ABSTRACT

Rural Development and Panchayat Raj Department – Tamil Nadu Corporation for Development of Women - Establishment of District Livelihood and Credit Management Agency (DLCA) to co-ordinate with all other Departments for effective implementation of Government schemes at the District Level - Orders - Issued.

Rural Development and Panchayat Raj (CGS-3) Department

G.O.(Ms).No.19 **Dated: 01.02.2024**

சோபகிருது வருடம், தை 18
திருவள்ளுவர் ஆண்டு, 2055

Read:

From the Managing Director, Tamil Nadu Corporation for Development of Women Limited, Letter Roc.No.5013/A1/2023, dated 14.11.2023.

ORDER:

In the letter read above, the Managing Director, Tamil Nadu Corporation for Development of Women Limited has stated that, the Tamil Nadu Corporation for Development of Women spearheads the Self-Help Group (SHG) movement for the empowerment of women through series of training and capacity building activities, forming Community Based Organizations (CBOs) in the form of Panchayat Level Federations (PLFs), Block Level Federations (BLFs), etc., facilitating financial linkages, creating employment opportunities and enterprise promotion through various poverty alleviation programmes in Tamil Nadu.

2. Further few other Departments are implementing schemes for livelihood through enterprise promotion and undertaking other livelihood activities for improving their status of living through access to finance through Financial Institutions.

- The Micro, Small and Medium Enterprises Department is implementing several subsidy schemes such as

  - **Prime Minister Employment Generation Programme (PMEGP) and Unemployed Youth Employment Generation Programme (UYEGP)** for manufacturing & entrepreneurship development;
  - **New Entrepreneur cum Enterprise Development schemes (NEEDS)** for high level manufacturing & services;
  - **Prime Minister Formalization for Food Processing (PMFME)** for food processing unit, etc.
  - **Annal Ambedkar Business Champions Scheme for** Project cost including land, plant, machinery, testing equipment and computing devices with cost of land not exceeding 20% of project cost.

- The Adi Dravidar and Tribal Welfare Department through TAHDCO implements various loan programmes through the Banks by provision of subsidy such as

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- **Economic Assistance Programme**
- National Scheduled Castes Finance and Development Corporation (NSCFDC) / National Scheduled Tribes Finance and Development Corporation (NSTFDC) / National Safai Karamcharis Finance and Development Corporation (NSKFDC) **etc.**

3. There is a considerable difficulty in monitoring the implementation of these schemes by the concerned Departments at the District level as there is no or little presence of structures or personnel at the block and village level for identification and mobilization of eligible beneficiaries, handholding for submission of application to the Bank branches, monitoring and following up with Banks at the field, etc. For various Government schemes, where Banks are an important link, the loan applications are received from women, youth, entrepreneurs, etc. and after the individuals submit these loan applications, the Banks scrutinize and sanction the loans to the beneficiaries. Sometimes, the loan applications forwarded to the Bank are not being able to be properly followed up and also not sanctioned in a timely manner. Many applications get rejected where they could have been rectified and many applications sometimes are pending in the Banks for more than a year without proper disposal at the Banks' end.

4. Further, at the District level, there is no single agency which assists the District Collector to monitor all the bank related Government schemes (with and without subsidy). The District Collectors are led only by the Lead-Bank District Manager (LDMs) as convenors for the **District Level Bankers' Committee** and there is no single nodal agency of the Government in the District to coordinate with the Lead-Bank District Manager (LDM) to take up all Bank related issues. Usually the Lead-Bank District Manager who is the Nodal officer for Banks appraise the District Collector regarding loans of other Departments for subsidy schemes and other schemes, but he will not be able to effectively coordinate with all departments on a regular basis to review and monitor pending applications between the Departments and the Banks. Hence, a vacuum exists in co-ordinating among departments and to appraise the District Collectors for implementing the schemes that are Bank related, both hierarchically up and down with the departments, which affects the proper implementation of the Government schemes properly.

5. During the Special State Level Bankers Committee convened on 5th July, 2023, Hon'ble Finance Minister announced to create a District Livelihood-Credit Management Agency. This Agency will coordinate between the banks and the Departments at the District Level for effective implementation of all bank related Government Schemes. The District Livelihood-Credit Management Agency will be established in every District under the overall control and supervision of the District Collector. Under the District Collector, this Agency will be aided and assisted by the Project Director, MATHI to co-ordinate with all other Departments for effective implementation of Bank related Government Schemes and he will be supported by the Staff from such Departments as under who will physically function from the Office of the Project Director, MATHI.

