

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UN-STARRED QUESTION NO. 2765
TO BE ANSWERED ON 28th DECEMBER, 2018 / PAUSA 7, 1940 (SAKA)

‘PMMY Benefits to MSMEs’

2765 : Shri Ramsinh Rathwa :

Will the Minister of FINANCE be pleased to state :

- (a) whether the lack of institutional funds is the biggest hurdle before the Micro, Small and Medium Enterprises (MSMEs) of the country and if so, the details thereof; and
- (b) whether the banking scheme Pradhan Mantri Mudra Yojana (PMMY) has proved very beneficial for the MSMEs and if so, the details thereof ?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

- (a) : Inadequate/lack of access for non corporate small business segment within Micro, Small and Medium Enterprises (MSMEs) has been widely acknowledged as a hurdle to the growth and sustenance of such enterprises.

As per National Sample Survey Office (NSSO) estimates in 2013, about 5.77 crore such units exist in the country.

- b) : Yes, Madam.

An independent assessment of Pradhan Mantri Mudra Yojana (PMMY) in 2016 indicates that borrowers value three attributes of PMMY namely no requirement of a guarantor or collateral, simple documentation and quick processing. As per this study, PMMY has made a positive impact on bottom line of MSMEs. 84% of PMMY borrowers surveyed accepted that loans had helped increase their revenues by 20% to 30%.
