

Bank nod for MSME loans of up to ₹1cr in 59 mins: Govt

TIMES NEWS NETWORK

New Delhi: Finance minister **Arun Jaitley** on Tuesday launched a new portal to fast-track loans for micro, small and medium enterprises (MSMEs) as the government promised that banks will approve funding up to Rs 1 crore in 59 minutes without entrepreneurs having to visit branches.



Businesses need to submit GST and income tax details, along with bank statement, to be eligible for speedier loan sanctions. The loan will be disbursed within eight days, financial services secretary Rajiv Kumar said in a presentation.

The portal has been set up by Sidbi along with SBI, PNB, Bank of Baroda, Indian Bank and Vijaya Bank, with other banks expected to join in the coming days. Once an MSME fills up the application form online and submits the required details, a single gateway will integrate platforms that will help perform back-end checks with the ministry of corporate affairs and credit information bureau for fraud and product checks before the loan is sanctioned.

By linking online loan approvals with GST and tax returns, the government is seeking to reward those who are now part of the formal economy, a key thrust area of the Narendra Modi government. In any case, the government is keen to push funding to small businesses through schemes like MUDRA as it sees them as an engine of growth and a generator of jobs.

Jaitley also announced two new initiatives, including ranking states on financial inclusion, and a mobile app to help consumers locate the closest bank branches and ATMs. Kumar said banks have been asked to provide banking facility to 8,800 villages across the country, which currently do not have any touch point in a 5-km radius.