

CHAPTER 7

NATIONAL SCHEDULED TRIBES FINANCE AND DEVELOPMENT CORPORATION.

7.1 Organization: National Scheduled Tribes Finance and Development Corporation is an apex organization set up exclusively for economic development of Scheduled Tribes. This corporation was incorporated as a Govt. company under Ministry of Tribal Affairs and granted license under Section 25 of the Companies Act, 1956. It is managed by the Board of Directors with representation from Central Govt., State Channelizing Agencies, Industrial Development Bank of India (IDBI), Tribal Co-operative Marketing Development Federation of India Ltd. (TRIFED) and eminent persons representing Scheduled Tribes etc. The corporation plays a leading role in economic upliftment of Scheduled Tribes by providing financial assistance at concessional rates of interest.

7.2. Mission, Objectives and Functions:

a. Mission: Economic development of Scheduled Tribes on sustainable basis.

b. Objectives: NSTFDC is an Apex organisation under Ministry of Tribal Affairs for providing financial assistance for economic development of Scheduled Tribes. The broad objectives of NSTFDC are:

- To identify economic activities of importance to the Scheduled Tribes so as to generate self-employment and raise their level of income.
- To upgrade skills and processes used by the Scheduled Tribes by providing both institutional and on the job training;

- To make the existing State/ UT Scheduled Tribes Finance and Development Corporations (SCAs) and other developmental agencies engaged in the economic development of Scheduled Tribes more effective.
- To assist SCAs in project formulation, implementation of NSTFDC assisted schemes and in imparting training to their personnel.
- To monitor implementation of NSTFDC assisted schemes in order to assess their impact.

c. Functions:

- To generate awareness amongst the STs about NSTFDC concessional schemes.
- To provide assistance for skill development and capacity building of beneficiaries as well as officials of SCAs.
- To provide concessional finance for viable income generation schemes through SCAs and other channelising agencies for economic development of eligible Scheduled Tribes.

7.3 Share Capital: The authorized share capital of the Corporation is Rs 500 crore and paid up capital is Rs 445.99 crore as on 31.12.2014.

7.4 Eligibility Criteria: The following is the eligibility criteria for availing financial assistance from NSTFDC:

a. Individuals/ Self Help Groups:

- The applicant(s) should belong to Scheduled Tribes community.
- Annual family income of the applicants should not exceed double the poverty line (DPL) income limit. This limit at present is Rs 81,000/- p.a. for the rural areas and Rs 104,000/- p.a. for the urban areas based on norms of the Planning Commission.

b. Co-operative Societies: Minimum 80% or more members should belong to Scheduled Tribes Community and annual family income of the applicants should not exceed double the poverty line. In case of change in membership, the said Co-operative Society shall ensure that percentage of ST members does not fall below 80% during the currency of the NSTFDC loan.

7.5 Schemes: The Corporation provides financial assistance for income generation activities and marketing support assistance for economic upliftment of Scheduled Tribes. The details of schemes of NSTFDC are as under:

a. Major Schemes under Income Generating Activities:

- **Term Loan scheme:** NSTFDC provides Term Loan for viable schemes costing upto Rs 10.00 lakhs per unit. NSTFDC provides financial assistance upto 90% of the cost of the scheme and the balance is met by way of subsidy/ promoter's contribution/ margin money.
- **Adivasi Mahila Sashaktikaran Yojana (AMSY):** This is an exclusive scheme for economic development of Scheduled Tribe women. Under the scheme, NSTFDC provides loan upto 90% for scheme costing upto Rs 1 lakh at highly concessional interest rate of 4% per annum.

- **Micro Credit Scheme:** This is an exclusive scheme for Self Help Groups for meeting small loan requirement of ST members. Under the scheme, the Corporation provides loans upto Rs 50,000/- per member and Rs 5 lakhs per SHG.
- **Adivasi Shiksha Rrinn Yojana:** This is an Education Loan scheme toenable ST students to meet expenditure for pursuing technical and professional education including Ph.D. in India. Under this scheme, the Corporation provides financial assistance upto Rs 5.00 lakh at concessional interest rate of 6% per annum.
- **Tribal Forest Dwellers Empowerment scheme:** The objective of the scheme is to generate awareness, provide training to beneficiaries, give NSTFDC's concessional financial assistance, assist in market linkage etc. to the Scheduled Tribes forest dwellers vested land rights under Forest Rights Act, 2006. Under the scheme, NSTFDC provides loan upto 90% for schemes costing up to Rs 1 lakh at concessional interest rate of 6% payable by the beneficiaries.
- **Assistance to TRIFED empanelled Artisans:** Under the scheme, NSTFDC provides concessional finance to tribal artisans empanelled with TRIFED for purchase of project related assets and working capital. Financial assistance is provided upto Rs 50,000/- for individuals and upto Rs 5 Lakh per SHGs/ Cooperative Societies at the interest rate of 4% p.a. for ST women and 6% p.a. for others.

b. Marketing Support Assistance: The Corporation provides financial assistance to meet Working Capital requirement of agencies engaged in procurement and marketing of Minor Forest Produce (MFP) and other tribal products.

