

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. 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. 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. 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. 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. 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. 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 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.

7. 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. Time Lines:

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

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