

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1541
TO BE ANSWERED ON 05.08.2024

**FINANCIAL SUPPORT AND DEVELOPMENT INITIATIVES
FOR SMALL-SCALE INDUSTRIES**

1541. SHRI SUJEET KUMAR:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the amount of loans sanctioned by banks for small-scale industries during the last three years;
- (b) whether Government is aware of the difficulties faced by small-scale industries;
- (c) if so, the details of these difficulties and the corrective steps taken by Government to address them;
- (d) whether Government proposes to set up any fund for the development of small industries; and
- (e) if so, the details of this fund and the timeline set for making it operational?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): As informed by Reserve Bank of India (RBI), the credit outstanding to Micro, Small and Medium Enterprises by Scheduled Commercial Banks (SCBs) for last three years is as given below:

Credit outstanding to MSME sector by Scheduled Commercial banks for last 3 years		
<i>(Amount in ₹ Crore)</i>		
Amount outstanding as on March 31, 2022	Amount outstanding as on March 31, 2023	Amount outstanding as on March 31, 2024*
20,11,056.98	22,60,135.28	27,25,271.70

Source: Priority Sector Lending Returns furnished by SCBs; *Data for FY 2023-24 is provisional

(b) to (e): The difficulties faced by the MSME sector inter alia include access to affordable credit, technology, informality, lack of infrastructure, shortage of skilled manpower and access to market. To mitigating these difficulties, the Ministry of Micro, Small and Medium Enterprises implements various schemes for the benefit of MSMEs across the country. The schemes/programmes inter alia include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), MSME Champions scheme, International Cooperation Scheme, Procurement and Marketing Support Scheme (PMS) and National SC/ST Hub (NSSH).

: 2 :

In addition, the Government has taken various steps to address these issues, which are given below:

- i. Collateral free loan up to a limit of Rs. 500 lakh (w.e.f. 01.04.2023) to Micro and Small Enterprises with guarantee coverage up to 85 % for various categories of loan through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under Credit Guarantee Scheme.
- ii. Rs. 50,000 crore equity infusion through Self Reliant India Fund, which has a provision for corpus of Rs.10,000 crore from Government of India.
- iii. New revised criteria for classification of MSMEs.
- iv. New registration of MSMEs through "Udyam Registration" for Ease of Doing Business.
- v. No global tenders for procurement up to Rs. 200 crore.
- vi. Inclusion of retail and whole sale trades as MSMEs w.e.f. 02.07.2021.
- vii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- viii. Under Vivad se Vishwas – I, relief by way of refund of 95% of the deducted performance security, bid security and liquidated damages was provided to MSMEs. Relief was also provided to MSMEs debarred for default in execution of contracts.
- ix. Launch of Udyam Assist Platform to bring the Informal Micro Enterprises under the formal ambit for availing the benefit under Priority Sector Lending.
- x. Launch of 'PM Vishwakarma' Scheme on 17.09.2023 to provide benefits to the traditional artisans and craftspeople engaged in 18 trades.
