GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1826
ANSWERED ON 10.12.2025

SCHEMES UNDER NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION

1826 SHRI KHAGEN MURMU:

Will the Minister of MINORITY AFFAIRS be pleased to state:
(a) the details of all schemes, initiatives and programmes undertaken by the National Minorities Development and Finance Corporation (NMDFC) for the welfare of Minority Communities;
(b) the details of concessional loan disbursed by NMDFC during the financial year 2014-15 for the economic empowerment of Minority Communities, year-wise;
(c) the details of schemes and programmes being implemented by NMDFC for providing marketing opportunities to the Minority Artisans of the country; and
(d) the details of mechanisms put in place by NMDFC to monitor the implementation and ensure reach of their schemes/programmes to the intended beneficiaries?

ANSWER

THE MINISTER OF MINORITY AFFAIRS
(SHRI KIREN RIJIJU)

(a): National Minorities Development & Finance Corporation (NMDFC) implements its schemes for socio-economic development of "backward sections" among the (06) notified minority communities by providing concessional loan for self-employment income generation ventures across the country. The schemes of NMDFC are implemented through State Channelizing Agencies (SCAs) nominated by respective State Govt./ UT Administration, Punjab Gramin Bank, Canara Bank and Union Bank. The details of NMDFC schemes are enclosed as **"Annexure -A".**

(b): The details of Concessional loan disbursed by NMDFC from Financial Year 2014-15 for the economic empowerment of Minority Communities, are enclosed at **"Annexure-B".**

(c): The National Minorities Development and Finance Corporation (NMDFC) implements marketing scheme for providing marketing opportunities to minority artisans and crafts persons across the country. The key features of marketing scheme for supporting artisans are as follows: -

Marketing Assistance Scheme

This is a **Promotional Scheme** implemented by NMDFC through its State Channelizing Agencies (SCAs).

• **Target Group:** The scheme is designed for **individual crafts persons**, beneficiaries of NMDFC, and Self Help Groups (SHGs).

• **Objective:** It envisages promoting the sale and marketing of their products at remunerative prices.

• **Method of Marketing:** This is achieved through **exhibitions organized at State or District level**.

(d): To monitor implementation of its schemes, NMDFC regularly conducts "beneficiary verification" and "impact assessment study" by engaging independent third-party organizations/agencies to assess the proper utilization & impact of NMDFC financing on the target groups across the country. NMDFC officials also visit different States/UTs for beneficiary interaction. Further, the steps taken by NMDFC during last 10 Years & current year to ensure enhancing of outreach of NMDFC schemes to the intended beneficiaries are enclosed at **"Annexure-C".**

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Annexure-A

Annexure referred to in reply to part (a) of Lok Sabha Unstarred Question No. 1826 to be answered on 10.12.2025 asked by Hon'ble Member of Parliament SHRI KHAGEN MURMU regarding "SCHEMES UNDER NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION"

Eligibility Condition

1. Muslims, Christians, Sikhs, Buddhists, Parsis & Jains notified as National Minorities by the Central Government under the National Minorities Commission Act, 1992 are eligible to avail benefit under NMDFC schemes.
2. The annual family income eligibility criterion under Credit Line-1 is upto Rs. 3.00 lacs p.a. for both rural & urban areas. Under Credit Line -2, persons with higher annual family income of upto Rs.8.00 lacs p.a. can avail higher quantum of financial assistance at a higher rate of interest.

Concessional Credit Schemes of NMDFC

1. Term Loan:- Assistance under this scheme is available for any commercially viable & technically feasible venture. Maximum Loan of up to Rs.20.00 Lacs per beneficiary is available under Credit Line-1 at an interest rate of 6% p.a.
Higher loan, maximum up to Rs.30.00 Lacs per beneficiary is available under Credit Line-2 at an interest rate of 8% p.a. for male beneficiaries & 6% p.a for female beneficiaries.

Education Loan:- Education loan scheme is part of term loan scheme. Education Loan is provided for pursuing technical and professional courses with maximum course duration of 5 years. The Educational Loan of upto Rs.20.00 lacs for courses in India & Rs.30.00 lacs for courses abroad is available at an interest rate of 3% p.a. under Credit Line-1 while interest of 8% p.a. is charged from male beneficiaries & 5% p.a from female beneficiaries under Credit Line-2.

Virasat Scheme:- This scheme is also part of the Term Loan scheme and is implemented with the objective to meet credit requirements of the Artisans, both in terms of Working Capital and Fixed Capital for purchase of equipment/tools/machineries. Maximum loan,upto Rs.10.00 Lacs can be availed under the scheme at simple interest of 5% p.a. for Male Artisan & 4% p.a. for Female Artisan under Credit Line-1 and at simple interest of 6% p.a. for Male Artisan & 5% p.a. for Female Artisan under Credit Line-2.

2. Micro Finance:-Under Micro-finance scheme, micro-credit is extended to the members of Self Help Groups (SHGs), especially the women from Minority communities scattered in remote villages & urban slums, who are not able to take advantage of the formal banking credit. The scheme requires that the beneficiaries are organized into SHGs and get into habit of thrift & credit, however small. Maximum loan upto Rs.1.00 lac per SHG member is available under Credit Line -1 at an interest rate of 7% p.a.
Higher loan, maximum upto Rs.1.50 lacs per SHG member is available under Credit Line-2 at an interest rate of 10% p.a. for male beneficiaries & 8% p.a for female beneficiaries.

