

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
STARRED QUESTION NO. *233
TO BE ANSWERED ON: 22.12.2022

FINANCIAL ASSISTANCE FOR REVIVAL OF MSMEs

No. *233

SHRI SHANMUGA SUNDARAM K.:
SHRI D.M. KATHIR ANAND:

Will the Minister of Micro, Small and Medium Enterprises be pleased to state:

- (a) whether the Government is aware of the fact that millions of people employed in Micro, Small and Medium Enterprises (MSMEs) in the country have lost their jobs due to various reasons like demonetisation, cash crunch, import-export crisis and escalating price rise of raw materials during the Covid pandemic;
- (b) if so, the details thereof and the steps taken by the Government to restore the jobs of people rendered jobless and improve the status of MSMEs;
- (c) whether the Government has provided any financial assistance for the revival of MSMEs in the country, particularly in Tamil Nadu and Pollachi constituency and if so, the details thereof; and
- (d) the measures taken or proposed to be taken by the Government to protect the interests of both employer and employees of MSME sector?

ANSWER

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

- (a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. *233 FOR ANSWER ON 22.12.2022.

(a) to (c): The Government has taken a number of recent initiatives vide programmes, schemes and declarations for Micro, Small and Medium Enterprises (MSMEs) in the country, including Tamil Nadu. Some of these include:

- i. Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) for business, including MSMEs.
- ii. Rs. 50,000 crore equity infusion through Self-Reliant India Fund.
- iii. New revised criteria for classification of MSMEs.
- iv. No global tenders for procurement up to Rs. 200 crores.
- v. “Udyam Registration” for MSMEs, for Ease of Doing Business
- vi. Launching of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.
- vii. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 02.07.2021.
- viii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.

Additionally, MSMEs have also been supported by the ongoing financial assistance schemes of this Ministry i.e.

- (i) Prime Minister’s Employment Generation Programme (PMEGP) which is a major credit-linked subsidy programme aimed at generating self-employment; and
- (ii) Credit Guarantee Scheme (CGS) to strengthen credit delivery system and to facilitate the flow of credit to the Micro and Small Enterprise sector without the hassles of collateral and third party guarantee.

For the above schemes, constituency wise data are not maintained, however, as per the data furnished by National Credit Guarantee Trustee Company Ltd. (NCGTC), which is the implementing agency of ECLGS, as on 30.11.2022 since its inception, a total number of 8,72,849 guarantees have been issued with loan amount guaranteed for Rs.26,497.14 crore in the State of Tamil Nadu. At the country level for the same period, number of 1,13,47,107 guarantees have been issued with loan amount guaranteed for Rs.2,37,702.81 crore to MSMEs.

As per the data furnished by Khadi and Village Industries Commission (KVIC) under PMEGP, as on 30.11.2022 since 2020-21, a total 14,336 micro units have been assisted with Rs.396.02 crore margin money disbursed in the state of Tamil Nadu. At the country level for the same period 2,19,403 micro units have been assisted with Rs.6,507.36 crore margin money disbursed.

As per the data furnished by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under CGS as on 30.11.2022, since 2020-21, a total number 1,42,196 of guarantees have been issued amounting Rs.11,519 crore in the state of Tamil Nadu. Similarly, for the same period, at the country level number 22,60,449 of guarantees have been issued amounting Rs.1,53,448 crore.

(d): In the Union Budget 2022 the Government has announced the integration of Ministry of MSME’s Udyam portal with Ministry of Labour & Employment’s e-Shram and National Career Service (NCS) portals and Ministry of Skill Development & Entrepreneurship’s Aatmanirbhar Skilled Employee Employer Mapping (ASEEM) portals.

Further, as informed by Directorate General of employment, Ministry of Labour & Employment, Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched in October, 2020 as part of Aatmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. The scheme being implemented through the Employees Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers including MSME sector and encourages them to hire more workers.
