

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 902
TO BE ANSWERED ON 06.02.2020

REVIVAL OF SICK MSME UNITS

902. SHRI KUMBAKUDI SUDHAKARAN:
SHRI PARTHIBAN S. R.:

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

- (a) whether thousands of MSME units are sick in the country and if so, the number of people who have become unemployed and the number of families affected due to this;
- (b) the manner in which Government is planning to address this problem;
- (c) whether the Government has established Rs. 5000 crore distressed asset fund, as recommended by RBI, to help ailing MSMEs and revival of the sick units and if so, the details thereof;
- (d) whether the Government has implemented a new payment platform for MSMEs in order to track online payments from the Government agencies; and
- (e) if so, the details thereof along with the present status of this initiative?

ANSWER

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

(a): 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 Committees during the half year ended March 2019 is 1,42,275.

(b): The Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes to generate employment in different sectors of MSMEs across the country. These include Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme for Promotion of MSMEs in North Eastern Region and Sikkim, Tool Rooms and Technology Centers, Mission Solar Charkha (MSC), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Procurement and Marketing Support Scheme, Entrepreneurship Skill Development Programme (ESDP), Credit Guarantee Scheme for Micro and Small Enterprises (MSEs) and Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS).

(c): No such fund has been established yet.

(d) & (e): Yes, the Ministry of MSME has introduced Samadhaan Portal to ease filing of application under Micro and Small Enterprise Facilitation Council (MSEFC), set up in States for settlement of disputes related to delayed payments. As on 03.02.2020, 34,799 applications have been filed by MSEs amounting to Rs. 9194.73 crores. Out of those 3001 applications have been mutually settled.
