

ANDHRA BANK

(A Govt. of India Undertaking)

_____Branch

SMALL SCALE INDUSTRIES APPLICATION FORM FOR CREDIT FACILITIES OF OVER RS. 2 CRORE

- 1.1 Name of the Unit
(In Block Letters)
- 1.2 Constitution : Proprietary / Partnership Firm / Private Limited /
(Please strike out Public Limited Company / Co-operative Society.
which are not applicable)
- 1.3 Name of the business house/
group to which the unit belongs
- 2.1 Registration No
(as given by the District Industries
Centre / Directorate of Industries)
- 2.2 Date of Incorporation/
Commencement of Business
3. Business Address with Telephone/
Telex No.
- 3.1 Registered Office
- 3.2 Administrative Office
- 3.3 Factory
4. Background of the Proprietary/
Partners/Directors
- (Please furnish for each person
as per the Annexure I)

5. Brief Description of the Industrial Activity

5.1 Existing

5.2 Proposed

6. How the Activity was financed so far
(to be filled up in case of existing unit only)

Source of Funds(*)	Security	Rate of Interest	Repayment per month	Present O/S	Amount of Default (if any)

(*) Indicate sources of funds with Name & Address, e.g.,
Banks/Financial Institutions/Others (Specify)

7. Arrears in Statutory Payments (if any)

- a) Income Tax
- b) Sales Tax
- c) Provident Fund
- d) Employees State Insurance Corporation
- e) Other (specify)

8. Past Performance (in case of existing units)

Particulars	Last Year	Last but one year	Last but Two years
Turnover			
Net Profit			
Retained Profit			

Monthly Turnover for last twelve months

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9.1 Management

(Please furnish background of the main promoter other than those furnished in Annexure I, write-up on other companies, if any, promoted by him or with which he is associated together with a copy of the latest balance sheet)

9.2 In case the promoter is a limited company, please furnish a write-up on the activities and past performance of the company and any other expansion programme(s)/diversification contemplated.

Please also enclose certified copies of the

- a) Memorandum and Articles of Association
- b) Audited Balance Sheet and Trading and Profit & Loss a/cs for the past Three Years of the promoter company.
- c) Copy of the agreement(s), if any, entered into among the promoters.

9.3 Shareholding

9.3.1 Please provide a list of shareholders under the heads

- (a) promoters,
- (b) other major groups,
- (c) foreign collaborators
- (d) NRI shareholders
- (e) other institutions owning or controlling 5% or more of equity shares, indicating the amount owned and business relationship, if any, with the company.

9.3.2 In case of preference shareholders, please give a list of ten largest shareholders.

9.3.3 Also furnish number of equity shareholders and preference shareholders.

Form - IV

9.4 Employment Present Proposed

Executives

Supervisory

Administrative/
Office Staff

Skilled Labour

Unskilled Labour

Other (specify)

9.5 Particulars of existing key technical and executive staff :
(Please furnish data for existing as well as proposed staff)

Name	Designation	Qualification	Experience	Any Special achievement (Inventions/ Research etc.	Functional Duties at the Unit

10. If the unit is an ancillary unit, the undertaking to which it is catering and its address

11. Name of the associate concern(s), if any, and

11.1 Nature of association and amount invested

11.2 Nature of activity

11.3 State whether the above activity is covered under the "Main Objects Clause" or "Other Objects Clause" in the Memorandum of Association

11.4 Items traded/manufactured

11.5 Turnover and profit during preceding three years

12. TECHNICAL FEASIBILITY

(Please enclose the feasibility/
project report)

12.1 Name of the product(s)
including bye-products &
its (their) use

12.2 Manufacturing Process, in brief,
(Indicate to the extent possible,
stage-wise capacity data, yield/
conversion data, material flow, etc.)

12.3 Capacity : (No. of Units/Quantity in Kg./Volume in litre per annum)

Capacity	Licensed	Installed	Operating

No. of working days in a month
and

No. of shifts in a day.

12.4.1 In case of any collaboration,
please furnish a brief-write-up on
the period of collaboration
agreement, the name of the
collaborator company, indicating the
activities, size, turnover, particulars
of the existing plants, other projects
in India and abroad set up with
same collaboration.

