

Government of India
Ministry of Finance
Department of Financial services

RAJYA SABHA
UNSTARRED QUESTION NO. 394
ANSWERED ON TUESDAY, FEBRUARY 6, 2024/ MAGHA 17, 1945 (SAKA)
PROMOTING SUPPORTING ENVIRONMENT FOR ENTREPRENEURSHIP

394. DR. SUMER SINGH SOLANKI:

Will the Minister of FINANCE be pleased to state:

- (a) the steps taken by Government to promote supportive environment for entrepreneurship;
- (b) the manner in which the Ministry has adopted technology to increase efficiency and transparency in Government expenditure; and
- (c) the manner in which specifically unorganized small entrepreneurs like street vendors got benefited from Government's initiatives?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(Dr. BHAGWAT KARAD)

- (a) The Government of India has undertaken several initiatives and instituted policy measures to foster a culture of innovation and entrepreneurship in the country which, inter-alia, includes the following:
 - i Target of 7.50 percent of Adjusted Net Bank Credit (ANBC), or Credit equivalent Amount of Off-Balance Sheet exposure, whichever is higher, fixed for Scheduled Commercial Banks (SCBs) by RBI for lending to Micro Enterprises, under priority sector lending norms;
 - ii Credit Guarantee Schemes like Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Credit Guarantee Fund for Micro Units (CGFMU) and Credit Guarantee Scheme for Stand Up India (CGSSI) etc. to encourage banks for collateral free lending;
 - iii Flagship Schemes like Pradhan Mantri Mudra Yojana (PMMY), Stand Up India (SUPI), PM SVANidhi, Prime Minister Employment Generation Programme (PMEGP), Start Up India, Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME), Dairy Entrepreneurship Development Scheme (DEDS) etc. to promote entrepreneurship by access to institutional credit.
 - iv Ministry of Skill Development and Entrepreneurship (MSDE) is implementing various schemes/programmes to promote Entrepreneurship across the country through its Autonomous Institutions namely, National Institute for Entrepreneurship and Small Business Development

(NIESBUD), Noida and Indian Institute of Entrepreneurship (IIE), Guwahati, which, inter-alia, include Strengthening Entrepreneurial Climate through Capacity Building, Incubation Support, Mentoring and Handholding sanctioned under Skill Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) Scheme, Organising Workshops in Artisan Melas and Haats, Creating Entrepreneurial Climate through Training of Trainers and Entrepreneurship Development Programme in Jan Shikshan Sansthan (JSS) etc.

(b) Government has rolled-out Public Finance Management System (PFMS) to provide a financial management platform for all plan schemes and for efficient and effective tracking of fund flow to the lowest level of implementation for plan schemes of the Government of India.

(c) Prime Minister Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi) was launched on June 01,2020 with the main objective of providing relief to street vendors affected by Covid-19 lockdown. The Scheme envisages empowering street vendors by not only extending loans to them but also for their holistic economic development.

The benefits of the Scheme are as under:

- It facilitates working capital Loan up to Rs.50,000 in three tranches.
- Interest subsidy @ 7% per annum, is available under the scheme.
- Cash Back of Rs.1 per digital transactions (Max. Rs. 1,200 per annum)
- PM SVANidhi loans are collateral free loans covered with credit guarantee cover under CGTMSE.

Under this Scheme, 78.99 lakh loans amounting to Rs. 10,464.25 crore have been disbursed till January, 2024.
