

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 807**  
**TO BE ANSWERED ON: 06.02.2020**

**CAPITAL INFUSION IN MSME SECTOR**

807. SHRI G. M. SIDDESHWAR:

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

- (a) whether the MSME sector in the country, particularly in Karnataka is severely under-capitalised and is in need of capital infusion for its survival;
- (b) if so, the details thereof; and
- (c) the action Government has taken/proposes to take to provide easy access to funds for MSME sector in Karnataka and rest of the country?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NITIN GADKARI)

(a) to (c): Government of India has taken several steps in order to infuse capital in the MSME Sector and ease MSME access to finance. These include Prime Minister's Employment Generation Programme, Credit Linked Capital Subsidy Scheme, Credit Guarantee Scheme, Interest Subvention Scheme for Incremental Credit to MSMEs, 59 minutes loan portal, implementation of Trade Receivable Discounting System (TReDS) etc. These initiatives are aimed at providing margin money subsidies, collateral free loan, cost-effective and faster availability of credit. In addition to this, Reserve Bank of India vide its circular dated 01.01.2019, has permitted one-time restructuring of existing loans to Stressed MSME units. The schemes of Ministry of Micro, Small and Medium Enterprises (MSME) are implemented across the country including the state of Karnataka.

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