

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3990
ANSWERED ON:05.09.2012
BANK FINANCE TO MFIS
Jindal Shri Naveen

Will the Minister of FINANCE be pleased to state:

- (a) whether the banks lend to the Micro Finance Institutions (MFIs) operating in the country;
- (b) if so, the details of the money advanced by these commercial banks to the MFIs in the last three years, bank and year-wise;
- (c) whether there has been a decline in lending to the MFIs by the banks;
- (d) if so, the details thereof;
- (e) whether some banks have recently started acquiring equity in the MFIs; and
- (f) if so, the details thereof and the reaction of the Government thereto?

Answer

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

- (a) to (d): Yes, Madam. NABARD has reported that during 2009-10 banks disbursed loan to the tune of Rs.10728.49 crore to MFIs which declined to Rs. 8448.95 crore during 2010-11 and further to Rs. 5205.29 crore during 2011-12.
- (e) & (f): Indian Overseas Bank, Central Bank of India, State Bank of Mysore and Andhra Bank have reported that equity in MFIs has been acquired as part of Corporate Debt Restructuring (CDR).