

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UN-STARRED QUESTION NO. 4012
TO BE ANSWERED ON 10th AUGUST, 2018 / SHRAVANA 19, 1940 (SAKA)

'Loans to MSMEs'

4012 : DR. MANOJ RAJORIA:

SHRI RADHESHYAM BISWAS:

Will the Minister of FINANCE be pleased to state :

- (a) the total number of Micro, Small and Medium Enterprises (MSMEs) units that have been granted loans by the banks across the country, bank, State/UT-wise;
- (b) the total quantum of loans disbursed/sanctioned to MSMEs units during the last three years and the current years, bank-wise;
- (c) the percentage of outstanding loans that have been recovered from the said MSMEs units along with the number of those MSMEs that have turned into defaulters;
- (d) whether the Government has analysed the reasons for frequent hike of interest rates by financial institutions and sluggish flow of credits to MSMEs, if so, the outcomes thereof; and
- (e) the corrective steps taken by the Government to ensure these MSMEs get adequate credit at a lower rate of interest ?

ANSWER

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

(a) & (b) :

Details of credit disbursed to Micro, Small and Medium Enterprises (MSMEs) units, Bank-wise and State-wise for the last three years are given at **Annexure I** and **Annexure II**, respectively.

(c) Data relating to percentage of outstanding loans recovered from MSMEs units is not maintained centrally.

(d) & (e) :

RBI has deregulated the interest rates on advances sanctioned by banks. As per extant framework, since April 01, 2016, banks have to compute actual interest rates on advances by adding the component of spread to the Marginal Cost of Funds based Lending Rates (MCLR) which is the internal benchmark for such purpose. Accordingly, the rate of interest charged by banks to the borrower varies from bank to bank and depends on various factors such as marginal cost of funds, operating cost, negative carry on account of Cash Reserve Ratio and tenor premium. As per RBI, there has been an increase of 6.80% in outstanding credit to MSMEs in 2017-18 over the corresponding previous year.

Government and RBI have taken several steps to facilitate provision of hassle free loans to MSMEs, which inter-alia include, advise to all SCBs to achieve 20% year-on-year growth in credit to Micro and Small Enterprises (MSEs), allocation of 60% of the MSEs advances to the micro enterprise accounts, a 10% annual growth in number of micro enterprise accounts, additional working capital limit to meet the requirements arising due to unforeseen/seasonal increase in demand, adoption of clusters, operationalising at least one specialised MSME Branch in every district, simplified computation of working capital requirements of MSE units to make it minimum 20% of the projected annual turnover of the unit for borrowal limits upto Rs.5 crore, increase in coverage of loan from Rs.1 crore to Rs.2 crore under Credit Guarantee Fund Trust for Micro and Small Enterprise (CGTMSE), Board approved policy for enhanced working capital to GST-registered MSMEs, etc.

Annexure I referred to in reply to the Lok Sabha Un-starred Qs. no. 4012 for answer on 10.8.2018

Credit disbursed to Micro, Small and Medium Enterprises

1/2

(No. of A/c in lakh; Amt. Disbursed in Rs. Crore)

