
Section –6

Programmes and Schemes

Economic empowerment through concessional finance and micro-credit facilities for socio-economically marginalized sections

Finance - approachable, available and affordable - is one of the major constraints in voluntary action amongst the socially vulnerable and economically marginalized sections of the population towards self-entrepreneurship and self-reliance. This section provides a view into some affirmative options provided by the government of India for providing loans at concessional rates to promote an array of voluntary activities amongst the physically and socially disadvantaged and economically deprived sections of the population towards economic self-reliance.

Name of the programme / scheme	SCHEMES FOR ECONOMIC DEVELOPMENT OF MINORITIES
Name of the Ministry / Department/Institution	National Minorities Development And Finance Corporation, Ministry of Social Justice and Empowerment.
Objectives	To promote <i>economic development of notified minorities</i> i.e. Muslims, Christians, Sikhs, Buddhists and Parsis through concessional finance for setting up of self employment income generation ventures.
Target Group	Minorities living <i>below double the poverty line.</i>
Pattern of Assistance	<p>Financial assistance to individual beneficiaries for projects costing up to Rs.5 lakhs is provided.</p> <p>NMDFC extends term loans at a concessional rate of interest to a maximum of 85 percent of the project cost. Remaining cost is met by the State Channelising Agencies (nominated by the State Governments) and the beneficiary. The rate of interests on term loans up to Rs.2 lakhs is 7 percent and for higher amount up to Rs.5 lakhs is 10 percent.</p> <p>Under the Micro Credit Scheme an amount to the extent of Rupees Ten thousand per beneficiary is provided through network of non-governmental organizations and Self-Help Groups. Under the Micro Credit Scheme, the rate of interest charged from the non-governmental organizations by NMDFC is 4 percent and NGOs charge from Self-Help Groups 8 percent and Self-Help Groups charge from beneficiary up to 10 percent.</p>
Implementing Agencies	State Channelising Agencies and Non-Government Organisations
Eligibility Conditions	Persons belonging to minority communities living below double the poverty line are eligible for loans. Non-governmental organizations, which are more than three years old and having Self-Help Groups practising Thrift and Credits Scheme.
Procedure for applying	<p>Individuals may approach to the State Channelising Agencies for Term Loan. Eligible non-governmental organizations, may apply to corporation directly at:</p> <p style="text-align: center;">Managing Director, National Minorities Development & Finance Corporation, 1, Taimoor Nagar, Opp D/996, New Friends Colony, New Delhi-110065. Tel. 26325653/26325652/26326051</p>

Name of the programme/scheme	ECONOMIC DEVELOPMENT SCHEMES FOR SCHEDULED CASTES
Name of the Ministry / Department/Institution	National Scheduled Castes Finance and Development Corporation, Ministry of Social Justice and Empowerment.
Objectives	To provide cheap and adequate finance to poor amongst Scheduled Castes for income generating programmes through the State Channelising Agencies (SCAs) and NGOs.
Target Group	Persons belonging to Scheduled Castes below the double poverty line income limit prescribed for rural and urban areas.
Pattern of Assistance	<p>A. Term Loan for project(s)/unit(s) costing upto Rs. 30.00 lakhs.</p> <p>B. Seed Capital Assistance for projects costing upto Rs. 50.00 lakhs.</p> <p>C. Bridge Loan against investment subsidy (or any other source of funds) sanctioned by recognized agencies for projects costing upto Rs. 30.00 lakhs, but not disbursable within the implementation period of the project.</p> <p>D. Working Capital Loan for projects/units costing up to Rs. 30.00 lakhs.</p> <p>E. Micro-Credit Finance Scheme for units costing upto Rs 25,000/.</p> <p>F. Grants for Skill and Entrepreneurial Development Programmes.</p> <p>The quantum of assistance, interest rate, repayment period and manner of disbursement of funds would be according to the schematic pattern for different finance schemes.</p>
Implementing Agencies	Individuals, Partnership Firms/Co-operative Societies/any other form of legal Associations.
Eligibility Conditions	The individuals or all the members of the Partnerships Firms/Societies etc should belong to Scheduled Castes and the annual family income of each individual/member should be below double the poverty line income limit prescribed for rural and urban areas. The organisations should have a minimum of 3 years experience in operational field and the recovery performance for the past 3 years should be satisfactory. Should have necessary professional competence, basic financial management capabilities, sound organisational skills and adequate field staff.
Procedure for applying	<p><i>The prospective eligible applicant should apply in prescribed format to the concerned SCA. For details contact:</i></p> <p>Managing Director, National Scheduled Castes Finance and Development Corporation 8, Balaji Estate, Guru Ravi Dass Marg, Kalkaji, New Delhi-110019 Tele: 26002780/81/82/83 Fax: 26002777/78 E-mail: nsfdc@satyam.net.in</p>

