

# Indicative Key Chapters for Detailed Project Report (DPR) – Sample Template

Under MSE – Cluster Development Programme scheme

Ministry of Micro, Small & Medium Enterprises



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# Executive Summary

[This Chapter will talk about the summary brief of the report which highlights the Industry sector growth trends and contribution to GDP, cluster profile, typical constraints BDS gaps, proposed CFC and value chain analysis, technology benchmarking and Intervention plan. This chapter also covers that project implementation schedule and expected outcome.]

# Chapter – 1: Industry Scenario

[This Chapter will talk about the Global and National growth trends, Industry scenario, contribution to the GDP, employment in the sector. It will also provide the key demographic, core activities in the cluster, number of units, turnover and markets.

## **Indicative list of Sections:**

- 1.1 Global Scenario
- 1.2 Indian Scenario
- 1.3 Brief about the Cluster
- 1.4 Nature of activity and products of the cluster
- 1.5 Number of units and scale of Investment

# Chapter – 2: Diagnostic Study

[This Chapter will talk about the key findings during the diagnostic study, manufacturing process, critical gaps in the cluster]

## **Indicative list of Sections:**

- 2.1 Key findings
- 2.2 Manufacturing Process
- 2.3 Critical gaps identified and need for Common Facility Centre (CFC)
- 2.4 Equipment list and technology options

# Chapter – 3: Details of Proposed Common Facility Centre

[This Chapter will talk about the proposed machinery and technology options, model adopted, financial viability and users to be utilised]

## **Indicative list of Sections:**

- 3.1 SWOT analysis of the cluster
- 3.2 Description of the machinery and equipment proposed
- 3.3 Broad summary of financial viability of CFC

# Chapter – 4: Benefits to the cluster

[This Chapter will talk about the envisaged benefits to the cluster with establishment of Common Facility Centre (CFC), short term and long term vision of the cluster]

## **Indicative list of Sections:**

- 4.1 Envisaged benefits to the cluster
- 4.2 Short term and long term vision for the growth of the cluster

# Chapter – 5: The Special Purpose Vehicle for project implementation

[This Chapter will talk about the profile of key members of an SPV, profile of shareholders, activities and role to implement the CFC. The structure and composition of the SPV should be indicated here. The SPV will provide details on their role and whether they themselves will reconstitute the institution as per the guidelines to be the SPV (along with proof of eligibility) or whether they will register a separate SPV for the implementation of this specific project.]

## **Indicative list of Sections:**

5.1 Shareholders profile

5.2 Joint action and operational review of the SPV



# Chapter – 6: Role of Supporting Institutions and Service Providers

[This Chapter will talk about the how many supporting institutions are existing in the cluster, Public and Private Business service providers, their role and services that can be leveraged which may boost the growth of the cluster. Also, the IA should provide details of the other strategic partners and institutions that will be associated with the project to strengthen their operations.]

# Chapter – 7: Project Cost and Means of Finance

[This Chapter will talk about the Project Cost, which includes funding from MSE CDP as well as other Co-funding Options.

The total project cost shall be computed taking into consideration the cost of the CFC as well as convergence from other sources such as other Central/ State Government Schemes, term loan etc. The cost of each distinct activity along with the source of funding shall be presented in detail.]

## Indicative list of Sections

7.1 Project cost

7.2 Means of Finance

## Details of the proposed project

### Land and Building

S. No	Particulars	Area Required	Total Value	Remarks
1	Land			
2	Building			
		Total		

### Machinery and Equipment

S. No	Particulars	Nos. Required	Rate (Rs.)	Total value (Rs.)
1				
2				
3				
		Total		

### Misc. Fixed Assets

S. No	Particulars	Nos. Required	Rate (Rs.)	Total value (Rs.)
1				
2				
3				
		Total		

**Preliminary and Pre-operative Expenses**

S. No	Particulars	Amount	Remarks
1	Interest during implementation		
2	Establishment expenses		
3	Start-up expenses		
4	Misc. expenses		
		Total	

**Working Capital**

S. No	Particulars	Duration	Total Value (Rs.)		
			Y1	Y2	Y3
1	Raw material stock				
2	Semi-finished goods stock				
3	Finished goods stock				
4	Sales on credit				
5	Production expenses				
		Total			

**Total Project cost**

S. No	Particulars	Amount (Rs.)
1	Fixed capital (Total of Land and building, Machinery/Equipment, Misc. Fixed Assets)	
2	Working Capital	
3	Preliminary and Pre-operative Expenses	
4		
	Total	

**Means of Finance**

S. No	Particulars	Amount (Rs.)
1	SPV Contribution	
2	Term Loan	
3	Working Capital Loan	
4	Grant under MSE CDP	
5	Any other source	
	Total	

# Chapter – 8: Detailed Business Plan

[This section will present tentative business plan to establish the commercial viability and sustainability of the project. It shall present the project revenue potential over a 10 year period, starting from commencement of business operations. It will also detail the costs including input, manpower, capital costs, etc and will present the profitability of the project including the breakeven period and IRR.]

