GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1687
ANSWERED ON 29.07.2026

NATIONAL MINORITIES DEVELOPMENT & FINANCE CORPORATION (NMDFC)

1687. SHRI BIBHU PRASAD TARAI
SHRI PRADEEP KUMAR SINGH

Will the Minister of Minority Affairs be pleased to state:

(a) the details of financial assistance extended by the National Minorities Development and Finance Corporation (NMDFC) during FY 2026–27 under its Term Loan and Micro Finance schemes, including the amount disbursed and the number of beneficiaries covered;

(b) the distribution of assistance provided under these schemes, sector-wise;

(c) the measures taken to improve financial inclusion, entrepreneurship and self-employment opportunities among minority communities through NMDFC; and

(d) whether the Government proposes to expand the coverage and financial assistance under NMDFC schemes and if so, the details thereof?

ANSWER

THE MINISTER OF MINORITY AFFAIRS

(SHRI KIREN RIJIJU)

(a) & (b): The National Minorities Development & Finance Corporation (NMDFC) is a Central Public Sector Enterprise (CPSE**)** under the administrative control of the Ministry of Minority Affairs. It provides concessional credit to eligible beneficiaries for self-employment and income-generating activities, with the objective of promoting the socio-economic development of backward sections among the notified minority communities.

During the Financial Year 2026-27 (as on date 21.07.2026), NMDFC has disbursed concessional loans amounting to ₹236.04 crore benefiting 52202 minority beneficiaries under its Term Loan and Micro Finance Schemes, as detailed below:

Amt. Rs. In Crore

Micro Credit		**Term Loan**		**TOTAL**	
Amt.	**Benf.**	**Amt.**	**Benf.**	**Amt.**	**Benf.**
119.00	44529	117.04	7673	236.04	52202

The concessional credit assistance provided by NMDFC supports a wide range of livelihood and entrepreneurship activities in various sectors including the following:

- Small Business and Micro Enterprises
- Agriculture and Allied Activities
- Artisans and Traditional Occupations
- Transport and Service Sectors
- Technical Trades and Other Income-Generating Activities

(c) & (d): NMDFC has undertaken several initiatives to promote financial inclusion, entrepreneurship and self-employment among minority communities, including:

i. Providing concessional finance under Term Loan and Micro Finance schemes.
ii. Extending educational loans for higher and professional education.
iii. Supporting self-employment and micro-enterprises across various sectors.
iv. Expanding outreach through SCAs, SHGs and partner institutions.
v. Conducting awareness programmes to improve scheme accessibility.
vi. Promoting women entrepreneurs and economically weaker sections through targeted interventions.

As part of these efforts, the annual family income ceiling under the Double Poverty Line (DPL) category in both rural and urban areas was enhanced to ₹3.00 lakh in 2024, thereby increasing the number of eligible beneficiaries. Further, under Credit Line–II of NMDFC schemes, the annual family income limit was revised from ₹6.00 lakh to ₹8.00 lakh in 2020, enabling wider access to concessional financial assistance.

Further, the Government regularly reviews the performance, effectiveness and outreach of the schemes implemented by the NMDFC. Continuous efforts are being undertaken to expand the coverage of NMDFC schemes through enhanced awareness generation, strengthening of implementing agencies, digitalization of processes, wider geographical outreach and increased participation of eligible beneficiaries.

NMDFC has also entered into Memoranda of Understanding (MoUs) with Public Sector Banks (PSBs) and Regional Rural Banks (RRBs), namely Canara Bank, Indian Bank, Union Bank of India and Punjab Gramin Bank, to strengthen the delivery of its concessional credit programmes. In States/UTs where the SCAs are non-functional or inactive, financial assistance is extended through these partner banks under the refinancing model, thereby ensuring uninterrupted access to credit and wider outreach to eligible minority beneficiaries.

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