

LOK SABHA
UNSTARRED QUESTION NO. 2200
TO BE ANSWERED ON 6th MAY 2016 / VAISAKHA 16, 1938 (SAKA)
'LOAN TO MSME'

2200: SHRI SADASHIV LOKHANDE:
SHRI SANGANNA AMARAPPA:
SHRI NAGAR RODMAL:
SHRI OM PRAKASH YADAV:
SHRI RAMSINH RATHWA:
DR. NARAMALLI SIVA PRASAD:

Will the Minister of FINANCE be pleased to state:

- whether the Government has fixed any target for granting loan to Micro, Small and Medium Enterprises (MSMEs);
- if so, the details thereof along with the quantum of loan disbursed by the banks during each of the last three years, State/UT-wise;
- the details of the sanctioned projects/loans under the MSME schemes during the said period, State-wise including Karnataka;
- whether the public sector banks/financial institutions also provide loan to sick industries, if so, the details thereof; and
- the steps taken/being taken by the Government to increase credit flow to MSME?

ANSWER
MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

- (a): Scheduled Commercial Banks (SCBs) have been advised to
- achieve a 20 per cent year-on-year growth in credit to micro and small enterprises (MSEs);
 - allocate 60% of the MSE advances to micro enterprises; and
 - achieve a 10% annual growth in number of micro enterprise accounts.

In addition, under the revised Priority Sector Lending (PSL) guidelines, a target of 7.5 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher, by March 2017 has been prescribed for SCBs for lending to Micro Enterprises.

(b) & (c): State-wise outstanding credit to MSEs including Karnataka as on March 31, 2013, 2014 and 2015 are furnished in the **Annexure- I**.

(d): Yes. The Public Sector Banks provide finance to sick industries for their rehabilitation following the guidelines of Reserve Bank of India (RBI). Position of Sick Small Scale Industry Units and Sick/ Weak Non-SSI Units Financed by Scheduled Commercial Banks is as per **Annexure-II**.

(e): Government of India and Reserve Bank of India have taken several steps for increasing credit flow to MSMEs which inter alia, include simplified method of computation of working capital requirements, PSL targets for lending to MSEs, specialised MSE branches in each district, non discretionary one time settlement scheme, collateral free lending upto Rs. 10 lakh, credit guarantee scheme, banking code for MSE customers, differential rate of interest for MSEs, Pradhan Mantri Mudra Yojana, Stand Up India scheme, Small Industries Development Bank of India (SIDBI) Make in India Fund, SIDBI Make in India Soft Loan Fund for Micro Small & Medium Enterprises (SMILE) etc.

Annexure-I

**Outstanding credit to MSE sector as reported by Scheduled Commercial Banks
As on last reporting Friday of March 31, 2013, March 31, 2014 and March 31, 2015**

(No. of Accounts in lakhs, Amount outstanding in Rs. crore)

