  
**Total** 1580.00 |
| Technical Agency to be associated & its expertise | 1. Department of Printing Technology, Anna University, Chennai – 600025  
2. Sivakasi institute of printing technology |
| Facilities proposed | 1. Design - Macintosh PCs with Software  
2. Training (Sheet ruling, web offset equipment)  
3. Quality Finishing  
4. Testing facilities |

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Committee may consider the preparation of Detailed Project Report (DPR) to set up CFC in Printing Cluster, Salem, Tamilnadu.
Agenda No. 35.32: Time extension project for setting up of Common Facility Centre (CFC) in Rice Mill Cluster, Keelapavoor, Tamilnadu.

The setting up of Common Facility Centre in Rice Mill Cluster, Keelapavoor under MSE-CDP was approved in the 26th Steering Committee Meeting held on 25.02.2011 at under the Chairmanship of Secretary (MSME) at a total project cost of Rs. 690.58 lakh with following funding pattern:-

**Means of Finance**

<table>
<thead>
<tr>
<th></th>
<th>Means of Finance</th>
<th>Amount (Rs. in lakh)</th>
<th>Percentage of PC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>GoI Assistance</td>
<td>466.03 lakh</td>
<td>(67.48 % of PC)</td>
</tr>
<tr>
<td>2</td>
<td>State Govt.</td>
<td>69.05 lakh</td>
<td>(10.0 % of PC)</td>
</tr>
<tr>
<td>3</td>
<td>SPV</td>
<td>145.50 lakh</td>
<td>(21.07 % of PC)</td>
</tr>
<tr>
<td>4</td>
<td>Bank term loan</td>
<td>10.00 lakh</td>
<td>(1.45 % of PC)</td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Cost</strong></td>
<td><strong>690.58 lakh</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

An administrative approval was issued on 04.04.2011.

2. Component wise break up of project is as under:-

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount (Rs. in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land &amp; Site development</td>
<td>34.00</td>
</tr>
<tr>
<td>2.</td>
<td>Buildings</td>
<td>79.38</td>
</tr>
<tr>
<td>3.</td>
<td>Plant and Machinery</td>
<td>529.14</td>
</tr>
<tr>
<td>4.</td>
<td>Misc. Fixed Assets</td>
<td>5.00</td>
</tr>
<tr>
<td>5.</td>
<td>Preliminary Expenses</td>
<td>5.00</td>
</tr>
<tr>
<td>6.</td>
<td>Pre operative Expenses</td>
<td>5.00</td>
</tr>
<tr>
<td>7.</td>
<td>Building contingency 2%</td>
<td>1.60</td>
</tr>
<tr>
<td>8.</td>
<td>Plant &amp; Machinery contingency 5%</td>
<td>26.46</td>
</tr>
<tr>
<td>9.</td>
<td>Margin money for working capital</td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>690.58</strong></td>
</tr>
</tbody>
</table>

3. As per MSE-CDP guidelines, the CFC should start its functioning within a period of two years from the date of final approval i.e. by 03.04.2013.

4. The 1st instalment of Rs.139.00 lakh has been released on 15.03.2012. The reasons of delay specified mainly due to finalization of L1 for machinery procurement and construction of building activity.

5. As per progress report building construction is over, local body clearances obtained, electricity obtained, solvent extraction plant received at the site and erection in final stage.

**Proposal for Steering Committee:**- Cluster division recommends for extension of time for completion of project upto 31.03.2014 and release of balance GoI grant.
Agenda No. 35.33: Proposal for revised project cost and time extension for setting up of CFC in Printing Cluster, Sivakasi, Virudhnagar District, Tamilnadu.

The project for setting up of Common Facility Centre (CFC) in Printing Cluster, Sivakasi, Virudhnagar District, Tamilnadu at a total cost of Rs. 1096.87 lakh was approved in 24th Steering Committee of MSE-CDP held on 24.12.2010. Final Approval (FA) was issued on 03.02.2011.

