

GOVERNMENT OF INDIA  
MINISTRY OF MINORITY AFFAIRS  
**LOK SABHA**  
**UNSTARRED QUESTION NO- 4261**  
ANSWERED ON 26/03/2025

**LOAN SCHEMES UNDER NATIONAL MINORITIES DEVELOPMENT & FINANCE CORPORATION**

4261 DR. BYREDDY SHABARI  
SHRI G LAKSHMINARAYANA

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) the details of various loan schemes offered by National Minorities Development and Finance Corporation (NMDFC) including eligibility criteria and funding structure;
- (b) the details of the number of beneficiaries and the total amount of loans disbursed under NMDFC schemes during the last five years, State and district-wise particularly for Andhra Pradesh;
- (c) whether NMDFC operates through State Channelizing Agencies (SCAs) or any other financial institutions and if so, the details thereof;
- (d) the details of interest rates applicable to different NMDFC loan schemes and whether any interest subvention or subsidy is provided to beneficiaries and if so, the details thereof; and
- (e) the measures taken by the Government to ensure the accessibility of NMDFC schemes to the intended beneficiaries, particularly in rural and economically weaker areas?

**ANSWER**

THE MINISTER OF MINORITY AFFAIRS

(SHRI KIREN RIJJU)

(a): The details regarding the schemes of the National Minorities Development and Finance Corporation (NMDFC), including eligibility criteria and funding structure, are presented in 'Annexure-A'.

(b): The state-wise details of concessional credit disbursed and beneficiaries covered under NMDFC schemes during the financial years 2019-20 to 2023-24 are available in Annexure-B. Similarly, district-wise data for the state of Andhra Pradesh during the same period is provided in Annexure-C.

(c): The schemes of the National Minorities Development and Finance Corporation (NMDFC) are executed through State Channelizing Agencies (SCAs) designated by the respective State Governments or UT Administrations. Additionally, Canara Bank and Punjab

Gramin Bank are implementing NMDFC schemes on a refinance basis. Furthermore, NMDFC entered into a Memorandum of Understanding (MoU) with Indian Bank and Union Bank of India in July 2024 for the implementation of these schemes.

(d): Loaning under the NMDFC scheme is carried out at a concessional rate of interest. The details of interest rates applicable to different NMDFC loan schemes is given at Annexure-A. However, there is no provision for interest subvention or subsidy under these schemes.

(e): To enhance the accessibility of NMDFC schemes, the organization of Loan Melas cum Awareness Camps has been made an integral part of the NMDFC loaning program. State Channelizing Agencies (SCAs) of NMDFC organise Loan Melas cum Awareness Camps annually in minority-concentrated areas, including rural and economically weaker regions. During these camps, awareness is created about NMDFC schemes, loans are disbursed to shortlisted beneficiaries, and loan applications are distributed to participants. Interested individuals are assisted in completing their applications, and duly filled forms are collected for further processing. Success stories of beneficiaries are shared to inspire participants to utilize concessional credit for their economic development. Participants are sensitized on proper utilization of loans and the importance of timely repayments.

NMDFC actively engages with the public through social media platforms such as X, Facebook, YouTube, Instagram, and LinkedIn to generate awareness about its schemes.

Additionally, to ensure that the schemes reach the intended beneficiaries, NMDFC has revised the annual family income limits under both Credit Line 1 and Credit Line 2 as follows:

1. The annual family income limit under Credit Line 1 has been enhanced from ₹98,000 in rural areas and ₹1,20,000 in urban areas to ₹3.00 lakh per annum for both rural and urban areas.
2. The annual family income limit under Credit Line 2 has been increased from ₹6.00 lakh per annum to ₹8.00 lakh per annum.

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**Annexure referred to in reply to part (a) of Lok Sabha Admitted Question No. 4261 for answer on 26/03/2025 regarding Loan Schemes under National Minorities Development & 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 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.

**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 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.

**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 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.

Credit Line-wise other parameters & funding structure of NMDFC schemes is as follows:

### A. Credit Line 1

| Sr. | Parameters                                       | Term Loan  | Education Loan   | Micro Finance                               | Virasat             |
|-----|--|------------|--|---|---------------------|
| 1   | Max. Loan Amount (Rs. In Lakh)                   | 20         | 20 (In India for upto 5 years duration courses)<br>30 (Courses Abroad for upto 5 years duration) | 1 per member of SHG<br>20 for a group of 20 | 10                  |
| 2   | Rate of Interest for beneficiaries (% p.a)       | 6          | 3  | 7   | 5(male)<br>4(women) |
| 3   | Rate of Interest by SCA/Bank to NMDFC( % p.a)    | 3          | 1  | 1   | 3(male)<br>2(women) |
| 4   | Moratorium period for the Beneficiaries          | 6 Months   | 6 mths 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<br>NMDFC:<br>SCA/Bank: Benef. | 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 (In India for upto 5 years duration courses)<br>30 (Courses Abroad for upto 5 years duration) | 1.50 per member of SHG<br>30 for a group of 20 | 10                  |
| 2     | Rate of Interest for beneficiaries (% p.a)           | 8(male)<br>6(women) | 8 (male)<br>5 (women)  | 10(male)<br>8(women )                          | 6(male)<br>5(women) |
| 3     | Rate of Interest payable by SCA/Bank to NMDFC(% p.a) | 5(male)<br>3(women) | 2  | 4(male)<br>2(women)                            | 4(male)<br>3(women) |
| 4     | Moratorium period for the Beneficiaries              | 6 months            | 6 mths 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<br>NMDFC:<br>SCA/Bank: Benef.     | 90 : 5 : 5          |  |  |                     |

