

- e) Seed Capital assistance is free of interest but the channelising agencies will levy a service charge of 1% p.a. from the beneficiaries and pay 0.5% p.a. to NHFDC.
- f) Seed Capital is to be repaid within a maximum period of 7 years from the date of first disbursement, inclusive of suitable moratorium. In cases where Seed Capital assistance remains unpaid beyond 7 years, the same shall be converted into term loan at the expiry of 7th year at an interest applicable to NHFDC term loan and shall be paid within 3 years in quarterly instalments from the date of conversion into term loan.
- The Margin Money Loan may be recovered from the beneficiary alongwith bank loan in the same proportion which the Margin Money bears to the bank loan. Based on such recoveries the Channelising Agency or other agency will make the repayment schedule of margin money.
- g) Projects considered for Seed Capital assistance shall not be eligible for any other financial assistance from NHFDC.

RATE OF INTEREST

	Loan amount	Interest by NHFDC	Interest (Channelising Agency)	Total
1)	Loan amount less than Rs.50,000	3%	2%	5%
2)	Loan amount above Rs.50,000 and upto Rs.1,00,000	4%	2%	6%
3)	Loan amount above Rs.1,00,000 and upto Rs.5,00,000	7%	2%	9%
4)	Loan amount above Rs. 5,00,000	8%	2%	10%

* For women with disability, a rebate of 2% on interest is provided.

** A rebate of 0.5% on interest is provided for timely repayment of loan.

ALLOCATION OF AVAILABLE FUND FOR DISBURSEMENT

- In order to cover maximum number of beneficiaries, 75% of available fund is earmarked for those projects where NHFDC loan is below 1.0 lakh.
- In order to ensure economic empowerment of disabled women and to ensure general balance, channelising agencies are to give due weightage to women applicants and special efforts should be made to attract projects from women.

SANCTION OF LOAN

- Loan will be sanctioned by channelising agency for final disbursement to beneficiary with prior approval of NHFDC. The channelising agency will send all applications for loan duly recommended for approval of NHFDC.
- For loan under scheme (5) - production of assistive devices and scheme (6) - assistance for skill & entrepreneurial development, application will be received and appraised by NHFDC directly. The loan will be sanctioned and disbursed by NHFDC.
- All projects with loan component exceeding Rs.10 lakhs will be sanctioned by Board of Directors of NHFDC.