

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1389
TO BE ANSWERED ON 19.12.2022

CLOSURE OF MSMEs

1389. SHRI DEREK O' BRIEN:

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

- (a) the number of Micro, Small and Medium Enterprises (MSMEs) shut down since 2017, year-wise;
- (b) the biggest contributing factors in the shutting down of these MSMEs, the details thereof ;
- (c) whether closure of MSMEs is concerning Government;
- (d) if so, the details thereof and if not, reasons therefor; and
- (e) steps that have been taken to address the closure of MSMEs and details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a)&(b): The details of number of Micro, Small and Medium Enterprises (MSMEs) shut down since 2017, as per Udyog Aadhaar Memorandum (UAM) and Udyam Registration Portals, are as under:

Financial Year	Number of MSME shutdown
2017-18	0
2018-19	0
2019-20	245
2020-21(1-04-2020 to 30-06-2020 (UAM))	155
2020-21(01.07.2020 -31.03.2021	175
2021-22	6,222
2022-23(as on 14.12.2022)	8,232

The factors contributing to shut down are not captured on Udyam Registration Portal.

(c) & (d): From the launch of Udyam Registration Portal on 01.07.2020 to 14.12.2022, 1.27 crore enterprises have registered, of which 14,454 shut down business which constitutes 0.001% of the total MSMEs registered on Udyam Registration Portal.

- (e): The Government has taken a series of initiatives to support the MSME Sector in the country.
- i. Rs. 5 lakh crore Collateral Free Automatic Loans under Emergency Credit Line Guarantee Scheme (ECLGS) for business, including MSMEs.
 - ii. Rs. 50,000 crore equity infusion through Self-Reliant India Fund.
 - iii. New revised criteria for classification of MSMEs.
 - iv. No global tenders for procurement up to Rs. 200 crores.
 - v. "Udyam Registration" for MSMEs, for Ease of Doing Business
 - vi. Launching of an online Portal "Champions" in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.
 - vii. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 02.07.2021.
 - viii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
