

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2560**  
**TO BE ANSWERED ON: 22.12.2022**

**LOAN TO MSMES**

No. 2560. SHRI ADALA PRABHAKARA REDDY:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has allowed cooperative Banks to lend MSMEs across the country;
- (b) if so, the details of loans disposed of by cooperative Banks to MSMEs during the last three years and the current year; and
- (c) if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI BHANU PRATAP SINGH VERMA)

(a) to (c): As per the Reserve Bank of India (RBI) guidelines loans extended by banks (including Urban Cooperative Banks) to Micro, Small and Mediums Enterprises (MSMEs) engaged in the manufacture or production of goods, in any manner, pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 or engaged in providing or rendering of any services, qualify for classification under priority sector lending. Further, as informed by RBI, information on loans disposed of by Cooperative Banks to MSMEs is not maintained. However, data on outstanding Small and Medium Enterprises (SME) loans by Cooperative Banks during the last three years is given below:

As on	3/31/2020	3/31/2021	3/31/2022
Outstanding Advances to SME sector (Rs. in Crore)	46,358.16	54,099.41	57,884.09

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