Please enclose

- a) co-pay of the published brochure
highlighting the activities of the
collaborator and balance sheet for
the latest year.
- b) copy of the collaboration agreement
- c) fees/royalties payable and the
manner in which payable.
- d) copy of the government approval,
if required, for the services of foreign
technicians, if any

12.4.2 If there is no collaboration agreement, please furnish full details of arrangement proposed to be made for obtaining technical advice and service needed for the implementation of the project.

12.4.3 Particulars of the Consultants :

- a) Name and address of the consultants
- b) Fees payable and the manner in which payable
- c) Scope of work assigned to them
- d) Brief particulars of consultants including Organisational set-up, bio-data, of senior personnel, names of directors/partners, particulars of work done in the past and work on hand.

Please enclose a copy of the agreement with the consultant, and in case of foreign consultant(s) approval of the Government.

12.4.4 Whether any of partners/promoters/directors have any interest in consultant/collaboratory or firm. If so, details to be furnished.

12.5 Locational advantages of existing and/or proposed premises with reference to

- i) absence for civic restrictions
- ii) proximity to the source of raw materials
- iii) market for the product
- iv) availability of
 - a) power
 - b) water
 - c) labour
 - d) transport

12.6 LAND & BUILDING

	Area/Plinth Area (in Sq.metres)		Value (in 000s of Rs.)	
	Existing	Proposed	Existing	Proposed
Factory Land				
Factory Building				
Ancillary Building				
Open storage space				

12.7 Type of soil and load bearing capacity
(enclose test report)

Enclosure :

- a) Certified photocopy of sale/ lease deed
- b) Certified photocopy of the Govt. order converting the land into industrial land, if applicable
- c) Locational Map
- d) Certified photocopy of the site plan of the land showing contour lines, the internal roads, power receiving station, railway siding, tubewells, etc. and blue prints of the buildings duly approved by corporation/municipality/panchayat.

12.8.1 Please furnish the following
Particulars of Architects12.8.1.1 Name and address of the
architects/firm

12.8.1.2 Scope of work

12.8.1.3 Rates quoted and detailed
estimate of expenses

12.8.1.4 Fees payable and manner
in which payable

12.8.1.5 Time schedule

12.8.1.6 Penalties

12.8.1.7 Past experience of the
architects in the similar work

12.9. PARTICULARS OF MACHINERY & OTHER FIXED ASSETS

As per Annexure II

12.9.1 If sub-contract of any portion of
production is envisaged, the
production stages in which the
sub-contracting will be done.

Details to indicate the availability of
machinery particularly with sub-contractors
with adequate spare capacity.

12.9.2 Arrangement made for erection and
Commissioning of the plant.

12.10 Necessity & purpose for the proposed
investment/addition to factory premises/
machinery (in case where such
investment is intended) for achievement
of the anticipated turnover.

12.9 RAW MATERIALS/COMPONENTS

(Please mention about the imported and indigenous items separately)

	(A)	(B)	(C)	(D)
Quantity Required				
Source of Supply				
Minimum Purchase Quantity				
Lead/Procurement Time				
Available Throughout the year				
If answer to the above is no, then no. of months & period when it is available				

(enclose copies of proforma invoices in respect of each item)

13. UTILITIES

(Give comments on requirement, availability / adequacy, qualitative aspects, etc.)

13.1 Power :

13.1.1 Sources of Power and Supply Voltage

- taken from Electricity Board
- own generation
- stand-by arrangements

13.1.2 Maximum Demand

13.1.3 Contracted Load

13.1.4 Connected Load

13.1.5 Energy Consumption per year

13.1.6 Power Tariff

13.1.7 Cost of Power per annum at maximum capacity utilisation

Please enclose

- a) certified photocopy of sanction for power
- b) certified photocopy of agreement with electricity board
- c) certified photocopy of electrical lay out of the plant.

