

PROCEEDINGS OF GOVERNMENT OF KARNATAKA



Sub: Extending Government Guarantee to Dr.B.R. Ambedkar Development Corporation/ Karnataka Scheduled Tribes Development Corporation

READ: Letter No.2158/ dated:10-03-06 from the Managing Director, Dr.B.R.Ambedkar Development Corporation, Bangalore

PREAMBLE:

The Dr.B.R.Ambedkar Development Corporation is drawing term loans from the National Scheduled Castes Finance and Development Corporation (NSCFDC), National Scheduled Tribes Finance and Development Corporation (NSTFDC), and National Safai Karmacharis Finance and Development Corporation (NSKFDC), at lower interest rates. These National Corporations will consider release of funds on term loans to the State Corporations, only if Government stands as guarantor for the loans raised by them. So far, Government has sanctioned Government Guarantee of Rs.65.00 crores to Dr. B.R. Ambedkar Development Corporation, for borrowings from said National Finance Development Corporations. As the National SC/ST Finance and Development Corporation (NSCSTF&DC) has been bifurcated into two Corporations namely; "National Scheduled Castes Finance and Development Corporation" and "National Scheduled Tribes Finance and Development Corporation", the Government Guarantee issued by the State Government for the erstwhile NSCSTF&DC has been formally bifurcated and distributed to the concerned Corporations. Now the bifurcated amount of Government Guarantee given Corporation-wise is Rs.48.58 crores to NSCFDC; Rs.8.00 crores to NSTFDC and Rs.8.42 crores to NSKFDC respectively.

Dr.B.R.Ambedkar Development Corporation, Bangalore had requested the State Government to release Government Guarantee to the extent of Rs.30.72 crores in the letter dated:10-03-2006 as read above.

MD-1826  
13/9/07

SN(F)

18/9



Consequent upon the creation of new Karnataka Scheduled Tribes Development Corporation, (KSTDC) in the State of Karnataka to look after the schemes exclusively meant for Scheduled Tribes, Dr. B.R. Ambedkar Development Corporation is left only with the implementation of the schemes meant for scheduled castes. As a result of it, the term loans raised by Dr. B.R. Ambedkar Development Corporation from NSTFDC has to be transferred to the new corporation including the repayment obligation of the outstanding amount both principle and interest. Henceforth KSTDC will have to be designated as the channelising agency of the NSTFDC. The Government has decided to stand Guarantee on behalf of Dr.B.R.Ambedkar Development Corporation to an extent of Rs.13.63 crores to NSCFDC; Rs.1.50 crores to NSKFDC and Rs.3.49 crores on behalf of the KSTDC to NSTFDC. Hence the following order: -

**GOVERNMENT ORDER NO: SWD 83 SDC 04  
BANGALORE, DATED:04-09-2007**

In the circumstances, explained in the preamble sanction is accorded to extend the Government Guarantee as follows:-

- a) Rs.13.63 crores (Rupees Thirteen crores and Sixty three lakhs only) to National S.C. Finance and Development Corporation and Rs.1.50 crores (Rupees One crore and fifty lakhs only) to National Safai Karmachari Development Corporation on behalf of Dr. B.R. Ambedkar Development Corporation Ltd., Bangalore.
- b) to extend Government Guarantee of Rs.3.49 crores (rupees three crores and forty nine lakhs only) to National S.T. Finance and Development Corporation on behalf of the Karnataka Scheduled Tribes Development Corporation, Bangalore.

The said Corporations shall have to pay Guarantee Commission at the rate of 1% as per Section 5 of the Karnataka Government Guarantee Limitation Act 1999.

The Commissioner for Social Welfare and Director, S. T. Welfare shall



issue demand notices and watch the payment by of Guarantee Commission on due dates by the Dr.B.R.Ambedkar Development Corporation and Karnataka Scheduled Tribes Development Corporation respectively. They shall maintain a Register in the prescribed proforma. The Guarantee Commission shall be calculated at the actual balance of Principle and interest outstanding at the end of each month and has to be paid once in 6 months after the date of guarantee.

Under any circumstances, the drawls should not exceed the Guarantee extended by the Government so far.

KSTDC is designated as the channelising agency of the NSTFDC in respect of the Scheduled Tribes schemes. Dr.B.R.Ambedkar Development Corporation shall transfer the outstanding loans obtained by them from NSTFDC including the obligation of repayment of the loans, interest and drawl of fresh loans to the KSTDC.

By Order and in the Name of the  
Governor of Karnataka

(H. Shekharappa)

Under Secretary to Government-1  
Social Welfare Department.