Sr No.	Bank Name	During 2015-16		During 2016-17		During 2017-18	
		No. of A/cs	Amt Disbursed	No. of A/cs	Amt Disbursed	No. of A/cs	Amt Disbursed
1	State Bank of Bikaner & Jaipur	0.95	9703.67	0.68	9475.69	0.00	0.00
2	State Bank of Hyderabad	0.69	3005.35	0.64	4861.21	0.00	0.00
3	State Bank of India	4.54	131307.08	3.91	68772.31	11.63	149475.34
4	State Bank of Mysore	0.24	4231.39	0.31	6055.51	0.00	0.00
5	State Bank of Patiala	0.31	921.65	0.02	594.17	0.00	0.00
6	State Bank of Travancore	0.15	2333.01	0.37	5020.34	0.00	0.00
7	Allahabad Bank	1.51	9130.81	1.06	6608.32	3.38	26565.55
8	Andhra Bank	2.17	31436.72	2.47	26511.09	3.50	35819.45
9	Bank of Baroda	1.92	22936.06	2.15	10145.93	1.34	9620.84
10	Bank of India	4.37	42634.97	3.61	38997.88	3.91	49543.39
11	Bank of Maharashtra	0.93	34766.66	0.76	12576.59	0.80	214.49
12	BHARATIYA MAHILA BANK LTD.	0.09	93.11	0.04	31.92	0.00	0.00
13	Canara Bank	10.40	26297.58	2.76	12338.39	3.32	14245.25
14	Central Bank of India	2.86	22724.54	2.83	23629.39	3.20	20581.90
15	Corporation Bank	1.68	15577.41	4.02	32628.29	2.96	22716.73
16	Dena Bank	0.55	17846.67	0.40	13258.47	0.60	10833.53
17	IDBI Bank Ltd.	2.03	18881.22	2.22	17913.38	2.48	24589.59
18	Indian Bank	4.46	5338.33	3.39	7173.58	3.66	9524.52
19	Indian Overseas Bank	5.85	30734.89	1.96	10203.51	2.43	10864.56
20	Oriental Bank of Commerce	0.60	7958.66	0.38	8577.31	0.36	6901.47
21	Punjab and Sind Bank	0.39	3929.57	0.25	2511.67	0.28	2881.15
22	Punjab National Bank	4.07	68285.21	4.42	63730.20	5.49	70652.57
23	Syndicate Bank	3.69	19406.74	2.94	19095.96	2.74	19142.97
24	UCO Bank	5.38	4750.25	1.79	11951.26	3.44	27019.90
25	Union Bank of India	3.23	30532.88	1.51	37413.63	0.57	11452.32
26	United Bank of India	1.09	5451.31	0.84	5371.58	0.80	3524.33
27	Vijaya Bank	1.45	13564.77	0.40	4804.62	0.38	5193.81
28	Axis Bank	0.86	31436.17	0.80	22350.69	0.69	17690.01
29	Bandhan Bank	20.36	8214.62	29.10	15570.70	0.00	0.00
30	Catholic Syrian Bank	0.87	997.87	0.53	935.99	0.54	798.43
31	City Union Bank	0.07	2434.86	0.07	2315.42	0.08	2871.95
32	Development Credit Bank	0.10	2802.65	0.13	3100.35	0.18	3822.45
33	Dhanlaxmi Bank	0.53	330.53	0.73	684.64	0.66	601.50
34	Federal Bank	0.15	7446.59	0.31	9681.50	0.97	11209.38
35	HDFC Bank	15.22	44598.10	17.34	52414.81	14.77	72375.47
36	ICICI Bank	2.48	39281.37	2.83	50621.34	0.66	44117.92
37	IDFC Bank	1.07	320.69	8.24	10103.08	3.30	5723.21
38	Indusind Bank	10.90	13974.18	8.25	22134.09	11.26	28740.78
39	ING Vysya Bank	0.00	0.00	0.00	0.00	0.00	0.00
40	Jammu & Kashmir Bank	0.78	7611.14	1.09	5340.53	1.03	6636.40
41	Karnataka Bank	0.18	3842.48	0.16	3926.01	0.12	4088.39
42	Karur Vysya Bank	0.48	3003.63	0.36	2066.22	0.38	3470.14
43	Kotak Mahindra Bank	5.49	25855.27	1.16	18454.41	1.81	20776.94
44	Lakshmi Vilas Bank	0.20	4004.92	0.19	3903.11	0.17	3892.95
45	Nainital Bank	0.01	118.29	0.01	191.48	0.01	527.98
46	Ratnakar Bank	5.65	5724.60	6.84	10262.07	3.05	5181.68
47	South Indian Bank	0.45	11251.59	0.32	12061.83	0.24	13447.06
48	Tamilnad Mercantile Bank	0.32	7753.87	0.27	7637.13	0.31	8924.80
49	Yes Bank	2.05	14279.92	1.26	18847.21	0.98	26962.29
50	AU SMALL FINANCE BANK LTD	0.00	0.00	0.00	0.00	0.97	5953.38
51	CAPITAL SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	0.02	270.06
52	EQUITAS SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	2.68	2516.59
53	ESAF SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	2.98	845.97
54	FINCARE SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	1.37	366.87
55	SURYODAYA SMALL FINANCE BANK LTD.	0.00	0.00	0.00	0.00	2.72	872.35
56	UJJIVAN SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	2.32	749.99
57	UTKARSH SMALL FINANCE BANK LIMITED	0.00	0.00	0.00	0.00	0.49	124.09

