



CIN: U93000DL1989NPL034967



नेशनल शेड्यूलड कास्ट्स फाइनेंस एंड डेवलपमेंट कार्पोरेशन
(भारत सरकार का उपक्रम)
National Scheduled Castes Finance and Development Corporation
(A Govt. of India Undertaking)

No. NSFDC/PROJ/MAH/SLASDC/23-24/e80708(1to3)/ 3396

Date: 12th December, 2023

The Managing Director
Sahityaratna Lokshahir Anna Bhau Sathe
Development Corporation Ltd.
New Administration Building No.2,
3rd Floor, Ramkrushana Chemburkar Marg,
Chembur (East), Mumbai - 400 071.
Maharashtra.

LETTER OF INTENT

Sub: Sanction of Term Loan Assistance of Rs.8125.00 lakhs for 3500 units to Sahityaratna Lokshahir Anna Bhau Sathe Development Corporation Ltd. (SLASDC) for providing financial assistance towards implementation of NSFDC Schemes in the State of Maharashtra.

Sir,

This has reference to your application and subsequent correspondence your Corporation had with us for financing the NSFDC schemes. In this connection, we are pleased to inform you that your application has been considered by the National Scheduled Castes Finance and Development Corporation (hereinafter referred to as NSFDC). NSFDC is agreeable, in principle, to sanction a loan assistance of **Rs.81.25 Crore (Rupees Eighty One Crores and Twenty five lakh only)** for implementation of following NSFDC Schemes (3500 units) in the State of Maharashtra:

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(Rs. In Lakhs)

Sl. No.	Name of the Scheme	Project File No.	No. of Units	NSFDC Share (per unit)	NSFDC Amount Total Share	Margin Money (Share)	Subsidy	Benf. Share (5%)	Total Amount
1.	Suvidha Loan (Unit cost up to Rs.5.00 Lakhs)	E80708/1-7652	1500	3.75	5625.00	1350.00	150.00	375.00	7500.00
2.	Micro Credit Finance - MCF (Unit cost up to Rs.1.40 Lakhs)	E80708/2-7653	1000	1.25	1250.00	0.00	100.00	50.00	1400.00
3.	Mahila Samridhhi Yojana - MSY (Unit cost up to Rs.1.40 Lakhs)	E80708/3-7654	1000	1.25	1250.00	0.00	100.00	50.00	1400.00
	Total		3,500	-	8125.00	1350.00	350.00	475.00	10300.00

2. The loan shall be subject to the special and standard terms & conditions set out in PART A & B of the Appendix to this letter, which is deemed as part of the Letter of Intent, in addition to the normal terms & conditions specified in the loan agreement executed by you. The above loan is also subject to such additional terms and conditions as may be stipulated by NSFDC.

3. In case if all the terms and conditions laid down in the Appendix are acceptable to you, the duplicate copy of this letter alongwith Appendix may please be signed by an authorised signatory of your Corporation and returned to us within 90 days from the date of this letter. All pages of the letter and Appendix are required to be signed and stamped.

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4. Your Corporation shall give an undertaking that all the terms and conditions contained in the Letter of Intent and elsewhere in this letter shall be complied within 6 months from the date of the letter in the form and manner as may be required by NSFDC.

5. Notwithstanding the acceptance of the terms and conditions of this letter and execution of the loan agreement and other documents, if positive steps are not taken by your Corporation to commence physical implementation of the project, this Letter of Intent will lapse at the end of 6 months from the date of this letter unless, on application, the sanction is revived by NSFDC.

6. Please note that this communication should not be construed as giving rise to any binding obligation on the part of NSFDC unless you communicate your acceptance in the manner mentioned above and unless required documents are executed/furnished by you in such manner as may be required by NSFDC.

7. It may be noted that disbursement of funds by NSFDC against this sanction shall be subject to fulfilling prudential norms by your Corporation.