Structure of the District Livelihood-Credit Management Agency

Chairperson	District Collector
Project Director of the District Livelihood-Credit Management Agency	Project Director, MATHI / TNSRLM

Coordinating Officer	(i) Lead-District Bank Manager (ii) District Banking Coordinator
Offices reporting to District Livelihood Credit Management Agency (DLCA)	a) Office of the District Industries Centre – (@ Grade of Manager) b) District Office -TAHDCO - (@ Grade of Assistant Manager) c) District Project Management Unit, Tamil Nadu Rural Transformation Project @ VKP - (@ Grade of Executive Officer) d) District Project Management Unit, Tamil Nadu Rural & Urban Livelihood Mission – (@ Grade of Assistant Project Officer)

* In Chennai, this agency will function under the Chairpersonship of the Commissioner, Greater Chennai Corporation.

The Roles and responsibilities of the Agency, stake holders involved and the State High Level Empowered Committee annexed to this order.

6. The 'Mathi Siragugal Thozhil Maiyam' are acting as Business Facilitation Centres in the Tamil Nadu Rural Transformation Project Districts and the 'One Stop Facility Centres' in Tamil Nadu State Rural Livelihood Mission are available in most Blocks in the Districts and they can be used as agencies by the other Departments on service fee basis for preparation of Business plans, and other services like Micro, Small and Medium Enterprises (MSME) registrations, etc.

7. To effectively monitor and implement all the credit linked schemes implement the subsidy schemes in an effective way and monitor the same through the District Livelihood Credit Management Agency (DLCA), the officers in the cadre mentioned in the Table above will be deputed by the respective Departments to the District Livelihood Credit Management Agency (DLCA) and they will be seated at the office of the District Livelihood Credit Management Agency (DLCA), co-located at the office of the Project Director, MATHI.

8. The Project Director, MATHI at the District Level heads the Tamil Nadu State Rural and Urban Livelihood Mission under the District Collector. The ministerial staff structure of District Mission Management is limited which is already insufficient for carrying on the activities of the Livelihood Missions.

Tamil Nadu State Rural Livelihood Mission (TNSRLM) is also implementing many livelihood schemes, convergence schemes of Chief Minister's Breakfast Scheme, Makkalai Thedi Maruthuvam, Illam Thedi Kalvi, Livelihood convergence, etc. The above staff structure is not sufficient to implement the Tamil Nadu State Rural

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Livelihood Mission Schemes. Hence a separate staff structure for District Livelihood Credit Management Agency (DLCA) may be formed with the following staff:

Sl. No	Name of the post	Number of posts	Mode of Recruitment	Remuneration* (3%increment every year)
1.	District Banking Co-ordinator	1	Retired Bank Official	Upto Rs.50,000/-
2.	Superintendent	1	Retired Government staff / Outsourcing	Upto Rs.30,000/-
3.	Junior Assistant/ Data Entry Operator	3	Outsourcing	Upto Rs.20,000/-
4.	Office Assistant	1	Outsourcing	Upto Rs.15,000/-

The total financial burden for the support Structure of the District Livelihood-Credit Management Agency is – Rs.1,55,000*12months*38 = Rs.7.07 Crore / year (including Chennai).

The overall financial burden for creation of above posts in District Livelihood-Credit Management Agency is Rs.7.07 Crore per year, for engagement of staff on outsourcing basis.

9. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has requested to issue necessary Government orders for establishing the District Livelihood Credit Management Agency (DLCA) to co-ordinate with all other Departments for effective implementation of Government schemes at the District Level.

10. The Government after careful examination, have decided to accept the proposal of the Managing Director, Tamil Nadu Corporation for Development of Women Limited and issue orders for establishing the District Livelihood Credit Management Agency (DLCA) to co-ordinate with all other Departments for effective implementation of Government schemes at the District Level.

11. This order issues with the concurrence of Finance Department vide its U.O.No.6511/Infra-IV/2023, dated 31.01.2024.

(BY ORDER OF THE GOVERNOR)

P. SENTHILKUMAR
PRINCPAL SECRETARY TO GOVERNMENT

To
The Managing Director,
Tamil Nadu Corporation for Development of Women Limited,
Chennai – 600 034.

