

Term Loan from N.B.C.F.D.C. to
Gujarat Gopalak Development
Corporation and Government
Guarantee thereto – Rs.4.50 crores

GOVERNMENT OF GUJARAT
Social Justice & Empowerment Department
Resolution No. SSP/102007/516/A.1
Sachivalaya, Gandhinagar 382 010.
Dated 27th March 2008

READ: Gujarat Gopalak Development Corporation's letter
No.GUGO/MKM/1369/ Dated 11.4.2007.

Government of India has set up National Backward Classes Finance & Development Corporation (NBCFDC) with a main object to promote economic development activities for the benefit of Backward Classes and to assist these classes in skill development and self-development ventures.

2. NBCFDC gives funds to State Channeling Agencies nominated by the State Government. As the funds so granted to SCA is required to be guaranteed, the Government of Gujarat is now pleased to offer the Block Govt. Guarantee (BGG) for the sum not exceeding Rs.4.50 crores (Rs.four cores fifty lakhs only) to cover full amount of funds and interest due thereon subject to the following conditions in respect of the term loan for various schemes approved by NBCFDC, New Delhi.

Conditions:

- (1) The rate of interest shall be from 4% to 6% p.a. as per financing pattern prescribed by NBCFDC, New Delhi from time to time.
- (2) The amount of loan and interest will be repayable in 15 equal quarterly instalments within a reasonable period but not exceeding 10 years including moratorium period.
- (3) If there is a default by the GGDC in repayment of funds and/or interest and any sum of sums are required to be paid by the Government under the guarantee given hereto, these sum or sums together with the interest thereon at such rates as may be prescribed by Government from time to time and will be recoverable as arrears of land revenue.

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- (4) The GGDC shall execute the guarantee indemnity agreement in favour of Government. This guarantee is given as per the conditions mentioned in Finance Department's G.R.No.BHD/ 1098/3764/A date the 9th December 1998 and issued from time to time.
- (5) The progress with reference to the targets assigned to the D.S.W.O. will be monitored alongwith the recovery.
- (6) The Managing Director of GGDC shall convene monthly meetings of D.S.W.O. on regular basis to monitor the recovery.
- (7) The Head Office of the Corporation will have a duly equipped hall with computer to have regularly updated information of the borrowers pertaining to their payment of instalments in time.
- (8) Officers of Head Office of Director of Developing Caste Welfare shall be assigned Districts for monitoring the recovery.
- (9) D.S. W.O. will be directed to hold monthly meetings of the borrowers for educating and for collecting the dues. Those beneficiaries who do not turn up at the meeting shall be visited at their houses.
- (10) The loan shall be strictly subjected to the various terms and conditions set out by the NBCFDC from time to time.
- (11) Guarantee fee is to be paid as per existing rules
- (12) GGDC shall ensure the technical feasibility and financial viability of the projects/ schemes.
- (13) GGDC shall furnish a copy of general loan agreement executed to NBCFDC.
- (14) GGDC shall furnish a copy of Action Plan/ Latter of Indent from NBCFDC for the current year.
- (15) GGDC shall ensure for proper and timely utilisation of loan obtained from NBCFDC.
- (16) GGDC shall disburse loan to eligible applicants.
- (17) GGDC has to ensure necessary recovery from the beneficiaries.

- (18) GGDB has to ensure proper and timely repayment of loan to NBCFDC.
- (19) GGDC has to make timely proposal for vacation of guarantee as per existing guidelines.

This order is issued with the concurrence of the Finance Department dated 26.3.2008 on this department's file of even number.

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


(Bakul Shah)

Under Secretary to the Government of Gujarat
Social Justice & Empowerment Department

To

- ✓ The Director, Developing Caste Welfare, Old Sachivalaya, Gandhinagar.
The Managing Director, Gujarat Gopalak Development Corpn. Gandhiangar (3 copies)
The Accountant General, Gujarat (2 copies) Loan-II section Ahmedabad.
The Accountant General, Gujarat, Rajkot (2 copies)
Finance Department A Branch, Sachivalaya, Gandhinagar. (2 copies)
The Managing Director, National Backward Classes Finance & Dev. Corporation, 5th floor, NCUT building 3, Siri Institutional Area, Kranti Marg, New Delhi 110 006.
The Deputy General Manager(Proj) National Backward Classes Finance & Dev. Corporation, 5th floor, NCUT building 3, Siri Institutional Area, Kranti Marg, New Delhi 110 006.
Finance branch, Social Justice & Empowerment Department Sachivalaya, Gandhinagar.
Budget branch, Social Justice & Empowerment Department, Sachivalaya, Gandhinagar.
Select file.