

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 441
TO BE ANSWERED ON 24.07.2023

OUTSTANDING PAYMENTS TO UNITS UNDER MSME SECTOR

441. SHRI M. SHANMUGAM:

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

- (a) the total outstanding payments to units in the MSME sector in the last three years;
- (b) whether Government had taken efforts to get the dues cleared by the public sector units of State and Central Governments;
- (c) the concessions and schemes extended to this sector, the details thereof, since the MSME sector is worst affected due to economic slow-down; and
- (d) the amount of loan disbursed by various banks units in the MSME sector without collateral security, for their working capital, in the last three years?

ANSWER

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

(a): Ministry of MSME launched a portal viz. Samadhaan Portal (https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Welcome.aspx) for filing of grievances & for monitoring of the outstanding dues to the Micro & Small Enterprises (MSEs) from the buyers of goods and services on 30.10.2017. After the application is admitted by the Micro, Small Enterprise Facilitation Councils (MSEFCs), it becomes a case. As per the information available on the Samadhaan Portal, the total outstanding payments to MSEs from 01.04.2020 to 19.07.2023 are as below:-

In Rs. Crore			
Year	Amount outstanding where applications converted into case by MSEFC council (Under various stages of hearing) (a)	Amount outstanding where applications are pending (b)	Total Outstanding Payments to MSEs (c)=(a+b)
01.04.2020-31.03.2021	3,043.18	1,049.79	4,092.97
01.04.2021-31.03.2022	2,952.34	1,676.56	4,628.90
01.04.2022-31.03.2023	2,548.44	2,585.75	5,134.19
01.04.2023-17.07.2023	289.91	1,535.61	1825.52
Total	8,833.87	6,847.71	15,681.58

(b): The Government has taken the following steps to get the dues cleared by the public sector units of State and Union Governments:-

- (i) The Ministry of MSME launched Samadhaan Portal on 30.10.2017 for monitoring of outstanding dues to the MSEs from the buyers of goods and services.

- (ii) The Ministry of MSME created a special sub-portal within Samadhaan Portal on 14.06.2020, after the AatmaNirbhar Bharat announcements, for reporting the dues and monthly payments by Central Ministries/Department/Public Sector Enterprises to MSMEs.
- (iii) The Ministry of MSME has requested States/UTs to set up more number of MSEFCs for quicker disposal of cases related to delayed payments. So far 152 MSEFCs have been set up with more than one MSEFC set up in states like Delhi, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, U.P. & West Bengal.
- (iv) The Government of India has also instructed CPSEs and all companies with a turnover of Rs. 500 Crore or more to get themselves on-boarded on the Trade Receivables Discounting System (TReDS), an electronic platform for facilitating the discounting of trade receivables of MSMEs through multiple financiers.

(c): The Ministry of MSME implements various schemes and programmes for the promotion and development of MSME Sector in the country. These schemes and programmes inter alia include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), etc. Benefits under these schemes are available to all eligible MSMEs throughout the country. Besides, the Government has taken a number of recent initiatives under the Aatma Nirbhar Bharat Abhiyan to mitigate the negative impact of Covid-19 on small businesses in the country. Some of them are:

