

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



Diploma Thesis

**Impact of the coronavirus (COVID 19) on the economy
of India**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

DIPLOMA THESIS ASSIGNMENT

Anup Chhokar, BA (Hons)

Economics Policy and Administration
Business Administration

Thesis title

Impact of the coronavirus (COVID 19) on the economy of India

Objectives of thesis

The Diploma thesis aims to examine and analyze the relevant secondary data available using macroeconomic indicators for the purpose of studying impact on the economy of India.

This thesis research will try to make a comparison using selected macroeconomic indicators for before and after COVID-19 implications on the economy of India and of selected Sectors from the country.

Methodology

The literature review part will be elaborated using secondary data analysis.

The information in this thesis will be collected from relevant and published scientific articles, periodicals, and papers in English and analysing what can be learned through the collection of data. The used internet databases are from government authorities of India, ministries, IMF, WHO, WB, etc.

The proposed extent of the thesis

60 – 80 pages

Keywords

India, COVID-19, Impact, Macroeconomics, Sectors, Performance, Analysis, Recovery, Fiscal Policy

Recommended information sources

- Agarwal, Ms. S. & Singh, Archana. (2020). Covid 19 and It's Impact on Indian Economy. International Journal of Trade and Commerce-IIARTC. 9. 72-79.
- Barbate, V., Gade, R. N. and Raibagkar, S. S. (2021) 'COVID-19 and Its Impact on the Indian Economy', Vision, 25(1), pp. 23–35. doi: 10.1177/0972262921989126.
- Impact of Migration of Labour Force due to Global COVID-19 Pandemic with Reference to India Anoop Khanna First Published August 11, 2020 Research Article <https://doi.org/10.1177/0972063420935542>
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- United Nations . (2020). Economic and social survey of Asia and the Pacific. Economic and Social Commission for Asia and the Pacific Decade of Action (ESCAP).

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Declaration

I declare that I have worked on my master's thesis titled "Impact of the coronavirus (COVID 19) on the economy of India" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the master's thesis, I declare that the thesis does not break any copyrights.

In Prague on 30th March 2022

_____ Anup Chhokar_____

Acknowledgement

I would like to thank Dr. Vladimír Krepl, my thesis supervisor for his constant guidance and support throughout making this thesis report. When I first took the topic, I was sceptical as to what will I write but frequent meetings with my supervisor reassured my confidence in myself, and I started on this journey of writing thesis.

Also, I would like to thank all the Firm owners who were considerate enough to fill in the survey forms that was shared electronically. Without their support of responses, I could not have done my primary data research and subsequent analysis.

Lastly without the blessings of my parents Mr. Braham Pal Chhokar and my mother Mrs. Savita Chhokar, none of this would be possible. I am only here at this stage of my life due to my parents' efforts, their support, guidance, and constant blessings through journey of life and in authoring this thesis as well.

Impact of the coronavirus (COVID 19) on the economy of India

Abstract

The purpose of the diploma thesis is to study and analyse the impact of coronavirus COVID-19 on the MSME sector in India. Its further segregates into analysing the various problems that these firms faced, which resilient strategies the business owners adopted, how and if the Indian government schemes were proven beneficial to their respective firms, and to analyse psychological perspective of the business owners through survey form. A strategic SWOT matrix was also formulated using data analysis from secondary and primary data.

The study of COVID impact on MSME sector begins with an analysis of theoretical background in the form of Literature review followed by Qualitative research and survey data collection to arrive at the impact that COVID-19 had on MSME firms. The extensive literature review provides an understanding of the foundations of MSME sector in India, how the sector impacts the Indian economy, provide employment opportunities to the people, and contributes to the GDP of the country. Also covered is Atma Nirbhar Bharat scheme launched during COVID time to facilitate the Make In India initiative.

The results of the conducted survey allowed to identify various problems that these MSME firms faced and determine the resilient strategies adopted by the firm owners. Obtained results of the research were presented with charts and figures formulated by the analysis done using MS- excel and IBM SPSS software.

Keywords: India, COVID-19, Impact, Macroeconomics, Sectors, Performance, Analysis, Recovery, Fiscal Policy

Dopad koronaviru (COVID 19) na indickou ekonomiku

Abstrakt

Cílem diplomové práce je studium a analýza dopadu COVID-19 na sektor MSME v Indii. Dále se segreguje na analýzu různých problémů, kterým tyto firmy čelily, jaké odolné strategie majitelé firem přijali, jak a zda se indické vládní programy prokázaly jako přínosné pro jejich příslušné firmy, a nakonec na analýzu psychologického pohledu vlastníků firem prostřednictvím formuláře průzkumu.

Studie dopadu COVID na sektor MSME začíná analýzou teoretického zázemí ve formě literární revize, po níž následuje kvalitativní výzkum a sběr dat z průzkumů, aby se dospělo k dopadu, který měl COVID-19 na firmy s MSME. Rozsáhlý přehled literatury poskytuje pochopení základů sektoru MSME v Indii, jak tento sektor ovlivňuje indickou ekonomiku, poskytuje pracovní příležitosti lidem a přispívá k HDP země. Zahrnuje také program Atma Nirbhar Bharat, který byl spuštěn v době COVID, aby usnadnil iniciativu Make In India.

Výsledky provedeného průzkumu umožnily identifikovat různé problémy, s nimiž se tyto společnosti z MSME potýkaly, a určit odolné strategie přijaté vlastníky firem. Získané výsledky výzkumu byly prezentovány pomocí grafů a obrázků formulovaných analýzou provedenou pomocí softwaru MS-excel a IBM SPSS.

Klíčová slova: Indie, COVID-19, Dopad, Makroekonomie, Sektory, Výkon, Analýza, Zotavení, Fiskální politika

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List of Abbreviations

Administration & Financial Institutions	
AFI.....	26
Agro and Rural Industry	
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Bharat Interface for Money	
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Bombay Stock Exchange	
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1 Introduction

*„karmany-evādhikāras te mā phaleṣhu kadāchana
mā karma-phala-hetur bhūr mā te saṅgo 'stvakarmaṇi “
„yoga-sthaḥ kuru karmāṇi saṅgam tyaktvā dhanañjaya
siddhy-asiddhyoḥ samo bhūtvā samatvam yoga uchyate “*
|| chapter 2 verses 47-48 ||

This text from the sacred book of Bhagavad Gita translates to –

"You have the right to carry out your responsibilities, but you do not have the right to reap the benefits of your actions." Never believe that you are to blame for the outcomes of your actions, nor should you be connected to inactivity. Be faithful in your duty, O Arjun, and let go of your attachment to victory and defeat. Yoga is the name given to such calmness."

aptly captures the continuous efforts and duties performed by the frontline health workers, doctors, medical professionals, researchers, police forces and scientists to alleviate the average person from the brutal brunt of COVID-19. (Gita, Holy Bhagvad, 2021)

The year 2020 was a challenging year for all of us but especially for all the frontline workers who worked tirelessly for the betterment of fellow citizens and society at large. The World Health Organization (WHO) declared the outbreak of COVID-19 a situation of debilitating pandemic on the 11th of March 2020 (Anand Kulkarni, 2020). No nation or at large humanity was equipped to deal with this once-in-a-century catastrophic crisis that would seriously damage the whole economy and lives of humans in the coming days. But with the right strategy employed by the world leaders across their respective nations, it has been made possible to mitigate the consequences of pandemic and deal with it in a more positive way. Since its inception, the Coronavirus has reached the lengths and breadths of every nation in the world, thereby impacting not only the livelihoods of the citizens but also the \$90 trillion global economy at large. A new myriad of problems emerged like crashing healthcare sectors, industry sector dooming, large population facing unemployment, poor business performance, and low levels of productivity among other problems. All the sectors suffered hugely in this pandemic.

This is where the topic of my research thesis originates from – how the COVID 19 has impacted the economy of India. I specifically chose the Indian MSME sector because India

with its world's second largest population and rich and diverse community was severely affected by the pandemic.

The area of my research would be focused on MSME sector which has huge contributions to the GDP of the country. (CII, 2022)

For this study, I will be collecting primary data by conducting a survey through Microsoft forms and qualitatively analysing the impact of COVID-19 on surveyed firms in India.

1.1 Facts about COVID 19

1.1.1 WORLD

The onset of COVID-19 brought a whole new wave of cases which kept on increasing day by day resulting in millions of deaths around the globe. The below mentioned graph shows the increasing curve of the cases from 22nd January 2020 till 13th February 2022 across world.

