

**Government of Andhra Pradesh**

**A B S T R A C T**

Social Welfare Department - A.P.S.C.Cooperative Finance Corporation Limited-Implementation of Novel welfare Self-employment scheme to SC Youth by providing four-wheeler mini truck mobile dispensing units towards sustainable livelihood and economic upliftment - Detailed operational guidelines - Orders - Issued.

---

Social Welfare (SCP) Department

G.O.Ms.No.67

Dated: 17.11.2020

Read the following: -

- 1) G.O.Ms.No.20, Consumers Affairs, Food & Civil Supplies (C.S.I) Department Dated 09.11.2020.
- 2) Act 1 of 2013 SCSP/TSP (Planning, Allocation and utilization of financial resources) Act.
- 3) Council Resolution No. 145/2020, dt. 06-11-2020.

**O R D E R:**

The Government of Andhra Pradesh as a part of empowering the Scheduled Castes has enacted the SCSP/TSP (Planning, Allocation and Utilization of Financial Resources) Act 1 of 2013 to ensure accelerated development of Scheduled Castes (SCs) with emphasis on bridging the developmental gaps and achieving quality focusing on economic and human development in Scheduled Castes.

2. The Government in Social Welfare Department is undertaking many initiatives towards providing self-employment schemes particularly to the SC Youth through skill development and job creation which are the driving forces of Socio-Economic development of the SCs. The Andhra Pradesh Scheduled Castes Cooperative Finance Corporation Limited has conducted Skill development Training Programmes to the considerable number of Scheduled Caste youth including in Light Motor Vehicle Driving as a major sector across the state.

3. The Government in Social Welfare Department as a part of welfare objectives towards economic upliftment of Scheduled Castes intends to implement a novel welfare self-employment scheme to provide 2300 (Two Thousand Three Hundred)four-wheeler mini truck mobile dispensing units towards sustainable livelihood and economic upliftment of Scheduled Caste youth. Keeping the broad guidelines issued by the Govt. vide reference 2<sup>rd</sup> read above, Government hereby permit the Andhra Pradesh Scheduled Castes Cooperative Finance Corporation Limited to implement the novel welfare self-employment scheme to provide 2300(Two Thousand Three Hundred) four-wheeler mini truck mobile dispensing units for door delivery of PDS with the following operational guidelines.

**1. OBJECTIVE:**

The main objective is to provide financial assistance for creation of Income generating assets to the poor Scheduled Caste Youth towards sustainable livelihood and economic upliftment.

**2. ELIGIBILITY CRITERIA:**

- 1) Family income not exceeding Rs.10,000/- per month in rural areas & Rs.12,000/- per month in Urban areas.
- 2) No family member shall be State/ Central Government employee/ Government Pensioner.
- 3) No family member shall be income tax payer.
- 4) No family member shall own four-wheeler vehicle either for commercial or for their own purpose.
- 5) Resident of the Mandal/Municipality
- 6) Age of candidates should be between 21 to 45 years
- 7) Holder of AADHAAR Card.
- 8) Minimum Educational qualification is 10th pass.

(Contd..2)

- 9) Holder of valid LMV License
- 10) Beneficiary with sanctioned Transport Sector Vehicle(s) under any Government scheme in the last (5) years and willful defaulters are not eligible under the scheme.
- 11) Residence proof ( Aadhar/ Rice Card/ Certificate issued by Tahsildar)
- 12) Caste Certificate issued by MRO/Tahsildar.

The above categories with proper authentication as indicated shall only be considered.

