

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 159

TO BE ANSWERED ON MONDAY, 25/11/2024/ AGRAHAYANA 4, 1946 (SAKA)
EXPANSION OF PRADHAN MANTRI MUDRA YOJANA (PMMY)

159. SHRI RAJU BISTA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the recent expansion of the Pradhan Mantri Mudra Yojana (PMMY) loan limit to 20 lakh has resulted in increased access to capital for micro and small enterprises;
- (b) the number of beneficiaries with details of disbursements under Shishu, Kishore, Tarun, and the newly introduced Tarun Plus categories during the year 2023-24 and 2024-25;
- (c) the steps taken/being taken by the Government to ensure effective outreach to women and minority entrepreneurs under PMMY;
- (d) the way by which the Credit Guarantee Fund for Micro Units (CGFMU) has contributed to enhance loan security; and
- (e) the implementation strategy to ensure smooth access to PMMY funds in rural and remote areas of Darjeeling Parliamentary constituency in West Bengal?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) :The recent expansion of PMMY loan limit to Rs 20 Lakhs is in line with the changing market trends enabling micro and small enterprises to access increased collateral free capital required for their business. It shall be helpful for those entrepreneurs who have availed and successfully repaid previous loans under 'Tarun' category.

(b) :the number of beneficiaries (loan accounts) with details of disbursements under Shishu, Kishor, Tarun, categories during the year 2023-24 and 2024-25 is as under

FY	2023-24		2024-25 (upto 01.11.2024)	
Category	No. of loan a/cs	Amt disbursed	No. of loan a/cs	Amt disbursed
Shishu	4.16 crore	1.47 lakh crore	1.39 crore	50,969 crore
Kishor	2.36 crore	2.57 lakh crore	0.99 crore	1.13 lakh crore
Tarun	0.15 crore	1.27 lakh crore	0.08 crore	67,881 crore
Total	6.67 crore	5.32 lakh crore	2.49 crore	2.32 lakh crore

The guidelines for newly introduced Tarun plus category have been circulated to the Member Lending Institutions on 24.10.2024 . Further, Banks are actively reaching out to prospective and eligible borrowers i.e. those who have successfully repaid loans under Tarun Category through their network, to popularize the Tarun Plus category.

(c): Loans disbursed to women and minority beneficiaries are treated as part of advance to the “weaker section” segment under the Priority Sector Lending (PSL) guidelines of RBI.

Banks through its Rural Self Employment Training Institutes (RSeTIs) organize locational and residential self-employment training programs for skill development and credit linkage of trained individuals through Branches. Banks also conduct Credit Outreach camps etc. for creating awareness about various Schemes among all sections of the society including women and minorities. Field functionaries to identify units run by women and minority entrepreneurs in their service area and assess their financial needs and offer fresh loans under PMMY.

(d):The introduction of Credit Guarantee Fund for Micro Units (CGFMU) has provided a cushion/assurance to Member Lending Institutions (MLIs) for extending collateral free loans (upto Rs.20 lakhs) under the PMMY Scheme. Subsequent to introduction of CGFMU, the lenders have availed guarantee cover to the extent of Rs.3.86 lakh crore in respect of loans extended under PMMY upto October 31, 2024. The Scheme has circumvented the requirement of collateral and helped micro borrowers get loans for their businesses. The features of collateral free loans wherein guarantee cover mitigates the risk, has enhanced security for MLIs.

(e): Government has taken various steps towards effective implementation of the scheme. These, inter-alia, include publicity campaigns, simplification of application form, Credit Guarantee Scheme, nomination of Mudra Nodal Officer, frequent reviews at various level by Government and Banks to monitor the achievement against allocated target, etc. As on 01.11.2024, a total number of 13.15 lakh loans amounting to Rs. 8,518 crore has been sanctioned in Darjeeling District of West Bengal.