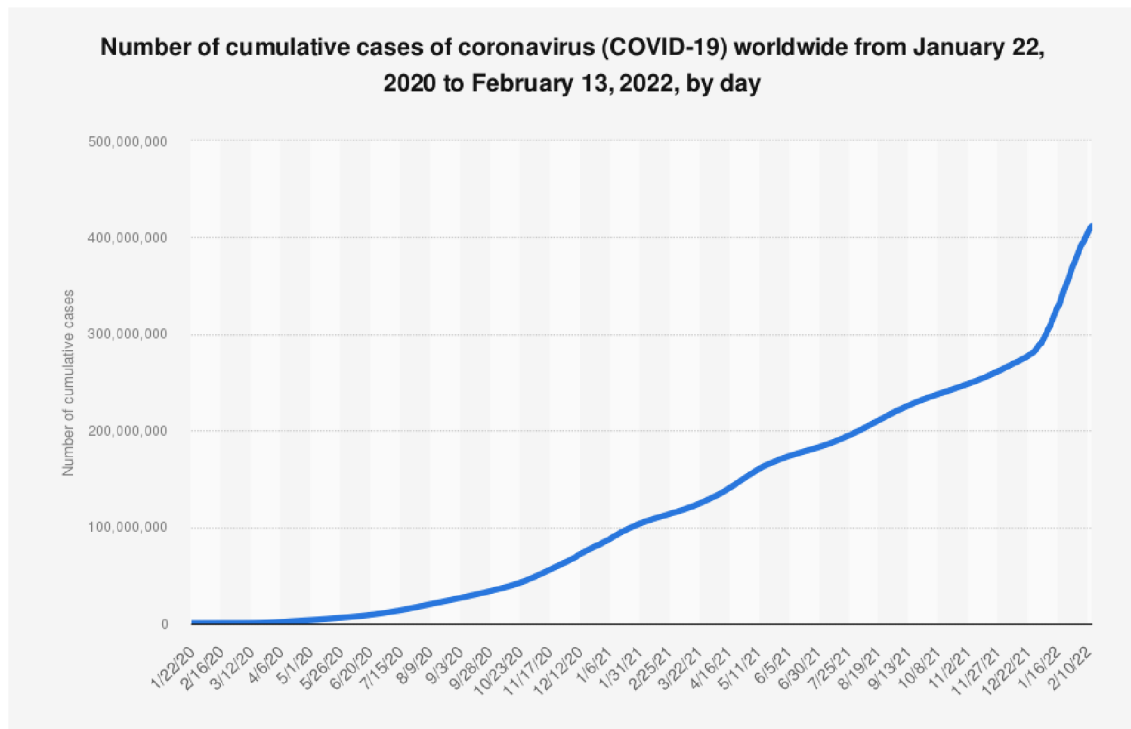


Chart 1.1-1 Cumulative cases of COVID-19 worldwide

Source: (worldometer, 2021-22)

The global death toll due to corona virus touched almost 6 million since its inception in year 2020. This graph is for the whole world showcasing the deadly impact on human lives it caused in the form of deaths.

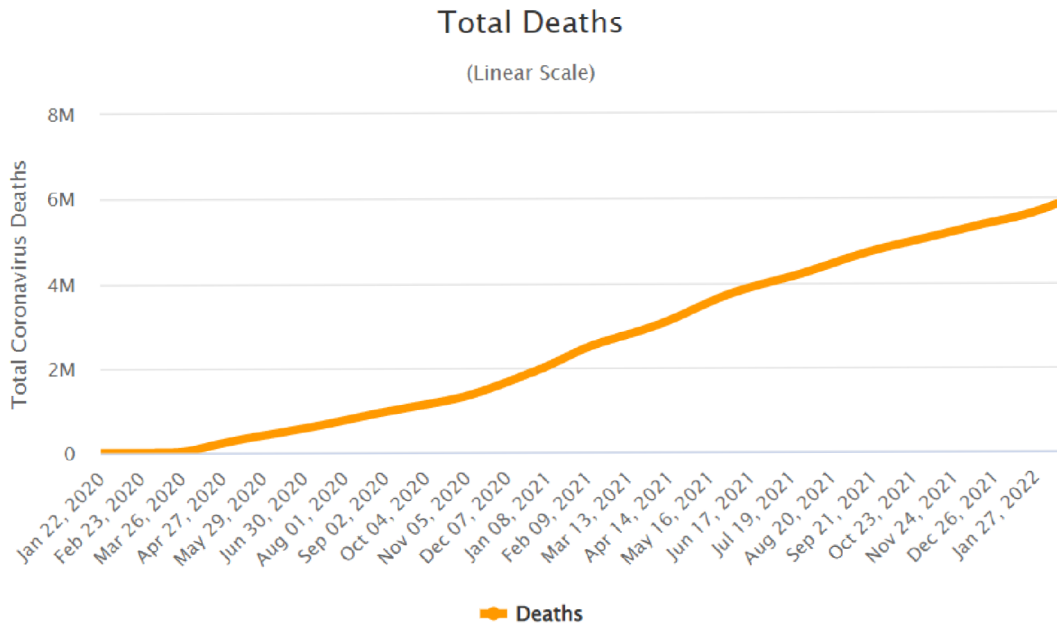


Chart 1.1-2 Total deaths due to COVID

Source: (worldometer, 2021-22)

On a positive note, below graph shows the number of recovered patients from the deadly virus.

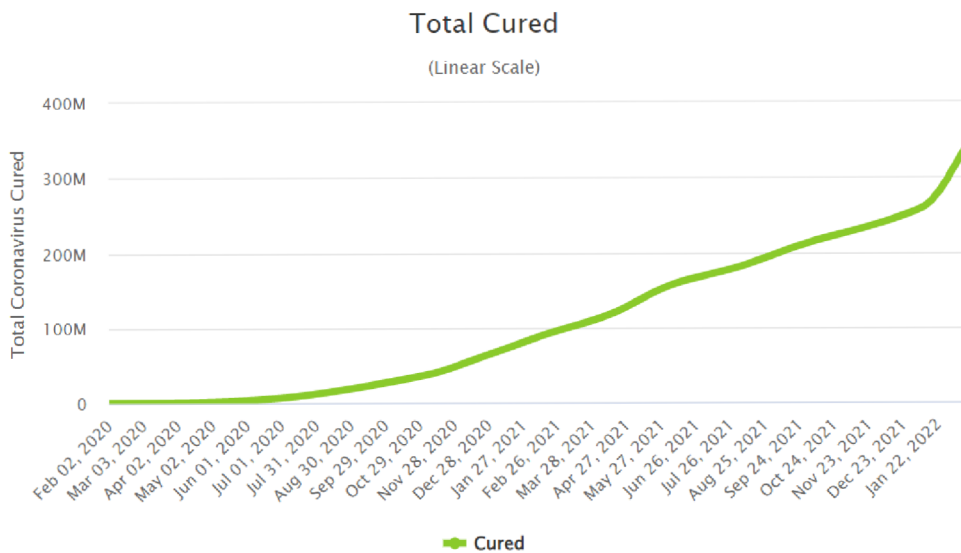


Chart 1.1-3 Total people cured

Source: (worldometer, 2021-22)

1.1.2 INDIA

Below graph demonstrates the number of active cases of infected people since the onset of COVID-19.

As can be seen from the graph, the number of cases is on a declining trend.

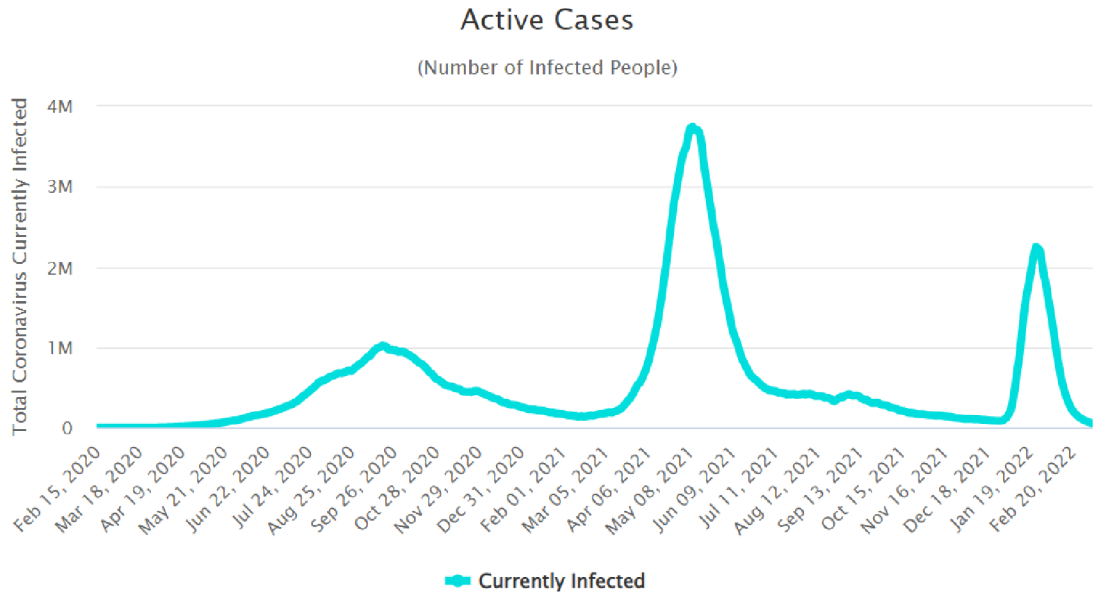


Chart 1.1-4 Active cases in India

Source: (worldometer, 2021-22)

In India, from 3 January 2020 to 7 March 2022, there have been 42,967,315 confirmed cases of COVID-19 and 515,102 deaths as per the reports by WHO. (WHO, 2020-21)

In a huge milestone, as of 28 February 2022, a total of 1.78 billion vaccine doses have been administered. This landmark has been possible due to consistent efforts of healthcare workers as well as support from the government.

