

**GOVERNMENT OF INDIA  
MICRO, SMALL AND MEDIUM ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:976  
ANSWERED ON:11.12.2013  
DIFFICULTIES FACED BY START UP UNITS  
Choudhry Smt. Shruti

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

- (a) whether the Government has received any complaints/representations about the difficulties being faced by start-up units in SME sector;
- (b) if so, the details thereof during each of the last three years and the current year and the help being extended to such units at present;
- (c) the views of the State Government in this regard, particularly Haryana; and
- (d) the corrective steps taken/proposed to be taken by the Government in this regard?

**Answer**

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI K.H.MUNIYAPPA)

(a) & (b) Government has received some complaints about lack of availability of institutional finance to Micro units start ups. To obviate this problem, the Reserve Bank of India (RBI) has issued guidelines/instructions to banks that all loan applications for micro and small enterprise (MSE) units up to a credit limit of Rs.25,000/-, should be disposed off within 2 weeks and those up to Rs.5 lakh, within 4 weeks, provided the loan applications are complete in all respects and accompanied by a "check list". Government takes up such issues with concerned Banks and RBI, as required.

(c) & (d) States/Union Territories often interact with the Central Government on issues relating to difficulties being faced by the enterprises in their territory. However, no views, specifically, in regard to difficulties being faced by start up units have been received from any State.