

Frequently Asked Questions (FAQ)

About NSFDC

Q.(1) What is NSFDC?

A. 'NSFDC' stands for National Scheduled Castes Finance & Development Corporation. It was set up by the Government of India under Ministry of Social Justice & Empowerment (MOSJ&E) on 8th February, 1989 under Section 25 of the Companies Act, 1956 as a company 'not for profit'.

Q.(2) What is the Contact Address of NSFDC?

A. NSFDC has its Head Office at Delhi and its full address and contact number is :-
National Scheduled Castes Finance and Development Corporation
14th Floor, SCOPE Minar, Core 1 & 2, Laxmi Nagar, Delhi – 110 092
Tele: 011-22054392, 22054394, 22054396.
Fax: 011-22054395 E-mail : nsfdc@bol.net.in
Website : www.nsfdc.nic.in
It has five Zonal Offices at Mumbai, Kolkata, Bengluru, Lucknow and Guwahati.

Q.(3) Why was it established?

A. It was established to finance for the economic empowerment of persons belonging to the Scheduled Castes families living below Double the Poverty Line including their skill upgradation.

Q.(4) What is it's Mission?

A. To finance, facilitate and promote the economic development activities of persons belonging to scheduled castes living below Double the Poverty Line limit.

Q.(5) What is the main objective of NSFDC?

A. NSFDC's main objective is to finance, facilitate and mobilize funds for the economic empowerment of persons belonging to the Scheduled Caste families living below Double the Poverty Line.

Q.(6) Does NSFDC provide loans to all Scheduled Castes persons?

A. No, NSFDC provides loans only to economically poor sections of Scheduled Castes whose annual family income is below Double the Poverty Line limit (DPL) which is presently upto Rs 81,000/- p.a. for rural areas and upto Rs1,03,000/- p.a.for urban areas

Q.(7) Is eligibility for loan based on caste and economic criteria alone?

A. Yes, but apart from caste and economic criteria, applicant must have practical experience or skill and entrepreneurial ability in concerned field so that they can manage their business successfully.

Q.(8) Is priority given to women in loan schemes?

A. Yes, out of funds notionally allocated on the basis of SC population, 40% of the total funds have been allocated for women both in physical and financial terms. Interest rebate ranging from 0-5% - 1% is offered to women beneficiaries in certain schemes.

Q.(9) Is there any separate loan scheme for women?

A. Yes, There are three exclusive schemes for women beneficiaries i.e. Mahila Samriddhi Yojana, Mahila Kisan Yojana and Nari Arthik Sashaktikaran Yojana

Q.(10) How does NSFDC provide loan?

A. NSFDC provides loan for income generating scheme to target group through its Channalising Agencies namely State Scheduled Castes Development Corporations (SCDCs), Public Sector Banks (PSBs), Regional Rural Banks (RRBs) and other Institutions (As per list given at the end of FAQ).

Different loan schemes of NSFDC

Q.(11) For which activities do NSFDC provides loans?

A. NSFDC provides loans for income generating activities in Agriculture and other allied, industrial and service sector & for professional/ Technical education.

Q.(12) What are the different types of loan schemes of NSFDC?

A. NSFDC has following Loan Schemes:
(i) Term Loan, (ii) Micro Credit Finance, (iii) Mahila Samriddhi Yojana, (iv) Mahila Kisan Yojana (v) Shilpi Samriddhi Yojana (vi) Laghu Vyavasaya Yojana (vii) Nari Arthik Sashaktikaran Yojana (viii) Educational Loan Scheme.

Q.(13) What are the activities for which Term loan is provided?

A. Some indicative schemes for which Term loan is provided:-

<ul style="list-style-type: none">• Agricultural Land Purchase• Dairy• Fisheries• Goatery• Honey Bee• Cultivation• Horticulture/ Floriculture• Mulberry farming/ Silk Weaving/ cocoon production, etc• Poultry• Power Tiller• Sheep Farming/• Tractor	<ul style="list-style-type: none">• Flour Mill• Footwear Manufacturing• Furniture Making• Handlooms/ Power looms• Leather goods manufacturing• Leather Processing unit• Readymade Garments• Rexine articles making• Silk reeling Unit• Tailoring Shop	<ul style="list-style-type: none">• Silver Ornaments making• Auto-rickshaw• Beauty parlour• Cyber Cafe• Departmental Store• DTP and Computer Centre• Fertilizer Shop• Hardware Shop• Medical Shop• Photography/Video-graphy• Steel Fabrication• Tent House
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Q.(14) What are the activities for which Micro Credit Finance is provided?

