

**LOK SABHA**

**UNSTARRED QUESTION No. 124  
TO BE ANSWERED ON September 14, 2020/Bhadrapada 23, 1942 (Saka)**

**NPAs UNDER PMMY**

**QUESTION**

124. SHRIMATI POONAMBEN MAADAM:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Non-Performing Assets (NPAs) of the banks have increased due to non-repayment of loans disbursed under Pradhan Mantri Mudra Yojana (PMMY) in Gujarat;
- (b) if so, the details thereof during each of the last three years;
- (c) whether the Government has found any loop hole in the implementation of the said yojana; and
- (d) if so, the details thereof along with the manner in which the Government has addressed the said loophole?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR)

(a) to (b) Under Pradhan Mantri Mudra Yojana (PMMY) institutional credit up to Rs. 10 lakh is provided for entrepreneurial activities to micro/small business units. As informed by Member Lending Institutions (MLIs), as on 04.09.2020, over 25.32 crore loans amounting to Rs. 12.91 lakh crore have been extended under the Scheme, since its inception.

As reported by Public Sector Banks (PSBs), as against the total Amount Disbursed under PMMY loans as of last three financial years viz. 2017-18, 2018-19 and 2019-20 of Rs. 2,12,205.91 crore, Rs. 3,05,489.07 crore and Rs. 3,82,437.65 crore, respectively, the total amount of Non-Performing Assets (NPAs) as of the said years is Rs. 7,277.31 crore, Rs.11,483.42 crore and Rs. 18,835.77 crore, respectively. State-wise NPA data under the Scheme is not centrally maintained

(c) to (d) Any complaints received in respect of implementation of PMMY including turning down of loan applications, delay in turn-around-time (TAT) and lenders' insisting on collateral/guarantor on certain occasions, are redressed in coordination with the respective banks. A number of steps have been taken to improve implementation of the scheme which *inter alia*, include:

- provision for online applications through psbloansin59minutes and udyamimitra portal
- intensive publicity campaigns for increased visibility of the scheme for lenders and borrowers
- simplification of application forms
- nomination of Mudra Nodal Officers in Public Sector Banks (PSBs)
- periodic monitoring of performance of PSBs with regard to PMMY
- PSBs have also been advised to
  - regularly monitor asset quality for small ticket size loans including PMMY loans
  - make granular analysis of Mudra NPA accounts
  - improve underwriting standards, and
  - maintain regular and intensive contacts with PMMY borrowers.