

Public sector banks sanction loans worth Rs 6 lakh cr in two months

By: PTI

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Non-bank finance companies (NBFCs) have received Rs 1.18 lakh crore from these banks during the period between March 1 and May 8.



With the lockdown coming into effect from March 25, state-owned banks opened an additional line of credit of 10 per cent of the existing fund based on working capital limits, subject to a maximum of Rs 200 crore.

Public sector banks (PSBs) have sanctioned loans worth Rs 5.95 lakh crore in the last two months to various sectors, including MSME, agriculture and corporate, hit hard by COVID-19-induced nationwide lockdown.

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“PSBs sanctioned loans worth Rs 5.95 lakh crore for more than 46.74 lakh accounts from the MSME, Retail, Agriculture & Corporate sectors between March 1 and May 8, 2020. Total financing worth Rs 1.18 lakh crore was provided to NBFCs,” Finance Minister Nirmala Sitharaman said in a tweet on Tuesday.

With the lockdown coming into effect from March 25, state-owned banks opened an additional line of credit of 10 per cent of the existing fund based on working capital limits, subject to a maximum of Rs 200 crore.

“Between March 20 – May 8, Public Sector Banks contacted 97 per cent of borrowers eligible for emergency credit lines & working capital enhancements and sanctioned loans worth Rs 65,879 crore, up from the Rs 26,500 crore sanctioned as of May 4,” Sitharaman said in another tweet.

The central government had imposed a 21-day lockdown from March 25 to check the spread of coronavirus.

The lockdown has been extended till May 17 with some relaxations.



Prime Minister [Narendra Modi](#) is going to address the nation later today that may give direction to future course of action to deal with the pandemic.
