GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION NO. 393 TO BE ANSWERED ON 03.02.2022

REGISTERED/CLOSED MSMEs

393. SHRI BENNY BEHANAN: SHRI BALUBHAU ALIAS SURESH NARAYAN DHANORKAR: DR. A. CHELLAKUMAR:

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

- (a) whether the Government has framed an enhanced financial incentivisation policy to boost the MSME sector;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the number of MSMEs registered and the number of those shut down during the last five years, year-wise;
- (d) the number of MSMEs currently functioning, and the number of those currently lying closed, State/UT-wise;
- (e) whether the Government proposes to provide employment, subsidies and financial compensation to persons affected by the closure of MSMEs due to the COVID-19 pandemic;
- (f) if so, the details thereof and if not, the reasons therefor;
- (g) the number of applications filed on the MSME Samadhaan platform, viewed by Officials and pending consideration, annually from inception till date; and
- (h) whether it is a fact that fifty seven per cent of applications on MSME Samadhaan portal are currently pending and if so, the reasons for such a large number of pendencies?

ANSWER

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

(a) & (b): The Ministry of Micro, Small and Medium Enterprises (MSME) implements different schemes and programmes aimed at promotion and development of Micro, Small and Medium Enterprises (MSMEs). These schemes / programmes, inter alia, include financial support. Some of these schemes / programmes include Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE), Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), etc.

- (c) & (d): For registration for MSMEs, the Government of India replaced the erstwhile system of Udyog Aadhaar Memorandum (UAM) with Udyam Registration (UR) on 1st July, 2020. As per the data available on Udyam registration portal, a total number of 28,63,571 MSMEs were registered during FY 2020-21 (1st July, 2020 to 31st March, 2021) and 40,00,139 MSMEs were registered during FY 2021-22 till 01.02.2022. As MSMEs function in both formal and informal sectors, data regarding temporary and permanent closure of MSMEs are not centrally maintained.
- (e) & (f): The Government of India announced a series of measures under Aatma Nirbhar Bharat to support the economy, especially the MSME sector. This inter-alia includes (i) Rs. 20,000 crore Subordinate Debt for stressed MSMEs; (ii) Rs. 50,000 crore equity infusion through MSME Fund of Funds (SRI Fund); (iii) 3 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) for Businesses, including MSMEs (which has subsequently been increased to 4.5 lakh crore); (iv) New Definition of MSME (v) No Global tenders for Government procurements upto Rs. 200 crore; (vi) Aatma Nirbhar Bharat Rozgar Yojana to incentivize job creation during CoVID-19 recovery, etc.

(g) & (h): Micro and Small Enterprises (MSEs) can file applications in Micro and Small Enterprise Facilitation Councils (MSEFCs) for delayed payments. After the application is admitted by the MSEFCs, it becomes a case. As per the information available on SAMADHAAN portal, as on 31.01.2022, 28.41% of the total applications filed in the portal since inception are pending. The details of the application filed on SAMADHAAN Portal since inception, are given below:-

Period		Applicatio ns filed by MSEs	Applications ready for Consideration by MSEFCs (applications not converted into cases)	Applications Converted into Cases by MSEFCs Under various stages of hearing
From	То			
30/10/2017	31/03/2018	4,489	179	927
01/04/2018	31/03/2019	10,145	720	2,562
01/04/2019	31/03/2020	24,519	3,665	6,391
01/04/2020	31/03/2021	34,527	9,674	10,632
01/04/2021	31/01/2022	28,253	14,728	6,878
Total		1,01,933	28,966	27,390
				Source- Samadhaan Portal
