

THE WEST BENGAL SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED (A GOVERNMENT OF WEST BENGAL UNDERTAKING) 31, BLACK BURN LANE, SILPA BHAWAN, KOLKATA - 700 012

NOTIFICATION

In order to promote Ease of Doing Business in West Bengal, it is necessary that objective criteria for evaluation of Land Allotment application in the existing 'Online Land Application System' for allotment of land at different Industrial/Commercial Estates in the State under WBSIDCL be provided for more transparency.

Criteria of Evaluation of Land Allotment Application

Applications for allotment of land/module are submitted online by prospective entrepreneurs on the Silpasathi portal or WBSIDCL's portal http://wbsidcl.in/land-allotment along with necessary documents required for due assessment of the proposal.

The proposals are broadly appraised on the basis of three parameters, namely: Financial, Socio-Economic and Requirement Land. The details of such appraisal are as follows:

- A. Financial Appraisal of project: In financial appraisal of the project, the financial viability, means of finance, implementation capability of investor, experience and background of investors etc are assessed. The following aspects are assessed of a particular firm/company:-
 - 1. The financial achievements based on the past three years balance sheet, turnover, profit margin, breakeven point, internal rate of Return etc are taken into consideration.
 - 2. Market presence is also considered along with the background of the promoters. Future projection of the company regarding performance is to obtained for last 3 to 5 years.
- B. Socio- economic Appraisal:

Socio-economic appraisal for a particular project is done on the following parameters:

- 1. Academic qualification of Applicant
- 2. Employment potential-both direct & indirect.
- 3. Supply of raw materials and source thereof.
- 4. Market proximity for the intermediate and end products.
- 5. Benefit to the local community and its neighbourhood in terms of income and employment generation- multiplier effect on the economy.

C. Requirement of Land:

To assess the requirement of land for a particular project, the following broad aspects are considered in the provision of Land Policy 2012 of the State Government (Memo No. 6886-LP/1A-18/2012 dated 26.12.2012:

- 1. The plant layout of the company.
- 2. Utilization of land for different purpose.
- 3. Standard norms for requirement of land for the project.
- 4. Production capacity vis-a-vis land requirement etc

Scrutinisation/Appraisal of applications is made by Transaction Advisor with the approval of Authorities. All these proposals are placed before the Board of Directors for recommendation and sent to Department of MSME& Textiles and Cabinet for final approval.

Guidelines of Detailed Project Report (DPR):

The Corporation introduced self certified / vetted DPR guideline which is easy to follow for small entrepreneurs for evaluation of Land Allotment application as follows:

a) Technical Details:

- i. Technical Details of the production process and Plant Layout keeping in consideration the objective of optimal use of horizontal and vertical spaces.
- ii. Project cost estimate mentioning cost components of each sections viz. Land & Building, Plant & Machinery and resources deployments etc.

b) Market Details:

- i. Present and future aggregate demand for the proposed product.
- ii. Landscape of competition
- iii. Export possibilities (as applicable)
- iv. Marketing strategy

c) Financial Analysis:

- i. Investment outlay and cost of project
- ii. Means of Financing
- iii. Break-even point and Project Profitability
- iv. Potential Risks and mitigation strategy

By Order

Managing Director