

Outstanding payments in MSME Sector

123. SHRI M. SHANMUGAM:

SHRI K.R. SURESH REDDY:

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

(a) the total outstanding payments to units in the Micro, Small and Medium Enterprises (MSMEs) sector during the last two years;

(b) whether Government has taken efforts to get the dues cleared by the public sector units of State and the Central Governments;

(c) the details of concessions and schemes extended to this sector in the stimulus package since the MSMEs is the worst affected sector due to COVID lockdown; and

(d) the amount of loan eligibility in the bank without collateral security, for their working capital?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NITIN JAIRAM GADKARI): (a) As per the data available on SAMADHAAN Portal, the outstanding payments to units in the MSME sector in the last two years are given below:-

| (₹ in crore) | | | | | |
|--------------|--------------------------------|-----------------------------------|---|--|--|
| Year | Resolved, Awarded Amount | Resolved, Disallowed Amount | Amount involved in Rejected Applications | Amount involved in Pending Applications | Total Amount involved in Applications |
| 2019-2020 | 391.23 | 67.46 | 832.69 | 5093.49 | 6384.87 |
| 2018-2019 | 489.75 | 179.21 | 680.98 | 1495.40 | 2845.34 |

(b) Yes Sir. Government has taken many steps to get the dues payable to the MSMEs cleared by the public sector units of State and the Central Governments. The Ministry has taken up the subject vigorously with the Central Ministries, CPSEs and State Governments and Corporate World.

The status of MSME dues as on 12.09.2020 are as shown in the table below:

| Reported Month | Total Dues by close of month (in ₹ Crore) | Paid during the month (₹ Crore) | Pending at the end of month (₹ Crore) |
|---|---|---------------------------------------|--|
| May 2020 (25 Ministries & 79 CPSEs Reported) | 2349.53 | 1787.89 | 561.64 |
| June 2020 (25 Ministries & 86 CPSEs Reported) | 2553.94 | 1905.11 | 648.83 |
| July 2020 (30 Ministries & 108 CPSEs Reported) | 4124.34 | 3155.16 | 969.19 |
| August 2020 (25 Ministries & 91 CPSEs Reported on 12th Sep., 2020 at 4.00 PM) | 3527.33 | 2696.97 | 830.36 |

(c) RBI and Government of India have taken a series of measures to infuse liquidity in the Economy in general and MSME sector in particular. Measures taken *inter-alia* include:-

- (i) Moratorium upto 31st August, 2020 on repayment of instalments of term loans/cash credit/over draft.
- (ii) Reducing the Cash Reserve Ratio and Repo rate.
- (iii) Special refinance facility of ₹ 15,000 crore to SIDBI for on-lending/ refinancing.
- (iv) Special liquidity scheme for NBFCs, HFCs and MGIS worth ₹ 30,000 crore.
- (v) Emergency Credit Guarantee Line of ₹3 lakh crore for Standard accounts and stressed accounts (SMA-0 and SMA-1).
- (vi) Credit Guarantee Scheme for Subordinate Debt for SMA-2 and NPA accounts for infusing ₹ 20,000 crore in MSME Sector.
- (vii) On 17th April 2020, RBI announced a ₹ 15,000 crore Special Refinancing Facility for Small Industries Development Bank of India (SIDBI) as a specific response to COVID for on-lending/refinancing purposes.

(viii) With a view to facilitate meaningful restructuring of MSME accounts that have become stressed, on 01.01.2019, RBI had permitted a one-time restructuring of existing loans to GST-registered MSME units classified as 'standard' without a downgrade in the asset classification, subject to certain conditions with the implementation of the restructuring to be completed before 31.03.2020. On 11.02.2020, RBI extended the scheme till 31.12.2020 for entities that were in default but 'standard' as on 01.01.2020. Further on 06.08.2020, RBI has extended the scheme till 31.03.2021 for entities that were in default but 'standard' as on 01.03.2020.

(ix) The Ministry has notified composite criteria of classification of MSME, based on investment in plant and machinery or equipments and annual turnover.

(x) The Udyam Registration Portal has the facility through which an entrepreneur can opt for linking itself with Government e-market place (GeM), TReDS platform.

(d) The Government has also provided guarantee under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to various eligible units financed by the banks and financial institutions. The upper limit for such loans is ₹ 2 crore. Banks follow their own norms in this regard as per their respective policy. As part of Aatmnirbhar Bharat Abhiyan, the ECLGS was launched on 23rd May 2020. The scheme envisages fully guaranteed additional collateral free credit to eligible MSME units, business enterprises, individual loans given for business purposes and interested MUDRA borrowers either in the form of additional working capital term loans (in case of banks and FIs), or additional term loans (in case of NBFCs) up to 20% of their entire outstanding credit as on 29.02.2020.

Status of MSMEs in India

124. DR. SASMIT PATRA: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the number of Micro, Small and Medium Enterprises (MSMEs) which have closed down between April to August, 2020;

(b) the primary causes for the closure of the same; and

(c) the action taken by Government to revive the MSMEs from closing down?