Means of finance:-

<table>
<thead>
<tr>
<th>Source of funds</th>
<th>Approved project cost and funding pattern</th>
<th>Revised project cost and funding pattern</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI Assistance</td>
<td>767.81</td>
<td>767.81</td>
</tr>
<tr>
<td>State Govt.</td>
<td>90.66</td>
<td>90.66</td>
</tr>
<tr>
<td>SPV</td>
<td>120.92</td>
<td>180.28</td>
</tr>
<tr>
<td>Bank term loan</td>
<td>117.48</td>
<td>276.00</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>1096.87</strong></td>
<td><strong>1314.75</strong></td>
</tr>
</tbody>
</table>

2. Component wise break up of project is as under:-

<table>
<thead>
<tr>
<th>S. No</th>
<th>Description</th>
<th>Original project cost and funding pattern</th>
<th>Revised project cost and funding pattern</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land</td>
<td>9.94</td>
<td>9.94</td>
</tr>
<tr>
<td>2.</td>
<td>Building</td>
<td>89.25</td>
<td>89.25</td>
</tr>
<tr>
<td>3.</td>
<td>Plant &amp; Machinery</td>
<td>906.57</td>
<td>1132.56</td>
</tr>
<tr>
<td>4.</td>
<td>Misc. Fixed Assets</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>5.</td>
<td>Deposits with EB</td>
<td>4.00</td>
<td>4.00</td>
</tr>
<tr>
<td>6.</td>
<td>Preliminary Expenses</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td>7.</td>
<td>Pre Operative Expenses</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>8.</td>
<td>Contingencies</td>
<td>47.11</td>
<td>34.00</td>
</tr>
<tr>
<td>9.</td>
<td>Margin for Working capital</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>1096.87</strong></td>
<td><strong>1314.75</strong></td>
</tr>
</tbody>
</table>

3. As per MSE-CDP guidelines, the CFC should start its functioning within a period of two years from the date of final approval i.e. by 02.02.2013. The 1st instalment of Rs.460.00 lakh has been released on 31.03.2012.

4. As per Joint physical Inspection Report dated 27.11.2013, the progress of implementation of CFC is – construction of building is over, water connection already exists, temporary electric connection obtained, local body clearances obtained, main machine i.e. CPT 5 Colour machine with coater and work software received at CFC site and commissioning is in progress. The L1 is finalized for remaining machinery i.e. Computer to Plate system and processor, Programmable cutting machine, Diesel Generator, Air Compressor, UPS, Isolation transformer & stabilizer and Air Conditioner.

5. The reasons of delay specified mainly due to finalization of L1 for machinery procurement and construction of building activity. The major escalation in the project cost is because of the increase in the exchange rate for Euro for procuring main imported machinery. The SPV has submitted revised implementation schedule for completion of project upto February, 2014.
6. IA has requested for the extension of time for completion of project up to 31.03.2014. SPV has also submitted economic viability report by the banker for increase in bank loan due to escalation of the project cost.

7. **Proposal for Steering Committee:-** Cluster Division recommends for the revised project cost of Rs.1314.75 lakh, GoI contribution of Rs.767.81 lakh (**there is no change in GoI grant**), State Government contribution of Rs.90.66 lakh, SPV contribution of Rs.180.28 lakh & Bank term loan of Rs.276.00 lakh and extension of time for completion of project up to 31.03.2014 and release of balance GoI grant.
Proposal was received from Salem Looms Clusters Consortium Private Limited (SPV) vide online Ref. No:- 1035 / Dated : 29/12/2012 & recommended by MSME-DI, Chennai.

**DSR Details**

<table>
<thead>
<tr>
<th>DSR Conducted By</th>
<th>Private Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validated By</td>
<td>Government of Tamilnadu and other stakeholders.</td>
</tr>
<tr>
<td>When Started</td>
<td>01/03/2011</td>
</tr>
<tr>
<td>When Completed</td>
<td>31/05/2011</td>
</tr>
</tbody>
</table>

**Pre-registration Information**

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Salem Looms Clusters Consortium Private Limited (SPV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Tamilnadu</td>
</tr>
<tr>
<td>District</td>
<td>Salem</td>
</tr>
<tr>
<td>Cluster Product &amp; Location</td>
<td>Loom Cluster, Salem</td>
</tr>
</tbody>
</table>

