

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 561**  
**TO BE ANSWERED ON 04.02.2021**

**NEGATIVE GROWTH IN MSME SECTOR**

561. SHRI P. RAVEENDRANATH:

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

- (a) whether the functions of Micro, Small and Medium Enterprises (MSMEs) sector in our country, including my State of Tamil Nadu has posted negative growth, followed by outbreak of Covid-19 pandemic and if so, the details thereof;
- (b) whether those MSMEs can be permitted to place their own agricultural dry lands as collateral security, enabling access to credit from commercial banks for their additional working capital requirement and if so, the details thereof; and
- (c) the steps taken or being taken to promote inclusive growth in MSME sector at rural and hill areas, across State of Tamil Nadu including theni Parliamentary Constituency?

**ANSWER**

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

(a) : COVID-19 pandemic has temporarily affected various sectors including Micro, Small and Medium Enterprises in the country. As per the advance estimates received from Central Statistics Office, Ministry of Statistics & PI, All India Gross Value Added growth of manufacturing sector (including MSMEs) at constant prices for FY 2020-21 over FY 2019-20 is estimated at (-9.4) percent.

However, as regard to the State of Tamilnadu, the positive growth rate has been recorded in respect of sanction of projects under Prime Minister's Employment Generation Programme(PMEGP) during the period of COVID-19 pandemic (April-September 2020) as compared to the same period last year (April-September 2019). Progress of PMEGP Scheme in Tamil Nadu State is as follows:

<b>Year</b>	<b>No. of Projects assisted under PMEGP in Tamil Nadu</b>	<b>Employment opportunities generated under PMEGP in Tamil Nadu</b>
From 01.04.2019 to 30.09.2019	1497	11926
From 01.04.2020 to 30.09.2020	1620	12960

As per Udyog Aadhaar Portal, number of MSMEs registered (since September 2015 to 30.06.2020) in All India and Tamilnadu was 102,32,468 and 11,06,628 respectively.

As per Udyam Registration Portal, number of MSMEs registered (from 01.07.2020 to 01.02.2021) in All India and Tamilnadu was 20,29,095 and 2,22,507 respectively .

(b) : As part of Atmanirbhar Bharat Abhiyaan, the ECLGS was launched on 23rd May 2020. The scheme envisages fully guaranteed collateral free additional credit to eligible MSME units and business enterprises either in the form of additional working capital term loans (in case of banks and FIs), or additional term loans (in case of NBFCs) up to 20% of their entire outstanding credit as on 29.2.2020. All entities with outstanding credit of up to Rs. 50 crore as on 29.2.2020 and annual turnover of up to Rs. 250 crore, which were less than or equal to 60 days past due as on 29.2.2020 are eligible under the Scheme. The Scheme seeks to help the eligible entities tide over the crisis caused by the Covid-19 pandemic and meet their operational liabilities.

(c): The Ministry of Micro, Small and Medium Enterprises (MSMEs) implement various other schemes for the growth and development of MSME sector in the country including state of Tamilnadu and district Theni. The total number of MSMEs registered on Udyam portal (from 1<sup>st</sup> July, 2020 to 1<sup>st</sup> February, 2021) in Theni district was 2217. The brief achievements under PMEGP Scheme in Tamil Nadu State are as follows:

<b>Year</b>	<b>No. of Projects assisted under PMEGP in Tamil Nadu</b>	<b>Employment opportunities generated under PMEGP in Tamil Nadu</b>
From 01.04.2019 to 30.09.2019	1497	11926
From 01.04.2020 to 30.09.2020	1620	12960

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