

**GOVERNMENT OF INDIA
MINORITY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1869
ANSWERED ON:11.08.2011
FINANCIAL ASSISTANCE BY NMDFC
Thakor Shri Jagdish

Will the Minister of MINORITY AFFAIRS be pleased to state:

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

Answer

MINISTER OF STATE IN THE MINISTRY OF MINORITY AFFAIRS (SHRI VINCENT H. PALA)

(a) and (b) : National Minorities Development and Finance Corporation (NMDFC) extends loans to individuals belonging to Minorities, living below double the poverty line, for undertaking self employment and income generating activities. The term Loans are provided by NMDFC through the State Channelising Agencies (SCAs) nominated by the respective State Governments. NMDFC also provides Micro-credit to the members of Self Help Groups (SHGs) through Non Governmental Organizations (NGOs) as well as SCAs. The target group of NMDFC includes persons belonging to minorities living below double the poverty line income, which at present is Rs. 55,000 per annum in the urban areas and Rs. 40,000 per annum in rural areas. Eligible persons can obtain loans from the respective SCAs by applying directly to the respective SCAs. NGO can also approach NMDFC directly or to the SCAs for obtaining micro credit to further lend the same to the members of the SHGs belonging to minorities.

(c) to (e) : A statement showing funds disbursed and beneficiaries assisted during the last three financial years and the current financial year (upto 31.7.2011), is annexed. The authorized share capital of NMDFC has been enhanced from Rs. 750 crore in 2007-08 to Rs. 850 crore in 2008-09 to Rs. 1000 crore in 2009-10 and to Rs. 1500 crores during 2010-11. The Government of India has been providing share capital contribution to NMDFC in order to enable NMDFC to increase its operations. The total equity share capital released by the Government to NMDFC as on 31st July 2011 is Rs.875.36 crore.