

Government of India
Ministry of Finance
Department of Financial services

RAJYA SABHA
UNSTARRED QUESTION NO. 1487
ANSWERED ON March 14, 2023/PHALGUNA 23, 1944 (SAKA)

Interest Subvention Scheme for Mudra Shishu loans

1487. SHRI MASTHAN RAO BEEDA:

Will the Minister of FINANCE be pleased to state:

- (a) the details of features of the Interest Subvention Scheme for MUDRA Shishu loans;
- (b) the total amount disbursed under the same;
- (c) the total number of beneficiaries;
- (d) the State/UT-wise details thereof; and
- (e) the details of other proposed measures to be taken in this respect?

ANSWER

Minister of State in the Ministry of Finance
(Dr. BHAGWAT KARAD)

(a) to (e) As part of Atma Nirbhar Bharat Abhiyan, Government of India implemented a Scheme on Interest Subvention of 2% on prompt repayment of Shishu loans under PMMY for a period of 12 months to eligible borrowers. The Scheme was formulated to provide support to small borrowers to enable them to service their loans and restart their businesses post-lockdown.

For borrowers, who were allowed a moratorium by their respective lenders, as permitted by Reserve Bank of India (RBI) under the 'COVID 19 Regulatory Package', the Scheme commenced post completion of the moratorium period till the period of 12 months i.e. from September 01, 2020 till August 31, 2021. For other borrowers, the Scheme commenced w.e.f. June 01, 2020 till May 31, 2021. The Scheme was operational up to 31.08.2021.

An amount of Rs. 636.90 crore was disbursed by Small Industries Development Bank of India (SIDBI), the implementing agency of the Scheme, to Member Lending Institutions (MLIs) for onward credit into more than 3.16 crore loan accounts of eligible borrowers.
