GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION No. 1866 TO BE ANSWERED ON 22.09.2020

CLOSED DOWN MSMEs

1866. SHRIMATI NUSRAT JAHAN RUHI:

SHRI D.K. SURESH:

SHRI BALUBHAU ALIAS SURESH NARAYAN DHANORKAR:

SHRI JASBIR SINGH GILL:

ADV. DEAN KURIAKOSE:

SHRI DEEPAK BAIJ:

SHRI K. NAVASKANI:

SHRI PRATAPRAO JADHAV:

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

- (a) the number of MSMEs registered and closed down in the country between the financial year 2014-15 and 2019-20 along with the reasons for closure of MSMEs;
- (b) the number of MSMEs closed/shut down during this Covid-19 pandemic situation in the country, State/UT-wise and industry-wise;
- (c) the number of expected job loss in MSME sector in the country, State/UT-wise and the action taken by the Government in this regard;
- (d) the growth decline registered in MSMEs during lockdown;
- (e) the number of small scale units lying closed in States particularly in Maharashtra and Tamil Nadu as on date and the time since when the said units are lying closed, the details of the capital invested in the said units and the number of people employed in the said units; and
- (f) the steps taken by the Union Government to assist MSMEs post the onset of the COVID-19 pandemic and revive the MSME units?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI PRATAP CHANDRA SARANGI)

(a) to (c): The total number of Micro, Small, Medium Enterprises which are registered during 2014-15 to 2019-20 was 94,83,553. In which, Entrepreneurs Memorandum (Part-II) filled by MSMEs during the year 2014-15 was 4,25,358 and MSMEs registered on Udyog Aadhaar Portal (since September, 2015 to 31.03.2020) was 90,58,195.

The Reserve Bank of India issued guidelines on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' to Scheduled Commercial Banks (excluding Regional Rural Banks) in March 2016. Under this framework, banks have been advised to identify incipient stress in the MSME accounts and refer it to the Committees framed under the framework for Corrective Action Plan for rectification, restructuring and recovery. Data in this regard for the half year ended September 2018 to half year ended March 2020 is given below:

Sl.	For the half year	Total MSME	
No.		Accounts referred to the	Accounts resolved by
		Committee during the	the Committee during
		half year	the half year
1	April 2018-September 2018	1,50,165	1,23,227
2	October 2018-March 2019	1,42,275	1,46,519
3	April 2019-September 2019	1,72,949	1,50,613
4	October 2019-March 2020	3,39,728	3,24,621

Source: RBI

Note: Number of cases resolved by the committees is more than the cases referred due to some pending cases with the committees at the beginning of the half year which have been resolved during the period.

COVID-19 epidemic has temporarily affected various sector including Micro, Small and Medium Enterprises.

- (d): As per the information received from Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MoSPI), MSME sector Gross Value Added (GVA) was 32.79% and 33.50% in All India GVA during the year 2017-18 and 2018-19.
- (e): As per 73rd round of National Sample Survey (NSS) (July 2015- June 2016) conducted by Ministry of Statistics & Programme Implementation (MoSPI), the estimated employed persons in estimated MSMEs was 11.10 crore in All India and in Maharashtra and Tamil Nadu was 90.75 lakh and 96.72 lakh, respectively.

Under the Prime Minister's Employment Generation Programme (PMEGP), the estimated employment generated (number of persons) in micro enterprises during the years 2017-18, 2018-19, 2019-20 and 2020-21 (as on 31.08.2020) are 3.87 lakh, 5.87 lakh, 5.33 lakh and 1.10 lakh, respectively.

- (f): Recently, Post Covid-19, Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 Pandemic. Some of them are:
 - i) Rs 20,000 crore Subordinate Debt for MSMEs.
 - ii) Rs 3 lakh crores Collateral free Automatic Loans for business, including MSMEs.
 - iii) Rs. 50,000 crore equity infusion through MSME Fund of Funds.
 - iv) New revised criteria for classification of MSMEs.
 - v) New Registration of MSMEs through 'Udyam Registration' for Ease of Dong Business.
 - vi) No global tenders for procurement up to Rs. 200 crores, this will help MSME.

An online Portal "Champions" has been launched on 01.06.2020 by Hon'ble Prime Minister. This covers many aspects of e-governance including grievance redressal and handholding of MSMEs. Through the portal, total 19,593 grievances have been redressed upto 17.09.2020.

RBI has also announced several measures to Reduce Financial Stress of MSMEs.