

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:745
ANSWERED ON:25.11.2011
CREDIT TO MSME SECTOR
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Will the Minister of FINANCE be pleased to state:

- (a) the details of the problems being faced by Micro, Small and Medium Enterprises (MSMEs) in accessing credit;
- (b) whether banks are not prioritizing their loans to MSMEs;
- (c) if so, the details thereof alongwith the reasons therefor; and
- (d) the details of the flow of credit to MSMEs in the country including Punjab and Sikkim during the last three years, sector-wise and year-wise?

Answer

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

(a) to (d): The data provided by the Reserve Bank of India (RBI) reveals that outstanding credit to Micro & Small Enterprises (MSE) Sector has shown a 42.11% and 34.13% YoY growth as on March 2010 and March 2011, respectively, as against the target of 20% growth. Outstanding credit by Public Sector Banks to the Medium Enterprises Sector for the March 2010 and March 2011 has also increased from Rs. 99093 crore to Rs. 109145 crore. State-wise outstanding credit to Micro Enterprises, Small Enterprises and Total MSEs (including Punjab and Sikkim) during the last three years are annex.