

**SCHEME OF ASSISTANCE TO STATE  
SCHEDULED CASTES DEVELOPMENT  
CORPORATION (SCDCs)  
(REVISED GUIDELINES 2017-18)**

**Introduction**

The scheme for assistance to Scheduled Castes Development Corporations was introduced in the year 1978-79 as a Centrally Sponsored Scheme in the States/UTs having sizeable Scheduled Castes population. At present, SCDCs are functioning in 23 States and 4 UTs. They are playing an extremely useful role in mobilisation of finance of economic development of the Scheduled Castes living below the poverty line. They have been acting as promoters and catalysts for generating credit from financial institution, providing missing inputs by way of margin money loans and subsidy to the target groups. SCDCs have focused their efforts for identification of eligible SC families and motivating them to undertake suitable economic development schemes, sponsoring these schemes to financial institution for credit support, providing financial assistance in the form of margin money on low rate of interest and subsidy in order to reduce their repayment liability and providing necessary link/tie up with other poverty alleviation programmes.

**Pattern of Scheme**

The existing pattern of the Scheme is as follows:

- (i) The Government of India and State Government have been participating in the share capital of the State Scheduled Castes Development Corporations in the ration of 49:51.

### **Pattern of release of funds to SCDCs**

It has been approved that for disbursement of funds, the viability of the State Channelizing Agencies as evaluated by the National Scheduled Caste Finance & Development Corporation (NSFDC) of this Ministry would also be taken into consideration. The existing pattern of release of funds to SCDCs has been reviewed by the Central Government and it has now been decided that instead of automatic release in the ratio 49:51, Central Share equity released shall be subject to:-

- (a) Evaluation report of NSFDC regarding viability of SCAs for grant disbursement.
- (b) Utilisation of 75% Share Equity Capital released by Central Government to SCDCs.
- (c) Prior release of State share to SCDC.
- (d) Ability of the SCDC to raise additional resources from financial institutions including banks.

### **Incentives to the SCDCs to Improve Recoveries**

A fund for providing incentive to SCDCs will be created in the apex corporation for improvement in grass root recoveries by SCDC. The concerned apex corporations will issue guidelines regarding operation of incentive fund, separately.

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