### 3. ALLOCATION OF UNITS:

The Government in Social Welfare Department has allocated (2300) vehicles to Andhra Pradesh Scheduled Castes Cooperative Finance Corporation Limited to implement the scheme. The allotted vehicles are in turn distributed to the Districts basing on the SC Population of the Districts as follows:

Sl. No .	Name of the Districts	Total Population	Total SC Population	% of SC to Total Population in the District	% of SC Population in District out of total SC population in the State	Distribution of 2300 units allotted to SC Corp.
1	2	3	4	5	6	7
1	Srikakulam	2703114	255664	9.46	3.02	69
2	Vizianagaram	2344474	247728	10.57	2.93	67
3	Visakhapatnam	4290589	329486	7.68	3.89	89
4	East Godavari	5285824	957302	18.11	11.30	262
5	West Godavari	3995742	823545	20.61	9.72	224
6	Krishna	4517398	871063	19.28	10.28	237
7	Guntur	4887813	957407	19.59	11.30	260
8	Prakasam	3397448	787861	23.19	9.30	214
9	Nellore	2963557	666588	22.49	7.87	181
10	Kurnool	4053463	737945	18.21	8.71	200
11	Kadapa	2882469	465794	16.16	5.50	126
12	Ananthapuram	4081148	583135	14.29	6.89	158
13	Chittoor	4174064	785760	18.82	9.28	213
<b>Total</b>		<b>49577103</b>	<b>8469278</b>	<b>17.08</b>	<b>100.00</b>	<b>2300</b>

### 4. MOBILE DISPENSING UNIT

Mobile Dispensing Unit (MDU) is a custom built 4-wheeler mini truck powered by BS VI Petrol engine with other requisite features suitable for driving in all road conditions with high pulling capacity. To achieve economies of scale and obtain best price to the beneficiary, centralized procurement was done on GeM (Govt. e-Marketing) Portal of Govt. of India through reverse tendering process wherein TATA Motors and Maruthi Suzuki India Limited were selected for supply of the said Mobile dispensing Units.

(Contd..3)

## 5. UNIT COST:

The unit cost of the Mobile Dispensing unit as finalized in the Central Procurement process through GeM is Rs.5,81,190/- (Rupees five lakhs eighty one thousand and one hundred ninety only) which is on road price (including insurance, road tax etc.,.)

## 6. FUNDING PATTERN OF THE SCHEME:

- 1) 10% contribution by the Beneficiary
- 2) Bank loan/NSFDC Loan up to 30% would be tied up in the name of the beneficiary.
- 3) 60% subsidy on the unit cost to be provided by APSCCFC Ltd., The SC Corporation is permitted to avail loan from any nationalized bank towards the 60% subsidy.
- 4) 6-year Loan Repayment and Lock-In period - Transfer of full Ownership to the Beneficiary would be done after the loan repayment period.

## 7. APPLICATION PROCESS:

- 1) District Collector would separately allocate mandal wise units to be grounded.
- 2) Mandal wise notification shall be issued by the concerned Executive Director, District SC Service Cooperative Society Ltd.,
- 3) The District Collector & Chairman of the District SC Service Cooperative Society shall ensure that wide publicity is given and that a minimum (10) days window shall be provided for purpose of filing the applications.
- 4) To apply for the MDU vehicles the SC unemployed youth shall submit filled up application to the Village/Ward Welfare Assistant with due acknowledgement within the prescribed deadline.
- 5) The Welfare Assistant of the Village/Ward Secretariats shall maintain a register of all applications received and will forward all such applications to the MPDO/ Municipal Commissioner concerned.

## 8. SELECTION PROCESS:

### (A) SCREENING & SHORT LISTING AT MANDAL LEVEL:

The screening cum selection of beneficiaries shall be done by Screening-cum-Selection Committee headed by MPDO/Municipal Commissioner.

The Composition of the screening cum selection committee for Identification & selection of beneficiaries is as follows:

- i. MPDO/Municipal Commissioner (Municipality) /Zonal Commissioner (in case of Municipal Corporation) - Convener
- ii. Managers of the Banks as nominated by LDM.
- iii. Representatives of the District SC Service Cooperative Society Ltd.,
- iv. Representative from Road Transport Authority

All short-listed eligible applicants would be interviewed after verification of the documents with reference to the fulfillment of eligibility criteria. The Interview shall be for 50 Marks, of which (10) marks would be awarded if the applicant has educational qualifications of Intermediate and more and (10) marks would be awarded if the candidate has a valid LMV Driving License issued two (2) years prior to from the date of notification. An interview would be conducted for the balance (30) Marks to assess the following.

