

GUIDELINES FOR IMPLEMENTATION OF INTEREST SUBVENTION SCHEME – VANCHIT IKAI SAMOOH AUR VARGON KO AARTHIK SAHAYTA (VISVAS) YOJANA FOR SC & OBC SHGs/BENEFICIARIES

1. OBJECTIVES:

1.1. During the year 2020-21, the Ministry of Social Justice and Empowerment (MoSJ&E), Government of India, is implementing a new Interest Subvention – **Vanchit Ikai Samooh aur Vargon ki Aarthik Sahayta (VISVAS) Yojana** for the SHGs comprising exclusively of SC and/or OBC beneficiaries with loans/borrowings up to Rs.4.00 Lakh and for SC and OBC individual beneficiaries with loan/borrowing up to Rs.2.00 Lakh. This model will give a quick interest benefit to the standard accounts of borrowing SHGs/beneficiaries.

1.2. The objective of the proposed Scheme is to provide direct benefit of lower rate of interest to the eligible Self-Help Groups (SHGs) formed under National Rural Livelihood Mission (NRLM) or National Urban Livelihood Mission (NULM) or NABARD/ individual beneficiaries who have availed loans through Public Sector Banks (PSBs), Regional Rural Banks (RRBs) and similar financial institutions hereinafter referred to as Lending Institutions.

2. IMPLEMENTING AGENCIES:

- a.** National Scheduled Castes Finance and Development Corporation (NSFDC) (for SC SHGs/beneficiaries).
- b.** National Backward Classes Finance and Development Corporation (NBCFDC) (for OBC SHGs/beneficiaries).

3. PERIOD OF SCHEME:

Year 2020-21.

4. GUIDELINES FOR IMPLEMENTATION:

4.1. For SHGs

All SHGs which have been formed under NRLM or NULM and fulfilling following eligibility will be eligible for interest subvention on loan/credit up to Rs. 4.00 Lakh at 5% interest per annum, subject to the following:

- a) All members of SHG must be belonging to either SC or OBC.
- b) SHG must be registered with NRLM/NULM or NABARD.
- c) SHG must be having two years credit history.
- d) SHG members must be having annual family income less than Rs.3.00 Lakh.
- e) SHG should have history of timely repayment of installments.
- f) SHGs should not have availed interest subvention under any other scheme for the said loan account.

4.2. For Individual beneficiaries

All individual members having annual family income less than Rs.3.00 lakh belonging to either SC or OBC will be eligible for interest subvention on loan up to Rs.2.00 Lakh at 5% interest per annum. Individuals should not have availed interest subsidy in their existing loan under any other scheme.

4.3. Eligibility & Role of Lending Institutions (LIs)

- a) The interest subsidy can be claimed for the eligible SHGs/beneficiaries initially by the LIs who exist as Channel Partners of NSFDC & NBCFDC after signing an addendum to the existing MoA. Other LIs interested in providing subvention benefits to SHGs/individuals under this scheme will have to enter into an agreement with the Corporations.
- b) In order to avail the Interest Subvention on credit extended to SHGs/Individual Beneficiaries @ 5%, all LIs are required to upload the details of SHGs beneficiaries in the VISVAS portal which will be hosted by NSFDC/NBCFDC website. The information must be provided on quarterly basis to facilitate calculation and disbursement of the Interest Subvention amount to individuals.
- c) The summary of quarterly claims must be made in the format of Annexure-I & III (certified by authorized signatory of LI) and submitted to NSFDC/NBCFDC. This should be periodically certified by Statutory Auditor of LI in the format at Annexure-II & IV certifying the claims to be as true and correct in compliance of the Scheme.
- d) The details of the SHG/individual beneficiary account uploaded in the dedicated VISVAS portal of the Corporations should be

confirmed for the correctness of data by the LI.

- e) The interest subvention will be directly credited into the operating bank account of SHG/beneficiary account through Direct Beneficiary Transfer(DBT) mode. In case the transfer of subvention amount is not successful due to any reason, the LI shall provide the alternate account information for the same so that subvention amount can be credited.

5. Modalities for Transfer of Interest Subvention

Interest subvention @ 5% p.a. will be released on receipt of quarterly claim from the Lending Institution in the prescribed format for the eligible SHGs/individual accounts and uploading of the bank details of the SHGs/Beneficiaries in the VISVAS portal being designed for the scheme which will be hosted in NBCFDC website (www.nbcfdc.gov.in)/ NSFDC website (<https://www.nsfdc.nic.in/>).

The transfer of subvention will be carried out directly into the account of beneficiaries through the Public Financial Management System (PFMS) or similar platform. The workflow chart for transfer of funds is described at **Annexure-V**.

6. Monitoring & Evaluation

The scheme shall be monitored by the Ministry of Social Justice and Empowerment at the central level. NBCFDC in respect of OBC beneficiaries and NSFDC in respect of SC beneficiaries, will supervise the implementation by regular field level inspections.

- a) **Physical Evaluation:** NSFDC/NBCFDC and its respective authorized State agencies will carry out field level inspections to assess impact of the scheme in respect of proper utilization of the benefits and subsequent socio-economic gains derived by the beneficiaries. The LIs will provide all necessary facilitation for the smooth conduct of these inspections.
- b) **Third party Evaluation:** The impact assessment/evaluation of the scheme will be carried out by MoSJ&E and/or NSFDC/NBCFDC who will be given necessary facilitation by the concerned LIs for the same.
