



“ROLE OF ANDHRA PRADESH STATE MINORITIES FINANCE CORPORATION IN FINANCIAL DEVELOPMENT OF MUSLIM MINORITIES IN GUNTUR DISTRICT, A.P”.

Management

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ABSTRACT

The Andhra Pradesh State Minorities Finance Corporation (A.P.S.M.F.C) Limited has been incorporated under the Companies Act, 1956 in the year 1985. The main objective is to assist the weaker sections of Minorities viz; Muslims, Sikhs, Buddhists, Parsis and Jains for their socio-economic development in collaboration with Banks and Corporation provides Subsidy and interest Subsidy. The Source of funding for the corporation is from Government of Andhra Pradesh and National Minorities Development and Finance Corporation (NMDFC).

KEYWORDS

A.P.S.M.F.C - Financial Development- Muslims-Schemes.

Introduction:

The Andhra Pradesh State Minorities Finance Corporation Limited was established under the Companies Act, 1956 in the year 1985 to assist the weaker sections of Minorities for their Socio-Economic Development by providing Margin Money loans and other allied financial services to uplift them.

The Minority population in AP is 43, 45,700 as per 2011 census. The source of funding for this corporation is from Government of Andhra Pradesh and NMDFC.

Definition of Minority:

Since minority is defined nowhere in the Constitution of India that guarantees minority rights it has become very important to decide as to who would constitute minority for research purpose. Article 30 safeguards rights of two kinds of minorities namely religious and linguistic.

As for religious minorities, Muslims, Christians, Sikhs, Buddhists, and Parsis referred to in the National Commission of Minority Act, 1992 in Section 2 (C) will be considered as minorities.

Linguistic minority for the research will be according to the 38th report of National Commission of linguistic Minority, which states, “In each state there is a language which is spoken by the majority of the residents of that state. All others who do not speak that language belong to linguistic minority.” ‘Linguistic minority’ for the purpose of Article 30(1) is one which must have separate spoken language and that language need not have a distinct script.

Review of Literature:

Mushirul Hasan (2003) said that educational backwardness among the Muslims is the product of poverty and neglect by the state. Due to structural location in the economy and the perception of discrimination, few Muslims can afford or aspire for the higher education. He stresses the need for affirmative action.

Rakesh Basant (2012) opines that after the submission of the Sachar Committee Report, several studies have undertaken data-based analysis of the socioeconomic and educational conditions of Muslims in India. Many researchers, policy makers and, in fact, even common Muslims believe that education can be the only mechanism to enhance their socioeconomic status and facilitate entry into better paid jobs. At the same time, there are concerns about access to educational facilities and possible discrimination in the formal labour market. The paper reviews the available evidence on the patterns of Muslim participation in education and employment. Comparing the estimates derived from the most recent round of the National Sample Survey for the year 2009-2010 with the earlier years (1999-2000 and 2004-05), an effort is made to assess if these patterns have changed in recent years. A preliminary analysis of the correlates of these patterns suggests that these are quite complex and multi-dimensional.

Javed Alam (2008) finds even as they are regarded as the Other of the nation, a new "citizen politics" seems to be taking shape among Muslims in India today, articulating demands relating to jobs, income, education and so on. This new politics - part of a process of secularisation - is radically different from the pre-independence separatist trends. Except at the surface, in the form of demands for reservations and quotas, there is nothing in common in the nature and content of Muslim politics then and now.

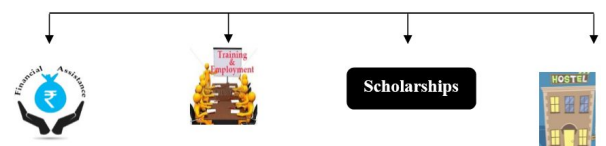
Objectives of the Study:

- To study the various Financial Schemes/Allied services to Minorities through the APSMFC for their Socio-Economic Development.
- To evaluate the role of APSMFC in development of Minorities in different aspects in Andhra Pradesh.
- To promote self-employment and other ventures for the benefits of Minorities.
- To suggest various schemes/measures to overcome constraints so as to improve the socio-economic conditions of Minorities.

Working Pattern of APSMFC:

Andhra Pradesh State Minorities Finance Corporation Limited is providing the various financial and training programmes/schemes to the Minority community as follows:

Fig: 1.1 Pattern of APSMFC



D 1.1. Financial Assistance to Minorities Under-Tatkal Scheme:

This scheme emphasis on the development of women particularly widows, divorcees, destitute, orphans physically challenged and victims of any atrocities who deserve not only encouragement but also financial support to earn their livelihood. To help poor Minorities who is in need of petty loans, proposed this scheme under which a loan up to Rs. 20,000/- will be given to an individual. The object of this scheme is to overcome the hurdles in the ongoing schemes by focused attention on target group who is in need of ``Taktal Schemes``.