2 Objectives and Methodology

This section will contain main objectives of research study and the relevant methodology adopted to perform primary analysis using survey form which will conform to achieving the objectives defined.

2.1 Objectives

- To study the given literature in the form of articles, journals, websites and assess the impact COVID-19 had on industries and firms and on selected macroeconomic indicators based on reported survey results.
 - To perform the primary data analysis of surveyed Indian MSME firms with the help of survey questionnaire conducted between the time of January 2022 and March 2022.
1. To identify the problems faced by MSME firms during COVID-19 pandemic.
 2. To study and analyse the relevant impact Indian Government schemes related to MSME sector had on surveyed firms.
 3. To analyse the resilience showed by firms during COVID and lockdown phase.
 4. To analyse psychological perspective of business owners through survey form.
 5. To formulate a comprehensive SWOT matrix to understand the COVID impact better and devising new strategies for future progress of MSMEs.

2.2 Methodology

2.2.1 Introduction

This chapter deals with the methodology approach that was utilized in this research thesis. Also, various tools and methods that are employed to collect primary data are mentioned in this chapter. It entails summary of the research design used, sample size and tools used for study.

2.2.2 Variables and Data Sources

The present study relies on the secondary data to make an impact assessment of COVID-19 on Indian economy. The data sources are reports of National Account Statistics, a publication of ministry of statistics and programme implementation (MOSPI); Handbook of Statistics on Indian Economy and Monthly Bulletin, Reserve Bank of India; Export–Import Database, Ministry of Commerce, Government of India; and annual reports (various issues), Ministry of Micro Small and Medium Enterprises. Also, Primary data techniques is used with the help of a survey questionnaire to achieve the set objective of the research study.

2.2.3 Research Design

According to the approach to the current research study, a descriptive, exploratory and an analytical research design is adopted for the study. To provide an understanding and clarity of the issue, exploratory method is implied. Furthermore, a method to collect primary data and various tools required to analyse the set objectives is defined. To outline the collected response pattern, descriptive methods are implied. For this research, India is chosen as the study region and various MSME firms located are the focus of the research.

2.2.4 Sample Size

Total number of responses gathered for the study are 71. This means that 71 Individual business owners or firm owners corresponded to the survey form. The study is conducted through the survey form which was distributed through mutual acquaintances and contacts in India across different regions. The responses were recorded within the time frame of 4 months i.e., from 1 November 2021 to 28 February 2022.

2.2.5 Tools For Data Collection

For the collection of the data, survey methodology is used. A series of both open and closed-ended questions were formulated to achieve the purpose of the research study. For this study, an electronic survey questionnaire in the form of Microsoft Form is used to collect the responses randomly. The responses were summarised with the help of Microsoft Excel. To get unbiased responses, the questionnaire was circulated randomly among friends and acquaintances of the MSME firms' owners to get their responses conveniently. Also, IBM SPSS software was utilized to calculate the descriptive statistics of the responses recorded.

3 Literature Review

3.1 INDIA

3.1.1 Geographical details

India, officially known as the Republic of India, is a country in South Asia. It is the seventh-largest country by area, the second-most populous country after China, and the most populous democracy in the world. Towards South, it is bounded by the Indian Ocean, the Arabian Sea on the southwest, and the Bay of Bengal on the southeast. It shares land borders with Pakistan to the west; China, Nepal, and Bhutan to the north; and Bangladesh and Myanmar to the east.

3.1.2 Economy of India

According to the International Monetary Fund (IMF), the value of the Indian economy in 2020 was \$2.7 trillion nominally; in terms of market exchange rates the value is \$8.9 trillion making India the sixth-largest economy, and the third largest by purchasing power parity (PPP) (Blancher, 2021). With its average annual GDP growth rate of 5.8% over the past two decades and reaching value of 6.1% during 2011–2012 (IMF, 2021), India is one of the world's fastest-growing economies in the world. (Nayak & Goldar, & Agrawal, 2010)

From independence until 1991, successive central governments promoted protectionist economic policies along with extensive intervening of state and economic regulation. This is characterised as dirigism, in the form of the License Raj. (Chandrasekhar & Fine, & Weiss, 2012) The end of the Cold War and balance of payments crisis in 1991 led to the change in the economic policies and laid out broad economic liberalisation period in India (OECD, 2009). Since the start of the 21st century, annual average GDP growth has been 6% to 7% and from 2013 to 2018 and in 2021, India is the world's fastest growing major economy, surpassing China.

3.1.3 Macroeconomic indicators

For any nation, the macroeconomic indicators such as GDP, inflation, employment levels, etc. are a major sign to tell the strength of an economy. COVID-19 wreaked havoc on these indicators for India due to the induced lockdown phases by it. Below mentioned are some of these factors of economy and how they changed due to COVID. (Kamal Deep Garg, 2021)

Economic growth in percent change of quarterly real GDP, India

The latest data from Q3 2021 showed economic growth value for India was at 8.39 percent, which is a substantial decrease in value from the rate of growth of 20.13 percent in the previous quarter of same year, which was the highest economic growth recorded amongst last few quarters due to spurt in make in India campaign and due to Reserve Bank of India's effort of monetary and fiscal packages to help cope up with COVID related problems. But this value was an increase compared to the growth rate of -7.44 percent in the same quarter last year, which was one of the worst recorded growth rates due to series of lockdown phases. The lowest rate of growth was -24.43 percent in Q2 of year 2020 while the highest growth rate was 20.13 percent in Q2 of 2021 year.

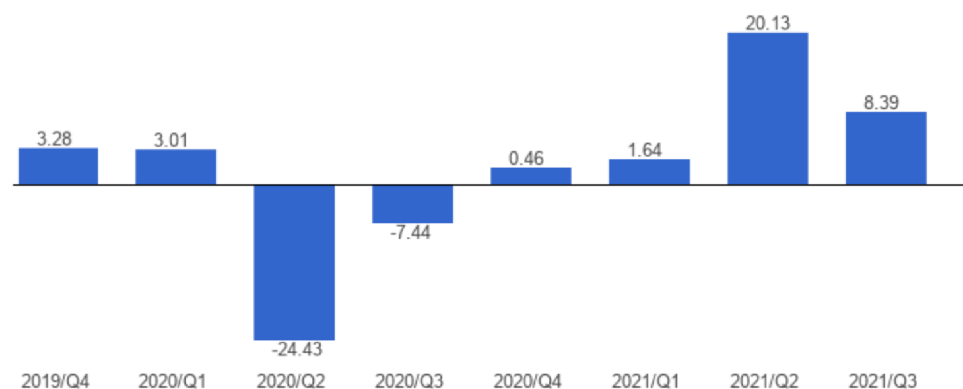


Figure 3.1:1 Economic growth in percent change in quarterly real GDP India from Q4 2019 - Q3 2021

Source: (MOSPI, 2019-21)

Current account balance, INR million

If we look at the graph below, the current account balance for India was in positive in three quarters of year 2020 when the first wave of COVID-19 hit the business industry. The highest value recorded was 1.44 million INR in quarter two of year 2020 and lowest was 7 million INR in quarter two of year 2021. The current account balance saw lots of difficulties during COVID timeline.

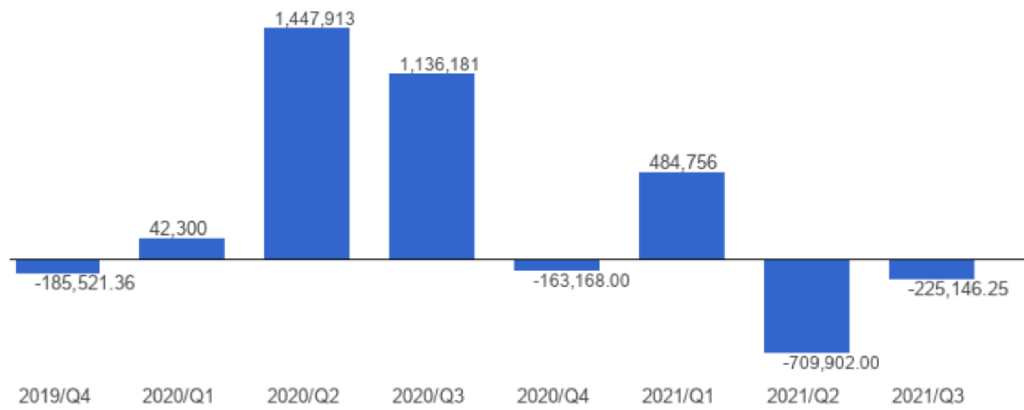


Figure 3.1:2 Current account balance, million currency units in India

Source: (RBI, 2022)

Inflation, annual percent change in the CPI, India

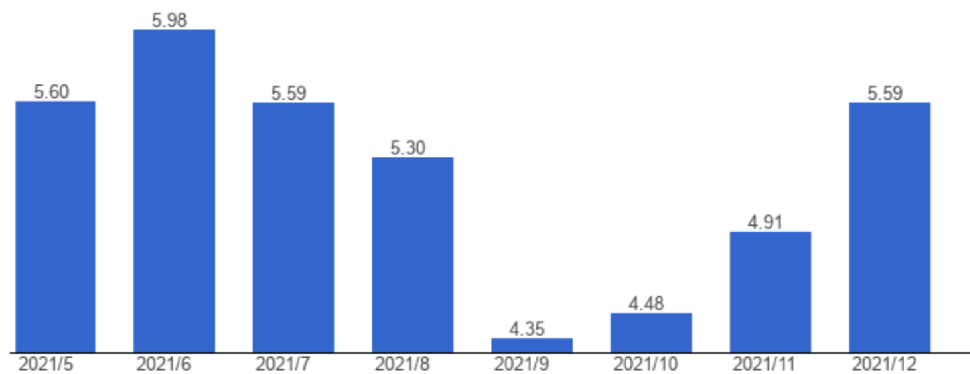


Figure 3.1:3 Inflation, annual percent change in the CPI, India

Source: (MOSPI, 2019-21)

COVID-19 has a considerable influence on the Indian economy. The pandemic has harmed and continues to harm global supply chains, local production networks, commerce, services,

and MSMEs, hurting the country's overall growth and welfare. When we glance at the numerous projections of studies performed by organizations throughout the world, we can see that they all predict a dramatic fall in GDP growth in the years 2020-2021.