Name of the programme/scheme	ECONOMIC DEVELOPMENT SCHEMES FOR BACKWARD CLASSES
Name of the Ministry / Department/Institution	National Backward Classes Finance and Development Corporation, Ministry of Social Justice and Empowerment.
Objectives	To promote <i>economic and developmental activities for the benefit of Backward Classes</i> and to assist the poorer sections of these classes in skill development and self employment ventures.
Target Group	Persons belonging to Backward Classes below the double poverty line income limit prescribed for rural and urban areas.
Pattern of Assistance	<p>A. Term Loan Scheme provides upto 85% of the project cost subject to the maximum limit of Rs. 5.00 lakhs per beneficiary.</p> <p>B. Margin Money Loan Scheme provides 40% of the project cost subject to maximum of Rs. 2.00 lakhs per beneficiary.</p> <p>C. Micro-Credit Finance Scheme provides maximum loan of Rs. 5.00 lakhs per NGO or Rs. 10,000/- per beneficiary.</p> <p>D. Swarnima- Special Scheme for Women provides concessional loans to OBC women below the double poverty line income limit.</p> <p>E. Educational Loan provides financial assistance to the students of Backward Classes living below double poverty line for pursuing general/professional/technical courses or training at graduate and higher level in an institute recognised by AICTE/Medical Council of India.</p>
Implementing Agencies	State Channelising Agencies and Non-Government Organisations.
Eligibility Conditions	Persons belonging to Other Backward Classes living below double the poverty line are eligible for loans. Non-governmental organizations, which are more than three years old and having Self-Help Groups practising Thrift and Credits Scheme.
Procedure for applying	<p>Prospective eligible beneficiary should apply on the prescribed application form to the concerned State Channelising Agency, with necessary document. For further details contact:</p> <p style="text-align: center;">Managing Director, National Backward Classes Finance and Development Corporation, NCUI Building, 3 Siri Institutional Area, Khel Gaon Marg, New Delhi-110016. Tele: 26852624, 26511027, 26510923 Fax: 26850086/ 26854521 E-mail: nbcfdc@del3.vsnl.net.in</p>

Name of the programme/scheme	ECONOMIC DEVELOPMENT SCHEMES FOR THE HANDICAPPED
Name of the Ministry / Department/Institution	National Handicapped Finance and Development Corporation, Ministry of Social Justice and Empowerment.
Objectives	To provide concessional finance to the poor disabled persons for a wide range of activities including self-employment ventures, upgrading of skills, assistance for infrastructure development activities etc.
Target Group	Disabled Persons (40% disability) between 18 and 5 years, below the double poverty line income limit prescribed for rural and urban areas.
Pattern of Assistance	<ul style="list-style-type: none"> ● For setting up small business in Service/Trading sector: loan up to Rs. 2.50 lacs (for transport activity-up to Rs. 5.00 lacs). ● For setting up small industrial unit: loan up to Rs. 20.00 lacs. ● For Higher studies/professional training. ● For Agricultural activities: loan up to Rs. 5.00 lacs. ● For manufacturing/ production of assistive devices: loan up to Rs. 25.00 lacs. ● For self-employment amongst persons with mental retardation, cerebral palsy and autism: loan up to Rs. 2.50 lacs. ● For skills & entrepreneurial development programmes. ● Margin Money Loan: loan up to 80% of promoter's share limited up to Rs. 30.00 lakhs. ● For cooperative society/association of disabled persons and firm promoted by disabled persons; loan up to Rs. 25.00 lacs. ● Parents' Association of mentally retarded persons. ● Micro Financing Scheme provides loan up to an amount of Rs. 2.00 lacs to an NGO for further disbursement to disabled beneficiaries up to an amount of Rs. 10.00 thousand per beneficiary for income generating activities.
Implementing Agencies	Registered or legally established Non-Government Organisations
Eligibility Conditions	Should have necessary professional competence in terms of organisational skills and financial management capability. Should be running on sound lines and preferably have experience of Thrift and Credit administration of at least three years with recovery performance of approximately 90% during the previous three years.
Procedure for applying	<p>The application, in prescribed form should be sent to:</p> <p style="text-align: center;">Chairman-cum-Managing Director, National Handicapped Finance and Development Corporation, Red Cross Bhavan Sector-12, Faridabad-121007, Haryana Tele: 25264841 Fax: 25284371 E-mail: nhfdc@nda.vsnl.net.in</p>