In this scheme 2000 Minority unprivileged women beneficiaries shall be benefited with State Government Subsidy amounting to Rs.300.00 Lakhs during the year 2015-16.

Pattern of Finance: Maximum Unit Cost Rs. 20,000/-

1. Corporation Subsidy: 75% of Unit Cost (Maximum upto Rs. 15,000/-)
2. Bank Loan: 25% of Unit Cost (Maximum upto Rs. 5,000/-)

1.2) Financial Assistance to Minorities under Small Loan Scheme:

Corporation is assisting Minorities for their Economic Development by the way of providing subsidy with state Government funds along with Bank loan where in special attention absent towards Minority Beneficiaries who require small financial assistance to start a small self employment activity for their livelihood. To help poor Minorities who is in need of petty loans, Corporation proposed this scheme under which assistance up to Rs.20, 000/- will be extended to an individual. The object of this scheme is to overcome the hurdles in the ongoing schemes by focused attention on target group in need of small loans.

Under Small loan scheme 600 needy Minorities will be benefited with State Government Subsidy amounting to Rs. 900.00 lakhs during the year 2015-16.

Pattern of Finance: Maximum Unit Cost Rs. 20,000/-

1. Corporation Subsidy::75% (Max upto Rs. 15,000/-)
2. Bank Loan::20% (Max upto Rs. 4,000/-)
3. Beneficiary Share:: 5% (Max upto Rs. 1,000/-)

1.3) Financial Assistance to Minority Artisans through ADARANA scheme:

Most of the minorities due to low literary rate opting for servicing/technical trades for their livelihood. Such as tailoring, embroidery, weaving, goldsmith, blacksmith, carpentry, wooden carving, cycles & scooter mechanism etc., The working of these artisans is characterized by low vocational skills, usage of primitive tools and work methods, low level of productivity and poor family income.

Realizing the need to improve the working conditions of the Minority artisans in the State, Govt. of Andhra Pradesh has initiated minority artisan's assistance Scheme reintroduced from the year 2015-16.

The project is christened as ``ADARANA`` and aims empowering Minority Artisans by providing improved hand tools, power tools and equipment.

``ADARANA`` essentially focus on providing loan with bank linkage for procurement of hand tools, hand held powered tools and small equipment.

Table 1.1 Pattern of Assistance through Adarana Scheme

Sl. No	Unit Cost Rs.	Units Cost Break up			% of Units
		Artisans Share	Bank Loan	Subsidy	
		Rs.	Rs.	Rs.	
1	Upto 10,000/-	250	2250	7500	35%
2	10,00, to 15,000/-	500	3250	11250	25%
3	15,001 to 20,000/-	1000	4000	15000	25%
4	20,001 to 25,000/-	1000	5250	18750	15%

Out of the allocation 35% earmarked for the loans upto Rs.10,000/-, 25% between Rs. 10,001 to Rs.15,000, 25% between Rs. 15,001 to Rs. 20,000/- and 15% above Rs. 20,000 to Rs.25,000/-

Table 1.2 Sub-wise physical and financial allocation

Slab	No. of Beneficiaries	Artisans Share	Bank Loan	Subsidy	Total
I	4900	12.25	110.25	367.50	490.00
II	2333	11.67	75.78	262.50	349.95
III	1750	17.50	70.00	262.50	350.00
IV	840	8.40	44.10	157.50	210.00
	9823	49.82	300.13	1050.00	1399.95

1.4) Financial Assistance to Minorities under Subsidy for Bankable Scheme:

Pattern of Finance:

The Corporation is extending Financial Assistance to the schemes up to Rs. 2,50,000/- in general and for transportation Schemes Rs. 3,00,000/- in particular subject to maximum subsidy component of Rs. 1,00,000/-.

1. Corporation Subsidy:50% of Unit Cost (Max upto Rs. 1,00,000/-)
2. Bank Loan:40% of Unit Cost (Max upto Rs. 1,50,000/-)

3. Beneficiary Contribution:10% of Unit Cost (Max upto Rs. 30,000/-)

No. of Beneficiaries to be assisted:

Under Subsidy for Bankable scheme 3464 needy Minorities will be benefited with State Government Subsidy amounting to Rs. 1732.00 lakhs during the year 2015-16.

1.5) Financial Assistance to Minorities under DUKAN-MAKAN:

Dukan-Makan Scheme is intended to provide Pucca House with work place along with working capital for running own business.

The main idea of this scheme is to encourage the Minorities who own land/katch house, but unable to start any economic activity for their livelihood due to lack of finance.

No. of Beneficiaries to be Assisted:

Under Dukan-Makan Scheme 1,000 Minority beneficiaries shall be benefited of which 500 from Urban and 500 from rural areas with State Government Subsidy amounting to Rs. 818.00 lakhs during the year 2015-16.

