



National Scheduled Tribes Finance & Development Corporation
(Ministry of Tribal Affairs , Government of India)
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(www.nstfdc.net)

SCHEMES FOR ECONOMIC DEVELOPMENT **OF SCHEDULED TRIBES**

National ST Finance and Development Corporation (NSTFD C) under Ministry of Tribal Affairs ; Govt. of India provides financial assistance by way of soft loans for income generating activities for economic development to scheduled tribes aspirants .

Implementation of Schemes

_The NSTFDC loan schemes are implemented through state channelizing agencies, select PSU Banks , RRBs and other institutions . Subsidies may be available to the beneficiaries under various schemes of different departments of the state governments .

SCHEMES FOR INCOME GENERATION ACTIVITIES

Term Loan Scheme

NSTFDC provides Term Loans for viable business units costing up to Rs 50.00 Lakhs . Soft loans under the scheme are extended up to 90 % of the unit cost and the balance is met by way of promoter's contribution , subsidy and margin money loans. Interest charged is between 6 to 10 % depending on amount of loan. The loans are provided with moratorium period and are to repaid within 5 to 10 years as per projected returns from the units.

Name of Scheme	Quantum of Loan per person	Interest to SCA	Interest from Beneficiary	Repayment Period
Term Loan	Upto Rs. 5.00 Lakhs	3	6	5-10 years

Term Loan	Above Rs 5.00 Lakh to Rs 10.00 Lakhs	5	8	5-10 years
Term Loan	Above Rs.10.00 Lakhs to Rs. 45.00 Lakhs	7	10	5-10 years

Adivasi Mahila Sashaktikaran Yogna (AMSY)

This is an exclusive scheme for the economic development of scheduled tribes women . Under the scheme , NSTFDC provides loan up to 90% for units for unit cost up to Rs. 2.00 Lakhs . Loans under the scheme is extended at highly concessional rate of interest of 4 % p.a..

Name of Scheme	Quantum of Loan per person	Interest to SCA	Interest from Beneficiary	Repayment Period
AMSY Term Loans for Women	Rs 1.80 Lakhs	2	4	5-10 years

Micro Credit Scheme for SHGs

This exclusive scheme for tribal SHGs cater to small loan requirements of ST members . Under the scheme , loans up to Rs 50,000/- are provided per member and maximum Rs 5.00 Lakh per SHG.

Name of Scheme	Quantum of Loan per person/SHG	Interest to SCA	Interest from Beneficiary	Repayment Period
	Rs 5.00 Lakhs	3	6	5 years

Marketing Support Assistance

NSTFDC provides financial assistance to institutions engaged in procurement and marketing of MFPs and other tribal products to meet their working capital requirements.

Adivasi Shiksha Rrinn Yojana (ASRY)

This scheme provides soft loans to tribal students to meet expenditure for pursuing technical and professional education including doctorate courses. Loans up to Rs. 10.00 Lakhs per eligible family is provided at concessional rate of interest of 6 % per annum. Ministry of HRD ,

Government of India provides interest subsidy for this scheme whereby no interest is payable by a student during the course period and one year or 6 months after getting the job as the case may be .

Name of Scheme	Quantum of Loan per person/SHG	Interest to SCA	Interest from Beneficiary	Repayment Period
ASRY for Education	Rs. 10.00 Lakhs	3	6	5 years after completion of course

For further information contact : sudhir@nstfdc.nic.in

i. **Quantum of assistance:** 90% of expenditure/ deposits for entire duration of the course subject to a maximum loan amount of ₹10.00 lakh (Ten lakh rupees) per eligible family.

ii. **Rate of interest:** 6% p.a. chargeable from the beneficiary. However, there is a interest subsidy during the moratorium period (Course Period plus one year or six months after getting job, whichever is earlier) from Ministry of Human Resource Development (MoHRD), Govt. of India.

e. **Tribal Forest Dweller Empowerment Scheme:** Under Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Scheduled Tribes and other Traditional Forest Dwellers have been vested with rights to hold the forest land for habitation and/ or for self-cultivation or for any other traditional activity for generating livelihood.

