

GOVERNMENT OF TAMIL NADU

ABSTRACT

Welfare of Minorities – Tamil Nadu Minorities Economic Development Corporation - Loan schemes – Sanction of Term Loan of Rs.300lakhs to Tamilnadu Minorities Economic Development Corporation by National Minorities Development and Finance Corporation, New Delhi – Financial assistance to the tune of Rs.250 lakhs for implementation of Entrepreneur Development Programme Training scheme for 1000 Muslim Youth and sanction of Training fees – Orders – Issued.

BACKWARD CLASSES, MOST BACKWARD CLASSES AND MINORITIES WELFARE DEPARTMENT

G.O.Ms.NO.53

Date:22/11/2002

Read

1. From the Managing Director, Tamilnadu Minorities Economic Development Corporation Lr.No.A3/723/2001 dt.2.11.2001 and 9.11.2001
2. Govt.D.O.Lr.No.7364/MWRU/2001-5 dt.2.11.2001 and 24.12.2001
3. From the Director of Backward Classes & Minorities Welfare Lr.No.D4/9462/01 dt.28.12.2001
4. From the Managing Director, National Minorities Development And Finance Corporation, New Delhi Lr.No.NMDFC/Proj/1/2002, dt.9.7.2002
5. From the Managing Director, Tamilnadu Minorities Economic Development Corporation, Lr.No.A3/723/2001, dt.16.9.2002.

ORDER

The National Minorities Development and Finance Corporation, New Delhi has adopted the Tamilnadu Minorities Economic Development Corporation, Chennai as a Channelising agency for providing financial assistance to Minorities for their social and economic development. The financing covers a wide range of income generating activities subject to certain specified terms and conditions like rate of interest, quantum of loan, pattern of finance, repayment schedule and so on. Loans sanctioned by the National Minorities Development and Finance Corporation to Tamilnadu Minorities Economic Development Corporation will be secured by the State Govt. Guarantee.

2. The National Minorities Development and Finance Corporation, in its letter fourth read above, has allocated Rs.300 lakhs as Term loan to Tamilnadu Minorities Economic Development Corporation for the financial year 2002-2003 for the implementation of loan schemes to the persons belonging to Minorities. The Managing Director, Tamilnadu Minorities Economic Development Corporation in his letter fifth read above has sent a proposal seeking Govt. Block Guarantee for the repayment of the above loan of Rs.300 lakhs to the National Minorities Development and Finance Corporation. In this connection, the Managing Director, Tamilnadu Minorities Economic Development Corporation has proposed to provide loan assistance to an extent of Rs.2.5 Crores to 1000 Muslim Youth at the rate of Rs.25,000/- each for self employment after giving them Entrepreneur Development Programme training.

3. The Govt. after careful consideration, permit the Tamilnadu Minorities Economic Development Corporation to obtain a term loan of Rs.250 lakhs (Rupees two hundred and fifty lakhs only) from National Minorities Development and Finance Corporation as per the following terms and conditions and to implement the scheme of providing financial assistance to 1000 Muslim Youth at the rate of Rs.25000/- per person .

i) The rate of interest for the loan repayable to National Minorities Development And Finance Corporation is 4.5%

ii) The loan amount is to be repaid by Tamilnadu Minorities Economic Development Corporation to National Minorities Development And Finance Corporation on a quarterly basis with a moratorium of 6 months for Principal and 3 months for interest

iii) The loan amounts shall be channelised through lending agencies such as Coop.Banks and Private Banks as ordered in G.O.Ms.No.118, BC & MBCW Dept., dt.14.12.98 and not directly

iv) The lending Banks shall be allowed 4 parts out of 7 parts of the 7% interest collected towards processing and administrative expenses.

v) The Sub-channelising Agencies shall provide loan assistance of Rs.25,000/- to the trained candidates within a month since the completion of the Entrepreneur Development training. If the loan amount required by the candidates is more than Rs.25,000/- the Banks may insist on collateral security as per banking norms.

vi) The loan components, rate of interest and terms of repayment shall be as follows:-

Items	National Minorities Development And Finance Corporation's Share	Tamilnadu Minorities Economic Development Corporation's Share	Individuals Contribution

a) Loan Component	85%	10%	5%
b) Rate of Interest and mode of repayment	7% For the first 2 quarters interest only and for the next 18 quarters principal and interest	13.5% For the first two quarters principal and interest	-
c) Period of repayment	20 Quarterly installments. Sub-Channelising agencies have to remit the quarterly instalments on the due dates to Tamilnadu Minorities Economic Development Corporation irrespective of whether they recover the amount or not. 5% Penal interest will be charged for delayed repayment. The Sub-channelising agency will collect the due amount from the beneficiaries either monthly or quarterly. For any default by the beneficiary the Banks can charge penal interest as per the Banking norms in addition to normal rate of interest.		

