

No. SFAC/VCA/2014-15/39
Dated : 09.07.2014

C I R C U L A R

Subject : Simplification of documentation process under VCA Scheme-reg.

With a view to reduce the processing time of VCA cases and simplify the documentation required for banks and promoters, the following changes are being adopted with immediate effect:

Existing Provision	Revised Provision
1. VCA Application Form.	1. Revised VCA Application Form. (Attached)
2. Promoter's request letter addressed to the Managing Director, SFAC, New Delhi, on original letter head of firm/company.	2. No Change.
3. Sanction letter of Sanctioning authority addressed to recommending branch.	3. No Change.
4. Bank's approved Appraisal/Process note bearing signature of sanctioning authority.	4. No Change.
5. Potential Impact on small farmer producers 1.Social Impact, 2. Environmental Impact, 3. Risk Analysis, 4. Replication Factor.	5. Incorporated in VCA Application Form.
6. Specific recommendation with amount of VCA on bank's original letterhead with date and dispatch number duly signed by the Branch Manager on each page.	6. Incorporated in VCA Application Form.
7. Implementation Schedule confirmed by the bank.	7. Deleted as already included in VCA Application Form.
8. Up-to-date statement of account of Term Loan and Cash Credit (if sanctioned)	8. No Change.
9. Equity Certificate: a) C.A. Certificate in case of Partnership or Proprietorship firm. b) Form-2, Form-5 and Form-23 filed with ROC for Company.	9. No Change

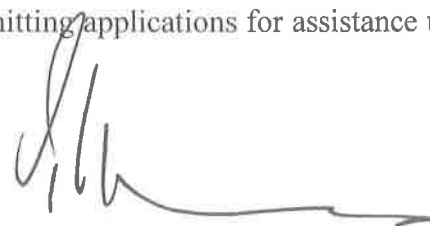
Small Farmers' Agribusiness Consortium

(Society sponsored by Dept. of Agriculture and Cooperation, Govt. of India)
NCUI Auditorium Building, 5th Floor, 3 Siri Institutional Area, August Kranti Marg, Hauz Khas,
New Delhi - 110016, Tel: 91-11-26862365, 26966017, 26966037, Fax: 91-11-26862367
Email: sfac@nic.in, Web: www.sfacindia.com

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Existing Provision	Revised Provision
10. List of farmers confirmed by promoter and bank.	10. No Change.
11. Affidavit of promoters that they have not availed VCA in the past.	11. No Change.
12. Field inspection report of Bank official as on recent date.	12. Incorporated in VCA Application Form.

The above may kindly be noted for compliance while submitting applications for assistance under the Scheme.



(Pravesh Sharma)
Managing Director

Distribution:

1. All Managing Directors /Nodal Officers, State SFAC/State Level Nodal Agency.
2. All SFAC Empanelled Consultants.
3. SFAC website.



Small Farmers Agri-Business Consortium NCUI Auditorium Building 5th floor, 3, Siri Institutional Area, August Kranti Marg, Hauz Khas. New Delhi – 110016. FAX : 26862367 Email : sfac@nic.in Ph. 26966017 / 37
Revised Application form for Applying Venture Capital Assistance from SFAC (Each page of the application form should be signed by branch head)

1	1.a). Name and Address of the recommending Bank and Branch : Complete Postal Address (*with pin-code) : Phone No. with STD : Fax No.: E-Mail Address.: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Name of the Branch Head.</td> <td style="width: 15%;">Designation</td> <td style="width: 15%;">Mobile no.</td> <td style="width: 45%;">E-Mail Address.</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> <td></td> <td></td> </tr> </table>	Name of the Branch Head.	Designation	Mobile no.	E-Mail Address.														
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2	2.a). Name of Borrowal Unit : <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Constitution:</td> <td>Proprietorship / Partnership / Company</td> </tr> </table> 2.b). Registered Office Address (*with pin-code): <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">(i). Phone No.</td> <td style="width: 25%;">(ii). Fax No.</td> <td style="width: 50%;">(iii). E-mail Address</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> </table> 2.c). Site Office Address (*with pin-code): <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">(i). Phone No.</td> <td style="width: 25%;">(ii). Fax No.</td> <td style="width: 50%;">(iii). E-mail Address</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> </table> 2.d). Name of Incharge of Factory : Mobile No. 2.e). Nature of Activity : <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Old</td> <td style="width: 25%;">New</td> <td style="width: 25%;">Expansion</td> <td style="width: 25%;">Technical Upgradation</td> </tr> </table> 2.f). Date of Establishment : 2.g). Date of Registration with DIC. Registration no. with DIC. 2.h). Category Small / Medium / Large Scale Industry 2.i). Total Investment in P&M (Rs in Lakhs) :	Constitution:	Proprietorship / Partnership / Company	(i). Phone No.	(ii). Fax No.	(iii). E-mail Address				(i). Phone No.	(ii). Fax No.	(iii). E-mail Address				Old	New	Expansion	Technical Upgradation
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Old	New	Expansion	Technical Upgradation																
3	3.a). Banking Facilities Sanctioned by sanctioning authority Rs. in Lakhs <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">(i). Term-Loan :</td> <td></td> </tr> <tr> <td>(ii).Cash Credit ;</td> <td></td> </tr> </table> 3.b). Sanctioning Office: Branch ZO / RO HO / CPC/ Committee 3.c). Designation of Sanctioning Authority :	(i). Term-Loan :		(ii).Cash Credit ;															
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(ii).Cash Credit ;																			