A. Some indicative schemes for which Micro Credit Finance are provided:-

<ul style="list-style-type: none">• Betel leaf shop• Cycle repair• Milch animal• Vegetable Vending	<ul style="list-style-type: none">• Bakery• Goatery• Incense Stick making• Papad manufacturing	<ul style="list-style-type: none">• Candle Making• Beauty parlour• Fish Vending, etc• Pickle Manufacturing• Tea Shop
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Q.(15) What are the activities for which Mahila Samriddhi Yojana loan is provided?

A. Some indicative schemes for which Mahila Samriddhi Yojana are provided:-

<ul style="list-style-type: none">• Cloth Shop• Mini Dairy• Tea Shop	<ul style="list-style-type: none">• Bangles Shop• Beauty Parlour• Papad making	<ul style="list-style-type: none">• Basket making• Batik Printing• Broom making
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Q.(16) What are the activities for which MahilaKisanYojana loan is provided?

A. MahilaKisanYojana loans are provided exclusively to rural women beneficiaries for undertaking schemes in Agriculture and/or Mixed Farming activities such as Vegetable growing, Floriculture, Dairy, Poultry, any other farming activities etc.

Q.(17) What are the eligibility criteria of MahilaKisanYojana?

A. In MahilaKisanYojana, land should be in the name of women beneficiary or joint name with her husband. If the agriculture land is only in the name of husband then he should not be the beneficiary of NSFDC, and he should not have any objection to his spouse taking up any economic activity on that land.

Q.(18) What are the eligibility critiera of Shilpi Samriddhi Yojana. ?

A. Under Shilpi Samriddhi Yojana , NSFDC provide Financial Assistance to eligible beneficiaries who are artisans and possess Artisans identity Card issued by Development Commissioner (Handicrafts), Ministry of Taxtile , Government of India or State Government and has requirement of funds.

Q.(19) What is Laghu Vyavasaya Yojana?

A. The objective of Laghu Vyavasaya Yojana is to cater to the needs of more & more beneficiaries taking up small business activities with a higher investment.

- Q.(20) Does NSFDC have a scheme to support single women/widows/women who are head of their families?**
- A. Yes, NSFDC has a scheme called Nari Arthik Sashaktikaran Yojana (NASY) to support single women/widows/women who are head of their families to take up income generating activities and improve their socio-economic status.
- Q.(21) What is the quantum of loan available under NASY?**
- A. Under the NASY, NSFDC would provide loans to eligible women under any scheme of NSFDC without insisting own promoter contribution and after taking into account margin money being provided by Channelizing Agencies and subsidy to below poverty line beneficiaries @ 10,000/- or 50% of unit cost, whichever is less.
- Q.(22) Is there any provision under NASY for hand holding grant to the beneficiaries?**
- A. Yes, there is a provision of 2% of the loan amount as grant for hand holding activity for the beneficiaries covered under the scheme of NASY subject to maximum of Rs.4000/- per unit.
- Q.(23) Are the beneficiaries of NASY given further loan to expand their business?**
- A. Yes, the beneficiaries would be eligible to avail further assistance for expansion of business after 2 years of availment of first loan provided the repayment is regular.
- Q.(24) What is the rate of interest of loan available under NASY?**
- A. Under the NASY, rate as applicable under specific scheme charged.
- Q.(25) What is the repayment period of loans given under NASY?**
- A. The loans under NASY are to be repaid in quarterly installments within a maximum period of upto 10 years including moratorium period. The actual repayment period would be based on a nature of economic activity and income generation.
- Q.(26) If anyone has agricultural land but doesn't have irrigation facilities then can he/she get loan for irrigation?**
- A. Yes, loans can be availed for irrigation implements such as Bore well, Sprinkler, drip etc for irrigation on purpose on unirrigated farmland.
- Q.(27) How much amount of loan can be availed in these Schemes and what is interest rate?**
- A. In the following tables cost of project, amount of loan and interest rate in these schemes are shown below:-

