

**Addendum to the agreement signed by National Backward Classes Finance & Development Corporation (NBCFDC) with \_\_\_\_\_ Dated: \_\_\_\_\_.**

1. Whereas NBCFDC signed an agreement with the **(Bank Name)** on dates \_\_\_\_\_ respectively with an objective of providing concessional financial assistance to the target group of NBCFDC as per the Lending Policy Guidelines of the Corporation.
2. Whereas the said agreement explicitly stated that the Banks (**hereinafter referred to as Lending Institution**) will include its predecessor, successors and assigns.
3. Whereas Beginning the year 2020-21, with proposed funding from the Ministry of Social Justice and Empowerment, Government of India, NBCFDC is to operate a new Interest Subvention model named "**Vanchit Ikai Samooh aur Vargon ki Aarthik Sahayta (VISVAS) Yojana**" for the SHGs loans/borrowings up to Rs. 4.00 lakh having 100% of its Members from Other Backward Classes (OBC) and for OBC individuals with loan/borrowing up to Rs. 2.00 lakh subject to the applicable annual family income criteria.
4. **NOW, IT IS AGREED BY AND BETWEEN THE PARTIES:**

4.1. That the schemes/projects for which the financial assistance to be provided by the NBCFDC to the Target Group shall be appraised by the Bank, with a view to ensure Quarterly claim for interest subvention for the principal amount of loans/borrowing limit of cash credit accounts up to Rs. 4.00 Lakh provided to the eligible Self-Help Groups (SHGs) is to be submitted by the Channel Partners (CPs) in the prescribed format with bank details of beneficiaries (Annexure-I) and to be uploaded in VISVAS portal being developed specifically for this purpose. The data shall be accompanied by a declaration of the concerned Branch Head that the said SHG has not been extended benefits under any other interest subvention scheme or concessional finance scheme of any agency (including NBCFDC) in respect of the principal loan amount for said loan account.

4.2. Similarly, quarterly interest subvention data for standard accounts under Term/Micro Finance Loans up to Rs.2.00 lakh will be submitted in the prescribed format (Annexure-III) and uploaded in VISVAS portal with an undertaking that the said individual beneficiary has not been extended benefits under any other interest subvention scheme, or concessional finance scheme of any agency (including NBCFDC) in respect of the principal loan amount for said loan account.

4.3. Interest subvention @ 5% p.a. will be released on receipt of quarterly data from the Bank in the prescribed format for the eligible SHGs/individual accounts and uploading of the bank details of the SHGs/Beneficiaries in the VISVAS portal in the manner described at para 4.1 & 4.2 above. The transfer of subvention amount will be carried out directly into the account of beneficiaries by NBCFDC through its nodal Bank.

4.4 Lending Institution will adhere to the Scheme guidelines as issued by NBCFDC from time to time.

## **5. Role of Parties:**

### **I. Role of Lending Institution**

- a) In order to provide the Interest Subvention @5% on loan to SHGs/Individuals all Lending institution are required to submit their data to portal developed by NBCFDC in the desired format as prescribed by NBCFDC. The information must be provided on quarterly basis to facilitate calculation and disbursement of the Interest Subvention amount to individuals.
- b) The quarterly data of SHGs/Individual beneficiaries must be accompanied with Annexure-I (certified by authorized signatory of Bank) and Annexure-III (certified by authorized signatory of Bank). The Bank will also submit certificate of Auditor of Bank in format at Annexure-II and Annexure-IV certifying the data to be as true and correct, periodically.
- c) As the interest subvention will be directly credited into SHG account/Individual beneficiary account through DBT mode in their operating bank account. Banks to ensure the correctness of data uploaded in prescribed format.
- d) In case the transfer of subvention amount is not successful due to any reason the Lending institution shall provide the alternate account information for the same so that subvention amount can be credited.
- e) Lending Institutions shall promptly inform any correction of data to NBCFDC.

### **II Role of NBCFDC**

- a) NBCFDC will ensure release of quarterly subvention in respect of claim approved by its competent authority through DBT into operating account of beneficiaries through its designated nodal bank.
- b) NBCFDC will also ensure transparency of the transfer by way of SMS message to beneficiary, uploading data on dashboard of portal etc.
- c) NBCFDC will make the necessary adjustment in payment of the claims in case of any corrections brought to its notice by the Lending Institution.

**6. Validity**

Scheme is valid for Financial Year 2020-21 as of now. Further extension is contingent on the evaluation of the Scheme by the Government of India.

Now, therefore, it is agreed that the terms and conditions of Memorandum of Agreement (MoA) signed by NBCFDC with Banks will remain fully valid with the latter bearing all the responsibilities and liabilities as mentioned in the above referred MoA.

SIGNED AND DELIVERED by the within

Named:

Shri/Smt.

Addendum Executed Date:

An authorized officer of Bank in the presence of:

1.).....

2.).....

SIGNED AND DELIVERED by the within

Named: National Backward Classes Finance and Development Corporation.

Smt.

Addendum Executed Date:

An authorized officer of NBCFDC in the presence of:

1.).....

2.).....