

Small Farmers' Agri-Business Consortium
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**REP FOR HIRING OF A SUITABLE EXTERNAL AGENCY FOR PROVIDING
SERVICES TO SFAC IN RESPECT OF LEGAL DEFAULT CASES UNDER VENTURE
CAPITAL ASSISTANCE SCHEME**

Small Farmers' Agri-Business Consortium seeks to hire a suitable External Agency on contractual basis for providing services to SFAC in respect of legal default cases under Venture Capital Assistance Scheme for the States/UT i.e. Arunachal Pradesh, Ladakh, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttarakhand and Uttar Pradesh. Interested agencies may visit website: www.sfacindia.com for full details. The last date for receiving application at the SFAC Head Office is 05.07.2024 at 6.00 p.m.

MANAGING DIRECTOR



REQUEST FOR PROPOSAL (RFP) FOR HIRING OF A SUITABLE EXTERNAL AGENCY FOR PROVIDING SERVICES TO SFAC IN RESPECT OF LEGAL DEFAULT CASES UNDER VENTURE CAPITAL ASSISTANCE SCHEME FOR THE STATES/UT I.E. ARUNACHAL PRADESH, LADAKH, MADHYA PRADESH, MAHARASHTRA, MANIPUR, MEGHALAYA, MIZORAM, NAGALAND, RAJASTHAN, SIKKIM, TAMIL NADU, TRIPURA, UTTARAKHAND, UTTAR PRADESH.

Introduction:

Small Farmers' Agribusiness Consortium (SFAC), an autonomous Society under the administrative control of Department of Agriculture and Farmers Welfare, Govt. of India is implementing Central Sector Scheme for Agri-business Development. Venture Capital Assistance (VCA) is implemented in conjunction with bank term loan. Under the Scheme, VCA is provided to meet the funding gap in the means of finance as worked out by the lending Financial Institution and is refundable back to SFAC after the repayment of term loan of lending Financial Institution as per original repayment schedule or earlier without interest or in four equal quarterly installments which will carry interest at the same rate as charged by the bank for the term loan.

SFAC is following the under noted practices as laid down in the Operational Guidelines of VCA Scheme:-

SFAC has obtained post dated cheques from borrowers before release of VCA. In cases of bouncing of cheques, legal action is initiated under section 138 of the Negotiable Instruments Act, 1881 or as per agreement with borrower where there is a clause "that in the event of any dispute arising between the parties, only Delhi Courts have jurisdiction to try, entertain and decide the said matter". In old cases, where post dated cheques are not available, arbitration proceedings are filed against the promoters before Indian Council of Arbitration (ICA) under Arbitration and Conciliation Act. SFAC has already engaged a panel of empanelled advocates for timely filing of legal proceedings before hon'ble Courts for recovery of Venture Capital Assistance as and when due.

Background:

In some complaints filed u/s 138 Negotiable Instrument Act the cases are disposed off by the Hon'ble Courts and declared sine die / absconder/Proclaimed Offender as the case may be mainly due to non availability of present addresses/non presence of the accused and some Execution petitions filed before Hon'ble District Courts outside Delhi for execution of arbitral awards passed by Indian Council of Arbitration, New Delhi in favour of SFAC also disposed off for non availability of present addresses & assets/non presence of the judgment debtors. In some claim petitions filed before Indian Council of Arbitration, New Delhi, borrowers are not participating in the arbitration proceedings.