

In boost to MSMEs, FM pushes for ₹1.5L cr extra PSB loans in FY 2025

'No Small Biz Will Be Denied Funds Access'

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Nirmala Sitharaman during an interaction with students at a school in Bengaluru on Saturday

Bengaluru: Finance minister Nirmala Sitharaman on Saturday increased the lending target for public sector banks in lending to micro, small and medium enterprises (MSME) the current financial year by nearly 35%, while assuring that no small business will be denied access to funding.

"I want to set a new target... I want to add Rs 1.5 crore lakh crore and bring your overall target to Rs 5.7 lakh crore so that credit reaches MSMEs this year itself," she said at an event with bankers and MSMEs in Bengaluru.

FM is keen that banks maintain the momentum,

setting a target of Rs 6.1 lakh crore for the next fiscal and Rs 7 lakh crore by FY27. "I shall be visiting MSME clusters and each time I visit, I would like a report from the banks as to how much they have progressed." Govt had been setting ambitious target for farm lending, which have been met in the past.

The minister said that the current loan book estimate of Rs 4.2 lakh crore for FY25 was "okay but not enough,"

'Patriarchy a Leftist concept, it didn't stop Indira Gandhi from becoming PM'

Union finance minister Nirmala Sitharaman on Saturday debunked the idea that patriarchy was an obstacle to women empowerment, citing the example of Indira Gandhi. Interacting with students at Jain University in Bengaluru, Sitharaman, in response to a question, said patriarchy being a barrier for women was a concept invented by the Left, and asked students not to "get carried away by fantastic jargons". If it indeed were so, how come Indira Gandhi became PM, she asked. "The goal is to challenge societal norms thoughtfully, leveraging both personal strength and govt's support," Sitharaman said. TNN & AGENCIES

given public sector banks' dominant presence as well as resilience in the overall banking ecosystem.

"PSBs should take the lead in lending to MSMEs, and target greater growth. They should take far more initiative... I'm told that PSBs are set to lend Rs 4.2 lakh crore if everything was business as usual based on their performance the last two years," she added.

Sitharaman explained

that outstanding loans for public sector banks towards MSMEs has shown a growth of 9.2% over the last two financial years, but private banks have shown 25% and non-banking financial companies (NBFC) 39% instead.

Sitharaman was speaking at National MSME Cluster Programme organised by Small Industries Development Bank of India (Sidbi) at Indian Institute of Science in Bengaluru.