

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:976
ANSWERED ON:30.07.2010
CREDIT FOR MSME SECTOR
Gangaram Shri Awale Jaywant

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to earmark sixty per cent of the credit of Scheduled Commercial Banks (SCBs) for MSME Sector;
- (b) if so, the details thereof;
- (c) whether the SCBs have opened 87,000 branches in the rural areas; and
- (d) if so, the details thereof, as of now, State-wise and bank-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a)& (b): In light of recommendations of High Level Task Force on MSME Sector, it has been decided that the share of Micro Enterprises in MSE lending needs to be increased to 60% in a phased manner viz. 50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13. It would be mandatory for the Public Sector Banks to achieve this target. Further, the banks should achieve an annual growth in the number of micro enterprise accounts of 10% every year.

(c) & (d): RBI has reported that as on 30th June 2010, 85,210 bank branches of Scheduled Commercial Banks (SCBs) are functioning as per details given in Annex - I & II.