

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 441**  
**TO BE ANSWERED ON 06.02.2023**

**SHORT-TERM CREDIT AT LOW INTEREST RATE TO MSMEs**

441. SHRI JAGGESH:

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

- (a) whether it is a fact that Government proposes to provide short-term credit at low interest rate to Micro, Small and Medium Enterprises (MSMEs) for their working capital needs to ensure certainty in credit flow amid a slowing global economy;
- (b) whether Government proposes to offer loans to merchants at a subsidized interest rate, similar to the Kisan Credit Card; and
- (c) if so, the details of the proposal and the number of MSMEs estimated to be covered under the scheme, State-wise?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI BHANU PRATAP SINGH VERMA)

(a): To facilitate credit facilities, including working capital needs of Micro, Small and Medium Enterprises (MSMEs), various financial assistance schemes are in operation, which inter-alia include Prime Minister's Employment Generation Programme, Credit Guarantee Scheme for Micro and Small Enterprises, Emergency Credit Line Guarantee Scheme (ECLGS) for businesses, including MSMEs, etc.

(b) & (c): As informed by Department of Financial Services (DFS), Indian Banks' Association (IBA) has been advised to devise a credit card, in consultation with Reserve Bank of India and other stakeholders, similar to Kisan Credit Card (KCC) that provides a card to operate the Cash Credit limit sanctioned to MSMEs for their working capital requirement.

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