

The Presentation by CMD in the Regional Meeting of State Secretaries of Welfare/Social Justice (Eastern States: Uttar Pradesh, Bihar, West Bengal, Odisha, Jharkhand and Andaman & Nicobar) on 05th June, 2013 at India International Center, 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.

NHFDC could not attain the desired targets in any of the states/UTs in the Eastern Region comprising of Uttar Pradesh, Bihar, West Bengal, Odisha, Jharkhand & Andaman & Nicobar as the State Channelizing Agencies/RRBs in these states were struggling with several problems, like, non submission of proposals by the SCAs, repayment of dues, non-execution of GLA etc. I would like to discuss these problems, statewise.

In Uttar Pradesh, we tied up with all the nine Regional Rural Banks in consultation with the state government for flow of collateral free concessional credit to PwDs in the state, since the SCA became non-functional due to non availability of Block Govt. Guarantee. Our utilization of funds in the state is to the tune of Rs. 7 crores this year which is roughly 25% of the capacity in the state like UP. I would request the state to review the progress of implementation by these RRBs closely.

In Bihar, the State Channelising Agency i.e. Bihar State Backward Class Finance & Development Corporation has signed General Loan Agreement only in February 2012. However, the SCA is yet to submit any proposal to NHFDC and start implementing NHFDC schemes in the state of Bihar. NHFDC has made a notional allocation of Rs.5 crores for the state for the current financial year. I request Secretary, Social Welfare, and Government of Bihar to review the status and direct the SCA to draw advance fund from NHFDC and achieve this year's target.

In West Bengal, the State Channelising Agency i.e. West Bengal Women Development Undertaking is extremely slow in disbursing loans to PwDs. No funds could be disbursed against the notional allocation of Rs. 4.71 crores last year due to non receipt of proposals from SCA. Progress this year so far is nil. NHFDC has made a notional allocation of Rs. 5.50 crores to West Bengal in the current financial year. Here, it is worth mentioning that the block government guarantee given by the State is inadequate for the notional allocation for the current financial year. I, therefore, request the Secretary, Social Welfare, Govt. of West Bengal to provide the guarantee support to the State Channelising Agency and direct them to draw advance fund from NHFDC and disburse loan to PwDs in West Bengal to fulfill current year's target of Rs.5.50 crore.

In Odisha, the progress in implementation of NHFDC scheme is almost at a standstill since 2004-05. The disbursement was Rs. 60 lakhs against the annual target of Rs. 2.61 crores last year. The state government has recently taken decision to nominate State Institute of Disability Rehabilitation (SIDR), as the new SCA in place of Mahila Vikas Samabhaya Nigam (MVSN). The SIDR is a part of Govt. department set-up. There are only 3 SIDR and in process to open few more. The new SCA has no presence in the districts and do not have expertise to handle financing activities for say next five years.

Secretary, Social Welfare, Govt. of Orissa is requested to look into the issue afresh and let MVSN function as SCA of NHFDC along-with the newly appointed SIDR.

In Jharkhand, Jharkhand State Tribal Cooperative Development Corporation is SCA of NHFDC. The flow of concessional credit to PwDs in the state is at a standstill because of non-repayment of dues and low utilization of funds released by NHFDC. This year, the achievement so far is Nil against the notional allocation of Rs.1.33 crore. I would request Govt. of Jharkhand to review the performance of State Channelising Agency and revive the flow of concessional credit to persons with disabilities in the state.

In Andaman & Nicobar, the UT Administration has nominated Andaman & Nicobar Island Integrated Development Corporation as the State Channelising Agency way back in the year 1998-99. In spite of several efforts by NHFDC, the State Channelising Agency is yet to execute General Loan agreement. I

request the UT Administration to review the progress in this regard with the State Channelising Agency and direct them to execute the General Loan Agreement and implement NHFDC schemes in the Andaman & Nicobar Islands in the interest of PwDs.

Sir, in view of the huge PwD population of **states like Bihar, West Bengal and Odisha** and inertia on the part of SCAs, a need of an additional channel in these states was felt. NHFDC requested the respective state government for facilitating collaborative arrangement between NHFDC and Regional Rural Banks in the state. Similar arrangements have already been made by NHFDC with the active support of the respective state governments in Uttar Pradesh, Haryana, Uttarakhand, Gujarat, Maharashtra, Assam & Madhya Pradesh and RRBs in these states are functioning as additional channels for flow of fund to PwDs.

Sir, these additional channels i.e., RRBs, will, in no way affect the fund flow through the existing system 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 through collateral free soft loan. The uniqueness of channelizing NHFDC funds through the RRBs in that state government do not have to provide the Block Government Guarantee and the loans are given to PwDs without the hassles of collateral security. 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.

In this backdrop, I request the Secretaries in the state governments of **West Bengal, Odisha & Bihar**, where the RRBs have agreed in principle, to direct the concerned departments to facilitate early tie-up with RRBs in their respective states. In addition to this, the government of **Jharkhand** may also facilitate such a tie-up with the RRBs in the state. The RRBs, will, then be able to provide collateral free loans at NHFDC rate of interest to Persons with Disabilities.

I would also like to inform this august gathering that NHFDC is implementing two Scholarship Schemes. The total 2000 Scholarships are available under these schemes and hence I request your goodselves to sensitise 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 area of Skill Upgradation. The NHFDC is to provide skill training to 4000 PwDs in the current year. This will not only help the employability of the PwDs but also help the PwDs for preparing good and 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 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) to see the updated information in the website and give your valuable suggestion to improve the website further.
