

**DPR for setting up of Common Facility Centre for  
under MSE - CDP Scheme of Government of India**

**1. Proposal under consideration**

**2. Brief particulars of the proposal**

Name of applicant, contact details, etc	As CFC Registered address / administrative address may be different from CFC facilities address, the same may be provided
Location of Common Facility Centre	Address where facilities are proposed may be provided
Main facilities being proposed	Details of facilities to be provided
Date of receiving comments on Plant & Machineries from O/o DC, MSME	

**2.1. Introduction: brief about**

**2.1.1. General scenario of industrial growth/ cluster development in the state**

**2.1.2. Sector for which CFC is proposed to be set up**

**2.1.3. Cluster and its products, future prospects of products, Competition scenario, Backward and forward linkages**

**2.1.4. Basic data of cluster (Number of units, type of units [Micro/Small/Medium], employment [direct /indirect], turnover, exports, etc):**

**2.1.5. How the proposed CFC is relevant to the growth of the concerned cluster/ sector**

### 3 Information about SPV

	Description	Details/ Compliance
a.	Name and address	
b.	Nature of SPV (company or Society or Trust)	
c.	Names of the State Govt and MSME officials in SPV	
d.	Date of formation of the company	
e.	Date of commencement of business	
f.	Number of MSE Member Units <sup>1</sup>	
g.	Bye laws or MoA and AoA submitted	
h.	Main objects of the SPV <sup>2</sup>	
i.	SPV to have a character of inclusiveness wherein provision for enrolling new members to enable prospective entrepreneurs in the cluster to utilise the facility	
j.	Clause about 'Profits/surplus to be ploughed back to CFC' included or not	
k.	Authorized share capital	
l.	Shareholding Pattern <sup>3</sup> (Annexure 1 to be filled in)	
m.	Commitment letter for SPV Upfront contribution <sup>4</sup>	
n.	SPV specific A/c in schedule bank	
o.	Clause about 'CFC may be utilised by SPV members as also others in a cluster and Evidence for SPV	

<sup>1</sup> Should be more than 20 cluster **MSEs** (and not individuals) as members in the SPV

<sup>2</sup> Main object of the SPV should rotate around cluster development

<sup>3</sup> No single unit will hold more than 10 % in the equity capital (or equivalent capital contribution) of SPV.

<sup>4</sup> Share of the cluster beneficiaries should be as high as possible but not less than 10% of cost of CFC

	members' ability to utilise at least 60% of installed capacity'	
p.	Main Role of SPV	
q.	Trust building of SPV <sup>5</sup> so that CFC may be successful	

**4. Details of Project Promoters /Sponsors**

- i. Brief bio-data of Promoters
- ii. The details of the promoters are as under :

<b>Name of the Office bearers of the Society</b>							
Age (years)							
Educational Qualification							
Relationship with the chief promoter							
Experience in what capacity/ industry/ years							
Income Tax / Wealth Tax Status (returns for 3 years to be furnished)							
Other concerns interest / in which capacity /financial stake							

- iii. **Brief about Compliance with KYC guidelines**
- iv. **Details of connected lending - Whether the directors / promoters of SPV are having any directorship on any bank etc.**

<sup>5</sup> Evidence of collective programme / initiative, soft intervention, discussions with the SPV members, informal channels may be used as an evidence for Trust building.

- v. **Adverse auditors remarks, if any** – to be culled out from audit report, in case available. If SPV is new, it can be indicated as not applicable
- vi. **Particulars of previous assistance from financial institutions / banks** - If SPV is new, it can be indicated as not applicable
- vii. **Pending court cases initiated by other banks/FIs, if any** - - If SPV is new, it can be indicated as not applicable
- viii. **Management Set-up**  
To indicate details regarding who will be the main persons involved in running of CFC, its operations etc.

#### 5. Eligibility as per guidelines of MSE-CDP

	Eligibility Criteria	Comments
1.	Gol grant will be restricted to 70% of the cost of project of maximum Rs 15.00 crore. Gol 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.	
2.	Cost of project includes cost of Land (subject to max. of 25% of Project Cost), building, pre-operative expenses, preliminary expenses, machinery & equipment, miscellaneous fixed assets, support infrastructure such as water supply, electricity and margin money for working capital.	
3.	The entire cost of land and building for CFC shall be met by SPV/State Government concerned.	
4.	In case existing land and building is provided by stakeholders, the cost of land and building will be decided on the basis of valuation report prepared by an approved agency of Central/State Govt. Departments/FIs/Public Sector Banks. Cost of land	

	and building may be taken towards contribution for the project.	
5.	CFC can be set up in leased premises. However, the lease should be legally tenable and for a fairly long duration (say 15 years).	
6.	Escalation in the cost of project above the sanctioned amount, due to any reason, will be borne by the SPV/ State Government. The Central Government shall not accept any financial liability arising out of operation of any CFC.	
7.	DPR should be appraised by a bank (if bank financing is involved) / independent Technical Consultancy Organization/ SIDBI.	It can be indicated that the proposal is being submitted to SIDBI
8.	Proposals approved and forwarded by the concerned state government.	