The objective of the Tribal Forest Dwellers Empowerment Scheme is to facilitate productive utilisation of land by the FRA beneficiaries.

Unit Cost :
Under this scheme NSTFDC provides 90% financial assistance for project costing upto ₹ 2.00 lakh @ of 4% rate of interest p.a.

f. **Assistance to TRIFED empanelled Artisans:**
Under the scheme, TRIFED empanelled Artisans are entitled for NSTFDC concessional financial assistance under any of its schemes for undertaking any income generation activities.



g. Margin money support scheme for st entrepreneurs under stand-up India scheme

This Scheme intends to facilitate eligible ST entrepreneurs to avail loan under Stand-Up India Scheme which is a flagship scheme of Govt. of India. under this scheme NSTFDC provides financial assistance upto 15% of the project cost as Margin Money Contribution. Interest rates to be charged will be the same as applicable under existing Term Loan Scheme:

Repayment period :
The loan is repayable in 7 years with a maximum moratorium of 18 months.

5. **Marketing Support Assistance:** NSTFDC provide financial support for meeting the working capital requirement of the Central/ State Government owned agencies and National level federations for undertaking procurement and marketing of forest produces/agricultural produces and/or other related products. For the financial assistance availed by the Central/ State/ UT owned organizations/ National level federations, interest shall be charged by NSTFDC @ 7% p.a. from the borrowing agency(ies).

6. **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 organized through Govt/ Semi-Govt./ Autonomous Bodies and partner institutions of National Skill Development Corporation. Under the scheme, the entire recurring expenditure including stipend is provided by NSTFDC as grant.

7. Procedure for availing financial assistance from NSTFDC:

a. The financial assistance of NSTFDC is extended through State Channelising Agencies and also through certain PSU banks/ Regional Rural Banks. The contact details of these agencies are available at www.nstfdc.net.

b. Eligible ST applicant/ SHG/ co-operative societies are to approach concerned SCAs/ banks and submit the detailed proposals.



For further information may please contact:

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NATIONAL SCHEDULED TRIBES FINANCE AND DEVELOPMENT CORPORATION

(A Government of India undertaking under Ministry of Tribal Affairs)



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1. ORGANISATION

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 (now under Section 8 of the Companies Act, 2013). It is managed by the Board of Directors with representation from Central Govt., State Channelizing Agencies, National Bank for Agriculture and Rural Development (NABARD), Industrial Development Bank of India (IDBI), Tribal Co-operative Marketing Development Federation of India Ltd. (TRIFED) and eminent persons representing Scheduled Tribes. The corporation plays a leading role in economic upliftment of Scheduled Tribes by providing financial assistance at concessional rates of interest.

2. MISSION, OBJECTIVES AND FUNCTIONS:

- a. **Mission:** Economic development of Scheduled Tribes on sustainable basis.
- b. **Objectives:** The broad objectives of NSTFDC are:
- To identify economic activities of importance for 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 agencies for economic development of the eligible Scheduled Tribes.
 - To assist in market linkage of the tribal produce.

3. ELIGIBILITY CRITERIA:

a. Individual(s)/ Self Help Group(s)/ Partnerships/ Other Form(s) of Association(s) [except Co-operative Society]

- All applicant(s)/ member(s) should belong to the Scheduled Tribes community.
- Annual family income of the applicant(s) should not exceed ₹ 3.00 p.a. both for urban and rural areas.

b. **Co-operative Society(ies):** Minimum 80% or more members should belong to Scheduled Tribe Community and annual family income of applicant(s) should not exceed double the poverty line limit. 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 loan.

c. **SHGs:** Existing profit making SHGs comprising members entirely from ST community.