4. The Govt.also sanction a sum of Rs.3,85,000/- (Rupees three lakhs and eighty five thousand only) towards imparting 7 days EDP training to 1000 Muslim Youth at the rate of Rs.385/- per trainee for the week (stipend to trainee Rs.280 @ Rs.40/- a day + Trainer fees Rs.105/- @ Rs.15/- a day) through recognized Non-Governmental organisation by diversion of funds allocated for Job Oriented Training Schemes. The Director of Backward Classes and Minorities Welfare is requested to draw and disburse the amount to the Managing Director,Tamilnadu Minorities Economic Development Corporation. The mode of selection of candidates, Non-Governmental Organisations etc shall be as follows:-

(i) The beneficiaries viz., Muslim Youth who possess the minimum educational qualification of 8th Std.passed or failed shall be selected by utilising the services of District Employment Officers (Vocational guidance) in the districts and preference shall be given to higher qualified persons in Technical, Commercial Trades etc. Other candidates who have not registered themselves in the Employment Offices may also

be selected at the discretion of the Selection Committee. The annual income ceiling is Rs.54,500/- for urban areas and Rs.39,500 for rural areas and the candidates shall produce an Income Certificate obtained from the Taluk Office along with either a Community certificate obtained from Taluk office or the school certificate.

(ii) The training will be conducted in Vellore, Coimbatore, Tirunelveli, Tiruchirappalli, Tuticorin, Ramanathapuram and other districts where there is concentration of Muslims and Tamilnadu Minorities Economic Development Corporation will issue separate allotment orders on receipt of provisionally selected candidates.

(iii) The Collectors shall select the Non-Governmental Organisations of good rating in the field of Entrepreneur Development Programme whose services are recognized and utilised by the TamilNadu Women Development Corporation.

5. A district committee to select the trainees for the Entrepreneur Development Programme training shall be formed comprising the following officials:-

i) Regional Joint Registrar of Co-op.Societies – Chairman

ii) Dist.Backward Classes and Minorities Welfare officer – Convener

iii) General Manager ,District Industires Centre - Member

iv) M.D.,or Representative of the Concerned Bank - Member

v) Dist.Employment Officer (Vocational Guidance) - Special Invitee.

This committee shall also process the loan application and select the beneficiaries as per the norms of Tamilnadu Minorities Economic Development Corporation and National Minorities Development And Finance Corporation.

6. Orders with regard to Govt.Guarantee will be issued from Finance Department separately.

7. The Managing Director, Tamilnadu Minorities Economic Development Corporation is requested to implement the Entrepreneur Development Programme training schemes and the scheme of providing financial assistance of Rs.250 lakhs to 1000 Entrepreneur Development Programme trained Muslim Youth for self employment and to take effective steps to recover the loan amount from the beneficiaries from the Sub-channelising agencies (lending Banks) as Govt.Guarantee is involved in this scheme.

8. The expenditure sanctioned in para 4 above shall be debited to "2225 Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes – 03. Welfare of Backward Classes – 277. Education – 10th Five Year Plan – II.State Plan – KI.Job Oriented Training Courses to Backward Classes – 72.Training (DPC 2225 03 277 KI 72 00)

9. This orders issues with the concurrence of Finance Department vide its U.O.No.798/DS(TK)/2002 dt.20.11.2002.

(BY ORDER OF THE GOVERNOR)

K.S.SRIPATHI,

SECRETARY TO GOVERNMENT.

To

The Managing Director,

Tamilnadu Minorities Economic Development Corporation.,807 Anna Salai,Ch.2

The Director of Backward Classes and Minorities Welfare, Chepauk,Chennai-5.

The Spl.Commissioner and Director of Most Backward Classes

and Denotified Communities,Chepauk,Chennai-5.

The Registrar of Co-Operative Societies,

Chennai-10.(for compliance and report)

Director of Employment and Training, Chennai-5.

Director of Industries and Commerce, Chennai-5.

All Collectors.

Director of Information and

Public Relations,Chennai.

The Accountant, General, Chennai-18(By name)

The Accountant General,Chennai-35.(By name)

The Accountant General,Chennai.6 (By name)

The Finance (L & A Cell / SW) Department, Chennai-9.

Copy to:

The Managing Director,

National Minorities Development And Finance Corporation.,

1 Taimoor Nagar,Opp.D/996 New Friends

Colony,New Delhi 110 065.

Secretary to Government,

Co-Operation Food, and Consumer Protection Department, Chennai-9.

The Chairman & Managing Director,

TamilNadu Women Development Corporation, No.100, Anna Salai,Guindy,Chennai-