

162
1927/Dir/T-9
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Brief Note on Implementation of Schemes for Welfare of S/C & S/T sponsored by NSFDC/NMDFC

The A & N Admin has been corresponding with the Corporation for some times in the past. The stand taken by the A & N Admin. has been clarified in a letter from the Chief Secretary of A&N Admn. addressed to the CMD of NSFDC during 1997 (Annexure I). The response from the Corporation is awaited. The constraints in implementation are:

- (i) The ANIIDCO is the channelising agency and the actual identification, motivation and facilitation of the beneficiaries are to be done by Department of Social & Tribal Welfares/ District authorities by ensuring that the activities sponsored are not in conflict with the statutory provisions governing the Tribals.
- (ii) The Administration has to identify the beneficiaries living below the double the poverty line.
- (iii) Board of Directors ANIIDCO has desired that Govt. Guarantee & Govt. Grant be provided as a precondition to the implementation of these schemes.
- (iv) The required Govt. guarantee as per guidelines is yet to be provided to the channelising agency by the A & N Admin. Being Union Territory A&N Administration does not have its own contingency fund therefore the Administration has approached the Ministry of Social Justice and Empowerment, Govt. of India for authorization in this regard. The response from Gol is still awaited. (Annex.II)
- (v) As a SFC ANIIDCO can extend financial assistance to only industrial concerns defined in the SFC Act. The ANIIDCO will not get legal protection under SFC Act for non industrial loans.
- (vi) ANIIDCO has to make repayment irrespective of recovery from beneficiaries and it was felt that Corporation might consider implementing the scheme only if they agree for repayment based on actual recovery from beneficiaries. No reply has been received.
- (vii) The Corporation is already implementing the loan scheme under which term loan is extended at 7% interest and working capital at 10% for setting up of industrial units up to a maximum loan of Rs.5 lakhs. It is therefore felt that there may be hardly any application for loan under the above Schemes.
- (viii) Recovery of loan under the above schemes by other States is poor and margin being offered by the above Corporations may not be sufficient to recover the administrative cost for implementing the scheme in these areas. In this regard consent of A&N Admn for regular financial assistance for setting up a separate Cell in the lines of Khadi board is still awaited.

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Res (P) 12