Sr. No.	Project	Project/Unit Cost	Limit of Loan (% of Project/Educational Cost)		Interest rate @ p.a.	
					From SCA	From Beneficiary
1.	Term Loan Scheme					
	A	Projects costing up to Rs 5.00 lakh	90%		3%	6%
	B	Projects costing above Rs 5.00 lakh and up to Rs10.00 lakh	90%		5%	8%
	C	Projects costing above Rs 10.00 lakh and upto Rs20.00 lakh	90%		6%	9%
	D	Projects costing above Rs 20.00 lakh and upto Rs27.00 lakh	90%		7%	10%
2.	Micro-credit Finance	Upto Rs. 50,000/-	90%		2%	5%
3.	Mahila Samriddhi Yojana	upto Rs 50,000/-	90%		1%	4%
4.	Mahila Kisan Yojana	upto Rs 50,000/-	90%		2%	5%
5.	Shilpi Samriddhi Yojana	upto Rs 50,000/-	90%		2%	5%
6.	Laghu Vyavasaya Yojana	Upto Rs 2.00/- lakh	90%		3%	6%
7.	Nari Arthik Sashaktikaran Yojana	Under any NSFDC Scheme norms.	90%		1%	4%
8.	Educational Loan Scheme	upto Rs 10.00 lakh (for studies within India)	90%	Male	1.5%	4%
				Female	1.00%	3.5%
		upto Rs 20.00 lakh (for studies abroad)	90%	Male	1.50%	4%
				Female	1.00%	3.5%
9.	Vocational Educational Training Loan Scheme	<ul style="list-style-type: none"> • Course duration 6 months to 1 year - Rs.1.00 lakh • Course duration 1 year to 2 years - Rs.1.50 lakh 	100%	Male	1.50%	4.00%
				Female	1.00%	3.50 %

Q.(28) Do applicants have to invest their own capital also?

A. In order to ensure applicant's stake in the project, the applicant is expected to invest his share in the Term Loan Scheme. Norms for promoter's contribution in Term Loan are as under:-

Sr. No.	Project/Unit Cost	Minimum Promoter's (Applicant's) Contribution as % of Project/Unit Cost
(i)	Projects costing upto Rs 1.00 lakh	Not to be insisted upon.
(ii)	Projects costing above Rs 1.00 lakh and upto Rs 2.50 lakh	2%
(iii)	Projects costing above Rs 2.50 lakh and upto Rs 5.00 lakh	3%
(iv)	Projects costing above Rs 5.00 lakh and upto Rs 10.00 lakh	5%
(v)	Project costing above Rs 10.00 lakh and upto Rs 20.00 lakh	7%
(vi)	Project costing above Rs 20.00 lakh and upto Rs 30.00 lakh	10%

Q.(29) Does repayment of installments start just after disbursement of loan?

A. No, the principal repayment does not start immediately after disbursement. This facility is extended to beneficiaries to give them time to stabilize themselves in the business. Generally, principal repayment starts after a moratorium period of 6 to 9 month based on type/nature of business. However, repayment of interest starts soon after disbursement and there is no moratorium on repayment of interest.

Q.(30) What is repayment period?**A.** Scheme-wise repayment period is as follows:-

Sr. No.	Scheme of Loan	Repayment period (Maximum)	Installment
1	Term Loan Scheme	Repayment of loan depending on financial status or 10 years, whichever is earlier nature of scheme.	quarterly/half yearly/ yearly installments
2	Micro Credit Finance Scheme	within maximum period of 3 years including 90 days of moratorium period	quarterly installments
3	Mahila Samridhi Yojana	within maximum period of 3 years including 90 days of moratorium period	quarterly installments
4	Mahila Kisan Yojana	within maximum period of 10 years including one year of moratorium period	quarterly installments
5	Shilpi Samridhi Yojana	within maximum period of 10 years including one year of moratorium period	quarterly installments
6	Laghu Vyavasaya Yojana	within maximum period of 6 years including one year of moratorium period	quarterly installments
7	Nari Arthik Sashaktikaran Yojana	within maximum period of 10 years including one year of moratorium period	quarterly installments
8	Educational Loan Scheme	6 months after completion of the course or getting employment, whichever is earlier. within a maximum period of 5 years including moratorium period and the total currency of loan shall not exceed 10 years	quarterly installments
9.	Vocational Educational Training Loan Scheme	Repayment for: course duration upto one year - 5 years course duration above one year and upto two years -7 years (After 6 months of moratorium period)	quarterly installments

Q.(31) Can multiple loans be taken from NSFDC?

