

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 743
TO BE ANSWERED ON: 17.09.2020

FINANCIAL SUPPORT TO MSMEs

743. SHRI RAHUL GANDHI:

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

- (a) the details of financial support announced by the Union Government to the MSME sector to mitigate the impact of COVID -19 pandemic and details of funds sanctioned and actually credited to the account of the beneficiaries;
- (b) the details of the outstanding dues of the Union Government and Central Public Sector Undertakings (CPSUs) payable to MSMEs for supply of goods and services as on April 1, 2020;
- (c) the details of the measures taken to address the adverse impact of delay in clearance of dues and to ensure the timely clearance in future;
- (d) the details of amount paid by Union Government and CPSUs to MSMEs towards clearance of outstanding dues during the period from April-August, 2020; and
- (e) whether any suggestions have been received from the MSME Sector seeking specific relief or support and if so, the details thereof?

ANSWER

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

- (a): Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 pandemic. Some of them are:
- i. Rs 20,000 crore Subordinate Debt for MSMEs.
 - ii. Rs. 3 lakh crore Collateral free Automatic Loans under Emergency Credit Line Guarantee Scheme (ECLGS) for businesses, including MSMEs.
 - iii. Rs. 50,000 crore equity infusion through MSME Fund of Funds.
 - iv. New revised criteria for classification of MSMEs.
 - v. New Registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.
 - vi. No global tenders for procurement up to Rs. 200 crores,
 - vii. Scheme for easy access of credit to street vendors.

Department of Financial Services which is Nodal Department for ECLGS has reported that as on 09.09.2020, an amount of Rs. 163,103 crore has been sanctioned to 42,01,060 borrowers and an amount of Rs. 117,885 crore has been disbursed to 25,01,216 borrowers under Collateral free Automatic Loans.

(b) to (d): As per the information available on the Samadhan Portal, the status of dues of the Union Government and Central Public Sector Undertakings (CPSUs) payable to MSMEs for after Aatma Nirbhar Bharat Package is under:

The status of MSME dues as on 12.09.2020 are as shown in the table below:

Reported Month	Total Dues by close of month (in Rs. Crore)	Paid during the month (in Rs. Crore)	Pending at the end of month (in Rs. Crore)
May 2020 (25 Ministries & 79 CPSEs Reported)	2349.53	1787.89	561.64
June 2020 (25 Ministries & 86 CPSEs Reported)	2553.94	1905.11	648.83
July 2020 (30 Ministries & 108 CPSEs Reported)	4124.34	3155.16	969.19
August 2020 (25 Ministries & 91 CPSEs Reported on 12 th Sep., 2020 at 4.00 PM)	3527.33	2696.97	830.36

However, Government has taken many steps to get the dues payable to the MSMEs cleared by the public sector units of the Central Governments. The Ministry has taken up the subject vigorously with the Central Ministries, CPSEs and State Governments and Corporate World. In addition to this Government of India has also taken various steps to resolve the problem of delayed payments to MSMEs which inter-alia include :-

- Creation of the MSME Samadhaan Portal.
- Making it mandatory for all CPSEs to upload the information regarding their dues on the portal.
- Issuance of notification requiring all companies to submit half-yearly returns about their dues.
- Roping in NeSL Information Utility to do default broadcast of buyers from MSEs to their other creditors.
- Issuance of direction by notification to companies with turnover above Rs.500 crore and to all CPSEs to get themselves on boarded on this platform

As reported by the CPSUs and Ministry/Departments of the Government of India in the Samadhan Portal, an amount of Rs 9545 crore has been released in last four months i.e (May-August) to clear the pending dues of MSMEs.

(e): Ministry of MSME receives suggestions/inputs from individuals as well as organizations on various issues pertaining to MSME ecosystem. Such suggestions/inputs help the Ministry in order to further refine its schemes and make them more effective for the sector.
