

GOVERNMENT OF INDIA  
MINISTRY OF MINORITY AFFAIRS  
**LOK SABHA**  
**STARRED QUESTION NO - \*238**  
ANSWERED ON – 17.03.2022

**ROLE OF NMDFC**

\*238. DR. T. R. PAARIVENDHAR:

Will the Minister of MINORITY AFFAIRS be pleased to state:

(a) whether the National Minorities Development and Finance Corporation (NMDFC) is functioning exclusively for the welfare of the minorities across the country;

(b) if so, the details thereof;

(c) the role and responsibility of NMDFC along with the aims/purpose for setting up of the same; and

(d) the number of beneficiaries under NMDFC during the last three years, minority community-wise in each State?

**ANSWER**

THE MINISTER OF MINORITY AFFAIRS  
(SHRI MUKHTAR ABBAS NAQVI)

(a) to (d): A statement is laid on the table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) to (d) OF LOK SABHA  
STARRED QUESTION NO. \*238 REGARDING ROLE OF NMDFC FOR  
ANSWERED ON 17.03.2022**

(a)& (b) The National Minorities Development & Finance Corporation (NMDFC) was incorporated on 30<sup>th</sup> September, 1994 as a company Not for Profit, under Section 25 of the Companies Act, 1956, now under Section 8 of Companies Act, 2013. It is functioning across the country for the welfare of the notified National Minorities viz., Muslims, Christians, Sikhs, Buddhists, Jains & Parsis as per the National Commission for Minorities Act, 1992. NMDFC implements its schemes primarily through 45 State Channelizing Agencies (SCAs) in 28 States & 8 Union Territories.

The prime mandate of NMDFC is to provide concessional finance to the “Backward Sections” amongst Notified Minorities for self-employment income generation activities. The annual family income eligibility criteria for availing the benefit from NMDFC under Credit Line-1 is upto Rs.98,000 p.a. for rural areas & upto Rs.1.20 lacs p.a. for 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. The following schemes are being implemented by NMDFC for welfare of the minorities:-

**Concessional Credit Schemes**

- 1. Term Loan**:- Maximum Loan of up to Rs.20.00 Lacs per beneficiary is available under Credit Line-1 at an interest rate of 6% per annum (p.a). Higher loan of 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.
- 2. Micro Finance**:- Maximum loan upto Rs.1.00 lac per Self Help Group member is available under Credit Line -1 at an interest rate of 7% p.a. Higher loan of 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.  
The micro-finance scheme is primarily aimed at extending concessional credit to women beneficiaries. The scheme is implemented through SCAs & also through established NGOs.
- 3. Education Loan**:- 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. Education Loan is provided for pursuing technical and professional courses

with maximum course duration of 5 years. The scheme is implemented through SCAs.

**4. Virasat Scheme:-** This scheme is 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 of upto Rs.10.00 Lacs can be availed under the scheme at simple interest of 5% p.a. for Male Artisan & at 4% p.a. for Female Artisan under Credit Line-1 and at simple interest of 6% p.a. for Male Artisan & at 5% p.a. for Female Artisan under Credit Line-2.

#### **Promotional Schemes:-**

As part of its developmental mandate, NMDFC also implements promotional schemes through its State Channelizing Agencies like Skill Training, Marketing Support & Mahila Samridhi Yojana for the benefit of its target groups. Women beneficiaries are given preference under these schemes. The details of the promotional schemes of NMDFC are as follows:-

1. **Skill Development Scheme**:-NMDFC has aligned its Skill Development Scheme with the common norms prescribed by the Ministry of Skill Development & Entrepreneurship (MSDE) viz., “Kaushal Se Kushalta”. Under this scheme, skill development training programs are organized as per common norms. Training programs of duration maximum upto 600 hrs or upto 6 months is organized at prescribed hourly cost. Stipend of Rs.1,000 per candidate per month and the cost of certification of the trained candidates is borne by NMDFC. There is placement guarantee of minimum 70% candidates trained under the scheme.
2. **Marketing Assistance Scheme**:-The Marketing Assistance Scheme is meant for individual crafts persons, beneficiaries of NMDFC as well as SHGs & is implemented through the SCAs. The scheme envisages to promote sale & marketing of their products at remunerative prices through participation /organizing exhibitions at State/District level.
3. **Mahila Samridhi Yojana**:-Skill development training is imparted to group of women in women friendly trades. Training period is of maximum 6 months with training & raw material cost of upto Rs.1,500 per women and stipend @ Rs.1,000 is also available for each women. During the period of training, the women are formed into Self Help Group, followed by infusion of micro-credit of upto Rs.1.00 lacs per member for the purpose of using the skill developed during the training for income generation activities.

(c):NMDFC has been set-up with the aim & purpose to extend concessional credit for financing Income Generation Activities for the benefit of the “ Backward Sections “ amongst the targeted Minority Communities with preference being given to the occupational groups & women. The main objects to be pursued by the Company are:-

- i) To promote economic and developmental activities for the benefit of “backward sections” amongst the minorities, preference being given to the occupational groups and women;
- ii) To promote self-employment and other ventures for the benefits of minorities.
- iii) To grant loans and advances at such rates of interest as may be determined from time to time in accordance with the guidelines or schemes prescribed by the Central Government or by the Reserve Bank of India.
- iv) To extend loans and advances to the eligible members belonging to the minorities for pursuing general/professional/technical education or training at graduate and higher levels;
- v) To assist in the up gradation of technical and entrepreneurial skills of minorities for proper and efficient management of production units.
- vi) To assist the Central & State/UT level organizations dealing with the development of the minorities by way of providing financial assistance or equity contribution and in obtaining commercial funding or by way of refinancing;
- vii) To work as an apex institution for coordinating and monitoring the work of all corporations/boards/other bodies set up by the state government/Union Territory Administrations for, or given the responsibility of assisting the minorities for their economic development; and
- viii) To help in furthering the Government policies and programs for the development of minorities.

(d): The detail of beneficiaries benefitted through NMDFC during the last 3 years is enclosed as Annexure.

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(Annexure)

**ANNEXURE REFERRED IN REPLY TO PART (d) OF LOK SABHA STARRED QUESTION NO. \*238 ANSWERED ON 17.03.2022 ASKED BY DR. T. R. PAARIVENDHAR REGARDING "ROLE OF NMDFC"**

**Details of Community-wise & State-wise beneficiaries financed by NMDFC during the last three years.**

<b>States/UTs</b>	<b>Muslim</b>	<b>Christian</b>	<b>Sikh</b>	<b>Buddhist</b>	<b>Parsi</b>	<b>Jain</b>
CHANDIGARH	89	1	31	0	0	0
CHHATISGARH	20	1	1	0	0	3
DELHI	53	5	9	0	0	0
GUJARAT	624	9	14	0	0	19
HARYANA	797	4	271	1	0	5
HIMACHAL PRADESH	357	0	47	4	0	0
JAMMU & KASHMIR	3465	24	90	64	0	2
JHARKHAND	398	13	0	0	0	0
KERALA	23885	64895	0	0	0	4
MIZORAM	0	630	0	0	0	0
NAGALAND	0	1231	0	0	0	0
TAMILNADU	11487	9059	0	0	0	80
TRIPURA	10	0	0	0	0	0
UTTAR PRADESH	680	4	21	4	0	4
UTTARAKHAND	125	2	2	0	0	2
WEST BENGAL	340957	2622	963	2221	2	7