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The Chief Executive Officer,
Tamil Nadu Rural Transformation Project (TNRTP)
@Vazhndhu Kattuvom Project, Chennai – 600 032.
The Principal Secretary to Government,
Finance Department,
Chennai – 600 009.
The Principal Secretary to Government,
Municipal Administration and Water Supply Department,
Chennai – 600 009.
The Secretary to Government,
Micro , Small and Medium Enterprises Department,
Chennai – 600 009.
The Secretary to Government,
Adi Dravidar and Tribal Welfare Department,
Chennai – 600 009.
The Director of Rural Development and Panchayat Raj,
Chennai – 600 015.
The Executive Director,
Tamil Nadu Corporation for Development of Women Limited,
Chennai - 600 034.
The Mission Director,
Tamil Nadu Urban Livelihoods Mission,
Tamil Nadu Corporation for Development of Women Limited,
Chennai - 600 034.
All District Collectors
(through Managing Director, Tamil Nadu Corporation for Development of Women Limited).
All Project Officers,
(through Managing Director, Tamil Nadu Corporation for Development of Women Limited).
The Commissionerate of Municipal Administration,
Chennai – 600 028.
The Industries Commissioner and Director of Industries and Commerce,
Chennai – 600 032.
The Managing Director,
Tamil Nadu Adi Dravidar Housing Development Corporation (TAHDCO),
Chennai – 600 018.
The Director, State Institute of Rural Development,
Maraimalai Nagar, Chengelpet District.
The Convenor of State Level Bankers Committee(SLBC),
Indian Overseas Bank, Tamil Nadu Central Office,
Chennai – 600 002.
The Accountant General (A&E/ Audit), Chennai-18/35.
The Pay and Account Officer (South), Chennai – 600 035.

Copy to:
The Chief Minister's Office, Chennai – 600 009.
The Special Personal Assistant to Hon'ble Minister
(Youth Welfare and Sports Development), Chennai - 600 009.
The Finance (Infra-IV) Department, Chennai-600 009.
The Finance (BPE) Department, Chennai – 600 009.

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The Rural Development and Panchayat Raj (B&C) Department, Chennai – 600 009.
The Senior Private Secretary to Principal Secretary to Government,
Rural Development and Panchayat Raj Department, Chennai – 600 009.
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Annexure

The District Livelihood Credit Management Agency (DLCA) created in each District will have the following Structure and Functions:

Structure of the District Livelihood-Credit Management Agency

Chairperson	District Collector
Vice Chairperson - cum- Project Director of the District Livelihood-Credit Management Agency	Project Director, MATHI
Convenor	Additional Project Director
Coordinating Officer	Lead District Bank Manager
Offices reporting to District Livelihood Credit Management Agency (DLCA)	a) Office of the District Industries Centre b) District Office - Tamil Nadu Adi Dravidar Housing and Development Corporation Limited (TAHDCO) c) District Project Management Unit, Tamil Nadu Rural Transformation Project @ Vazhndhu Kattuvom Project d) District Project Management Unit, Tamil Nadu Rural and Urban Livelihood Mission

The Project Director, MATHI will be heading the executing arm of the District Livelihood-Credit Management Agency and it is his responsibility to appraise the District Collectors for implementing the schemes of the concerned Departments and the below mentioned officers of the above co-ordinating Offices will be directly reporting to the District Livelihood-Credit Management Agency through the Project Director, MATHI: -

Officials deputed to District Livelihood-Credit Management Agency (DLCA)

Sl. No.	Name of the District Office	Officer(s) responsible
1.	Office of the District Industries Centre	Manager (Technical)
2.	District Office of Tamil Nadu Adi Dravidar Housing and Development Corporation Limited (TAHDCO)	Assistant Manager
3.	District Project Management Unit, Tamil Nadu Rural Transformation Project @ Vazhndhu Kattuvom Project	Executive Officer (Business Plan Finance) and Enterprise Finance Professional
4.	District Project Management Unit, Tamil Nadu Rural and Urban Livelihood Mission	Existing Reporting Structure

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Functions of the District Livelihood-Credit Management Agency:

- The District Livelihood Credit Management Agency (DLCA) will oversee the implementation of all the Bank related Government Schemes within the District from time to time.
- The District Livelihood Credit Management Agency (DLCA) will organize fortnightly meeting with the coordinating department for the effective implementation of the schemes.
- The Coordinating Departments will be represented by their staff in the District Livelihood Credit Management Agency (DLCA) as mentioned above.
- District Livelihood Credit Management Agency (DLCA) will continuously review the performance and progress of the bank related Government Schemes.
- It will ensure all the eligible loan applications are sanctioned by the Banks.
- District Livelihood Credit Management Agency (DLCA) will coordinate the conduct of Block level meetings for mobilization and processing of applications from beneficiaries.
- It will organize Credit camps/Recovery camps at Block level.
- District Livelihood Credit Management Agency (DLCA) will oversee and scrutinize the rejected loan applications and review the same.
- The District Livelihood Credit Management Agency (DLCA) will undertake to bring solutions to the problems faced by the coordinating officials as discussed in the meeting and resolve them.
- Prepare Block credit plan during the third quarter of the financial year every year.
- Prepare and finalize the District Credit Plan for every year.
- The Project Director, MATHI on behalf of District Livelihood Credit Management Agency (DLCA) will report to Managing Director, Tamil Nadu Corporation for Development of Women.

