

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 129
TO BE ANSWERED ON 02.02.2023

IMPACT OF PANDEMIC ON MSMEs

129. SHRIMATI CHINTA ANURADHA:

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

- (a) whether the Government has analysed the impact of Pandemic on the health of MSMEs;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the details of measures being taken by the Government to undo the impact made by the pandemic on MSMEs; and
- (d) the details of other proposed measures to be taken in this regard?

ANSWER

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

(a) & (b): As per the study conducted by SIDBI on the impact of the pandemic during the period September, 2021 to January, 2022 for a sample size of 1,029 MSMEs spread across 20 States and 2 UTs, 67% of the surveyed enterprises were temporarily closed up to period of 3 months. The study revealed that around 65% of the MSMEs surveyed, have availed the benefits under Emergency Credit Line Guarantee Scheme and around 36% of the respondents also availed loans under the Credit Guarantee Scheme for Micro & Small Enterprises. The survey data reveals a positive impact of the change in definition.

(c) & (d): In the recent past, the Government has taken number of initiatives to support MSMEs in the country. Some of these include:

- i. Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme 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 on 02.07.2021.
- viii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- ix. Launch of Udyam Assist Platform (UAP) on 11.01.2023 to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).
