

# Schemes for Development of MSMEs

The Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes and programmes for promotion and development of Micro, Small and Medium Enterprises (MSMEs) across the country. These include the schemes/programmes such as Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE), Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme (CLCSS), Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), etc.

The Government has taken several measures to promote access to finance. These include:-

- i. Launch of 59 minute loan portal to enable easy and prompt access to credit for MSMEs.
- ii. 2% interest subvention for GST registered MSMEs.
- iii. Increase in interest rebate from 3% to 5% for exporters who receive loans in the pre-shipment and post-shipment period.
- iv. Companies with turnover of more than Rs.500 crore to be compulsorily brought on the Trade Receivables e-Discounting System (TReDS) to enable entrepreneurs to access credit based on receivables.
- v. The Corpus of Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE) Scheme has been enhanced from Rs.2500 crore to Rs.7500 crore. The eligible loan limit under the CGTMSE has also been enhanced from Rs. 1 crore to Rs. 2 crore.
- vi. A provision of second loan of upto Rs. 1 crore has been introduced under Prime Minister's Employment Generation Programme (PMEGP) for well performing units.

The Ministry of MSME implements Micro and Small Enterprises- Cluster Development Programme (MSE-CDP) for creation and upgradation of infrastructural facilities in the new/existing industrial areas/clusters of MSEs.

The schemes implemented by Ministry of MSME are Central Sector Schemes. Therefore, funds are not allocated State-wise. The budget allocation (Budget Estimate) of the Ministry of MSME during the financial year 2019-20 for implementing all the schemes throughout the country including the State of Andhra Pradesh is Rs 7011.29 crore.

This information was given by Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises in written reply to a question in Rajya Sabha today.

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