

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

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 across the country from time to time. Interested agencies may visit website: www.sfacindia.com for full details. The last date for receiving application : 5:00 PM on or before 20/07/2023 at the SFAC Head Office.

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 ACROSS THE COUNTRY.

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. Please visit website www.sfacindia.com for full details. Venture Capital Assistance (VCA) is one of the schemes implemented in conjunction with bank term loan. Under the Scheme, VCA is provided to eligible parties 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 of the 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 were also disposed off for non availability of present addresses & assets/non presence of the judgment debtors. In most of the claim petitions filed before Indian Council of Arbitration, New Delhi, borrowers are not participating in the arbitration proceedings due to above reasons etc.

Appointment of External Agency

With a view to facilitate smooth VCA recovery action in due cases, SFAC wishes to engage third party entity as External Agency for providing services to SFAC in respect of legal default cases (whether petition, suit / complaint filed or decreed/Awarded) under VCA Scheme across the country. Indicative List of States where cases are pending or assignments to be entrusted by the SFAC is at **Annexure-A**. The bidders are requested to indicate the State where they would like to provide their services. The bidders are also requested to quote the rates in the format prescribed at **Annexure-B**.

Scope of Work:

In order to handle the above mentioned matters, SFAC invites applications from a suitable external agency for providing the following services across the country:

- A) To locate the borrower(s)/ co-borrower(s)/judgment debtors including their legal heirs who are either untraceable or not available at the addresses given in SFAC's records in sine die/absconder/proclaimed offender cases;
- B) To ascertain latest information about their present address(es)/ occupation(s), business(es), income streams, details of their all assets, whether charged or uncharged, their location, value and ownership, etc.;
- C) To give details of bank accounts maintained by the defaulting borrower(s)/ co-borrower(s)/Judgement debtors, including their legal heirs names and addresses;
- D) To give details of credit facilities availed/to be availed by defaulting borrower(s)/ co-borrower(s) from other Banks;
- E) To confirm present state of ownership of the secured assets by personal visit(s)/market report, duly confirmed by the documents.
- F) To gather any other information which may be considered necessary by the SFAC for recovery of the SFAC's dues;

Eligibility for empanelment of External Agency:

A. Agency & the promoter/key personnel / officials should comply with the following criteria:

- i. Indian citizen / entity constituted under Indian Laws;
- ii. The Key personnel / officials of Agency should have completed training of 100 hours certified by the Indian Institute of Banking & Finance (IIBF);
- iii. Not convicted of any offence and sentenced to a term of imprisonment;
- iv. Not a un-discharged insolvent;
- v. Not delisted/blacklisted by any bank/FIs/IBA – undertaking to be obtained;
- vi. Possesses PAN Card / GSTIN as applicable;
- vii. Registration of Firm/Certificate of incorporation.