

Around 96% respondents stood tall against the challenges and doesn't believe in closing down their businesses.
Around 56% respondents have put their business expansion and growth plan on hold so that they can better strategize while waiting the market to recover and stabilize # Around 27% respondents have found innovative method of diversifying into new business activities

Impact of COVID-19 on MSMEs

White paper

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I. INTRODUCTION

Mankind is battling with the COVID-19, which has left the entire world muddled and in the lurch as to how a virus has brought the entire globe to a standstill.

This virus is mounting a very serious threat to the global economy as well, which is already in grave peril. There is no doubt that the Indian economy, which is already sputtering, is growing at one of the lowest rates in the last six years. And now, a new set of economic challenges unleashed by this virus is leaving many sectors in tatters.

The COVID-19 has left its impact on all sectors of the economy but nowhere is the hurt as much as the Micro, Small and Medium Enterprises (MSMEs) of India. All anecdotal evidence available, such as the hundreds of thousands of stranded workers, suggests that MSMEs have been the worst casualty of Covid-19 induced lockdown.

Lockdown in India has led to various issues ranging from shrinkage of exports, cessation of production, non-availability of manpower, the uncertainty of consumption, and liquidity squeeze in the market as well.

According to the Confederation of All India Traders (CAIT) which represents 70 million traders in India and the majority of them are MSME. The trade impact for India is estimated to be around Rs 380 lakh. Micro, small and medium enterprise is the sector which was already reeling under huge distress because of prolonged economic slowdown, demonization, & GST& now finally, for the biggest of all COVID-19 which has aggravated the crisis in this specific sector further.

MSME forms the backbone of the Indian economy and is one of the most crucial segments that let the economy grow by leap and bounds. The sector which provides employment to over 114 million people and contributes to more than 30 per cent to India's GDP and about half of exports (data by Directorate General of Commercial Intelligence and Statistics (DGCIS)), MSMEs play a significant role in the economy and, the majority of which relies on day-to-day business to stay afloat, continues to be the most vulnerable owing to the lockdown and a decrease in demand.

Reeling under the impact of the (Covid-19) pandemic, 80 per cent of micro, small & medium enterprises (MSMEs) of Odisha are running under the risk of closure. As a fall-out of the nationwide lockdown, the small and micro scale industries in the state are facing severe hardship. In the absence of manufacturing activity, there is no cash flow, while the credit cycle has been badly affected.

There are over 50,158 MSME units in the state of Odisha with an investment of over Rs 2,324.46 crore, according to Economic Survey 2018-19. These units employ roughly around 5 million people directly & indirectly. Odisha government estimates a revenue loss of Rs 10,000 -15,000 crore in the current financial year as the state faces a severe disruption in industrial activities due to coronavirus lockdown.

II. OBJECTIVES & RESEARCH METHODOLOGY

Research Objectives:

The objectives of the research are as follows:

- i. To explore the impact of COVID 19 on MSMEs in Odisha.
- ii. To explore whether the Government Schemes related to Industries have been effective or not, and also to create awareness among the industries.

Research Design:

It is a Diagnostic Research Design. Both quantitative and qualitative data have been analyzed for the research. Both Primary and Secondary sources of data have been collected. A survey of MSMEs in North Odisha has been conducted. The primary sources of data were collected over telephone, via e-mail and by visiting the enterprises. The secondary sources of data have been collected from Ministry of Finance and from various relevant articles, journals, magazines etc.

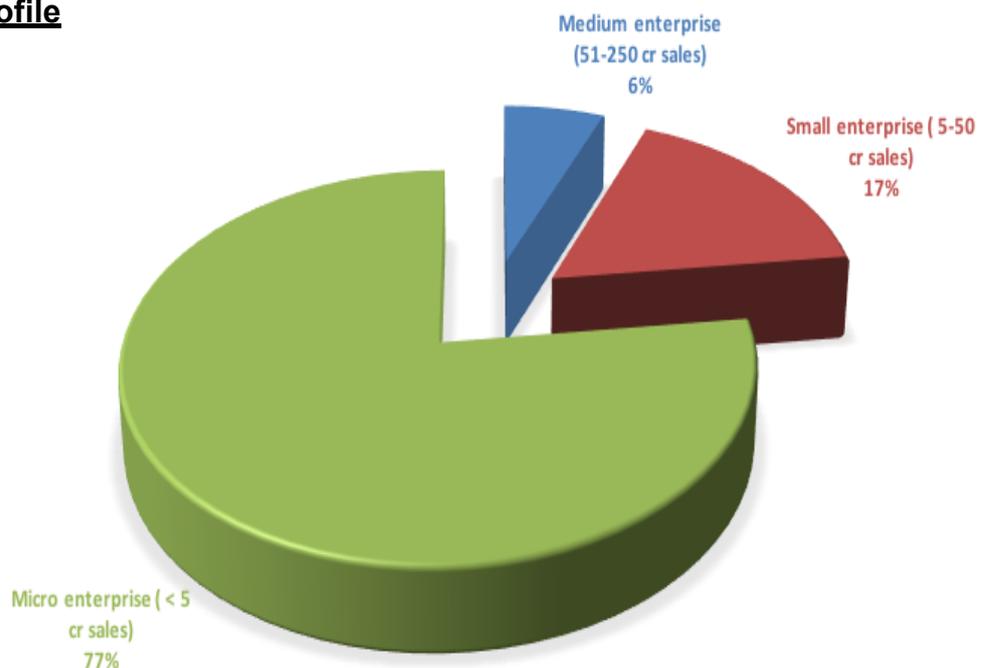
Sampling Design:

The target sample for the survey consists of 100 MSMEs of Balasore district. Out of which 6 are medium, 17 are small and 77 are micro enterprises. A questionnaire was prepared & accordingly survey was conducted based on the questionnaire.

III. DATA ANALYSIS & INTERPRETATION

The data analysis has been conducted by getting information from the survey, which was done by administering questionnaires among the MSMEs.

Respondents' Profile



IV. FINDINGS & SUMMARY

1. Impact of the Covid-19 pandemic on MSMEs

NOCCI a leading industry association surveyed 100 MSMEs (Micro Small & Medium Enterprises) comprising 6 Medium, 17 Small and 77 Micro enterprises of Balasore district. The objective of the study was i) to explore the impact of COVID 19 on MSMEs in North Odisha ii) to explore whether the Government Schemes related to Industries have been effective or not, and also to create awareness among the industries.

INTERIM BRIEF - CHALLENGES FACED BY MSMEs DUE TO COVID-19

Out of the many challenges faced by MSMEs due to COVID-19, here are few of the major challenges that are being faced by MSMEs:

1. Collapsing demand and access to liquidity- Demand has plunged for the businesses and entrepreneurs, even in commodity sectors and some buyers are slowing payments for orders already received. MSMEs have small cash reserves, and therefore go out of business first in liquidity shock.
2. Accessing inputs and managing inventory- MSMEs frequently source inputs from other states & even from abroad, so as a result of COVID19 supply chains have become longer and more complex.
3. Managing the work environment- For manufacturing MSMEs in lockdown situations, remaining open is challenging as factory floors are not designed for social distancing.

Factors responsible for affecting the MSMEs due to COVID-19

- **Shortage of Manpower**

Organizations across the State have experienced unprecedented workforce disruption. Virtually all companies are still determining how they will work in the short- and long-term, as shortage of manpower exists, which has affected the MSMEs to a greater extent.

- **Market Demand**

Consumer demand patterns have shifted; supply chains are disrupted and have been under pressure, due to a stagnating economy and reduction in market demand. With the COVID-19 crisis, fundamental changes in consumer behaviour and routes to market have knocked MSMEs off balance in the State.

- **Shortage of supplies/input materials**

Small industries in the State have faced a shortage of raw material due to the ongoing nationwide lockdown. As a result there was a halt in the production which ultimately

affected the entire supply chain. So, shortage of raw material has been a factor which adversely affected the MSMEs during the pandemic.

