

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2991**  
**TO BE ANSWERED ON 27.03.2023**

**SMALL AND MICRO COMPANIES IN DISTRESS IN UP**

2991. SMT. KANTA KARDAM:

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

- (a) the details of the small and micro companies that were in distress during the period of COVID-19 in the State of Uttar Pradesh (UP);
- (b) the number of small companies declared bankrupt during the period of COVID-19 Pandemic in the State of Uttar Pradesh, the details thereof; and
- (c) the steps taken by Government for the revival thereof?

**ANSWER**

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

- (a): The COVID-19 pandemic temporarily affected the entire economy, including the MSME sector in the country including State of Uttar Pradesh. As MSMEs are present in both formal and informal sector, data regarding micro and small companies in distress are not maintained by the Government of India in the Ministry of Micro, Small and Medium Enterprises (MSME).
- (b): The matters pertaining to Bankruptcy of Companies are under the administrative domain of Ministry of Corporate Affairs which has reported that data on small companies are not separately available. However, in total, irrespective of size of the Corporate Debtor (CD), as on 31<sup>st</sup> December 2022, insolvency proceedings have been initiated in 6199 cases. Out of these, 125 cases pertain to CDs registered in the State of Uttar Pradesh.
- (c): As informed by Ministry of Corporate Affairs, the Government introduced the Pre-packaged Insolvency Resolution Process framework for MSME corporate debtors vide Insolvency and Bankruptcy Code (Amendment) Act, 2021 with effect from 4<sup>th</sup> April, 2021 thereby enabling faster resolution of MSMEs..

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