



Lending to Minority Community

Posted On: 02 AUG 2017 5:21PM by PIB Delhi

As provided in the Prime Minister's New 15 Point Programme for the Welfare of Minorities, the Reserve Bank of India has issued a Master Circular dated 01.07.2017 for credit facilities to minority communities that care should be taken to see that minority communities secure, in a fair and adequate measure, the benefits flowing from various Government-sponsored schemes. The Master Circular was issued to all the commercial banks to ensure smooth flow of bank credit and also advised all the scheduled commercial banks to specially monitor the credit flow to minority communities (viz. Muslims, Christians, Sikhs, Buddhists, Jains and Parsis) in the 121 Minority Concentration Districts (MCDs) having at least 25% minority population but excluding those States / UTs where minorities are in majority (Jammu & Kashmir, Punjab, Meghalaya, Mizoram, Nagaland and Lakshadweep). This is to ensure that the minority communities receive a fair and equitable portion of the credit within the overall target of the priority sector.

Under the Prime Minister's New 15 Point Programme for the Welfare of Minorities (PM's new 15-PP), an earmarking of 15% of the PSL is targeted for the minority communities. All scheduled commercial banks are required to ensure that within the overall target for PSL and the sub-target of 10% for the weaker sections, sufficient care is taken to ensure that minority communities also receive an equitable portion of the credit. The RBI has advised the lead banks to keep this requirement in view while preparing district credit plans.

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 names of the Minority Concentration Districts and details of bank-wise (Public Sector Banks) lending to minorities under PSL are available on the website of the Ministry of Minority Affairs at www.minorityaffairs.gov.in.

This information was given by Shri Mukhtar Abbas Naqvi, the Minister of State for Minority Affairs (IC), in a written reply to a question in Lok Sabha, today.

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