

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1831
TO BE ANSWERED ON 01.08.2024

RAW MATERIAL ASSISTANCE SCHEME

1831. SHRI PRADEEP KUMAR SINGH:
SHRI HANUMAN BENIWAL:
SHRI SATPAL BRAHAMCHARI:

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

- (a) whether National Small Industries Corporation Limited (NSIC), a public sector undertaking under the Ministry to provide facilities to Micro, Small and Medium Enterprises (MSMEs), has taken action to provide financial support/standing against bank loans to enable them to make payment to suppliers of raw material to these industries under Raw Material Assistance Scheme and if so, the details thereof;
- (b) the details of the assistance provided to the industrialists in Rajasthan, Bihar and Haryana, particularly in Sonipat Lok Sabha Constituency;
- (c) whether the Government proposes to provide assistance by offering concession for machinery investment for the MSMEs indulged in manufacturing; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) and (b): National Small Industries Corporation Limited (NSIC), a Public Sector Undertaking under this Ministry, facilitates Micro, Small and Medium Enterprises (MSMEs) to meet their raw material requirement by making arrangements with bulk manufacturers like NALCO, SAIL, RINL etc. for procuring and supplying material to MSMEs. NSIC also provides financial assistance to MSMEs under their Raw Material Assistance (RMA) Scheme, against bank guarantee for payment to suppliers. Credit support is also provided for procurement of material from suppliers/sources identified by MSMEs as per their requirement, against bank guarantee.

The details of assistance provided by NSIC to industries in Rajasthan, Bihar and Haryana in FY 2023-24 are as under:

Name of State	Amount of Assistance (Rs. in crore)
Rajasthan	938.46
Bihar	41.52
Haryana	197.41

District-wise data is not maintained centrally.

(c) and (d): Government has taken several measures through various schemes, programmes and policy initiatives for development and promotion of Micro, Small and Medium Enterprises (MSMEs). These schemes and programmes include MSME Champions Scheme, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) and Raising and Accelerating MSME Performance (RAMP). Further, Government has taken a number of initiatives to support the MSME sector. Some of them are: -

- (i) Collateral free loan up to a limit of Rs. 500 lakh to MSEs with guarantee coverage up to 85 % for various categories of loan through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under Credit Guarantee Scheme.
- (ii) Rs. 50,000 crore equity infusion through Self Reliant India (SRI) Fund. This scheme has a provision for corpus of Rs.10,000 crore from Government of India.
- (iii) New criteria for classification of MSMEs with enhanced thresholds.
- (iv) Free registration of MSMEs through "Udyam Registration Portal" for Ease of Doing Business.
- (v) No global tenders for procurement up to Rs. 200 crore.
- (vi) Non-tax benefits extended for 3 years in case of an upward change in status of SMEs.
- (vii) Launch of Udyam Assist Platform (UAP) to bring Informal Micro Enterprises under the formal ambit for availing the benefit under Priority Sector Lending.
- (viii) Launch of 'PM Vishwakarma' Scheme on 17.09.2023 to provide end to end holistic support to the artisans and craftspeople engaged in 18 traditional trades.
