

**GOVERNMENT OF INDIA
MINORITY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4227

ANSWERED ON:19.08.2010

DISBURSEMENT BY NMDFC

Chavan Shri Harischandra Deoram;Singh Shri Jagada Nand

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) the funds allocated by the National Minorities Development and Finance Corporation (NMDFC) during each of last three years and the current year, State-wise;
- (b) the underlying criteria for providing assistance by NMDFC;
- (c) the details of utilization of the allocated funds by NMDFC during each of the last three years and the current year, State-wise;
- (d) the details of development activities for which these funds have been utilized ; and
- (e) the measures initiated by the Government to make NMDFC more effective?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF MINORITY AFFAIRS (SALMAN KHURSHID)

(a) to (c): A statement showing state-wise funds allocated and disbursed/utilized during the last three years and the present financial year is at Annex-I. The criteria for beneficiaries to be eligible for disbursement by National Minorities Development and Finance Corporation (NMDFC) is given below:-

(i) The beneficiary should belong to any of the minority community.

(ii) The beneficiaries should be living below double the poverty line. At present families having annual income less than Rs.55,000 in urban areas and less than Rs.40,000 in rural areas are categorized under below double the poverty line.

(d): National Minorities Development and Finance Corporation extends loans for undertaking self employment and income generating activities. The schemes of NMDFC are being implemented through 36 State Channelising Agencies (SCAs) spread across 28 States and UTs and through over 240 Non-Governmental Organizations (NGOs).

NMDFC provides term loans to individuals through its State Channelising Agencies. Term loan up to Rs. 5.0 lakhs is available at an interest rate of 6% per annum.

Besides, it provides micro credit to the poorest of poor among the minorities, organised into Self Help Groups (SHGs) through established Non-Governmental Organizations as well as State Channelising Agencies. Rs. 25,000 per member of SHG is available at an interest rate of 5% per annum.

It also extends Educational Loan up to maximum of Rs.2.5 Lakhs to individuals through the SCAs for pursuing technical and professional courses. The educational loan is available at 3% per annum interest.

(e): In order to make the functioning of NMDFC effective and suggest measures to increase the outreach of National Minorities Development and Finance Corporation, a consultancy firm is studying the restructuring of NMDFC.