To:

- 1) The Accountant General (Audit-II), Karnataka, Revenue Audit wing, Coffee Board Building, 1<sup>st</sup> Floor, Dr.Ambedkar Veedi, Bangalore-01
- 2) Commissioner, Social Welfare Department, Bangalore
- 3) The Director, Scheduled Tribes Welfare Department, Bangalore
- 4) The Managing Director, Dr.B.R.Ambedkar Development Corporation, Bangalore
- 5) The Managing Director, Karnataka Scheduled Tribes Development Corporation, Bangalore
- 6) The Managing Director, National Scheduled Castes Finance and Development Corporation, 14<sup>th</sup> Floor, Scope Minar, Core 1 & 2 Lakshminagar, New Delhi-110092
- 7) The Managing Director, National Scheduled Tribes Finance and Development Corporation, NBCC tower, 5<sup>th</sup> Floor, Bhikaji Cama, place, New Delhi-110066
- 8) The Managing Director, National Safai Karmacharis Finance and Development Corporation, B-2, 1<sup>st</sup> Floor, Greater Kailash Enclave, Part II, (Savitri Crossing) New Delhi-110148
- 9) P.S. to Chief Secretary to Government (Cabinet), Vidhana Soudha, Bangalore - with reference to Case No. C 396/2007
- 10) The Under Secretary to Govt., Finance Department (Exp-3 & 9)
- 11) P.S. to Principal Secretary to Government, Social Welfare Department, Bangalore
- 12) P.A. to Deputy Secretary-1 to Government, Social Welfare Department, Bangalore
- 13) S.G.F/Spare Copies



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**PROCEEDINGS OF GOVERNMENT OF KARNATAKA**

Sub: Sanction of Government Guarantee to the Karnataka SC/ST Development Corporation-reg.,

Read: 1. G.O.No.SWD 87 SDC 02 dated 27-03-2003.  
2. Letter No.KSCTDC/Government Guarantee 2003-04/3435  
Dated 06-06-2003.

**Preamble:**

Sanction has been accorded to extend Government Guarantee to an extent of Rs.3.00 crores to the Karnataka SC/ST Development Corporation towards the loan SC/ST Corporation raised from the National Corporations subject to payment of 1% guarantee commission vide G.O dated 27/03/2003 cited at ref (1).

The Managing Director, Karnataka SC/ST Development Corporation vide his letter cited at 2 above has requested the Government to provide government guarantee of Rs. 42.72 crores in order to raise loans from the following three corporations.

	<u>Amount(Rs.in Crores)</u>
1. National Scheduled Caste Finance and Development Corporation	28.13
2. National Scheduled Tribe Finance Development Corporation.	5.30
3. National Safai Karmachari Finance and Scheduled Tribe Development Corporation.	9.29

Rs. 42.72

which would cover 30,114 beneficiaries and also informed government that the requirement of loan have been worked out pragmatically on the basis of its actual requirements.

In addition to the direct loan Schemes, the Corporation is raising loans to met the loan component required for Individual Irrigation Borewell Scheme, Land purchase Scheme. Safai Karmacharies Rehabilitation Programme etc.,

**G.O order No. SWD 87 SDC 02 Bangalore, Dated,13-10-2003.**

In the circumstances explained in the preamble, sanction is accorded to extend government guarantee of Rs.7.00 crores (Rupees Seven e. only to National Scheduled Caste Finance Development Corporation, B



crores (Two Crores) to National Scheduled Tribe Finance and Development Corporation and Rs.3.00 crores (Three crores) to National Safai Karmachari Finance & Development Corporation, New Delhi, to the Karnataka Scheduled Caste and Scheduled Tribe Development Corporation towards raising loan from the National corporations subject to payment of 1% guarantee commission required under section 5 of the Karnataka Government Guarantee Limitation Act 1999.

This order is issued with the concurrence of vide F.D U.O Note No.FD 1553/exp-3/on dated 24-09-2003.

By order and in the Name of the  
Governor of Karnataka.

*M.S. Marulasiddhaiah*  
(M.S. Marulasiddhaiah)

Under Secretary to Government,  
Social Welfare Department.

To,

- The Accountant General Karnataka Bangalore(Audit and Accounts)
1. The Managing Director, National Scheduled Caste Finance and Development Corporation New Delhi.
2. The Managing Director, National Scheduled Tribe Finance and Development Corporation. New Delhi.
3. The Managing Director, National ,Safai karmacharies Finance and Development corporation, New Delhi.
4. The Commissioner, Social Welfare Department, Bangalore.
5. The Managing Director SC/ST Development Corporation, Bangalore.
6. The State Trasury Bangalore.
7. Under Secretary Finance Department (Investment)
8. P.A to Principal Secretary/Deputy Secretary Social Welfare Department, for information
9. Section guard file.



PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub:- Sanction of Government guarantee to the Karnataka  
Scheduled Castes and Scheduled Tribes Development  
Corporation -reg.