- 1) Seriousness and trust worthiness of the applicant
- 2) Commitment towards repayment of loan
- 3) General awareness on vehicles and transport
- 4) General aptitude.

No candidate should be selected without fulfilling the basic eligibility conditions and merit as per the marks secured in the interview.

(Contd..4)

**B. SELECTION OF CANDIDATES:**

- 1) The JMLBC after short-listing the eligible candidates shall furnish the same to the Executive Director of the District SC Service Coop. Society.
- 2) On receipt of the list from the Screening-cum-selection committee headed by MPDO/Municipal Commissioner, the ED, SC Society will consolidate the list and submit to the District Collector.
- 3) District Collector shall send the provisional selected list to the District in charge Minister for approval and then forward it to the VC & Managing Director, Andhra Pradesh Scheduled Castes Cooperative Finance Corporation, A.P., Vijayawada.
- 4) The approved final list should be displayed in the Collectorates, offices of the Executive Director, SC Society, Revenue Divisional Offices, M.P.D.O./Tahsildar & Village/Ward Secretariat offices.

**9. DOCUMENTATION:**

Documentation is very important part in the implementation of schemes. One of the primary objectives of the respective corporation is to mobilize the required subsidy & institutional finance for implementing the schemes to uplift families. This is being done by borrowing term loan assistance from banks/National Financing Institutions and providing subsidy from the Andhra Pradesh Scheduled Castes Cooperative Finance Corporation Ltd., The loan component is to be recovered from the beneficiary.

In view of the above position, proper documentation with legal sanctity is very important. In case of failure to repay the loan, the District SC Society should be in a position to initiate necessary legal action for recovery of the loan.

Since the scheme is a transport sector unit, while registering, the vehicles, hypothecation of vehicle in favor of the Bank/Financing Institution shall be ensured.

The following legend has to be painted on the vehicles.

“ FINANCED BY..... BANK WITH SC CORPORATION  
SUBSIDY UNDER NOVEL SELF-EMPLOYMENT SCHEME”

**10. REPAYMENT:**

It is mandatory to secure postdated cheques from the beneficiaries at the time of documentation.

A Pass Book should be issued to every beneficiary showing particulars of the beneficiary, loan sanctioned, installments paid etc. the printed passbook shall be supplied to the Districts.

**11. PENALTY:**

In case of delayed payment of EMI penal interest will be levied. If any willful default and action leading to detrimental to the Government interest is found, a criminal action will be initiated against such beneficiaries apart from cancelling the allotment of the vehicle and the same will be allotted to a new beneficiary duly following selection guidelines.

**12. GENERAL CONDITIONS FOR GROUNDING OF THE SCHEMES:**

As soon as the selection list is published, an orientation programme shall be organized at the District Level for the benefit of the beneficiaries covering the following aspects:

- i. The importance of repayment of Bank/National Financing Institutions loan installments and the consequences of non-payment/ irregular payment of installments.
- ii. The Success stories of the entrepreneurs who have worked hard and have repaid their loans.

(Contd..5)

- iii. The repayment schedule has to be explained to the beneficiaries selected and the burden of penal interest in case of irregular payment. They should also be explained about confiscation of assets in case of non-payment as per the existing laws.
- iv. Each of the beneficiaries shall be supplied with a copy of the repayment schedule for the scheme for which he is selected.
- v. They should be clearly informed about the documentation required and the procedure for documentation.
- vi. Further in case of death of beneficiary, he will be discharged from the liability by allotting to the new beneficiary and beneficiary contribution will be paid in proportion to the period of the loan period and balance amount will be given to the deceased family.

The Executive Director, SC Service Coop. Society are completely responsible for proper grounding and field inspection of the units. They will be held responsible and disciplinary action will be initiated against the persons concerned, if any deviations are observed. The Executive Director, SC Service Cooperative Society should ensure inspection of all Units at least once in a month by an responsible officer and see that installments that have fallen due are recovered. He/She should also monitor the functioning of the unit and issues if any shall be brought to the notice of the higher authorities for redressal.