The value of inflation changed dramatically with highest being 5.98% in sixth month of year 2021 and lowest being 4.35% in the same year.

Exports, million INR, India

The below graph shows the value of exports from quarter four of year 2019 till quarter three of year 2021. From the graph, it is visible that from quarter three of year 2020 the value of exports started increasing with highest value recorded being 12 million INR and the lowest value recorded was in quarter two of year 2020 which was 7.5 million INR. (MOSPI, 2019-21)

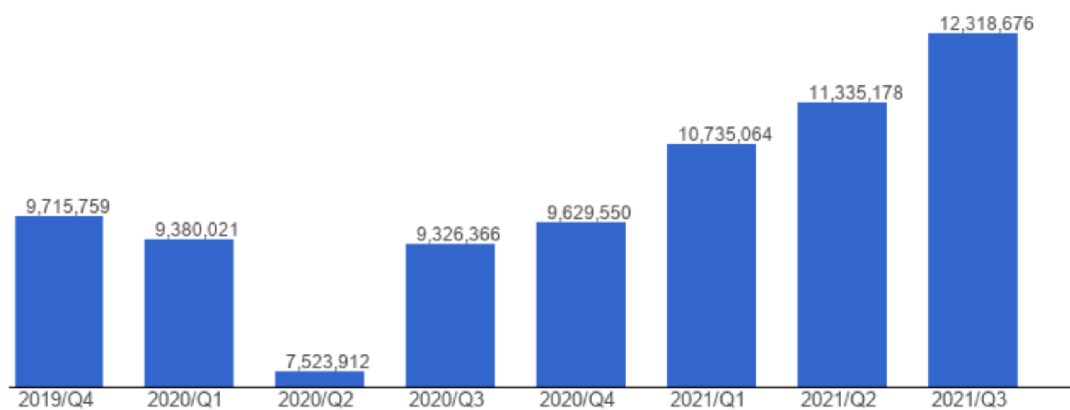


Figure 3.1:4 Exports

Source: (MOSPI, 2019-21)

3.2 MSME

The Micro, Small, and Medium Enterprises (MSMEs) industry contributes significantly to the country's socioeconomic development. The industry has grown in prominence in India because of its contribution to the nation's gross domestic product (GDP) and exports. The industry has also made significant contributions to entrepreneurial growth, particularly in India's semi-urban and rural areas. (Ramaswamy, 2020)

Micro, Small and Medium Enterprises (MSME) are divided into two categories under the special regulation of Micro, Small and Medium Enterprises Development (MSMED), 2006: Manufacturing and Service Enterprises.

The businesses are further divided into groups depending on their equipment investment and yearly revenue. (GOI, 2020-21)

Significant criterion based on Investment in Plant & Machinery/equipment and Annual Turnover

Classification	Micro	Small	Medium
Manufacturing Enterprises and Enterprises rendering Services	Investment in Plant and Machinery or Equipment: Not more than 1 crore INR and Annual Turnover; not more than 5 crores INR	Investment in Plant and Machinery or Equipment: Not more than INR10 crores and Annual Turnover; not more than INR 50 crores	Investment in Plant and Machinery or Equipment: Not more than INR 50 crores and Annual Turnover; not more than INR 250 crores

Table 1 New Classification of MSMEs

Source: (Ministry of MSME, 2020)

3.2.1 Market size

There are 6.3 crore MSMEs in India. According to statistics from the MSME Ministry, the Udyam Registration platform registered 5.7 million new MSMEs as of November 26, 2021, replacing the previous procedure of registering for an Udyog Aadhaar Memorandum (UAM). Micro-enterprises accounted for 5.44 million (94.34 percent), small businesses for approximately 293,555 (5.09 percent), and mid-sized businesses for 32,959. (0.57 percent). Maharashtra has the most registrations (12.18 lacs) among the top five states for Udyam registrations as of November 2021, followed by Tamil Nadu (6.23), Gujarat (4.86), Rajasthan (4.68), and Uttar Pradesh (4.45). Since July 1, 2020, the Union MSME Ministry's new online MSME or Udyam Registration system has successfully registered over 5.7 million MSMEs till November 2021. Through national and international commerce, the Indian MSMEs sector contributes 29% to the GDP of the country.

In one year (2021-22), the BSE SME (small and medium enterprises) platform is projected to see >60 SMEs enter the market to raise equity financing to suit their business needs. In 2020, 16 SMEs went public through the initial public offering way, raising Rs. 100 crore (US\$ 13.74 million). The Bombay Stock Exchange announced in June 2021 that it has partnered with the Electronics and Computer Software Export Promotion Council (ESC) to raise awareness about the benefits of listing among small firms and start-ups. (Sree, 2020)

Government e-Marketplace, which is owned and administered by the government and from which Departments and public sector entities get their purchases, is encouraging MSMEs to advertise their products on the e-commerce platform. As of November 26, 2021, the e-marketplace portal has processed 8 million orders worth 159,483 crore INR (US\$ 21.38 billion) for 55,929 buyer organizations from 3.1 million registered vendors and service providers.

Domestic business requires a significant financial stimulus, including subsidised working capital loans from the financial institutions, to guarantee appropriate liquidity in corporate operations.

MSMEs (Micro, Small and Medium Enterprises) in India are quickly choosing cashless transactions over cash, with 72 percent of payments made via digital against 28 percent via cash. The rise in digital usage bodes well for the sector's future growth. (GOI, 2020-21)

3.2.2 MSME Contribution

Over the last 50 years, MSME sector has grown as a very lively and dynamic segment of the Indian economy. It makes a substantial contribution to the country's economic and social growth by encouraging entrepreneurship and creating enormous job prospects at a cheap capital cost, second only to agriculture. MSMEs contribute about 29 percent of the country's GDP through domestic and international commerce. Half of the country's exports come from this industry. They serve as accessory units to big enterprises, and this sector plays a key role to the country's inclusive industrial growth. They are expanding their sphere of influence across the economy, generating a diversified array of goods and services to fulfil the needs of both domestic and international markets. (GOI, 2021)

3.2.3 Organizational structure

Small and Medium Enterprises (SME) Division, Agro and Rural Industry (ARI) Division, Administration & Financial Institutions (AFI), Integrated Finance (IF) Wing, and Data Analytics and Technical Co-ordination (DATC) Wing, as well as the Office of the Development Commissioner (DCMSME) as an attached office and other subordinate organizations, comprise the Ministry of MSME. The following organizational chart depicts the Ministry's institutional framework:

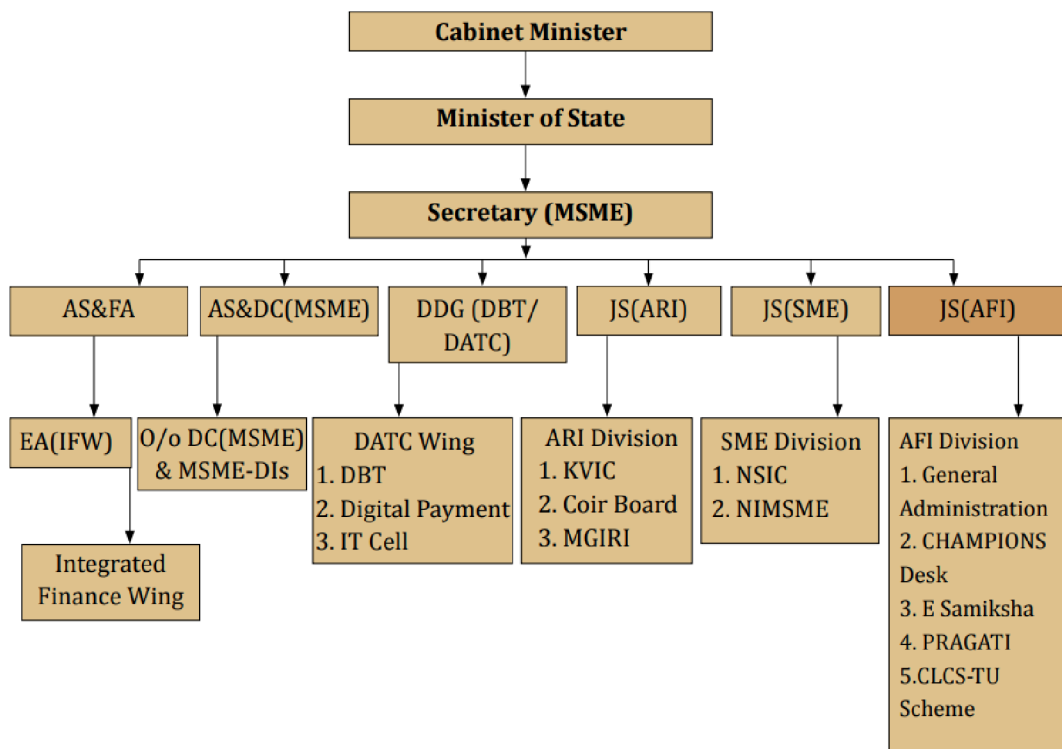


Figure 3.2:1 Organisational structure of MSME

Source: (GOI, 2021)

