

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UN-STARRED QUESTION NO. 3479
TO BE ANSWERED ON 16th March, 2018 / Phalgun 25, 1939 (SAKA)

'Bank Loans to Small Scale Industries and Small Shopkeepers'
3479 : SHRI NIHAL CHAND :

Will the Minister of FINANCE be pleased to state :

- (a) whether there is any arrangement to provide bank loans to persons running Small Scale Industries (SSI) and to the small shopkeepers who are running business in rented shops;
- (b) if so, the details thereof;
- (c) whether any terms and conditions have been fixed by the Government for providing loans to the middle class shopkeepers running business in rented shops; and
- (d) if so, the details thereof ?

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ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) and (b) :

Banks extend loans to borrowers running Small Scale Industries (SSI) and shopkeepers, including those running business in rented shops as per their Board approved loan policy. Banks extend such loans under various schemes which inter-alia include, Pradhan Mantri Mudra Yojana (PMMY), Bank specific Micro, Small and Medium Enterprises (MSMEs) schemes, etc.

(c) and (d) :

No, Madam. Terms and conditions for loans including loans to middle class shopkeepers running business in rented shops are determined as per the policy approved by the Board of the Bank and extant Reserve Bank of India (RBI) guidelines, which inter-alia include, no insistence on collateral security for loans upto Rs.10 lakhs extended to units in the Micro and Small Enterprise (MSE) sector, simplified method for computation of working capital requirements of MSE units etc.
