

National Backward Classes Finance and Development Corporation

Performance Linked Grants-in-aid Scheme (PLGIA) for Channel Partners of National Backward Classes Finance and Development Corporation (NBCFDC)

1.0 Introduction:

1.1 The Scheme shall be called the 'Scheme for Grants-in-aid to Channel Partners (CPs) of National Backward Classes Finance and Development Corporation (NBCFDC).

2.0 Objectives:

The objective of the Scheme is to strengthen the infrastructure of Channel Partners in order to improve their delivery mechanism for better implementation of NBCFDC schemes as well as creating awareness, mobilization of eligible beneficiaries, timely utilization of allocated funds and strengthening the recovery system. Further, to ensure compliance of Govt. of India directives by the Channel Partners w.r.t. DBT & Digitization of records etc.

3.0 Quantum of Assistance:

Maximum Rs.10.00 lakh. Normally restricted to 1% of the released funds during current financial year subject to maximum of Rs. 10.00 lakh may be considered on the basis of past performance of the Channel Partners and availability of funds.

4.0 Eligibility Criteria for Channel Partners to claim PLGIA:

(a) All Channel Partners implementing NBCFDC scheme will be eligible except the Channel Partners which are dormant/non-functional or have not drawn funds from NBCFDC for implementing its lending schemes during the last three years.

- (b) Where more than one Channel Partners has been nominated in any State/UT, all eligible Channel Partners can be funded under the grants-in-aid scheme.
- (c) The basis of selection for releasing PLGIA is as under:
- i) Timely submission of Annual Action Plan
 - ii) Drawal of allocated funds
 - iii) Timely utilization & submission of UC for earlier released funds in prescribed format.
 - iv) Timely recovery of dues from Channel Partners to NBCFDC.
- (d) The grants-in-aid will be provided on the basis of performance of the Channel Partners, subject to availability of funds.
- The NBCFDC reserves the right to accept or reject the claim without citing any reason.

5.0 Permitted Activities which can be covered with GIA:

The assistance will be available for the following activities:-

- (a) Improvement in delivery mechanism
- (b) Hiring of vehicles for loan recovery during recovery season.
- (c) Outsourcing of staff for Date Entry Operator and Recovery staff etc.
- (d) Training to officials of channel partners.

5.1 Under the above mentioned heads, Channel Partners may submit their proposal along with information in prescribed format appended at Annexure - A and submit action plan to utilize proposed Grant-in-aid for following illustrative expenditure:-

- (a) **Training to Officials: (Normally upto Rs.3,00,000/- (Rupees Three Lakh)**

To facilitate training to the officials of the Channel Partners dealing NBCFDC schemes in the field of, **Information Technology, Project formulation, Delivery Mechanism, Monitoring and Evaluation of NBCFDC scheme.**

(b) Improvement in Delivery System: (Normally upto Rs.5,00,000/- (Rupees Five Lakh)

- 1) Procurement of Computers/Printers/Internet Connectivity & related peripherals etc.
- 2) Computerization of beneficiary records & ensuring Digitization & DBT system and linking & synchronization with NBCFDC LEAP Software etc.
- 3) Toll-free Helpline etc.

(c) Recovery related expenditure: (Normally upto Rs.5,00,000/- (Rupees Five Lakh)

- 1) Outsourcing of staff for recovery and Data Entry Operator etc.
- 2) Hiring of vehicles during Recovery season (maximum for 60 days in a year) or purchase of motorcycle along with petrol charges for their recovery staff etc.

6.0 Funding Pattern:

6.1 Under the PLGIA scheme, 100% assistance will be provided to Channel Partners by NBCFDC.

6.2 The criterion of assistance shall be the performance of Channel Partners in terms of drawal of funds from NBCFDC for disbursement of loans to the target group.

6.3 The proposals would be examined and recommended by nominated committee of officials of NBCFDC and funds would be released accordingly.