**Brief Information of Cluster**

<table>
<thead>
<tr>
<th>Main Product</th>
<th>Fabrics of Various Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological details, Pollution angle, etc</td>
<td>Power &amp; Auto Looms. Requires Dyeing for Yarn / Fabrics, which requires Pollution Clearance.</td>
</tr>
<tr>
<td>Age of Cluster</td>
<td>50</td>
</tr>
<tr>
<td>No. of Units</td>
<td>1710</td>
</tr>
<tr>
<td>Turnover (Per Annum) (Rs. in Lakhs)</td>
<td>40.00</td>
</tr>
<tr>
<td>Export (Rs. in Lakhs)</td>
<td>1.00</td>
</tr>
<tr>
<td>Presence of association/NGO, Contact details</td>
<td>Tamilnadu Small Powerloom Export Cloth Manufacturers Seva Samealanam, President Mr. K.P. Appu Chettiar. Phone :04272468338</td>
</tr>
<tr>
<td>Whether DSR conducted. Main outcomes of DSR</td>
<td>200 unit owners, consortium management will get soft skills on CFC service delivery and management</td>
</tr>
<tr>
<td>Extent of Competition for cluster</td>
<td>There are competing clusters from other parts of Tamilnadu (Erode, Namakkal, Tiruppur, Coimbatore district), Maharashtra</td>
</tr>
</tbody>
</table>

242
Main Problems of Cluster:
Lack of Infrastructure for Sizing, Warping, Dyeing & ETP.

Need for CFC, if any:
Yes, Sizing, Warping, Dyeing & ETP unit

Any other information:
Due to gap in the infrastructure, cluster units utilization has dropped when compared to the growth in capacity. Most of the cluster products are sold to Exporters and Export Garment Manufacturers

### Analysis of Proposal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Proposed by Implementation Agency (IA)</th>
<th>Comments by Cluster Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Agency, its experience in cluster development</td>
<td>TANSIDCO</td>
<td>-</td>
</tr>
<tr>
<td>Activities Proposed (Technology/Quality/Marketing/Export/Design, etc.)</td>
<td>Training, Marketing</td>
<td>-</td>
</tr>
<tr>
<td>Whether DSR validated by the stakeholders</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>Technical Agency to be associated &amp; its expertise</td>
<td>Friday Solutions Private Limited. It has been involved in many clusters in Tamilnadu. They have been working with Consortium since 2011 for development.</td>
<td>-</td>
</tr>
<tr>
<td>Justification for SI</td>
<td>The MSEs in the district are not having direct exposure to consumer markets and management. With CFC proposal it is necessary to train the consortium, its management and cluster units for new growth strategies.</td>
<td>-</td>
</tr>
<tr>
<td>Main outcomes (before &amp; after) in terms of sales, Exports, Investment, Profitability, Employment, ISO &amp; other Certification, others</td>
<td>Before intervention there is no direct marketing by the cluster units (both domestic &amp; export). Sales is only through commission agents and as job workers. After Soft Intervention it is expected that at least 200 units along with consortium will have direct marketing both domestic &amp; export. Expected business is Rs.50 to Rs.100 Cr in 3 years.</td>
<td>-</td>
</tr>
</tbody>
</table>