- 13.2 Water :
- 13.2.1 Indicate the requirements and suitability of water
- 13.2.2 Describe water treatment arrangements
- 13.2.3 Sources for supply of water arrangement proposed and water charges payable
- 13.3 Steam :
- 13.3.1 Requirement of steam
- 13.3.2 Capacity of the boiler
- 13.3.3 Arrangements proposed for steam
- 13.4 Compressed Air :
- 13.4.1 Requirements of compressed air
- 13.4.2 Arrangements proposed for compressed air
- 13.5 Fuel :
- 13.5.1 Requirement of fuel
- 13.5.2 Arrangements proposed for supply
- 13.6 Arrangement proposed for carrying raw materials

14. EFFLUENT

Please furnish full details of the value of atmosphere, soil, and water pollution likely to be created by the project and the measures proposed for control of pollution.

Indicate whether necessary permission for the disposal of effluent has been obtained from the concerned authority; if yes, a co pay of the certificate should be furnished.

15. QUALITY CONTROL

15.1 Details of arrangement made for quality control. If BIS/FPO/ISO specifications are followed, no. of BIS/FPO/ISO standards and the particulars thereof should be provided.

15.2 Particulars of R & D activity proposed

16. ECONOMIC FEASIBILITY

Marketing (mention separately for each product)
(Please enclose a Market Survey Report)

16.1 Whether the product is reserved exclusively for the SSI sector?
If so, please furnish Item Code No.

16.2 Name of the Major customers

16.3 Region/Area where the product is/will be sold

16.4 Extent of competition & No. of Units engaged in similar line in the area

16.5 How does the units meet/propose to meet the competition
(Comment on the competitive advantages enjoyed by the unit)

16.5.1 In price and quality, how does the unit's product compare with those of its competitors

16.5.2 Is the unit selling direct to its customers? If so, please furnish details like sales force, showrooms, depots etc.

16.5.3 If a selling/distribution agency has been appointed, its name period of contract, commission payable, period by which the bills will be paid by it etc.
(enclose copies of agreement, wherever applicable)

16.7 If the unit is export oriented, please furnish exporter Code No. if allotted, and relevant details as per the following details in the preceding three years :

Code No.

Name of the Product Exported	Name of the Country Where Exported	F.O.B. Value in US \$

17. COST OF PROJECT

(Please furnish estimates of cost of project under the following heads. Indicate the basis for arriving at the cost of project.)

S.NO.	Particulars	Already Incurred	To be Incurred	Total Cost
A.	Land including Development			
B.	Building & Other Civil Works			
C.	Plant & Machinery 1) Indigenous 2) Imported			
D.	Essential Tools, Spares & Accessories			
E.	Testing Equipment			
F.	Miscellaneous Fixed Assets			
G.	Erection/Installation Charges			
H.	Preliminary Expenses			
I.	Pre-Operative Expenses			
J.	Provision for Contingencies 1.Buildings 2.Plant & Machinery 3.Other Fixed Assets			
K.	Margin for working Capital Required			
L.	Total			

18. MEANS OF FINANCING

(Please furnish details for sources of finance for meeting the cost under the following heads)

(In 000's of Rs.)

S.No	Particulars	Amount Already Incurred	Amount Proposed to be Raised	Total
A.	Capital (specify resources contributing capital)			
B.	Reserves			
C.	Term Loans (give full particulars)			
D.	Unsecured Loans and Deposits (indicate sources, rate of interest, Repayment period etc.)			
E.	Deferred payment Arrangements including Supplier's Credit			
F.	Subsidy Central Govt. State Govt.			
G.	Seed Capital (indicate sources)			
H.	Internal Cash Accruals			
I.	Other Sources (specify)			
J.	Total			

- 18.1 In case internal accruals are taken as source of finance explain the basis for estimation of Internal accruals by means of a statement.

- 18.2 Indicate sources from which expenditure already incurred has been financed
- 19.3 Promoter's contribution to the project as % of the total cost
- 20. FINANCIAL ASSISTANCE REQUIRED
 - 20.1 Rupee Loan
 - 20.2 Foreign Currency Loan
 - 20.3 Underwriting
 - 20.3.1 Equity Capital
 - 20.3.2 Preference Capital
 - 20.3.3 Debentures
 - 20.4 Guarantee of foreign currency loan/Deferred Credit
 - 20.5 Working Capital
(please furnish as per Annexure VI)
 - 20.6 Other forms of assistance
(e.g., LCs Guarantees, etc.)

