

Government of India
Ministry of Finance
Department of Financial services

LOK SABHA
UN-STARRED QUESTION No. 3463

ANSWERED ON DECEMBER 20, 2021/ Agrahayana 29, 1943 (SAKA)

Moratorium on MUDRA Loans

3463. SHRI BALASHOWRY VALLABHANENI:

Will the Minister of FINANCE be pleased to state:

- (a) the current portfolio of MUDRA's Sishu, Kishore and Tarun categories;
- (b) whether moratorium on MUDRA loans has been given and if so, the period of moratorium;
- (c) whether it is true that interest subvention has been given only to Sishu loans and not for Kishore and Tarun loans,
- (d) if so, whether the Ministry will consider extending moratorium and extending interest subvention on Kishore and Tarun loans as well; and
- (e) if not, the reasons therefor?

ANSWER

Minister of State in the Ministry of Finance

(DR. BHAGWAT KARAD)

(a) Under the Pradhan Mantri Mudra Yojana (PMMY), institutional credit up to Rs. 10 lakh is provided by Member Lending Institutions (MLIs) to micro/small business units for income generating activities in manufacturing, trading, services sectors and also for activities allied to agriculture. As per data uploaded by Member Lending Institutions (MLIs) on Mudra portal, as on 26.11.2021, over 32.11 crore loans involving a sanctioned amount of Rs. 17.00 lakh crore have been extended under PMMY, since its inception in April, 2015. The details of the loans extended under PMMY across categories, viz. Shishu (loans up to Rs. 50,000), Kishore (loans from Rs. 50,001 to Rs. 5 lakh) and Tarun (loans from Rs. 5 lakh to Rs. 10 lakh) are tabulated below:-

Loan Category	No. of Loan Accounts	Sanctioned Amount (in Rs. Crore)
Shishu	27,87,26,627	7,30,196.55
Kishore	3,61,76,605	5,69,497.53
Tarun	62,89,717	4,01,186.12
TOTAL	32,11,92,949	17,00,880.20

(b) Reserve Bank of India (RBI), *vide* circulars dated 27.03.2020 and 23.05.2020 on COVID-19 Regulatory Package permitted all lending institutions to grant a moratorium of six months on payment of all instalments (including equated monthly instalments or EMIs) falling due between 01.03.2020 and 31.08.2020, in respect of all term loans outstanding as 01.03.2020. In respect of working capital facilities sanctioned in the form of cash credit/overdraft ("CC/OD"), lending institutions were permitted to defer the recovery of interest applied in respect of all such facilities, during the period from 01.03.2020 to 31.08.2020. These guidelines were also applicable to Shishu, Kishore and Tarun categories of PMMY loans as well.

(c) to (e) As part of Atma Nirbhar Bharat Abhiyan, Government of India launched a Scheme on Interest Subvention of 2% on prompt repayment of Shishu loans under PMMY for a period of 12 months to eligible borrowers. The Scheme was formulated to provide support to small borrowers to enable them to service their loans and restart their businesses post-lockdown.

For borrowers, who were allowed a moratorium by their respective lenders, as permitted by Reserve Bank of India (RBI) under the 'COVID 19 Regulatory Package', the Scheme commenced post completion of the moratorium period till that period of 12 months i.e. from September 01, 2020 till August 31, 2021. For other borrowers, the scheme commenced w.e.f. June 01, 2020 till May 31, 2021. The Scheme was operational up to 31.08.2021.
