

**GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS**

LOK SABHA

**UNSTARRED QUESTION NO. 242.
TO BE ANSWERED ON 12.12.2018**

Bank Loan for Minority Communities

**242. SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:
SHRI SATAV RAJEEV:
SHRI DHANANJAY MAHADIK:
SHRIMATI SUPRIYA SULE:
DR. HEENA VIJAYKUMAR GAVIT:
SHRI P.R. SUNDARAM:
DR. J. JAYAVARDHAN:**

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) whether some Nationalized banks are providing loans and advances exclusively for minority communities;
- (b) if so, the details of loans provided during each of the last three years and the current year;
- (c) whether the Government has identified minority concentration districts for this purpose;
- (d) if so, the details thereof, State/UT-wise; and
- (e) whether the Government's attention is drawn to the difficulties faced by minority community in getting loans for business/enterprises and if so, the corrective steps taken by the Government in this regard?

ANSWER

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

(a) to (e): The Reserve Bank of India (RBI) has informed that nationalized banks extend credit to minority communities including other sections of the society. In addition, as per instructions received from the Government of India (GoI) to the RBI, all commercial banks have been advised to ensure smooth flow of bank credit to minority communities via RBI's Master Circular dated 02.07.2018 on credit facilities to minority communities. Details of loans thus provided, as available, are as under:

Year (As on March)	Amount Outstanding (Rs. in crore)
2015	3,12,061.08
2016	3,36,708.92
2017	3,68,276.33
2018	3,52,734.44

The Master Circular also provides the list of 121 Minority Concentration Districts (MCDs) having at least 25% minority population, excluding the States/UTs where minorities are in majority viz. Jammu and Kashmir, Lakshadweep, Meghalaya, Mizoram, Nagaland and Punjab (Details of these MCDs are on the link <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/08MCA2A057C4748247B9B4470F8C8F5A1D92.PDF>).

Besides, National Minorities Development and Finance Corporation (NMDFC), a Public Sector Unit under the Ministry of Minority Affairs (MoMA), implements, inter-alia, loan schemes for the socio-economic development of backward sections amongst the notified minorities through the State Channelising Agencies (SCAs) nominated by the respective State/UT. These schemes are (i) Term Loan, (ii) Educational Loan, (iii) Micro Finance and; (iv) Mahila Samridhhi Yojana.

The RBI has put in place a mechanism by which the disposal of loan applications of the beneficiaries is monitored and the information of the individual application is available to indicate whether the loan application has been accepted or rejected or pending.

As regards NMDFC, it has been stated that no reference has been received by it regarding difficulties being faced by the minority communities in getting loans for business/enterprises. However, the following steps have been introduced to strengthen the functioning of NMDFC for effective implementation of its schemes and to simplify the procedure for availing funds under the schemes of NMDFC:

- (i) Providing Grant-in-Aid assistance by MoMA for strengthening the infrastructure and operational capability of SCAs for effective implementation of schemes of NMDFC.
- (ii) Introduction of new Annual Family Income eligibility criterion of up to Rs. 6 lakh per annum for greater coverage of persons from the targeted minority communities.
- (iii) Quantum of loans under its Term Loan scheme increased from Rs. 10 lakh to Rs. 30 lakh while under Micro Finance scheme, it has been increased from Rs. 50 thousand to Rs. 1.50 lakh per Self Help Group member. Under Education Loan scheme, the quantum of loans has been increased from Rs. 5 lakh to Rs. 20 lakh for domestic courses and from Rs. 10 lakh to Rs. 30 lakh for courses abroad.
- (iv) Self Declaration /Self Certification /Self Attestation of documents in case of religion certificate, family income, residence proof, mark sheet, etc.
- (v) Insurance of beneficiary and their assets to safeguard against any untoward incident.
