

Government of India
Ministry of Finance
Department of Financial services

LOK SABHA
UNSTARRED QUESTION NO. 1187
ANSWERED ON DECEMBER 11, 2023/ AGRAHAYANA 20, 1945 (SAKA)
FOSTERING ENTREPRENEURSHIP

1187. DR. BHARATIBEN DHIRUBHAI SHIYAL:
DR. SATYAPAL SINGH:
DR. MANOJ RAJORIA:
SHRI MANOJ KOTAK:
SHRI RAJ KUMAR CHAHAR:
SHRIMATI RANJEETA KOLI:
DR. SUJAY RADHAKRISHNA VIKHE PATIL:
DR. SHRIKANT EKNATH SHINDE:
SHRI SUMEDHANAND SARASWATI:
PROF. RITA BAHUGUNA JOSHI:
DR. ARVIND KUMAR SHARMA:
DR. HEENA VIJAYKUMAR GAVIT:
DR. KRISHNA PAL SINGH YADAV:
SHRI SHANKAR LALWANI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is running various financial inclusion schemes in the country aimed at providing funding to small businesses;
- (b) if so, the details thereof, scheme-wise;
- (c) the steps taken/being taken by the Government to promote financial inclusion in the country; and
- (d) the measures taken or proposed to be taken by the Government to foster entrepreneurship, especially among unorganised small-scale entrepreneurs like farmers and street vendors?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(Dr. BHAGWAT KARAD)

(a) to (d) Government is running various financial inclusion schemes in the country aimed at providing funding to small businesses, namely Pradhan Mantri Mudra Yojana (PMMY), Stand Up India (SUPI), Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi) and PM Vishwakarma Yojana.

(i) **PMMY** was launched on 8th April 2015, to provide collateral-free institutional credit up to Rs. 10 lakh through Member Lending Institutions (MLIs) i.e. Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs), Non-Banking Financial Companies (NBFCs) and Micro Finance Institutions (MFIs) to micro/small business units for income generating activities in the manufacturing, trading, services sector and also for activities allied to agriculture.

(ii) **SUPI** was launched on 5th April 2016, with the aim to promote entrepreneurship among the Scheduled Caste/ Scheduled Tribe and Women by facilitating bank loans between Rs.10 lakh and Rs.100 lakh to at least one SC/ST borrower and one Woman borrower per bank branch of Scheduled Commercial Banks for setting up Greenfield enterprises in trading, manufacturing, services sectors and activities allied to agriculture.

(iii) **PM SVANidhi** was launched on 1st June, 2020, to provide, collateral free loans in three tranches i.e. Rs.10,000 in first tranche, upto Rs.20,000 in second tranche and upto Rs.50,000 in third tranche to street vendors.

(iv) **PM Vishwakarma** was launched on 17th September, 2023. The Scheme aims to provide end-to-end holistic support to traditional artists and craftspeople engaged in 18 identified trades through access to skill training, collateral-free credit, modern tools, market linkage support and incentive for digital transactions.

(v) **Self Help Group- Bank Linkage Programme (SHG-BLP)** since FY 1992, the SHG-BLP has improved the lives of women by helping them save, borrow and build social capital.

(vi) **Micro Enterprise Development Programme of NABARD (MEDPs)** since 2006, NABARD has been supporting need-based skill development programmes (MEDPs) for matured SHGs which already have access to finance from Banks.

(vii) **Livelihood and Enterprise Development Programme (LEDP):** Started in 2015, LEDP envisages conduct of livelihood promotion programmes in clusters.

It promotes livelihood formation in farm and off-farm activities and supports intensive skill building, refresher training, backward-forward linkages, value chain management, end-to-end solutions, and handholding and escort services over two credit cycles.

Further, Government has initiated the National Mission for Financial Inclusion (NMFII), namely, Pradhan Mantri Jan Dhan Yojana (PMJDY) in August, 2014 to provide universal banking services for every unbanked household, financial literacy and social security cover. The Scheme was extended beyond 14.08.2018 with the focus on opening of accounts shifting from “every household” to “every unbanked adult”.

The opening of Jan Dhan accounts has facilitated the coverage of various social security schemes among the unorganized sections of the society which, *inter-alia* includes following schemes:-

- i. **Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**, offers a renewable one year term life cover of Rupees Two Lakh to all subscribing bank/ post office account holders in the age group of 18 to 50 years, covering death due to any reason, for a premium of Rs.436/- per annum per subscriber.
- ii. **Pradhan Mantri Suraksha Bima Yojana (PMSBY)**, is available to people in the age group 18 to 70 years with a bank / Post office account who give their consent to join / enable auto-debit. The risk coverage under the scheme is for Rs. 2 lakhs in case of accidental death or total permanent disability and Rs. 1 lakh for partial permanent disability; due to accident at a premium of Rs. 20 per annum.
- iii. **Atal Pension Yojana (APY)** offers guaranteed minimum monthly pension for the subscribers ranging between Rs. 1,000 and Rs. 5,000 per month after attaining the age of 60 years.
