

(b) if so, the measures taken by Government so that the small and medium scale industries could easily get loan from these banks; and

(c) whether Government would consider or any direction would be issued to ensure smooth delivery of loans to these industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Indian Banks Association (IBA) has reported that Public Sector Banks have been providing need based loans to Small and Medium Enterprises on an ongoing basis.

(b) and (c) The Task Force on MSMEs constituted under the chairmanship of the Principal Secretary to the Prime Minister to address the issues of the MSME Sector in its report made various recommendations in the areas of credit, taxation, labour issues, infrastructure/technology/skill development, marketing, etc., for providing an impetus to the growth of the sector. In terms of the recommendations of the Task Force, banks have been advised to achieve a 20% year-on-year growth in credit to micro and small enterprises and a 10% annual growth in the number of micro enterprises accounts. In order to ensure that sufficient credit is available to micro enterprises within the MSE Sector, as per the Reserve Bank of India (RBI)' extant guidelines to banks, 60% of MSE advances should go to the micro enterprises. The banks have been advised that the allocation of 60% of MSE advances to the micro enterprises is to be achieved in stages viz. 50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13.

New campaign for financial inclusion

1297. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has launched a new campaign of financial inclusion to bring banking to the masses;

(b) if so, the details thereof; and

(c) the number of people proposed to be covered and benefited?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) In order to extend the reach of banking to the rural hinterland, Banks were advised in 2010-11 to provide appropriate banking facilities to habitations having a population in excess of 2000 (as per 2001 census) by March, 2012. These services are to be provided using the Business Correspondent and other models, with appropriate technology back up. This Campaign has been named "Swabhimaan". The Banks have formulated their road maps for Financial inclusion through the mechanism of the State Level Bankers Committee and have identified approximately 73,000 habitations across the country having a population of over 2000 for providing banking facilities. These habitations have been allocated to Public Sector Banks, Regional Rural Banks, Private Sector Banks and Cooperative Banks for extending banking services by March, 2012. It is estimated that approximately 5 crore rural households shall open bank accounts under this initiative.