21. SCHEDULE OF IMPLEMENTATION :

Please indicate the progress made so far in the implementation of the project and furnish the schedule of implementation as follows :

	<u>Date of Commencement</u>	<u>Expected Date of Completion</u>
a) Acquisition of Land		
b) Development of Land		
c) Civil works for Factory Building Machinery Foundation Administrative Building		
d) Plant & Machinery Imported Indigenous		
e) Arrangement for power		
f) Arrangement for water		
g) Erection of equipment		
h) Commissioning		
i) Initial Procurement of Raw Material		
j) Trial Runs		
k) Commercial Production		

22. FUTURE PROJECTIONS

(To be given for the next **Five** years)

22.1 Projected profitability as per Annexure III.

22.2 Projected cash flow statement as per Annexure IV.

22.3 Projected balance sheet as per Annexure V.

22.4 Working Capital Requirement as per Annexure VI.

22.5 Percentage of Cash Sales in Total Sales _____%

22.6 Period in which payment is received
in respect of credit sales _____ days

22.7 Average credit available on purchases _____ days

23 How far does the unit contribute to the establishment of ancillary units in the region.

24. Please furnish international/CIF/FOB Price of all inputs which can be imported.

25. GOVERNMENT CONSENTS

Please indicate whether the various licences/consents required for the project have been obtained from the respective authorities.

25.1 Specify any special condition attached to the licences/consents and the undertaking given by the company in connection therewith.

- 26 Repayment Programme :
- 27 Details of Securities to be Offered :
- 27.1 Primary
(working capital and term loan securities to be indicated separately)
- 27.2 Collateral (full details)
- 27.3 Details of guarantor(s)
- 27.3.1 Name
- 27.3.2 Residential Address
- 27.3.3 Occupation
(if in service, name & address of his/her employer)
- 27.3.4 Details of Movable & Immovable Property (ies) owned by him/her & other dependent family members
- 27.3.5 Details of any similar guarantee, if any, given to other institutions
- 28 Whether any Government enquiry, proceedings or prosecution has been instituted against the unit or its proprietor/partners/promoters/ directors for any offences? If so, please give details.
29. Details of pending litigation, if any, against and by the concern

30. Please Indicate whether any of the promoters or directors have at any time declared themselves as insolvent.

I/We certify that all information furnished by me/us is true; that I/We have no borrowing arrangements for the unit with any Bank except as indicated in the application; that there is no overdues/statutory dues against me/us/promoters except as indicated in the application; that no legal action has been/is being taken against me/us/promoters; that I/We shall furnish all other information that may be required by you in connection with my/our application; that this may also be exchanged by you with any agency you may deem fit and you, your representatives, representatives of the Reserve Bank of India/National Bank of Agriculture & Rural Development/Small Industries Development Bank of India/Deposit Insurance & credit Guarantee Corporation or any other agency as authorised by you, may, at any time, inspect/verify my/our assets, books of accounts, etc., in our factory/business premises as given above.

Date :

Place :

Signature of the Borrower
(Name & Designation)

Encl : Certified xerox copies of

- a) Audited Balance Sheets with Trading and Profit & Loss Account, for the last **Three Years**
- b) Memorandum and Articles of Association, Certificate for Commencement of Business in case of limited companies
- c) Income Tax, Wealth Tax Returns and assessment orders for the last **Three Years**, for the unit as well proprietor/partners/directors.
- d) Sales Tax Returns for the last **Three Years**.

BIO - DATA FORM**Details of Proprietor / Partners / Managing Partner
Promoters/Directors/Managing Director**

(Please indicate inter-relationship, if any, among the partners/directors/promoters)

(Please use separate sheet for each person)

1. Full Name :
2. Name of the Father/Husband :
3. Age :
4. Sex :
5. Whether belongs to Scheduled Castes / Scheduled Tribes/Minority Community : Yes / No
6. Are you an Ex-Serviceman : Yes / No
7. Ration Card No. and Name of the Issuing Office :
8. Passport No. :
9. Address :
Office : Telephone No.
Permanent Residence : Telephone No.
10. Academic Qualification :
11. Experience :

<u>Years</u>	<u>Employer</u>	<u>Designation</u>	<u>Last Salary Drawn</u>
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12. Functional Responsibilities in the unit
13. Capital/Loan Contribution in the unit. : At the Beginning At Present
14. Reasons for joining/establishing the unit (please mention about the motivation factors)

15. If associated as proprietor/partner/director/shareholder with concerns other than the applicant unit, please furnish following details separately for each concern by way of enclosure.