-:-:-  
READ: Letter No.KSCTDC/Accts/GGMCS/2002-03, dt.08-04-2002, received from the  
Managing Director, Karnataka SC/ST Development Corporation, Bangalore.

PREAMBLE: The Karnataka Scheduled Castes and Scheduled Tribes Development Corporation is implementing the scheme of the National Scheduled Castes and Scheduled Tribes Finance and Development Corporation and also the National safai Karmacharies

Finance and Development Corporation. Vide G.O.NO.SWD 346 SAD 96 dated 15-10-1999 government have extended government guarantee to the extent of Rs.50.00 crores to the Karnataka SC/ST Development Corporation Rs.45.00 crores towards raising loans from the National SC/ST Finance and Development Corporation and Rs.5.00 crores towards loan from National Safai Karmacharies Finance and Development Corporation for implementation of the schemes of the Corporation.

The Managing Director has sent a proposal to Government seeking government Guarantee for Rs.50.00 crores in order to raise loan from the National Corporations under various schemes. He has stated that due to insufficient budgetary allocation from the state Government the Corporation with a view to augment its financial resources, corporation has been borrowings loans from National SC/ST Finance and Development Corporation and National Safai Karmacharies Finance and Development Corporation. Both these Corporations are Government of India undertakings formed exclusively to grant loans to state channelising agencies at soft terms exclusively for the benefit of SC and STs.

He has further stated that the corporation has so far availed loans to the extent of Rs.7484.83 lakhs from National SC Finance and Development Corporation and Rs. 237.35 lakhs from National Scheduled Tribe Finance and Development Corporation. So far an amount of Rs.2806.53 lakhs and Rs.623.15lakhs have been repaid towards principal and interest respectively To National Scheduled Caste and Scheduled Tribes Finance and Development Corporation, the total amount outstanding for repayment is Rs.4292.50 lakhs.

The National Scheduled Castes and Scheduled Tribes Finance and Development Corporation has launched a scheme called Micro Credit Finance, the purpose of the scheme is to lend small loans to the poorest of poor targeted groups for low investment oriented income generating economic activities. The loans are normally given to unskilled at cheaper rate of interest with a view to liberating them from the clutches of the money lenders, the schemes also assures immediate returns. It is in this background he has requested the Government to extend government guarantees for Rs. 50.00 crores, the corporation will take necessary steps to release the loans to the eligible beneficiaries and take prompt action to repay the loans to the SC/ST Finance and Development Corporation.



GOVERNMENT ORDER NO. SWD 87 SDC 2002 BANGALORE. Dated: 27-03-2003

2003

In the circumstances explained in the preamble, sanction is accorded to extend government guarantee to an extent of Rs.3.00 crores (Rupees Three crores only) to the Karnataka SC/ST Development Corporation towards raising loan from the National Corporations subject to payment of 1% guarantee commission as required under section 5 of the Karnataka Government Guarantee Limitation Act 1999. This order is issued with the Concurrence of FD Vide U.O. No. FD 665 INV 2002 dt.15-2-2003.

By order and in the Name of the  
Governor of Karnataka

(M.S. MARULASIDDHAIAH)

under Secretary to Government,  
Social Welfare Department

- To: The Accountant General Karnataka Bangalore (Audit and Accounts)
1. The Managing Director, National SC/ST Finance and Development Corporation New Delhi.
  2. The Managing Director, National Safai Karmacharies Finance and Development Corporation, New Delhi.
  3. The Commissioner, Social Welfare Department Bangalore.
  4. The Managing Director SC/ST Development Corporation Bangalore
  5. The state Treasury Bangalore
  6. Under Secretary Finance Department (Investment)
  7. P.A. to Principal Secretary/ Deputy Secretary for information
  8. Section guard file.



RECEIVED  
GOVERNMENT OF KARNATAKA  
11/11/98

Sanction of Government Granted to the Karnataka  
Scheduled Caste and Scheduled Tribes Development  
Corporation - rec.

Read: Letter No. KSCDC/Hq(CC)/98-99/2653 dated 13.7.98  
The Managing Director, Karnataka Scheduled Caste and  
Scheduled Tribes Development Corporation, Bangalore.

Presented

The Karnataka Scheduled Caste and Scheduled Tribes Development Corporation is implementing the schemes of the National Scheduled Caste and Scheduled Tribes Finance and Development Corporation and also the National Sahaj Karmacheries Finance and Development Corporation. The National Corporations release funds as term loan to the State Corporation on Government Guarantee. So far, Government has stood guarantee for Rs. 25.68 Crores for raising loan from National SC/ST Finance and Development Corporation, against which the Corporation has so far raised a loan of Rs. 18.03 crores and has repaid Rs. 11.03 crores.