- **Logistics**

Due to lockdown, the supply chain has virtually come to a standstill. As a result, shipments lie pending as factories and warehouses were shut in a prompt response to the global health emergency. The crisis has severely affected transport services, both in terms of supply and demand. And because freight transport operations, logistics, and the production of goods were so tightly synchronized, these disruptions have quickly had a ripple effect on commerce, exposing the fragility of the entire supply chain.

- **Export Issues**

Merchandise exports have collapsed by over 60% and imports contracted only slightly less. The trade collapse was not surprising as the spate of regional, national as well as lockdowns around the world have not only dented demand and investment, but also severely disrupted supply chains and shipping routes.

- **Shortage of Funds**

The MSMEs stare at a lack of capital. Small enterprises are hit by zero cash flow due to the national lockdown. As there was a halt in the production and slump in demand, MSMEs are unable to pay their creditors. While the revenue generation remains on hold, there are several expenses that the MSMEs can't get their hands off such as salaries of employees, tax deposit, rent of warehouses and office spaces, among many others.

- **Temporary Shutdown**

Workplace shutdown has been a major factor in hitting MSMEs hard during the COVID crisis as operations get ceased due to unavailability of raw materials and leave the enterprises at a high risk of insolvency. So, it is indicative that the slowdown or the temporary shutdown is one of the major factors that have affected the MSMEs in North Odisha.

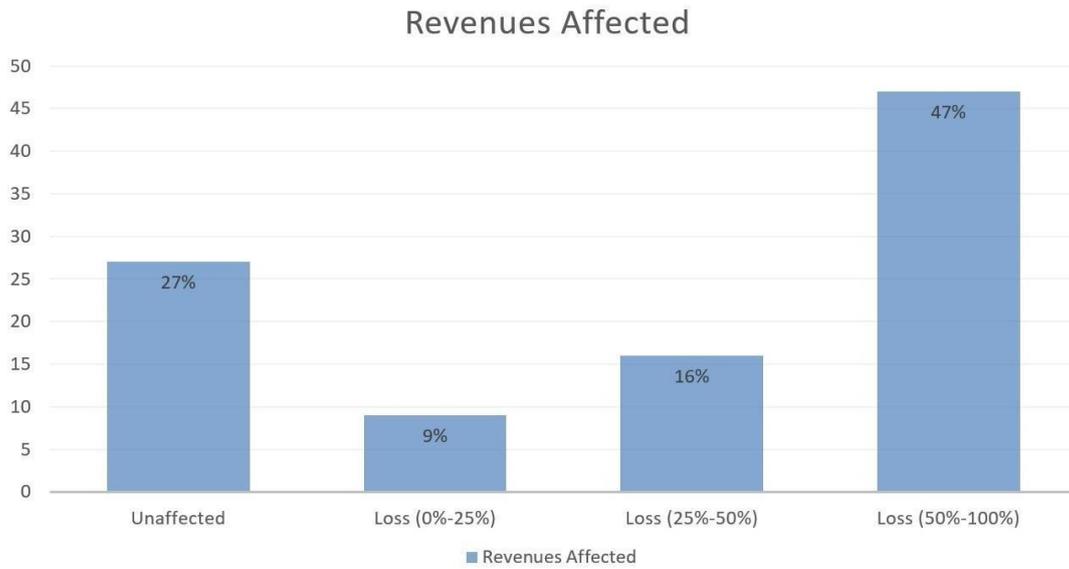
- **Shortage of Market Credit**

The nation-wide lockdown has badly hit business sustainability for the MSME segment due to the lack of cash-flows to meet their fixed cost. Business credits were first hit by the sudden stop in economic activities, affecting the industries disproportionately.

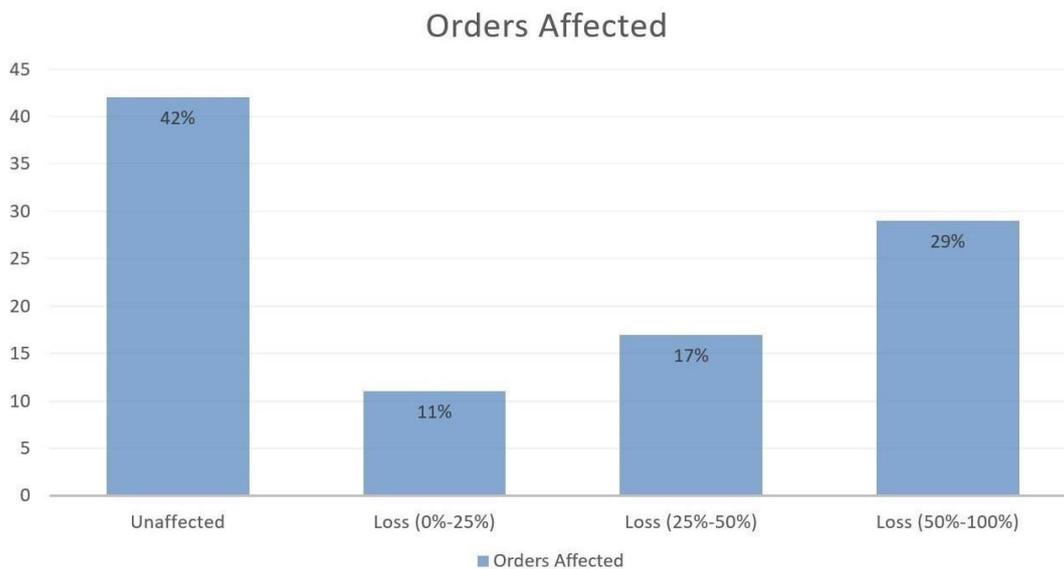
Detailed Insight based on assessment of responses from industry members

A majority of the participating MSMEs said that the coronavirus pandemic has had an adverse impact on their business.

Out of the total sample size, around 6% of the respondents said that their businesses have not been impacted due to the pandemic outbreak.

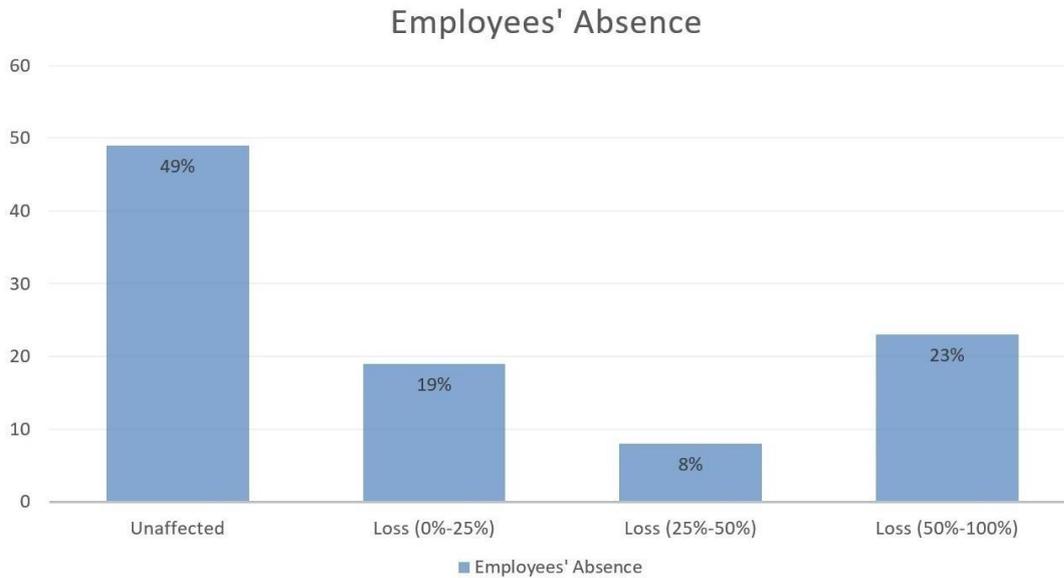


Impact on Revenues: Nearly 27% of the respondents reported that their revenues were not affected, around 9% reported that they bore a revenue loss in the range (0%-25%), nearly 16% of the respondents said that they suffered a loss of revenues in the range (25%-50%) and around 47% of the respondents reported a loss of revenues in the range (50%-100%).