Role of Co-ordinating departments of District Livelihood Credit Management Agency (DLCA)

- The Coordinating department will nominate concerned officials to report to the Project Director MATHI.
- To depute concerned officials to be District Livelihood Credit Management Agency (DLCA) and perform the functions of the District Livelihood Credit Management Agency (DLCA) from the office of the Project Director, MATHI.
- Coordinating departments to make use of the District Livelihood Credit Management Agency (DLCA) for effective implementation of their schemes and difficulties of bank/branch related issues will be addressed through the District Livelihood Credit Management Agency (DLCA).
- To follow the sanction and disbursement of loan applications, sanction, pendency and rejection of applications through the Departments official on deputation to the District Livelihood Credit Management Agency (DLCA).
- Assist in the preparation of the Block credit plan during the third quarter of the financial year every year.
- Prepare and Finalize the District Credit Plan for every year.

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Roles and Responsibilities of the Project Director, MATHI:

- He acts as the head of the executive arm of the District Livelihood-Credit Management Agency under the overall control of the District Collector.
- Advice and assist the District Collector relating to all the activities of the District Livelihood Credit Management Agency (DLCA).
- Oversee livelihood credit schemes at the District level.
- Co-ordinate with concerned Departments for effective implementation of bank linkage programmes of other concerned Departments in addition to the Self Help Group (SHG) - Bank Linkage Programme of Tamil Nadu Corporation for Development of Women Limited.
- Appraise the District Collector regarding the performance and progress of the schemes under department wise/Bank wise periodically.
- Co-ordinate with the Lead-Bank District Manager for the performance of the functions of the District Livelihood Credit Management Agency (DLCA).
- Conduct fortnightly meeting with the coordinating officials of District Livelihood and Credit Management Agency to review the progress of the respective schemes.
- Discuss issues and challenges in the implementation of the Bank related Government schemes.
- To present the same in the monthly District Level Banker's Committee meeting.
- Review the status of the pending loan applications in the Banks and bank wise performance of the government schemes to take appropriate action.
- Review the Coordinating department wise status of the pending loan applications through the respective officers' in-charge for the bank related schemes of the Departments mentioned above.
- Ensure that the Department wise sanctioned loan applications are processed and disbursed to the individuals.
- Randomly verify individuals'/ beneficiaries' activities with the field team officials.
- Organize credit camps and loan melas exclusively for loans under all the Government schemes at least once in a month.
- Ensure the proper conduct of Block level Bankers Committee meeting at least once in a month with all necessary particulars on behalf of District Administration and ensure proper participation from both the Departments' and the Bankers' side.
- To take appropriate action on the difficulties faced by the District Livelihood Credit Management Agency (DLCA) through the District Collector in coordination with the concerned Department(s).

Roles and Responsibilities of the deputed department official to District Livelihood Credit Management Agency (DLCA):

- They are an integral part of the District Livelihood Credit Management Agency.
- Report to the Project Director, MATHI for the effective implementation of the schemes of the Department on a daily basis.
- Liaise with their parent department for the effective functioning of the District Livelihood Credit Management Agency (DLCA).
- Ensure the effective implementation of the schemes of their Department.

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- Play a coordinating role between the District Livelihood - Credit Management Agency and the Banks and Financial Institutions in the District.
- Appraise the District Collector through the Project Director, MATHI regarding the performance and progress of the schemes.
- Attend fortnightly meeting of District Livelihood and Credit Management Agency headed by the Project Director, MATHI for effective implementation of the schemes.
- Furnish the Bank/Branch wise pending loan applications report to the District Livelihood Agency and Credit Management / District Level Bankers Committee (DLBC) meeting relating to their Departments' Schemes.
- Discuss issues and challenges in the implementation of Government schemes in the District Livelihood and Credit Management meeting.
- Ensure coordination for the conduct of block level District Livelihood and Credit Management Agency meeting
- Report to the Project Director about the sanctions for which subsidy has been released but loan has not been disbursed.
- Oversee the rectification of the issues/errors reported by banks while processing the loan applications.
- Report the progress on the action taken after the committee meeting to place before the District Level Bankers Committee (DLBC) meeting.
- Ensure the Credit camps/Recovery camps are conducted every month as a part of the District Livelihood Credit Management Agency (DLCA) and actively participate in the same.
- Inspect activities and creation of assets of the individuals.

State Level Credit Monitoring Committee:

Tamil Nadu Corporation for Development of Women is nominated as the nodal implementing Agency for the District Livelihood Credit Management Agency (DLCA) at the State Level. The State Level Mission shall be setup as a separate entity under the overall charge of the Managing Director, Tamil Nadu Corporation for Development of Women Limited for implementing the DLCA in the State. The State Level Bankers Committee will review the overall performance of DLCAs and guide the DLCAs as may be necessary. The State Level Bankers Committee(SLBC) will discuss on the performance of the State and District Credit Plan and guide the DLCAs to improve the coordination among the various departments involved.

P. SENTHILKUMAR
PRINCPAL SECRETARY TO GOVERNMENT

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