SME Division - The SME Division oversees the National Small Industries Corporation Ltd., a major public sector firm, as well as the National Institute for Micro, Small & Medium Enterprises (NIMSME), an autonomous national level entrepreneurship development/training agency. Among other things, the Division oversees implementing the National SC/ST Hub Scheme, the International Cooperation Scheme, and Aid to Training Centres. Furthermore, the SME Division is responsible for the design of the Ministry's media campaign for the promotion of programs and their execution through digital, print, and social media commercials. (GOI, 2021)

ARI Division - The Khadi and Village Industries Council and Coir Board, as well as the Mahatma Gandhi Academy for Rural Industrialisation, are administered under the ARI Division. It also oversees the Prime Minister's Job Generation and creation programme, the Scheme of Financing for Traditional Industries Regeneration, and the A Scheme for Encouraging Creativity, Rural Industry, and Entrepreneurship. (GOI, 2021)

AFI Division - The AFI Division oversees the Ministry's administration and vigilance, among other things. It also oversees the administrative oversight of special champions desk, Grievances related to public, E-Samiksha, and MSMEs' grievances with banks, financial institutions.

IF Wing – This division reviews policy alternatives received from the Ministry's Program Divisions and the Office of the Director-General MSME for: (i) arrangement of fund releases under various schemes; (ii) Providing opinions on finance committee on expenditure for Strategies to be sustained and convening meetings. It provides guidance on a variety of topics with financial ramifications as and when requested by Program Divisions. Other random things connected to the signing of memorandums of understanding, other agreements, or contracts, and so on are also investigated by the Wing.

DATC & DBT Wing- This wing analyses data and statistics pertinent to the MSME sector by providing technical inputs for concrete proof decision-making in the MSME sector. Other important activities include technical collaboration with all stakeholders for the establishment and improvement of MSME databases, ensuring complete compliance with the directives for the ministry's benefit schemes related to the direct transfer schemes, promoting electronic payments in the Ministry, and managing the Ministry's IT Cell. (GOI, 2021)

3.2.4 Recent developments

Udyam Registration: This Ministry has issued a composite MSMEs categorization criterion based on MSMEs' investment in plant and machinery/equipment as well as their turnover. This Cabinet has replaced the previous procedure of filing Udyog Aadhaar Memorandum with 'Udyam' registration on a platform designed by this Ministry, depending on composite criterion for MSMEs categorization. Existing and potential entrepreneurs may now register for their 'Udyam' online portal.

As of December 2020, almost 5.4 lacs businesses had registered in the Manufacturing category, while 8.6 lacs businesses had registered in the Service sector.

The Top 5 Industrial sectors of registrations are –

- Food Products,
- Textile,
- Apparel,
- Fabricated Metal products
- Machinery & equipment.

3.2.5 Framework adopted for Revival and Rehabilitation of MSMEs

The Ministry of Micro, Small and Medium Enterprises, Government of India, notified a 'Framework for Restoration and Rehabilitation of Micro, Small and Medium Enterprises' to provide a simpler and faster mechanism to address stress in MSMEs' accounts and to facilitate the promotion and development of MSMEs. In addition, the Reserve Bank of India has given rules to banks. Banks have devised a process under these recommendations to finalize corrective action plans for MSMEs' revival and rehabilitation. (Wastam Wahyu Hidayat, 2021)

3.2.6 Access to Digital Payments

The Indian government has been working hard to promote a cashless economy and to make seamless digital payments available to all Indian residents in a simple manner. The Government of India has made digital payment promotion a top priority to bring every section of our country into the legal fold of electronic payments.

The purpose is to deliver seamless digital payment services to all Indian people in a way that is accessible, easy, inexpensive, quick, and secure.

The Ministry of MSME, as a stakeholder in the project, has taken several steps to digitally empower the whole MSME ecosystem. A committee on Digital Payments has been formed in the Ministry under the Chairmanship of Secretary (MSME) in accordance with the recommendations of the Committee of Secretaries and the guidelines of MeitY to ensure that the Ministry and its attached offices successfully implement the 'Digidhan Mission.'

- The Ministry of Micro, Small and Medium Enterprises has digitally equipped all its main offices and affiliated ones.
- Efforts have been undertaken to raise awareness among firm owners about the simplicity and benefits of multiple means of e-payment, such as BHIM, UPI, etc.

- During the year 2020-21, digital transactions for the Ministry and its affiliated offices increased to 92% in terms of value and 90.19 percent in terms of quantity.
- The Ministry of MSME received the exceptional award related to data management in year 2020 from the Ministry of Electronics and Information Technology for providing a segway of digital platforms for all sectors of MSMEs.

3.2.7 Special measure under ATMANIRBHAR BHARAT ABHIYAAN

Following the COVID-19 epidemic, the Indian government was quick to acknowledge the importance of MSMEs in the development of the country. As a result, MSMEs were prominently included in the Atmanirbhar Bharat Abhiyaan announcements. The MSME sector has been given not only a significant allocation but also priority in the execution of the initiatives to revitalize the economy as part of this package. Several declarations have been issued under the Programme to give immediate aid to the MSME sector.

The Ministry of MSME is putting the spotlight on all elements, considering the regular related to credit schemes and other alerts, in line with the Government of India's top priority of empowering MSMEs in the country. The following announcements were crafted based on the Atmanirbhar Bharat Package to cater to good access to credit for MSMEs:

- 20000 crores INR secondary Debt for the affected MSMEs.
- The Indian government would contribute 4000 crores INR to the Guarantee Trust of credit for Micro and Small Enterprises. It would set aside 20,000 crores INR as secondary debt to help stressed MSMEs get access to capital.
- On June 24, 2020, the scheme aimed at giving absolute credit to the affected MSMEs was finalized and launched. As of December 31, 2020, 178 borrowers had received guarantees totalling 17 crores INR from 12 institutions. 50,000 crores INR MSMEs receive capital injection from a Fund of Funds scheme.
- On May 13, 2020, the Indian Government launched a Fund of Funds for MSMEs Scheme, which will inject 50000 crores INR as equity in MSMEs. This will establish a framework for aiding MSMEs in expanding their capabilities. As an outcome of this, MSMEs will be allowed to register on stock exchanges. The Ministry of MSME has approved and released the Guidelines for Self-Reliant India Fund Scheme. National Small Industry Corporation owns NSIC Venture Capital Fund Ltd., which is a division of National Small Industry Corporation Ltd., which was founded in 2013 under the Companies law.

- The SRI Fund's Fund Supervisor Corporation and Valid Consultant have been appointed, respectively, by the Ventures Ltd and Khaitan Co. The SRI Fund proposal is still very much in early phases of execution. These actions will help the MSME sector attract both loan and capital financing, as well as create more employment.

3.2.8 Role of MSMEs in Indian Economy

Through business innovations, Micro, Small, and Medium Enterprises (MSMEs) have made major contributions to the development of order for businesses. MSMEs are expanding their sphere of influence across the economy, generating a diversified variety of goods and services to fulfil the needs of both domestic and international markets. (Srivastava, 2020). Considering the data sourced from the Central Statistics Office, and ministry of statistics & programme implementation, the contribution of MSME sector in country's Gross Value Added (GVA) and Gross Domestic Product (GDP) at current prices from year 2014-15 to 2018-19 is as below:

Figures in Crores INR adjusted at current prices						
Year	Total MSME GVA	Growth (%)	Total GVA	Share of MSME in GVA (%)	All India GDP	Share of MSME in All India GDP (in %)
2014-15	3658196	-	11504279	31.80	12467959	29.34
2015-16	4059660	10.97	12574499	32.28	13771874	29.48
2016-17	4502129	10.90	13965200	32.24	15391669	29.25
2017-18	5086493	12.98	15513122	32.79	17098304	29.75
2018-19	5741765	12.88	17139962	33.50	18971237	30.27

Table 2 Share of Gross Value Added (GVA) of MSME in all India GDP

Source: (Central Statistics Office (CSO), 2020)

3.2.9 Estimated number of MSMEs in country

Activity Category	Estimated Number of Enterprises (in lakh)			
	Rural	Urban	Total	Share (%)
Manufacturing	114.14	82.50	196.65	31
Electricity	0.03	0.01	0.03	0
Trade	108.71	121.64	230.35	36
Other Services	102.00	104.85	206.85	33
All	324.88	309.00	633.88	100

Table 3 Estimated Number of MSMEs (Activity Wise)

Source: (GOI, 2021)

MSMEs in India play a critical role in decreasing regional imbalances and ensuring a fairer distribution of national income and wealth by offering substantial job possibilities at a lower capital cost than major businesses, as well as via industrialisation of rural and backward areas.