Sr No.	Bank Name	During 2015-16		During 2016-17		During 2017-18	
		No. of A/cs	Amt Disbursed	No. of A/cs	Amt Disbursed	No. of A/cs	Amt Disbursed
58	AB BANK LIMITED	0.00	0.00	0.00	0.64	0.00	21.25
59	ABU DHABI COMMERCIAL BANK PJSC	0.00	81.05	0.00	275.23	0.00	13.44
60	AUSTRALIA AND NEW ZEALAND BANKING GROUP	0.00	23.00	0.00	423.00	0.00	324.75
61	BANK OF AMERICA , NATIONAL ASSOCIATION	0.01	15937.30	0.01	9866.29	0.00	5675.11
62	BANK OF BAHRAIN & KUWAIT B.S.C.	0.00	35.43	0.00	0.00	0.00	15.00
63	BANK OF CEYLON	0.00	0.00	0.00	0.00	0.00	11.81
64	BANK OF NOVA SCOTIA	0.01	1572.43	0.01	970.74	0.01	965.52
65	BARCLAYS BANK PLC	0.00	588.43	0.18	872.56	0.00	255.49
66	BNP PARIBAS	0.00	4819.59	0.00	2367.71	0.00	760.66
67	CITIBANK N.A	0.04	8758.21	0.03	14197.15	0.03	14453.95
68	COOPERATIEVE RABOBANK U.A.	0.00	0.00	0.00	54.50	0.00	7.75
69	CREDIT AGRICOLE CORPORATE AND INVESTMENT	0.00	0.00	0.00	100.00	0.00	210.25
70	CREDIT SUISSE AG	0.00	0.00	0.00	125.00	0.00	52.50
71	CTBC BANK CO., LTD.	0.00	0.00	0.00	0.00	0.00	0.00
72	DBS BANK LTD.	0.00	308.39	0.00	225.85	0.00	763.64
73	DEUTSCHE BANK AG	0.02	1282.12	0.02	1657.44	0.02	2014.49
74	DOHA BANK QSC	0.00	0.00	0.00	30.00	0.00	0.00
75	FIRST ABU DHABI BANK PJSC	0.00	0.00	0.00	0.00	0.00	0.00
76	FIRSTSTRAND BANK LTD	0.00	0.00	0.00	0.00	0.00	0.00
77	HONGKONG AND SHANGHAI BANKING CORPN.LTD.	0.76	10261.00	0.59	10051.22	0.88	9039.33
78	INDUSTRIAL AND COMMERCIAL BANK OF CHINA	0.00	0.00	0.00	0.00	0.00	8.00
79	INDUSTRIAL BANK OF KOREA	0.00	0.00	0.00	11.35	0.00	29.62
80	JPMORGAN CHASE BANK NATIONAL ASSOCIATION	0.00	149.09	0.00	401.31	0.00	539.65
81	JSC VTB BANK	0.00	0.00	0.00	0.00	0.00	0.00
82	KEB HANA BANK	0.00	0.87	0.00	9.08	0.00	12.16
83	KRUNG THAI BANK PUBLIC COMPANY LIMITED	0.00	9.79	0.00	14.61	0.00	0.00
84	MASHREQ BANK PSC	0.00	0.00	0.00	5.50	0.00	0.00
85	MIZUHO BANK LTD	0.00	1359.48	0.00	946.85	0.00	1237.34
86	NATIONAL AUSTRALIA BANK	0.00	0.00	0.00	0.00	0.00	10.00
87	PT BANK MAYBANK INDONESIA TBK	0.00	0.00	0.00	0.00	0.00	0.00
88	Oman International Bank	0.00	30.00	0.00	0.00	0.00	0.00
89	QATAR NATIONAL BANK SAQ	0.00	0.00	0.00	0.00	0.00	0.00
90	SBERBANK	0.00	0.00	0.00	6.75	0.00	0.00
91	SBM BANK (MAURITIUS) LTD.	0.00	80.00	0.00	116.00	0.00	325.12
92	SHINHAN BANK	0.00	565.23	0.01	1995.34	0.05	5490.46
93	SOCIETE GENERALE	0.00	0.00	0.00	0.00	0.00	0.00
94	SONALI BANK	0.00	0.00	0.00	0.00	0.00	0.00
95	STANDARD CHARTERED BANK	0.02	10617.36	0.05	9582.03	0.13	11858.19
96	SUMITOMO MITSUI BANKING CORPORATION	0.00	0.70	0.00	0.00	0.02	152.56
97	THE BANK OF TOKYO-MITSUBISHI UFJ LTD	0.00	869.12	0.04	2031.16	0.05	6572.05
98	THE ROYAL BANK OF SCOTLAND PLC	0.00	129.77	0.00	0.00	0.00	0.00
99	UNITED OVERSEAS BANK LTD	0.00	1.30	0.00	31.00	0.00	38.00
100	WESTPAC BANKING CORPORATION	0.00	0.00	0.00	0.00	0.00	26.50
101	WOORI BANK	0.00	3.59	0.00	4.09	0.00	5.07
	Total	134.67	876547.14	127.07	789227.21	113.21	885812.37