15.1 Name and address of the branch/
associates/identical concern

15.2 Activity of the concern

15.3 Functional responsibility in that concern

15.4 Capital/Loan Contribution

15.5 Name of the associate concern's
Banker and their address

15.6 Aggregate credit facilities
enjoyed by the concern

15.7 Security offered by the concern
for its borrowing

15.8 Working results of the units
for the past Three Years.

16. Personal Assets and Liabilities :

16.1 Immovable property details
like land/buildings, location, date
of acquisition, cost, present value, etc.

16.2 Other Assets

16.3 Personal Liabilities, if any.
(including guarantees/acceptances given)

17. Any other relevant information

Place :

Date :

Signature

PARTICULARS OF MACHINERY & OTHER FIXED ASSETS
DETAILS OF EXISTING FIXED ASSETS

A. Land

1. Location
2. Area
3. Whether Freehold or Leasehold
4. Purchase Price of Land if owned
5. Rent in case of leased land
6. Terms of Lease
7. Ground Rent payable per year

B. Building

1. Location
2. Whether Owned or Lease
3. Purchase Price of Building if owned
4. Rent in case of Leased/Rented Premises
5. Terms of Lease

Structure	*Type of Structure	Dimensions	Area (in sq.m)	Actual Cost (in Rs.)	Date of Erection
1.Workshop 2.Godown 3.Adminstrative 4.Other Buildings					

* (Indicate "P" if permanent)

In case the assets have been revalued or written up at any time during the existence of unit, furnish full details of such revaluation together with the reason therefore.

Particulars of Buildings Proposed to be Constructed

Serial No.	Description of each building	Type of Construction	Built up Area (in metres)			Total Floor in Sq.m	Rate of Construction	Estimated cost of each building	Expected date of completion
			Length	Breadth	Average Height				

- Note :
1. In case contract is awarded for construction of building, furnish details thereof such as name of contractor, amount of contract, etc.
 2. Other approvals from inspector of factories, drug controllers, etc., if any, should be enclosed.
 3. Please enclose a plan showing layout of machinery

Annexure - II**PARTICULARS OF MACHINERY**

S. No	Name of Machinery and specification	Second Hand/ New	Name of manufacture/ Fabricator (place of Country and origin, if imported)	Date of acquisition/ Date of Placement of order (actual/ expected)	Expected Date of Delivery	Invoice Price including tax for Indigenous Machinery/ CIF for imported Machinery	Estimated expenses o/a of insurance freight, installation, import duty	Total Cost
1.	Existing Machinery (Indigenous/ Imported)							
2.	Proposed to be acquired							
2.1	Indigenous/Imported							

1. Quotation/Catalogues/Invoice and other details in respect of each machine is to be furnished.
2. If second hand machinery, valuation report regarding age, performance and value from competent valuer to be submitted. Also please indicate reasons for going in for second hand machinery and its depreciated value.
3. In case of imported machinery, please indicate mode of payment and price of the machinery in foreign currency.
4. In case the assets have been revalued or written up at any time during the existence of unit, furnish full details of such revaluation together with the reason therefor.

PROJECTIONS OF PERFORMANCE, PROFITABILITY AND REPAYMENT

Break-even point
% of installed capacity

Break-even Quantity
Break-even Value

(Figures in 000s of Rs.)

	1st Year	2 nd Year	3 rd Year	4 th Year	5th Year
A. Production during the year (Quantity) : % utilization of installed capacity					
B. Sales					
1. Sales including all miscellaneous receipts					
2. Less Excise					
3. Net Sales					
C. Cost of Production					
1. Raw Material Consumed					
2. Power and Fuel					
3. Direct Labour and Wages					
4. Consumable Stores					
5. Repairs and maintenance					
6. Other Manufacturing Expenses					
7. Depreciation/Development Rebate Reserve					
Total Cost of Production					
8. Add Opening Stock-in-process and finished goods.					
9. Deduct Closing Stock-in-process and finished goods					
D. Cost of Sales					
E. Gross Profit (B-D)					

Annexure - III

- F. Interest on
 - 1. Term Loans
 - 2. Working Capital
 - 3. Other Loans, if any.
- G. Selling, General and Administrative Expenses
- H. Profit before Taxation (E - (F+G))
- I. Provision for Taxes
- J. Net profit (H-I)

(Figures in 000s of Rs.)

