

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 909
TO BE ANSWERED ON: 17.09.2020

INTEREST SUBVENTION SCHEME FOR MSME SECTOR

909. SHRIMATI RATHVA GITABEN VAJESINGBHAI:
SHRI NAYAB SINGH:
SHRI JOHN BARLA:

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

- (a) whether under “Interest Subvention Scheme”, the Government has added provisions in the scheme through amendment for access of credit at low cost and to increase production in Micro, Small and Medium Enterprises (MSMEs) sector;
- (b) the name of the MSMEs industries which are provided further incentives under the said scheme;
- (c) the details of the arrangements made to expand coverage and access under above scheme for MSME sector; and
- (d) the number of people in Haryana getting benefit under the scheme in MSME sector?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a) & (b): As a part of the initiative on support and outreach for MSMEs Hon'ble Prime Minister announced the "Interest Subvention Scheme for Incremental credit to MSMEs 2018" on 2nd November, 2018. The Scheme offers 2 % interest subvention for all MSMEs on fresh or incremental loans to the extent of Rs. 100 lakh. The Scheme aims at encouraging both manufacturing and service enterprises (including trading activities) in the MSME Sector through access of credit at lower cost and to increase production.

(c): In order to expand coverage, as per extant guidelines issued by RBI, all scheduled commercial Banks (including Regional Rural Banks) and RBI registered systemically important NBFCs are made eligible institutions under Interest Subvention Scheme for MSMEs. Further, to expand coverage, besides manufacturing and service enterprises covered under MSMEs, trading enterprises have also been included under interest subvention scheme. The scheme has also been modified and made very simple for eligible lending institutions to extend benefits to MSMEs in December 2019.

(d): In the State of Haryana 45,404 MSMEs have been benefitted from the scheme. An aggregate amount of Rs.27.08 crore was released to the above units in Haryana involving a loan of Rs.1354 crore till 12.09.2020.
