

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. †3977
TO BE ANSWERED ON 12.12.2019

CLOSED/SICK MSME UNITS

†3977. SHRI MAHABALI SINGH:

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

- (a) whether certain units of Micro, Small and Medium Enterprises (MSMEs) have been closed or have turned sick due to lack of electricity, unavailability of funds, costly loans and economic slowdown;
- (b) if so, the details of the MSME units closed or turned sick during the last three years and the current year, State/UT-wise;
- (c) the outstanding amount of loan provided by the banks to the MSME sector;
- (d) the number of units of MSME sector which have taken benefits of proposed non discretionary onetime payment under the rehabilitation package; and
- (e) the details of the steps being taken for the revival of closed/sick units?

ANSWER

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

(a) & (b): The Reserve Bank of India has issued guidelines on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' to Scheduled Commercial Banks (excluding Regional Rural Banks) in March 2016. Under this Framework, banks have been advised to identify incipient stress in the MSME accounts and refer it to the Committees formed under the Framework for suitable Corrective Action Plan viz. rectification, restructuring and recovery. As per the information received from Reserve Bank of India, stressed accounts referred to the Corrective Action Plan Committee during the half year ended March 2017, September 2017, March 2018, September, 2018 and March 2019 are 1,00,803; 87,062; 1,30,208; 1,50,165 and 1,42,275 respectively.

(c): As per data of Reserve Bank of India, credit outstanding to MSME sector by All Scheduled Commercial Banks during the year ended March, 2019 is Rs.15,10,650.52 crore.

(d) & (e): With a view to facilitate meaningful restructuring of Micro, Small and Medium Enterprises (MSMEs) accounts {MSME as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006} that have become stressed, Reserve Bank of India permitted one-time restructuring of existing loans of MSMEs classified as 'standard' without a downgrade in the asset classification, subject to certain conditions.