8. **As per Section 7 of the Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016, the SCA shall ensure disbursement of funds by digital means i.e. through NEFT/RTGS only, to the respective Aadhaar linked bank account of the beneficiaries and/or third party. The same shall be reported while submitting utilization in the prescribed format.**

Thanking you,

Yours sincerely,



(C. RAMESH RAO)
CHIEF GENERAL MANAGER

Encl:

- 1) PART A (1 to 3) : Terms & Conditions (04-06 Pages)
- 2) PART B : Standard Conditions (07-11 Pages)

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No.NSFDC/PROJ/MAH/SLASDC/SL/e80708(1)-7652/

TERMS AND CONDITIONS FOR SANCTION OF SUVIDHA LOAN (SL) ASSISTANCE OF RS.5625.00 LAKHS TO SAHITYARATNA LOKSHAHIR ANNA BHAU SATHE DEVELOPMNT CORPORATION (SLASDC) FOR IMPLEMENTATION OF SL (1500 Units) IN THE STATE OF MAHARASHTRA

PART-A**PROJECT DETAILS**

(Rs in lakhs)

1	Amount of Loan	Rs.5625.00 lakhs		
2	No. of Units	1500		
3	Purpose of Loan	FOR FINANCING SUVIDHA LOAN (SL)		
4	Cost of Project/Purpose of Loan	Components of Cost of Project up to Rs.5.00 lakh such as Fixed Assets, Equipments, Working Capitals etc. to be decided by the SCA based on the requirements and locations of the business activities and capabilities of the beneficiaries to manage the units.		
* As per Part -B Standard Conditions Clause No.12				
5	Means of Finance	Per Unit	%age	1500 Units Total
	i) MML (SLASDC)	0.90	18.00%	1350.00
	ii) NSFDC Share	3.75	75.00%	5625.00
	iii) Subsidy (SLASDC)	0.10	2.00%	150.00
	iii) Promotor Contirbution	0.25	5.00%	375.00
	Total	5.00	100.00%	7500.00
6	Interest	4% p.a. chargeable to channelising agency and it may charge upto 8% p.a. from the beneficiaries.		
7	Repayment	The entire loan shall be repaid in 20 Quarterly Instalments i.e. 31 st March, 30 th June, 30 th September and 31 st December every year.		
8	Utilisation Period	90 days from the date of disbursement.		
9	Moratorium Period	90 days after completion of utilisation period. However, no moratorium is allowed for payment of interest.		
10	No. of SC beneficiaries	Rural		Urban
		Male	Female	Total
		450	300	1500
11	Guarntee/Security	NSFDC term loan assistance shall be secured by State Government Guarantee.		
12	Annual Income	The Scheme shall cover beneficiaries having annual family income upto Rs.3.00 lakh.		

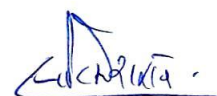
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No.NSFDC/PROJ/MAH/SLASDC/MCF/e80708(2)-7653/

TERMS AND CONDITIONS FOR SANCTION OF MICRO CREDIT FINANCE (MCF) ASSISTANCE OF RS.1250.00 LAKHS TO SAHITYARATNA LOKSHAHIR ANNA BHAU SATHE DEVELOPMNT CORPORATION (SLASDC) FOR IMPLEMENTATION OF MCF (1000 Units) IN THE STATE OF MAHARASHTRA**PART-A****PROJECT DETAILS****(Rs in lakhs)**

