

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1185
TO BE ANSWERED ON 09.02.2023

CREDIT NEEDS OF MSMEs

1185. SHRI SUBBARAYAN K.:

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

- (a) whether it is a fact that the Micro, Small and Medium Enterprises (MSMEs) which is about 63.8 million in the country are facing serious credit needs to maintain their uninterrupted operational activities; and
- (b) if so, the details thereof and steps being taken to meet the credit needs of MSMEs?

ANSWER

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

(a) to (b): Micro, Small and Medium Enterprises in the country are being supported by way of various credit schemes. Some of the major schemes are as under:

(i) **Emergency Credit Line Guarantee Scheme (ECLGS):** Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS), for businesses, including MSMEs was announced as a part of Aatma Nirbhar Bharat Package with initial guarantee coverage of Rs. 3 lakh crore on 13.05.2020 with validity of scheme up to 30.11.2020. Subsequently, this was extended with infusion of Rs. 1.5 lakh crore on 29.09.2021 with validity of scheme up to 31.03.2022 and with infusion of Rs. 50,000 crore on 01.02.2022 with validity of scheme up to 31.03.2023. 1.19 crore number of guarantees have been issued to businesses, including MSMEs, amounting to Rs. 3.60 lakh Crore. Out of the total, 1.13 crore guarantees amounting to Rs. 2.38 lakh crore have been provided to MSMEs.

(ii) **Self Reliant India (SRI) Fund:** Rs. 50,000 crore equity infusion through Self Reliant India Fund. This scheme has a provision of Rs.10,000 Crore from Government of India and Rs.40,000 Crore leverage through Private Equity / Venture Capital funds. This initiative is aimed at providing growth capital to the deserving and eligible units of MSME sector. As on 31.12.2022, 34 Daughter Funds have been empanelled with the special purpose vehicle, NSIC Venture Capital Fund Limited and by way of investing of Rs. 2,790 Cr, 140 MSMEs have been assisted.

(iii) **Credit Guarantee Scheme (CGS):** Ministry of MSME is implementing Credit Guarantee Scheme for Micro & Small Enterprises through Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE), under this scheme upto 85% guarantee coverage is extended for credit facility upto Rs. 200 lakh. Budget 2023-24 has announced the infusion of Rs.9,000 crore in the corpus of CGTMSE to enable an additional credit of Rs. 2 lakh crore with reduced cost of the credit.
