

SCHEMES TO REVIEW MSME SECTOR FACING CRISIS

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The Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes and programmes for the development of MSME Sector across the country. These schemes/ programmes include Prime Minister's Employment Generation Programme, Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises-Cluster Development Programme, Entrepreneurship Skill Development Programme, Procurement and Marketing Support Scheme, Raising and Accelerating MSME Performance, International Cooperation Scheme, National SC/ST Hub, MSME Champions, etc.

The Government implements Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs) to strengthen credit delivery system and to facilitate the flow of credit to the Micro and Small Enterprise sector without the hassles of collateral and third party guarantee up to a maximum of Rs. 500 lakh. Term loan and/or working capital facilities are eligible under the CGS for MSEs.

Union Budget 2024-25 announced a package covering financing, regulatory changes and technology support for MSMEs to help them grow and also compete globally, as given below:

- Support for promotion of MSMEs;
- Credit Guarantee Scheme for MSMEs in the Manufacturing Sector;
- New assessment model for MSME credit;
- Credit Support to MSMEs during Stress Period;
- Mudra Loans limit enhancement from Rs. 10 lakh to 20 lakh;
- Enhanced scope for mandatory onboarding in TReDS;
- SIDBI branches in MSME clusters;
- MSME Units for Food Irradiation, Quality & Safety Testing;
- E-Commerce Export Hubs.

The Government has taken various measures to facilitate marketing and procurement support to MSME. Some of the measures are as under:

- The Ministry of Micro, Small and Medium Enterprises implements the Public Procurement Policy for Micro and Small Enterprises Order, 2012 under the MSMED Act, 2006. The Policy mandates 25% annual procurement from Micro and Small Enterprises by Central Ministries/ Departments/ Central Public Sector Enterprises, including 4% from Micro and Small Enterprises owned by SC/ST entrepreneurs and 3% from Micro and Small Enterprises owned by women entrepreneurs.
- The Ministry of MSME implements Procurement and Marketing Support Scheme for enhancing market access of Micro and Small Enterprises. The Scheme facilitates participation in National/International Trade Fairs/Exhibitions/MSME Expo, etc.
- The Ministry of Micro, Small and Medium Enterprises implements International Co-operation Scheme to encourage MSMEs to export their products and facilitates participation of MSMEs in international exhibitions/fairs/buyer-seller meets held abroad and organizes international conferences/seminars/workshops in India.
- For Capacity Building of First Time Exporters (CBFTE), reimbursement is provided to new Micro and Small Enterprises which are exporters for costs incurred on Registration cum-Membership Certification (RCMC) with Export Promotion Councils, Export Insurance Premium and Testing & Quality Certification for exports.

This information was given by the Minister of State for Micro, Small and Medium Enterprises,
Smt. Sushri Shobha Karandlaje, in a written reply in the Rajya Sabha today.

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