

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 2629
TO BE ANSWERED ON 16.03.2023

CLOSED MSMEs

2629. SHRIMATI KANIMOZHI KARUNANIDHI:

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

- (a) whether it is a fact that more than ten thousand MSMEs across the country has been closed during the financial year 2022-23 and if so, the details thereof;
- (b) whether the Government has evaluated the reason for closure of such a large number of MSMEs in a single financial year;
- (c) if so, the details thereof including the impact that would have on employment as MSMEs are one of the important job creators; and
- (d) whether the Government is providing any support to the MSMEs which are on the verge of closing with any financial assistance for their revival and if so, the details thereof?

ANSWER

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

(a): During the financial year 2022-23, upto 13 March, 2023, 12,418 number of Micro, Small and Medium Enterprises (MSMEs) have closed as per Udyam Registration Portal. At the same time, 67,69,930 new MSME have been registered on Udyam Portal in FY 2022-23.

(b) to (d): A study conducted by SIDBI from September, 2021 to January, 2022, comprising 1,029 Micro, Small and Medium Enterprises (MSMEs) spread across 20 States and 2 UTs revealed that 67% of the respondent MSMEs were temporarily closed up to a period of three months due to COVID-19 pandemic.

State Bank of India's report of January 2023, indicates that Emergency Credit Line Guarantee Scheme (ECLGS) has saved 14.6 lakh MSMEs from getting closed and thereby saved the employment of around 1.65 crore workers.

The Government has taken a number of measures to provide support to the MSMEs which are on the verge of closure. This includes the launch of Rs. 5 lakh crore ECLGS for businesses, including MSMEs in 2020; and Budget 2023-24 announcement for infusing Rs. 9,000 crore in the corpus of CGTMSE to enable an additional credit of Rs. 2 lakh crore with reduced cost of the credit.
