

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3463**  
**TO BE ANSWERED ON 10.08.2023**

**FINANCIAL ASSISTANCE PROGRAMME**

3463. SHRI PARTHIBAN S.R.:

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

- (a) the financial assistance programme or schemes being introduced to support the growth and development of Micro, Small and Medium Enterprises (MSMEs);
- (b) the manner in which the Government facilitated access to credit and finance for MSMEs, particularly in terms of collateral-free loans, interest rate subsidies and credit guarantee schemes; and
- (c) the measures taken by the Government to enhance the availability of skilled labour and promote entrepreneurship among MSMEs?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI BHANU PRATAP SINGH VERMA)

- (a): The Government of India has taken a number of initiatives to provide financial assistance to support the growth and development of Micro, Small, and Medium Enterprises (MSMEs). Some of them include Credit Guarantee Scheme for Micro & Small Enterprises, Prime Minister's Employment Generation programme, Self Reliant India Fund, Micro & Small Enterprises - Cluster Development Programme, etc.
- (b): The Government implements Credit Guarantee Scheme (CGS) for Micro and Small Enterprises to strengthen credit delivery system and to facilitate the flow of credit to the Micro and Small Enterprise sector without the hassles of collateral and third party guarantee up to a maximum of Rs. 500 lakh. During the COVID – 19 pandemic, the Government of India launched Emergency Credit Line Guarantee Scheme, wherein 100% guaranteed collateral free loans were provided to existing eligible businesses, including MSMEs.
- (c): As informed by Department of Financial Services, to promote entrepreneurship, the Government of India has launched Credit Guarantee Scheme for Startups wherein the Government of India, through National Credit Guarantee Trustee Company Ltd., provides guarantee cover on loans upto Rs. 10 crore. Further, the Government of India runs Credit Guarantee Scheme on Skill Development to provide guarantee to borrowers on eligible skill development loans upto Rs. 1.5 lakh. The Ministry of MSME implements Entrepreneurship cum Skill Development programme with an objective to motivate the youth representing different sections of the society, including SC/ST/Women, Differently abled, Ex-servicemen and BPL persons to consider self-employment or entrepreneurship as one of the career options. The ultimate objective is to promote new enterprises, capacity building of existing MSMEs and inculcating entrepreneurial culture in the country. To promote entrepreneurship, the Ministry of MSME implements Prime Minister's Employment Generation programme. The National Institute for Entrepreneurship and Small Business Development (NIESBUD) and Indian Institute of Entrepreneurship (IIE) are autonomous organizations under the aegis of Ministry of Skill Development & Entrepreneurship (MSDE) implementing various projects supported by the MSDE for promoting entrepreneurship in the country wherein training followed by mentoring and handholding support is provided to the target groups to start their enterprises.

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