1	Amount of Loan	Rs.1250.00 lakhs		
2	No. of Units	1000		
3	Purpose of Loan	FOR FINANCING MICRO CREDIT FINANCE (MCF)		
4	Cost of Project/Purpose of Loan	Components of Cost of Project up to Rs.1.40 lakh such as Fixed Assets, Equipments, Working Capitals etc. to be decided by the SCA based on the requirements and locations of the business activities and capabilities of the beneficiaries to manage the units.		
5	Means of Finance	Per Unit	%age	1000 Units Total
	i) MML (SLASDC)	0.00	0.00%	0.00
	ii) NSFDC Share	1.25	89.29%	1250.00
	iii) Subsidy (SLASDC)	0.10	7.14%	100.00
	iii) Promotor Contirbution	0.05	3.57%	50.00
	Total	1.40	100.00%	1400.00
		*As per Part -B Standard Conditions Clause No.12		
6	Interest	2.50% p.a. chargeable to channelising agency and it may charge upto 6.50% p.a. from the beneficiaries.		
7	Repayment	The entire loan shall be repaid in 12 Quarterly Instalments i.e. 31 st March, 30 th June, 30 th September and 31 st December every year.		
8	Utilisation Period	90 days from the date of disbursement.		
9	Moratorium Period	3 months after completion of utilisation period. However, no moratorium is allowed for payment of interest.		
10	No. of SC beneficiaries	Rural		Urban
		Male	Female	Male
		300	200	300
				Female
				200
				Total
				1000
11	Guarntee/Security	NSFDC term loan assistance shall be secured by State Government Guarantee.		
12	Annual Income	The Scheme shall cover beneficiaries having annual family income upto Rs.3.00 lakh.		



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No.NSFDC/PROJ/MAH/SLASDC/MSY/e80708(3)-7654/

TERMS AND CONDITIONS FOR SANCTION OF MAHILA SAMRIDDHI YOJANA (MSY) ASSISTANCE OF RS.1250.00 LAKHS TO SAHITYARATNA LOKSHAHIR ANNA BHAU SATHE DEVELOPMNT CORPORATION (SLASDC) FOR IMPLEMENTATION OF MSY (1000 Units) IN THE STATE OF MAHARASHTRA

PART-A

PROJECT DETAILS		(Rs in lakhs)				
1	Amount of Loan	Rs.1250.00 lakhs				
2	No. of Units	1000				
3	Purpose of Loan	FOR FINANCING MAHILA SAMRIDDHI YOJANA (MSY)				
4	Cost of Project/Purpose of Loan	Components of Cost of Project upto Rs.1.40 lakh such as Fixed Assets, Equipments, Working Capitals etc. to be decided by the SCA based on the requirements and locations of the business activities and capabilities of the beneficiaries to manage the units.				
5	Means of Finance	Per Unit	%age	1000 Units Total		
	i) MML (SLASDC)	0.00	0.00%	0.00		
	ii) NSFDC Share	1.25	89.29%	1250.00		
	iii) Subsidy (SLASDC)	0.10	7.14%	100.00		
	iii) Promotor Contirbution	0.05	3.57%	50.00		
	Total	1.40	100.00%	1400.00		
		* As per Part -B Standard Conditions Clause No.12				
6	Interest	2% p.a. chargeable to channelising agency and it may charge upto 6% p.a. from the beneficiaries.				
7	Repayment	The entire loan shall be repaid in 12 Quarterly Instalments i.e. 31 st March, 30 th June, 30 th September and 31 st December every year.				
8	Utilisation Period	90 days from the date of disbursement.				
9	Moratorium Period	3 months after completion of utilisation period. However, no moratorium is allowed for payment of interest.				
10	No. of SC beneficiaries	Rural		Urban		Total
		Male	Female	Male	Female	
		0	500	0	500	1000
11	Guarntee/Security	NSFDC term loan assistance shall be secured by State Government Guarantee.				
12	Annual Income	The Scheme shall cover beneficiaries having annual family income upto Rs.3.00 lakh.				