The above table described the estimated number of Enterprises in India apart from agriculture sector. This was sourced from the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16.

From the table it is visible that there was total 633.88 lacs Non-agricultural MSMEs in the nation that operate in a variety of economic activities are unregistered. Out of those total, 196.65 lakh belonged to Manufacturing, 0.03 lakh to electricity, 230.35 lacs to Trade and 206.85 lacs to Other Services.

3.2.10 Distribution as Area wise

Sector	Micro	Small	Medium	Total	Share (%)
Rural	324.09	0.78	0.01	324.88	51
Urban	306.43	2.53	0.04	309	49
All	630.52	3.31	0.05	633.88	100

Table 4 : Distribution of Enterprises (Rural and Urban area wise)

Source: (GOI, 2021)

The above table described the distribution of distinct categories of MSMEs in India according to the region they are located in. This was sourced from the National Sample

Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16.

Firstly, with 630.52 lacs estimated firms, the micro sector accounts for more than 99 percent of all MSMEs. The small sector, with 3.31 lacs estimated MSMEs, and the medium sector, with 0.05 lacs estimated MSMEs, respectively, accounted for 0.52 percent and 0.01 percent of total estimated MSMEs. 324.88 lacs MSMEs (51.25 percent) are in rural regions, whereas 309 lacs MSMEs (48.75 percent) are in urban areas, according to the projected number of MSMEs.

3.2.11 Employment

According to the 73rd round of the National Sample Survey (NSS), the MSME sector created vast number of jobs in the country. Total eleven crore jobs in rural and urban areas across all sectors of service in the country. Out of this number, 6 crores belong to urban areas employment and the remaining approximately 5 crores belong to the rural areas' region in the country. Out of total 11 crore jobs, 360 lacs came from manufacturing, 0.07 lacs from electricity generation and transmission, 387 lacs from trade, and 362 lacs in other services. (Dr. Uma Pujar M.Com., 2014)

	Employment (in lacs)			
Broad Activity Category	Rural	Urban	Total	Share (%)
Manufacturing	186.56	173.86	360.41	32
Electricity	0.06	0.02	0.07	0
Trade	160.64	226.54	387.18	35
Other Services	150.53	211.69	362.22	33
All	497.78	612.10	1109.89	100

Table 5 Estimated Employment in the MSME Sector (Activity Wise)

Source: (GOI, 2021)

3.2.12 State wise distribution

Estimated number of enterprises (Number in lacs)					
S. No.	State/UT	Micro	Small	Medium	MSME
1	Andhra Pradesh	33.74	0.13	0.00	33.87
2	Arunachal Pradesh	0.22	0.00	0.00	0.23
3	Assam	12.10	0.04	0.00	12.14
4	Bihar	34.41	0.04	0.00	34.46

5	Chhattisgarh	8.45	0.03	0.00	8.48
6	Delhi	9.25	0.11	0.00	9.36
7	Goa	0.70	0.00	0.00	0.70
8	Gujarat	32.67	0.50	0.00	33.16
9	Haryana	9.53	0.17	0.00	9.70
10	Himachal Pradesh	3.86	0.06	0.00	3.92
11	Jammu & Kashmir	7.06	0.03	0.00	7.09
12	Jharkhand	15.78	0.10	0.00	15.88
13	Karnataka	38.25	0.09	0.00	38.34
14	Kerala	23.58	0.21	0.00	23.79
15	Madhya Pradesh	26.42	0.31	0.01	26.74
16	Maharashtra	47.60	0.17	0.00	47.78
17	Manipur	1.80	0.00	0.00	1.80
18	Meghalaya	1.12	0.00	0.00	1.12
19	Mizoram	0.35	0.00	0.00	0.35
20	Nagaland	0.91	0.00	0.00	0.91
21	Odisha	19.80	0.04	0.00	19.84
22	Punjab	14.56	0.09	0.00	14.65
23	Rajasthan	26.66	0.20	0.01	26.87
24	Sikkim	0.26	0.00	0.00	0.26
25	Tamil Nadu	49.27	0.21	0.00	49.48
26	Telangana	25.94	0.10	0.01	26.05
27	Tripura	2.10	0.01	0.00	2.11
28	Uttar Pradesh	89.64	0.36	0.00	89.99
29	Uttarakhand	4.14	0.02	0.00	4.17
30	West Bengal	88.41	0.26	0.01	88.67
31	A & N Islands	0.19	0.00	0.00	0.19
32	Chandigarh	0.56	0.00	0.00	0.56
33	Dadra & Nagar Haveli	0.15	0.01	0.00	0.16
34	Daman & Diu	0.08	0.00	0.00	0.08
35	Lakshadweep	0.02	0.00	0.00	0.02
36	Puducherry	0.96	0.00	0.00	0.96
	ALL	630.52	3.31	0.05	633.88

Table 6 State-wise Distribution of Estimated Number of MSMEs

Source: (Survey, 2015-16)

Out of the total 29 states and 7 union territories of India, there were approximately 6 crores MSMEs all distributed across India. From states, Uttar Pradesh topped the list with the largest number of estimated MSMEs with a share of 14.20% of MSMEs in the country. The Top 10 states of the country accounted for a share of 74.05% of the total estimated number of MSMEs in the country.

3.3 Literature review related to Impact of COVID-19 pandemic on MSMEs

Because of its size, scope of operations, and financial resources, the MSMEs sector was one of the most susceptible during the epidemic. According to studies and surveys, the national lockdown enforced in April 2020 had a detrimental impact on 95% of businesses, and 70% of businesses were interrupted until August 2020. According to statistics, about 40% of enterprises were still disrupted till the end of February 2021, even after incremental unlocking. Market access, overall productivity, and gaining access to more funds are the three major challenges that MSMEs face. In 2021, lockout resulted in an average 11 percent drop in business volume for Indian MSMEs, compared to a 46 percent drop during the nationwide lockdown in 2020. (N, 2020)

From March to May 2020, the export sector's garment manufacturing firms suffered a loss of about Rs. 150 crores. In the worldwide market, the loss of India's leather industries has been estimated at Rs. 11,210 crores. The All-India Manufacturers Organisation performed a survey on MSMEs and found that self-employed MSME units, which account for 35 percent of the MSMEs sector, do not have any prospects for recovery and have already begun winding down their operations. (Tripathi, 2021)

MSMEs' Vulnerability: Factors to Consider

- **Capital Shortage** - SMEs in India are typically unstructured, with most of their transactions taking place in cash and not recorded in accounting books. Due to a lack of precise transaction data, these businesses do not receive the required credit score and find it difficult to obtain formal business loans.
- **High Transaction Costs** — Because MSMEs' business volumes are typically low, transaction costs are high, both in offline and online ways of payment. In the medium to long term, this has a substantial impact on the company's profit margin.
- **Banks and financial institutions' risk perceptions** – Most banks regard MSMEs as hazardous clients in the absence of a strong credit score or collateral. This issue is exacerbated when the customer is a start-up. Even if banks are persuaded to disburse loans, the interest rate will remain higher than usual. Depending on the size of the firm, the cash flow pattern, and vendor engagements, different MSMEs have varying financial requirements. All of this necessitates customized services and goods.

- Cybercrime - SMEs are reported to be more vulnerable to cybercrime and phishing because they lack enough awareness and understanding about overseeing digital banking and transaction activities. (Golla, 2018)

(Indrakumar, 2020) has attempted to analyse the impact of COVID-19 lockdown on the economic activities of the MSME sector. COVID-19 has wreaked havoc on every aspect of the economy, including the availability of raw materials, demand for finished goods, and even job possibilities. Due to the fall in output, revenue, and capital flow to the industry, data analysis and research undertaken by people and institutions show that the sector has lost a considerable number of employments during the lockdown and beyond. Due to ongoing losses in business, many units, notably in the micro and tiny divisions of the sector, were compelled to exit the market.

(Pandey, 2020) conducted a study covering 5000 MSME enterprises during the lockdown and found that 71% of them could not pay salaries/wages to their employees for March 2020. Being one of the highly labor-oriented sectors providing more than 114 million employment opportunities, the MSMEs are to be safeguarded with required provisions.

(Anand, 2020) examined the current state of the country's MSME sectors. The findings revealed the MSME sector's critical state throughout the lockdown period. The following are some of the study's significant findings:

- A sharp drop in demand due to supply concerns, resulting in a significant drop in income for MSME businesses.
- A rise in transportation costs, which has contributed to an increase in the MSME firms' operational costs, has resulted in a decrease in the profit margin of the MSME units.
- Micro enterprises, particularly unregistered micro enterprises, are not part of government relief packages due to a lack of information about them.
- Due to the protracted COVID-19 lockdown, the future course of action of the country's MSME sectors is uncertain. As a result of the decrease in income, consumers' purchasing power has decreased.
- As a result of the lockdown, MSMEs in the country are compelled to consider their own survival.

