

(18)

1. Name of the Programme :

Self Employment Scheme for the Persons with Disability

A) Scheme for Financing :

The NHFDC provides financial assistance for wide range of income generating activities to disabled persons. These are -

- a) For setting up small business in Service/Trading sector : Loan up to Rs. 1.0 lakh for sales/trading activity and Rs. 3.00 lakh for service sector activity.

The small business, project or activity, for which financial assistance has been sought will have to be operated by the disabled person himself and/or employing at least 15% disabled persons in his venture.

- b) For purchase of vehicle for commercial hiring : Loan upto Rs. 5.00 lakh.

Purchase of vehicle including auto rikshaw for commercial hiring purpose.

- c) For setting up small industrial unit : Loan upto Rs. 5.00 lakh.

Loan assistance is provided to disabled persons for manufacturing, fabrication and production activities.

- d) For Agricultural activities : Loan upto Rs. 5.00 lakh

Loan assistance is provided to disabled persons for agricultural production, irrigation, horticulture, sericulture, purchase of agricultural machinery/equipment agricultural service, for marketing of agricultural products etc.

- e) For self-employment amongst persons with mental retardation, cerebral palsy and autism : Loan upto Rs. 3.00 lakh

In such cases, the financial assistance is extended through parents or spouse of the dependant mentally disabled person

Loan for Education/Training to Disabled Persons :

- f) To meet tuition and other fees/maintenance cost/books and equipment etc. for pursuing professional courses in a recognised educational institution in India and abroad.
- Amount of Loan -
- | | | | |
|-----|------------------|---|-----------------------|
| i) | Studies in India | - | Maximum Rs. 7.50 lacs |
| ii) | Studies Abroad | - | Maximum Rs. 15 lacs |
- g) Financial Assistance for Skills & Entrepreneurial Development for State Channelising Agencies.
- h) Micro Credit Scheme implemented by State Channelising Agency through Non Government Organisation - A NGO can be given a loan of upto Rs. 5.00 lakh for further loaning of upto Rs. 25,000/- per beneficiary.
- i) Parents' Association of mentally retarded persons - Loan upto Rs. 5.00 lakh may be extended to such an association to set up an income generating activity for the benefit of mentally retarded persons.

B) OBJECTIVE :

- a) Promote economic development activities for the benefit of persons with disabilities.
- b) Promote self-employment and other ventures for the benefit/economic rehabilitation of persons with disabilities.
- c) Extend loans to persons with disability for pursuing general/professional/technical education for training at graduate and higher level.
- d) Assist in the upgradation of technical and entrepreneurial skills of persons with disability for proper and efficient management of production units.

C) ELIGIBILITY CRITERIA FOR AVAILING LOAN :

1. For General Scheme :
- Any disabled person who fulfills the following criteria is eligible to apply for financial assistance -
- a) Any Indian Citizen with 40% or more disability.
- b) Age between 18 and 60 years.

- c) Annual income below Rs. 2,00,000/- for urban areas and Rs. 160,000/- for rural areas.
 - d) Relevant educational / technical / vocational qualification/ experience and background.
2. For Education Scheme :
- a) Any Indian Citizen with 40% or more disability.
 - b) Parents/guardian should have regular source of income.
 - c) Annual income of parents/guardian should be below Rs. 5,00,000/- (Rupees Five Lakh only).
 - d) Should have passed previous examination with minimum 2nd division (50% aggregate marks) or equivalent grade.
3. For Non Government Organisation under Micro Credit Scheme
- i) The applicant NGO should have been registered for at least three years and it should have good reputation.
 - ii) An NGO intending to implement Micro Credit Scheme should have the objective of serving the social and economic needs of the Persons with Disability or the weaker sections.
 - iii) It should have the necessary flexibility, professional competence and basic financial management capability and organisation skills to implement the lending programme. It must have out reach services in the operational areas.
 - iv) Its office bearers should not be elected members of any political party.
 - v) It should have a proper system of maintaining accounts. Accounts should have been audited. There should not have been any serious irregularities observed in the audit, and its accounts should be published.
 - vi) It should be running on sound lines and preferably have experience of Thrift and Credit administration of at least three years and its recovery performance during the last three years should be approximately 90% or more.
4. Parents Association for Mentally Retarded persons :
- a) The parents association should be registered for at least 3 years.
 - b) It should have a minimum membership of 5 parents.
 - c) It should not be a financial defaulter of central government, state government, any financial institution in the public sector, banks etc.

