

1.4. Norms for discharge of function [Section 4(1)(b)(iv)]

1.4	Norms for discharge of functions {4 (1) (b) (iv)}	1.4.1 Nature of functions/ services offered	<p><b>A.Background</b> National Backward Classes Finance and Development Corporation (NBCFDC), a Government of India Undertaking has been established under the aegis of Ministry of Social Justice &amp; Empowerment which provides financial assistance to the poor members of Backward Classes through Channel Partners (State Channelising Agencies (SCAs)/Banks ). The Corporation provides loan assistance for their self-employment ventures in the following sectors:-</p> <ol style="list-style-type: none"> <li>1)Agriculture and Allied Activities</li> <li>2)Small Business/Artisan &amp; Traditional Occupation</li> <li>3)Transport Sector &amp; Service Sector</li> <li>4)Technical &amp; Professional Trades/Courses</li> </ol> <p><b>B.Eligibility for Loan &amp; Certification required</b></p> <p>(a) The applicant should belong to a caste covering under the Other Backward Classes list as notified by State/Central Government from time to time. Relevant Caste Certificate to be issued by relevant authority of District Administration.</p> <p>(b) Annual family income should be upto Rs.3.00 Lakh per annum irrespective of rural or urban area. Following certifications to establish the income criteria can be used by the applicant :-</p> <p>(i)Certificate of income issued by Competent Authority of State Government/Distt. Administration or Antyodaya Anna Yojana(AAY) Card or Below Poverty Line(BPL) Card.</p> <p>(ii)Annual family income certificate may be considered by the SCAs/Banks on self-certification of the beneficiaries with endorsement of the same by any Gazetted Officer notified by State/Central Government.</p> <p>(iii) In case of loan being applied at Bank (Channel Partner), Self-Certification assessed and endorsed by Branch Manager can be used for providing the loan.</p> <p>(iv) For Landless agriculture labour, marginalized farmers (those with upto One hectare land holding) and small farmers (those with upto Two hectare land holding), as assessed by the Banks through their standard processes and belonging to the Backward Classes will be automatically treated as part of the target group as per following considerations:-</p> <ol style="list-style-type: none"> <li>1)Landless agriculture labour and marginalized farmers with land holding less than One hectare will be deemed as having annual family income below Rs.1.50 Lakh per annum.</li> <li>2)Small farmers i.e. those with land holding between One and Two hectares will be deemed as having annual family income below Rs.3.00 Lakh per annum.</li> </ol>
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## C. Types of Loans

### 1. Term Loan Scheme

**(i) General Loan Scheme:** Under this scheme, loan assistance is available for various income generating activities in various sectors such as Agriculture and Allied Sector, Small Business/Artisan & Traditional Sector and Transport & Service Sector. Loans are given upto 85% of the project cost subject to a maximum of Rs.15.00 Lakh per beneficiary. Loans upto Rs. 5.00 Lakh are provided at an interest rate of 6% per annum (p.a.). Loans above Rs. 5.00 Lakh and upto Rs. 10.00 Lakh are provided at an interest rate of 7% p.a. Loans above Rs. 10.00 Lakh and upto Rs. 15.00 Lakh are provided at an interest rate of 8% p.a. The loan repayment period is 8 years.

**(ii) New Swarnima Scheme:** Under this scheme, loan assistance is available for women of Backward Classes to inculcate the spirit of self-reliance among them. Loans are given upto 95% of the project cost. The maximum loan limit per beneficiary is Rs. 2.00 Lakh at an interest rate of 5% p.a. The loan repayment period is 8 years.

**(iii) Education Loan Scheme:** Under this scheme, loan assistance is available to the students of Backward Classes. The applicant should have obtained admission for any professional or technical courses approved by appropriate agency such as AICTE, Medical Council of India, UGC etc. in a duly accredited/recognized institute and have minimum 50% marks in qualifying exam. Loans are given upto 90% of the course fees for studies in India and upto 85% of the course fees for studies outside India. Maximum loan limit per student is Rs.15.00 Lakh for studying in India at an interest rate of 4% p.a. (3.5% p.a. for girl student). Maximum loan limit per student is Rs.20.00 Lakh for studying abroad at an interest rate of 4% p.a. (3.5% p.a. for girl student). Loan is to be repaid in 15 years with moratorium period of 5 years.