Impact on Orders: Around 42% of the respondents reported that their orders were not affected during the pandemic, nearly 11% said that they suffered a loss in orders in the range (0%-25%),

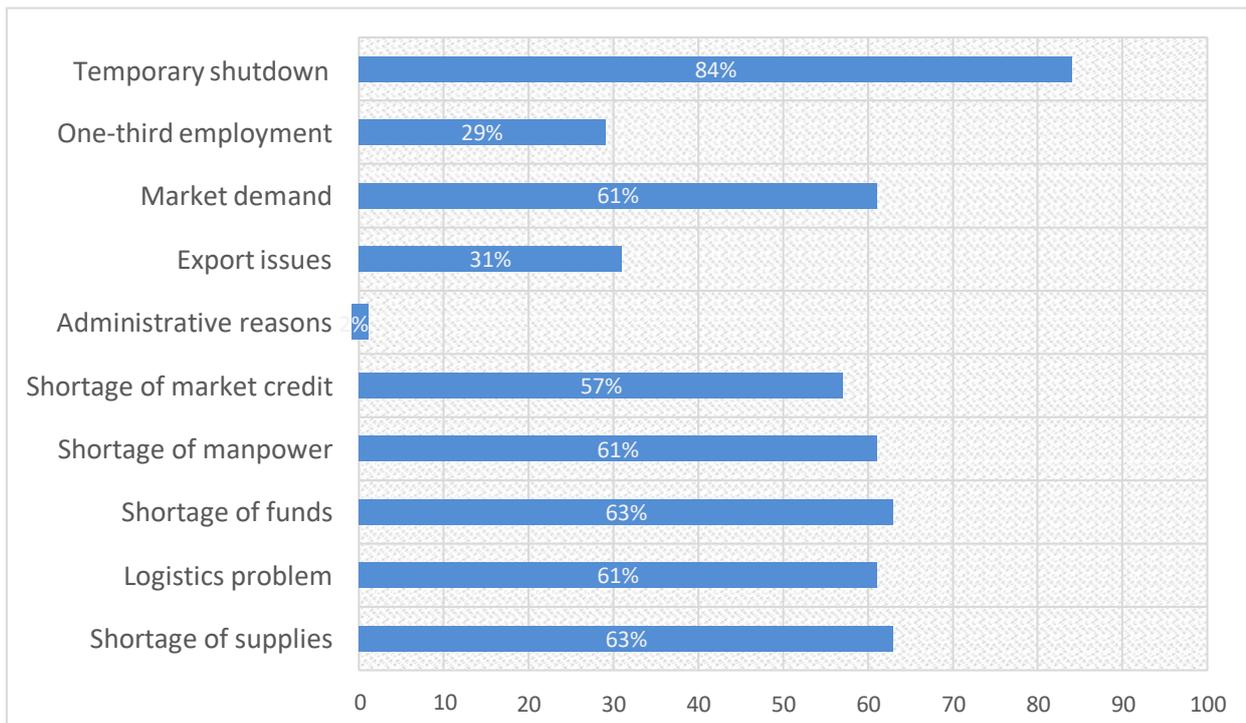
around 17% reported that they bore a loss in orders in the range (25%-50%) and 29% of the respondents reported a loss in orders in the range (50%-100%).



Impact on Employees' Absence: Nearly 49% of the respondents reported that there was no employee absence during the pandemic, around 19% said that there was employee absence in the range (0%-25%), 8% of the respondents reported employee absence in the range (25%-50%), and nearly 23% said that there was employee absence in the range (50%-100%).

2. Factors Affecting MSMEs due to Covid 19

It's interesting to get insight of what is affecting the industry and its associated variables.

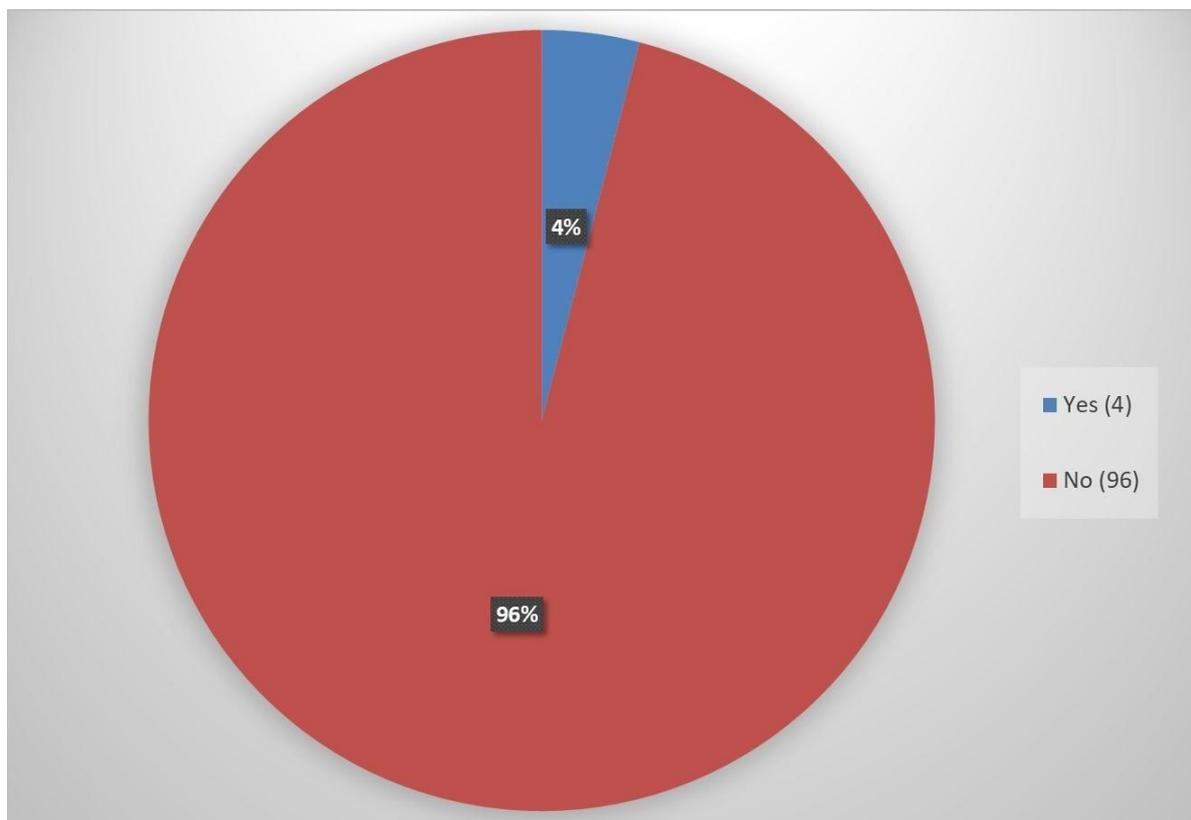


Despite several government schemes, it is reported that 57% of the respondents are facing problem of access to credit market. 61% of the respondents are facing unavailability of skilled manpower at their workplaces to resume their businesses. It could be due to mix of reasons – migration of unskilled workers or reluctance of people to resume the work. Due to Covid 19 forced reasons where transport sector has hit a greater toll due to lockdown, around 63% respondents faced shortage of supplies and shortage of funds, this is verified further when the 61% respondent's reported logistics issues in ferrying either supplies or finished goods.

While unlocking is slowly swinging the business gearing back to normalcy, around 84% respondents reported that their businesses were on pause. There is silver lining of remaining 16% who were still up and on without facing situation of temporary shutdown. Due to the lockdown where end customers or interim customers were in shutdown stage, around 61% respondents faced poor demand from market. This is further tightened by dismal responses on export which is reported by around 31% respondents.