D) PROCEDURE TO AVAIL THE BENEFITS :

a) General Scheme (including Education Scheme) :

According to the norms and procedure of funding of NHFDC, loan applications are submitted to the State Channelising Agency of the NHFDC. The power to sanction loan to the beneficiary is delegated to SCA upto a project cost of Rs. 1.0 lakh. The project proposals above Rs.1.00 lakh are sent to NHFDC by the SCA.

For the sanctioned projects upto Rs.1.0 lakh, the SCA communicate the sanction to NHFDC along with particulars of the beneficiaries. The SCA would, then raise a demand to NHFDC for release of fund for further disbursement to beneficiaries.

As regards to projects with project cost above Rs.1.0 lakh, the project applications with all the essential documents are forwarded to NHFDC by the State Channelising Agencies duly scrutinised and recommended. The project applications are considered for sanction in the Project Screening Committee of NHFDC. Once the proposals are sanctioned, the NHFDC issue sanction order to the respective SCA. After the acceptance of terms and conditions of the sanction, the funds are released by NHFDC to SCAs after considering the status of government guarantee/suitable security, General Loan Agreement, sanction order, recovery & utilisation, beneficiary data etc.

b) Micro Credit Scheme (implemented by the SCA through NGO) :

The SCAs desirous of implementing the Micro Credit Scheme (MCS) to further provide loan to individual, Self Help Groups through Non Government Organisations.

- i) Under the scheme, the NGOs will apply to the respective SCA (State Channelising Agency). However, in exceptional cases, the NGO (Non-Government Organisation) may apply directly to NHFDC for sanction and release of loan.
- ii) The NGOs will submit their application for loan under Micro Credit Scheme to the SCA in the prescribed application form alongwith all relevant details & documents.
- iii) The SCA will scrutinise and verify the credential of NGO and satisfy itself regarding the suitability of the NGO for implementation of Micro Credit Scheme and its capacity to handle number of beneficiary vis-à-vis the amount of fund.
- iv) The SCA may sanction loan upto Rs. 2.0 lakh to an NGO for further financing to Self-Help Group (SHGs) of disabled persons or beneficiaries.

- v) The application of an NGO for a loan amounting to more than Rs. 2.0 lakh (Rupees Two Lakh only) will be scrutinized by the SCA and forwarded to NHFDC for sanction with due recommendation and credential verification report of the NGO.

In the case where the NGO submits application for financial assistance directly to NHFDC, the followings would be applicable;

- i) C.M.D., NHFDC will satisfy himself that there are enough grounds to treat the case as an exceptional case.
- ii) Credentials of the NGO would be verified in such manner as C.M.D. NHFDC may think fit.
- iii) Suitability of the NGO for implementation of Micro Credit Scheme shall be examined and the decision of C.M.D., NHFDC in this regard shall be final.
- iv) In case loan assistance is sanctioned to the NGO, the NGO would have to accept the terms & conditions of sanction and convey the same to NHFDC.

c) Parents Association for Mentally Retarded Persons :

The loan application under the scheme will be submitted to National Handicapped Finance and Development Corporation directly by the Parents Association/NGO. However, the Parents Association/NGO should get a resolution passed by its managing committee/ board of trustee to this effect. Proof of this should be submitted alongwith the application.

E) TIME LIMIT FOR REPAYMENT

a) General Scheme :

The loan is required to be repaid in quarterly instalments over a period of 10 years after the expiry of moratorium period.

Education Scheme :

- i) The loan to be repaid within 7 years after commencement of repayment.
- ii) The repayment as per repayment schedule would commence after 6 months from the date of scheduled completion of the course or after getting the job, whichever is earlier.

b) Micro Credit Scheme (implemented by the SCA through NGO) :

Term loans drawn from NHFDC will be required to be repaid within a period of 36 months in quarterly installments.

c) Parents Association for Mentally Retarded Persons :

The loan amount including interest will be repaid within 10 years in equal quarterly instalments.

- F) APPLICATION FEE : Free of cost
- G) APPLICATION FORMATS : Available in printed as well as in electronic form
- H) LIST OF ATTACHMENTS :
- 1) General Scheme :

The beneficiaries need to furnish the following documents to the SCA :

- i) 40% Disability Certificate from medical board of Central/State Government.
- ii) Income Declaration Certificate.
- iii) One passport size and one full size photograph clearly showing the disability of the borrower
- iv) Birth/Age Certificate from Panchayat/municipal/school certificate.
- v) Educational Qualification Certificate.
- vi) Caste Certificate for SC/ST/OBC.
- vii) Affidavit stating that no loan has been availed from any other govt. agency for the same purpose.
- viii) All clearance required have been obtained from respective Central/State Govt. Agencies including clearance from State Pollution Control Board if applicable. Copy of all such clearance is to be attached.