Name of the programme/scheme	ECONOMIC DEVELOPMENT SCHEMES FOR TRIBALS
Name of the Ministry / Department/Institution	National Scheduled Tribes Finance and Development Corporation
Objectives	To provide cheap and adequate finance place to poorer amongst Scheduled Tribes for income generating programmes through the State Channelising Agencies (SCAs) and NGOs.
Target Group	Persons belonging to Scheduled Tribes below the double poverty line income limit prescribed for rural and urban areas.
Pattern of Assistance	<p>A. Term Loan (upto 90% of the cost) for the project costing upto Rs. 10.00 lacs.</p> <p>B. Bridge Loan to meet the gap in funding requirements of projects costing upto Rs. 10.00 lacs.</p> <p>C. Adivasi Mahila Sashaktikaran Yojana for providing concessional finance exclusively for the economic development of scheduled tribe women beneficiaries for projects costing upto Rs. 50.000/-.</p> <p>D. Working Capital Loan for undertaking procurement and marketing activities of agricultural/minor forest produce and related activities.</p> <p>E. Grant for Skill and Entrepreneurial Development Programmes upto 85% of the recurring expenditure of the training programme for imparting skill and entrepreneurial development.</p>
Implementing Agencies	Individuals, Partnership Firms/Co-operative Societies/any other form of legal Associations.
Eligibility Conditions	The individuals or all the members of the Partnerships Firms/Societies etc should belong to Scheduled Tribes community and the annual family income of each individual/member should be below double the poverty line income limit prescribed for rural and urban areas. The organisations should have a minimum of 3 years experience in operational field and the recovery performance for the past 3 years should be satisfactory. Should have necessary professional competence, basic financial management capabilities, sound organisational skills and adequate field staff.
Procedure for applying	<p>The prospective eligible applicant should apply in prescribed format to the concerned SCA. For details contact:</p> <p style="text-align: center;">National Scheduled Tribes Finance and Development Corporation Indira Gandhi Indoor Stadium, Indra Prastha Estate, New Delhi-110002 Tele: 23392230-34, 23392638, 23392648-50 Fax: 23392646</p>

