

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1669
TO BE ANSWERED ON 01.08.2024

COMPLEMENTARY SCHEMES FOR UTILIZATION OF LOANS

1669. DR. GUMMA THANUJA RANI:

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

- (a) whether the schemes like 'Jagana Thodu' in Andhra Pradesh providing interest-free loans to vendors and artisans have enhanced productivity and if so, the details thereof;
- (b) the details of the complementary schemes initiated by the Government for better utilization of such loans; and
- (c) whether the Government proposes to introduce additional complementary schemes if existing ones are unsatisfactory and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) to (c): The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for overall development and promotion of Micro, Small and Medium Enterprises (MSMEs) in the country. These initiatives include support to MSME Sector for access to credit at a low/ affordable level.

PM SVANidhi has been launched to facilitate collateral free working capital loan to the street vendors across the country. During the FY 2023-24, 28,64,412 beneficiaries have been disbursed an amount of Rs. 2,857.25 crore under PM SVANidhi Scheme. Government of Andhra Pradesh launched Jagananna Thodu Scheme for providing Financial Assistance up to Rs.10,000 through Banks towards the working capital to Street Vendors and Traditional Artisans. In FY 2023-24, 12.01 lakh beneficiaries were provided a loan amount of Rs. 1,264.89 crore. It has been informed that the studies show that the Jagananna Thodu had effectively helped in meeting the working capital needs of the beneficiaries.

Further, the following initiatives have also been undertaken in this direction:

- i. Collateral free loan up to a limit of Rs. 500 lakh to Micro and Small Enterprises, with guarantee coverage up to 85 % for various categories of loan, is provided under Credit Guarantee Scheme. Since inception of the scheme till 30.06.2024, 91.76 lakh guarantees approved involving an amount of Rs. 6.78 lakh crore.
- ii. Prime Minister's Employment Generation Programme (PMEGP) for assisting entrepreneurs in setting up of new micro units in the non-farm sector. A loan of upto Rs. 50 lakh for manufacturing sector and Rs. 20 lakh for service sector is provided under the scheme. Since inception, more than 9.69 lakh micro enterprises have been assisted with a Margin Money subsidy of more than Rs 25,500 crore providing employment to an estimated 79 lakh persons.
- iii. The PM Vishwakarma Scheme was launched by the Hon'ble Prime Minister on 17.09.2023. The Scheme aims to provide end-to-end support to artisans and craftspeople including credit support at 5% interest rate alongwith guarantee coverage.