**Annexure-B**

**Annexure referred to in reply to part (b) of Lok Sabha Admitted Question No. 4261 for answer on 26/03/2025 regarding Loan Schemes under National Minorities Development & Finance Corporation.**

**State/UT-wise details of concessional credit disbursed & beneficiaries covered under NMDFC Schemes during F.Y. 2019-20 to F.Y. 2023-24.**

| <b>Sl. No.</b> | <b>STATE/UT</b>    | <b>Amt. (incrs.)</b> | <b>No. of Beneficiaries</b> |
|----------------|--------------------|----------------------|-----------------------------|
| 1              | ANDAMAN & NICOBAR  | 0.03                 | 3                           |
| 2              | ANDHRA PRADESH     | 9.85                 | 3192                        |
| 3              | ARUNACHAL PRADESH  | 0.52                 | 23                          |
| 4              | ASSAM              | 2.79                 | 959                         |
| 5              | BIHAR              | 1.41                 | 177                         |
| 6              | CHANDIGARH         | 0.50                 | 33                          |
| 7              | DELHI              | 0.60                 | 40                          |
| 8              | GOA                | 1.62                 | 104                         |
| 9              | GUJARAT            | 14.43                | 956                         |
| 10             | HARYANA            | 22.17                | 1874                        |
| 11             | HIMACHAL PRADESH   | 50.79                | 3387                        |
| 12             | JAMMU & KASHMIR    | 198.77               | 14873                       |
| 13             | JHARKHAND          | 6.55                 | 123                         |
| 14             | KARNATAKA          | 3.81                 | 456                         |
| 15             | KERALA             | 1345.42              | 283088                      |
| 16             | LADAKH             | 0.02                 | 1                           |
| 17             | LAKSHADWEEP        | 0.27                 | 41                          |
| 18             | MADHYA PRADESH     | 0.19                 | 9                           |
| 19             | MAHARASHTRA        | 31.03                | 2395                        |
| 20             | MANIPUR            | 0.48                 | 121                         |
| 21             | MEGHALAYA          | 1.63                 | 170                         |
| 22             | MIZORAM            | 13.43                | 876                         |
| 23             | NAGALAND           | 3.03                 | 1205                        |
| 24             | ODISHA             | 0.89                 | 243                         |
| 25             | PUDUCHERRY         | 0.02                 | 1                           |
| 26             | PUNJAB             | 3.78                 | 119                         |
| 27             | RAJASTHAN          | 16.23                | 1470                        |
| 28             | SIKKIM             | 1.00                 | 66                          |
| 29             | TAMILNADU          | 253.94               | 66667                       |
| 30             | TELANGANA          | 7.86                 | 873                         |
| 31             | TRIPURA            | 18.32                | 1222                        |
| 32             | UTTAR PRADESH      | 34.58                | 3067                        |
| 33             | UTTRAKHAND         | 1.59                 | 118                         |
| 34             | WEST BENGAL        | 1552.82              | 448493                      |
|                | <b>Grand Total</b> | <b>3600.21</b>       | <b>836444</b>               |

## Annexure-C

Annexure referred to in reply to part (c) of Lok Sabha Admitted Question No. 4261 for answer on 26/03/2025 regarding Loan Schemes under National Minorities Development & Finance Corporation.

District-wise details of concessional credit disbursed & beneficiaries financed in the state of Andhra Pradesh during F.Y. 2019-20 to F.Y. 2023-24

| Sl. No.            | DISTRICT                       | Amt. (in lakhs) | Benef.      |
|--------------------|--------------------------------|-----------------|-------------|
| 1                  | ANAKAPALLI                     | 1.81            | 3           |
| 2                  | ANANTAPUR                      | 147.66          | 541         |
| 3                  | ANANTHAPURAMU                  | 9.10            | 5           |
| 4                  | ANNAMAYYA                      | 3.00            | 5           |
| 5                  | BAPATLA                        | 26.44           | 26          |
| 6                  | CHITTOOR                       | 85.30           | 115         |
| 7                  | EAST GODAVARI                  | 44.75           | 150         |
| 8                  | ELURU                          | 7.62            | 7           |
| 9                  | GUNTUR                         | 94.49           | 181         |
| 10                 | KRISHNA                        | 98.37           | 104         |
| 11                 | KURNOOL                        | 171.88          | 991         |
| 12                 | NANDYAL                        | 6.76            | 6           |
| 13                 | NELLORE                        | 33.51           | 305         |
| 14                 | NTR                            | 12.35           | 11          |
| 15                 | PALNADU                        | 3.70            | 7           |
| 16                 | PRAKASAM                       | 93.30           | 247         |
| 17                 | SRI POTTI SRIRAMULU<br>NELLORE | 14.90           | 11          |
| 18                 | SRI SATHYA SAI                 | 8.05            | 8           |
| 19                 | SRIKAKULAM                     | 19.52           | 19          |
| 20                 | TIRUPATI                       | 2.20            | 2           |
| 21                 | VISAKHAPATNAM                  | 26.13           | 38          |
| 22                 | VIZIANAGARAM                   | 8.02            | 10          |
| 23                 | WEST GODAVARI                  | 11.68           | 16          |
| 24                 | Y.S.R.                         | 54.72           | 384         |
| <b>Grand Total</b> |                                | <b>985.25</b>   | <b>3192</b> |