

b) **Submission of Progress Reports**

Progress Reports are to be submitted by channelising agencies, as per NSFDC's prescribed format, within 210 days from the date of release of funds by NSFDC, failing which interest @10% p.a. shall be charged in lieu of normal rate of interest applicable for the scheme, for the delayed period of submission of progress reports or for a period of one year whichever is higher. In case progress reports indicating even timely utilisation of funds are submitted after the expiry of 210 days, in such cases also, interest @ 10% p.a. shall be charged on the above lines.

c) **Recall of Funds**

Funds shall be recalled from the SCAs in case same are not utilised within a period of one year from the date of its release by NSFDC, subject to charge of enhanced rate of interest @ 10% p.a.

9) **LIQUIDITY DAMAGES ON DEFAULTED PAYMENTS**

NSFDC Seed Capital Assistance / loans and interest charges etc. thereon are to be paid as per repayment schedules. Defaulted repayments shall attract liquidity damages @ 4% p.a. over and above normal interest rate, services charges etc. applicable on the dues.

10) **SECURITY**

- i) Channelising agencies shall provide State Govt. Guarantee/bank guarantee to NSFDC for the funds sanctioned to them.
- ii) For Seed Capital Assistance provided through SFCs, security shall be the same as stipulated by SFCs for their term loan.
- iii) Channelising Agencies may endeavour to provide block State Government Guarantee for covering their funds requirement, from NSFDC for a period of 2 to 3 years; so as to avoid repetitive work in seeking project-wise State Govt. Guarantee.