

PROFORMA FOR SUBMISSION OF PROPOSAL UNDER MODIFIED IIUS

I. Key Points for preparation of Project Proposal

- i. As per para 3.1 of MIIUS, Projects would be sanctioned to upgrade infrastructure in Industrial Estates / Parks / Areas and **greenfield** projects could be supported in backward areas, including NER. However, PRIORITY would be given to upgrade infrastructure in existing cluster over Greenfield cluster.
- ii. Negative List of Projects as listed in para 3.2 of MIIUS that will not be considered under MIIUS and 'Cost of Land' shall not be included in the project cost.
- iii. As per para 5.5 only 'State Implementation Agencies' such as SIDCs can submit proposal under MIIUS. For funding of new or existing Industrial Estates/Parks/Areas, SIA would chose the site in consultation with the industry to assure that funds are not sought for Industrial Estates/Parks/Areas in place where industry does not find it viable. Further, for funding through SPV-led Clusters, the proposal is to be routed through the SIA-led implementation mechanism (Reference: 5.2 (a) & (b) of MIIUS).
- iv. Formulation of the Project Proposal should be done as per MIIUS guidelines in accordance with para 5.6 and Measurable outcomes such as expected enhancement in productivity and employment against baseline data should be incorporated into the project proposal which would be a key criterion for sanctioning the projects.
- v. The Detailed Feasibility Report (DFR) should include realistic cost estimate of construction, technical specifications and cost estimates as per para 5.6.1 to 5.6.5. It should be prepared as per 'Suggestive Guidelines for preparation of DFR' as Annexed.

- ### **II. Besides DFR, the project proposal should have additional details as per MANDATORY proforma prescribed below** (In case of **Existing Cluster**, actual data is to be given; for **Greenfield project**, estimated data is to be furnished along with basis of estimation, if needed, annexure is to be attached or para/page number of DFR is to be referred)

Annexure I

MANDATORY PROFORMA for receipt of proposal under MIIUS

1. Name of the applicant viz. 'State Implementing Agency' (SIA) along with Registration under Company Act /Society Act, Article of Association etc. with shareholding pattern of SIA:
2. Name and Location of the cluster (Stating whether **Existing** or **Greenfield**):
3. Nature of products manufactured in the Cluster or proposed in the cluster:
4. Number and size of units (A list of existing or proposed units along with finished product with capacities):
5. A list of Beneficiary Units from Sl. No.3 above:
6. Scale of investment already made or to be made in the Cluster (Unit-wise):
7. Information relating to output during the last 2 preceding years:

| Details of Yearly Production and Employment | Present Level | Expected after proposed intervention |
|---|------------------------------|--------------------------------------|
| i. Domestic Sales (Rs. Crore) | i. (Year I) ii. (Year II) | |
| ii. Export (customs figure- Rs. Crore) | i. (Year I) ii. (Year II) | |
| Total Sales in 2 years | | |
| Average Yearly Sale | | |
| Employment in Nos. (latest year indicating specific Year) | | |

8. Whether diagnostic study /Bench mark survey conducted, clearly bringing out existing gaps in infrastructure. Furnish Main Findings in brief (Reference can be made to DFR/Annexure, a copy of the Study/Survey may be attached):
9. Information relating to identification of gaps and details of identified Critical gaps with mention of common facilities already available in the Cluster (Convergence not permitted with any past/present Scheme of Gol):
 - 9.1 Gaps to be filled through the MIIUS (Furnish details):

- 9.2 A list of components along with component-wise central grant sought is to be mentioned in tabular form:

| S. No. | List of Components in the Project | Cost Of Component (A) | Central Grant | % of central grant w.r.t (A) |
|--------|-----------------------------------|-----------------------|---------------|------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | Total | | | |

10. Shareholding pattern of the Project in tabular Statement

| S.No. | Means of Finance | Amount to be Approved |
|-------|--|-----------------------|
| 1. | Central grant | |
| 2. | SIA (Minimum 25% and 10% in case of NER) | |
| 3. | Other stakeholders (Specify) | |
| 4. | Debt | |
| | Total Project cost | |

11. Broad Information relating to implementation schedule should only be mentioned in BRIEF along with Date of Completion(PERT chart of activities, Year wise expenditure details including details as per para 5.6.5 of MIUS should be elaborated in greater details in DFR)
12. Details of Availability of Land, Road, Power, Water at the proposed Site:
13. If the project involves creation/ modification of structural and engineering assets or change in land use plans, disaster management concerns as brought out in the enclosed OM no. 37(4)/PF-II/2003 dated 19-06-2009 of the Ministry of Finance should be assessed. A self-certification in this regard may be enclosed with the project proposal.
14. Wherever applicable guidelines of Bureau of Energy Efficiency and other related guidelines for energy efficient buildings etc. have to be considered / complied with.
15. Whether the project is secured against natural/ man-made disasters like floods, landslides, cyclones, earthquakes, tsunamis etc.

16. Whether SIA had consulted Industrial Stakeholder with regard to 'SELECTION OF SITE' of the project with reference to MIIUS guidelines para 5.2 (a) & (b).
17. Whether Guidelines for up-front service charges has been prepared (Enclose a Copy):
18. Monitorable targets (As per para 5.6 of MIIUS, Measurable outcomes such as expected enhancement in 'Productivity' and 'Employment' are to be mentioned; other possible monitor-able targets should also be indicated):
19. Revenue Generation Model (component wise) and for overall project with objective to achieve sustainability for a longer period of time:
20. Details of number of the project sanctioned in the District (specifying at the location proposed for the present project) from various schemes of Central Govt. along with size of the project and grants from GOI and State Government:
21. Enclosure(A copy of Detailed Feasibility Report (DFR) is to be enclosed):

Suggestive Guidelines (Table of Contents) for Detailed Feasibility Report (DFR)

DFR Should Consist of Following:

1. Chapter I: Executive Summary

- It should be in brief, however, it should summarise all the main points which are required as per MIIUS including list of components with cost and shareholding pattern of Project.

