

**The Presentation by CMD in the Regional Meeting of State Secretaries of Welfare/Social Justice (Western States: Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh, Rajasthan, Goa, Dadar & Nagar Haveli, Daman & Diu) on 31<sup>st</sup> October, 2012 at India International Center, New Delhi**

**31<sup>st</sup> Oct., 2012  
New Delhi**

The main aim of the National Handicapped Finance and Development Corporation is to provide concessional credit to PwDs for self-employment opportunities through the channelizing agencies in the states.

**In Maharashtra**, the State Channelising Agency i.e. Maharashtra State Handicapped Finance & Development Corporation has developed inertia in implementation of NHFDC schemes which can be seen from the huge unutilized funds of Rs.5.0 crores pending with the SCA. The SCA is also not repaying NHFDC dues regularly and an amount of almost Rs.10.0 crore is overdue for repayment. The guarantee support from the state government is also not sufficient and there exists a shortfall of Rs.6.0 crore. I request Department of Social Welfare, Govt. of Maharashtra to review the status and direct the SCA to clear these pending issues as these are blocking the flow of our funds to PwDs in the state.

**In Gujarat**, the State Channelising Agency i.e. Gujarat Minorities Finance & Development Corporation (GMFDC) is slow in implementation of NHFDC schemes. The SCA had drawn only Rs. 29 lac from NHFDC during 2010-11 and Rs. 1.7 crore in 2011-12 due to shortfall in Block Government Guarantee. During the current financial year, the SCA is yet to draw funds against the notional allocation of Rs.6.0 crore. I request the Principal Secretary, Social Welfare, Govt. of Gujarat to organize the guarantee support to the State Channelising Agency and direct them to speed up implementation of NHFDC schemes.

**In Madhya Pradesh**, Though the state government has nominated four State Channelizing Agencies for NHFDC yet implementation of NHFDC schemes has come to a standstill. The major issue is non-availability of

Block Government Guarantee. I would, therefore, request Secretary, Social Welfare, Govt. of Madhya Pradesh to look into it.

**In Chhattisgarh,** The flow of concessional credit to PwDs in the state is continuing on the assurance of the state government that the guarantee support proposal is under consideration. It is a stop-gap arrangement and may not continue next year. I, therefore, request the Secretary, Social Welfare, Govt. of Chhattisgarh to extend adequate guarantee support to the SCA on priority.

**In Rajasthan,** The SCA has a full fledged network of offices in districts, and the state has a large population of PwDs. However, the implementation of NHFDC scheme does not commensurate with the infrastructure and potential of SCA. During the current financial year, the achievement is only Rs. 26 lakhs against the notional allocation of Rs.3.60 crore i.e. achievement is 7% so far. I request the Secretary, Social Welfare, Govt. of Rajasthan to review the performance of state channelising agency to speed up implementation of concessional credit to Persons with Disabilities in the State.

**In Goa,** The flow of concessional credit to PwDs in the state is touching a bottom-line because of non-submission of proposals by the SCA. During the last five years, the SCA has drawn total amount of Rs.10.0 lakhs only. I would, therefore, request the Secretary, Social Welfare, Govt. of Goa to look into the state of affairs for the benefit of PwDs of the state.

**In Dadar & Nagar Haveli, Daman & Diu,** The nominated State channelizing agency is yet to execute General Loan Agreement. I request the UT Admn. to review the progress in this regards with the SCA and direct them to execute the General Loan Agreement so that SCA may implement NHFDC scheme.

Madam, in view of the huge disabled population of states like Madhya Pradesh, Maharashtra and Gujarat and tardy progress by nominated SCAs, a need of an additional channel in these states was felt. On the request of

NHFDC, respective state governments of these states facilitated collaboration between NHFDC and Regional Rural Banks (RRBs) in the

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states. It is expected that the SCAs of these states who are also the coordinators of these tie-up, may hand over the huge pending proposals to these RRBs in their states, so that RRBs located in these states may send the proposals for disbursement of NHFDC funds.

Madam, I would like to reiterate here that these additional channels of RRBs will in no way affect the fund flow through the existing system of funding through State Channelizing Agencies. In fact, it will augment the efforts of the state government to reach more and more PwDs for their economic rehabilitation. The uniqueness of channelizing NHFDC funds through the RRBs is that state government do not have to provide the Block Government Guarantee and the loans are given by RRBs to PwDs without the hassles of collateral security. It is because these loans are extended under Credit Guarantee Scheme of Government of India. In case of default by the beneficiary, RRBs may claim upto 85% of the outstanding loan from Credit Guarantee Trust Fund for Medium and Small Enterprises.

I would also like to inform this august gathering that NHFDC is implementing two Scholarship Schemes. The total 1500 Scholarships are available under these schemes and hence I request your good selves to sensitize higher educational institutions, professional and training institutes to make it successful. Apart from this, our educational loan scheme has been made very attractive which is offering loan to a girl student with disability @ 3.5% p.a. and in case of male student with disability @ 4% p.a. We have already sent communication to all Chief Secretaries of the States and UTs in this regard.

You are already aware that Govt. of India has initiated a very big programme in the direction of Skill Upgradation. The NHFDC is to provide

skill training to 1500 PwDs in the current year. This will not only help the employability of the PwDs but also help the PwDs for preparing good and

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viable projects for self employment ventures. With the skill upgradation, the rate of recovery of loan will also improve. I would, therefore, request all Secretaries and Representatives of the States to help us in this task by identifying good training institutes/organizations in the states for providing training to PwDs. We have recently made a provision for loan in case a Person with Disability wants to purchase Assistive Device to help him in his employment. A loan upto Rs. 5 lac may be given to the needy PwD. This is a new scheme which needs due publicity in the respective states. You may like to see the folder of the NHFDC containing the above schemes.

Recently, we have developed three online facilities through our website. These are online application for Scholarship ; online application for education loan & online application for empanelment for Skill development training. You are also requested to visit our website ([www.nhfdc.nic.in](http://www.nhfdc.nic.in)) to see the updated information on all related issues.

Thanking you.

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