Source: RBI

Annexure II referred to in reply to the Lok Sabha Un-starred Qs. no. 4012 for answer on 10.8.2018

Credit disbursed to Micro, Small and Medium Enterprises by Scheduled Commercial Banks

(No. of A/c in lakh; Amt. Disbursed in Rs. Crore)

Sr. No	State Name	During 2015-16		During 2016-17		During 2017-18	
		No. of A/c	Amt. Disbursed	No. of A/c	Amt. Disbursed	No. of A/c	Amt. Disbursed
1	ANDAMAN & NICOBAR	0.06	491.53	0.04	313.91	0.05	380.75
2	ANDHRA PRADESH	6.37	31618.29	4.70	26746.64	6.25	32537.49
3	ARUNACHAL PRADESH	0.04	289.15	0.02	206.31	0.04	290.88
4	ASSAM	4.50	7470.80	5.19	7339.13	1.62	7289.28
5	BIHAR	4.52	11491.05	5.03	11330.07	3.90	13516.08
6	CHANDIGARH	0.21	4913.01	0.17	4123.90	0.19	4910.55
7	CHHATTISGARH	2.28	10685.87	2.16	11553.58	2.14	12098.59
8	DADRA&NAGAR HAVELI	0.02	192.60	0.03	292.14	0.02	374.47
9	DAMAN & DIU	0.01	125.58	0.01	166.05	0.01	206.08
10	DELHI	2.38	78148.12	1.99	67695.51	1.62	79653.70
11	GOA	0.36	2577.69	0.41	2503.47	0.43	3100.11
12	GUJARAT	4.81	55333.58	4.41	55244.83	4.19	60152.79
13	HARYANA	2.50	26975.96	2.28	25348.68	2.53	29479.90
14	HIMACHAL PRADESH	0.63	4767.94	0.55	3813.59	0.84	5206.56
15	JAMMU & KASHMIR	0.96	8714.81	1.22	5673.54	1.25	7010.46
16	JHARKHAND	2.74	10704.09	2.36	8192.32	2.42	10896.97
17	KARNATAKA	9.15	51447.68	7.41	47820.66	8.29	46868.63
18	KERALA	4.74	28420.75	4.98	29034.07	6.43	32890.48
19	LAKSHADWEEP	0.01	15.49	0.01	15.02	0.03	119.14
20	MADHYA PRADESH	6.80	25948.31	6.20	24767.89	6.37	30671.59
21	MAHARASHTRA	18.79	208550.24	16.12	168356.38	10.76	169607.54
22	MANIPUR	0.09	289.46	0.06	222.13	0.10	343.80
23	MEGHALAYA	0.17	623.24	0.16	454.95	0.10	463.85
24	MIZORAM	0.05	338.13	0.04	206.91	1.62	581.48
25	NAGALAND	0.04	345.68	0.07	279.39	0.07	1075.00
26	ODISHA	4.10	12940.71	3.40	12962.48	3.68	14945.68
27	PUDUCHERRY	0.42	1438.52	0.46	2905.21	0.50	2116.58
28	PUNJAB	3.27	27885.02	2.65	23609.55	3.41	32320.62
29	RAJASTHAN	4.64	33036.33	4.49	34274.80	4.66	42728.62
30	SIKKIM	0.12	781.69	0.12	321.66	0.04	229.53
31	TAMIL NADU	16.35	94990.12	19.99	85829.51	19.32	88784.61
32	TELANGANA	3.15	30636.69	2.79	32145.47	3.41	40528.23
33	TRIPURA	0.88	1371.31	1.23	1320.01	0.38	806.13
34	UTTARAKHAND	1.95	11338.27	1.19	6252.88	2.17	19364.79
35	UTTAR PRADESH	8.49	44298.63	7.70	43342.88	7.32	44678.44
36	WEST BENGAL	19.07	47350.94	17.43	44561.71	7.06	49582.96
	Total	134.67	876547.26	127.07	789227.21	113.21	885812.37

Source: RBI