### Action Plan (for Months) & Budget (Rs in lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>Total</th>
<th>GoI</th>
<th>Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Meetings &amp; Seminars</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Training on Service Development,</td>
<td>0.40</td>
<td>0.36</td>
<td>0.04</td>
</tr>
<tr>
<td></td>
<td>Training on Revenue Model for Service Delivery and Business plan development</td>
<td>0.40</td>
<td>0.36</td>
<td>0.04</td>
</tr>
<tr>
<td>2.</td>
<td>Awareness on Schemes 2 work shop on various schemes</td>
<td>0.80</td>
<td>0.72</td>
<td>0.08</td>
</tr>
<tr>
<td>3.</td>
<td>Study Tours &amp; Workshops</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>Total</td>
<td>GoI</td>
<td>Association</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-------</td>
<td>------</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>Visit to other Looms Clusters: Gujarat and Maharashtra.</td>
<td>1.00</td>
<td>0.80</td>
<td>0.20</td>
</tr>
<tr>
<td></td>
<td>Workshop on latest looms, dyeing, ETP, sizing warping &amp; manufacturing technology.</td>
<td>2.00</td>
<td>1.60</td>
<td>0.40</td>
</tr>
<tr>
<td></td>
<td>2 Workshop from Italian, Chinese textiles manufacturing technology</td>
<td>2.00</td>
<td>1.60</td>
<td>0.40</td>
</tr>
<tr>
<td></td>
<td>Workshop in using IT/ERP for cluster</td>
<td>1.00</td>
<td>0.80</td>
<td>0.20</td>
</tr>
<tr>
<td>4.</td>
<td>Capacity Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Website development</td>
<td>0.65</td>
<td>0.39</td>
<td>0.26</td>
</tr>
<tr>
<td></td>
<td>Brochures development</td>
<td>0.25</td>
<td>0.15</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>Understanding the USP of other clusters</td>
<td>0.10</td>
<td>0.06</td>
<td>0.04</td>
</tr>
<tr>
<td>5</td>
<td>Services of BDS Providers Engage BDSP for development of market growth strategies</td>
<td>3.00</td>
<td>2.70</td>
<td>0.30</td>
</tr>
<tr>
<td>6.</td>
<td>Trade fair participation texworld USA</td>
<td>5.00</td>
<td>2.50</td>
<td>2.50</td>
</tr>
<tr>
<td>7.</td>
<td>Misc. Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Translation in European &amp; Hindi</td>
<td>0.50</td>
<td>0.40</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>CD Rom / Hard Copy presentation</td>
<td>1.00</td>
<td>0.80</td>
<td>0.20</td>
</tr>
<tr>
<td>8.</td>
<td>In-house Institutional Staff CDA for 18 Months</td>
<td>3.60</td>
<td>1.80</td>
<td>1.80</td>
</tr>
<tr>
<td>9</td>
<td>Local travel exp. for CDA</td>
<td>0.90</td>
<td>0.90</td>
<td>0.00</td>
</tr>
<tr>
<td>10</td>
<td>Local purchases (Computer, Printer, Fax, Copier, UPS, Furniture)</td>
<td>0.75</td>
<td>0.75</td>
<td>0.00</td>
</tr>
<tr>
<td>11</td>
<td>Participation of CDA in Trade Fair</td>
<td>1.25</td>
<td>1.25</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>24.60</strong></td>
<td><strong>17.94</strong></td>
<td><strong>6.66</strong></td>
</tr>
</tbody>
</table>

**Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may approve the proposal for Soft Interventions in Powerloom Cluster, Salem, Tamilnadu for 18 months at a total cost of Rs. 24.60 lakh and GoI grant of Rs.17.94 lakh & the remaining Rs.6.66 lakh to be contributed by cluster units/associations.
Agenda No.35.35 (i): Condone the delay for setting up of ID Centre at village Ammanur, Vellore District, Tamilnadu.

Proposal was approved in the 22nd Steering Committee Meeting held on 02.06.2010 at a total project cost of Rs. 220.00 lakh with GoI assistance of Rs. 132.00 lakh. Tamilnadu Small Industries Development Corporation Ltd. (TANSIDCO), Chennai is the Implementing Agency (IA) for the project.

2. The administrative approval was issued on 25.08.2010. The project was to be completed within 24 months (i.e. 31.08.2012) from the date of sanction.

3. The approved project cost and means of finance are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the work</th>
<th>Approved project Cost</th>
<th>Exp. upto 02.06.10*</th>
<th>Project cost after deduction exp. upto 02.06.10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Cost of land filling / levelling boundary wall and fencing</td>
<td>14.00</td>
<td>2.86</td>
<td>11.14</td>
</tr>
<tr>
<td>2.</td>
<td>Cost of relaying roads</td>
<td>99.00</td>
<td>42.52</td>
<td>56.48</td>
</tr>
<tr>
<td>3.</td>
<td>Drainage</td>
<td>49.00</td>
<td>27.05</td>
<td>21.95</td>
</tr>
<tr>
<td>4.</td>
<td>Water supply arrangements</td>
<td>31.00</td>
<td>4.05</td>
<td>26.95</td>
</tr>
<tr>
<td>5.</td>
<td>Street light arrangement</td>
<td>17.50</td>
<td>0.00</td>
<td>17.50</td>
</tr>
<tr>
<td>6.</td>
<td>Road side greenery</td>
<td>2.00</td>
<td>0.00</td>
<td>2.00</td>
</tr>
<tr>
<td>7.</td>
<td>Contingencies &amp; Pre-operative exp.</td>
<td>7.50</td>
<td>1.47</td>
<td>6.03</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>220.00</td>
<td>77.95</td>
<td>142.05</td>
</tr>
</tbody>
</table>

* The expenditure incurred by Implementing Agency before 2.6.2010 (Date of Steering Committee Meeting for approval of 5 projects) could not be concurred for admissibility of GoI grant.