## Indicative list of Sections:

- 8.1 Project Phasing
- 8.2 Production Capacity
- 8.3 Product Mix
- 8.4 Manpower Cost
- 8.5 Utility and Other Overheads
- 8.6 Depreciation
- 8.7 Working Capital

## Raw material annual requirement

S. No	Particulars	Quantity	Rate (Rs.)	Total Value (Rs.)
1				
2				
		Total		

## Sales Revenue

S. No	Particulars	Quantity sold per year	Rate per unit	Sales Realization (Rs.)
1				
2				
		Total		

## Utilities

S. No	Particulars	Annual Expenditure (Rs.)	Remarks
1	Power		
2	Water		
3	Oil/Steam		
4	Any other		
		Total	

**Utilities**

S. No	Particulars	No. of persons	Wages/ Salaries per month (Rs.)	Annual Expenses (Rs.)
1	Skilled			
2	Semi-skilled			
3	Unskilled			
4	Office staff			
5	Any other			
	Total			

**Repairs and Maintenance**

S. No	Particulars	Amount (Rs.)
1		
2		
3		
	Total	

**Selling and distribution**

S. No	Particulars	Amount (Rs.)	Remarks
1	Publicity expenses		
2	Travelling		
3	Freight		
4	Commission		
5	Miscellaneous		
	Total		

**Administrative expenses**

S. No	Particulars	Amount (Rs.)	Remarks
1	Stationery and printing		
2	Post/ Telephone etc.		
3	Entertainment expenditure		
4	Miscellaneous		
	Total		

**Interest**

Year	Outstanding Loan Amount	Interest	Instalment	Balance
1				
2				
3				
4				
	Total			

**Depreciation**

S. No	Type of Asset	Cost of Asset	Expected life	Depreciation
1				
2				
3				
4				
	Total			

**Profitability projections**

S. No	Particulars	Amount (Rs.)				
		Y1	Y2	Y3	Y4	..Y10
<b>A</b>	Sales realisation					
<b>B</b>	Cost of production					
i.	Raw materials					
ii.	Utilities					
iii.	Salaries/wages					
iv.	Repairs and maintenance					
v.	Selling and distribution expenses					
vi.	Administrative expenses					
vii.	Interest					
viii.	Rent					
<b>C</b>	Misc. expenses					
<b>D</b>	Total					
<b>E</b>	Less Depreciation					
<b>F</b>	Gross profit/loss (A-B)					
<b>G</b>	Income Tax					
<b>H</b>	Net profit/ loss					
	Repayment					
	Retained surplus					
	Total					

# Chapter – 9: Project Implementation Framework

[This Chapter will talk about the proposed implementation framework that will be adopted for the implementation of the project. A road map on the proposed methodology and implementation plan with details of the activities to be undertaken and the expected time-frame for each activity. The progress of the project will be monitored against this implementation schedule provided by the SPV/ IA to ensure timely completion of the project activities.]

# Chapter – 10: Expected Impact

[This Chapter will talk about the key impacts that are expected to be achieved as a result of this project. The key development parameters for the Cluster and the stakeholders (micro, small and medium enterprises) will be mapped at the beginning of the project. This section will outline the expected improvement in these key development parameters that are expected at the end of the project period.]

A brief difference between pre intervention and post intervention of the cluster (may be viewed after 3 years commencement of project) in terms of units size, turnover, employment, quality parameters, market connect etc.



# Annexures

1. Value chain analysis – Pre intervention
2. Value chain analysis – Post intervention
3. Summary tabulation of project parameters
4. Copy of the certificate of Incorporation, Memorandum of Articles and Association of the SPV
5. Support documentation on track record of proactive and co-operative initiatives
6. Minutes of meeting
7. Quotations and specifications of Plant and Machinery, abstract of civil estimates for construction
8. Indicative building/ site layout plan
9. In principle sanction note for necessary working capital from the Bank upon techno-economic study
10. Letter of recommendation upon technical feasibility study
11. Copy of the subscription agreement for shares
12. Requirement of facilities – Evidence of Demand
13. Power requirements

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