

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1779
TO BE ANSWERED ON 11.02.2021

BENEFITS FROM MSME SCHEMES

1779. SHRI BANDI SANJAY KUMAR:

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

- (a) the number of beneficiaries from Telangana State benefitted from various schemes under the Ministry during the last three years;
- (b) the details of self employment generated under the Ministry in the State during the above period;
- (c) the details of subsidy released so far by the Ministry to various MSME units in Telangana State;
- (d) the impact of lockdown on MSME sector in the said State and unemployment caused due to lockdown in MSME sector particularly in Telangana State?

ANSWER

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

- (a): Ministry is implementing the following schemes across the country for benefit of MSME sector including Telangana:
- i. Prime Minister's Employment Generation Programme (PMEGP) is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and rural/urban unemployed youth.
 - ii. Ministry is implementing Scheme of Fund for Regeneration of Traditional Industries (SFURTI) to organize traditional industries and artisans into clusters to make their products competitive and provide the artisans with sustainable employment.
 - iii. Ministry is implementing Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) to create Common Facility Centres, Infrastructure Development and Flatted Factory Complexes by organizing 20 or more industries of similar value chain into clusters.
 - iv. Ministry is implementing Gramodyog Vikas Yojana (GVY) which has components such as Honey Mission and Kumbhar Sashktikaran Programme (KSP) to uplift the lives of beekeepers and rural potters respectively by providing them with bee boxes, electric wheels, toolkits and training.
 - v. Under Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), collateral free credit facility (term loan and/or working capital) is extended by lending institutions to new and existing micro and small enterprises, including retail activity. The guarantee cover provided under CGTMSE extends from 50% to 85% for credit up to Rs. 2 crore.

- vi. Under Credit linked Capital Subsidy Scheme (CLCSS), 15% up front capital subsidy is provided on institutional credit up to Rs. 1 cr for technology upgradation/induction in identified sectors.
- vii. International Cooperation (IC) Scheme facilitates Indian MSMEs for their participation in international exhibitions, trade fairs, buyer seller meets, etc.

The number of beneficiaries from Telangana State benefitted from the above schemes of the Ministry during the last three years are as under:

Year	PMEGP (No. of Units assisted)	SFURTI (No. of Artisans assisted)	MSE-CDP (No. of clusters set up)	Honey Mission	KSP	CGTMSE (No. of Guarantees)	CLCSS (No. of Units assisted)	IC (No. of MSMEs assisted)
2017-18	1190	600	-	-	40	6343	91	53
2018-19	2051	-	-	175	200	17037	176	71
2019-20	2174	4395	1	30	100	39162	179	15

(b): Under PMEGP scheme, Self-employment generated through setting up of micro units in the State of Telangana during the last three years is as under:

Year	Self-Employment Generated
2017-18	1190
2018-19	2051
2019-20	2174

(c): The details of subsidy released under PMEGP and CLCSS scheme in the State of Telangana is as under:

	PMEGP	CLCSS
Year	Subsidy Released (in Lakh)	Subsidy Released (in Lakh)
2017-18	4030.21	735.17
2018-19	7180.89	1656.61
2019-20	7137.38	1772.12

(d): Studies have been conducted by National Small Industries Corporation (NSIC) and Khadi and Village Corporation (KVIC) to assess the impact of COVID-19 pandemic on MSMEs including units setup under the Prime Minister employment Generation program (PMEGP).

A. The main findings of the online study conducted by NSIC to understand the operational capabilities and difficulties faced by beneficiaries of NSIC schemes amid Covid-19 Pandemic are as follows:

- i. 91% MSMEs were found to be functional.
- ii. Five most critical problems faced by MSMEs were identified as Liquidity (55% units), Fresh Orders (17% units), Labour (9% Units), Logistics (12% units), Raw Material (8 % units).

B. The findings of the study conducted by KVIC are as under:

- i. 88% of the beneficiaries of PMEGP scheme reported that they were negatively affected due to Covid-19 while the remaining 12% stated that they were benefitted due to Covid-19.
- ii. Among the 88% who were affected, 57% stated that their units were shut down for some time during this period, while 30% reported drop in production and revenue.
- iii. Among the 12% who had benefitted, 65% stated that their business increased as they had units in retail and health sector and around 25% stated that their units benefitted as they were dealing with essential commodities or services.
- iv. On the question of regular payment of salaries to the employees, around 46.60% respondents stated that they had paid the salaries in full, 42.54% reported to have partially paid and 10.86% reported to have not paid salary for some time during this period.
- v. Majority of the beneficiaries expressed the need for additional financial support, relaxation of waiver of interest and marketing support for their products.