Table 1.3 Pattern of Finance Construction of House-cum-Shop by Housing Department

Particulars		Rural Area Rs.	Urban Area Rs.	
A	Construction of House	Subsidy from Housing Dept	20,500	9,000
		Subsidy form State Govt.(APSMFC)	47,500	66,000
		Beneficiary contribution	2,000	5,000
		Sub Total	70,000	80,000
B	Working Capital for running Business Activity	Bank Loan	25,000	25,000
		Subsidy from APSMFC	25,000	25,000
Total Unit Cost		1,20,000	1,30,000	

II. Training & Employment:

Eligibility:

- Age between 18 to 33 years
- Annual income of the parents/guardian should be less than Rs. 2.00 lakh in Urban and Rs. 1.50 Lakhs in Rural. Income proof should be enclosed.
- 75% and above attendance in Training classes is essential for sanction of stipend.

Table 1.4 Training Courses offered in Guntur District

SL. No.	Course	Duration	Qualification
1	Mobile Phone Repair & Maintenance	3 Months	SSC Pass
2	Accounting with Finance	3 Months	Inter CEC Pass / B.Com Degree
3	Auto Cad	3 Months	Diploma in ITI / Polytechnic / B.Tech
4	BPO Non-Voice	3 Months	Inter Pass
5	Office Assistant	3 Months	SSC Pass
6	Computer Hardware & Networking	3 Months	SSC Pass
7	Desk Top Publication	3 Months	SSC Pass
8	Web Designing and Publishing	3 Months	Inter / Degree Pass
9	Banking and Insurance	3 Months	SSC Pass / Fail
10	Electrician	3 Months	SSC Pass / Fail

III. Scholarships

Post Metric Scholarships: Post Metric Scholarship will be sanctioned to the economically backward minority students whose parents / guardians income does not exceed Rs 1 lakh per annum. The post metric scholarships will be sanctioned to the minority students of Intermediate, Graduation, Post Graduation and Professional Courses as follows:

Table 1.5 Details of Post Metric Scholarship

Course	Scholarship Amount		
	Hosteller (Attached Hostel) (CMH)	Students Managed Hostel (SMH)	Day Scholars
Professional Courses	Rs 962/- per month for 10 months	Rs 442/- per month for 10 months	Rs 429/- per month for 10 Months
Post Graduation	Rs 682/- per month for 10 months	Rs 442/- per month for 10 months	Rs 429/- per month for 10 Months
Graduation/Dipl oma courses	Rs 520/- per month for 10 months	Rs 325/- per month for 10 months	Rs 240/- per month for 10 Months
Intermediate	Rs 520/- per month for 10 months	Rs 325/- per month for 10 months	Rs 240/- per month for 10 Months

Eligibility Criteria

- 1) Post Metric Scholarship & Fee reimbursement will be sanctioned to the economically backward minority students.
- 2) Whose parents/guardian annual income does not exceeds Rs 1 lakh.
- 3) Fee reimbursement will be sanctioned to all the students irrespective of distance whose parent's income does not exceed Rs 1 lakh on par with social welfare department.
- 4) The Scholarships amount shall be disbursed to the students who put in 75% Attendance in normal time.

IV. Hostels for Minority Students**Pre Metric Hostels**

Pre Metric Hostel facilities for Minority students are established by Government of Andhra Pradesh with an objective to provide improved access to school education to those minority children who are denied or who have difficulties in accessing school education.

Post Metric Hostels

The Post Metric hostel facilities for Minority students are established an objective to provide improved access to quality higher education to those minority children who are denied or who have difficulty in accessing such quality higher education.

Success Stories of beneficiaries of A.P.S.M.F.C.

Case 1: Has provided Direct Loan of Rs 10,000/- to Sri Syed Althaf Hussain for establishing of Bags Business and at present his earning Rs 1800/- per month and maintain his family with the profit that he is getting from the shop.



Case 2: Who has studied upto tenth standard lost her father at very young age. Her family consists of her mother and sister struggled to make both ends meet with small income from private job by her sister. Marthamma underwent printing training. She approached APSMFC officials at Cuddapah for assistances in the form of loan under margin money scheme. She received Rs. 50,000/- from Syndicate bank and Rs.11,300/- from APSMFC. Her family is now leading a comfortable life.

Conclusion: Financial Assistance to Minorities plays a vital role because Minorities have been considered as the engine of social - Economic growth. It encourages the new entrepreneurs by providing them the loans and helping their dreams to be alive and come true. Andhra Pradesh State Minorities Finance Corporation has promoted many minority people and helped newly emerging entrepreneurs to develop their plan towards their objectives and implement it, which also helps in economic growth of the country and it also provides employment opportunities to many people.

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