

NATIONAL MINORITIES DEVELOPMENT & FINANCE CORPORATION (NMDFC)
NATIONAL MINORITIES DEVELOPMENT & FINANCE CORPORATION (NMDFC) - SCHEME GUIDELINES

The prime mandate of NMDFC is to provide concessional finance to the Minorities for self-employment/ income generation activities. As per the National Commission for Minorities Act, 1992, the notified Minorities are Muslims, Christians, Sikhs, Buddhists, Parsis & Jain community.

SALIENT FEATURES OF NMDFC SCHEMES:

1. Loans for the target group of NMDFC will come under Priority Sector Lending.
2. Financing Schemes of NMDFC have been segregated into following two categories with differential quantum of loan & interest rates for beneficiaries from different income groups: -

Credit Line 1: - It is the existing stream of concessional credit available for beneficiaries with annual family income of Rs.1.20 lacs in Urban areas & Rs. 98,000/- in Rural areas.

Credit Line 2:- Under this credit line concessional credit is provided to the section of Minority population, defined on the basis of “Creamy Layer” criterion of OBC, i.e., with household income of Rs.8.00 lacs p.a. This group will get concessional credit at a higher rate of interest than available under Credit Line-1.

3. Self-declaration/certification by the applicant would suffice for a Religion Certificate. However, for annual Family Income, a certificate from Revenue Authorities duly self-certified by the applicant would be required.

**The detailed guidelines of various Loan based schemes of NMDFC are as under;
 Term Loan Scheme**

This scheme is for individual beneficiaries. Projects costing up to Rs.30.00 lacs are considered for financing. Assistance is available for any commercially viable & technically feasible venture, which for the purpose of convenience, are classified into following sectors:-

- (a) Agriculture & Allied
- (b) Retail Trade business
- (c) Small business
- (d) Artisan & traditional occupations
- (e) Transport & Service Sector

1. Details of the Term Loan scheme:-

Sl. No.	Parameters	Scheme Details	
		<u>Credit Line-1</u>	<u>Credit Line-2</u>
1.	Loan Amount	Up to Rs.20.00 Lakhs	Up to Rs.30.00 Lakhs
2.	Rate of Interest for beneficiaries	6% p.a. <i>(Only in case of Refinance availed cases, otherwise as per card rate)</i>	8% p.a. for males 6% p.a. for females <i>(Only in case of Refinance availed cases, otherwise as per card rate)</i>
3.	Repayment period for beneficiaries	5 years	5 years
4.	Benf. Contribution	5%	5%

2. Micro-Finance Scheme

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. The scheme envisages micro-credit to the poorest among the poor mainly through BANKs & also NGOs of proven track record and their network of SHGs. It is a loan scheme with minimal documentation, which ensures quick delivery of loan at the doorsteps of the beneficiaries. Parameters of the scheme in brief are as follows: -

Sl. No.	Parameters	Scheme Details	
		<u>Credit Line-1</u>	<u>Credit Line-2</u>
1.	Loan Amount	Up to Rs. 1.00 lac per member of SHG and Up to Rs.20.00 lacs for a group of 20 members in one SHG	Up to Rs.1.50 lacs per member of SHG and Up to Rs.30.00 lacs for a group of 20 members in one SHG
2.	Rate of Interest for SHGs	7% p.a. <i>(Only in case of Refinance availed cases, otherwise as per card rate)</i>	10% p.a. for males. 8% p.a. for females. <i>(Only in case of Refinance availed cases, otherwise as per card rate)</i>
3.	Repayment period for the Beneficiaries	3 years	3 years
4.	Beneficiary Contribution	5%	5 %

3. VIRASAT SCHEME: -

This scheme has been launched with the objective to meet credit requirements of the Artisans, both in terms of Working capital requirement & Fixed capital requirement for purchase of equipment/tools/machineries. Maximum loan of up to Rs.10.00 lacs can be availed under the scheme at simple interest of 5% p.a. for Male Artisans and 1% concession for Female Artisan at simple interest 4% p.a. The detail of the scheme is as follows: -

Sl. No.	Parameters	Scheme Details
1.	Loan Amount	Up to Rs.10.00 Lakhs
2.	Rate of Interest for Artisans	5% p.a. for males & 4% p.a. for females. <i>(Only in case of Refinance availed cases, otherwise as per card rate)</i>
3.	Repayment period for Artisans	5 years
4.	Beneficiary contribution	5 %