

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UN-STARRED QUESTION NO. 3565
TO BE ANSWERED ON 16th March, 2018 / Phalguna 25, 1939 (SAKA)

'Roadmap for MSMEs Bad Loans'

3565 : SHRI SUMAN BALKA :

Will the Minister of FINANCE be pleased to state :

- (a) whether the Government expects to finalise a road map for resolving the bad loans issued in the Micro, Small and Medium Enterprises (MSMEs) sector and if so, the details thereof; and
- (b) the measures taken to effectively tackle the Non-Performing Assets and stressed accounts of MSMEs ?

ANSWER

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

(a) and (b) :

Extant guidelines on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises (MSMEs) were issued by Reserve Bank of India (RBI) in consultation with Government on 17th March 2016, which provide a simpler and faster mechanism to address the stress in the accounts of MSMEs.

In addition, on 7th February 2018, RBI has advised all banks and Non Banking Financial Companies (NBFCs) extension of time for classification of loan accounts of eligible MSME borrowers as Non-Performing Asset (NPA) to 180 days, subject to certain conditions.
