

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 611
TO BE ANSWERED ON 12.12.2022

Closure of MSMEs due to financial crisis

611. SHRI SANJAY SINGH :

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

- (a) whether it is a fact that Non Performing Assets (NPAs) of Micro, Small and Medium Enterprises (MSMEs) sector are continuously increasing;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the number of such MSMEs units which were closed down due to financial crisis and huge debt after the COVID-19 Pandemic;
- (d) whether any schemes like tax exemption and productivity-linked incentives have been proposed to support the said sector; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): As per the data provided by RBI, Gross NPA of MSMEs in Scheduled Commercial Banks were Rs. 1,82,114 crores on 31.03.2021, which reduced to Rs. 1,54,831 crores on 31.03.2022.

(c): As per the study conducted by SIDBI during the period from September, 2021 to January, 2022 for a sample size of 1,029 MSMEs spread across 20 States & 2 UTs, 67% of the respondents were temporarily closed for upto a period of 3 months.

(d) & (e): Various schemes and programmes of the Government support the MSME sector. Production-Linked Incentive (PLI) Scheme is being implemented for 14 key sectors to make Indian manufacturers, including MSMEs, globally competitive.