The Managing Director has sent a proposal to Government to stand guarantee for Rs. 50.00 crores in order to raise loan from the National Corporations under various schemes. He has mentioned that out of Rs. 50.00 crores guaranteed, Rs. 45.00 crores would be utilised towards raising loan from the National SC/ST Development and Finance Corporation and the remaining Rs. 5.00 Crores towards loan from National Sahaj Karmacheries Finance and Development Corporation.

The proposal of the corporation for extending Govt. guarantee of Rs. 50.00 crores was placed before the Empowered Committee. In its meeting held on 23.7.1998, the Committee after detailed discussions, has agreed to extend Government Guarantee to the extent of Rs. 50.00 crores.

The Karnataka State Bureau of Public Enterprises was also consulted in the matter.

After examining the proposal in detail, Government have decided to stand guarantee. Hence this order.

....2.

50.00 Cro.  
25.68 → No G.C.  
75.69



12 /  
GOVERNMENT OF KARNATAKA, NO. 336 525 96, L.N.G.C., 12, 13-10-99

In the circumstances explained in the preamble, sanction has been accorded to extend Government Guarantee to the extent of Rs. 30.00 crores (thirty crore only) to the Karnataka Scheduled Caste and Scheduled Tribes Development Corporation, Rs. 45.00 crores towards raising loan from the National SC/ST Finance and Development Corporation and Rs. 10.00 crores towards loan from National Sahi Karmacharies Finance and Development Corporation for implementation of schemes, subject to payment of 1% guarantee commission, as per Sec. 5 of the Karnataka Government Guarantee Limitation Act 1999.

By order and in the name of the  
Governor of Karnataka

(M.N. VIJENDRA H.C.)

Under Secretary to Government  
Social Welfare Department.

To,  
1. Accountant General, Karnataka, Bangalore,  
2. The Managing Director, Karnataka Scheduled Caste and  
Scheduled Tribes Development Corporation, Bangalore,  
3. The Managing Director, National SC/ST Finance and  
Development Corporation, New Delhi,  
4. Director General, KSTDC,  
5. Secretary to Govt. Cabinet Section (G.No. 431/99)  
10/10/99 copies.



PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub:- Sanctioning of Government Guarantee to Dr. B.R. Ambedkar Development Corporation Ltd., for Rs.30.00 crores for 2011-12 - reg.

Read:- No. Dr. B.R.A.D.C/A/cs/GG/2011-12/11575, dated 09.09.2011

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Preamble :-

1. The National Scheduled Castes Finance and Development Corporation is extending the financial assistance in the form of loan against the State Government Guarantee to Dr. B.R. Ambedkar Development Corporation Ltd., for extending the direct loans to various SC beneficiaries for various income generating activities.
2. Dr. B.R. Ambedkar Development Corporation Ltd., in its letter dated 09.09.2011 Read at above has submitted a proposal for grant of guarantee for 2011-12 and the same was processed by the Government and decided to sanction Government Guarantee for Rs. 30.00 crores on non-revolving basis for 2011-12 in favour of National SC Finance and Development Corporation, New Delhi on behalf of Dr. B.R. Ambedkar Development Corporation. Subject to the certain conditions. Hence, the following order.

**GOVERNMENT ORDER NO. SWD 69 SDC 2010,**

**BANGALORE, DATED 11.11.2011**

As explained above, the Government Guarantee of Rs.30.00 crores on non-revolving basis has been sanctioned in favour of National Scheduled Castes



Finance and Development Corporation, New Delhi on behalf of Dr. B.R. Ambedkar Development Corporation Ltd., Bangalore for 2011-12, for the purpose of obtaining term the loan from the National Corporation and in turn extend the same to SC beneficiaries in the State of Karnataka for various income generating activities subject to the following conditions.

- (1) Payment of 1% Guarantee commission to State Government by Dr. B.R. Ambedkar Development Corporation Ltd.
- (2) Dr. B.R. Ambedkar Development Corporation Ltd., has to remit the Government Guarantee fee for 2010-11 and arrears of earlier years to Government.
- (3) The Dr. B.R. Ambedkar Development Corporation Ltd., must initiate action to improve the recovery position.

By order and in the name of  
Governor of Karnataka

(M. M. Bhate)

Under Secretary to Government-3  
Social Welfare Department

- 1) Accountant General (A&E, Audit -1, Audit - 2), Karnataka, Bangalore.
- 2) Commissioner, Social Welfare Department, Bangalore.
- 3) Managing Director, Dr. B.R. Ambedkar Development Corporation, Bangalore.
- 4) Under Secretary to Govt., Finance Department (Exp-3&9), Vidhana Soudha, Bangalore.
- 5) Extra Copy / Section guard file.