4. SCHEMES OF NSTFDC

a. Term Loan:

- Unit Cost:** NSTFDC provides Term Loan for viable project costing upto ₹50.00lakh per unit.
- Quantum of assistance:** Upto 90% assistance from NSTFDC and the balance by way of promoter's contribution/ margin money/ subsidy.
- Working capital:**
 - Entire Working Capital requirement is treated as a part of the project for units costing upto ₹2 lakh.
 - For Scheme(s) having unit cost above ₹2 lakh, Working Capital requirement may be ₹2 lakh plus maximum 30% of the remainder amount of unit cost.

iv. Promoter's contribution:

Cost per Unit	Minimum Contribution
a) Upto ₹1.00 lakh	not to be insisted upon
b) Above ₹1.00 lakh and upto ₹ 2.50 lakh	2%
c) Above ₹2.50 lakh and upto ₹ 5.00 lakh	3%
d) Above ₹5.00 lakh	5%

v. Interest rates:

NSTFDC'S share	SCA(s)	Benef (ies)
a) Upto ₹5.00 lakh	3%	6%
b) Above ₹5.00 lakh & upto ₹10 lakh	5%	8%
c) Above ₹10.00 lakh	7%*	10%

*6% p.a. against the Bank Guarantee.

vi. **Repayment period:** The loan is to be repaid in quarterly instalments within a maximum period of 10 years including suitable moratorium period. In case of refinance cases, this will be linked to repayment period fixed by the Banks.

b. **Adivasi Mahila Sashaktikaran Yojana (AMSY):** This is an exclusive concessional scheme for the economic development of eligible Scheduled Tribe Women. Under the scheme, Scheduled Tribes women can undertake any income generation activity.

Unit Cost :

Loans upto 90% for scheme costing upto ₹2 lakh are provided at a concessional rate of interest of 4% p.a.

Repayment period: The loan is to be repaid in quarterly instalments within a maximum period of 10 years including suitable moratorium period. In case of refinance cases, this will be linked to repayment period fixed by the Banks.

c. **Micro Credit Scheme (MCS) for Self Help Groups (SHGs):** This Scheme is meant to provide small loans to the eligible Scheduled Tribes members of SHGs for undertaking Income Generation activities.



i. Quantum of assistance:

- NSTFDC provides loan upto ₹50,000/- per Member and maximum ₹5 lakh per SHG.
- SCAs shall provide eligible amount of Margin Money/Subsidy, as per their norms for the target group and remaining amount may be provided as Term Loan by NSTFDC.
- NSTFDC may provide upto 100% of the funds required, as loan, in case the SCA(s) is/are not able to provide Margin Money/Subsidy.

ii. **Repeat loans:** Repeat Loans may be given to the Members by the SHGs. However, Repeat Loan to the SHGs, by the SCAs, shall be given only after the entire dues of earlier loan taken under NSTFDC scheme are repaid by the SHG(s) to SCA(s) and in turn by the SCA(s) to NSTFDC.

iii. Interest rates chargeable:

- By NSTFDC from SCAs:** NSTFDC shall charge interest from the SCAs @ 3% p.a.
- By SCAs from SHGs:** SCAs shall charge interest upto 6% p.a. from the eligible Self Help Groups.
- By SHGs from Members:** Members of respective SHGs to decide the rate of interest to be charged by SHGs from its members, but not exceeding 15% p.a.

iv. Repayment period:

a) **For SHGs to SCAs:** Loan is to be repaid by the SHGs to the SCAs, within a maximum period of 04 years, including a **standard moratorium period of six months to be allowed to the SHGs by the SCAs**, from the date of disbursement of funds by the SCAs to SHGs.

b) **For SCAs to NSTFDC:** On quarterly basis within a period of 05 years from the date of disbursement of funds by NSTFDC to SCAs, including a standard moratorium period of six months to be allowed by NSTFDC to SCAs and by SCAs to SHGs.

c) **For refinance cases:** Within a period of 5 years from the date of disbursement of funds and this will be linked to the repayment period fixed by the banks for the SHGs.

d. **Adivasi Shiksha Rrinn Yojana (ASRY):** This is an Education loan scheme, under this; financial assistance is extended to eligible STs for pursuing professional and technical courses including Ph.D. in India.