

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE  
LOK SABHA**

**UNSTARRED QUESTION NO. 3496.  
TO BE ANSWERED ON TUESDAY, THE 17<sup>TH</sup> DECEMBER, 2024.**

**SICK INDUSTRIAL UNITS**

**3496. SHRI CHAMALA KIRAN KUMAR REDDY:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) the steps taken to revive sick industrial units in Telangana, particularly in the Adilabad and Nalgonda districts;
- (b) the quantum of funds allocated and utilised under the schemes aimed at modernising these industries;
- (c) whether the Government has assessed the impact of inadequate support to Telangana's MSMEs;
- (d) whether a special package is under consideration for industrial development in backward regions of Telangana; and
- (e) if so, the details thereof?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI JITIN PRASADA)**

**(a) to (e):** Industry is a State subject. State Governments take steps to revive sick industrial units in their areas and adopt different policy measures to promote industrial development in their backward regions.

However, Government of India has taken a number of steps to strengthen, support and finance, revive and reconstruct the MSME sector which are as under:

- To address the stress in MSME accounts in the incipient stage and facilitate their revival, the Ministry of Micro, Small and Medium Enterprises, Government of India, vide their Gazette Notification dated May 29, 2015, notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' (FRR for MSMEs). In continuation of the Gazette notification, RBI issued instructions vide its circular no. RBI/2015-16/338 FIDD.MSME & NFS.BC.No.21/06.02.31/2015-16 dated 17.03.2016.
- Rs.5 lakh crore Emergency Credit Line Guarantee Scheme, for businesses, including MSMEs. The scheme was operational till 31.03.2023. As per a research report dated 23.01.2023 of the State Bank of India on Emergency Credit Line Guarantee Scheme, almost 14.6 lakh MSME accounts, of which about 98.3% of the accounts were in the Micro and Small Enterprises categories, were saved from slipping into non-performing asset (NPA) classification.

- Under the Credit Guarantee Scheme for Micro and Small Enterprises (MSEs) of Ministry of MSME, guarantee is provided to Member Lending Institutions for the credit extended by them to MSEs without any collateral security or third-party guarantee. As announced in the Union Budget 2022-23 and 2023-24, Rs. 9,000 crore was infused into the corpus of Credit Guarantee Fund Trust for MSEs to enable an additional credit of Rs. 2.00 lakh crore, at a reduced cost of credit.
- Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 2.7.2021.
- Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- No global tenders floated for procurement up to Rs.200 crores.
- To enhance access to credit for MSMEs through digital platforms and other innovative mechanisms for facilitating MSMEs, Trade Receivables Discounting System (TReDS), an electronic platform, facilitates the discounting of trade receivables of MSMEs through multiple financiers. To unlock their working capital by converting their trade receivables into cash, the Government of India, through notification dated 07.11.2024, reduced the turnover threshold of buyers for mandatory onboarding on the TReDS platform from Rs. 500 crore to Rs. 250 crore. Notification S.O 4845 (E) to this effect has been issued by the Ministry of MSME on 07.11.2024.

Further, as per information received from state government of Telangana, the steps taken by the Government of Telangana are as under: -

- In Adilabad 13 MSME units and in Nalgonda 25 MSME units are revived by Telangana Industrial Health Clinic Limited (TIHCL). 1 mega unit M/s. Sirpur Paper Mills in Adilabad and 1 large unit M/s. Kumars Metallurgical Corporation Ltd in Nalgonda have also been revived.
- 26 Lakhs in Adilabad and 47.95 Lakhs in Nalgonda have been spent so far on revival of MSMEs.

As per G.O. Ms No. 18 Dt. 21.03.2018 of Government of Telangana, incentives/concessions sanctioned to the unit of M/s. Sirpur Paper Mills in Adilabad: -

1. 100% gross SGST reimbursement for 10 years
2. 100% exemption on stamp duty
3. Capital Subsidy 20% of investment subject to Max of Rs. 50 Cr
4. Debarked Euca for 10 years at concession
5. Secured Coal by SCCL
6. Coal supply with a concession of Rs. 1000/- for 10 years
7. Interest subvention of 2% p.a. for 5 years
8. Electricity Duty exemption for 10 years
9. Reimbursement of power cost @Rs. 3 per unit for 3 years
10. Preference in supply of Copier / Maplitho at market rates

- The Government of Telangana has launched new MSME policy to address challenges faced by MSMEs in 6 major areas including financial support to MSMEs.

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