



## Organisations for Development of Scheduled Tribes

There was an utmost need to generate livelihood opportunities for STs based on locally available resources as well as linking their productive potential to the main economy of the country so that gainful employment opportunities are created at their doorstep. It is in this context, the role and mandate of National Scheduled Tribes Finance and Development Corporation (NSTFDC) and Tribal Cooperative Marketing Development Federation of India (TRIFED) attains prominence. The former was intended to provide credit support for livelihood creation while the latter was created with an objective to provide remunerative price for the Forest and Agriculture Produce of tribal people.

**National Scheduled Tribes Finance and Development Corporation:** NSTFDC, a Government of India undertaking under Ministry of Tribal Affairs was set up with the prime objective to boost economic development of Scheduled Tribes. NSTFDC strives towards empowerment of ST population through creation and promotion of sustainable livelihood. The corporation in collaboration with the state ST corporations and banks works for the economic upliftment of STs by way of providing concessional loans for undertaking various income generation activities. Term Loan Scheme provides concessional loan for viable projects costing upto Rs. 50.00 lakh per unit. Under the scheme, financial assistance is extended upto 90 percent of the cost of the project and the balance is met by way of subsidy/promoter contribution/margin money. Adivasi Mahila Sashaktikaran Yojana (AMSY), an exclusive scheme for economic development of Scheduled Tribes women provides loan upto 90 percent for projects costing upto Rs. 2 lakh. Micro Credit Scheme for Self Help Groups (MCF), a scheme for meeting small loan requirement of ST members under which the corporation provides loans upto Rs. 50,000 per member and maximum Rs. 5 Lakh per Self Help Group (SHG). There is also an Education Loan scheme, Adivasi Shiksha Rrinn Yojana (ASRY) to enable the ST students to meet expenditure for pursuing technical and professional education including Ph.D. in India. Under this scheme, the Corporation provides financial assistance upto Rs. 10.00 lakh per eligible family at concessional rate of interest of 6 percent per annum.

**Tribal Cooperative Marketing Development Federation (TRIFED):** This was set up in 1987 to provide remunerative price for the Forest and Agriculture Produce of tribal people.

**The National Education Society for Tribal Students (NESTS):** This is an autonomous organisation under the Ministry of Tribal Affairs. It has been registered as a Society, under the Societies Registration Act XXI of 1860 in New Delhi on 1 April 2019 to establish, endow, maintain, control and manage the schools (hereinafter called 'Eklavya Model Residential Schools') and to do all acts and things necessary for or conducive to the promotion of such schools.

**The National Commission for Scheduled Tribes (NCST):** This was set up with effect from 19 February 2004 by amending Article 338 and inserting a new Article 338A in the Constitution, through the Commission (Eighty-ninth Amendment) Act, 2003. Main duties of the Commission are to investigate and monitor all matters relating to the safeguards provided for the Scheduled Tribes and to evaluate the working of such safeguards, and to inquire into specific complaints with respect to the deprivation of rights and safeguards of the Scheduled Tribes.

## Welfare Schemes for STs Administered under Ministry of Tribal Affairs

Ministry of Tribal Affairs administers various central sector and centrally sponsored schemes besides two special area programmes, viz., Special Central Assistance to Tribal Sub-Scheme (SCA to TSS) and Grants-in-Aid under Article 275(1) of the Constitution to contribute to the overall efforts for development of tribal people in the country. Some of the prominent schemes of the Ministry are: Pre-Matric Scholarship and Post Matric Scholarship; Support to Tribal Research Institute; Development of Particularly Vulnerable Tribal Groups (PVTGs); Special Central Assistance to Tribal Sub-Scheme (SCA to TSS); Grants to States under Article 275(1) of Constitution; Eklavya Model Residential Schools (EMRS); National Fellowship and Scholarship for Higher Education of ST Students; Scholarship to the ST Students for studies abroad; Grant in Aid to Voluntary Organisations working for the welfare of Scheduled Tribes; Support for Marketing and Development of Tribal Products.

