

**National Horticulture Board,
85, Institutional Area, Sector-18
Gurugram, Website : nhb.gov.in**

NHB/HD/CC/Guidelines/2022-23/S2

November 10, 2022

PUBLIC CIRCULAR

Subject : Revision in the scheme guidelines of NHB, including its implementation design, documentation and sanctioning process – reg.

This is in continuation to the previous Circulars/Orders issued by NHB from time to time with regard to amendments in the Scheme Guidelines of NHB. The scheme guidelines of NHB including its implementation design, documentation and sanctioning process etc. have further been reviewed and with the approval of competent authority, it has been decided to effect following changes w.e.f. 01.01.2023 :-

1. NHB will do away with two stage system of IPA and GoC. Now IPA will not be needed for availing benefit under the Scheme of NHB and applicant will apply straightaway for Grant of Clearance (GoC) to NHB after sanction of term loan by bank. The term loan sanctioned within 3 months from the date of online GoC application to NHB shall be treated valid, however, disbursement of term loan and start of project will be allowed only after issuance of GoC by NHB. GoC will be valid for 3 months for getting disbursement of first instalment of term loan and start of project. Accordingly, the applications in NHB will be dealt in the following manner:
 - (i) IPA system will be discontinued from 01.01.2023 and thereafter NHB shall accept applications only for Grant of Clearance with required documents.
 - (ii) IPA/GoC applications received prior to 1.1.2023 will be considered as per existing system.
2. The processing of GoC application will be completely digital, including examination and sanction of GoC application. The platform will be augmented with the timeline monitoring systems so that every step can be monitored as per the pre-set target timelines and alerts can be sent to the processing officer/applicant at regular intervals and escalation matrix can be put in place based on ageing analysis of pendency at officer level.
3. Before making a new GoC Application online on the Web-Portal of NHB, the applicant will have to register after Aadhar authentication through OTP verification. Applicant will be given an option at NHB portal and in case loan for the proposed project is sanctioned under Agri-Infra Fund (AIF) Scheme, the entire loan data of the applicant will be captured as such from AIF portal through API and only remaining details would be required to be filled in by the applicant online and saved at NHB Portal to complete the GoC application of NHB. In case loan is not sanctioned under AIF, the complete application form will have to filled up by the applicant.
4. NHB has prescribed a new short template for DPR and Bank appraisal note (**Annexure-I**). The template is indicative and applicant/bank must ensure that the

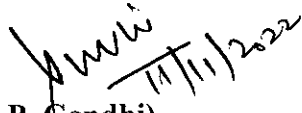
[Handwritten Signature]
11/11/2022

components mentioned in the template are invariably included in DPR or appraisal note, as the case may be.

5. The applicant will have to submit following documents alongwith the application for grant of clearance :-
 - a. Details Project Report (DPR) and the information suggested in the NHB's prescribed template will only be mandatory.
 - b. Project Land Document along with non-encumbrance certificate
 - c. Bank Sanction letter
 - d. Bank Appraisal Note
 - e. Undertaking (will be part of Application Form in the prescribed format)
5. After application is submitted, an email will be sent to the applicant alongwith a reply/confirmation link to the financing bank. Concerned bank need to confirm the authenticity of documents online. Based on the confirmation of documents by the bank e.g. bank sanction letter, appraisal note and land documents etc., NHB will issue GoC.
6. The stage of inspection of the location for GoC will be replaced with a mobile app based self-inspection. During the JIT, the details captured earlier through mobile app like Geo Location/ fencing etc will be verified.
7. Queries on GoC applications, if any, will be communicated to the applicant/Bank automatically by system/email by the concerned division within 15 days from the date of receipt of hard copy of the application/documents/bank documents and get the reply from applicant/bank within 15 days and place the application to the approving authority for decision. GoC will be issued by NHB within a period of two months positively.
8. Subsidy claim documents will also be submitted by bank/applicant online.
9. Technical Data sheet for Cold Storages and Protected Structure will be a part of DPR and instead of their appraisal by NCCD or any other agency, it will be mentioned in the GoC Letter that applicant will construct the cold storage/green house as per extant standards/ specifications prescribed by NHB. Similarly, Registration certificate/Deed in case of legal entity will be a part of DPR.
10. NHB shall rely upon financing banks for the examination of project documents.

Operational details and modalities in this regard are being circulated separately.

This issues with the approval of competent authority.


(C.P. Gandhi)
Deputy Director (Coord.)