Name of the programme / scheme	MAIN LOAN SCHEME
Name of the Ministry / Department/ Institution	Rashtriya Mahila Kosh (RMK), Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	To promote, support and undertake activities for improvement of facilities of credit to women for sustenance of their existing employment, generation of further employment, asset creation, asset redemption and tiding over consumption, social and contingent needs.
Target Group	Women below poverty line both in urban / rural areas.
Pattern of Assistance	<ul style="list-style-type: none"> ● Short-Term (ST) Loans up to Rs.5, 000/- and Medium –Term (MT) Loans up to Rs.7, 500/- per borrower. ● Parameters for unit cost will be the same as per practice followed by the NGOs/other organisations but should not exceed NABARD norms applicable to that region. ● For income generating activities for which no NABARD norms exist, applicant organisations will adopt reasonable norms of unit cost. ● Drawals will be allowed under the limit as and when required by the NGOs/other organisations for which suitable banking arrangements will be made by the RMK. ● ST loans drawn from the RMK will be required to be repaid in quarterly instalments. The period ST loans will not exceed 15 months. ● MT loans will be repayable in 2-5 years in half yearly instalments. ● The rate of interest will be as fixed form time to time. ● The FI/SHG shall charge interest not exceeding 12 per cent per annum on reduced balances to the a) SHGs or b) ultimate borrowers financed directly by the NGO/FI. ● Incentives would be admissible to the NGOs/FI based on performance.
Implementing Agencies	Non-Governmental Organisations / Women Development Corporations / Cooperative Societies.
Eligibility Conditions	Should have experience of 3 years in thrift and credit administration and recovery performance should be around 90% during the last 3 years.
Procedure for applying	<p>Application in the prescribed proforma should be sent to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg, New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/scheme	LOAN PROMOTION SCHEME
Name of the Ministry / Department/Institution	Rashtriya Mahila Kosh (RMK), Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	<ul style="list-style-type: none"> ● In order to have larger coverage through small organisations, which do not satisfy the eligibility norms under the Main Loan Scheme, for experiencing management in thrift and credit. ● To provide practical training to the participating NGOs in building up confidence in handling the thrift and credit programmes and ultimately develop their organisations to meet the challenges of socio-economic development.
Target Group	Women below poverty line both in urban / rural areas.
Pattern of Assistance	Up to Rs.2 lakhs per organisation at the initial stage. On successful implementation of the first cycle of the small loan, which may go up to Rs.2 lakhs, the organisation can avail loan assistance under the Main Loan Scheme as per its capacity in infrastructure and performance.
Implementing Agencies	Non-Governmental Organisations / Women Development Corporations / Cooperative Societies.
Eligibility Conditions	<ul style="list-style-type: none"> ● Should have experience of 3 years in thrift and credit administration. ● Recovery performance should be around 90% during the last 3 years. ● Eligibility conditions for women borrowers will be ensured by the NGO/SHG through their own mechanism.
Procedure for applying	<p>Application in the prescribed proforma should be sent to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg, New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme / scheme	REVOLVING FUND SCHEME
Name of the Ministry / Department/ Institution	Rashtriya Mahila Kosh (RMK), Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	<ul style="list-style-type: none"> ● To help the NGOs/organisations to extend their outreach to such women who could not get assistance under the scheme so far and thus enlarge its coverage. ● To provide flexibility to the participating NGOs/organisations as they can revolve the money for 3 years.
Target Group	Women below poverty line both in urban / rural areas.
Pattern of Assistance	Upto a maximum of Rs.50 lakhs to the identified and well established organisations, which have requisite infrastructure to implement the programme properly.
Implementing Agencies	Non-Governmental Organisations / Women Development Corporations / Cooperative Societies.
Eligibility Conditions	Organisations having infrastructure capability and experience in thrift and credit for 5 years (at least two years with RMK) are eligible for assistance under Revolving Fund Scheme repayable in 3 years in four half-yearly instalments starting from 18 th month.
Procedure for applying	<p>Application in the prescribed proforma should be sent to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg, New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/scheme	SCHEME FOR DEVELOPMENT AND STABILISATION OF SELF HELP GROUPS (SHGs)
Name of the Ministry / Department/Institution	Rashtriya Mahila Kosh (RMK), Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	To encourage those NGOs who have de-centralised administrative structures in the shape of SHGs, making their task of giving credit and effecting recovery easier.
Target Group	Self Help Groups (SHGs)
Pattern of Assistance	<p>Rs.4, 000/- per group is given as interest-free loan by RMK to the NGOs for formation and stabilisation of SHG. At present Rs.1 lakh is given to individual NGO for promoting 25 SHGs. This covers cost of survey, identification of members, organising meetings, training, stationery, local transport etc.</p> <p>The loan given can be converted into a grant @ 25% of total savings generated by the SHGs and 5% of loans given out by the SHGs from their own savings. The loan is repayable in 30 months. Any non-converted amount at the end of 30 months is recovered @ 8% rate of interest.</p>
Implementing Agencies	Non-Governmental Organisations
Eligibility Conditions	<p>At least 3 years old registered Non-Government Organisations having a positive potential for becoming borrowers of the RMK in the course of another one or two years.</p> <p>The NGOs should have a good record of performance in various developmental activities, particularly in promoting economic activities for women as well as necessary infrastructure for promotion of Self Help Groups.</p> <p>The NGO should have been implementing socio-economic development programmes in the past three to four years and has no resources or financial assistance for the purpose of promotion of the new groups from any other sources.</p>
Procedure for applying	<p>Applications in the prescribed application formal may be sent to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg, New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/ scheme	DEATH RELIEF AND REHABILITATION FUND SCHEME
Name of the Ministry / Department/Institution	Rashtriya Mahila Kosh, Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	To make provision for writing off loan outstanding against a woman borrower in the event of her death or irretrievable loss or damage to the asset created out of RMK finance.
Target Group	Women borrowers covered under the RMK Scheme.
Pattern of Assistance	Women borrowers who are desirous of joining the scheme contribute Re.1/- per month for loan outstanding upto Rs.2, 500/, Rs.2/- per month for loan outstanding upto Rs.5, 000/- and Rs.3/- per month for loan outstanding upto Rs.7, 500/- as premium equivalent amount is contributed by RMK as matching contribution.
Implementing Agencies	Non-Governmental Organisations and other agencies facilitating RMK's credit.
Eligibility Conditions	The scheme is optional and all women borrowers under various schemes of RMK in the age group of 21-60 years can join.
Procedure for applying	<p>NGOs and other organisations facilitating RMK credit to poor women can apply on prescribed format directly to</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/scheme	NODAL AGENCY SCHEME
Name of the Ministry / Department/Institution	Rashtriya Mahila Kosh, Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	<ul style="list-style-type: none"> ● The scheme is intended to expand out-reach of the credit facilities of RMK by linking new NGOs with it. ● Identification and preparation of potential NGOs with the help of reputed and experienced organisations to eventually link them with RMK to extend credit facilities to women Self Help Groups (SHGs).
Target Group	<p>NGOs as borrowing partners of RMK. The NGOs will avail credit facilities from RMK and extend the same to the poor women through their SHGs.</p> <p>Ultimately, the poor women will be the beneficiaries under the Scheme who will be able to access credit facilities for their income generation activities.</p>
Pattern of Assistance	Besides reimbursement of expenses incurred on training programmes organised for the new NGOs, the Nodal Agencies will be reimbursed Rs.5,000/- per month towards salary and travel expenses of the person engaged for taking up the responsibilities for RMK related work. Over and above this the Nodal Agencies will also be eligible for overhead expenses as per norms.
Implementing Agencies	NGOs appointed as Nodal Agencies by RMK on the basis of their experience and capability in the fields of training/SHGs/Micro-credit/implementation of RMK Schemes, etc.
Eligibility Conditions	Experienced and reputed organisation, not necessarily RMK partners, having requisite capability in the field of micro-credit/SHGs/Training/RMK Schemes, etc. Other relevant factors will also be considered, while appointing Nodal Agencies.
Procedure for applying	<p>An application can be made explaining experience and capabilities to the organisation to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/scheme	MARKETING FINANCE SCHEME
Name of the Ministry / Department/Institution	Rashtriya Mahila Kosh, Department of Women & Child Development, Ministry of Human Resource Development.
Objectives	To facilitate the marketing of products/goods produced by the women borrowers/members of different SHGs by tapping their demand either in the local market or nearby markets or some other places near the consuming centres.
Target Group	Non-Governmental Organisations
Pattern of Assistance	The nature of assistance will be working capital for facilitating marketing loan to be given under the Scheme, which will be normally 40 per cent of the expected value of goods produced for sale during the year.
Implementing Agencies	Non-Governmental Organisations and other collaborators of Rashtriya Mahila Kosh.
Eligibility Conditions	<p>Only NGOs and organisations who have borrowed funds by way of credit limit for onward lending to poor women will be eligible for marketing support provided they also satisfy the following conditions:</p> <ul style="list-style-type: none"> ● The loan amount under the main credit limit of RMK has been operated satisfactorily and there are no defaults. ● The organisation has adequate experience in marketing operations and also has some minimum infrastructure/expertise for conducting marketing operations.
Procedure for applying	<p>The collaborator NGOs and other organisations can apply directly to RMK on the application format prescribed for the purpose. For further details please write to:</p> <p style="text-align: center;">The Executive Director Rashtriya Mahila Kosh 4, Deen Dayal Upadhaya Marg New Delhi – 110002 Tel: 23232085 / 23232686 Fax: 23234823</p>

