

GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 2840
ANSWERED ON 06.08.2025

**NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION
(NMDFC)**

2840. SHRI MAHENDRA SINGH SOLANKY:
SHRI BASAVARAJ BOMMAI:

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) the details of initiatives taken by National Minorities Development and Finance Corporation (NMDFC) to promote the socio-economic development of backward sections within minority communities;
- (b) the key functions of the Minority Loan Accounting Software for NMDFC (MILAN) in respect to digitizing loan accounting processes between applicants, State Channelising Agencies (SCA) & NMDFC;
- (c) the details on the disbursement of concessional credit by NMDFC and the number of beneficiaries thereof;
- (d) whether NMDFC is currently implementing any schemes or financial support programmes in Dewas–Shajapur Constituency;
- (e) if so, the number of beneficiaries, types of schemes availed and total funds disbursed in the past three years;
- (f) whether the Government has any plans to enhance outreach or simplify access to NMDFC benefits in semi-urban and rural areas of the constituency; and
- (g) the measures taken/being taken by the Government to raise awareness among minority communities in Dewas–Shajapur regarding NMDFC’s schemes and opportunities?

ANSWER

THE MINISTER OF MINORITY AFFAIRS

(SHRI KIREN RIJJU)

(a): The Government implements various schemes for the welfare and upliftment of every strata, including Minorities. Ministry of Minority Affairs specifically implements various schemes across the country for socio-economic and educational empowerment of the 6 centrally notified minority communities. The Public Sector Unit under the Administrative control of Ministry of Minority Affairs implements various schemes to empower beneficiaries from the minority communities by providing concessional loans for self-employment and income generation ventures, with a particular preference given to women and occupational group. The schemes of NMDFC are implemented through State Channelizing Agencies (SCAs) nominated by respective State Govt./ UT Administration, Punjab Gramin Bank and Canara Bank. The details of NMDFC schemes are enclosed as “Annexure -A”.

(b): The Minority Loan Accounting Software for NMDFC (MILAN) digitizes the loan accounting processes between beneficiaries, State Channelizing Agencies (SCAs), and NMDFC by streamlining online application submissions, sanctioning, disbursement, interest calculation, and MIS report generation, thereby ensuring transparency, accountability, and ease of access for minority beneficiaries and facilitating paperless operations and real-time data

management across all stakeholders. Applicants can apply for loans online through this software, following which the application reaches the concerned SCA for online processing. The SCA conducts scrutiny of received applications, verification of documents, sanctioning of loans, disbursement, interest calculation, EMI generation (monthly and quarterly), and generating various MIS reports. MILAN covers multiple NMDFC schemes, including Term Loan, Education Loan, Virasat and Micro-finance. Additionally, NMDFC issues demand notices, Letters of Intent (LOI), and annual allocations to SCAs through MILAN, receiving confirmations digitally from SCAs, thereby fully digitizing these processes.

(c): Since inception in 1994-95, NMDFC has disbursed concessional credit of Rs. 9632.32 crs. (upto 31.3.25) for covering over 25.86 lakh beneficiaries.

(d) to (g): In the State of Madhya Pradesh, M.P. Backward Classes & Minorities Finance and Development Corporation (MPBCMFD) is the State Channelizing Agency (SCA) of NMDFC. However, the implementation of NMDFC schemes in the State of Madhya Pradesh through MPBCMFD has been stalled since F.Y. 2005-06 as the State Govt. has directed MPBCMFD to implement State Govt. schemes only.

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 2840 FOR ANSWER ON 06.08.2025 REGARDING “NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION (NMDFC)” ASKED BY SHRI MAHENDRA SINGH SOLANKY: SHRI BASAVARAJ BOMMAI:

Eligibility Condition

1. All six notified minorities communities i.e Muslims, Christians, Sikhs, Buddhists, Parsis & Jains 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.