A. Status for availing second time loan:-

Sr. No.	Scheme of Loan	Status for availing second time loan
1	Term Loan Scheme	Yes, on repayment of Term loan for units costing upto Rs.2.00 lakh, second loan can be taken.
2	Micro Credit Finance Scheme	Yes, on repayment of earlier loan regularly beneficiary can avail NSFDC loan second time.
3	Mahila Samriddhi Yojana	Yes, on repayment of earlier loan regularly beneficiary can avail NSFDC loan second time.
4	Mahila Kisan Yojana	Yes second loan given after first loan.
5	Shilpi Samriddhi Yojana	Yes second loan given after first loan.
6	Laghu Vyavasaya Yojana	Yes second loan given after first loan under unit costing upto 2.00 lakh
7	Nari Arthik Sashaktikaran Yojana	Yes second loan given after first loan under unit costing upto 2.00 lakh
8	Educational Loan Scheme	No second loan given after first loan.

Q.(32) What is eligibility for Shilpi Samriddhi Yojana?

A. This loan is specially given to Scheduled Castes Artisans possessing Artisan Identity Card issued by the Development Commissioner (Handicrafts), Ministry of Textile, Govt. of India or any Government authority for making of craft items.

Q.(33) What is the procedure to apply for NSFDC loan?

A. The applicants should contact the Channelizing Agencies if they wish to avail NSFDCs loans. The applicants are required to submit application in NSFDC's format with details of business and copies of caste, income and experience etc. at the channelising agency office. A list of the NSFDC's channelising agencies are given at the end of FAQ.

Q.(34) Does NSFDC provide loan for Passenger/Goods Vehicles also?

A. Yes, under service, sector NSFDC provides loan for different types of vehicles such as Autorikshaw, Jeep, Car, Taxi, Tractor, Pick-up Van, small commercial vehicle, Mini buses etc. These loans are given only for applicant's self driving. Commercial driving license, permit must be in the name of applicants for these loans. One person is given loan for one vehicle only. Beneficiary can select model of vehicle as per their choice.

Q.(35) Can a beneficiary choose the schemes of his/her preference?

A. Yes, beneficiary can select scheme according to his choice. They have to keep in mind their skill, efficiency, local needs, infrastructure while selecting the business activity.

Q.(36) For which Educational courses, the Educational Loan is provided by NSFDC?

A. The Educational Loan is provided for the courses run by the recognized Educational Institutions. Presently it is provided for pursuing following full time professional/technical courses:-

1. Full time Professional/Technical courses in the fields of Engineering, Medical, Dental, Management, Information Technology, Hotel Management, Architecture, Physiotherapy, Bio-Technology, Law, Education, Journalism etc.
2. Professional courses like CA/ICWA/CS/AMIE/FIA/IETE.
3. Higher education like Doctoral Studies leading to M.Phil/PhD from recognized institutions.

Q.(37) What does NSFDC do apart from giving loan?

A. Apart from giving loan, NSFDC provides Skill and Entrepreneurial training in emerging areas through reputed Government Institutions to educated unemployed youths of the target group. NSFDC gives 100% grant through Channalising Agencies to Training Institutes for these programmes.

Q.(38) Is any stipend given to trainees in these training programme?

A. Yes, During the training Programmes, stipend @ Rs 1,500/- per month is paid to each trainee to enable them to meet their incidental expenses.

Q.(39) In which area Skill training is provided?

A. Some indicative Schemes for Skill training are as following :-

<ul style="list-style-type: none">• Certificate Course in Hardware and Networking.• Garment Construction Course• CNC Milling Programming and Operation.• CAD using Auto CAD• Plastic Injection Machine Operator.• Pattern Cutting Master Course.• Diploma in Hardware & Networking.• Fruit Processing• CNC Lathe Machine Operator• CNC Turning Programming and Operation• Soft Toys making.• Certificate Course in MS Office and Internet.• Sewing Machine Operator Course.	<ul style="list-style-type: none">• Automobile Repairs and Servicing• Beauty Parlour, Nursing, Laboratory Technician• Certified Electronic Assembly Operator.• Machine Mechanic Course• Desk top Publishing and MS Office• Entrepreneurship Development Programme.• Mobile Phone Repairs• Motor Rewinding• Photography and Videography• Plastic Extrusion Machine Operator• Production Supervisor and Quality Control• Repairing & Maintenance of Diesel Engine & Power Tiller• Repairing of Refrigerator and Air Conditioner.• Welding and Fabrication, Electrician etc.
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Q.(40) What type of facilities is provided to beneficiaries after skill training?

A. Placement assistance is provided to the beneficiaries after skill training by the respective Training Institution. Also trainees who would like to setup their own ventures, they are provided free entrepreneurial guidance and the procedure to apply for the loan schemes of NSFDC.

Q.(41) What is the procedure to get skill training sponsored through NSFDC?

