

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4518
TO BE ANSWERED ON 27.03.2025

LOAN TO MSME SECTOR

4518. SHRI RAJA A:

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

- (a) the details of loan amounts sanctioned by banks for small-scale industries in MSME sector during the last three years;
- (b) the efforts made by the Government to mitigate the difficulties faced by these units including access to affordable credit, technology, access to market etc.; and
- (c) whether any instructions have been issued to Public Sector Undertakings and Government agencies to give preference in public procurement from MSME Units and if so, the details thereof?

ANSWER

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

(a): As informed by Reserve Bank of India, the amount disbursed by the Scheduled Commercial Banks (SCBs) to MSMEs during the last three financial year is as follows:

Credit Disbursement by SCBs						Amount (in Rs. Crore)
SI. No.	Financial Year	Micro	Small	Medium	Total	
1.	March-2022	4,63,622.67	4,31,696.01	3,71,346.79	12,66,665.47	
2.	March-2023	6,43,150.40	5,79,554.50	4,74,033.35	16,96,738.26	
3.	March-2024	8,95,633.99	7,16,599.44	5,92,221.56	22,04,454.98	

Source: Reserve Bank of India.

(b): To support and strengthen the MSMEs Sector, the Government implements various measures, which inter-alia include measures for access to affordable credit, technology and marketing support. Some of them 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 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	FY-2000-01 to FY -2019-2020	FY-2020-2021 to FY-2024-2025
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.
- (iv) PM Vishwakarma Yojana provides end-to-end support to artisans and craftspeople of 18 trades who work with their hands and tools which includes skilling, modern toolkits, subsidized credit support, marketing support, digital transaction incentives etc.
- (v) Pradhan Mantri Mudra Yojana provides loans up to Rs. 20 lakh to the non-corporate, non-farm small/micro enterprises.
- (vi) 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. To digitally empower MSEs, the Trade Enablement and Marketing Team Scheme has been launched.
- (vii) Public Procurement Policy for Micro and Small Enterprises Order, 2012, provides an assured market share to Micro and Small Enterprises (MSEs). Procurement and Marketing Support Scheme (PMSS) extends benefits to MSEs for gaining market access through participation in Trade Fairs/ Exhibitions, Vendor Development Programmes, adoption of Modern Packaging Technique, e-Commerce platforms, etc. The number of Enterprises benefitted under various components of PMSS is as follows:

Financial Year	No. of Enterprises benefitted	Expenditure (Rs. in Crore)
2020-21	3,276	12.48
2021-22	2,332	5.17
2022-23	22,998	27.49
2023-24	35,000	68.69

- (c): The Ministry of MSME notified the implementation of Public Procurement Policy for Micro and Small Enterprises Order, 2012. As per the said Policy, it is mandatory for all Central Government Ministries/ Departments/ CPSUs to procure at least 25% of their annual procurement from MSEs, including 4% from MSEs owned by SC/ST entrepreneurs and 3% from MSEs owned by women entrepreneurs.