According to a forecast published in the Business Line, a 5% drop in GDP in 2020–21 will result in a significant drop in corporate revenue in India. The MSME sector will see a significant drop in revenue. During this fiscal year, revenue in the MSME sector will drop by more than 21%. For the MSME sector, a profit margin of only 4% to 5% would be

recorded, resulting in an existential crisis for the industry. The drop in revenue will have an impact on MSME businesses' operations, which will, in turn, have an impact on their creditworthiness. (Merwin, 2019)

According to a study of 1,029 firms conducted by the Small Industries Development Bank of India, two-thirds of Micro, Small and Medium Enterprises (67%) in India were temporarily closed for three months or more in FY21, and over half of all MSMEs had a revenue reduction of over 25%.

MSME Ministry presented the survey report to Parliament. The study was entrusted to SIDBI by the MSME Ministry in September as part of efforts to examine the impact on the economy of MSMEs due to the pandemic as well as the impact of the categorization change. In June 2020, as part of its Covid assistance package, the Centre raised the standards for MSMEs categorization. Micro companies have an investment of up to INR 1 crore and a revenue of up to INR 5 crore, small businesses have an investment of up to INR 10 crore and a turnover of up to INR 50 crore, and large enterprises have an investment of up to INR 50 crore and a turnover of up to INR 250 crore.

According to Rane's answer submitted in parliament, almost 66 percent of respondents in the poll reported a drop in profitability due to consistent fixed expenses and a drop in income during the FY2021 fiscal year. About 65 percent of the MSMEs polled received credit under the government's Emergency Credit Line Guarantee Scheme (ECLGS), which insured banks and financial institutions against any losses incurred because of borrowers' failure to repay ECLGS loans. The government had granted guarantees on loans worth Rs 2.88 lacs crore under the ECLGS by the end of 2021. (Minaketan Behera, 2021)

Approximately 36% of MSMEs polled had also taken out loans via the Credit Guarantee Fund trust for Micro and Small Enterprises program in FY2021.

Liquidity challenges, fresh orders, labour availability, logistical issues, and raw material availability were the most mentioned problems by MSMEs during the pandemic, according to online research by the National Small Industries Corporation. (Bureau, 2022)

4 Practical Part

The research study examines the impact of COVID-19 on MSME firms in India. The focus of the research is to identify the problems faced by MSME firms during COVID-19 pandemic and to study and analyse the relevant impact Indian Government schemes related to MSME sector had on surveyed firms. In addition, the study also analysed the resilience showed by firms during COVID and lockdown phase along with analysis of psychological perspective of business owners through survey form. From the analysis done, the author formulated a strategic SWOT matrix to lay down the scope for future developments.

The pandemic period was exceptionally distressing for business owners in India. They faced major problems such as shortage of raw materials and supply chain disruptions, etc.

The current study focussed on both, secondary data to have a better understanding of the current situation in India regarding MSME sector and what impact COVID-19 had on the firms and primary data to explain the impact of COVID-19 on the surveyed firms. Secondary data from the literature review of authentic sources to validate current statistics and research information. Primary data, on the other hand, the author of the study collected using a survey approach and a well-structured questionnaire. Statistics from the obtained sample of 71 responses were analysed to achieve the objectives of the study.

The main aim of the study is to identify the problems that MSME firms faced as well as what actions they took to tackle the situation of economic losses, along with impact of government schemes on them.

Therefore, the data will be evaluated to arrive at the study's conclusions. The acquired data is also characterized demographically to undertake this study.

The study is conducted based on primary data collected by the survey questionnaire form method using non-likelihood samples. The data was collected using a well-structured questionnaire created from an in-depth analysis of previous research and considering the current situation. The sampling tool which is form was then distributed through the online mod as firms were in India and travelling during COVID time was not feasible. The data is well categorized based on demographic factors such as category of firm, location of firm, role of the person, sector, etc.

4.1 Descriptive information regarding MSME firms

1)

		Statistics			
		Which MSME category would your firm fit into?	In which region is your firm located?	What is your role in the firm? (designation)	Which type of enterprise your firm would be?
N	Valid	71	71	71	71
	Missing	0	0	0	0

Table 7 Statistical information of demographic composition

Source: (Primary Source Data, prepared by the author)

Above picture talks about total firms surveyed which were seventy-one and it was prepared through IBM SPSS statistics software. It gave brief account of the total four descriptive factors that were taken into consideration.

2)

Which MSME category would your firm fit into?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Medium (Investment in Plant and Machinery or Equipment < INR 50 crore and Annual Turnover < INR 250 crore)	15	21.1	21.1	21.1
	Micro (Investment in Plant and Machinery or Equipment < INR 1 crore and Annual Turnover < INR 5 crore)	33	46.5	46.5	67.6
	Small (Investment in Plant and Machinery or Equipment < INR 10 crore and Annual Turnover < INR 50 crore)	23	32.4	32.4	100.0
	Total	71	100.0	100.0	

Table 8 MSME Categories

Source: (Primary Source Data, prepared by the author)

Above figure shows that categories of MSME firms and what frequency was recorded using survey form. Out of the total 71 firms surveyed, 15 belonged to the Medium Enterprise for which the Total investment for plant and machinery is less than 50 INR and annual turnover

is less than 250 INR. 33 firms which are the majority among the surveyed firms, belonged to the Micro enterprises for which the Total investment for plant and machinery is less than 1 INR and annual turnover is less than 5 INR. 23 firms came out to be Small Enterprises for which the Total investment for plant and machinery is less than 10 INR and annual turnover is less than 50 INR.

Below is the chart that depicts the number of firms according to the category they belong to.

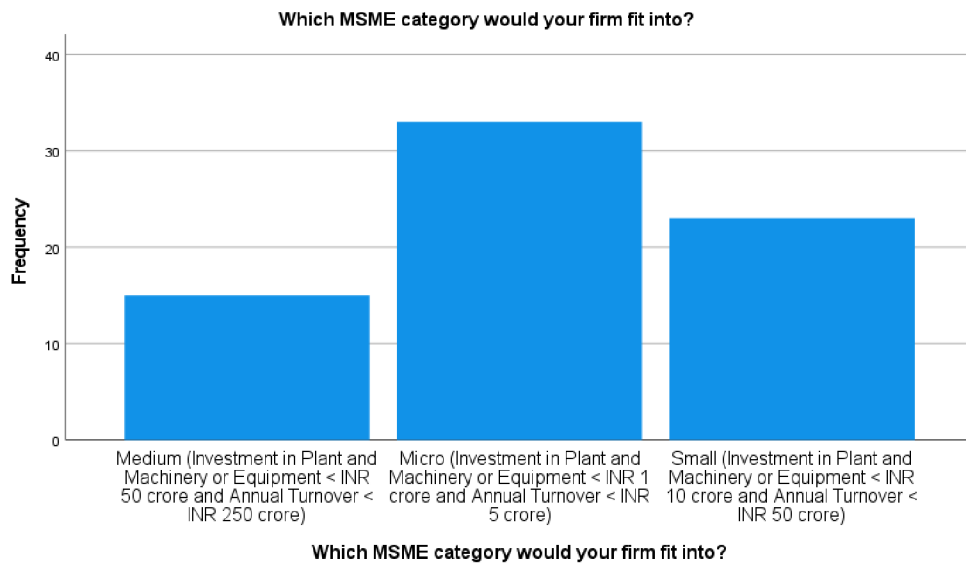


Chart 4.1-1 MSME Categorisation

Source: (Primary Source Data, prepared by the author)

3) Below mentioned figure depicts the various regions in which surveyed firms are located within India. Majority of the firms (30) are in North India, followed by west India (16), and then Central India (14).

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Central India	14	19.7	19.7	19.7
	East India	3	4.2	4.2	23.9
	North India	30	42.3	42.3	66.2
	South India	8	11.3	11.3	77.5
	West India	16	22.5	22.5	100.0
	Total	71	100.0	100.0	

Figure 4.1:1 Region of firms

Source: (Primary Source Data, prepared by the author)

Below chart shows the different regions in which all MSME firms are located.

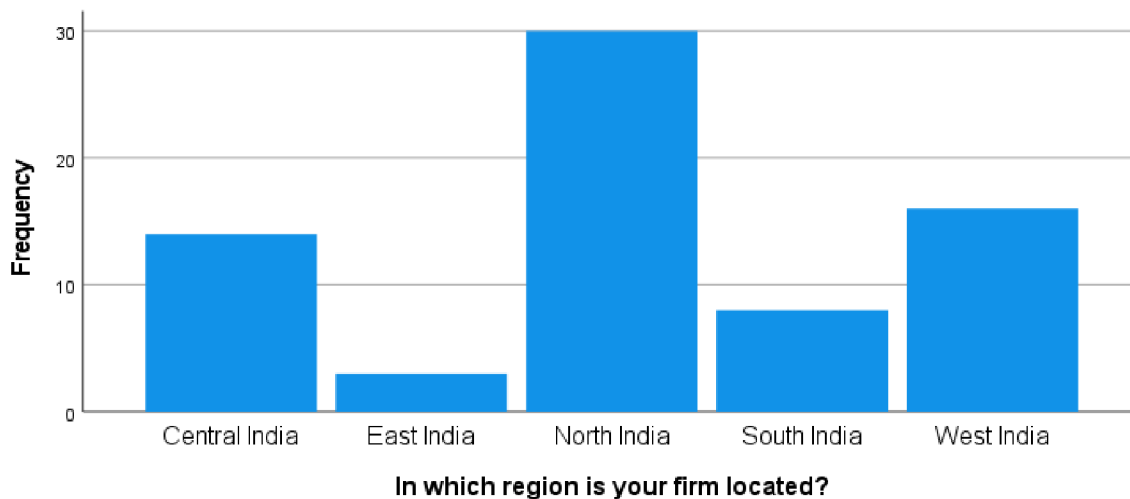


Chart 4.1-2 Region of firms

Source: (Primary Source Data, prepared by the author)

4) This explains the distinct roles donned by the persons who filled in the survey forms. Majority were Director of the firms (21), followed by General managers of the firms (17), followed by Head of operations (Sales) (16), etc.

