

**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**LOK SABHA**  
**UNSTARRED QUESTIONS NO. 3082**  
TO BE ANSWERED ON FRIDAY, JANUARY 05, 2018  
PAUSHA 15, 1939 (SAKA)

**FINANCIAL ASSISTANCE TO SMALL AND MEDIUM INDUSTRIES**

†3082. SHRIMATI KAMLA DEVI PAATLE:

Will the Minister of FINANCE be pleased to state:

- (a) the details of norms for grant of tax rebate for small scale industries;
- (b) whether the Government proposes to provide any financial assistance for the development of sick and closed up small and medium public sector industries;
- (c) if so, the details thereof; and
- (d) the details of such industries on the verge of closure due to dire financial situation, State/UT-wise?

**ANSWER**  
**MINISTER OF STATE IN THE MINISTRY OF FINANCE**  
**(SHIV PRATAP SHUKLA)**

(a): The details of norms for grant of tax rebate for small scale industries are as under:-

**Direct Tax**

<b>S.No.</b>	<b>Total Turnover or Gross Receipts in case of a domestic company</b>	<b>Rate of Tax</b>
1.	Not exceeding Rs. 5 crore in the previous year 2014-15	Its income is taxable at the rate of twenty-nine per cent for assessment year 2017-18
2.	Not exceeding Rs. 50 crore in the previous year 2015-16	Its income is taxable at the rate of twenty-five per cent for assessment year 2018-19

Further, in case of a domestic company satisfying conditions of section 115BA, its income is taxable at the rate of twenty-five per cent from assessment year 2017-18 onwards.

**Indirect Tax**

Persons having aggregate turnover in a financial year less than Rs 20 lakhs (Rs 10 lakhs in special category States except Jammu and Kashmir) are exempt from taking registration under CGST Act, 2017, and thus are not liable to pay GST on their supplies.

Further persons engaged in making supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), having aggregate turnover in the preceding financial year below Rs 1 Crore (Rs 75 lakhs in special category

States except Jammu and Kashmir and Uttarakhand) are eligible for Composition scheme, under which they may opt to pay in lieu of GST, an amount calculated at the rate of 5% of the turnover.

(b) to (d): The government has notified Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises on 29.05.2015 to revive and rehabilitate sick MSMEs. RBI has carried out certain changes in their Framework in order to make it compatible with the existing regulatory guidelines and issued revised Framework to all Scheduled Commercial Banks on March 17, 2016.

Under this framework, the branch maintaining the account should consider forwarding the stressed accounts with aggregate loan limits above Rs. 10 lakh to the Committee for a suitable Corrective Action Plan (CAP). The Committee constituted by the banks has representatives from State Governments, experts, regional or zonal head of the bank and the officer in charge of MSMEs credit department of the bank. The committee explores various options to resolve the stress in the account. The intention is to arrive at an early and feasible solution to preserve the economic value of the underlying assets as well as the lender's loans and also to allow the enterprise to continue with its business.

The options under Corrective Action Plan (CAP) by Committee may include: (i) Rectification-regularise the account so that the account does not slip into the non-performing asset (NPA) category, (ii) Restructuring –restructuring the account if it is prima facie viable and the borrower is not a willful defaulter, and (iii) Recovery-when none of the options at (i) and (ii) above are seen as not feasible.

Further the details of the sick MSMEs and corrective action plan are enclosed as Annexure –I & Annexure-II respectively.

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Annexure II as referred to in reply to part (b) to (d) of Unstarred Question No. 3082 to be answered in Lok Sabha on 05.01.2018

Scheduled Commercial Banks	Micro, Small & Medium Enterprises cases handled by the committees				
	No. of cases referred to the committees during the HY ended March 2017	No. of cases resolved by the committees during the HY ended March 2017	Corrective Action Plan (CAP) by the committees (Out of (2))		
			Rectification	Restructuring	Recovery
	1	2			
Micro Enterprises	67274	96266	55029	2002	39235
Small Enterprises	30484	37660	24540	172	12948
Medium Enterprises	3045	3356	1336	23	1997
<b>Total MSMEs</b>	<b>100803</b>	<b>137282</b>	<b>80905</b>	<b>2197</b>	<b>54180</b>