### 2. Micro Finance Scheme

**(i) Micro Finance Scheme:** Under this scheme, loan assistance is available to Self Help Groups (SHGs) to provide credit facilities for the target group especially for mixed group beneficiaries. Loans are given upto 90% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 5% p.a. Under this scheme repayment period is 4 years.

**(ii) Mahila Samriddhi Yojana:** Under this scheme, loan assistance is available to Self Help Groups (SHGs) to provide credit facilities for the target group especially women beneficiaries. Loans are given upto 95% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 4% p.a. Under this scheme repayment period is 4 years.

**(iii) Small Loan:** Under this scheme, loan assistance is available to individuals to provide credit facilities for the target group. Loans are given upto 85% of the project cost. Maximum loan limit per beneficiary is Rs.1.25 Lakh at an interest rate of 6% p.a. Under this scheme repayment period is 4 Years.

**(iv) NBFC-MFI Loan:** Under this scheme, loan assistance is available through Micro Finance Institutions (MFIs) to SHGs. Loans are given upto 90% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 12% p.a. Under this scheme repayment period is 4 Years.

**# In case of Banks, NBCFDC loan will be available up to 100%, however, disbursement will be made as per specific demand of Bank.**

**\* For Persons of the target group with Disabilities (40% or more) a special concession of 0.25% on rate of interest is provided.**

**Formation of SHGs under NBCFDC's Micro Finance and Mahila Samridhi Yojana:-**

NBCFDC recognizes Self Help Groups (SHGs) in which predominantly (60% and above) members belong to Backward Class provided other members belong to weaker sections (as per income or economic criteria prescribed by Govt.) including Scheduled Castes/Scheduled Tribes/Minorities and Person with Disabilities (PwD).

**II. Skill Development Training Scheme of NBCFDC**

NBCFDC facilities skill Development Training programmes for upgradation of technical and entrepreneurial skill of eligible members of Backward Class through 100% grant in aid. The objective of this scheme is to provide training to the target group to make them capable of self-dependent through appropriate skill and technical training in the field of traditional & technical occupations. The trainees are encouraged to obtain loan under NBCFDC general loan scheme to start their business/self-employment ventures after the successful completion of the training.

To impart Skill Development Training in broad conformance to the Common Norms for upgradation of technical and entrepreneurial skills through Govt. Training Institutes and Sector Skill Councils (SSCs) constituted by Ministry of Skill Development & Entrepreneurship, so that eligible members of OBCs may engage in developmental activities by way of self-employment or wage employment.

The eligible beneficiaries may access the website of NBCFDC i.e. [www.nbcfdc.gov.in](http://www.nbcfdc.gov.in) for eligibility Criteria, Duration of Training, amount of GIA, Re-skilling and Bridge Course etc.