	1st Year	2nd Year	3rd Year	4th Year	5th Year
K. Depreciation added back					
L. Net Cash Accruals					
M. Repayment obligations					
1. Towards Term Loan					
2. Towards other loans, if any					
Total Repayment					

N. Debt Service Ratio (L : M)

CASH FLOW STATEMENT

(Figures in 000s of Rs.)

	Construction period	1st year	2nd year	3rd year	4th year	5th year	6th year	7th year
A. Sources of Funds								
1. Cash Accruals (viz. Net Profit before Taxation (item H of Annexure - III) to which shall be added interest (item F of Annexure III)								
2. Increase in share capital Equity/preference								
3. Depreciation								
4. Increase in long term loans/debentures.								
5. Increase in deferred payment facilities.								
6. Increase in Unsecured loans and deposit								
7. Increase in bank borrowings for working capital.								
8. Sales of Fixed assets/investments								
9. Others (specify)								
Total Sources (A)								
B. Disposition of Funds								
1. Preliminary and Pre Operative Expenses								
2. Increase in Capital Expenditure								
3. Increase in current assets								
3.1 Inventories								
3.2 Others								
4. Decrease in long term loans/debentures								
5. Decrease in Deferred Payment facilities								
6. Increase in Investments								
7. Interest								
8. Taxation								
9. Dividend (amount & rate)								
10. Other expenses (specify)								
11. Decrease in Unsecured loans/Deposits								
Total Disposition (B)								
C. Opening Balance								
D. Net Surplus (A-B)								
E. Closing Balance								

PROJECTIONS BALANCE SHEET

(Figures in 000s of Rs.)

	1st Year	2nd Year	3rd Year	4th Year	5th Year
A. LIABILITIES					
1. Equity Share Capital					
2. Reserve and Surplus					
3. Term Loans					
4. Bank Borrowings for Working Capital					
5. Other Liabilities					
Total Liabilities					
B. ASSETS					
1. Gross Block					
2. Depreciation					
3. Net Block					
4. Investment					
5. Current Assets					
6. Cash and Bank Balances					
Total Assets					

ASSESSMENT OF WORKING CAPITAL REQUIREMENTS

(Figures in 000s of Rs.)

	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year
I. Current Assets							
1. Raw Material including stores							
1.1 Imported (month's consumption)							
1.2 Indigenous (month's consumption)							
2. Other Consumable Spares							
3. Stocks-in-process (Month's Cost of Production)							
4. Finished Goods (Month's Cost of Sales)							
5. Receivables other than Export and Deferred Receivables (including Bills Purchased/Discounted by banks) (Month's Domestic Sales excluding deferred payment sales)							
6. Export Receivables (including Bills Purchased/Discounted by banks)							
7. Advances to Suppliers of Raw Materials and Stores/Spares/ Consumables							
8. Other Current Assets including Cash and Bank Balances and deferred receivables due within one year (furnish individual details of major items)							
Total Current Assets (I)							
II. Current Liabilities							
1. Creditors for Purchases of raw materials and stores/spares/ consumables/ (Month's Purchases)							
2. Advances from customers							
3. Accrued Expenses							
4. Statutory Liabilities							
5. Other Current Liabilities (furnish individual details of major items)							
Total Current Liabilities (II)							
III. Working Capital Gap (I - II)							
IV. Margin for Working Capital							
V. Bank Borrowings							

ANDHRA BANK
(A Govt. of India Undertaking)
-----**Branch**

ACKNOWLEDGEMENT

BRANCH LOAN REGISTER	Sl. No.	DATE
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We acknowledge the receipt of SSI loan application for sanction of credit facilities

From M/s / Mr / Ms.....

Address.....

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Branch Seal

Signature of the Branch Manager