

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1381
TO BE ANSWERED ON 10.02.2022

IMPACT OF COVID-19 ON SMALL BUSINESSES

1381. SHRIMATI POONAMBEN MAADAM:

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

- (a) the steps being taken by the Government to mitigate the negative impact of Covid-19 on small businesses in the country;
- (b) the details of the effective steps taken by the Government for market access;
- (c) the details of efforts being made to rehabilitate the small business sector by improving their financial access;
- (d) whether the Government includes retail and wholesale trades as MSMEs; and
- (e) if so, the details thereof?

ANSWER

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

(a) to (c): The Government has taken a number of recent initiatives under the Aatma Nirbhar Bharat Abhiyan to mitigate the negative impact of Covid-19 on small businesses in the country and to improve their financial and market access. Some of them are:

- i. Rs. 20,000 crore Subordinate Debt for stressed MSMEs.
- ii. Rs.3 lakh crores Emergency Credit Line Guarantee Scheme (ECLGS) for Businesses, including MSMEs (which has subsequently been increased to Rs. 5 lakh crore, as announced in Budget 2022-23).
- iii. Rs. 50,000 crore equity infusion through MSME Self-Reliant India Fund.
- iv. New Revised criteria of classification of MSMEs.
- v. New Registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.
- vi. No global tenders for procurement up to Rs. 200 crores.

An Online Portal, "Champions", has been launched on 01.06.2020 by Hon'ble Prime Minister. This covers many aspects of e-governance including redressal of grievances and handholding of MSMEs. In order to support the MSEs during COVID-19 pandemic, a special component of "Virtual Trade Fairs" has been introduced under the existing Procurement & Marketing Support (PMS) scheme of this Ministry to enhance market access of MSEs.

(d) & (e): From 2nd July, 2021, the government has included Retail and Wholesale Traders as MSMEs. They are allowed to be registered on Udyam Registration Portal and avail benefits of Priority Sector Lending.
