

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3331

ANSWERED ON:05.08.2016

Loans to MSMEs

Gupta Shri Shyama Charan;Sawant Shri Arvind Ganpat;Shetty Shri Gopal Chinayya;Sivaprasad Dr. Naramalli;Suresh Shri  
Doddalahalli Kempegowda

**Will the Minister of FINANCE be pleased to state:**

- (a) Whether the Micro, Small and Medium Enterprises (MSMEs) are facing difficulties in collection of payments amid a slowdown in economic growth and if so, the details thereof;
- (b) whether the banks have served recovery/auction notices to any MSMEs in the recent past and if so, the details thereof, State-wise;
- (c) The number of beneficiaries/amount of credit provided under the credit guarantee scheme, credit linked capital subsidy scheme, State-wise including Andhra Pradesh;
- (d) whether loans to MSMEs are provided at higher interest rates and if so, the details thereof; and
- (e) the steps taken/being taken by the Government/banks to extend easy loans to MSMEs ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

- (a) Information in this regard is not centrally maintained.
- (b) In all cases where recoveries are to be made, notices under various provisions of relevant acts are issued by banks/Financial Institutions (FIs). Record of such notices are not maintained centrally.
- (c) State-wise details of number of beneficiaries/amount of credit provided under credit guarantee scheme and credit linked capital subsidy scheme (including Andhra Pradesh), are given in the enclosed Annexure I & II.
- (d) Loans to Micro, Small and Medium Enterprises (MSMEs) are provided as per the interest rate structure of the bank. The interest rate is finalised based on various factors which inter-alia include, cost of funds to the institution, credit rating of the unit, tenure of loan, purpose of loan etc.
- (e) Government has taken several steps to extend easy loans to MSME, which inter-alia include, advise to all Scheduled Commercial Banks (SCBs) to achieve a 20% year-on-year growth in credit to MSEs to ensure enhanced credit flow, allocation of 60% of the MSEs advances to the micro enterprise accounts, a 10% annual growth in number of micro enterprise accounts, adoption of one cluster, operationalising at least one specialised MSME Branch in every district etc. In addition, a target of 7.5% of Adjusted Net Bank Credit (ANBC) has been prescribed for Micro Enterprises. SCBs have been mandated not to accept collateral security in the case of loans up to Rs.10 lakh extended to units in the MSE sector and computation of working capital requirements of MSE units has been simplified to make it minimum 20% of the projected annual turnover of the unit.

Details of State-wise Guarantee Issued upto 31st March 2016

SNo. State Name Proposals Guarantee Issued Amount (in Rs. Lakh)

1	ANDAMAN & NICOBAR	1705	8477.01
2	ANDHRA PRADESH	64920	186022.74
3	ARUNACHAL PRADESH	5468	25469.39
4	ASSAM	74557	251498.28
5	BIHAR	105003	447064.42
6	CHANDIGARH	4489	29230.26
7	CHHATTISGARH	26654	148571.89
8	DADRA & NAGAR HAVELI	376	9347.09
9	DAMAN & DIU	332	8257.46
10	DELHI	22054	246615.17
11	GOA	13815	85136.35
12	GUJARAT	85167	713108.29
13	HARYANA	26486	201708.83
14	HIMACHAL PRADESH	38824	211649.99
15	JAMMU & KASHMIR	46764	107641.15
16	JHARKHAND	82307	486235.97
17	KARNATAKA	186529	937301.44
18	KERALA	201566	485626.07
19	LAKSHA DEEP	266	748.14
20	MADHYA PRADESH	70854	373905.86
21	MAHARASHTRA	150361	1104502.43
22	MANIPUR	5012	15387.5
23	MEGHALAYA	6408	29312.29
24	MIZORAM	2723	10655.07
25	NAGALAND	4710	15737.27
26	ORISSA	99988	415652.91

27 PONDICHERY 3383 12288.05  
28 PUNJAB 43822 258303.88  
29 RAJASTHAN 67924 347755.35  
30 SIKKIM 1602 6746.07  
31 TAMILNADU 195540 808544.93  
32 TELANGANA 38089 213996.93  
33 TRIPURA 8549 29116.43  
34 UTTAR PRADESH 230904 987040.4  
35 UTTARAKHAND 26952 135542.02  
36 W B 128902 598251.04  
Total 2073005 9952448.34  
Source : CGTMSE

Credit Linked Capital Subsidy Scheme  
State-wise break-up of subsidy released since inception under CLCSS through SIDBI till March 31, 2016

State No. of Units Term Loan (Rs Lakh) Subsidy (Rs. Lakh)

Andhra Pradesh 1031 62608.24 7128.02  
Assam 1 60.00 8.80  
Bihar 2 68.00 7.41  
Chandigarh 92 2439.61 463.94  
Chhattisgarh 217 11990.45 1377.74  
Dadra and Nagar Haveli 44 3890.39 394.75  
Daman and Diu 45 2855.81 325.76  
Delhi 219 14261.21 1623.04  
Goa 38 1955.86 198.69  
Gujarat 7570 350068.07 43891.66  
Haryana 1398 69440.64 9172.75  
Himachal Pradesh 18 3018.00 153.26  
Jammu and Kashmir 1 14.00 1.00  
Jharkand 78 4335.55 560.84  
Karnataka 2231 78819.47 11503.78  
Kerala 155 11122.06 1245.87  
Madhya Pradesh 197 10505.64 1227.48  
Maharashtra 4593 228335.27 28082.89  
Odisha 142 10312.03 937.15  
Puducherry 24 1233.00 193.58  
Punjab 1838 70987.02 10822.22  
Rajasthan 933 58034.79 5465.16  
Tamil Nadu 2514 84672.47 11510.34  
Telangana 86 8570.58 814.99  
Tripura 3 39.00 6.65  
Uttar Pradesh 485 26016.17 3057.88  
Uttarakhand 38 3876.62 337.54  
West Bengal 134 12897.95 1202.71  
Total 24127 1132427.90 141715.90  
Source : SIDBI