## Schemes of Central Government

A new scheme, Logistics and Marketing of

Tribal Products in North East has been approved and an amount of Rs. 75 crore has been earmarked for the scheme for the current year. This scheme aims at development of tribal entrepreneurship in the North East.

Government has approved the scheme Pradhan Mantri Janjatiya Vikas Mission (PMJVM) with a total financial outlay of Rs. 1,612.27 crore for implementation during the financial years 2021-22 to 2025-26. PMJVM has been redesigned through the merger and extension of two existing schemes for promotion of tribal livelihood, namely 'Mechanism for Marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) and Development of Value Chain for MFP' and 'Institutional Support for Development and Marketing of Tribal Products/Produce'. PMJVM envisions to strengthen tribal entrepreneurship initiatives and to facilitate livelihood opportunities by promoting more efficient, equitable, self-managed, optimum use of natural resources, Agri/Non Timber Forest Produce(NTFP)/Non-farm enterprises.

Van Dhan Vikas Kendras are set up through Tribal Co-Operative Marketing Development Federation of India (TRIFED), which targets employment generation for tribal population by harnessing the wealth of forest i.e. *Van Dhan*. Under this programme, tribal community owned Minor Forest Produce (MFP) centric multi-purpose Van Dhan Vikas Kendras (VDVKs) are set-up in areas with significant tribal population. The scheme 'Marketing and Logistics Development for Promoting Tribal Products from North -Eastern Region' has been approved during 2021-22 for two years which aims to strengthen livelihood opportunities for tribal artisans through increased efficiency in procurement, logistics and marketing of tribal products.

In the Union Budget for 2022-23, Hon'ble Finance Minister announced a new scheme Venture Capital Fund for Scheduled Tribes (VCF-ST). This scheme is meant to promote entrepreneurship among tribals who are oriented towards innovation and technology. The scheme aims to provide hand-holding to new incubation ideas and start-up ideas by ST entrepreneurs. It provides for concessional finance to the Scheduled Tribes entrepreneurs who will create wealth and value for society and at the same time will promote profitable

businesses. An amount of Rs. 50 crore has been sanctioned in the budget for this scheme, which is aimed at promoting entrepreneurship among the STs. The VCF-ST scheme would be a social sector initiative to promote ST entrepreneurship and to support and incubate the start-up ideas by ST youth.

Stand-Up India Scheme is a flagship scheme of Government of India. The objective of this scheme is to facilitate bank loans between Rs. 10 lakh to Rs. 1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one women borrower per bank branch of all scheduled commercial banks for setting up of projects. The enterprises under Stand-Up India Scheme may be in manufacturing, services or the trading sector. In case of non-individual enterprise at least 51 percent of the shareholding and controlling stake should be held by an SC/ST or women entrepreneur. The scheme envisages 15 percent margin money out of which borrower shall be required to bring in minimum of 10 percent of the project cost as own contribution and balance of 15 percent may be mobilised through other sources.

To support projects under the Stand-Up India, a separate scheme titled Margin Money Support Scheme for ST Entrepreneurs was formulated by NSTFDC. Now, the ST Entrepreneurs can avail financial assistance upto 15 percent of the project cost as Margin Money Contribution.

Ministry of MSME, Government of India, is implementing Prime Minister's Employment Generation Programme (PMEGP) to facilitate generation of employment opportunities for unemployed youth across the country by assisting setting up of micro-enterprises in non-farm sector. An MoU with Khadi and Village Industries Commission (KVIC) has been signed by NSTFDC for dovetailing NSTFDC schemes towards implementation of Prime Minister's Employment Generation Programme (PMEGP).

Further, an MoU between NSTFDC and Ministry of Food Processing Industries has also been signed for availing benefits in respect of Food Processing units by the target group.