Means of Finance

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Govt. of India grant</td>
<td>132.00</td>
</tr>
<tr>
<td>2.</td>
<td>State Govt. Fund</td>
<td>88.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>220.00</td>
</tr>
</tbody>
</table>

4. This office has released GoI grant of Rs. 55.63 lakh in two instalments viz. Rs. 37.41 lakh dated 30.12.2010 & Rs. 18.22 lakh dated 21.01.2011.

5. IA has declared the project completed on 31.12.2012 and developed total 173 plots i.e. 133 plots (size upto 0.25 acre), 14 plots (size 0.25 to 0.50 acre), 13 plots (size 0.50 to 1.00 acre) and 13 sheds. Out of this, 140 plots have been allotted. However, the project has exceeded the time limit for completion of project by four months whereas it was to be completed by 31.08.2012.

6. As per statement, IA has incurred an amount of Rs. 108.63 lakh on implementation works from 03.06.2010 to 31.12.2012. However, the eligible expenditure as per MSE-CDP guidelines comes to Rs. 108.57 lakh. As per funding pattern of a component of Infrastructure Development under MSE-CDP scheme. The implementing agency is eligible for Govt. of India grant on reimbursement basis for 60% of eligible expenditure incurred i.e. 60% of Rs. 108.57 lakh which comes to Rs. 65.14 lakh. This office has already released for Govt. of India grant of Rs. 55.63 lakh
in two instalments on reimbursement basis. Therefore, IA is eligible for further Govt. of India grant of Rs. 9.51 lakh (Rs. 65.14 lakh – 55.63 lakh).

7. **Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may condone the delay in project’s completion by four months and deviation in size/no. of plots developed as there was **158 plots** [135 plots (size upto 0.25 acre), 09 plots (size 0.25 to 0.50 acre), 14 plots (size 0.50 to 1.00 acre)] was to be developed but total **173 plots** [133 plots (size upto 0.25 acre), 14 plots (size 0.25 to 0.50 acre), 13 plots (size 0.50 to 1.00 acre) and 13 sheds] has been developed. Out of this, 140 plots have been allotted. Steering Committee may also grant approval for release of Rs. 9.51 lakh.
Agenda No. 35.35(ii): Condone the delay for setting up of ID Centre at village Asanur, Distt. Villupuram, Tamilnadu.

Proposal was approved in the 22nd Steering Committee Meeting held on 02.06.2010 at a total project cost of Rs. 395.00 lakh with GoI assistance of Rs. 237.00 lakh. Tamilnadu Small Industries Development Corporation Ltd. (TANSIDCO), Chennai is the Implementing Agency (IA) for the project.

2. The administrative approval was issued on 12.07.2010. The project was to be completed within 24 months (i.e. 31.07.2012) from the date of sanction.

3. The approved project cost and means of finance are as follows:

(Rs. in lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Work</th>
<th>Approved Project cost</th>
<th>Exp. upto 02.06.10 *</th>
<th>Project cost after deduction exp. upto 02.06.10*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Cost of land filling/ levelling boundary wall and fencing</td>
<td>35.00</td>
<td>12.49</td>
<td>22.51</td>
</tr>
<tr>
<td>2.</td>
<td>Cost of relaying of roads</td>
<td>192.00</td>
<td>133.40</td>
<td>58.60</td>
</tr>
<tr>
<td>3.</td>
<td>Drainage</td>
<td>60.00</td>
<td>49.55</td>
<td>40.45</td>
</tr>
<tr>
<td>4.</td>
<td>Water supply arrangements</td>
<td>56.00</td>
<td>23.82</td>
<td>32.18</td>
</tr>
<tr>
<td>5.</td>
<td>Street light arrangement</td>
<td>40.00</td>
<td>0.00</td>
<td>40.00</td>
</tr>
<tr>
<td>6.</td>
<td>Road side greenery</td>
<td>5.00</td>
<td>0.00</td>
<td>5.00</td>
</tr>
<tr>
<td>7.</td>
<td>Contingencies &amp; Pre operative expenses</td>
<td>7.00</td>
<td>5.54</td>
<td>1.46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>395.00</strong></td>
<td><strong>224.80</strong></td>
<td><strong>200.20</strong></td>
</tr>
</tbody>
</table>

* The expenditure incurred by Implementing Agency before 2.6.2010 (Date of Steering Committee Meeting for approval of 5 projects) could not be concurred for admissibility of GoI grant.

