

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

**STARRED QUESTION NO. *216
TO BE ANSWERED ON 8th JULY, 2019**

'LOANS TO SMALL SCALE INDUSTRIAL SECTOR'

* 216 : SHRI ASHOK MAHADEORAO NETE:

Will the Minister of FINANCE be pleased to state :

- (a) whether the Government proposes to increase the amount of loans for the small scale industrial sector ;
- (b) if so, the details thereof and
- (c) the total amount of loans disbursed to small scale industrial sector particularly in the backward and tribal areas, specially in the State of Maharashtra during each of last three years as on date ?

ANSWER

FINANCE MINISTER

(Smt. Nirmala Sitharaman)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. *216 FOR ANSWER ON 8th JULY 2019, TABLED BY SHRI ASHOK MAHADEORAO NETE REGARDING LOANS TO SMALL SCALE INDUSTRIAL SECTOR.

(a) and (c) : Loans to Small Scale Industrial units (SSIs) / Micro, Small and Medium Enterprises (MSMEs) are extended by individual banks on commercial basis as per their Board approved loan policy and extant instructions of Reserve Bank of India (RBI). Credit outstanding from Scheduled Commercial Banks (SCBs) to MSMEs has increased year on year from Rs. 12,16,007.11 crore in 2015-16 to Rs.14,97,687.11 crore (provisional) in 2018-19. Banks extend loans to MSMEs under various schemes which, inter-alia, include, Pradhan Mantri Mudra Yojana (PMMY), Stand Up India, Bank specific Micro, Small and Medium Enterprises (MSMEs) schemes, etc. Government has taken various steps towards effective implementation of these schemes which, inter alia, include, simplification of application forms, facility for on-line application, Credit Guarantee coverage for the loans extended to MSME sector up to Rs.2 crore under various schemes, and appointment of nodal officers for PMMY in all branches of Public Sector Banks (PSBs), etc.

(c): The Ministry of Tribal Affairs has identified priority districts for welfare and development of Scheduled Tribes while, the NITI Aayog has identified aspirational districts based on parameters such as poverty, health and nutrition, education and basic infrastructure, etc. State Level Bankers' Committees (SLBCs) have reported disbursement of Rs.1,65,390 crore (Provisional) by banks to Micro and Small Enterprises in such identified priority and aspirational districts during the period from April 2016 to June 2019. SLBC Maharashtra has reported disbursement by banks to such districts of Rs.17,437 crore (Provisional) from April 2016 to June 2019.
