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Term Loan from N.S.K.F.D.C. to
G.S.C.D.C. and Govt. Guarantee
thereto

Government of Gujarat,
Social Welfare Department,
Resolution No.3CW/1098/I.74/G,
Sachivalaya, Gandhinagar

Dated the 17-10-98

- Read : (1) S.W.D.'s G.R. No. 3CW/1057/W.I.33/G
dated 21.3.98.
- (2) Letter No. Avini/S.KAMU/Loan-Guarantee/
98-99/8515 dated 17.7.98 from Scheduled
Caste Development Corporation (GSCDC).

Resolution :

Government of India has set up National Safai Karmachari Finance and Development Corporation (N.S.K.F.D.C.) with main objective of accelerating the economic growth and development of the Scavengers and their Dependents. It assists income generating schemes and undertakes skill improvement programmes of eligible members of Scavengers and their Dependents. It also assists the Gujarat Scheduled Caste Development Corporation (GSCDC) in setting up of projects for the Scavengers. It provides seed capital and term loan to State Scheduled Caste Corporations.

Government of Gujarat is pleased to guarantee payment of interest and repayment of principal loan not exceeding Rs. 500.00 lakhs (Rupees Five hundred lakhs only) subject to the following conditions in respect of the term loan for schemes from the N.S.K.F.D.C.

(A) General Conditions :

1. The rate of interest of loan shall be 4% to 6% and the period of loan will be 10 years.
2. The amount of loan and interest will be repayable in 40 equal quarterly instalments i.e. within 10 years.

..2/-

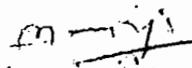
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3. If there is default by the GSCEDC in repayment of loan and payment of interest and any sum or sums are required to be paid by Government under the guarantee given hereto, these sum or sums together with the interest thereon at such rates as may be prescribed by Government and will be recoverable as arrears of land revenue.
4. The GSCEDC shall execute the guarantee indemnity agreement in favour of Government.
5. This guarantee is given as per the conditions mentioned in Finance Department's G.R. No. BMD/1088/5576/A, dated the 31st December, 1988.
6. The District Managers of GSCEDC shall be given the recovery targets by M.D. of GSCEDC.
7. The progress with reference to the targets assigned to the District Managers will be monitored the recovery.
8. The M.D. of GSCEDC shall convene monthly meetings of District Officers on regular basis to monitor the recovery.
9. The Head Office of the Corporation shall have a monitoring Cell duly equipped with computer to have regularly updated information of the borrowers pertaining to their payment of instalments in time.
10. Officers of Head Office shall be assigned Districts for monitoring the recovery.
11. District Managers 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.

(B) Additional Conditions for Vehicles Finance Scheme :

1. Presently post dated cheques are obtained from the borrowers. The GSDC shall take legal actions under Section 138 of the Negotiable Instrument Act 1988 in all such cases where cheques are dishonoured on presentation by the Corporation.
2. Corporation shall ensure that the vehicles given to the beneficiaries are regularly insured till beneficiaries pay their last instalments of loan amount.
3. Loan agreement shall effectively provide for taking possession of the vehicles of the defaulting beneficiaries and disposing of such vehicles after the expiry of the specific period granted to the beneficiaries to pay up the loan amount.
4. An undertaking from the borrower shall be obtained not to stop the payment of post-dated cheques issued in favour of the Corporation.
5. Guarantors will also be served with the notice for pressurizing them and the beneficiaries to pay to the Corporation the unpaid instalments of recovery. No guarantee fee shall be payable as per existing rules. This is issued with the concurrence of Finance Department dated 7.10.98 recorded on this Department's file of even number.

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


(A.H. DARJI)

Under Secretary to Govt. of Gujarat,
Social Welfare Department

To,

The Secretary to Govt. of India, Ministry of Social Justice and Empowerment, New Delhi.
The Managing Director, Gujarat Scheduled Caste Dev. Corpn., Gandhinagar (5 copies).
The National Safai Karmacharis Finance and Development Corporation, New Delhi 110 048 (2 copies).
The Accountant General, Gujarat (2 copies) Loan-II Section, Ahmedabad.
The Accountant General, Gujarat, Rajkot (2 copies).
Finance Department 'A' Branch, Gandhinagar, Gandhinagar (2 copies).
Select file 'G' Branch, Social Welfare Department, Gandhinagar.

J/151098/stnc1.

