

**GOVERNMENT OF INDIA  
MINISTRY OF MINORITY AFFAIRS**

**LOK SABHA**

**UNSTARRED QUESTION NO. 2434  
TO BE ANSWERED ON 01.08.2018**

**Lending to Minority Communities**

**2434. SHRI DHANANJAY MAHADIK:**

**SHRI SATAV RAJEEV:**

**SHRIMATI SUPRIYA SULE:**

**DR. HEENA VIJAYKUMAR GAVIT:**

**DR. J. JAYAVARDHAN:**

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) whether lending to minority communities is covered under weaker sections category of Priority Sector Lending and if so, the details thereof;
- (b) whether banks are providing loans and advances exclusively for minority communities and if so, the details thereof;
- (c) whether any district has been identified particularly in Maharashtra and Tamil Nadu as minority concentration district for this purpose and if so, the details thereof;
- (d) the details of the types of business/enterprises getting loans along with the quantum of loans sanctioned therefor during each of the last three years and the current year, State-wise and district-wise; and
- (e) the achievements of National Minority Development and Finance Corporation and State Minority Finance Corporation in this regard?

**ANSWER**

**MINISTER OF MINORITY AFFAIRS  
(SHRI MUKHTAR ABBAS NAQVI)**

(a) to (c): In terms of Reserve Bank of India's (RBI's) extant guidelines on lending to priority sector, a target of 40 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on 31<sup>st</sup> March of the previous year, has been mandated for lending to the priority sector by domestic scheduled

commercial banks and foreign banks with 20 and above branches. Within this, a sub-target of 10 per cent of ANBC or Credit Equivalent amount of OBE, whichever is higher as on 31<sup>st</sup> March of the previous year, has been prescribed for lending to weaker sections; which includes, among others, persons from minority communities.

As per the Prime Minister's New 15 Point Programme (PM's New 15-PP) for the welfare of minorities, all Public Sector Banks (PSBs) have been advised to earmark a target of 15% credit flow to minority communities, out of their total priority sector lending (PSL). The quantum of lending to minority communities as percentage of the total priority sector lending by Public Sector Banks in the last three years is given under:

Year	Amount Outstanding (in Rs. crore)	Achievement as % of PSL
2015-16	2,92,345.00	15.38
2016-17	3,02,526.00	15.40
2017-18	3,12,683.00	15.79

Source: PSBs

RBI's Master Circular on credit facilities to minority communities dated 02.07.2018 provides the list of 121 Minority Concentration Districts (MCDs), including districts of States of Maharashtra and Tamil Nadu. As per this list, the districts of Akola, Amravati, Aurangabad, Buldhana, Hingoli, Mumbai, Mumbai (Suburban), Parbhani & Washim in Maharashtra and Kanyakumari in Tamil Nadu have been included as MCDs.

(d): As per RBI master direction, PSL consists of various categories under which PSBs extend loans, inter alia, to minority communities, viz. Agriculture, Micro, Small and Medium Enterprises, Export Credit, Education, Housing, Social Infrastructure, Renewable Energy, others, etc. The details of lending to minorities under PSL, as reported by PSBs, are available on the website of the MoMA at [www.minorityaffairs.gov.in](http://www.minorityaffairs.gov.in).

(e): The Union Government has also established National Minorities Development and Finance Corporation (NMDFC) in September, 1994 to promote economic and developmental activities for the backward sections amongst the minorities. NMDFC works as an apex body (under Ministry of Minority Affairs, MoMA) and channelizes its funds to the beneficiaries through the State Minority Finance Corporation of the respective State/Union Territories. The loans are sanctioned under its financing schemes for any technically feasible and economically viable income

generating venture. The projects financed under the schemes of NMDFC are covered under the following five sectors:

- (i) Agriculture and Allied;
- (ii) Technical Trades;
- (iii) Small Business;
- (iv) Artisan and Traditional Occupations; and
- (v) Transport and Services Sector.

The concessional credit schemes of NMDFC are implemented through the State Channelising Agencies (SCAs) nominated by the respective State Governments/UT Administrations. Details of the State-wise quantum of loans disbursed by NMDFC during the last three years and the current financial year are available on website [www.minorityaffairs.gov.in](http://www.minorityaffairs.gov.in).

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