

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 5394
TO BE ANSWERED ON 03.04.2025

CAPACITY BUILDING FOR MSMEs

5394. SHRI CHHOTELAL:
SHRI ZIA UR REHMAN:

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

- (a) whether the Government is aware that a large number of Micro, Small, and Medium Enterprises (MSMEs) are facing difficulties in growth and expansion due to lack of capital/affordable credit and financial support;
- (b) if so, the details of the steps taken by the Government to provide easy loans and financial assistance to these enterprises; and
- (c) whether the Government proposes to introduce any special/targeted scheme to help MSMEs to adopt new technologies and enhance their production capacity and if so, the details thereof?

ANSWER

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

(a) and (b): The Government implements various measures, which inter-alia include measures for enhancing, access to affordable credit and providing financial support. Some of these measures are as under:

- (i) Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs): CGS has a provision of collateral free loans of up to a limit of Rs. 500 lakh to MSEs with guarantee coverage of up to 90%. The details of the number of guarantees provided and the amount of guarantees approved for MSEs under CGS are given below:

Duration	2000-01 to 2019-2020	2020-2021 to 2024-2025 (upto 28.02.2025)
Number of Guarantees Approved	43,53,591	64,81,482
Amount of Guarantees Approved (In Rs. crore)	2,28,704	6,55,987

- (ii) Prime Minister's Employment Generation Programme (PMEGP) provides Margin Money subsidy upto 35% for setting up of new micro enterprises in the non-farm sector with project cost of Rs. 50 lakh and Rs. 20 lakh for Manufacturing and Services enterprises, respectively.
- (iii) Special Credit Linked Capital Subsidy Scheme (SCLCSS) provides 25% subsidy to SC/ST MSEs on institutional finance for procurement of Plant & Machinery/Equipment.

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(iv) PM Vishwakarma Yojana provides end-to-end support to artisans and craftspeople of 18 trades who work with their hand and tools. The Scheme components include recognition through the PM Vishwakarma Certificate and ID Card, Skill Upgradation, Toolkit Incentive, Credit Support, Incentives for Digital Transactions and Marketing Support.

(v) Pradhan Mantri Mudra Yojana provides loans up to Rs. 20 lakh to the non-corporate, non-farm small/micro enterprises.

(c): Ministry of Micro, Small and Medium Enterprises (MSME) implements MSME Champions scheme with the objective to modernize MSMEs' manufacturing processes, reduce wastages, encourage innovativeness, sharpen business competitiveness and facilitate their National and Global reach and excellence. Various financial incentives are being provided to MSMEs under the scheme. Components under the MSME Champions scheme are MSME-Sustainable (ZED), MSME-Competitive (Lean) and MSME-Innovative (Incubation, IPR, Design and Digital MSME). The network of Technology Centres / Tool Rooms in the country supports MSMEs in providing access to advance manufacturing technologies, training & skilling and business consultancy services to make them competitive. ZED 2.0 Scheme has been launched for improved efficacy of certification levels and for enhancing quality and competitiveness.