2. Chapter II: Background / Context

- Brief overview of the proposed cluster and its relevance to the state's industrial scenario
- Overview of the existing similar industry in the state and the proposed location (existing clusters, classification of existing industries of similar nature) - Give National scenario and Regional scenario.
- General information for the area directly related to the proposed cluster: Availability of raw material, labour and technology, transport facilities and connectivity for transporting and marketing the finished products
- The industry's share in national and regional production / exports, segment wise number of units, turnover, employment, etc.

3. Chapter III: Role and Commitment of State Government or its agency

- Commitment for provision for essential utilities such as power, water, road access, environment concerns etc. (along with supporting documentation)
- Undertaking by state government for state intervention for all proposed clearances for smooth implementation of the project
- Guarantee by state government/agency/ undertaking to fund the project in case there is delay in collection of funds from other partner, if any so that project implementation is not delayed.
- Proposed incentives which may be availed by the project – fiscal, tax etc.
- Commitment to have a permanent nominee on the Board of the SPV, if any.
- Proposed plan for monitoring of project implementation

4. Chapter IV: State Agency's Shareholding Structure/ SPV Structure

- Proposed shareholding pattern for the project (including each promoter in case of a SPV)
- State Agency's contribution by means of finance
- Net worth of the State Agency/ each promoter in case of SPV
- Existing business profile
- Experience in similar industrial setup for each promoter
- In case of SPV, provide the incorporation certificate

5. Chapter V: Need Assessment and Demand Analysis

- List of beneficiary industries i.e. the existing industries, their turnover, date of establishment and product classification
- List occupied and vacant plots to assess current industry plotting and expansion possibilities
- Need backed by a Diagnostic study clearly stating the kind of new or up-gradation of existing facilities required for the industrial estate. This should be in line with the Annual Action Plan of the SIDC. Moreover, it should have been validated by the stakeholders. The key aspects which should emerge from such an assessment should be the key components required – physical infrastructure as well as common facilities. They should then be mapped according to what is eligible under MIIUS and under other schemes at the central/state level.
- Capacity required to be created/augmented. This should include the existing capacity and the targeted capacity.
- Proposed Facilities:
- Proposed Product Mix
 - Number of units being set up/ existing (in case of up-gradation of an existing industrial estate)
 - Profile of units (proposed or existing activity and details of investment, plant and machinery, built up area, employment, turnover, etc)
 - Unit wise utility requirements (land, water, power, gas, effluent treatment, solid waste, etc)
 - Unit wise requirement for common facilities (social infrastructure, technical infrastructure)
- SWOT for the existing or proposed components under MIIUS

Note: All the costs in this chapter need to be certified by a Chartered Engineer. Civil works cost needs to be supported by PWD schedule of rates. In case for any segment/ component, it is not available in the PWD SOR then the CPWD rates should be followed

6. Chapter VI: Project Description

- Site Details
 - Location and its advantage
 - Project Land Area (Land title and the physical possession of the land should be with the State Agency or the SPV, if project is being executed in SPV mode. Supporting land title documents and revenue map of the proposed land should be enclosed)
 - Ease of access to the site [connectivity in terms of NH, SH, ports, railways, airport etc]
 - Contiguity of the proposed land site
 - Status of clearances – land use conversion, environmental, any other if required along with timelines if not taken (all supported by relevant documents)
 - Topography & ground profile – contour maps and survey reports, if available
 - Existing internal infrastructure, if any – duly mapped
 - Detailed Master Plan with sectional drawings, building plan with legends and land use plan should be given. Area requirements as per the existing bye laws of applicable authorities need to be adhered to. It should include proper legend giving clear picture of the title of drawing and other relevant details
- Soft Interventions, if any such as capacity building
- Administrative Expenses
- Engineering and Construction Management
- Environmental Impact Assessment

7. Chapter VII: Project cost and means of finance

- State the component wise project cost
- Means of finance
 - Eligible Grant
 - Mandatory equity contribution by the State Agency and also by the SPV, if project is being executed in SPV mode. Contribution should be mentioned for beneficiary user enterprises also, if applicable

8. Chapter VIII: Financial Projections

- Projected Financial Statements (P&L and Balance Sheet) showing financial viability and commercial sustainability of the project including lease charges and user charges
- Financial assumptions for all aspects such as user charges/ capacity utilization/ lease rental etc need to be given.
- Financial indicators such as DSCR, IRR, NPV should be shared
- Operations and Maintenance (O&M) Plan for each component proposed

9. Chapter IX: Project Implementation Plan

- Plan for financial closure
- Aggregate implementation schedule using PERT chart

10. Chapter X: Proposed Management structure:

- Institutional structure for project management (SPV institutional structure, in case project is being executed in SPV mode)
 - Availability of professional technical and managerial support (eg hiring of PMC)
- Single point of contact for DIPP (supported by board resolution)

11. Chapter XI: Project Impact

- Benefits to industry from the project
- Envisaged increase in productivity: in terms of production, turnover, economic value added (i.e. the value added in monetary terms from cost of raw material to finished goods sale price)
- Impact on Employment: creation of direct and indirect jobs
- Projected social and economic impact
- Value addition (such as technology proposed, representation on the value chain, lifecycle cost etc)
- Estimated investments and turnover