CREDIT LINE-WISE OTHER PARAMETERS & FUNDING STRUCTURE OF NMDFC SCHEMES

A. Credit Line 1

S. No.	Parameters	Term Loan	Education Loan	Micro Finance	Virasat
1	Max. Loan Amount (Rs. In Lakh)	**20**	**20 (I**n India for upto 5 years duration courses) **30 (**Courses Abroad for upto 5 years duration)	**1** per member of SHG **20** for a group of 20	**10**
2	Rate of Interest for beneficiaries (% p.a.)	**6**	**3**	**7**	**5** (male) **4** (women)
3	Rate of Interest by SCA/Bank to NMDFC(%p.a.)	**3**	**1**	**1**	**3** (male) **2** (women)
4	Moratorium period for the Beneficiaries	**6 Months**	**6 months after course completion or getting job, whichever is earlier**	**3 months**	**6 months**
5	Repayment period for beneficiaries	**5 Years**	**5 years**	**3 year**	**5 years**
6	Means of Financing NMDFC: SCA/Bank: Beneficiary	**90 :5 : 5**			

B. Credit Line 2

S. No.	Parameters	Term Loan	Education Loan	Micro Finance	Virasat
1	Max. Loan Amount (Rs. In Lakh)	**30**	**20 (I**n India for upto 5 years duration courses) **30 (**Courses Abroad for upto 5 years duration)	**1.50** per member of SHG **30** for a group of 20	**10**
2	Rate of Interest for beneficiaries (% p.a)	**8** (male) **6** (women)	**8** (male) **5** (women)	**10** (male) **8** (women)	**6** (male) **5** (women)
3	Rate of Interest payable by SCA/Bank to NMDFC(% p.a)	**5** (male) **3** (women)	**2**	**4** (male) **2** (women)	**4** (male) **3** (women)

4	Moratorium period for the Beneficiaries	**6 months**	**6 months after course completion or getting a job, whichever is earlier**	**3 months**	**6 months**
5	Repayment period for beneficiaries	**5 years**	**5 years**	**3 year**	**5 years**
6	Means of Financing NMDFC: SCA/Bank: Beneficiary	**90 :5 : 5**			

Annexure-B

Annexure referred to in reply to part (b) of Lok Sabha Unstarred Question No. 1826 to be answered on 10.12.2025 asked by Hon'ble Member of Parliament SHRI KHAGEN MURMU regarding "SCHEMES UNDER NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION"

<u>CONCESSIONAL LOAN DISBURSED BY NMDFC FROM FINANCIAL YEAR 2014-15</u>

Amt. Rs. in Crore

S. No.	**Financial Year**	**Amount**
1	2014-2015	431.20
2	2015-2016	473.29
3	2016-2017	503.32
4	2017-2018	570.83
5	2018-2019	603.66
6	2019-2020	602.50
7	2020-2021	650.41
8	2021-2022	700.00
9	2022-2023	881.70
10	2023-2024	765.45
11	2024-2025	860.43

Annexure-C

Annexure referred to in reply to part (d) of Lok Sabha Unstarred Question No. 1826 to be answered on 10.12.2025 asked by Hon'ble Member of Parliament SHRI KHAGEN MURMU regarding "SCHEMES UNDER NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION"

Details of steps taken by NMDFC during last 10 Years & current year to ensure enhancing of outreach of NMDFC schemes to the intended beneficiaries

a. Enhancing the annual family income limit under Credit Line 1 from Rs. 98,000/- in rural areas &Rs. 1,20,000/- in urban areas to Rs. 3.00 lacs per annum in both rural & urban areas.
b. Introduction of new Annual Family Income eligibility criterion of up to Rs.8.00 lacs per annum for greater coverage of persons from the targeted minority communities.
c. Quantum of loan under Term Loan scheme increased from Rs.10.00 lacs to Rs.30.00 lacs while under Micro Finance scheme, it has been increased from Rs.50,000/- to Rs.1.50 lacs per SHG member. Under Education Loan scheme, the quantum of loan has been increased from Rs.5.00 lacs to Rs.20.00 lacs for domestic courses & from Rs.10.00 lacs to Rs.30.00 lacs for courses abroad.
d. Introduction of Virasat Scheme to meet the credit requirement of Artisans belonging to target group.
e. Self Declaration/Self Certification/Self Attestation of documents is introduced in case of Religion Certificate, Family Income, Residence Proof, Mark Sheet, etc.
f. Transfer of loan directly in Bank Account of Beneficiary through NEFT/RTGS.
g. Insurance of beneficiary and their assets to safeguard against any untoward incident.
h. Signing of MoU with Canara Bank, Union Bank of India, Indian Bank & Punjab Gramin Bank to increase the outreach of NMDFC schemes in the States/UTs where SCAs are non-functional.
i. NMDFC has also developed MILAN Software to streamline and digitize the loan and accounting processes between applicants, State Channelizing Agencies (SCAs) and NMDFC.

Further, to enhance awareness about NMDFC schemes, organizing of Loan Melas cum Awareness camps have been made mandatory part of the loaning program of NMDFC. Each SCA has been allocated to organize at least 10 Loan Melas cum awareness camps every year in the minority concentrated areas including rural & economically weaker areas. These Loan Melas cum awareness camps are being organized by the respective SCAs including at the time of disbursement of funds to the beneficiaries.

During such camps, besides creating awareness about schemes of NMDFC, loan is disbursed to shortlisted beneficiaries. Loan applications are distributed to the participants & interested persons are helped to fill applications. Duly filled applications are received from the participants for further processing. Success stories of beneficiaries are also shared and the participants are motivated to avail concessional credit for their economic development. The participants are also sensitized to properly utilize loan and make timely repayments.

NMDFC also uses Social Media handles such as X, Facebook, You-tube, Instagram & Linkedin to generate awareness about its schemes.