

50 Steps in implementation of CFCs under MSE-CDP

- (i) Identification of Cluster.
- (ii) Diagnosis of Cluster / Identification of issues to address.
- (iii) Capacity building of Cluster members & Formation of SPV.
- (iv) Preparation of DPR by SPV and its validation by Stakeholders and SPV members (minutes to be appended to DPR).
- (v) Submission of DPR to MSME-DI / State Government.
- (vi) Submission of online application along with DPR on MSME Portal by SPV.
- (vii) Identification / Nomination of Implementing Agency (IA) by State Government.
- (viii) Consideration of proposal and recommendation by State Level Steering Committee (SLSC).
- (ix) Online forwarding of application and DPR (soft and hard copies) by MSME-DI along with minutes of SLSC & its recommendations.
- (x) Examination of proposal & DPR by Cluster Division, O/o DC, MSME.
- (xi) Forwarding the DPR for comments of Technical Division (TD).
- (xii) Communication to State Government / Implementing Agency (IA) for further necessary action (in case of query / rejection by TD).
- (xiii) Receipt of clarification / additional documents / information in response to queries of TD.
- (xiv) Submission of proposal along with TD comments and clarification of State Government / IA to Technical Committee for its recommendations before proposal is considered for In-principle Approval.
- (xv) Placing the proposal before Steering Committee for In-principle approval.
- (xvi) In-principle Approval by Steering Committee.
- (xvii) Appraisal of DPR by SIDBI / Financial Institution / Bank (as per prescribed format).
- (xviii) Transfer / procurement of land in the name of SPV.
- (xix) Submission of shareholding pattern / details of SPV members.
- (xx) Compliance of all requirements / provisions / columns of Online application as per guideline
- (xxi) Submission of details of SPV members in prescribed format and uploading on MSME Data Bank.
- (xxii) Opening of Project specific Bank Account in Schedule A Bank by IA.
- (xxiii) Request from IA / State Government seeking Final Approval after completing pre-approval activities from S.No. (xvii) to (xxii) and any other, if specified by Steering Committee.
- (xxiv) Placing the proposal for Final Approval of Steering Committee.
- (xxv) Final Approval by Steering Committee.
- (xxvi) Issuance of Final Approval letter after obtaining concurrence of IF Wing.
- (xxvii) Signing of Tripartite Agreement {State Govt., Gol (MSME-DI) & SPV} and obtaining Statuary Clearances.
- (xxviii) Constitution of Purchase Committee (including a representative from MSME DI) for Procurement (e-procurement), as per GFR 2017.
- (xxix) Deposition of SPV's balance contribution (after taking into account expenditure already incurred, including land cost etc.) in Project Specific Bank Account.
- (xxx) Preparation of Building construction estimate, e-tendering for the same, finalization of the tenders received, approval of recommendations of Purchase Committee by competent authority, entrusting the works to the L1 contractor and completion of construction.
- (xxxi) Release of State Government share.

- (xxxii) Submission of Quarterly Progress Report by IA on regular basis.
- (xxxiii) Preparation and Finalization of detailed list of Plant & Machinery as per approval, initiating e-tender process, finalization of e-tender, approval of recommendations of Purchase Committee by competent authority, release of Orders / advance / LC for procurement of machinery.
- (xxxiv) Joint Verification of facilities created by IA / State Govt., SPV and MSME-DI.
- (xxxv) State Government / IA to submit request for 1st instalment of Gol grant (maximum 40%) along with Original Tripartite Agreement (if not submitted earlier), State Government order regarding Constitution of Purchase Committee, copy of minutes of Purchase Committee finalising the tenders for procurement of Plant & Machinery, approval of recommendations of Purchase Committee by competent authority, Certificate that Plant & Machinery are as per approval letter, status of procurement of Plant & Machinery, proof of release of SPV contribution and State Government matching share, Joint Verification Report (signed by State Government, SPV & MSME-DI), Pre-receipt bill & Undertaking, component-wise expenditure statement as per final approval certified by CA and certificate from IA that all the conditions prescribed in appraisal report & approval letter have been fulfilled.
- (xxxvi) Release of 1st instalment of Gol grant and utilisation thereof.
- (xxxvii) Joint Verification of facilities created by IA / State Govt., SPV and MSME-DI.
- (xxxviii) State Government / IA to submit request for 2nd instalment of Gol grant (30%) along with Utilisation Certificate (UC) in respect of utilisation of 1st instalment of Gol grant, copy of minutes of Purchase Committee finalising the tenders for procurement of Plant & Machinery, approval of recommendations of Purchase Committee by competent authority, Certificate that Plant & Machinery are as per approval letter (in case any new machinery & equipment in addition to those mentioned in earlier Gol grant request), status of procurement of Plant & Machinery indicating utilisation of 1st instalment of Gol grant, proof of release / utilisation of SPV contribution and State Government matching share, Joint Verification Report (signed by State Government, SPV & MSME-DI), Pre-receipt bill & Undertaking, component-wise expenditure statement as per final approval certified by CA.
- (xxxix) Release of 2nd instalment of Gol grant and utilisation thereof.
- (xl) Joint Verification of facilities created by IA / State Govt., SPV and MSME-DI.
- (xli) State Government / IA to submit request for 3rd instalment of Gol grant (retaining 10% to be released as final instalment) along with Utilisation Certificate (UC) in respect of utilisation of 2nd instalment of Gol grant, copy of minutes of Purchase Committee finalising the tenders for procurement of Plant & Machinery, approval of recommendations of Purchase Committee by competent authority, Certificate that Plant & Machinery are as per approval letter (in case any new machinery & equipment in addition to those mentioned in earlier Gol grant request), status of procurement of Plant & Machinery indicating utilisation of 2nd instalment of Gol grant, proof of release / utilisation of SPV contribution and State Government matching share, Joint Verification Report (signed by State Government, SPV & MSME-DI), Pre-receipt bill & Undertaking, component-wise expenditure statement as per final approval certified by CA.
- (xlii) Release of 3rd instalment of Gol grant and utilisation thereof.
- (xlili) Installation and Commissioning of Plant & Machinery, Trial run, obtaining all mandatory clearances and completion of project.

- (xliv) Joint Verification of facilities created by IA / State Govt., SPV and MSME-DI for Completion Report.
- (xlv) State Government / IA to submit request for Final instalment of GoI grant (10%) on reimbursement basis, along with Completion Report in prescribed format duly signed by IA & SPV and countersigned by MSME-DI, Utilisation Certificate (UC) in respect of utilisation of previous instalment of GoI grant, proof of utilisation of State Government complete contribution, details of interest accrued on GoI grant, Pre-receipt bill & Undertaking, component-wise expenditure statement certified by CA.
- (xlvi) Handing over of CFC to SPV by IA.
- (xlvii) Insurance of CFC by SPV for a minimum period of 10 years.
- (xlviii) Commencement of CFC Operation.
- (xlix) Operation, maintenance and management of CFC by SPV.
- (l) Submission of Quarterly Progress Report by SPV.