It's worth to highlight a supportive regulation where merely 2% of the respondents reported any administrative issues during Covid 19. Lockdown has obvious impact on jobs, around 29% respondents reported cut in one third of employment during the business dismal performance resulted by Covid 19 shutdown.

3. Risk for permanent closure of business

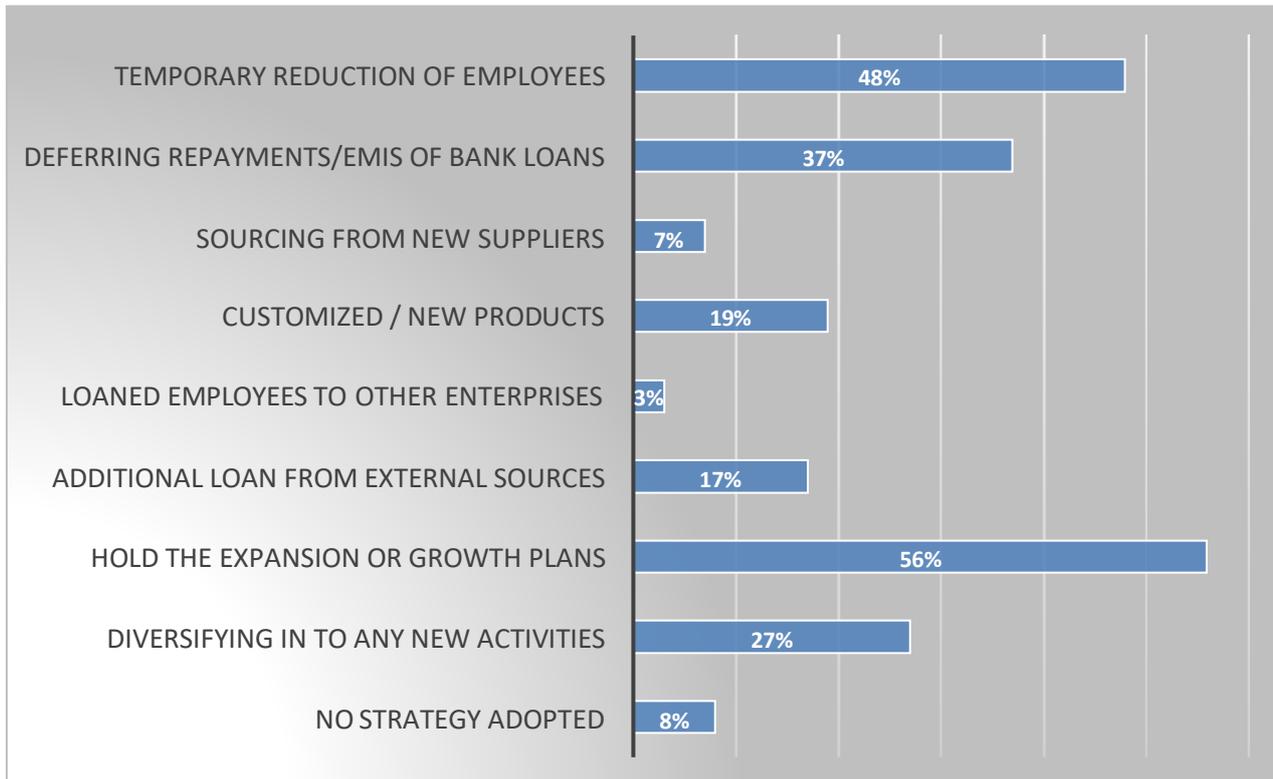


Despite the odd business challenges and unfavorable market triggers resulted by Covid 19, the business community doesn't seem to lose its focus from the sight and appears even more confident of not just unlocking, resuming but to the turn this pandemic into a business opportunity.

Around 96% respondents stood tall against the challenges and are unmoved by Covid 19. These 96% respondents asserted no threat and risk of shutting the businesses due to Covid 19.

4. Strategies adopted by MSMEs to cope with the COVID 19 crisis

While it's encouraging to see that whopping 96% of the respondents asserted no threats for permanent shutdown of their businesses, the whitepaper also uncovers the strategies the business community have in consideration to fight and come back.

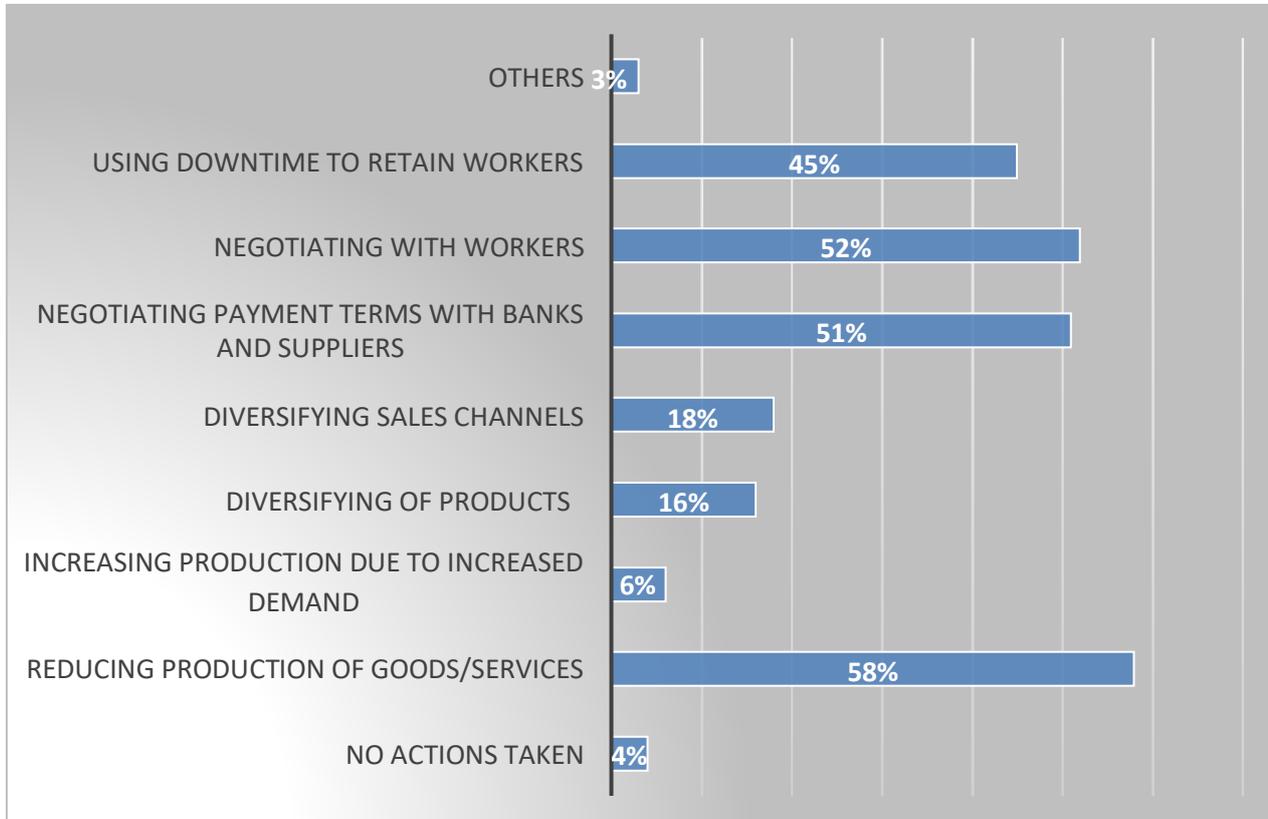


Around 56% respondents have put their business expansion and growth plan on hold so that they can better strategize while waiting the market to recover and stabilize. Around 27% respondents have found innovative method of diversifying into new business activities which were earlier not planned. On the same tangent, around 7% respondents have ventured with new suppliers considering logistics and transportation problem thus ensuring consistent and unaffected deliveries of supplies. Further, around 19% respondents brought changes in the product line due to changing market dynamics. With regard to finance and credit – around 37% of the respondents have opted moratorium facility provided by the RBI. To further strengthen the funding liquidity, around 17% respondents have identified new additional access points for credit.

