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NABARD Sanctions Capital Support to Microfinance Institutions (MFIs)

NABARD has introduced a new scheme of extending capital/equity support to Micro Finance Institutions (MFIs). Under the scheme, assistance will be provided from out of the Micro Finance Development and Equity Fund being managed by NABARD. The new scheme aims at providing promotional, equity, capital and Revolving Fund assistance to banks, NGOs, SHG Promoting Institutions and MFIs. This will facilitate MFIs to leverage funds from commercial banks, donor agencies and others. This will also help them to provide a range of micro-financial services at affordable costs to the poor. To begin with, NABARD has sanctioned Rs.1 crore each to three MFIs.