

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 490**  
**TO BE ANSWERED ON 22.07.2021**

**Closure of MSMEs**

490. SHRI RAJAN VICHARE:

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

- (a) the contribution of Micro, Small and Medium Enterprises (MSMEs) in the total production of the manufacturing sector during the last three years, percentage-wise;
- (b) whether some units of MSMEs have also been closed down during the said period and if so, the details thereof, State-wise;
- (c) the details of the number of the units closed during the said period, year-wise along with the reasons therefor; and
- (d) the details of operational MSMEs in Maharashtra during the last two years?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NARAYAN RANE)

(a): As per the information received from Central Statistics Office, Ministry of Statistics & PI, Share of MSME Manufacturing Gross Value Added (GVA) in All India Manufacturing GVA at current prices (2011-12) for the years 2016-17, 2017-18 and 2018-19 was 40.4%, 40.2% and 40.1% respectively.

(b) & (c): The economic activity contracted due to the strict lockdown measures imposed by the Government. This contraction has also had impact on the MSME sector.

Studies have been conducted by National Small Industries Corporation (NSIC) and Khadi and Village Industries Commission (KVIC) to assess the impact of COVID-19 Pandemic on MSMEs including units set up under Prime Minister's Employment Generation Programme (PMEGP).

- A. The main findings of the online study conducted by NSIC to understand the operational capabilities and difficulties faced by the beneficiaries of NSIC schemes amid Covid-19 pandemic are as follows:
- i. 91% MSMEs were found to be functional.

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- ii. Five most critical problems faced by MSMEs were identified as Liquidity (55% units), Fresh Orders (17% units), Labour (9% units), Logistics (12% units) and availability of 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 during Covid-19 Pandemic.
  - 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.

(d): As per Udyog Aadhaar Portal (since inception October 2015 to June 2020), the number of Micro, Small and Medium Enterprises (MSMEs) registered in Maharashtra was 19,78,536.

On 1st July, 2020, after adoption of new definition of MSMEs, a new registration portal 'Udyam Registration' has been launched by M/o MSME and so far 8,17,275 classified MSMEs are registered on the portal in Maharashtra (from 01.07.2020 to 15.07.2021).

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