State/Union Territories	Mar-13		Mar-14		Mar-15	
	No. of Accounts	Balance O/S	No. of Accounts	Balance O/S	No. of Accounts	Balance O/S
NORTH EASTERN REGION	2.36	9950.97	2.56	11911.08	3.11	13396.23
Arunachal Pradesh	0.10	334.85	0.07	445.33	0.10	558.19
Assam	1.61	7077.25	1.76	8212.38	2.19	9502.58
Manipur	0.08	299.93	0.11	491.86	0.12	411.67
Meghalaya	0.13	581.62	0.15	661.54	0.17	742.36
Mizoram	0.05	248.56	0.06	315.19	0.06	338.02
Nagaland	0.13	461.72	0.10	408.20	0.13	387.84
Tripura	0.26	947.04	0.31	1376.58	0.33	1455.56
EASTERN REGION	17.12	71268.90	17.45	90145.08	20.81	98296.12
Andaman& Nicobar	0.08	349.33	0.09	626.25	0.09	505.14
Bihar	4.34	8914.01	4.10	11674.03	4.49	13953.95
Jharkhand	2.19	9631.58	2.16	11142.68	2.40	13232.30
Orissa	4.35	12385.31	4.32	14536.26	3.90	16674.75
Sikkim	0.04	304.40	0.05	322.35	0.10	414.01
West Bengal	6.12	39684.27	6.73	51843.51	9.84	53515.98
CENTRAL REGION	15.19	79952.13	17.84	102329.42	20.03	120941.58
Chattisgarh	1.38	9634.03	1.46	12304.95	1.57	13384.18
Madhya Pradesh	4.68	19819.06	5.48	26775.81	6.34	36252.33
Uttar Pradesh	8.09	42930.72	8.86	50724.21	9.46	55550.09
Uttarakhand	1.04	7568.32	2.04	12524.45	2.67	15754.98
NORTHERN REGION	16.37	160853.20	18.52	202055.81	19.68	227874.06
Chandigarh	0.32	6398.17	0.32	7487.66	0.29	7787.91
Delhi	2.58	54941.94	3.36	71879.91	3.48	78455.76
Haryana	2.62	24468.29	2.88	31900.62	3.23	36683.16
Himachal Pradesh	0.93	5049.48	0.89	5555.08	0.88	6123.89
Jammu & Kashmir	1.78	6697.60	1.91	7236.89	2.20	8395.84
Punjab	3.17	34934.80	3.75	41933.14	3.98	47239.67
Rajasthan	4.97	28362.92	5.40	36062.52	5.61	43187.84
WESTERN REGION	20.49	178247.87	22.11	211584.18	24.75	237693.31
Dadra & Nagar Haveli	0.02	189.41	0.02	278.31	0.03	386.62
Daman & Diu	0.01	237.03	0.02	349.83	0.02	508.47
Goa	0.42	2624.20	0.49	3092.74	0.65	4345.86
Gujarat	5.65	47494.69	6.32	62840.36	7.26	73096.50
Maharashtra	14.40	127702.54	15.25	145022.94	16.78	159355.86
SOUTHERN REGION	40.33	186935.67	47.13	233066.90	49.85	262972.87
Andhra Pradesh	10.70	47476.70	12.68	57915.64	12.46	63925.10
Karnataka	7.39	34920.74	9.18	48200.93	11.37	59501.65
Kerala	5.23	23141.13	5.58	29909.39	6.32	34766.59
Lakshadweep	0.01	9.51	0.01	9.66	0.02	63.95
Pondicherry	0.36	1395.57	0.49	1832.00	0.53	2459.93
Tamilnadu	16.63	79992.02	19.18	95199.28	19.14	102255.66
All India	111.86	687208.74	125.60	851092.48	138.24	961174.17

Annexure- II**Position of Sick SSI Units and Sick/ Weak Non-SSI Units Financed by Scheduled Commercial Banks**

(Amount in ₹ Billion)								
Year (end- March)	Sick SSI/ MSE		Sick Non-SSI		Weak Non-SSI		Sick/Weak Total	
	Units	Amount Outstanding	Units	Amount Outstanding	Units	Amount Outstanding	Units	Amount Outstanding
1	2	3	4	5	6	7	8	9
1993	238176	34.43	1867	79.01	657	17.90	240700	131.34
1994	256452	36.80	1909	81.52	591	18.64	258952	136.96
1995	268815	35.47	1915	87.40	476	14.52	271206	137.39
1996	262376	37.22	1956	88.23	418	12.03	264750	137.48
1997	235032	36.09	1948	86.14	420	15.64	237400	137.87
1998	221536	38.57	2030	98.62	446	19.64	224012	156.82
1999	306221	43.13	2357	131.14	435	20.37	309013	194.64
2000	304235	46.08	2742	167.48	422	22.99	307399	236.56
2001	249630	45.06	2928	184.78	389	27.92	252947	257.76
2002	177336	48.19	2880	175.91	381	36.55	180597	260.65
2003	167980	57.06	2999	215.18	397	75.91	171376	348.16
2004	138811	52.85	5054	311.66	567	45.31	144432	409.82
2005	138041	53.80	4478	296.44	774	47.83	143293	398.07
2006	126824	49.81	3408	260.13	1132	69.76	131364	379.70
2007	114132	52.67	-	-	-	-	-	-
2008	85187	30.82	-	-	-	-	-	-
2009	103996	36.19	-	-	-	-	-	-
2010	77723	52.33	-	-	-	-	-	-
2011	90141	52.11	-	-	-	-	-	-
2012	85591	67.90	-	-	-	-	-	-
2013	220492*	124.42	-	-	-	-	-	-
2014	465492	263.11	-	-	-	-	-	-
2015	528300	253.88	-	-	-	-	-	-

Notes : 1. 1987 and 1988 data relate to end-June.

2. 1989 data relate to end-September.

3. SSI stands for Small Scale Industry.

4. * : The definition of sickness was revised with effect from November 01, 2012.