

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 1690
TO BE ANSWERED ON: 28.11.2019

IMPACT OF RECESSION ON SMEs

1690. SHRI VASANTHAKUMAR H:

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

- (a) whether Small and Medium Enterprises (SMEs) have been affected by economic recession;
- (b) if so, the number and percentage of such enterprises along with the names of the products being manufactured by them;
- (c) the details of loss of jobs caused due to recession;
- (d) whether the Government has formulated a scheme to bail out these enterprises;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the number of enterprises provided benefits under the said bail out scheme?

ANSWER

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a) to (c): A few Small & Medium enterprises have been reportedly affected by the prevailing demand slowdown. The number and percentage of such enterprises as well as the details of loss of jobs have not been reported.

(d) to (f): The Government has taken several measures such as easing the credit flow to Industries, corporate tax cut, interest rate subvention and addressing the issue of delayed payments etc. Along with that, the Ministry of Micro Small and Medium Enterprises (MSME) implements various schemes and programmes for the growth and development of MSME Sector in the country. These schemes and programmes include Prime Minister's Employment Generation programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting innovation, Rural Industry & Entrepreneurship (ASPIRE), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises Cluster Development Programme (MSE-CDP), Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS).

Under the Prime Minister's Employment Generation Programme (PMEGP), the estimated employment generated is 5.87 lakh in the year 2018-19. The number and amount of Guarantees approved under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) during the year 2018-19 is 4.36 lakhs & Rs.30168.57 crore respectively. Under Credit Linked Capital Subsidy Scheme (CLCSS), 14,155 Micro & Small enterprises have availed the subsidy of Rs. 980.44 crore in the year 2018-19.