### Financial Support to STs

The Reserve Bank of India has continued its

endeavour of ensuring 'ease of access' to banking services for all sections of people across the country and further strengthening the credit delivery system to cater to the needs of all productive sectors of the economy, particularly agriculture and micro and small enterprises. There are several major centrally sponsored schemes under which credit is provided by banks and subsidy is received through government agencies. Credit flow under these schemes is monitored by RBI. Under each of these, there is a significant reservation and relaxation for the members of the Scheduled Tribe (ST) communities. In order to support and increase the outreach of NSTFDC, RBI allowed all scheduled commercial banks (except RRBs) to charge interest at rates even below base rate if NSTFDC provides refinance under its schemes. RBI further clarified that NSTFDC's refinance to scheduled commercial banks/regional rural banks on lending to STs is to be considered as priority sector lending. This clarification makes NSTFDC's refinance to PSU Banks/RRBs more attractive and has helped expansion of its outreach as initially, State nominated organisations only were appointed as Channelising Agencies of NSTFDC.

Special financial assistance is ensured to States for infrastructure development in tribal dominated areas under Article 275 (1) of the Constitution. Special Central Assistance to Tribal Sub Scheme (SCA to TSS) is 100 percent grant from Government of India (since 1977-78). This grant is utilised for economic development of ITDP, ITDA, MADA, Clusters, PVTGs and dispersed tribal population.

The allocation for the welfare of Scheduled Tribes across all Ministries has witnessed an increase from Rs. 31,920.00 crore in 2017-18 to Rs. 37,803.26 crore in 2018-19, Rs. 51,283.53 crore in 2019-20, Rs. 52,024.23 crore in 2020-21 and Rs. 78,256.31 crore in 2021-22. For the year 2022-23, Scheduled Tribe Component (STC) in 42 Central Ministries covering 250 schemes is Rs. 87,584.66 crore and spent up to Rs. 13,088.94 crore as on 1 July 2022. Smt. Nirmala Sitharaman, Hon'ble Minister of Finance, in the Budget outlay for the Financial Year 2022-2023 has earmarked an enhanced Total Budget Outlay of Rs. 8,451.92 crore for the Ministry of Tribal Affairs, which is a substantial increase from the previous total budget outlay of 2021-2022 that stood at Rs. 7,524.87 crore. A substantial increase of 12.32 percent is reflected in the total budget outlay for the

Ministry of Tribal Affairs.

Since its inception to 30 June 2022, NSTFDC has sanctioned projects worth of Rs. 4,412.03 crore under income generating activities and Rs. 81.00 crore under marketing support assistance covering 36,69,463 ST beneficiaries. The cumulative disbursement made under income generating activities is Rs. 3,054.90 crore and Rs. 69.70 crore under marketing support assistance benefiting 13,56,477 ST entrepreneurs.

## Conclusion

Government of India has been making consistent effort to empower STs. Over the years, government has made substantial efforts towards their holistic upliftment ranging from launching various welfare schemes in different sectors, providing soft loans at highly concessional rate of interests and increasing the budgetary allocations as evident from the Union Budget 2022-23.

The development of a community has multi-dimensional facets to it, however improvement in lot of human development indicators like health, education, nutrition, standard of living, per capital income etc., is highly dependent on sustainable livelihood systems a community adopts. The development in the tribal context is far languishing in comparison to the overall development of the country's economy calling for a need for far greater attention to tribal development through focused, tailored, and innovative interventions at the grassroots which can harness the potential of tribal population through innovation-driven and entrepreneurship-based modern economic system. The thrust is to transform the target group from passive recipient of welfare schemes to active managers of sustainable economic livelihood system. Institutional instruments for entrepreneurship building viz. skilling, motivation, hand-holding, technology, incubation, common facility and marketing support besides financing need to be integrated effectively. The financial assistance from government through its various schemes and institutions may not fulfil the existing gaps unless it is proportionately blended with effective contribution of private stakeholders in development and community participation.

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