Jobs is an important production factor and as MSMEs managing twin variables of aligning expenditure with unfavorable market situations is a critical survival point. Its welcoming to see that business community understands its people as an essential success factor despite business challenges. On the job front, around 48% respondents are considering for temporary reduction of employees; around 3% of the respondents found creating alternative business opportunity for its staff with other enterprises by loaning its staff so that they can be retained and kept supported till the source enterprise stands on its feet.

5. Current actions by respondents

Just to apprise readers that section 4 was just planned strategies by respondents to matchup with the business loss, this section dwell into detailing of activities currently being exercised by the MSME community.



On the production activity:

- 18% respondents have diversified into new sales channels. This could be due to closure of direct retail outlets or transaction points may be through technology or indirect sales channels.
- 16% respondents have already diversified into new products.
- Around 58% respondents have considerably reduced the production update to match with poor demand signals.
- While almost half of respondents have reduced production activity; Some unlocking signals have started coming in from MSMEs, around 6% respondents have started to increase the production capacity to match up increased demand which might be cumulative demand caused due to piled up business enquires and sudden opening of outlets. This may be product or service centric.

On the Finance and access to credit:

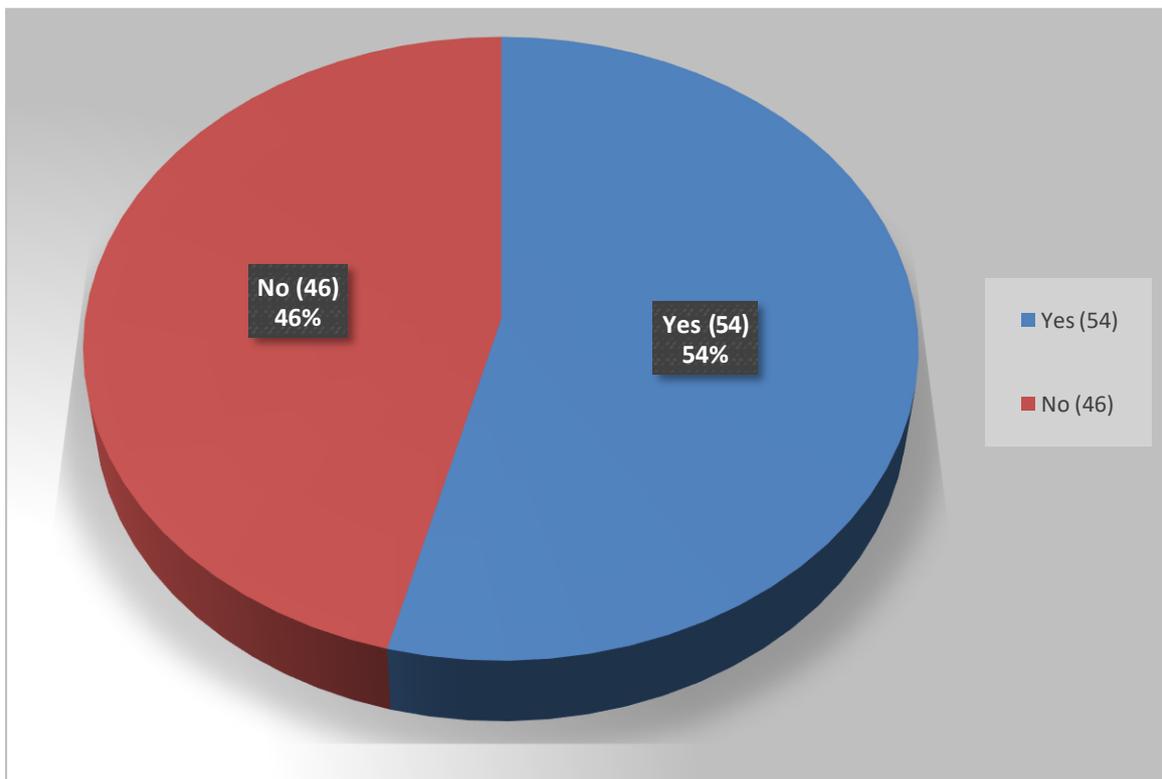
- Around 51% respondents emphasized need of negotiating credit terms with Banks and suppliers to restore the business momentum. These respondents are currently pursuing the negotiations or have already done it as part of the restructure exercise.

On the jobs:

- Skilled workers are asset to any enterprise; no one would ever want to shred the skilled capital however for MSMEs the human capital becomes the hard paid capital in unfavorable situations. Still, the MSME community acknowledges the need and importance of skilled workers; this is not driven on Humanitarian ground but based on a strong business sense that finding competent people again would require additional investment and it might be unaffordable. Around 52% cases, respondents are negotiating with workers on the terms (may be wages, may be work roster based schedule etc.). 45 % of the respondents are trying to retain their existing workers who might be reluctant to join back.

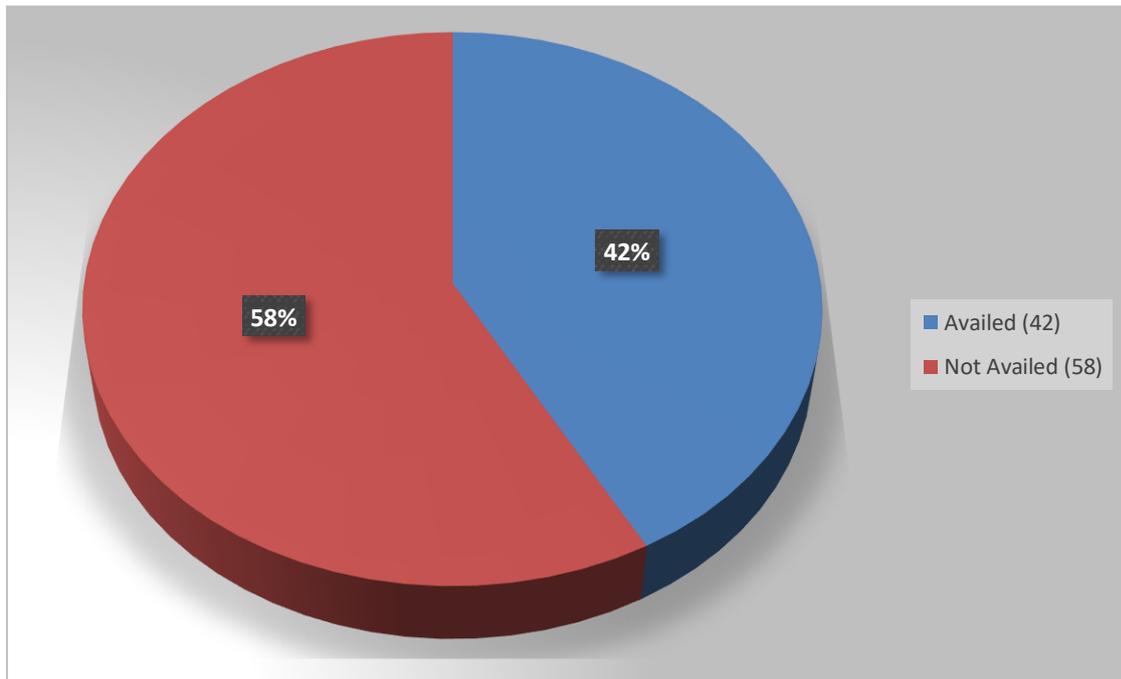
6. Awareness about Government schemes among the MSMEs

While there are several initiatives taken by the government, it appears that almost half of the respondents are not aware of the schemes.



