

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1700**  
**TO BE ANSWERED ON 01.08.2024**

**FINANCIAL ASSISTANCE FOR MSMEs**

1700. SHRI JUGAL KISHORE :  
SHRI JANARDAN MISHRA :

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

- (a) the steps taken to facilitate loans for the Micro, Small and Medium Enterprises (MSMEs) and ease the procedures involved in getting the loans; and  
(b) the status of the Trade Receivables Discounting System (TReDS) to improve the access to financial assistance for MSMEs?

**ANSWER**

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

(a) and (b): The Government has taken a number of steps to facilitate the loans for the Micro, Small and Medium Enterprises and ease the procedure involved in getting the loans. Some of these steps are as follows :

- (i) Credit Guarantee Scheme for Micro and Small Enterprises, for which Credit Guarantee Fund Trust for Micro and Small Enterprises provides guarantee to its Member Lending Institutions (MLIs), for the credit extended by them to Micro and Small Enterprises.
- (ii) Prime Minister's Employment Generation Programme (PMEGP), which is a major credit-linked subsidy programme.
- (iii) Launch of Udyam Assist Platform (UAP) to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending.
- (iv) PM Vishwakarma Scheme provides credit support to artisans and craftspeople in the 18 trades covered.
- (v) Pradhan Mantri Mudra Yojana (PMMY) for loans up to Rs. 10 lakh.
- (vi) Stand-Up India (SUI) Scheme to facilitates loans from Scheduled Commercial Banks (SCBs) of value between Rs. 10 lakh and Rs. 1 crore, to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and one Women borrower per bank branch.

To ease the procedures involved in getting loan, Digital Public Infrastructure (DPI) is used. This is a technology system that promotes interoperability, openness and inclusion to deliver vital public and private services, including access to credit. Udyamimitra Portal and Psbloanin59minutes provide ease of access to credit for MSMEs.

Trade Receivables Discounting System (TReDS) is a platform for financing/discounting of trade receivables of Micro, Small and Medium Enterprises. On these platforms, the financing of Factoring Units (FUs) helps in improving the access to finance by MSMEs. As informed by SIDBI, as on May, 2024, four digital platforms have been authorized to carry TReDS operations in the country. There are more than 5,000 buyers and over 53 Banks/13 NBFC registered as financiers.

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