

National Minorities Development & Finance Corporation

NMDFC/PROJS/SCHEME/2013-14/

Dated 15th April, 2013

CIRCULAR

1. The Board of NMDFC in its 84th Board meeting held on 20th March, 2013 has accorded approval for Revision of Financing & Promotional Schemes of NMDFC.
2. The detail of the revised parameters, as approved by the Board of NMDFC, is given in the following tables. The table also shows the existing scheme parameters for facilitating reference & comparison.
3. The SCAs are requested to make note of the changes carried out in respect of each scheme of NMDFC & start its implementation with immediate effect.

I. Term Loan

- (a). Term Loan scheme has been revised with the following terms & conditions:-

S. No.	Parameters	Existing Scheme Parameters	Details of Revised Scheme
1.	Loan Amount	Upto Rs. 5.00 Lacs	Upto Rs. 10.00 Lacs.
2.	Rate of Interest for beneficiaries	@ 6% p.a. on all loans	On loan amount - Upto Rs. 50,000/- @5% p.a - Over Rs. 50,000/- @ 6% p.a
3.	Rate of Interest for SCAs	3% p.a	3% p.a
4.	Moratorium period	6 months	6 months
5.	Repayment period for beneficiaries	5 years	5 years
6.	Repayment period for the SCAs	8 years	8 years
7.	<u>Means of Financing</u> NMDFC: SCA: Benef. contribution	85 : 10 : 5	90 : 5 : 5
8.	Need Based Financing	SCAs to sanction/ disburse loan upto Rs.1.00 lac. One time approval of NMDFC is essential for loan beyond Rs.1.00 lac.	SCAs are advised to sanction/disburse loan as per ground realities & requirement of the beneficiaries. Preference may be given to poorest of poor while selecting the beneficiaries for

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			maximizing the number of beneficiaries.
9.	Utilization Period	3 Months	3 Months
10.	Loaning under Transport Sector	Maximum loan up to 20% of disbursement under Term Loan can be utilised for financing transport sector schemes. While for SCAs with hilly areas & North East, financing for transport sector can be up to 50% of funds disbursed under the Term Loan scheme.	Maximum loan up to 20% of disbursement under Term Loan can be utilised for financing transport sector schemes. While for SCAs with hilly areas & North East, financing for transport sector can be up to 50% of funds disbursed under the Term Loan scheme.

- (b). After disbursement of 50% of the sanctioned amount, verification of its utilization should be conducted by the SCAs before release of further funds to the beneficiaries.
- (c). Details of all such cases should be uploaded on its website by the SCAs before disbursement of loan to the beneficiaries.