## 7 Implementing Arrangements

	Description	Compliance
a.	Name of Implementation Agency	
b.	Role of Implementing Agency (e.g. implementation and monitoring of project, sending regular progress reports, issuing proper UCs, )	
c.	Implementation Period <sup>6</sup>	
d.	Commitment of State Government upfront contribution	
e.	Commitment of Loans (Working capital and/ or term loan)	

## 8. Management and shareholding details:

### 9. Technical Aspects:

#### 9.1 Scope of the project (including components/ sections of CFC)

<sup>6</sup> CFC should be operationslised within two years from the date of final approval

**9.2 Locational details<sup>7</sup> and availability of infrastructural facilities**

**9.3 Technology**

**9.4 Raw materials / components**

**9.5 Utilities**

**9.5.1 Power**

**9.5.2 Water**

**9.6 Effluent disposal**

**9.7 Manpower**

- The details of the manpower are as under :

S.No.	Description of the employee	Number
1		
2		
3		
4		
5		
6		
7		
8		
9		

**10.Implementation Schedule:**

Activities	Start Date	Completion Date
Preparation of Project Report		
Sanction of Grant from Government of India		
NOC from Pollution Control Board		
Site Development		
Building up-keep		
Placement of order to equipment supplier		
Supply of equipments by		

<sup>7</sup> Minimum and maximum distance of cluster units from the place of CFC to be specifically mentioned so that CFC is accessible to the units.

Activities	Start Date	Completion Date
suppliers		
Installation of equipments at site		
Sanction of power connection		
Trial Run		
Commercial Production		

## 11. Project components:

### 11.1 Estimated Project Cost (₹ in lakh):

	Particulars	Amount
1	Land and Building	
2	Plant & Machinery including MFA, Installation, Taxes/duties, Contingencies, etc.	
3	Preliminary & Pre-operative expenses <sup>8</sup>	
4	Margin money for Working Capital <sup>9</sup>	
	<b>Total</b>	

### 11.2 Details of Land, Site Development and Building & Civil Work

### 11.3 Plant & Machinery:

			(₹ in lakh)
	Description	No.	Amount
1			
2			
3			

Copies of quotations to be furnished

### 11.4 Comments on Plant and Machineries from O/o DC, MSME:

### 11.5 Misc. fixed assets

### 11.6 Preliminary expenses

### 11.7 Pre-operative expenses

### 11.8 Contingency Provisions:

### 11.9 Margin money for Working Capital

<sup>8</sup> Maximum - 2% of project cost

<sup>9</sup> Based on actual, but less than 25% of working capital requirements for 1<sup>st</sup> Year

**12 Proposed Means of Financing (Rs. in lakh):**

	Particulars	%age	Amount
	<b>Total</b>	100.00	1453.50

**12.1 SPV contribution:****12.2 Grant-in-aid from Govt. of India under MSE-CDP****12.3 Grant-in-aid from the State Government****12.4 Bank Loan/ others****13 Arrangements for utilization of facilities<sup>10</sup> by cluster units:**

Usage Charges :

**14 Comments on Commercial viability:****15 Financial Economic viability:**

Assumptions underlying the profitability estimates, projected cash flow statements and projected balance sheet are placed at Annexure and the summary of key parameters for the first 5 years are given below:-

(₹ Lakh)

S.No	Particulars	FY 1	FY 2₹	FY3	FY4	FY5
1	Net Block					
2	Current Assets (incl. cash/bank balance)					
3	Current Liabilities (incl. principal installment falling due during the year)					
4	Long term					

<sup>10</sup> User charges for services of CFC shall be close to prevailing market prices, as decided by the Governing Council of the SPV



	borrowings					
5	Capital					
6	Reserves and Surplus					
7	Unsecured loan					
8	Net Worth (incl. Gov Subsidy as Quasi-equity)					
9	Income					
10	Gross profit					
11	Depreciation					
12	Profit after tax					
13	Gross Cash Accruals					

The projected revenue of SPV is based upon the following major assumptions:

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## 16 Status of Government approvals

### 16.1 Pollution control

### 16.2 Permission for land use (conversion for industrial purpose)

## 17 Favorable and Risk Factors of the project : SWOT Analysis

## 18 Risk Mitigation Framework:

Key risks during the implementation and operations phase of the Project and the mitigations measures thereof could be as below:

**During implementation :**

**During operations :**

## 19 Economics of the project

## 20 Conclusion