GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 132
TO BE ANSWERED ON: 14.09.2020

Loan on concessional rates for MSMEs

132. SHRI MALLIKARJUN KHARGE:

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 so far applied for a term loan at the concessional rate of interest as part of the Rs.3 lakh crore Emergency Working Capital facility of the announced economic package;
(b) the amount of fund, Government has already released for such MSMEs;
(c) the number of new companies which have registered themselves as MSMEs under the new definition;
(d) the name of said companies; and
(e) the number of MSMEs which have declared bankruptcy during the period of lockdown?

ANSWER

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

(a) & (b): The Emergency Credit Line Guarantee Scheme (ECLGS) is being implemented through the National Credit Guarantee Trustee Company Ltd. (NCGTC) which is under the administrative control of Department of Financial Services (DFS), Ministry of Finance. DFS has reported that as on 09.09.2020, an amount of Rs.163,103 crore has been sanctioned to 42,01,060 borrowers and an amount of Rs. 117,885 crore has been disbursed to 25,01,216 borrowers under the scheme. The Emergency Credit Line Guarantee Scheme only provides 100% guarantee coverage by National Credit Guarantee Trustee Company Ltd. (NCGTC) to Member Lending Institutions (MLIs) on credit facilities extended to the eligible categories of beneficiaries including MSMEs, hence no direct release of funds by the Government to MSMEs eligible under the scheme is involved.

(c) & (d): Ministry of Micro, Small and Medium Enterprises (MSME) has started Udyam Registration Portal for registration of units as per the revised definition of MSMEs with effect from 01.07.2020. As on 11.09.2020, a total number of 4,91,694 units have registered in the portal including 56,399 units that were migrated to new system from the earlier system of Udgyog Aadhar Memorandum (UAM) registration.

(e): As per the ownership classification, most of the MSMEs are either operating as proprietorship or partnership firms. Therefore the clause of bankruptcy does not apply to such firms. In case of registered companies, it has already been notified by the Ministry of Law & Justice on 05.06.2020 that no application for initiation of corporate insolvency resolution process of a corporate debtor shall be filed, for any default arising on or after 25.03.2020 for a period of six months or such further period, not exceeding one year from such date as may be notified in this behalf.

****