4	4.a). Name and Address of Controlling Office of the Branch (*with pin-code): 4.b). Name of Controlling Authority : 4.c). Mobile No.: 4.d). Fax. No. : 4.e). E-Mail Address. :																					
5	5.a). Present status of Unit : 5.b) Status of civil construction : 5.c). Arrival of Machineries and Equipments : 5.d). Status of Installation : 5.e). Expected date of trial production : 5.f). Expected date of commercial production (as per implementation plan approved by the sanctioning Authority): 5.g). Comments on delay in start of production. (if any) : 																					
6	6. Status of Accounts <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #d3d3d3;">6. a). Term-Loan:</td> </tr> <tr> <td style="width: 60%;">Amount of Disbursement till date :</td> <td>Outstanding as on date :</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td colspan="2">i). First installment due on (date) :</td> </tr> <tr> <td colspan="2">ii). Last Installment due on (date) :</td> </tr> <tr> <td colspan="2" style="background-color: #d3d3d3;">6. b). Cash Credit :</td> </tr> <tr> <td style="width: 30%;">Limit</td> <td style="width: 30%;">Drawing Power</td> <td style="width: 40%;">Outstanding</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> <tr> <td colspan="3">Comments on Irregularity (if any):</td> </tr> </table>	6. a). Term-Loan:		Amount of Disbursement till date :	Outstanding as on date :			i). First installment due on (date) :		ii). Last Installment due on (date) :		6. b). Cash Credit :		Limit	Drawing Power	Outstanding				Comments on Irregularity (if any):		
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Limit	Drawing Power	Outstanding																				
Comments on Irregularity (if any):																						

3.d). Sanctioning Authority Approval vide :		Any adverse comments on the unit by inspecting official in last inspection report:	
Sanction / Appraisal Note No.....Dated.....			
3.e). Agenda No. / Minutes conveying sanction :			
No: Dated:			
7	A. Cost of Project (as accepted by sanctioning authority) Rs. In Lakhs	B. Means of Finance(as accepted by Sanctioning Authority) In Lakhs	
	a. Land Cost (if not owned) :	a. Term loan of Bank :	
	b. Civil work including building construction.:	b. Promoter Equity :	
	c. Plant and Machinery.:	c. Unsecured loan :	
	d. Pre-Operative Expenses etc.:	d. VCA	
	e. Working Capital Margin (if CC is sanctioned):	e. Others if any :	
	f. Other if any (specify) :	(up front subsidy / GAP etc.)	
	Total	Total	
8	A. Forward Linkages with following marketing Agencies :	B. Backward Linkages with Small / Marginal farmers :	
	1	Tie-up with No. of farmers for providing raw material	
	2	Details of Primary and Collateral Securities taken by the bank	
	3	a. Primary Securities	b. Collateral Securities
	4		
	5	(Please enclose details separately)	
	6		
	C. No. of Employment Generation through this project :	D. Installed Capacity of the project :	
9	Name of the Consultant/Consortium associated with the project with complete address, contact details and email :		
	a. Address (*with pin-code) :		
	b. Contact Details :		
	c. Email Address :		
Specific recommendation of Branch Head for Venture Capital Assistance :-			
In view of the above information as well as assessment made in the process and Appraisal Note by Sanctioning Authority, we recommend the Venture Capital Assistant of Rs.....(in Rupees.....) to M/s to meet the funding gap indicated at item No.7(d) under Means of Finance above.(copy of sanction letter along with appraisal / process note of competent authority is enclosed for your perusal and record).			
Further we confirm / undertake that :			
1. The KYC norms in respect of the Promoters have been complied by us.			
2. We here by undertake that primary and collateral securities (including the fixed deposit's) accepted by the Bank as primary / collateral security against the financial assistance sanctioned by the bank to the aforesaid promoters will not be released till VCA component is also repaid to SFAC. (Separate undertaking on bank's letter head is mandatory) as such enclose the separate undertaking on bank's letter head while forwarding the VCA application.			
3. Techno-feasibility and economic viability aspect of the project has been taken care of by the sanctioning authority and the branch.			
4. The unit has been inspected by Shri(.....designation....) on and observed satisfactory progress as per implementation schedule.			
5. There is a direct/indirect social/potential benefit to small and marginal farmers by setting up of the unit and there will be no negative environmental impact by this project.			
6. On quarterly basis, bank will apprise the SFAC about progress of unit, recovery of bank's dues and present status of account to SFAC.			
Date.....		Signature of Branch Manager with branch seal Name.....Designation	

List of Enclosures				
1	Promoter's request letter addressed to the Managing Director, SFAC, New Delhi, on original letter head of firm/company.	4	Up-to-date statement of account of Term loan and Cash Credit (if sanctioned).	7 Affidavit of promoters that they have not availed VCA in the past.
2	Sanction letter of Sanctioning authority addressed to recommending branch.	5	Equity Certificate: a). C.A certificate in case of Partnership or Proprietorship. b). Form-2 (PAS-3), FORM-5 (SH-7) and other documents in lieu of FORM-23 filed with ROC for Company.	* Pin Code at Column No. 1. a), 2. b), 2. c), 4. a) and 9. a) is Mandatory
3	Bank's approved Appraisal/Process note bearing signature of sanctioning authoritywith terms of sanction of term loan.	6	List of farmers confirmed by promoter and bank.	