Equity support to NSTFDC/STFDC

Scheme for Release of Equity Support to the National / State Scheduled Tribes Finance and Development Corporations (NSTFDC / STFDCs) is a continuing centrally sponsored scheme under which Central Government provides equity support to National Scheduled Tribes Finance and Development Corporation (NSTFDC) under the Ministry of Tribal Affairs and State Scheduled Tribes Finance and Development Corporations (STFDCs) of various State Governments. STFDCs catering to STs in various states are provided assistance towards their Share Capital under the centrally sponsored scheme. The ratio of Share Capital contribution between the Central and States Governments is of 49: 51.

Since incorporation, the Ministry is providing need-based equity support to NSTFDC/ STFDCs for its functional requirements. The details of equity support to NSTFDC/ STFDCs so far provided by Ministry of Tribal Affairs is as under:

(Rs. In lakhs)

Year	STFDC	NSTFDC
2000-01	240.79	13700.00*
2001-02	19.21	2700.00
2002-03	220.00	3300.00
2003-04	379.00	1350.00
2004-05	413.00	2000.00
2010-11	2315.66	4683.34
2011-12	2643.38	4356.62
2012-13	1400.00	5410.00
2013-14	3050.00	3000.00
2014-15	2900.00	4100.00
2015-16	22.50	6310.50
2016-17	0.00	6000.00
2017-18	520.00	4980.00
2018-19	800.00	5700.00
2019-20	590.46	7409.54
2023-24	0.00	1500.00
Total	**15514.00**	**76500.00**

*NSTFDC received **Rs 137 crore** of share capital by way of equity capital contribution by Central Government transferred by NSFDC to NSTFDC as 1/3rd paid up share capital upon bifurcation of combined Corporation NSFDC.

About NSTFDC: National Scheduled Tribes Finance and Development Corporation (NSTFDC) came into existence in the year of 2001 after bifurcation of erstwhile combined Corporation for SCs and STs under Ministry of Social Justice and Empowerment. Now, NSTFDC is an apex organization set up exclusively for economic development of Scheduled Tribes. It is a 100% Union Govt. Company under the Ministry of Tribal Affairs and granted license under Section 25 of the Companies Act, 1956 (now 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.

Implementing Agencies: NSTFDC receives funds from the Central Government in the form of Equity Share Capital assistance which is deployed for the purpose ofgiving concessional loans to eligible members of Scheduled Tribes through the State Channelising Agencies nominated by the respective State Government, certain Public Sector/ Co-op. Banks, Regional Rural Banks having refinance agreement with NSTFDC and National Cooperative Development Corporation (NCDC), Stree Nidhi Credit Cooperative Federation Ltd., North Eastern Development Finance Corporation Ltd. (NEDFi) etc.

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

a. **Individuals / Self Help Groups:**
    - All applicant(s)/ member(s) should belong to the Scheduled Tribes Community.
    - Annual family income of the applicant(s) should not exceed ₹3.00 lakh p.a. both for rural and urban areas.

b. **Co-operative Society(ies):** Minimum 80% or more members should belong to Scheduled Tribes Community and annual family income of the applicant(s) should not exceed ₹3.00 lakh p.a. both for rural and urban areas. 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.

c. Scheduled Tribes having income above Double the Poverty Line (DPL) andupto ₹6.00 lakh p.a. at a rate of interest, 2% below the commercial bank's lending rates.

NSTFDC Schemes: NSTFDC implements following schemes for self-employment of Scheduled Tribes including education loan scheme:

a) **Term Loan scheme:** NSTFDC provides Term Loan for any viable income generation scheme costing upto ₹50.00 lakhs per unit. The financial assistance is extended upto 90% of the cost of the scheme and the balance is met by wayof subsidy/ promoter’s contribution/ margin money. The interest rate chargeable is 6% p.a. for loan upto ₹5 lakhs, 8% p.a. for loans ranging between ₹5 lakhs to ₹10 lakhs and 10% p.a. for loan exceeding ₹10 lakhs on the entire amount of loan.

b) **Adivasi Mahila Sashaktikaran Yojana (AMSY):** Under the scheme, Scheduled Tribes women can undertake any viable income generation activity costing upto ₹2 lakh per unit. Loans upto 90% for scheme are provided under this scheme at a concessional rate of 4% interest p.a.

c) **Micro Credit Scheme for Self Help Groups:** The Corporation provides loan ₹5 Lakhs per Self Help Group (SHG) and upto ₹50,000/- per member. The interest rate chargeable is 6% p.a.

d) **Adivasi Shiksha Rrinn Yojana (Education Loan):** Under this scheme, financial assistance upto ₹10.00 lakh at concessional rate of interest of 6% per annum is provided to ST students for pursuing professional/ technical education including Ph.D. in India. Ministry of Human Resources Development, Govt. of India provides interest subsidy for this scheme, whereby, no interest is payable by a student during the course period and one year or six months after getting the job, as the case may be.

e) **Margin Money Support Scheme for ST Entrepreneurs under Stand-up India Scheme:** In order to promote ST entrepreneurs under Stand-Up India Scheme, NSTFDC, in December 2020, formulated Margin Money Support Scheme for ST Entrepreneurs. Under the scheme, an eligible borrower may avail concessional financial assistance of NSTFDC through its implementingagencies to the extent of 15% (Margin Money) of the project cost eligible for financing under Stand Up India scheme.

f) **Tribal Forest Dwellers Empowerment Scheme**: The objective of the schemeis 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 upto ₹2lakh at concessional rate of interest of 4% p.a. payable by the beneficiaries.

For further assistance, please contact:

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