

Key Announcements for MSMEs - 13 May 2020

Particulars	Highlights																								
New definition of MSMEs	<ul style="list-style-type: none"> No distinction between manufacturing and service enterprises for classification as an MSME. New classification criteria based on turnover introduced and upward revision made in the investment limits. 																								
Collateral free automatic loans for MSMEs	<ul style="list-style-type: none"> An emergency credit limit has been allowed up to 20% of the entire outstanding credit as on 29 Feb 2020. <p>Progress as on 9 July 2020</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #003366; color: white;"> <th rowspan="2">Bank</th> <th colspan="2">Number of Accounts (Actual Figures)</th> <th colspan="2">Amount (in crores)</th> </tr> <tr style="background-color: #003366; color: white;"> <th>Cumulative Sanctioned</th> <th>Cumulative Disbursement</th> <th>Cumulative Sanctioned</th> <th>Cumulative Disbursement</th> </tr> </thead> <tbody> <tr> <td>Public Sector Banks</td> <td>32,70,305</td> <td>14,92,749</td> <td>68,145</td> <td>38,373</td> </tr> <tr> <td>Private Sector Banks</td> <td>4,44,242</td> <td>1,72,690</td> <td>51,954</td> <td>23,615</td> </tr> <tr style="background-color: #e6f2ff;"> <td>Grand Total</td> <td>37,14,547</td> <td>16,65,439</td> <td>1,20,099</td> <td>61,988</td> </tr> </tbody> </table> <p><small>Source: www.pib.gov.in</small></p>	Bank	Number of Accounts (Actual Figures)		Amount (in crores)		Cumulative Sanctioned	Cumulative Disbursement	Cumulative Sanctioned	Cumulative Disbursement	Public Sector Banks	32,70,305	14,92,749	68,145	38,373	Private Sector Banks	4,44,242	1,72,690	51,954	23,615	Grand Total	37,14,547	16,65,439	1,20,099	61,988
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Credit guarantee scheme for subordinate debt for MSMEs	<ul style="list-style-type: none"> INR 20,000 crore subordinate debt for stressed MSMEs or MSMEs that are Non Performing Assets (NPAs). The Credit Guarantee Fund Trust For Micro and Small Enterprises (CGFTMSE) will provide a partial credit guarantee support to banks providing credit under the scheme. 																								
Equity finance through MSME Fund of Funds	<ul style="list-style-type: none"> A Fund of Funds (FoF) with corpus of INR 10,000 crore will be set up that would provide equity funds for MSMEs with growth potential and viability. 																								
Global tender disallowance	<ul style="list-style-type: none"> No global tender will be floated by the Government for procurement of goods and services if the value is upto INR 200 crore 																								
E-market linkage	<ul style="list-style-type: none"> E-market linkage to be promoted to act as a replacement for trade fairs and exhibitions 																								
Quick settlement of dues from Government and CPSEs*	<ul style="list-style-type: none"> Payments due to MSME vendors from the Government and Central Public Sector Enterprises (CPSEs) will be released within 45 days. 																								

*CPSEs - Central Public Sector Enterprises

Source: www.msme.gov.in