The Lending Norms in brief for the above mentioned schemes of NSTFDC are as under:

S. No.	Types of Assistance	Unit cost upto	NSTFDC's share upto	Interest payable per annum	
				by SCAs	by Beneficiaries
1.	Term Loan Scheme	Rs 10 lakh	90% of unit cost	3%	6%
				(Upto Rs 5 lakh per unit as NSTFDC share)	
				5%	8%
				(Above Rs 5 lakh per unit as NSTFDC share)	
2.	Adivasi Mahila Sashaktikaran Yojana (AMSY)	Rs 1 lakh	90% of unit cost	2%	4%
3.	Micro Credit Scheme	50,000 per member and Rs 5 lakh per SHG	100%	3%	6% (payable by SHGs)
4.	Adivasi Shiksha Rinn Yojana (ASRY)	Rs 5 lakh	90% of loan amount	3%	6%
5.	Tribal Forest Dwellers Empowerment scheme	Rs 1 lakh	90% of loan amount	3%	6%
6.	Scheme for Self Help Groups (SHGs)	Rs 25 lakh	90% of unit cost	In line with interest rates applicable for Term loan scheme	
7.	Scheme for TRIFED empanelled ST suppliers/artisans	Rs 50,000/- for individual member and Rs 5 lakhs per SHG with a ceiling of Rs50,000/- per member	90% of unit cost	3%	6%
				For individual STs, SHGs and cooperatives	
				2%	4%
				For individual ST women	

c. Financial assistance extended by NSTFDC by way of Grant:

- **For Skill and entrepreneurial development programme:** In order to create opportunities for Self-employment/employment, financial assistance in the form of grant is provided for skill and entrepreneurial development of eligible Scheduled Tribes.

7.6 Major Achievement/ Initiatives:

- a. Scheme for ST Teak Growers:** During the year, NSTFDC formulated a new scheme for the benefit of ST Teak Growers in Dang district of Gujarat. The scheme would enable ST Teak growers to avail loan upto Rs 5 lakh per member or 50% valuation of teakwood as certified by the Forest Deptt. at an interest rate of 6% as against 10.25% presently charged by the banks under Green Kisan Credit Card being implemented by Forest Deptt., Govt. of Gujarat.

- b. **Polyhouse Scheme in collaboration with Ministry of Agriculture:** Deptt. of Horticulture, Ministry of Agriculture, Govt. of India is implementing bamboo based polyhouse scheme under their Mission for Integrated Development of Horticulture. NSTFDC, in collaboration with Ministry of Agriculture, is in the process of implementing the scheme for STs in clusters on pilot basis in the states of Andhra Pradesh, Chhattisgarh and Odisha.
- c. **New Channelising Agencies:** In order to extend financial assistance to STs in the state of Telangana, NSTFDC appointed Stree Nidhi Credit Co-operative Federation Ltd. as channelising agency for the state of Telangana. Arunachal Pradesh State Cooperative Apex Bank Ltd., (APSCABL) Naharlagun has also been appointed as additional channelising agency for the state of Arunachal Pradesh.
- d. **Enhancement of Unit Cost Limit:** Adivasi Mahila Sashaktikaran Yojana is an exclusive scheme for economic empowerment of ST women. During the year, the Corporation enhanced the unit cost limit under the scheme to Rs 1 lakh from Rs 50,000/-. Loan limit under Micro Credit Scheme for the benefit of ST SHGs has also been enhanced to Rs 50,000/- per member from Rs 35,000/-.
- e. The officials of NSTFDC periodically undertake field visits to inspect NSTFDC assisted units to assess the status of implementation as well as impact of the schemes. During the year, 537 units were inspected in states of Gujarat, Rajasthan, Tripura and West Bengal.
- f. In order to disseminate information about Concessional schemes for STs, NSTFDC periodically conducts awareness camps in

tribal dominated areas. During the year, 10 awareness camps have been conducted in Chhattisgarh, Gujarat, Rajasthan and West Bengal for the benefit of STs.

7.7 Performance of the Corporation

- a. **Sanctions:** The NSTFDC has notionally allocated Rs 190.00 crore for sanction of schemes. During the year, as on 30.11.2014, the Corporation has sanctioned 87 schemes under income generating activities having its share of Rs 145.13 crore for economic upliftment of 26,211 number of beneficiaries. The above includes, sanction of Rs 2.78 crore for economic upliftment of 687 women beneficiaries under AMSY, Rs 53.45 crore for 12,253 number of beneficiaries under Micro Credit Scheme and Rs 0.26 crore for 12 ST students under Adivasi Shiksha Rrinn Yojana.
- b. **Disbursement:** During the year, as on 30.11.2014, the Corporation has released Rs 40.75 crore for implementation of sanctioned schemes benefiting 14,767 number of beneficiaries. The above includes, disbursement of Rs 19.50 crore for 9710 women beneficiaries under AMSY, Rs 3.94 crore for 2,740 number of beneficiaries under Micro Credit Scheme and Rs 0.82 crore for 15 ST students under Adivasi Shiksha Rrinn Yojana.
- c. **Recovery:** The cumulative recovery is 88.08% as on 30.11.2014.