2) Education Scheme :

- i) 40% or more Disability Certificate from medical board of Central / State Government.
- ii) Income Declaration Certificate (on application form itself).
- iii) Birth/Age Certificate from Panchayat/Municipal/School Certificate.
- iv) Educational Qualification Certificate.
- v) Caste Certificate for SC/St/OBC.
- vi) One passport size and one full size photograph clearly showing the disability of the borrower.
- vii) Affidavit stating that no loan has been availed from any govt. agency for the same purpose.
- viii) Mark sheet of last qualifying examination for school and graduate studies in India.
- ix) Copies of letter conferring scholarship, freeship, studentship, etc.
- x) Proof of admission to the course.

- xi) Schedule of expenses for the course.
- xii) Copies of foreign exchange permit (if applicable).
- xiii) Statement of Bank account for the last six months of the borrower(s).
- xiv) Signature identification from bankers of borrower(s) / guarantor(s).
- xv) A copy of Passport / Voters ID Card / Proof of residence.
- xvi) Income Tax assessment order not more than 2 years old.
- xvii) Bank statement of assets and liabilities of borrower(s).

3) Micro Credit Scheme (implemented by the SCA through NGO) :

- i) General Loan Agreement and adequate Block Government Guarantee in favour of SCA by the state government.
- ii) The SCA will obtain the minimum guarantee from the NGO i.e. 25% of the total sanctioned amount pledged as FDR or 40% of the sanctioned amount as collateral security.
- iii) Where the loan is extended by NHFDC directly to the NGO, it would be required to deposit an amount equal to 25% of the total sanctioned amount pledged as FDR or 40% of the sanctioned amount as collateral security with NHFDC.
- iv) The NGO will be required to submit following information/ documents -
 - a) Copy of Registration certificate alongwith renewal copy of the Registration certificate.
 - b) Approved copy of MOA & Bye-laws authenticated by the Registrar of Societies.
 - c) List of composition of current Management Committee.
 - d) Annual reports for the last three (03) years
 - e) The copy of resolution of management committee for borrowing from NHFDC.
 - f) Copy of testimonials received from foreign donors/ Government Department etc.
 - g) Undertaking regarding office bearers of the NGO are not be elected members of any political party.
 - h) Undertaking regarding the accounts staff of the NGO is qualified and experienced for management of the loan under Micro Credit Scheme of NHFDC.
 - i) Undertaking regarding the accounts of the NGO have been audited/published.
 - j) The NGO should submit the list of proposed borrowers including -
 - Name & Address and age of borrowers
 - Name of the proposed activity
 - Address at which activity proposed
 - Nature of disability including percentage of disability
 - Amount proposed for each borrower.

4) Parents Association for Mentally Retarded Persons :

- i) 25% of the total sanctioned amount in the form of FDR pledged as security to NHFDC or 40% of the amount as collateral security.
- ii) The Parents Association will be required to submit following information/ documents -
 - a) Copy of Registration certificate alongwith renewal copy of the Registration certificate for at least 3 years.
 - b) Approved copy of MOA & Bye-laws authenticated by the Registrar of Societies.
 - c) List of membership of at least five (05) parents.
 - d) Annual reports for the last three (03) years
 - e) The copy of resolution of management committee for borrowing from NHFDC.
 - f) Copy of testimonials received from foreign donors/
Government Department etc.
 - g) Undertaking regarding office bearers of the Parents Association/NGO that any of the Parents are not the elected members of any political party. Parents
 - h) Undertaking regarding the accounts staff of the Parents Association/NGO is qualified and experienced for management of the loan under the scheme of NHFDC.
 - i) Undertaking regarding the accounts of the Parents Association/NGO have been audited/published.
 - j) The Parents Association/NGO should submit the project(s) of proposed borrowers including -
 - Name & Address and age of borrowers
 - Name & address of the proposed activity
 - Nature of disability including percentage of disability
 - Application in prescribed format with project cost /project report.

I) DETAILS OF BENEFITS GIVEN :

- a) Low rate of interest -
 - i) Upto Rs. 50,000/- project cost - 5%
 - ii) Above Rs. 50,000/- and upto Rs. 5.0 lakh project cost - 6%
 - iii) Above Rs. 5.0 lakh project cost (for education/training) - 8%

b) Rebate -

A rebate of 1% on interest is given to women with disabilities in all the schemes of NHFDC.

- c) Long repayment period -
 - i) General Scheme : 10 years
(including moratorium period)
 - ii) Education/Training Scheme : 7 years
(after 6 months from the date of scheduled completion of the course or after getting the job, whichever is earlier)
 - iii) Micro Credit Scheme : 36 months
 - iv) Scheme for parents Association : 10 years