

**Government of India  
Ministry of Finance  
Department of Financial Services**

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**LOK SABHA  
STARRED QUESTION NO. \*83**

**TO BE ANSWERED ON 4<sup>th</sup> DECEMBER 2015 /AGRAHAYANA 13, 1937 (SAKA)**

**‘CREDIT TO MSMEs’**

**QUESTION**

**\*83: SHRI PARESH RAVAL**

**SHRIMATI MEENAKASHI LEKHI**

Will the Minister of FINANCE be pleased to state:

- (a)** whether subsidised loan is being given to Micro, Small and Medium Enterprises (MSMEs) units and if so, the details thereof;
- (b)** the funds allocated and sanctioned under the Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme and other Credit Schemes, State-wise; and
- (c)** the steps taken/being taken by the Government to ensure easy access and increase credit flow to MSMEs in the country including North-Eastern Region?

**ANSWER**

**MINISTER OF FINANCE  
(SHRI ARUN JAITLEY)**

**(a) to (c):** A Statement is laid on the Table of the House.

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**STATEMENT REFERRED IN REPLY TO STARRED QUESTION No.\*83 FOR ANSWER ON 4<sup>th</sup> DECEMBER, 2015 TABLED BY SHRI PARESH RAVAL AND SHRIMATI MEENAKASHI LEKHI REGARDING 'CREDIT TO MSMEs'**

**(a) to (c):** Government of India and Reserve Bank of India (RBI) have, inter-alia, taken the following measures to make bank credit more accessible to Micro, Small and Medium Enterprises (MSMEs) all over the country including the North-Eastern region:-

- (i) Scheduled Commercial Banks (SCBs) have been advised to
  - Achieve a 20 per cent year-on-year growth in credit
  - Allocate 60% of the Micro and Small Enterprises advances to the micro enterprises; and
  - Achieve a 10% annual growth in number of micro enterprise accounts.
- (ii) Under the revised Priority Sector Lending (PSL) guidelines, a target of 7.5 per cent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher, has been prescribed for SCBs for lending to Micro Enterprises.
- (iii) In order to solve the problem of delayed payment to MSMEs, RBI has issued guidelines for operationalising the Trade Receivables Discounting System (TReDS).
- (iv) Pradhan Mantri MUDRA Yojana (PMMY) has been launched on 8<sup>th</sup> April 2015 to provide loans upto Rs.10 lakh for enterprises & trades.
- (v) SIDBI has launched 'SIDBI Make in India Soft Loan Fund for Micro, Small & Medium Enterprises (SMILE)' with a corpus of Rs. 10,000 crore and India Aspiration Fund (IAF) with a corpus of Rs. 2,000 crore to boost the start-up Venture Capital and MSME ecosystem in the country.

2. Loans to MSMEs are based on extant guidelines of the RBI. The following schemes are being implemented to reduce the effective cost of the loans to MSMEs:-

- i. Credit Linked Capital Subsidy Scheme (CLCSS) of the Ministry of MSME provides a subsidy against loans taken for technology upgradation for selected products/sub-products.
- ii. Technology Up-gradation Fund Scheme for Textile and Jute Industries (TUFS) of the Ministry of Textiles extends interest reimbursement and capital subsidy at different rates for upgrading and modernizing technological processes.

3. The state-wise details of the Credit Guarantee Scheme (CGTMSE) and Credit Linked Capital Subsidy (CLCSS) Scheme are at **Annexure-I** and **Annexure-II** respectively.

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**Annexure-I**

<b>Credit Guarantees approved by the Credit Guarantee Fund Trust for Micro and Small Enterprises( CGTMSE)</b>			
<b>(as on October 31, 2015 (Cumulative))</b>			
<b>S.N O.</b>	<b>State Name</b>	<b>Proposals</b>	<b>Approved Amount (in Rs. Crore)</b>
1	ANDAMAN & NICOBAR	1614	81.40
2	ANDHRA PRADESH	63919	1882.21
3	ARUNACHAL PRADESH	5789	267.44
4	ASSAM	76439	2583.03
5	BIHAR	109324	4630.05
6	CHANDIGARH	4253	298.84
7	CHHATTISGARH	25839	1554.01
8	DADRA & NAGAR HAVELI	390	96.41
9	DAMAN & DIU	337	82.17
10	DELHI	19718	2530.32
11	GOA	13275	850.95
12	GUJARAT	81476	7221.46
13	HARYANA	25201	1998.08
14	HIMACHAL PRADESH	38145	2174.37
15	JAMMU & KASHMIR	55514	1175.03
16	JHARKHAND	82443	5043.41
17	KARNATAKA	177906	9193.20
18	KERALA	191499	4803.81
19	LAKSHA DEEP	243	6.91
20	MADHYA PRADESH	68282	3731.72
21	MAHARASHTRA	142058	11233.78
22	MANIPUR	5120	160.23
23	MEGHALAYA	6518	299.54
24	MIZORAM	3250	122.16
25	NAGALAND	4878	166.98
26	ORISSA	100520	4227.20
27	PONDICHERRY	2916	123.35
28	PUNJAB	40496	2632.51
29	RAJASTHAN	65916	3393.10
30	SIKKIM	1610	65.71
31	TAMILNADU	198596	8179.34
32	TELANGANA	34113	2103.18
33	TRIPURA	8990	308.02
34	UTTAR PRADESH	230963	10019.38
35	UTTARAKHAND	25971	1384.89
36	WEST BENGAL	130048	6149.26
<b>Total</b>		<b>2043569</b>	<b>100773.45</b>

**Annexure-II****State Wise Report Progress report under CLCSS Cumulative (till 31.10.2015)**

Sl. No	State/ UT	No. of Units	Subsidy (in Rs. Crore)
1	Andhra Pradesh	1687	129.96
2	Andman & Nicobar	6	0.58
3	Arunanchal Pradesh	0	0
4	Assam	10	0.92
5	Bihar	19	1.54
6	Chandigarh	221	11.31
7	Chhatisgarh	291	18.95
8	Dadra & Nagar Haveli	45	3.87
9	Daman & Diu	67	4.36
10	Goa	41	2.03
11	Gujarat	10258	583.58
12	Haryana	1885	133.74
13	Himachal Pradesh	23	1.70
14	Jammu & Kashmir	1	0.01
15	Jharkhand	135	9.47
16	Karnataka	3721	184.02
17	Kerala	193	14.35
18	Lakshdweep	1	0.01
19	Madhya Pradesh	306	21.41
20	Maharashtra	4888	303.60
21	Manipur	3	0.18
22	Meghalaya	0	0
23	Mizoram	0	0
24	Nagaland	2	0.30
25	Delhi	423	30.17
26	Odisha	313	18.86
27	Pudduchery	23	1.83
28	Punjab	3166	197.13
29	Rajasthan	2064	131.88
30	Sikkim	1	0.15
31	Tamilnadu	5945	266.06
32	Tripura	7	0.28
33	Uttar Pradesh	719	47.27
34	Uttarakhand	35	3.29
35	West Bengal	187	17.22
36	Telangana	42	3.69
	<b>Total</b>	<b>36728</b>	<b>2143.72</b>