	/Director(s)/ Members					pli ca ble	appli cable	applicab le	ng ratio
1									
2									

4. Relative experience of the Applicant/Promoter(s)/Partner(s)/Directors(s)/ Members

SN	Name of lead Applicant/Promoter(s)/Partner(s)/ Members of Applicant Entity	Detail of Experience	Details of Turnover (year-wise)	Supporting Document attached, if any (Yes/No)
1				
2				

5. Details of Existing Banking and Credit facilities of the Applicant/ Promoter(s)/ Partner(s)/ Directors(s)

S N	Types of Facility	Name of Bank and Branch	Limits	Outstanding as on dd/mm/yyyy	Securities	Rate of interest	Repayment terms	Purpose
1	Cash Credit							
2	Term Loan							
3	Others							

** Information pertaining to credit rating (internal /external) may also be shared along with the aforementioned information*

6. Details of GST Returns submitted, if any or status of registration

7. Project Details

a. Objective of the proposed project

b. Proposed infrastructure as per the scheme

SN	Component
1	
2	
3	

8. Land Details:

SN	Particulars	Details
1	Land Area	
2	Status of Legal title & Possession	
3	if leased, Period of lease	
4	Coordinates of location (Latitude and Longitude)	
5	Details of CLU	
6	Connectivity to roads i. State Highway (in Km.) ii. National Highway (in Km.)	
7	Availability of Water	
8	Availability of Power	

9. Detailed timeline for construction of proposed project and proposed date for commencement of operation**10. Proposed Project Financials****a. Estimated Project cost details**

SN	Items	Amount (Rs in Lakh)
1	Site Development	
2	Civil Works	
3	Technical Civil Works/Errection etc.	
4	Plant & Machinery (P&M)	
5	Fixed cost on power supply connection or/ and Generator set/solar system etc.	
6	Common Utilities like Water/ETP/ STP, etc.	
7	Pre-operative Expenses	
8	Interest During Construction	
9	Working Capital	
10	Contingencies	
11	Add other items not listed above	
Total Project Cost		

b. Means of Finance

SN	Items	Amount (Rs. In Lakh)	Percentage (%)
1	*Promoter's Equity		
2	Capital Subsidy/ Benefit from other Central/ State Scheme		
3	Loan		
	Total		

**The source of the owned funds and also the capacity of the promoter to support the project in the event of cost escalations due to time overruns should also be mentioned*

c. Basic Revenue Projections (₹ in lakh)

SN	Item	Year1	Year2	Year3	Year4	Year5
1	Turnover					
2	Cost of Operations					
3	Gross Profit					
4	Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)					
5	Profit before taxation					
6	Profit after taxation					

**CMA data to be provided along with projected balance sheet, profit & loss statements, covering entire period of repayment.*

d. Financial Parameters

SN	Particulars	Details (Ratio/%)	Ref Page No. in DPR*
1	Internal Rate of Return (IRR) [(a) With and (b) without grant/ subsidy]		
2	Avg. Debt Service Coverage Ratio (DSCR)		
3	Break Even Point (BEP)		
4	Debt-Equity Ratio (TTL/TNW)		
5	Fixed Assets Coverage Ratio		

e. Credit Facilities proposed

(I) Fund Based

(a) Term Loan

(b) Working Capital (Attach Assessment of working capital, if proposed)

(II) Non Fund Based

**f. Collateral Security proposed to be offered and its approximate value for the applicable cases.
(To be furnished only in case of loans above Rs.2 crore)**

g. Repayment Schedule (Including moratorium period)

h. Details of Statutory/other approvals/registrations (status)

i. Details of pre-inspection report of the Financing Bank/FI

11. Availability of Raw Materials in the Catchment Area - provide details such as Adequate Volume, Wider Mix of Raw Materials, Days of Operation in a Year along with supporting data. Based on this information feasibility/viability of the project should be justified.

12. Details of the catchment area of the project

SN	Location of the Catchment (Primary/Secondary)	Name Village/Dist/APMC	Commodities to be sourced	Quantities to be sourced [MT] (per annum)
1				
2				

**DPR should comprised of detailed chapter on proposed catchment (production and supply statistics).*

13. Details of existing demand of the product and marketing arrangements (including e-trading), possibility of for leasing with FCI/CWC/SWC/e-commerce players / retailers for assured cash flows if any.

14. Employment Generation projections

a. Direct Employment: (Skilled and Semi-skilled):.....

b. Contractual Employment with no. of days:

c. Indirect Employment (specify):

15. Details of renewable/ alternate energy sources including solar energy, if any, proposed to be used for operating the project including inter alia, details of power generation.

16. Details of pollution issues (if any) and adoption of modern technology for reducing the carbon footprints and increasing operational efficiency:-

SN	Name of technology/item	Basic cost (Excluding taxes etc.)	How the technology will help in reducing carbon footprint and/or increase in operational efficiency
1			
2			

17. List of Manufacturers/ Suppliers of P&M (enclose quotations)

ICertify that the information / contents as above furnished by me / us are true to the best of my / our knowledge and belief and nothing material has been concealed. In case, any information furnished in the application is found false, my / our application may be rejected out at any stage by the Bank and not eligible under Agriculture Infrastructure Fund scheme.

Date: _____
Applicant
Place: _____

Signature of the

Note : This template is prepared keeping in mind the essential information required by the lending institutions to process the loan application. Different formats of table/description can be used for preparation of the DPR but all the required information in template should be included in the DPR .