

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**STARRED QUESTION NO. \*32**  
**TO BE ANSWERED ON 03.02.2022**

**IMPACT OF COVID-19 PANDEMIC ON MSME SECTOR**

\*32. SHRI RAHUL RAMESH SHEWALE:  
SHRI CHANDRA SEKHAR SAHU:

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

- (a) whether the Micro, Small and Medium Enterprises (MSMEs) have conducted any study to assess the impact of second wave of Covid-19 pandemic on the MSME sector;
- (b) if so, the details thereof;
- (c) whether the Government has evaluated the aforesaid study;
- (d) if so, the outcome thereof; and
- (e) the steps taken by the Government to address the problems of MSMEs and mitigate the impact of pandemic on MSME sector?

**ANSWER**

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

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF THE  
LOK SABHA STARRED QUESTION NO. 32\* FOR ANSWER ON  
03.02.2022**

(a) to (d): The Ministry of MSME on 7<sup>th</sup> September, 2021 assigned a Study to Small Industries Development Bank of India (SIDBI) to assess the impact of change in MSME classification on the Sector. The terms of reference of the said study inter-alia also included assessment of losses suffered by MSME sector due to Covid-19 pandemic.

The said study was based on the survey conducted by SIDBI taking a random sample pool comprising 1,029 MSMEs spread across the 20 States and 2 Union Territories. The report of the study submitted on 27<sup>th</sup> January, 2022, reveals that 67 percent of the respondent MSMEs were temporarily closed for upto a period of 3 months and more than 50 percent of the respondent units witnessed a decline of more than 25 percent in their revenues during the FY 2020-21. Around 66 percent of the respondents reported a decline in profitability on account of stable fixed costs and decline in revenue. The study reveals that around 65 percent of the MSMEs surveyed, have availed the benefits under Emergency Credit Line Guarantee Scheme and around 36 percent of the respondents (MSMEs) also availed loans under the Credit Guarantee Fund Trust for Micro and Small Enterprises scheme. The Government has taken note of the points highlighted in the said report.

(e): Government has already announced a series of measures under Aatmanirbhar Bharat to support the MSME Sector of the country such as (i) Rs. 20,000 crore Subordinate Debt for MSMEs; (ii) Rs.3 lakh crore Collateral free Automatic Loans for business, including MSMEs (now enhanced to Rs. 4.5 lakh crore); (iii) Rs. 50,000 crore equity infusion through MSME Self-Reliant India Fund; (iv) New Revised criteria of classification of MSMEs, etc.

\*\*\*\*