		<p><b>III. PERFORMANCE LINKED GRANT-IN-AID SCHEME:</b> For detailed schemes, may visit nbcfdc website i.e. <a href="http://www.nbcfdc.gov.in">www.nbcfdc.gov.in</a> =&gt; <a href="#">other schemes</a> on the front page.</p> <p><b>IV. Technology Upgradation of Clusters under NBCFDC Schemes:</b> For details scheme, may visit nbcfdc website i.e. <a href="http://www.nbcfdc.gov.in">www.nbcfdc.gov.in</a> =&gt; <a href="#">other schemes</a>.</p>
	1.4.2. Norms/standards for functions/service delivery	<p><b>Eligibility for Loan &amp; Certification required</b></p> <p><b>a)</b> The applicant should belong to a caste covering under the Other Backward classes lists as notified by State/Central Government from time to time. Relevant caste Certificate to be issued by relevant authority of District Administration.</p> <p><b>b)</b> Annual family income should be below Rs.3.00 lakh per annum irrespective of rural or urban area. Following certifications to establish the income criteria are recognised:</p> <p>i) Certificate of income issued by Competent Authority of State Government/Distt. Administration of Antodaya Anna Yojana (AAJ) Card or Below Poverty Line (BPL) Card.</p> <p>ii) Annual family income certificate on self-certification of the beneficiaries with endorsement of the same by any Gazetted Officer notified by State/Central Government.</p> <p>iii) In case of loan being applied at Bank (Channel Partner), Self-Certification assessed and endorsed by Branch Manager can be treated as valid proof.</p> <p>iv) Landless agriculture labour, marginalised farmers (those with upto One hectare land holding) and small farmers (those with up to Two hectare land holding) as, assessed by the Banks through their standard processes and belonging to the Backward Classes will be automatically treated as part of the target group as per following considerations:</p> <ol style="list-style-type: none"> <li>1. Landless agriculture labour and marginalised farmers with land holding less than One hectare will be deemed as having annual family income below Rs.1.50 lakh per annum.</li> <li>2. Small farmers i.e. those with land holding between One and Two hectares will be deemed as having annual family income below Rs.3.00 lakh per annum.</li> </ol>
	1.4.3 Process by which these services can be accessed	<p>As per the Lending Policy, National Backward Classes Finance and Development Corporation (NBCFDC) extends financial assistance in the form of loan to the OBCs having annual family income upto Rs.3.00 lakh for their income generating schemes and educational loan through State Channelising Agencies (SCAs) nominated by the respective State Government/UT Administration and other Channelising Agencies. The target group submit their project proposals and educational loan applications based on their felt needs, qualifications, existing skill and experience as per the format(s) applicable to them to the SCAs. The SCAs submits Annual Action Plan. On the basis of Notional Allocation conveyed to them against which SCAs can draw the funds after fulfilling the prudential norms and funds release to the beneficiaries. The list of the SCAs are available at <a href="http://www.nbcfdc.gov.in">www.nbcfdc.gov.in</a></p> <p>Alternatively, NBCFDC also provide loan through Other Channelising Agencies (PSBs/RRBs/NBFC-MFIs etc.) through re-finance mode. The applicant can visit the nearest branch for availing the financial assistance. The list of the OCAs are available at <a href="http://www.nbcfdc.gov.in">www.nbcfdc.gov.in</a></p> <p><b>Skill Development Training Programme</b></p> <p>NBCFDC also sponsors skill development training programmes for unemployed persons of the target groups. Upskilling, EDP, Short &amp; long term skill training is provided in sectors having good potential for wage/self-employment with duration of 200-600 hrs for short term, 6 months to 1 year for long term, 90 hrs for EDP and 32-80 hours for reskilling (RPL).</p> <p>In these programmes, the trainees are provided free training and stipend @Rs.1000/- per month in case of non-residential, short term training</p>

			<p>programmes, subject to 80% attendance of trainees in each month. Wage compensation @ Rs.2500/-, per month is provided to employed trainees for upskilling programmes subject to 80% and above attendance. These programmes are conducted primarily through Govt. training institutions and other credible training institutions. (see the website of <a href="http://www.nbcfdc.gov.in">www.nbcfdc.gov.in</a>)</p> <p>On successful completion of training, the trainees are also provided placement assistance and/or entrepreneurial guidance to start their own ventures and may provide loan assistance from NBCFDC through State Channelising Agencies/Channel Partners.</p> <p>NBCFDC has aligned its skill training programmes in line with the Common Norms for Skill Training issued by the Ministry of Skill Development and Entrepreneurship.</p> <p>Funds for NBCFDC skill training are mobilized from Ministry of Social Justice &amp; Empowerment and CSR funds of CPSEs.</p>
		1.4.4. Time limit for achieving the targets	In the time bound manner as per Departmental Procedure of NBCFDC
		1.4.5. Process of redress of grievances	<p><b>Any Grievances received from all concerned are examined and action taken as per requirement. Grievances can be addressed to :</b></p> <p>Shri V.R. Chary, Sr. General Manager (HR &amp; CSR), National Backward Classes Finance &amp; Development Corporation 5th Floor, NCU Building, 3, Siri Institutional Area, August Kranti Marg, New Delhi-16 Ph: 011-45854400, Email:<a href="mailto:nbcfdc@nbcfdc.gov.in">nbcfdc@nbcfdc.gov.in</a></p>