Means of Finance

(Rs. in lakh)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Govt. of India grant</td>
<td>237.00</td>
</tr>
<tr>
<td>2.</td>
<td>State Govt. Fund</td>
<td>158.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>395.00</strong></td>
</tr>
</tbody>
</table>

4. This office has released GoI grant of Rs. 101.60 lakh in four instalments viz. Rs. 36.32 lakh dated 30.12.2010, Rs. 16.42 lakh dated 21.01.2011, Rs. 14.48 lakh dated 14.03.2011 & Rs. 34.38 lakh dated 21.09.2011.

5. IA has declared the project completed on 31.12.2012 and developed total 146 plots i.e. 52 plots (size upto 0.25 acre), 29 plots (size 0.25 to 0.50 acre), 57 plots (size 0.50 to 1.00 acre) and 08 plots (More than 1 acre). Out of this, 143 plots have been allotted. However, the project has exceeded the time limit for completion of project by four months whereas it was to be completed by 31.07.2012.

6. As per statement, IA has incurred an amount of Rs. 212.03 lakh on implementation works from 03.06.2010 to 31.12.2012. However, the eligible expenditure as per MSE-CDP guidelines comes to Rs. 190.92 lakh. As per funding pattern of a component of Infrastructure Development
under MSE-CDP scheme. The implementing agency is eligible for Govt. of India grant on reimbursement basis for 60% of eligible expenditure incurred i.e. 60% of Rs. 190.92 lakh which comes to Rs. 114.55 lakh. This office has already released for Govt. of India grant of Rs. 101.60 lakh in four instalments on reimbursement basis. Therefore, IA is eligible for further Govt. of India grant of Rs. 12.95 lakh (Rs. 114.55 lakh – 101.60 lakh).

7. **Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may condone the delay in project’s completion by five months. Steering Committee may also grant approval for release of Rs. 12.95 lakh.
Agenda No. 35.35 (iii): Condone the delay for setting up of ID Centre at village Elambalur, Distt. Perambalur, Tamilnadu.

Proposal was approved in the 22nd Steering Committee Meeting held on 02.06.2010 at a total project cost of Rs. 146.00 lakh with GoI assistance of Rs. 87.60 lakh. Tamilnadu Small Industries Development Corporation Ltd. (TANSIDCO), Chennai is the Implementing Agency (IA) for the project.

2. The administrative approval was issued on 12.07.2010. The project was to be completed within 18 months (i.e. 31.01.2012) from the date of sanction.

3. The approved project cost and means of finance are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Work</th>
<th>Approved Project cost</th>
<th>Exp. upto 02.06.10*</th>
<th>Project cost after deduction exp. upto 02.06.10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost of land filling/ levelling boundary wall and fencing</td>
<td>28.00</td>
<td>15.69</td>
<td>12.31</td>
</tr>
<tr>
<td>2</td>
<td>Cost of relaying of roads</td>
<td>74.00</td>
<td>74.00</td>
<td>0.00</td>
</tr>
<tr>
<td>3</td>
<td>Drainage</td>
<td>5.00</td>
<td>4.98</td>
<td>0.02</td>
</tr>
<tr>
<td>4</td>
<td>Water supply arrangements</td>
<td>19.00</td>
<td>10.00</td>
<td>9.00</td>
</tr>
<tr>
<td>5</td>
<td>Street light arrangement</td>
<td>14.00</td>
<td>13.93</td>
<td>0.07</td>
</tr>
<tr>
<td>6</td>
<td>Road side greenery</td>
<td>1.00</td>
<td>0.00</td>
<td>1.00</td>
</tr>
<tr>
<td>7</td>
<td>Contingencies &amp; Pre operative expenses</td>
<td>5.00</td>
<td>1.28</td>
<td>3.72</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>146.00</strong></td>
<td><strong>119.88</strong></td>
<td><strong>26.12</strong></td>
<td></td>
</tr>
</tbody>
</table>

* The expenditure incurred by Implementing Agency before 2.6.2010 (Date of Steering Committee Meeting for approval of 5 projects) could not be concurred for admissibility of GoI grant.