7.8 MoU for the year 2014-15: The Corporation signed MoU with Ministry of Tribal Affairs and targets/ parameters have been laid down for various activities. This is expected to improve the performance of the Corporation and thus benefit the targeted Scheduled Tribe beneficiaries. In accordance with the provisions of the MoU, the Ministry also reviews the progress of implementation of the targets/ parameters of MoU.

ANNEX- 7

**NATIONAL SCHEDULED TRIBES FINANCE AND DEVELOPMENT CORPORATION
(NSTFDC)
RESTRUCTURED TWENTY POINT PROGRAMME 2006
TARGET FOR COVERAGE OF BENEFICIARIES DURING 2014-15**

S.No.	Name of State	Beneficiaries under Income Generating Schemes Target
1	Andhra Pradesh Scheduled Tribes Cooperative Finance Corporation Ltd., ANDHRA PRADESH	2985
2	ANDAMAN & NICOBAR ISLANDS	139
3	Arunachal Pradesh Industrial & Finance Development Corporation, ARUNACHAL PRADESH	480
4	Assam Plain Tribes Development Corporation Ltd. ASSAM	1958
5	Bihar State Scheduled Castes Co-operative Development Corporation Ltd., BIHAR	675
6	Chhattisgarh Rajya Antavsayee Sahkari Vitta Aivam Vikas Nigam, CHHATTISGARH	3947
7	Dadra & Nagar Haveli, Daman & Diu SCs/STs Other BC's & Minorities Finance & Development Corporation Ltd. DADRA & NAGAR HAVELI	139
8	Goa State Scheduled Tribes Finance & Development Corporation Ltd., GOA	139
9	Gujarat Tribal Development Corporation GUJARAT	4497
10	Himachal Pradesh Scheduled Castes Scheduled Tribes Development Corporation, HIMACHAL PRADESH	198
11	J&K Scheduled Castes, Scheduled Tribes & Backward Classes Development Corporation, JAMMU & KASHMIR	753
12	Jharkhand State Tribal Co-operative Development Corporation Ltd. JHARKHAND	4360
13	Karnataka Maharshi Valmiki Scheduled Tribes Development Corporation, KARNATAKA	2142
14	Kerala State Development Corporation For Scheduled Caste & Scheduled Tribes Ltd., KERALA	140
15	Kerala State Women Development Corporation Ltd., KERALA	140
16	Lakshadweep Development Corporation Ltd. LAKSHADWEEP	139
17	Manipur Tribal Development Corporation Ltd. MANIPUR	455

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S.No.	Name of State	Beneficiaries under Income Generating Schemes Target
18	Shabari Adivasi Vitta Va Vikas Nigam, Nasik, MAHARASHTRA	5300
19	Meghalaya Co-operative Apex Bank Ltd., MEGHALAYA	1289
20	Madhya Pradesh Adivasi Vitta Aivam Vikas Nigam MADHYA PRADESH	7724
21	Mizoram Khadi & Village Industries Board MIZORAM	261
22	Mizoram Urban Co-operative Development Bank Ltd. MIZORAM	261
23	Nagaland Industrial Development Corporation Ltd. NAGALAND	431
24	Nagaland State Co-operative Bank Ltd. NAGALAND	431
25	Odisha Scheduled Castes Scheduled Tribes Development & Finance Co-operative Corporation Ltd. ODISHA	4837
26	Rajasthan SC & ST Finance & Development Co-operative Corporation, RAJASTHAN	4658
27	Sikkim Scheduled Castes, Tribes & Backward Classes Development Corporation Ltd. SIKKIM	139
28	Tamil Nadu AdiDravidar Housing & Development Corporation Ltd., TAMIL NADU	402
29	Tripura Scheduled Tribes Co-operative Development Corporation Ltd. TRIPURA	589
30	Uttarakhand Bahuudheshya Vitta Evam Vikas Nigam UTTARAKHAND	148
31	Uttar Pradesh Scheduled Castes Finance and Development Corporation, UTTAR PRADESH	572
32	West Bengal SC's & STs Development Finance Corporation, WEST BENGAL	1336
33	West Bengal Tribal Development Cooperative Corporation, WEST BENGAL	1336
	TOTAL:	53000

Note: Total target for coverage of STs during the year, as per MoU 2014-15 is 53000 and the same is apportioned to individual SCA/ state on the basis of funds notionally allocated.