### **13. LOAN RECOVERY:**

Recovery of Bank Loan/National Financing Institution Term Loan component along with interest is particularly important as the loan plus interest has to be repaid to the concerned banks/FIs. If loan repayment is delayed, Banks charges penal interest. Hence it is essential that a robust recovery mechanism is put in place before the Banks loans are grounded. The term loan in respect of National Financial Institutions, the following records shall be maintained.

- i. Beneficiary-wise loan ledger should be maintained for the beneficiaries under this scheme containing full details of the loan, interest including due dates etc. The loan ledgers shall be printed and supplied to DLCs.
- ii. Every beneficiary will be issued a Pass Book and entries of loan sanction and recovery particulars shall be posted in the Pass Book.
- iii. The term loan should be collected after one (1) month from the date of grounding of the scheme.
- iv. A separate sub-account should be maintained for these schemes. Loan portion and interest shall be shown separately.
- v. D.C.B statements must be prepared every month and demand notices should be issued to the beneficiaries for proper recovery of loans. If more than (3) installments have become overdue, the overdue amount shall be recovered along with the penal interest.
- vi. The monthly progress report on grounding of schemes and loan recovery must be maintained and an extract of the Loan recovery register must be mailed to the concerned corporations.

### **14. Fraud/Default/Death cases:**

If any time after the selection or after grounding of the unit and till the loan repayment period, it is brought to the notice of the Government that the applicant has cheated and submitted false documents during selection process (or) committed fraud in violation of any of the scheme guidelines (or) committed fraud and violated conditions of any agreement signed by the beneficiary with any Govt. department/Organization (or) indulges in any criminal activity detrimental to the interest of the Govt. during the loan repayment period (or) willfully defaults on repayment of loan, the MPDO/Municipal Commissioner concerned shall cause an inquiry and submit

proposal to the District Collector for cancellation of the unit in the name of such beneficiary and forfeit the contribution made by the beneficiary. Once the cancellation is approved by the District Collector, the Mandal Selection Committee shall select a fresh beneficiary and collect the proportional beneficiary contribution from the new beneficiary. The registration of the MDU along with the loan account would get transferred in the name of the new beneficiary.

In case of death of the beneficiary, an option would be given to any immediate eligible family member of the deceased beneficiary to transfer the unit in his/her name. If there is no such eligible immediate family member, the MPDO/Municipal Commissioner concerned shall submit proposal to the District Collector for cancellation of the unit in the name of such beneficiary. Once the cancellation is approved by the District Collector, the Mandal Selection Committee shall select a fresh beneficiary and collect the beneficiary contribution from the new beneficiary and return the proportional amount to the family of the deceased beneficiary. The registration of the MDU along with the loan account would get transferred in the name of the new beneficiary.

In accordance with the above conditions, an undertaking shall be taken from the selected beneficiary on Rs.10/- stamp paper that the registration of the MDU vehicle can be cancelled and allotted to a new beneficiary if such a situation arises.

#### 15. Monitoring Mechanism

A District Monitoring Committee chaired by the District Collector, shall monitor the implementation of the scheme. The composition of the District Monitoring Team shall be as follows:

District Collector	- Chairman
Joint Collector, GWS	- Member
LDM	- Member
Deputy Transport Commissioner	- Member
Executive Director, SC Service Coop. Society	- Convenor

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**B. RAJSEKHAR  
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)**

To

The Director of Social Welfare, A.P., Vijayawada.

The VC & Managing Director, APSCCFCLtd., A.P., Vijayawada

The Commissioner of Civil Supplies, Andhra Pradesh, Vijayawada

The Vice-Chairman and Managing Director, A.P. State Civil Supplies Corporation Ltd., Vijayawada

All the District Collectors

All the Executive Directors of District SC Service Cooperative Society Ltd.,

Copy to:

OSD to Hon'ble Minister for Social Welfare, A.P. Secretariat, Vijayawada.

**//FORWARDED::BY ORDER//**

**SECTION OFFICER**