

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4040
ANSWERED ON:05.09.2012
EASY LOAN TO POOR AND WEAKER SECTIONS
Barq Shri Shafiqur Rahman

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has recently formulated a scheme to provide loan at easy and concessional rates to the poor and weaker sections through banks;
- (b) if so, the details thereof along with the names of the banks selected for this purpose;
- (c) whether a similar scheme has been formulated for extremely backward minority communities;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b): As per extant guidelines of Reserve Bank of India (RBI) on Priority Sector Lending (PSL), all domestic Scheduled Commercial Banks are required to earmark 10% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure, whichever is higher, for Weaker Sections. RBI's data on achievements of Weaker Sections target by Public Sector Banks as on last reporting Friday of March, 2012 (provisional) is Annexed.

(c) to (e): Public Sector Banks have been advised by the Government to step up their Minority Community Lending (MCL) to 15% of their PSL.

In addition, RBI has advised all SCBs vide Master Circular dated 2nd July, 2012 to specially monitor the credit flow to minorities to ensure that they receive a fair and equitable share of credit within the overall target of priority sector.