Means of Finance

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Govt. of India grant</td>
<td>87.60</td>
</tr>
<tr>
<td>2.</td>
<td>State Govt. Fund</td>
<td>58.40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>146.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

4. This office has released GoI grant of Rs. 8.13 lakh as a 1st instalment on 21.01.2011.

5. IA has declared the project completed on 31.12.2012 and developed total 92 plots i.e. 34 plots (size upto 0.15 acre), 43 plots (size 0.20 to 0.50 acre), 15 plots (size 0.50 to 1.00 acre). Out of this, 91 plots have been allotted. However, the project has exceeded the time limit for completion of project by eleven months whereas it was to be completed by 31.01.2012.

6. As per statement, IA has incurred an amount of Rs. 18.29 lakh on implementation works from 03.06.2010 to 31.01.2012 which is eligible expenditure as per MSE-CDP guidelines. As per funding pattern of a component of Infrastructure Development under MSE-CDP scheme. The
implementing agency is eligible for Govt. of India grant on reimbursement basis for 60% of eligible expenditure incurred i.e. 60% of Rs. 18.29 lakh which comes to Rs. 10.974 lakh. This office has already released for Govt. of India grant of Rs. 8.13 lakh on reimbursement basis. Therefore, IA is eligible for further Govt. of India grant of Rs. 2.844 lakh (Rs. 10.974 lakh – 8.13 lakh).

7. **Proposal for Steering Committee:** Cluster Division recommends the proposal. Steering Committee may condone the delay in project’s completion by eleven months and deviation in size/no. of plots developed as there was 91 plots [29 plots (size upto 0.15 acre), 48 plots (size 0.20 to 0.50 acre), 14 plots (size 0.50 to 1.00 acre)] was to be developed but total 92 plots [34 plots (size upto 0.15 acre), 43 plots (size 0.20 to 0.50 acre), 15 plots (size 0.50 to 1.00 acre)] has been developed. Out of this, 91 plots have been allotted. Steering Committee may also grant approval for release of Rs. 2.844 lakh.
Agenda No. 35.36: Proposal for extension of time limit for 05 ID projects being implemented by TANSIDCO Ltd. in Tamilnadu.

TANSIDCO, Chennai has requested for extension of time limit for following 05 ID projects being implemented by TANSIDCO Ltd. in Tamilnadu:

i) Up-gradation of existing industrial estate at Athur, Karur district.
ii) Up-gradation of existing industrial at village Alathur, Kancheepuram district.
iii) Setting up of new industrial estate at Mathur, Pudukkottai district.
iv) Setting up of new industrial estate at Virudhunagar (Urban), Virudhunagar district.
v) Setting up of new industrial estate at Karaikudi, Sivaganga district

2. The status of the projects are as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Athur, Karur District</th>
<th>Alathur, Kancheepuram District</th>
<th>Mathur, Pudukkottai District</th>
<th>Virudhunagar (Urban), Virudhunagar District</th>
<th>Karaikudi, Sivaganga District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of sanction</td>
<td>01.08.2011</td>
<td>25.10.2010</td>
<td>04.09.2012</td>
<td>04.09.2012</td>
<td>27.06.2012</td>
</tr>
<tr>
<td>Project Cost</td>
<td>Rs. 397.38</td>
<td>Rs. 444.96</td>
<td>Rs. 235.00</td>
<td>Rs. 319.00</td>
<td>Rs. 355.12</td>
</tr>
<tr>
<td>GoI contribution</td>
<td>Rs. 238.42</td>
<td>Rs. 266.97</td>
<td>Rs. 141.00</td>
<td>Rs. 191.00</td>
<td>Rs. 213.00</td>
</tr>
<tr>
<td>IA contribution</td>
<td>Rs. 158.96</td>
<td>Rs. 177.99</td>
<td>Rs. 94.00</td>
<td>Rs. 128.00</td>
<td>Rs. 142.12</td>
</tr>
<tr>
<td>Fund so far released</td>
<td>Nil</td>
<td>Rs. 175.93</td>
<td>Rs. 45.00</td>
<td>Nil</td>
<td>Rs. 52.65</td>
</tr>
<tr>
<td>Expenditure incurred as on date</td>
<td>Rs. 180.44</td>
<td>Rs. 292.66</td>
<td>Rs. 169.39</td>
<td>Rs. 150.28</td>
<td>Rs. 35.10</td>
</tr>
<tr>
<td>Implementation period/ date of completion as per AA</td>
<td>12 months / 01.08.2012</td>
<td>12 months / 24.10.2011</td>
<td>15 months / 04.12.2013</td>
<td>16 months / 04.01.2014</td>
<td>12 months / 26.06.2013</td>
</tr>
<tr>
<td>Already extended date for completion of project</td>
<td>31.12.12/ 29th SCM 31.03.13/ 31st SCM 31.10.13/ 33rd SCM</td>
<td>31.08.2012/ 29th SCM 31.03.2013/ 31st SCM</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Proposed date for completion of project</td>
<td>30.06.2014</td>
<td>30.06.2014</td>
<td>30.06.2014</td>
<td>30.06.2014</td>
<td>30.06.2014</td>
</tr>
</tbody>
</table>

