

**Bankability Appraisal Note by the Nodal Agency**  
**(For Self Financing cases under IDLS for existing units only)**

**Date :**

Name of Branch Office :

Maker :      Checking Officer :

Date of receipt of application :  
Name of the applicant unit :  
Major Products of the applicant and the :  
Segment of the Leather sector ( :  
Tannery/Foot wear components/Leather :  
Goods/Foot wear/Leather :  
Garments/Saddlery :  
Category of the applicant- SSI/Non-SSI :  
( If SSI unit, pl. Enclose the permanent SSI :  
registration certificate and CA's certificate :  
about non-applicability of clubbing norms :  
wherever relevant) :  
Constitution(Proprietorship/partnership/pvt. :  
Ltd./Ltd.) :  
Site Visit On :  
Attach Visit Report :  
  
Date of finalisation of note :  
Appraising Officer (Name & designation) :

<b>Eligibility Criteria</b>	<b>Whether Proposal Conforms</b>
1 The unit is in existence for three years or more at the time of undertaking upgradation programme under IDLS scheme? :	Yes/No
2 The unit is making cash profits for the last two years at the time of undertaking technological upgradation programme under IDLS. :	Yes/No

(1) **Issue under Consideration:**

2) **Management**

**A) Details of promoters**

1 :	Promoter :
2 :	Promoter :
3 :	Promoter :

(1)

## B Promoters' Background

### (3) Financials of the applicant unit:

(Analysis of Balance Sheet and P&L accounts for the previous three years in the usual format to be attached.)

#### (I)

- a Average Current ratio for previous three years
- b Debt equity ratio ( for the company as a whole )
- c Percentage of Promoter's Contribution for the proposed Technology upgradaton/expansion project under IDLS( excluding investment grant under IDLS)
- d Average Turnover of the unit for the Last 3 Years
- e DSCR(Existing)
- f Average DSCR [as projected by the applicant unit]

(Since the present project under IDLS is self financed one, DSCR would be calculated taking into account existing term loans, if any and the existing working capital limits along with enhanced working capital loans if any which could be necessitated by the proposed project under IDLS)

#### (II)

Parameter	Brief comments, on major variations, if any, during the immediate two previous years
a Net Worth	
b Long Term Borrowings from banks/FIs	
c Unsecured Loans:	
d Net Block	
e Current Ratio	
f DER	
g Net Sales	
h Gross Profit	
i Interest	
j Depreciation	
k Profit After Tax	
l Gross Profit Margin (%)	
m Net Profit Margin (%)	

(4)

**A) Comments on the benefits to be accrued to the unit after implementation of the proposed IDLS project :**

( in terms of improvement in turnover, profitability, quality/exports sales reduction in pollution/compliance with pollution norms etc. may be given)

**b) Arrangement for additional working capital requirement in r/o technology upgradation/modernisation/expansion package:  
(Please give brief Comments if any)**

**(5) IDLS Project Cost and Means of Finance**

	<b>Project Cost</b> Rs. in lakh
Land and Site Development	
Building and Civil Works	
Plant & Machinery (incl. installation)	-Indigenous -Imported
Misc. fixed assets	
Margin money for working capital	
Preliminary & Pre-operative expenses	
<b>Total :</b>	

<b>Components of Self Finance</b>	<b>Means of Finance</b> Rs. in lakh
Additional share capital	
Internal accruals	
Interest free Unsecured Loans from promoters	
Investment grant under IDLS@	0.00
<b>Total :</b>	

@ 30% of the cost of eligible plant & machinery for SSI units and 20% of the cost of plant & machinery for non-SSI units subject to a ceiling of Rs. 50 lakh.

**(6) Comment on bankability factors :**

The borrower/ promoters/directors/ guarantors/ associate concerns names are appearing in the latest RBI Caution List / List of Willful Defaulters( **If Yes, the details of the same to be furnished**) Yes/No

Financial position and working results of the unit for the last three years, as given in **Annexure**, is satisfactory Yes/No

Technical feasibility appraisal cleared by by (Name of the PIU- CLRI, Chennai for Tanneries and FDDI, NOIDA for other segments of Leather sector)

Marketing arrangements are adequate Yes/No

Cost and Profitability Projections submitted by the applicant are reasonable and in line with the industry trends Yes/No

(3)

(7) **Additional remarks (if any) :**

(8) **Recommendation**

( Brief comments on the viability of the Self Financed project under IDLS with reference to the cost and profitability projections(after implementation of the IDLS project ), benefits to be accrued in the next three years thereby justifying or otherwise for investment grant under IDLS may be given)

**The proposal is financially viable and bankable. Projected incremental benefit will be accrued upon implantation of the technological upgradation programme.**

Seal & Signature of the bank official

(4)

**Name of the Unit :**

S No		Particulars
1	Location [Backward / Non-backward]	
2	Category of Promoter - Women, SC/ST, /Minority/PH, Ex-servicemen	
3	Name and address of the Banker and details of credit facilities being availed, if any.	
4	Amount of investment eligible for investment grant under the IDLS scheme <b>as appraised by the PIU</b>	

**5 Details of promoters and their background/experience with reference to their role in the Management setup**

**6 IDLS Project Cost and Means of Finance**

**Project Cost**  
Rs. in lakh

Land and Site Development  
Building and Civil Works  
Plant & Machinery (incl. installation) -Indigenous  
-Imported  
Misc. fixed assets  
Margin money for working capital  
Preliminary & Pre-operative expenses  
**Total :**

**Components of Self Finance**

**Means of Finance**

Rs. in lakh

Additional share capital  
Internal accruals  
Interest free Unsecured Loans from promoters  
Investment grant under IDLS@

**Total :**

7 Details about the arrangements made for additional working capital requirement, if any .

8. Incremental benefits from implementation of scheme  
**(Indicate in terms of capacity utilization, increased sales, exports, reduction in cost of production, increase in productivity, quality Upgradation, attainment of pollution standards. Give quantitative results).**

Please enclose the cost and profitability estimates about the performance of the unit for the next 5 years in the following scenarios:

A) Without taking into account modernization/technology upgradation under IDLSS

B) After taking into account the proposed project under IDLSS

**(Details of assumptions underlying these profitability projections and justification thereof shall be furnished by the self financing unit for financial appraisal by applicants bank)**

Place :

Date :

(Authorized Signatory)