

Term Loan by the National Scheduled Castes Finance and Development Corporation, New Delhi to the Gujarat Scheduled Castes Most Backward Caste Development Corporation, Gandhinagar. Guarantee of the Government of Gujarat....

Government of Gujarat,
Social Justice and Empowerment department,
Resolution No.APB/132014/703861/J
Sachivalaya, Gandhinagar.
Dated : /10/2016.

26 OCT 2016
RESOLUTION

Government of India has set up the National Scheduled Castes Finance and Development Corporation, New Delhi (NSFDC) with an object to accelerate the economic growth and development of the members of Scheduled Castes and their dependents. The said corporation assists the income generating schemes and undertakes skill improvement programs for eligible members, belongings to Scheduled Castes and their dependents. It also assists the State Scheduled Castes Development Corporation in setting up projects for the development of members of Scheduled Castes by providing seed capital and term loans to them.

The Government of Gujarat is hereby pleased to guarantee the repayment of a principal loan not exceeding **Rs. 850 lacs (Eight hundred and fifty lacs only)** and interest thereon to the National Scheduled Castes Finance and Development corporation, New Delhi in respect of the term loan sanctioned by it to the Scheduled Castes Most Backward Development Corporation, Gandhinagar for the aforesaid schemes subjects to the following conditions: -

(A) General conditions:

- 1) The rate of interest of the loan shall be 1 % to 6 % and the period of repayment of loan shall be ten (10) years.
- 2) The amount of the loan and interest shall be repayable in forty (40) equal quarterly installments (i.e. within ten years)
- 3) In case of default in repayment of loan and/or interest or any other sum by the Gujarat Scheduled Castes Most Backward Development Corporation, Gandhinagar required to be paid by the Government of Gujarat under this guarantee, such amount of loan and/or interest thereon or any sum, at such rate of

interest as may be prescribed by the Government of Gujarat shall be recoverable as arrears of land revenue.

- 4) In Gujarat Scheduled Castes Most Backward Development Corporation shall execute a guarantee Indemnity Agreement in favour of the government of Gujarat.
- 5) This guarantee is given as per the conditions laid down in the Government Resolution No. BHD/1088/5576/A, dated: 31/12/1988 of Finance Department.
- 6) The District Managers of the Gujarat Scheduled Castes Most Backward Development Corporation shall be given the target of recovery by its Managing Director.
- 7) The progress with reference to the target assigned to the District Managers shall be monitored by the Managing Director of the Gujarat Scheduled Castes Most Backward Development Corporation.
- 8) The Managing Director shall convene monthly meetings of the District Managers on regular basis to monitor the recovery.
- 9) The Gujarat Scheduled Castes Most Backward Development Corporation Shall have a monitoring cell duly equipped with computers to have regularly updated information of the borrowers pertaining to their repayment of installments of loan/interest in time.
- 10) The total information regarding the beneficiaries along with their account number, address, scheme availed etc... should be maintained in the computerized way by the Gujarat Scheduled Castes Most Backward Development Corporation.
- 11) Information regarding the loan/fund availed from NSFDC along with the repayment done to the apex corporation should be updated regularly by the Gujarat Scheduled Castes Most Backward Development Corporation in computerized manner.
- 12) The officers of the Gujarat Scheduled Castes Most Backward Development Corporation Shall be assigned the districts for monitoring the recovery.
- 13) The District Managers shall be directed to hold monthly meetings of the borrowers for educating them and for collecting the dues. The beneficiaries do not turn up at such meeting, shall be visited by the District Manager at their residents.

(B) Additional Conditions of Vehicle Finance Scheme:

- 1) The borrowers shall furnish to the Gujarat Scheduled Castes Most Backward Development Corporation post dated cheques for the installments payable by them in cases where the cheques are dishonored on their presentation in the Bank, the said Corporation shall initiate legal proceedings under section 138 of the Negotiable Instrument Act, 1958 in all such cases.

- 2) The Gujarat Scheduled Castes Most Backward Development Corporation shall ensure that the vehicles given to the beneficiaries are regularly insured till the repayment of the entire amount of the loan and interest thereon.
- 3) The loan agreement shall effectively prove for taking possession of the vehicle of the defaulting beneficiary and dispose of such vehicle after the expiry of the specific period to the beneficiary for repayment of the loan and/or interest.
- 4) An undertaking from the borrower shall be obtained by the Scheduled Castes Most Backward Development Corporation not to stop the payment of the post dated cheques given in favour of the corporation.
- 5) The guarantor shall also be served with a notice pressurize him as well as the borrower for repayment of the unpaid installments of loan and/or interest thereon. No guarantee fee shall be payable on account of execution of this guarantee as per the existing rules.

(B) Additional Conditions regarding recovery:

- 1) The Gujarat Scheduled Castes Most Backward Development Corporation shall ensure 100% recovery and has to provide certificate of 100% recovery during future demands regarding bulk guarantee.
- 2) The Gujarat Scheduled Castes Most Backward Development Corporation shall ensure to utilize 100% loan at the end of the year for the beneficiaries.

This resolution is issued with the concurrence of the Finance Department, dated:15/10/2016 on this department's file of even number.

By order and in the name of the Governor of Gujarat.

(Kamlesh Shah)

Deputy Secretary to the Government of Gujarat,
Social Justice and Empowerment Department,
Sachivalaya, Gandhinagar.

To,

- Accountant General, Ahmedabad/Rajkot.
- Director, Scheduled Castes Welfare, Dr.Jivaraj Mehta Bhavan, Gandhinagar, Gujarat.
- The Managing Director, Gujarat Scheduled Castes Most Backward Caste Development Corporation, Dr.Jivaraj Mehta Bhavan, Gandhinagar, Gujarat (5 copies).
- The Secretary to the Government of India, Ministry of Social Justice and Empowerment, Shastri Bhavan, New Delhi – 110001.
- The chairman-cum-Managing Director, National Scheduled Castes Finance and Development Corporation, 14th Floor, Scope Minar, Core 1 & 2, Laxmi Nagar District Center, Laxminagar, New Delhi – 110092 (2 copies)

- Section Officer - A Branch, Finance Department, Sachivalaya, Gandhinagar, Gujarat.
- Section Officer - DMO Branch, Finance Department, Sachivalaya, Gandhinagar, Gujarat.
- Section Officer – Computer Cell, Social Justice and Empowerment Department, Sachivalaya, Gandhinagar, Gujarat. Please upload the resolution on the department's website.
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