3. The reason and justification for asking for the extension of time as follows:

A. Up-gradation of existing industrial estate at Athur, Karur district, Tamilnadu.

i) Due to non-availability of dependable source for water supply within the estate, Tamilnadu Water Supply and Drainage Board (TWAD) has been entrusted with the work of identifying source and provide water supply and now the TWAD Board prepared an estimate with rive Cauvery as source. As the river source is about 18KM away from the estate and transmission main is to be laid along the highway inter department permissions from Highways, TNEB, PWD etc. are to be obtained.

ii) Due to non-response for the tender called for the water supply works, now only an agency has been fixed and the work has been commenced.
B. Up-gradation of existing industrial estate at Alathur, Kancheepuram District, Tamilnadu.

i) The Sewage Treatment Plant (STP) could not be completed in time since the technology to be adopted for treating the sewage/effluent required extensive study.

ii) The estate is mainly comprising of Pharmaceutical Industries and there are possibility to let out the treated effluent by the Industries, which may require special treatment other than prescribed for domestic sewage.

iii) The Indian Institute of Technology Madras (IIT, Madras) was consulted for the construction of Sewage Treatment Plant with modern technology for effective sewage treatment. IIT Madras has carried out extensive study on the characteristics of sewage generated in this estate and discussed with the association of the estate, in several sittings, on various issues related to the disposal of effluent by the industries. Finally IIT Madras has furnished the report on the feasibility of providing Sewage Treatment Plant and based on this, clearance from TNPCB has also been obtained.

C. Setting up of new industrial estate at Mathur, Pudukkottai district, Tamilnadu.

i) The time required to collect the field particulars like soil investigations, ground levels and other required details for preparation of estimate – 2 months.

ii) Tender process – 3 months.

iii) For execution of work – 12 months.

iv) Further the works like water supply, street light and tree guard works are to be taken in different stages so that one work will not hinder the other work and also to co-ordinate all works and able to execute in proper manner.

v) Additional time required – 3 months.

vi) Preparation of completion report – 1 month.

Minimum time required to complete the project is 20 months. Normally Govt. of India is giving 24 months to complete such projects, but for this project only 15 months has been given.

D. Setting up of new industrial estate at Virudhunagar (Urban), Virudhunagar district, Tamilnadu.

i) The time required to collect the field particulars like soil investigations, ground levels and other required details for preparation of estimate – 2 months.

ii) Tender process – 3 months.

iii) For execution of work – 12 months.

iv) Further the works like water supply, street light and tree guard works are to be taken in different stages so that one work will not hinder the other work and also to co-ordinate all works and able to execute in proper manner.

v) Additional time required – 3 months.

vi) Preparation of completion report – 1 month.

Minimum time required to complete the project is 20 months. Normally Govt. of India is giving 24 months to complete such projects, but for this project only 16 months has been given.

E. Setting up of new industrial estate at Karaikudi, Sivaganga district, Tamilnadu.

i) To prepare the estimates for infrastructural works first to collect the field particulars like soil investigation, ground levels and other required details for which minimum one month’s time is required.
ii) After preparation of the estimates the tender process will take about 3 months to settle the agency.

iii) To execute the works it will take minimum of 12 months to complete each work.

iv) Further the works like water supply street light and tree guard works are to be taken in different stage, so that on work will not hindrance the other work and also to co-ordinate all works so as to execute in proper manner.

4. **Proposal for Steering Committee:** Cluster Division recommends the proposals. The proposals are recommended for approval of Steering Committee for extension of time limit for 05 ID projects namely (i) Athur, Karur district; (ii) Alathur, Kancheepuram district; (iii) Mathur, Pudukkottai district; (iv) Virudhunagar (Urban), Virudhunagar district & (v) Karaikudi, Sivaganga district Tamilnadu upto 30.06.2014.