INCREASE IN THE PROVISION OF LOANS TO SCHEDULED CASTES

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Ministry of Social Justice and Empowerment is implementing a range of credit-linked schemes through the National Scheduled Castes Finance and Development Corporation (NSFDC) to promote self-employment and income-generating activities among persons belonging to Scheduled Castes, with an annual family income of up to ₹5.00 lakh.

NSFDC provides financial assistance in the form of loans at concessional rates of interest under various schemes, including Micro Finance Scheme, Term Loan Scheme, Educational Loan Scheme, Aajeevika Microfinance Yojana, and Udyam Nidhi Yojana. These schemes are aimed at supporting entrepreneurship, education and livelihood creation among Scheduled Caste beneficiaries.

The existing total project cost limit of ₹50 lakh per unit, with a maximum loan limit of up to ₹45 lakh under the Term Loan Scheme, is considered adequate, keeping in view that NSFDC caters to Scheduled Caste persons having an annual family income of up to ₹5.00 lakh.

Based on suggestions received during various review meetings held by the Department of Social Justice and Empowerment, Parliamentary Standing Committees and Consultative Committee meetings, NSFDC has reviewed its existing schemes. As part of this process, NSFDC has merged or restructured certain schemes with a view to rationalising the number of schemes and making them more demand-driven and effective for the socio-economic development of the target group.

Further, based on requirements, NSFDC has revised the maximum loan limit under the Educational Loan Scheme from time to time during the last five years, increasing it from ₹10 lakh to ₹40 lakh per unit, both for studies within India and abroad.

[This information was given by the Minister of State for Social Justice and Empowerment, Shri Ramdas Athawale, in a written reply in the Rajya Sabha today.]

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