

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 650
TO BE ANSWERED ON 22.07.2021

Lockdown impact on MSME Sector

650. SHRI M. K. RAGHAVAN:

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

- (a) the details of programmes undertaken to overcome the COVID-19 and lockdowns negative impact on the MSME Sector and its reach, State-wise;
- (b) the details of moratorium extended to the MSME sector and the details of the beneficiaries, sector-wise;
- (c) whether any provisions have been made to address the problems faced by MSMEs against loans and their repayments along with interest rates; and
- (d) if so, the details thereof and the manner in which the entrepreneurs would be benefitted from such provisions?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a): Government of India has taken various measures to overcome the impact of COVID-19 on the MSME sector which inter alia include (i) Rs. 3 lakh crores Collateral free Automatic Loans under Emergency Credit Line Guarantee Scheme (ECLGS) for business, including revival of MSMEs, for Standard accounts and those accounts which are classified as SMA-0 and SMA-1, (ii) Rs.20,000 crore Credit Guarantee Scheme for Subordinate Debt (CGSSD) for the promoters of stressed MSMEs viz. SMA-2 and NPA accounts which are eligible for restructuring. The overall cap of admissible guarantee of ECLGS is further raised from Rs. 3 lakh crore to Rs. 4.5 lakh crore on 28.06.2021. The state wise number of guarantees issued under ECLGS and CGSSD is at Annexure-I and Annexure-II respectively.

(b) to (d): A number of measures have been taken to support stressed micro, small and medium enterprises (MSMEs), which inter-alia include the following:

- (i) RBI, vide circular dated 6.8.2020, provide a framework for lenders to implement resolution plans in respect of eligible loans including that to MSMEs having aggregate exposure of more than Rs. 25 crore, to enable lending institutions to offer customized relief to borrowers in the form of restructuring, without downgrading the loan as an NPA.

- (ii) To facilitate restructuring of loan accounts of MSMEs having aggregate exposure up to Rs. 25 crore, RBI –
- (a) introduced a scheme for restructuring loan accounts in default but classified as standard assets as on 1.1.2019 of GST-registered and GST-registration-exempt MSMEs, with exposure of up to Rs. 25 crore, without downgrading their asset classification;
 - (b) extended the said scheme for loan accounts in default but classified as standard assets as on 1.1.2020;
 - (c) extended it further, in the context of the pandemic, for loan accounts in default but classified as standard assets as on 1.3.2020, for restructuring up to 31.3.2021;
 - (d) vide circular dated 5.5.2021, extended it again, in view of the resurgence of the pandemic, permitting invocation of restructuring till 30.9.2021; and
 - (e) vide circular dated 4.6.2021, enhanced the aggregate exposure eligible for restructuring to Rs. 50 crore.

As per information furnished by public sector banks to the Department of Financial Services, till 25.6.2021, 13.06 lakh MSME accounts with an aggregate amount of Rs. 55,333 crore had been restructured by them under the said restructuring scheme.

Annexure-I**Annexure to Lok Sabha Question No. 650, Answer Date : 22.07.2021****State-wise guarantees issued under ECLGS as on 2nd July, 2021**

Sl. No.	Name of State/UT	Number of guarantees issued	Guarantee Amount (In Rs crore)
1	Andaman & Nicobar	1998	103.82
2	Andhra Pradesh	280195	8947.14
3	Arunachal Pradesh	2261	74.23
4	Assam	540345	2792.03
5	Bihar	799969	3981.21
6	Chandigarh	6444	909.88
7	Chhattisgarh	195666	4247.22
8	Dadra & Nagar Haveli	2111	301.97
9	Daman & Diu	926	128.04
10	Delhi	98686	16131.91
11	Goa	12127	951.95
12	Gujarat	357208	23073.15
13	Haryana	194444	11810.1
14	Himachal Pradesh	46906	1603.29
15	Jammu & Kashmir	66828	2009.71
16	Jharkhand	289769	2747.85
17	Karnataka	856920	16837.74
18	Kerala	517451	8124.75
19	Ladakh	1004	45.88
20	Laksha Deep	369	1.91
21	Madhya Pradesh	554995	7968.8
22	Maharashtra	985936	39976.98
23	Manipur	10301	123.81
24	Meghalaya	11075	208.47
25	Mizoram	3738	55.46
26	Nagaland	7410	68.64
27	Orissa	925628	4722.31
28	Pondicherry	21266	452.11
29	Punjab	199545	8091.61
30	Rajasthan	533724	12830.82
31	Sikkim	8201	97.19
32	Tamilnadu	839374	26383.13
33	Telangana	139888	10646.5
34	Tripura	61360	249.43
35	Uttar Pradesh	788720	15539.88
36	Uttarakhand	70347	2149.54
37	West Bengal	1998706	14384.05
Total		11431841	248772.5

Source- Department of Financial Services

Annexure - II			
Annexure to Lok Sabha Question No. 650 , Answer Date: 22.07.2020			
State wise Guarantee Approved for CGSSD Cumulative as on 30/06/2021			
Sr. No.	States / UTs	No. of Guarantee	Amount (In Cr.)
1	Andaman & Nicobar	0	0.00
2	Andhra Pradesh	24	3.98
3	Arunachal Pradesh	1	0.36
4	Assam	9	1.25
5	Bihar	18	0.59
6	Chandigarh	7	0.60
7	Chhattisgarh	11	0.54
8	Dadra & Nagar Haveli	0	0.00
9	Daman & Diu	2	0.14
10	Delhi	18	1.90
11	Goa	0	0.00
12	Gujarat	22	1.92
13	Haryana	6	0.94
14	Himachal Pradesh	18	1.51
15	Jammu & Kashmir	23	1.41
16	Jharkhand	20	0.94
17	Karnataka	43	7.57
18	Kerala	21	3.18
19	Ladakh	0	0.00
20	Laksha Deep	0	0.00
21	Madhya Pradesh	41	3.66
22	Maharashtra	77	9.85
23	Manipur	0	0.00
24	Meghalaya	0	0.00
25	Mizoram	2	0.01
26	Nagaland	0	0.00
27	Orissa	39	1.42
28	Pondicherry	0	0.00
29	Punjab	73	7.95
30	Rajasthan	26	1.58
31	Sikkim	0	0.00
32	Tamilnadu	87	10.92
33	Telangana	29	4.42
34	Tripura	0	0.00
35	Uttar Pradesh	60	5.65
36	Uttarakhand	13	1.50
37	West Bengal	18	1.66
Total		708	75.45

Source: CGTMSE