

Bank of Baroda to disburse up to ₹12,000 crore to MSMEs

TIMES NEWS NETWORK

Mumbai: Bank of Baroda (BoB) said that it will disburse loans of nearly Rs 10,000-Rs 12,000 crores to micro, small & medium enterprises (MSMEs) under the government guarantee scheme.

Last week, the finance minister had announced a government guarantee for loans up to Rs 3 lakh crore to MSMEs, in order to encourage lenders to finance small businesses without worrying about defaults.

BOB managing director and CEO Sanjiv Chadha said, "There are very few clients who have the strength to survive the crisis without support..".

The guarantee is available on additional funding, up to 20%, of existing credit limits for MSMEs. "In our case, that particular portfolio amounts to be Rs 58,000 crore. So, 20% of that would be around Rs 10,000 crore to Rs 12,000 crore. This, we can make available to our MSME clients in the times to come under the guaranteed scheme of the government," Chadha said.

Full report on www.toi.in