Name of the programme/scheme	SCHEME ON TRADE RELATED ENTREPRENEURSHIP ASSISTANCE AND DEVELOPMENT (TREAD) FOR WOMEN
Name of the Ministry / Department/Institution	Ministry of Small Scale Industries & Agro and Rural Industries
Objectives	<ul style="list-style-type: none"> ● To create incremental and sustainable employment (including wage employment) for poor women by developing their entrepreneurial capabilities and technical skill through package of support services; ● To strengthen the capacities of NGOs and trade related services institutions supporting women's enterprise in training, product and market development and transfer of skills and technology.
Target Group	Poor women in rural areas and urban slums and women, who are educated, established entrepreneurs and new entrants or emerging entrepreneurs.
Pattern of Assistance	The Scheme has two components, namely, loan and grant. Lending agencies namely SIDBI, NABARD, RMK, BANKS or other financial institutions will provide the NGOs credit facilities under their scheme. Government of India provides a grant component not exceeding one third of the total cost of the project. The grant is meant for building capacities of women entrepreneurs, NGOs, trade related support agencies and in some cases for providing margin money & equity support in the form of interest free loan which could be recovered and deposited in a revolving fund pool, individual women entrepreneurs also given assistance to generate wage employment of women imparting skill based training where there is no NGO. Government subsidises 50% of their training costs in selected institutions to enable them to acquire/ upgrade entrepreneurial skills.
Implementing Agencies	The Scheme is being implemented through selected NGOs.
Eligibility Conditions	No specific eligibility conditions are prescribed and the application must be accompanied with Experience details indicating performance in handling women's economic development projects handled in the past, Audited Accounts for past 3 years, Bye-Laws, Present sources of funding, Name and address of the banker etc. to justify its suitability for the project being applied for.
Procedure for applying	<p>Proposals in the prescribed application should be submitted to:</p> <p style="text-align: center;">The Director Ministry of Small Scale Industries & Agro and Rural Industries Room No.254, Udyog Bhawan, New Delhi – 110 011 Tel: 23015098 Fax: 23014285</p>