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STANDARD CONDITIONS

1. For any change in the parameters and terms and conditions of the scheme, prior approval of NSFDC shall be obtained by the Channelising Agency.
2. The Channelising Agency shall ensure that beneficiaries are selected strictly as per the eligibility criteria of NSFDC.
3. The Channelising Agency shall ensure effective monitoring and periodic flow of information to NSFDC relating to progress/implementation of this scheme during the currency of the loan.
4. Cost over-run, if any, in the scheme shall be borne by the Channelising Agency to the satisfaction of NSFDC.
5. The Channelising agency shall form a Project Implementation Committee for monitoring the implementation of the project where NSFDC's nominee would invariably be included.
6. NSFDC funds released by the Channelising Agency to the beneficiaries or advanced towards procurement of assets under the projects shall alone be considered as funds utilised. However, funds transferred by the Channelising Agency to its Branch/District Offices, are not considered as funds utilised.
7. Project Assets will be comprehensively insured for full value against all the risks including the riot risk in joint name of SCA and the beneficiaries at their own cost.
8. Need based funds would be released to a maximum of NSFDC share or proportionately, if cost of project is lower than the sanctioned amount. The excess amount shall be refunded by the SCA to NSFDC.
9. The beneficiaries should not be in possession of any other unit. An undertaking to this effect should be obtained from the beneficiaries.
10. The unit shall not be transferred/or given on hire to others to operate the same during the pendency of loan.
11. Excise rebate as per Govt. notification, if any, shall be availed within 3 months of delivery and the same shall be utilized to adjust the share of funding agencies proportionately.
12. SCA shall provide subsidy, if any, as per PM-AJAY Scheme guidelines conveyed vide MOSJ&E, GOI letter no. 11014/452020-SCD-II(SCA to SCSP) dated 06-06-2022 addressed to Principal Secretaries/Secretaries/ Incharge of Social Welfare/Scheduled Castes Welfare Department.

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HRI on Refund

13. Higher Rate of Interest @ 4% over and above normal interest on funds unutilized and refunded in to (either directly or through repayment by way of quarterly instalments) shall be applicable.
14. NSFDC funds refunded unutilised by the SCA even within 120 days shall attract the same Higher Rate of Interest as indicated above.
15. In no case the Higher Rate of Interest charged by NSFDC will be levied subsequently by the Channelising Agency from the beneficiaries.
16. The SCAs shall send scheme-wise Quarterly Progress Reports within 180 days from the date of disbursement. The Quarterly Progress Reports must reach NSFDC within 10 days from the close of each Quarter.

17. **RECALL OF THE UNUTILISED FUNDS**

Without in any manner diluting the responsibility of the SCAs to utilise the funds within the aforesaid period of 120 (one hundred twenty) days and without prejudice to SCA liability to pay interest as stipulated in the Lending Policy, NSFDC may also issue Recall Notices for the amounts lying unutilised with the SCAs beyond 180 days from the date of disbursement by NSFDC, and it shall be the duty of the SCAs concerned to forthwith comply with the Recall Notice, failing which, without prejudice to any other rights available to NSFDC, NSFDC shall be entitled to withhold disbursement of any further funds to the defaulting SCAs.

18. **INTEREST ON DEFAULTED PAYMENTS**

Defaults in the repayment of NSFDC dues (principal as well as interest), beyond the stipulated / agreed dates of repayment, shall attract further interest @ 2% p.a. over and above the normal rates of interest applicable on the dues.

It would be levied on accrual basis quarterly through a separate demand.

However, no interest on defaulted payments shall be levied if the repayment to NSFDC as at the end of preceding financial year is 90% or more.

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19. **APPROPRIATION OF REPAYMENTS**

Notwithstanding any contrary directions or instructions, in writing or otherwise from the SCAs, NSFDC shall be entitled to appropriate the repayment received from the SCAs, first towards the interest and then towards the principal amount outstanding for the longest period, without any prior intimation to the SCAs.

20. **SECURITY**

SCAs shall provide Government Guarantee/Bank Guarantee issued by a Nationalized Bank to the NSFDC for the funds sanctioned to them, preferably as Block Guarantee. Government Assurance shall be taken into account only in the year of issue and will not be taken into account after the end of the financial year for further release of funds, unless converted into Government Order or Government Guarantee Deed/Bank Guarantee issued by a Nationalized Bank. NSFDC shall be free, without in any manner being obliged to do so, to call upon the concerned Government / invoke the Guarantee from time to time, for recovery of its outstanding dues.

21. **NOTIONAL ALLOCATION OF NSFDC FUNDS TO BE DISBURSED TO CHANNELISING AGENCIES**

(i) At the beginning of the each financial year, NSFDC shall notionally allocate funds to the SCAs, in proportion to the Scheduled Castes population of the country represented by the respective State/UT Administration. The SCAs are, in turn, required to further make district-wise allocation in accordance with the same principle.