6.4 The Channel Partners will be responsible for evaluating the PLGIA proposal before submission to ensure that proposal is submitted as per guidelines of NBCFDC. The Channel Partners will consolidate Utilization Certificate of PLGIA and furnish to NBCFDC within 90 days of receipt of GIA in GFR 12 A (copy appended) duly signed by practising Chartered Accountant and countersigned by Managing Director/CEO/Chairman of the Channel Partners/authorized signatory. In case the Channel Partners fails to submit the UC within stipulated period, the Channel Partners will be liable to refund the GIA with interest @ 10% p.a.

7.0 Monitoring and Review:

7.1 Implementation of the PLGIA scheme will be monitored by NBCFDC or Authorized Independent Agency. The Scheme will be reviewed annually.

8.0 Time Lines:

8.1 Channel Partners will be required to submit their proposals under this scheme by end of the year.

Annexure – A

Parameters for assessment of Channel Partners (Year 20__ & 20 __)

Sl.No.	Parameters	Guidelines for Assessment	
1.	Annual Action Plan	a) Timely submission (Date of Submission) b) Annual Action Plan as per notional allocation (Yes/No)	
2.	Drawal of Funds	a) % of Drawal to approved AAP (Last 2 FY)	
3.	Utilization	a) Timely utilization of funds AAP (Last 2 FY) (Yes/No) b) Submission of U.C in format in time	
4.	Recovery	a) From CPs to NBCFDC %	
5.	Audit of Accounts/Annual Account	Timely Audit of Accounts completed upto Year____ Statutory Audit completed upto Year____ Internal Audit completed upto Year____	
6.	Balance Confirmation	Certificate submitted upto period____	

National Backward Classes Finance and Development Corporation

One Time Additional Incentive of Rs.2.00 Lakh for adoption of SBMS over & above under existing Performance Linked Grant-in-Aid Scheme for Channel Partners of NBCFDC

1. **Objective:** The objective of the scheme is to strengthen the IT system of our Channel Partners (CPs) and to motivate them to adopt Social Benefits Management System (SBMS) and also provide such deserving CPs some financial support for augmenting their IT infrastructure.
2. **Quantum of Assistance:** One time additional incentive of Rs.2.00 Lakh over & above existing limits under PLGIA Scheme to the Channel Partners.
3. **Eligibility Criteria:**
 - (i) Ensuring online submission of minimum cumulative 50 loan applications in atleast two (2) districts in one financial year through SBMS.
 - (ii) Submission of details of applications sanctioned online in the prescribed format.
4. **Permitted Activities** : To strengthen the IT system.
5. **Funding Pattern** :
 - (i) Under this scheme, 100% assistance will be provided to the Channel Partners by NBCFDC.
 - (ii) The criterion of assistance shall be the performance of Channel Partners in terms of adoption of SBMS.

- (iii) The proposals would be examined and recommended by nominated committee of officials of NBCFDC and funds would be released accordingly.
 - (iv) The Channel Partners will be responsible for evaluating the proposal before submission to ensure that proposal is submitted as per guidelines of NBCFDC. The Channel Partners will consolidate Utilization Certificate of this grant and furnish to NBCFDC within 90 days of receipt of GIA in GFR 12 A (copy appended) duly signed by practicing Chartered Accountant and countersigned by Managing Director/CEO/Chairman of the Channel Partners/authorized signatory. In case the Channel Partners fails to submit the UC within stipulated period, the Channel Partners will be liable to refund the GIA with interest @ 10% p.a.
6. **Monitoring and Review:** Implementation of the one-time additional incentive will be monitored by NBCFDC or Authorized Independent Agency. Towards the same, the conversion rate of online applications as sanctioned loans will be specifically monitored. The scheme will be reviewed annually.
 7. **Time Lines:** Channel Partners will be required to submit their proposals under this scheme by end of the year.
 8. **Modifications:** The scheme will be subject to modification at the sole discretion of NBCFDC depending on the extent of funds available, consistency in adoption of SBMS by Channel Partners and the general business environment.

Please provide the details in the enclosed format.

ANNEXURE

Parameters for One Time Additional Incentive

Sl.No.	Parameters	Nos.
1.	Number of Districts covered under SBMS	
2.	Number of applicants applied through SBMS	
3.	Number of applications sanctioned by Channel Partner through SBMS	