- (i) Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS), for businesses, including MSMEs.
- (ii) Rs. 50,000 crore equity infusion through Self Reliant India Fund.
- (iii) New revised criteria for classification of MSMEs.
- (iv) No global tenders for procurement up to Rs. 200 crore.
- (v) Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 2.7.2021.
- (vi) Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs w.e.f. 18.10.2022.
- (vii) "Udyam Registration" for MSMEs, for Ease of Doing Business w.e.f. 1.7.2020.
- (viii) Launching of an online Portal "Champions" in June, 2020 to cover many aspects of e-governance including grievance redress and handholding of MSMEs.
- (ix) Launch of Udyam Assist Platform on 11.1.2023 to bring Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefits under Priority Sector Lending.
- (x) Budget 2023 announcement :
 - Infusion of Rs 9,000 crore in the corpus of Credit Guarantee Fund Trust for MSEs to enable an additional credit of Rs.2.00 lakh crore with reduced cost of credit.
 - PM Vishwakarma KAushal Samman (PM VIKAS): Financial Assistance for traditional artisans and craftspeople to improve the quality, scale and reach of their products, integrating them with the MSME value chain, access to advanced skill training, knowledge of modern digital techniques and efficient green technologies, brand promotion, linkage with local and global markets, digital payments, and social security.
 - Vivad se Vishwas I – Relief for MSMEs: In cases of failure by MSMEs to execute contracts during the Covid period, 95 per cent of the forfeited amount relating to bid or performance security, will be returned to them by government and government undertakings.
 - Under Section 43B of Income Tax Act: Deduction has been allowed for expenditure incurred on payments only when payment is actually made to MSMEs.

(d): As per the information provided by Financial Inclusion & Development Department, Central Office, Reserve Bank of India such information is not maintained. However, details of State-wise credit outstanding to MSME sector by scheduled commercial banks for last 3 years are attached as Annex –I.

Annexure referred to in reply to part (d) of Rajya Sabha Un Starred Question No. 441 for answer on 24.07.2023.

Credit outstanding to MSME Sector by Scheduled Commercial Banks (State-wise)

Amount outstanding in ₹ crore

Sr. No	State	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023
		Amt O/s	Amt O/s	Amt O/s
1	Andaman & Nicobar Islands	786.59	769.05	914.82
2	Andhra Pradesh	62,878.79	71,877.26	8,3162.34
3	Arunachal Pradesh	906.96	1,014.15	1,091.71
4	Assam	22,698.71	20,837.48	24,120.24
5	Bihar	33,303.92	34,002.47	40,029.60
6	Chandigarh	9,729.48	11,968.00	12,605.26
7	Chhattisgarh	25,988.89	31,919.39	36,423.07
8	Dadra & Nagar Haveli and Daman & Diu	1,548.44	1,834.92	2,056.72
9	Delhi	1,08,796.40	1,30,604.29	1,39,553.03
10	Goa	5,578.65	5,700.10	6,126.68
11	Gujarat	14,6872.76	1,85,075.74	2,11,808.82
12	Haryana	62,457.67	80,103.24	97,119.95
13	Himachal Pradesh	9,830.08	11,665.19	13,683.43
14	Jammu & Kashmir	16,354.21	16,694.63	16,502.48
15	Jharkhand	23,839.56	26,257.14	29,732.02
16	Karnataka	1,06,007.59	1,26,575.65	1,40,027.83
17	Kerala	60,200.80	67,543.53	76,807.52
18	Lakshadweep	22.65	25.93	32.46
19	Madhya Pradesh	63,009.09	72,347.61	83,396.88
20	Maharashtra	3,52,894.81	3,39,446.16	3,80,301.18
21	Manipur	1,153.81	1,159.81	1,429.85
22	Meghalaya	1,237.84	1,334.84	1,467.25
23	Mizoram	697.14	705.42	735.25
24	Nagaland	863.59	880.93	1,059.01
25	Odisha	36,311.11	39,905.15	45,128.43
26	Puducherry	3,192.45	3,456.85	3,986.93
27	Punjab	59,272.69	7,0967.23	80,893.45
28	Rajasthan	76,129.31	95,615.51	1,04,760.37
29	Sikkim	813.04	808.66	970.95
30	Tamil Nadu	1,91,350.67	2,19,118.87	2,39,879.93
31	Telangana	66,334.66	83,155.95	96,028.26
32	Tripura	3,116.69	2,168.20	2,340.35
33	Uttarakhand	28,751.41	17,591.92	47,319.83
34	Uttar Pradesh	1,05,215.15	1,36,723.44	1,32,130.25
35	West Bengal	95,779.19	1,01,202.28	1,06,509.13
Total		17,83,924.80	20,11,056.98	22,60,135.28

Source : Reserve Bank of India