(ii) The status of Notional Allocation vis-à-vis Actual for each financial year, shall be reviewed by on quarterly basis, by 10th of subsequent months, and in case allocated funds have not been availed by any SCA, the funds earmarked for the SCA may be re-allocated to other State(s)/UT(s)

22. NSFDC shall have the right to appoint at least one nominee Director on the Board of Channelising Agency. The Channelising Agency shall make necessary provision for the same in their bye-laws.

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23. **DISBURSEMENT OF FUNDS**

Funds for the sanctioned projects/schemes are released by NSFDC and are generally subject to:

- (i) A written requisition by the SCA(s) for release of funds for the implementation of the scheme.
- (ii) Arrangement of State Government Guarantee Deed/Government Order/Government Assurance/Bank Guarantee issued by a Nationalised Bank.
- (iii) The SCA shall confirm in writing that the sanctioned schemes have been widely publicized and beneficiaries selection is in progress and is likely to be completed in time.
- (iv) Submission of Accepted Copy of 'Letter of Intent' (LOI), duly signed on all the pages by an authorised representative of the SCA(s), in token of acceptance of all terms and conditions contained in the LOI.
- (v) Submission of satisfactory status of overall/scheme-wise utilisation of funds (as per prescribed format), already released by NSFDC i.e. overall cumulative utilization %age should not be less than 80% at the end of preceding month for disbursement of funds till February end. However, utilization level of 80% may be considered at the end of preceding day for disbursement of funds in the month of March.
- (vi) Satisfactory level of repayment of dues of NSFDC (over dues payable to the NSFDC should not be outstanding more than one year at the end of the preceding financial year).
- (vii) Tying up of Subsidy, Margin Money Loan and Promoter's Contribution etc. by the Channelising Agency.
- (viii) Disbursement for Transport Sector Schemes will be subject to receipt of quotation(s) of the vehicle & will be restricted to the amount of quotation or sanction whichever is lower at the time of disbursement.
- (ix) Identification of Assets and Suppliers as per selected/proposed beneficiary's choice and in conformity to the terms and conditions of sanction.

24. The State Channelising Agencies shall avail disbursements under sanctioned schemes in maximum three instalments within a period of one year from the date of sanction and remaining units/funds, if any, shall be treated as cancelled and the schemes shall be closed at the existing level of implementation.

25. Advertisements for the scheme should carry the message that NSFDC is one of the financiers of the scheme.

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26. Channelising Agency should ensure that prior to sanction of financial assistance to beneficiary(ies), the names of legal heir(s) of the beneficiary(ies) are obtained so that assets/liabilities are taken over by legal heir(s) in the event of death of the beneficiary(ies).
27. The Channelising Agency shall also comply with special conditions stipulated in 'Letter of Intent' (LOI) and any other condition(s) that the Chairman-cum-Managing Director of NSFDC may deem fit to stipulate during the currency of the loan.
28. Separate Books of Accounts shall be maintained for loan assistance received under Term Loan Scheme by the SCA(s).
29. General Loan Agreement executed between NSFDC & SCA and State Government Guarantee Deed/Government Order/Guarantee Assurance/Bank Guarantee issued by a Nationalized Bank provided to NSFDC shall cover the financial assistance to be provided by NSFDC under the scheme.
30. The second time loan may be considered for eligible SC beneficiaries, if they have availed first time loan under any of the NSFDC Scheme. The second time loan will be subject to:
 - (a) Full repayment of the earlier loan, and
 - (b) Certification of actual assets creation through first loan and successful running of the business by the SCAs/CAs.
31. The verification of eligibility criteria shall be the sole responsibility of the SCAs. NSFDC shall, however, be entitled to re-verify the eligibility of the applicants, if it so desires.
32. **For Transport Sector:**
 - Attested copy of the valid driving license of the person who will actually drive the vehicle may be obtained prior to release of loan from NSFDC.
 - SCA Shall purchase/allow the purchase of vehicle/Model as per choice of beneficiaries and dealership is chosen by State Corporation on the basis of location jurisdiction.