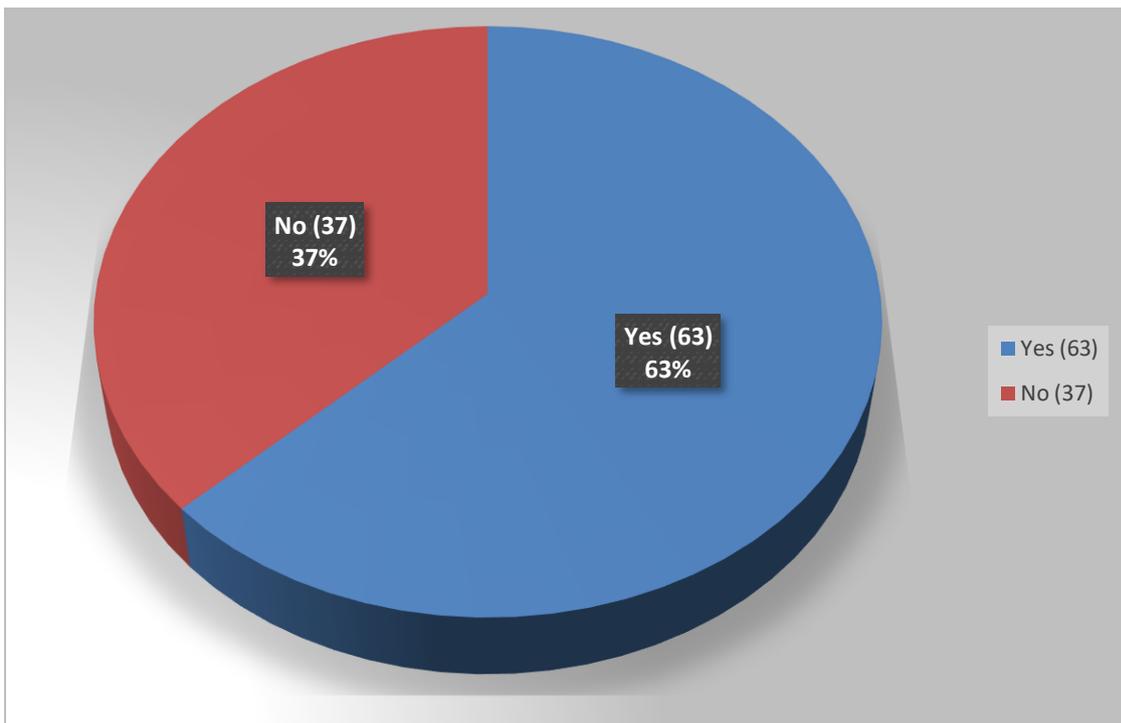
7. Whether Government schemes availed by MSMEs or not

Much on the spirit of earlier argument; a good 58% of the MSME respondents have not yet availed any scheme.



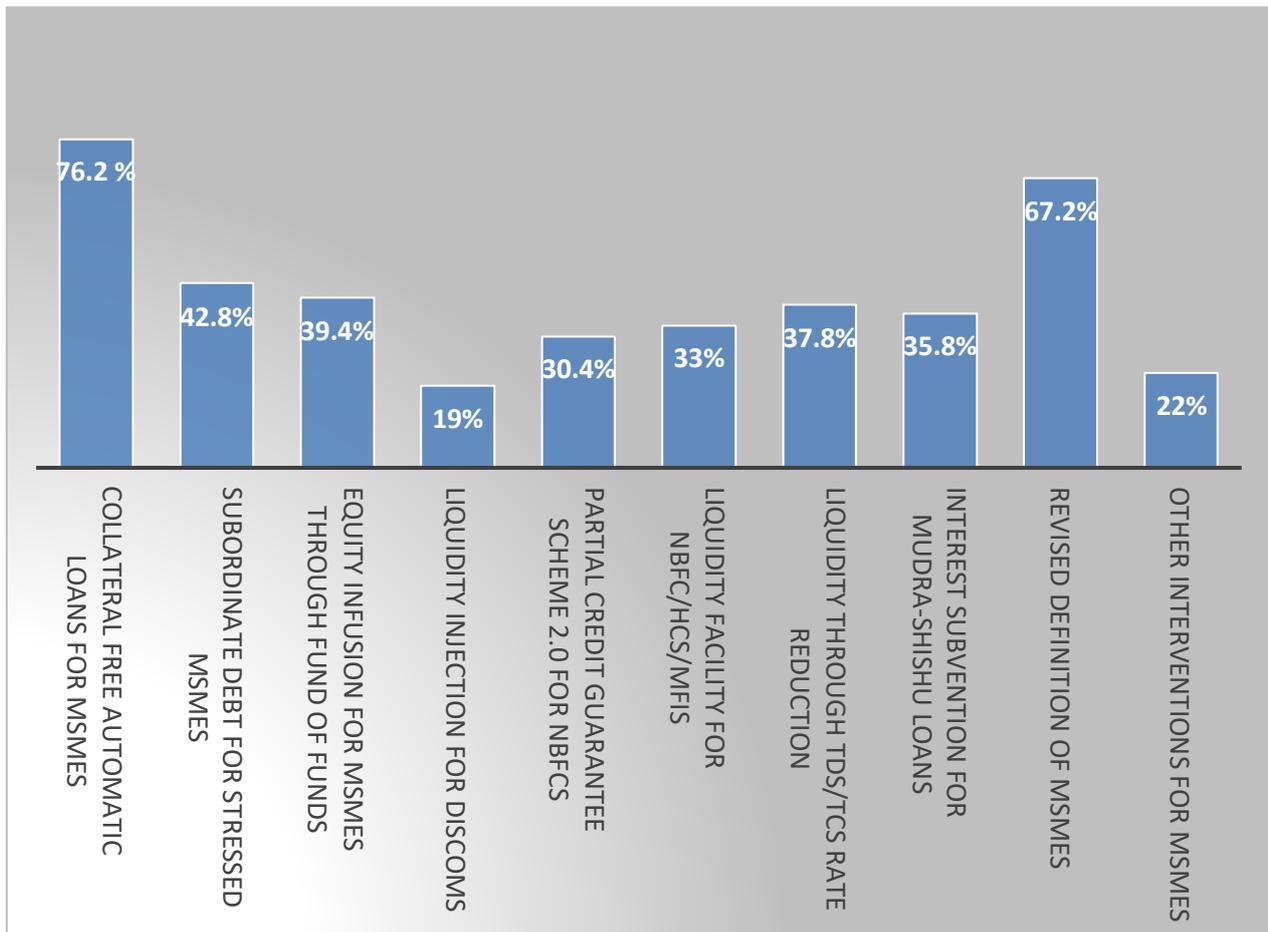
8. Whether Government schemes are beneficial for MSMEs or not

While many enterprises have not yet availed the scheme but largely around 63% respondents find the several government schemes beneficial



