

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3452
TO BE ANSWERED ON 10.08.2023

COLLATERAL FREE LOAN UNDER CGTMSE

3452. SHRI SISIR KUMAR ADHIKARI:

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

- (a) whether the Government has proposed Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for collateral free loan;
- (b) if so, whether Government has any monitoring system with banks for such collateral free loans for new entrepreneurs therefor;
- (c) the details of complaints received so far against banks not supporting such collateral free loans for development of Micro, Small and Medium Enterprises (MSMEs); and
- (d) the details of ombudsman who dealt with such complaints against financial institutions and action taken so far therein?

ANSWER

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

(a) & (b): Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) extends guarantees to the Member Lending Institutions for the credit extended by them to Micro and Small Enterprises (MSEs) without any collateral security or third-party guarantee under the Credit Guarantee scheme for Micro and Small Enterprises.

(c) & (d): Ministry of MSME resolves grievances of MSMEs related to collateral free loans received on CHAMPIONS and PG portals in consultation with Member Lending Institutions (MLIs) and CGTMSE.
