

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION No 1285
TO BE ANSWERED ON February 10, 2020/Magha 21, 1941 (Saka)

TARGETS UNDER MUDRA YOJANA

1285. SHRI SUMEDHANAND SARASWATI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has set target to provide loans to the small businessmen under the Pradhan Mantri Mudra Yojana during the current year;

(b) if so, the details thereof along with the instructions issued by the Government to the public sector banks to achieve the said target;

(c) whether the Government is aware of the fact that banks reject a lot of applications on the ground of faulty banking procedures so as to avoid the disbursement of loans;

(d) if so, the details thereof alongwith the number of loan applications received in the banks in Sikar and Jaipur districts of Rajasthan and also number of people who got loans therein during the said period; and

(e) the reasons for non-disbursement of loans to the rest of applicants?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) to (b) Government has assigned a target of Rs. 3,25,000 crore under Pradhan Mantri Mudra Yojana (PMMY) for financial year (FY) 2019-20 to Member Lending Institutions (MLIs). Out of this overall target, Rs. 1,28,000 crore has been fixed for Public Sector Banks (PSBs). All PSBs have been requested to make all out efforts to achieve the annual target. The national level targets under the PMMY scheme have been consistently met since inception of the scheme.

(c) to (e) As on 24.01.2020, as reported by banks on the Mudra portal, 41,498 and 92,218 loans have been extended by banks under PMMY in Sikar and Jaipur districts of Rajasthan during the current FY. Details of loan applications received by various banks are not maintained centrally. Loans under the scheme are extended by banks as per commercial parameters and are based, *inter-alia*, on viability of project and on assessment of repayment capacity of the borrower and in compliance with their Board-approved policy and extant Reserve Bank of India (RBI) guidelines in this regard. Reasons for rejection of loan applications may include, *inter-alia*, non-viability of the project, inconsistencies found in pre-sanction stage, unsatisfactory credit history of the borrower etc. Any complaints received in respect of implementation of PMMY including turning down of loan applications are redressed in coordination with the respective MLIs.