9. Respondents perspective on government schemes

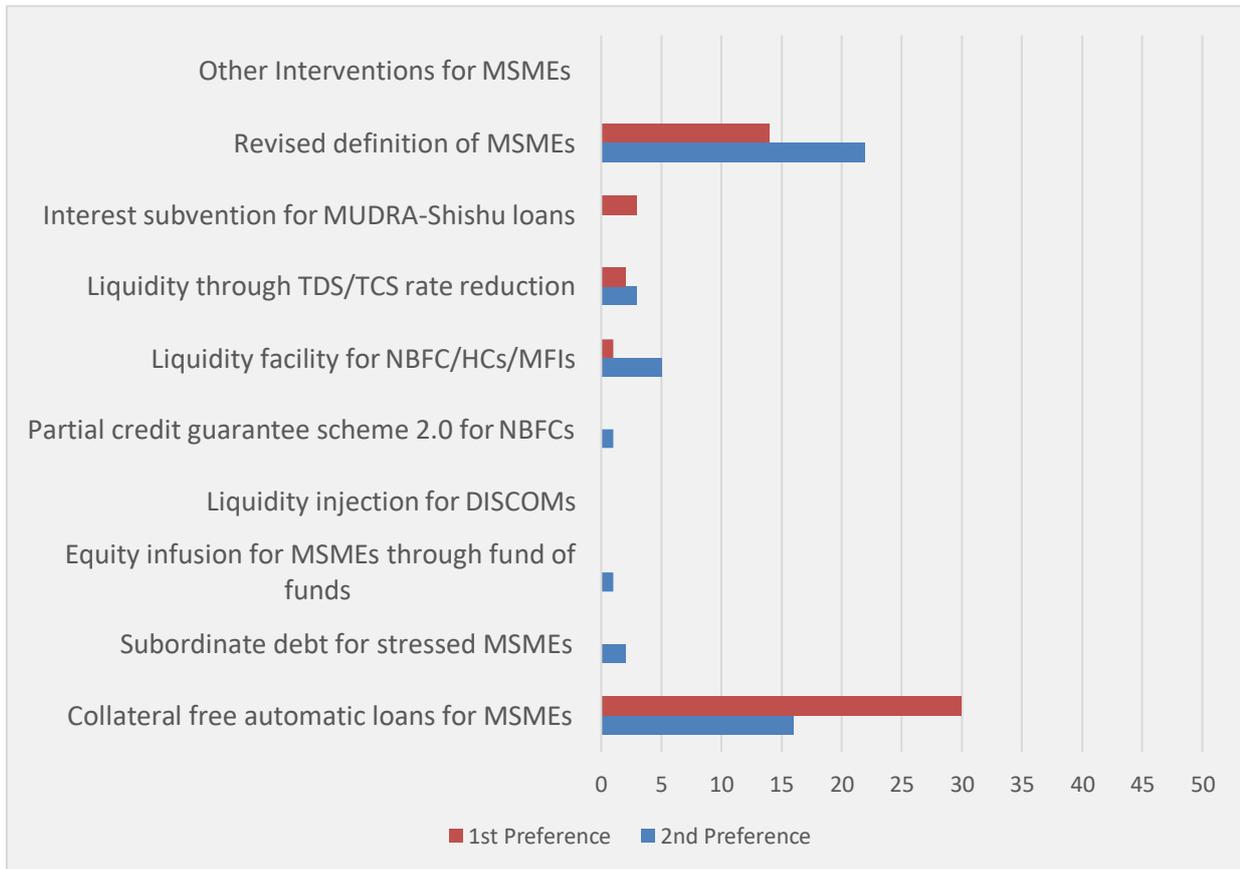
There is a sizeable number of respondents who have not yet availed any scheme yet they are so positive about them. This section uncovers their perspective and expectations from the schemes.



Collateral free loan is highly appreciated by MSME community, around 76% respondents' feels that it's a game changer. Government of India had recently also widen the eligibility of MSME; around 67% respondents have endorsed this move. Otherwise, Subordinate debt for stressed MSMEs is preferred by 43% respondents. Likewise, Equity infusion for MSMEs through fund of funds got a thumping acknowledgement by about 39% respondents. Taxes have played a key role in the businesses; around 38% respondents give a very positive outlook on the Liquidity through TDS/TCS rate reduction scheme. Likewise Interest subvention for MUDRA-Shishu loans is acknowledged by 36% of respondents. There are 30% respondents who appreciate that Partial credit guarantee scheme 2.0 for NBFCs scheme can be beneficial. Around 33% respondents affirm their endorsement on Liquidity facility for NBFC/HCs/MFIs scheme. Scheme of Liquidity injection for DISCOMs did not excite much of the MSME community; around 19% respondents have underlined positive appreciation on this scheme.

10. Government schemes preferred by MSMEs

MSME community appreciates, acknowledges and thanks the efforts and initiatives of Central Government and State Government in working out array of schemes for the MSMEs. Certainly, business community appreciates making preferences and opting one over the other based on the scope, benefits, flexibilities it offers.



As reported by respondents, Collateral free automatic loan and revised definition of MSME has received greater preference over peer schemes.

V. CONCLUSION

The ongoing COVID-19 pandemic has caused the Micro Small and Medium Enterprise (MSME) sector to face unusual challenges since this sector have much lower reserves of liquidity and less access to credit. The nationwide lock down since 24th March 2020 is therefore, certainly bound to break the back of MSME sector. But as per the survey report we can conclude that the MSME sector of North Odisha proved to be resilient enough & stood tall against the challenges faced by the pandemic and has been affected to a lesser extent as majority of the participants does not have the risk of permanent closure of their business. The major factor that has affected the business of the MSME sector is temporary shutdown of their enterprises, ultimately affecting the revenues. Many enterprises have put their business expansion and growth plan on hold to better strategize and many have found innovative methods of diversifying into new business activities to

cope with the crisis. A large number of respondents are hopeful that reducing the production of goods and services as their current action plan will help them to overcome the crisis. Though the Government has taken various initiatives to help the MSMEs to cope with the crisis it is found that almost half of the respondents are not aware of it and majority of the participants have not yet availed the schemes.

This means less dependence of the enterprise on the Government, a philosophy, which NOCCI believes in.

A large number of participating enterprises found the schemes announced by the Government under “**ATMANIRBHAR BHARAT**” for MSME sector beneficial even without availing the same, and have highly appreciated the collateral free automatic loans & revised definition of MSMEs schemes.

VI. SUGGESTION

At the outset, we appreciate the economic packages for MSME sector under **ATMANIRBHAR BHARAT** announced by the Government to kick start the economy. We believe this scheme will act as a pioneering reform for the Stressed MSME sector in particular with reference to the 20,000 cr package for the operational but stressed & NPA units.

MSME sector is facing untold miseries and many of them are under the scourge of complete extinction, so simply introducing different policy measures and schemes will not help in solving the problems of MSME entrepreneurs and thus constant attempts for assessing the ground reality & course correction in the policy is certainly a welcome move.

Besides that, there is a need for using more of user experience of entrepreneurs & innovative use of manpower, technology, diversification of products for the sustainable development of MSME sector.

Creation of better awareness about the schemes could help the Government to achieve better result. DICs should be revamped to play proactive & effective role. With the digitised platform for Udyog Adhaar & Entrepreneurs Memorandum registration, where the mail ids and cell phone numbers of each entrepreneurs are with the ministry, for directly reaching them for awareness creation.

Entrepreneurs should be motivated to continue their business & use the crisis as an opportunity for resurgence. Better #EODB & proactive by Government officials to promote entrepreneurship & enterprises.

The Rs. 3.00 lakh cr. automatic SME finance is a welcome move and enabler for majority of the MSME to access adequate capital. However, the scheme should have included the below sectors as well;

- a. MSMEs without any borrowing so far, but requiring fresh borrowing to stay afloat & grow.
- b. Large industry, on whose cash flow many MSMEs depend.

The Scheme should consider reduction or waiver of payment of Customs duty on imported capital goods to India, so that the country would create domestic manufacturing facility faster for substituting imports.

VII. ANNEXURE

Schemes announced by the Government for MSMEs: (Some of the key points)

In a move to curb the economic impact of the virus, the government has announced a series of measures in assistance to micro- and small businesses that are facing shortage of cash/ credit, & steps to boost liquidity for non-banking financial companies (NBFCs) and offering tax measures for individuals and corporates.

Finance Minister had announced few economic measures under the Rs 20 lakh crore **ATMANIRBHAR BHARAT** Abhiyaan to revive the economy of India amid the COVID-19 pandemic. The package involves bold reforms to boost businesses with the major focus on the Micro Small and Medium Enterprises (MSME) sector.

