

Government of India
Ministry of Finance
Department of Financial services

LOK SABHA

UNSTARRED QUESTION NO. 1339

ANSWERED ON MONDAY, JULY 28, 2025/SRAVANA 6, 1947 (SAKA)

INCREASE IN MAXIMUM LIMIT OF LOAN UNDER PMMY

1339. Shri Giridhari Yadav:

Shri Dinesh Chandra Yadav:

Will the Minister of FINANCE be pleased to state:

- (a) the features of Pradhan Mantri Mudra Yojana (PMMY); whether the Government is considering to increase the current ceiling of loan under PM Mudra Yojana from Rs. 20 lakh to Rs. 50 lakh keeping in view the success of the scheme;
- (b) whether the MSME manufacturing sector is facing financial hardship and payment of GST every month being the main reason;
- (c) whether the Government is considering to bailout MSMEs from this crisis; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): No such proposal is under consideration at present.

(b): There is no empirical evidence to suggest that any distress of MSME manufacturing sector is due to payment of GST every month. However, many steps have been undertaken on the recommendations of GST council, to support MSMEs and small retailers in the country which are as under:

- (i) The threshold limit of annual turnover for registration under GST for entities engaged in supply of goods has been increased from Rs. 20 lakhs to Rs. 40 lakh (other than some special category States) effective from April 1, 2019;
- (ii) The threshold limit of annual turnover for supply of goods under composition scheme has been increased from Rs.75 lakhs to Rs. 1.5 crore (other than some special category States) effective from 1st April 2019;

(iii) A scheme of quarterly return filing and monthly payment (QRMP) has been introduced where small taxpayers with turnover up to Rs. 5 crores have an option to file returns on quarterly basis, instead of monthly return;

(iv) GST registration process has been made completely online on the common portal;

(v) Deemed approval of application for registration where the proper officer fails to take action within the prescribed timelines;

(vi) UPI & IMPS has been provided as an additional mode for payment of GST to facilitate taxpayers and to further encourage digital payment.

(c) and (d): In addition, Government has announced financial relief and credit support packages for the MSME sector through the Union Budget 2025-26, which includes:

- Credit guarantee cover doubled from ₹5 crore to ₹10 crore (For Startups, from ₹10 crore to ₹20 crore);
- Investment and turnover limits have been significantly increased;
- New Fund of Funds;
- Scheme for First-time Entrepreneurs;
- Focus product scheme for footwear & leather sectors, toy sector and food processing.
