



- 2.3 Bank loans above ₹ 5 crore per borrower / unit to Micro and Small Enterprises and ₹10 crore to Medium Enterprises engaged in providing or rendering of services and defined in terms of investment in equipment under MSMED Act, 2006, shall not be reckoned in computing achievement under the overall Priority Sector targets as above.

SECTION – III. Common Guidelines For Lending To MSME Sector

3.Common guidelines / instructions for lending to MSME sector

3.1 Issue of Acknowledgement of Loan Applications to MSME borrowers

SFBs are advised to mandatorily acknowledge all loan applications, submitted manually or online, by their MSME borrowers and ensure that a running serial number is recorded on the application form as well as on the acknowledgement receipt. SFBs are further advised to put in place a system of Central Registration of loan applications, online submission of loan applications and a system of e-tracking of MSE loan applications.

3.2 Collateral

The guidelines regarding extending collateral free loans to MSE are under examination and a separate communication in this regard shall be made in due course.

3.3 Composite Loan

A composite loan limit of Rs.1 crore can be sanctioned by SFBs to enable the MSE entrepreneurs to avail of their working capital and term loan requirement through Single Window.

3.4 General Credit Card (GCC) Scheme

SFBs may be guided by the [circular no. RPCD.MSME & NFS. BC. No. 61/06.02.31/2013-14 dated December 02, 2013](#) on General Credit Card Scheme for greater credit linkage for all productive activities within the overall Priority Sector guidelines and to capture all credit extended by banks to individuals for non-farm entrepreneurial activity.