Rs 3 lakh crores Collateral free automatic loans for businesses including MSMEs:

Emergency Credit line to Businesses/ MSME from Banks and NBFCs up to 20% of entire outstanding credit as on 29.02.2020

- Borrowers with up to Rs. 25 crore outstanding and Rs. 100 crore turnover eligible.
- Loans to have 4 year tenor with moratorium of 12 months on Principal repayment.
- Interest to be capped.
- 100% credit guarantee cover to Banks and NBFCs on principal and interest.
- Scheme can be availed till 31st October 2020.
- No guarantee fee, no fresh collateral.

Subordinate debt for stressed MSMEs

- Stressed MSMEs need equity support.
- GoI will facilitate provision of Rs. 20,000 cr as subordinate debt.
- Functioning MSMEs which are NPA or are stressed will be eligible.
- Govt. Will provide a support of Rs. 4,000 Cr. to CGTMSE.
- CGTMSE will provide partial Credit Guarantee support to Banks.
- Promoters of the MSME will be given debt by banks, which will then be infused by promoter as equity in the unit.

Equity infusion for MSMEs through fund of funds:

- Fund of Funds with Corpus of Rs 10,000 crore will be set up.
- Govt. Will provide equity funding for MSMEs with growth potential and viability.
- Fund structure will help leverage Rs. 50,000 cr of funds at daughter funds level.
- It will help to expand MSME size as well as capacity.
- It will encourage MSMEs to get listed on main board of Stock Exchanges.

Liquidity injection for DISCOMs:

- Revenues of Power Distribution Companies (DISCOMs) have plummeted.
- Unprecedented cash flow problem accentuated by demand reduction.
- DISCOM payables to Power Generation and Transmission Companies are currently- Rs 94,000 cr.
- PFC/ REC to infuse liquidity of Rs. 90,000 cr to DISCOMs against receivables.
- Loans to be given against State guarantees for exclusive purpose of discharging liabilities of Discoms to Gencos.
- Linkage to specific activities/ reforms: Digital payments facility by Discoms for consumers, liquidation of outstanding dues of State Governments, plan to reduce financial and operational losses.
- Central Public Sector Generation Companies shall give rebate to Discoms which shall be passed on the Final Consumers. (Industries)

Partial Credit guarantee scheme 2.0 for NBFCs

- NBFCs, HFCs and MFIs with low credit rating require liquidity to do fresh lending to MSME and individuals.
- Existing PCGS scheme to be extended to over borrowings such as primary issuance of Bonds/ CPs (liability side of balance sheets) of such entities.
- First 20% of loss will be borne by the Guarantor i.e. Government of India.
- AA paper and below including unrated paper eligible for investment (relevant for many MFIs).
- This scheme results in liquidity of Rs 45,000 crores.

Liquidity Facility for NBFCs/ HCs/ MFIs

- NBFCs/ HFCs/ MFIs are finding it difficult to raise money in debt markets.
- Government will launch a Rs 30,000 crore Special Liquidity Scheme.

- Under this scheme investment will be made in both primary and secondary market transactions in investment grade debt paper of NBFCs/ HFCs/ MFIs
- Will Supplement RBI/ Government measures to augment liquidity.
- Securities will be fully guaranteed by Gol.
- This will provide liquidity support for NBFCs/ HFCS/ MFIs and mutual funds and create confidence in the market.

Liquidity through TDS/ TCS rate reduction

- In order to provide more funds at disposal of the taxpayers, the rates of Tax Deduction at Source (TDS) for non-salaried specified payments made to residents and rates of Tax Collection at Source (TCS) for the specified receipts shall be reduce by 25% of the existing rates.
- Payment for contract, professional fees, interest, rent, dividend, commission, brokerage, etc shall be eligible for this reduce rate of TDS.
- This reduction shall be applicable for the remaining part of the FY 2020-21 i.e. from 15th May to 31st March, 2021.
- This measure will release liquidity of Rs. 50,000 crore.

Interest Subvention for MUDRA-Shishu loans

- Small businesses under MUDRA have been disrupted the most & have also impacted their capacity to pay EMIs.
- Loan moratorium has already been granted by RBI.
- The current portfolio of MUDRA-Shishu loan is Rs 1.62 Lakh crore (Maximum loan amount of 50,000 Rs).
- Government of India will provide interest subvention of 2% for prompt payees for a period of 12 months.
- Relief of Rs 1500 cr to MUDRA-Shishu loanees.

Revised Definition of MSMEs

Union Cabinet has approved the revised new definition of the MSMEs. The recent changes in the definition of micro, small, and medium-sized enterprises made as a part of the **ATMANIRBHAR BHARAT** Abhiyaan relief package were approved. The MSMEs have been redefined on the basis of investment limit and turnover size.

Updated MSME Definition

Type of Enterprise	Investment	Turnover
Micro	Rs 1 Crore	Rs 5 Crore
Small	Rs 10 Crore	Rs 50 Crore
Medium	Rs 50 Crore	Rs 250 Crore

Other Interventions for MSMEs

- E-market linkage for MSMEs to be promoted to act as a replacement for trade fairs and exhibitions.
- Fintech will be used to enhance transaction based lending using the data generated by the e-marketplace.
- MSME receivables from Government and CPSEs to be released in 45 days.

Questionnaire

1) Organisation Name:

2) Address:

2A) Tel No. | Email id

2B) Respondent's Name | Cell No. | Email id

3) Type of Organisation/ Size of the enterprise?

- I. Large enterprise (250 cr sales)
- II. Medium enterprise (51-250 cr sales)
- III. Small enterprise (5-50 cr sales)
- IV. Micro enterprise (< 5 cr sales)

4) How have your business operations been affected by the COVID-19 (during Apr-May)?

- I. Not affected
- II. Sales affected (% of usual expected monthly sales)

5) What are the factors that you think have affected your business?

- I. Shortage of supplies/input materials
- II. Logistics Problem
- III. Shortage of Funds (cash flow)
- IV. Shortage of Manpower
- V. Shortage of Market Credit
- VI. Administrative reasons
- VII. Export issues
- VIII. Market Demand
- IX. For 1/3rd employment due to COVID-19
- X. Temporary Shutdown

6) Do you think that your business has a risk for permanent closure because of the crisis? If yes please state the reasons briefly?

7) What has been the impact of Covid-19 on your business until now?

	None	0 to None - 25%	-25% to - 50%	-50% to - 100%	Increase
Revenues					
Orders					
Absence					

8) Have you adopted any of the following strategies to cope with the crisis?

- I. Temporary reduction of employees
- II. Deferring repayments/EMIs of bank loans
- III. Sourcing from new suppliers/revisiting the vendors from cost perspective
- IV. Customized / new products
- V. Loaned employees to other enterprises
- VI. Additional loan from external sources
- VII. Hold the expansion or growth plans
- VIII. Diversify in to any new activities

9) What actions are you currently taking?

- I. Reducing production of goods or services
- II. Increasing production due to increased demand
- III. Diversifying in to products to respond to new demands
- IV. Diversifying sales channels – online marketing, sales, delivery
- V. Negotiating payment terms with banks and suppliers
- VI. Negotiating with workers
- VII. Using downtime to retrain workers
- VIII. Other (Please specify)

10) Have you availed any of the Government Schemes? (Please specify)

11) Do you believe that the schemes announced by the Government are actually beneficial to cope with COVID 19 crisis?

12) Are you aware of the government schemes related to MSMEs? (Below list)

13) Please select government schemes that in your view would be beneficial for dealing with the COVID crisis.

Schemes	Ratings (1-10)
Collateral free automatic loans for businesses including MSMEs	
Subordinate debt for stressed MSMEs	
Equity infusion for MSMEs through fund of funds	
Liquidity injection for DISCOMs	
Partial credit guarantee scheme 2.0 for NBFCs	
Liquidity facility for NBFC/HCs/MFIs	
Liquidity through TDS/TCS rate reduction	
Interest Subvention for MUDRA-Shishu loans	
Revised definition of MSME	
Other Interventions for MSMEs	

VIII. BIBLIOGRAPHY

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