

default in paying back the loans, appropriate deductions can be made from their quota of Central Govt. Plan fund allocation.

- 1.8. Due to the current super cyclone situation in Orissa, guarantees should not be insisted upon. Also Orissa should be one of the States where the new system of centralised collection is to be started.

2.0. GROUP FINANCING

Currently, all the Apex Corporations resort mainly to individual financing. Emphasis should now be laid on group financing where a project will be set up with 50-100 or even more beneficiaries. It would be managed by one or two professionals from among the beneficiaries (if available) or engaged by the group to manage the commercial and financial aspect. These persons are to, inter alia, ensure the recovery payments to the SCA/Apex Corporation concerned.

- 2.1. The type of projects that could be considered are :

- (a) Water harvesting
- (b) Production Units manufacturing readily marketable goods,
- (c) Marketing organisations for selling local produce and items, such as :
  - i) Solar cookers
  - ii) Smokeless chulas
  - iii) Non-conventional energy equipment