

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2186
TO BE ANSWERED ON 20.03.2023

LOANS TO MSMEs

2186. SHRI B.PARTHASARADHI REDDY:

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

- (a) whether Government plans on reducing the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) loan rate, to provide MSMEs with timely credit at reasonable rates;
- (b) if so, the details thereof, if not, the reasons therefor;
- (c) whether Government plans to reduce the interest for late payment of GST (18 percent); and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b): As informed by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), the guarantee fee has been reduced from the peak rate of 2% to 1.2% to reduce the cost of borrowings for Micro and Small Enterprises (MSEs) with effect from 1st December, 2022.

(c) & (d): As informed by Department of Revenue, Ministry of Finance and Goods and Services Tax (GST) Council, no such proposal is under consideration of the Government at this stage.
