

The Presentation by CMD in the Regional Meeting of State Secretaries of Welfare/Social Justice (North Eastern States: Assam, Meghalaya, Manipur, Tripura, Sikkim, Arunachal Pradesh, Mizoram and Nagaland) on 20.11.2012 at Conference Room No. 603, Shastri Bhavan, New Delhi

I have few issues for North Eastern States:

Arunachal Pradesh and Manipur Governments nominated **Arunachal Pradesh State Apex Cooperative Bank and Manipur State Women's Development Corporation** as SCAs respectively. However, even after more than two and half years of their nomination both these agencies are yet to sign the general loan agreements. I request the Government of Arunachal Pradesh and Manipur to review the state of affairs of their concerned SCAs for early signing of General loan agreements with NHFDC.

In addition, I would like to request the Principal Secretaries of these States that they should help us to rope in the Regional Rural Banks in Arunachal Pradesh and Manipur as Additional Channelising Agencies under Credit Guarantee Scheme. We have made similar arrangements in states like, Uttar Pradesh, Uttarakhand, Haryana, Maharashtra, Madhya Pradesh and Gujarat.

2. In Assam, our SCA **Assam Cooperative Apex Bank** has a full fledged network of offices in the districts, and the state has a large population of PwDs. However, the implementation of NHFDC schemes does not match with the infrastructure and potential of SCA. During the current financial year, the achievement is only Rs. 50 lakhs against the notional allocation of Rs.4.28 crore i.e. achievement is 12% so far. Also, the guarantee support extended by the state is not adequate in view of the large population of PwDs. I, therefore, would like to request the representative of the Department to organize adequate guarantee support to State Channelising Agency.

I am to inform this august gathering that we have almost tied up with the Assam Gramin Vikash Bank and agreement under Credit Guarantee Scheme is expected to be signed in few days.

3. In Meghalaya, our **SCA- Meghalaya Cooperative Apex Bank** is implementing NHFDC schemes satisfactorily. The state government may provide additional guarantee support to the SCA for further expansion and continuing smooth flow of funds from NHFDC.

NHFDC had convened a meeting with Principal Secretary, Social Welfare and Meghalaya Rural Bank in the month of May this year. The Meghalaya Rural Bank had agreed to become additional channelizing agency of NHFDC subject to their becoming Member Lending Institution with Credit Guarantee Trust Fund of Govt. of India.

4. In Mizoram, the nominated State Channelizing Agency, Mizoram Rural Bank started well to implement NHFDC schemes but progress has come to a standstill and SCA has not drawn any funds since last financial year. The major issue is non-availability of Block Government Guarantee.

In case, Mizoram Rural Bank wishes to modify the present agreement to provide collateral free concessional credit under Credit Guarantee Scheme of Government of India, then NHFDC would like to replace the present MOU with the new one. This will also solve the guarantee problem of the State Government.

5. In Nagaland, the Social Security & Welfare Department itself is acting as the SCA. However, NHFDC schemes are not being implemented since 2006-07. Also, the Department has accumulated huge overdue of Rs 1.76 Crores due to prolonged non-repayment of NHFDC dues. During the State Ministers conference in May 2012 at Shillong, the Secretary had advised the state government to nominate a suitable agency to act as the SCA of NHFDC as it is difficult for the department to implement loan schemes. I request the government of Nagaland to repay the huge overdue of NHFDC and nominate a suitable agency to act as the SCA of NHFDC.

Here also, we would like to associate Nagaland Rural Bank as additional channelizing agency and state government should facilitate the necessary tie up.

6. In Tripura, Tripura SC Cooperative Development Corporation is the SCA for implementation of NHFDC schemes. The SCA is very slow in implementing NHFDC schemes and only 45 PwDs are given loan since 2002-03. The achievement during the current financial year so far is Nil. Adequate guarantee support may also be extended to the SCA as the guarantee given by the state has almost exhausted.

Here also, the State Government may extend their good offices for facilitating a tie up with Tripura Gramin Bank as our Additional Channlising Agency under Credit Guarantee Scheme of Govt. of India.

7. In Sikkim, Sikkim SC, Tribes & OBC Dev. Corporation is the SCA. The SCA is extremely slow in implementation of NHFDC schemes. In the last five years, only Rs. 15 lac is disbursed to 20 PwDs in the state. I would, therefore, request the representatives of Social Welfare Department, Govt. of Sikkim to look into the state of affairs for the benefit of PwDs of the state.

8. In addition, we have added a new dimension to the delivery mechanism of NHFDC in entire North Eastern region. NHFDC has tied up with the North Eastern Development Finance Corporation (NEDFi) for collateral free loans to PwDs in all the states of the NE region. NEDFi has further come forward to extend micro credit to PwDs. This will be a significant step as NEDFi has offices in all the NE states.

9. I would also like to mention that we have developed a special scheme wherein a PwD can take concessional loan for purchase of Assistive Devices to enhance their employability or to enhance the performance on the assigned job. Assistive Devices like, Screen Reader, Retrofitted Mobility Aids, Artificial Limbs etc. are included in the Assistive Devices scheme. The details of the scheme are available on NHFDC website.

10. In the end, I would like to inform this august gathering that NHFDC proposes to bring an ambitious scheme extending handholding support to young entrepreneurs seeking self-employment ventures. We would be associating the reputed NGOs, reputed private training providers, LIC Agents and Bank Mitras. These facilitators will be bringing the PwDs to the Regional Rural Banks or Public Sector Banks or State Channelising Agencies wherein these facilitators will be guiding the PwDs for the appropriate self-employment ventures and would be filling up the forms etc by writing the project details etc. These facilitators will be provided a support upto Rs. 300 in each case by NHFDC. This amount will be released simultaneously on the disbursement of first instalment of loan amount to PwDs. In this way, the NGOs, training providers, Bank Mitras and LIC Agents etc will join hands with NHFDC in expanding the potential of self-employment ventures in the country for PwDs. This will ensure organizing timely credit to beneficiaries.

Thank You.
