

**GOVERNMENT OF INDIA
MINORITY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4937
ANSWERED ON:26.08.2010
DISBURSEMENT BY NMDFC
Semmlai Shri S. ;Singh Shri Jagada Nand

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) whether National Minorities Development and Finance Corporation (NMDFC) provides financial assistance (loan) to minority communities through State Governments and Non-Government Organizations at national level;
- (b) if so, the details thereof;
- (c) whether required amount of funds have been provided through State Governments during each of the last three years State-wise;
- (d) if so, the details thereof; and
- (e) the steps being taken to strengthen this corporation keeping in view the backwardness of minority communities?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF MINORIT AFFAIRS (SALMAN KHLRSHID)

(a) and (b): National Minorities Development and Finance Corporation (NMDFC) extends loans to persons belonging to minorities living below double the poverty line 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 a network of over 240 Non-Governmental Organizations (NGOs). NMDFC provides term loans to individuals through its SCAs which are nominated by the respective State/UT Governments. Term loan up to Rs. 5.00 lakh is provided at an interest rate of 6% per annum. Besides, it provides micro-credit to the minorities organized into Self Help Groups (SHGs) through SCAs and NGOs. An amount of Rs. 25,000 per member of SHG is provided at an interest rate of 5% per annum. NMDFC also extends Educational Loan upto Rs. 2.5 lakh at the interest rate of 3% per annum, through its SCAs for pursuing technical and professional courses.

(c) and (d): NMDFC does not provide loans through State Governments. It channelizes funds through the State Channelising Agencies (SCAs) and Non-Governmental Organizations (NGOs) in the respective States. State-wise disbursement of funds during last three years is at Annex.

(d): To further strengthen the corporation and suggest measures to increase the outreach of NMDFC, a consultancy firm is studying the restructuring of NMDFC.