A. Information as Skill Training Programmes is published in local newspaper from time to time. The Skill Development Training Institution offering NSFDC sponsored skill training programmes have a well-defined selection procedure. For more information, Channelizing Agencies of NSFDC, whose name and phone numbers are given at the end of this FAQ, may be contacted.

Q.(42) Does NSFDC have any scheme for providing loan to pursue Vocational courses of more than 6 months duration?

A. Yes, NSFDC has a Vocational Education and Training Loan Scheme (VETLS) launched w.e.f. 8.2.2014 to provide loan to SC persons for pursuing vocational education and training courses of duration six months or more and upto 2 years.

Q.(43) What is the trainee eligibility under the scheme?

A. The trainee eligibility under the scheme, is as under;

- (i) The trainee should be from a Scheduled Caste community;
- (ii) The annual family income of the trainee should be below the Double the Poverty Line (presently annual family income of Rs.81,000/- for rural areas and Rs.1,03,000/- for urban areas).
- (iii) The trainee should have secured admission in a course run or supported by a Ministry/Deptt./Organization of the Government or a Company/Society/Organization supported by National Skill Development Corporation or State Skill Missions/State Skill Corporations, preferably leading to a Certificate/Diploma/Degree etc. issued by a Government Organization or an Organization recognized/authorized by the Government to do so.

Q.(44) What is the course eligibility?

A. The course eligibility is for Vocational Education & Training courses of duration of six months to two years, run or supported by a Ministry/Department/Organization of the Government or a Company/Society/Organization supported by National Skill Development Corporation or State Skills Mission/State Skill Corporations preferably leading to a Certificate/Diploma/Degree etc. issued by a Government Organization or an Organization recognized/authorized to do so.

Q.(45) What is age criteria?

A. In this scheme, there is no specific restriction with regard to the age of the trainee to be eligible for the loan. However, if the trainee is minor, while the parent executes documents for the loan, the channelizing agency shall obtain a letter of ratification from him/her upon attaining majority. The upper age limit could be decided by the channelizing agency and if a person is unemployed and upto 50 years of age, and desirous of undergoing the Vocational Education & Training, he/she could be considered on case to case basis.

Q.(46) What are the expenses considered in the VETLS?

A. The following expenses are considered under the scheme ;

- Admission/Tuition fee.
- Examination, Library, Laboratory Fee,
- Caution Deposit.
- Purchase of Books, Equipments, Instruments.
- Boarding & Lodging
- Insurance for loan amount.
- Any other reasonable expenses found necessary for completion of the course certified by Vocational Education & Training Institute.

Q.(47) What is the quantum of finance available?

A. The quantum of finance is as under;

Need based finance to meet 100% expenses on components mention in Answer 5 above shall be considered subject to the following ceilings;

- For courses of duration of six months or above : Upto Rs.1,00,000/- and upto one Year
- For courses of duration above one year & upto : Upto Rs.1,50,000/- two years.

Note : In case of cost over-run, it shall be borne by beneficiary.

Q.(48) What is the rate of interest on the loan?

A. NSFDC shall charge interest @ 1.5% per annum from the Channelising Agency which, in turn, shall charge 4% per annum from the beneficiaries. In case of women, an interest rebate of 0.5% shall be provided.

Q.(49) Is there any moratorium period for the repayment of loan?

A. Yes, the moratorium period is six months from completion of courses or getting employment, whichever is earlier.

Q.(50) What is repayment period of the loan?

A. The loan shall be repaid in quarterly instalments including the applicable moratorium period of six months.

Course having duration of six months or above and upto one year	-	5 years
Courses having duration above one year and upto two years	-	7 years

Q.(51) Are they any pre-payment charges for loan ?

A. No, the borrower can repay the loan any time after commencement of repayment of loan. No pre-closure charges shall be insisted from borrower in case of early repayment of loan.

Q.(52) Will the loan be provided if the courses have started prior to 8.2.1204?

A. No, the courses should have started after the date of introduction of the scheme i.e. w.e.f. 8.2.2014.

Q.(53) In case there is a grievance/complaint, regarding NSFDC's loan, who do we contact?

A. In case of any grievance/complaint regarding NSFDC loans, the following officers may be contacted:-
(i) The Grievance Redressal Officer, NSFDC, Delhi. The grievance may be sent online through Centralized Public Grievances, Redressal and Monitoring System (CPGRAMS) [website : www.pgportal.gov.in]
(ii) The Chief Vigilance Officer(CVO), NSFDC, Delhi.
(iii) The Chairman cum Managing Director, NSFDC, Delhi.