What is your role in the firm? (designation)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Director	21	29.6	29.6	29.6
	General Manager	17	23.9	23.9	53.5
	Head of Finance and/or Accounting	15	21.1	21.1	74.6
	Head of Operations (Sales)	16	22.5	22.5	97.2
	Logistics head	1	1.4	1.4	98.6
	Partner	1	1.4	1.4	100.0
	Total	71	100.0	100.0	

Figure 4.1:2 Different designations of business owners

Source: (Primary Source Data, prepared by the author)

Below is the chart depiction of the above information about the roles mentioned.

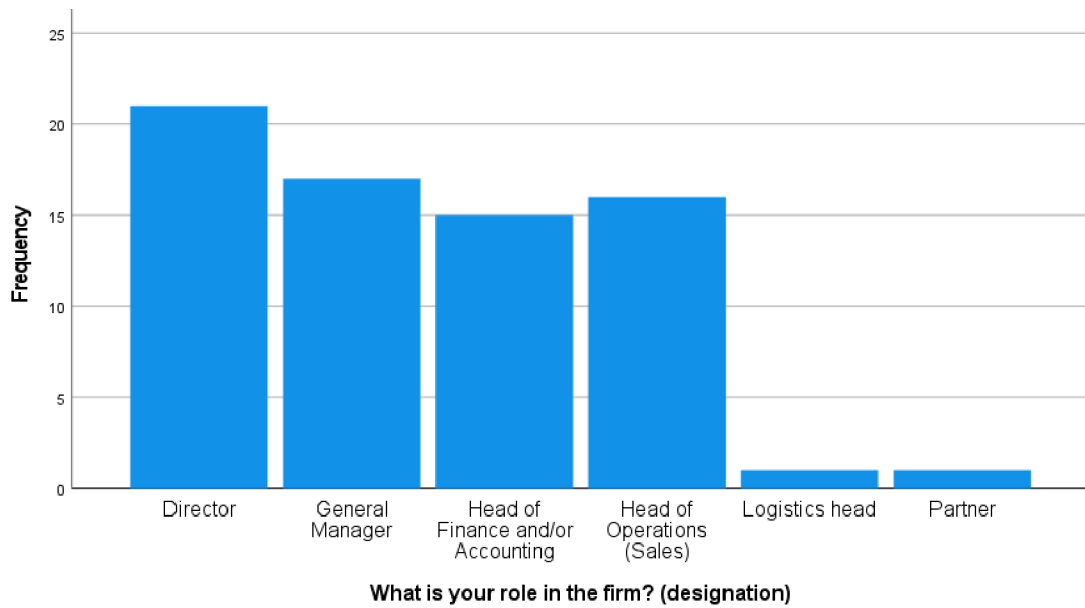


Chart 4.1-3 Different designations of business owners

Source: (Primary Source Data, prepared by the author)

5) Enterprise is further categorized according to the type of operations they conduct: Manufacturing and Service.

Out of total 71 firms, 39 were in manufacturing sector and remaining 32 were in Service sector.

Which type of enterprise your firm would be?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Manufacturing	39	54.9	54.9	54.9
	Service	32	45.1	45.1	100.0
	Total	71	100.0	100.0	

Figure 4.1:3 Types of sectors: Manufacturing and Services

Source: (Primary Source Data, prepared by the author)

Below chart shows the information regarding types of sectors in which MSMEs render their products or services.

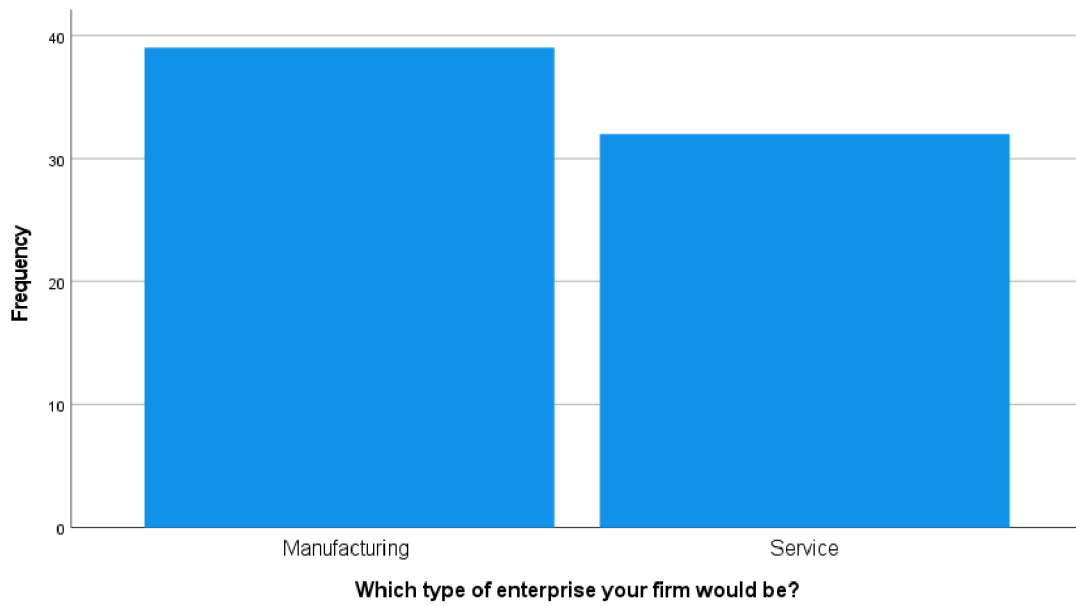


Chart 4.1-4 Types of sectors: Manufacturing and Services

Source: (Primary Source Data, prepared by the author)

4.2 Objective 1: Problems faced by MSME firms

This section covers all the different problems that MSME firms faced during COVID pandemic. Ranging from finance to staff related, all problems were covered.

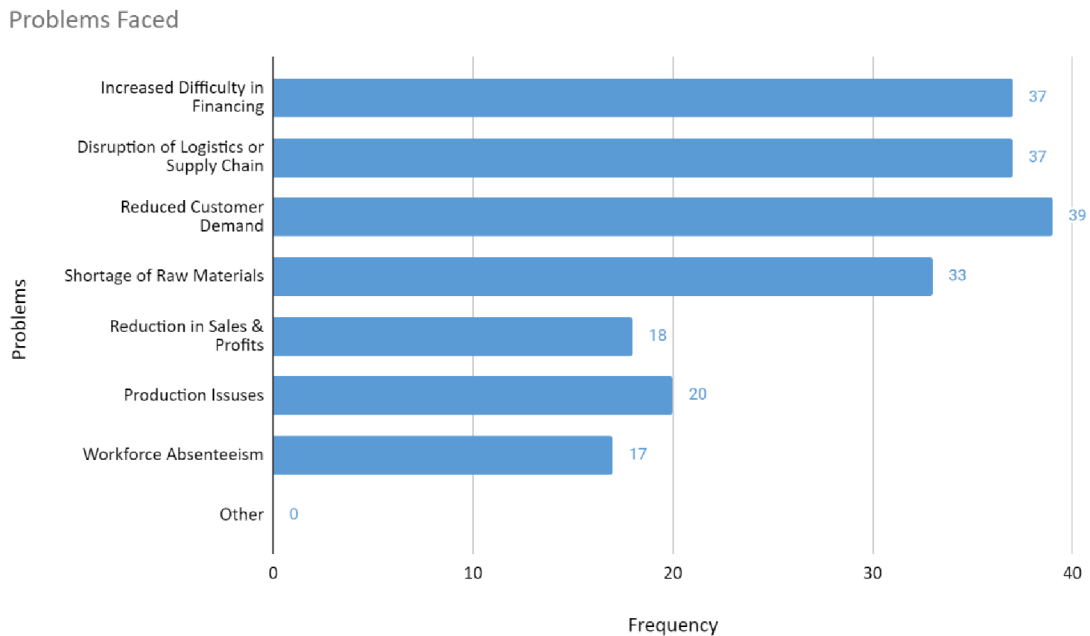


Figure 4.2:1 Different problems faced by MSME firms

Source: (Primary Source Data, prepared by the author)

As can be seen from the above chart that majority of the responders faced reduced customer demand with 39 frequencies as their main problem because customers were mostly at home and not buying stuff during COVID. This is followed by two problems sharing same frequency of 37 – increased difficulty in financing and disruption of logistics or supply chain. Next, problem faced was shortage of raw materials with 33 frequencies. This was also got affected due to lockdown phases. Workforce absenteeism, reduction in sales & profits, and production issues accounted for 17, 18 and 20 frequencies, respectively.

Interpretation:

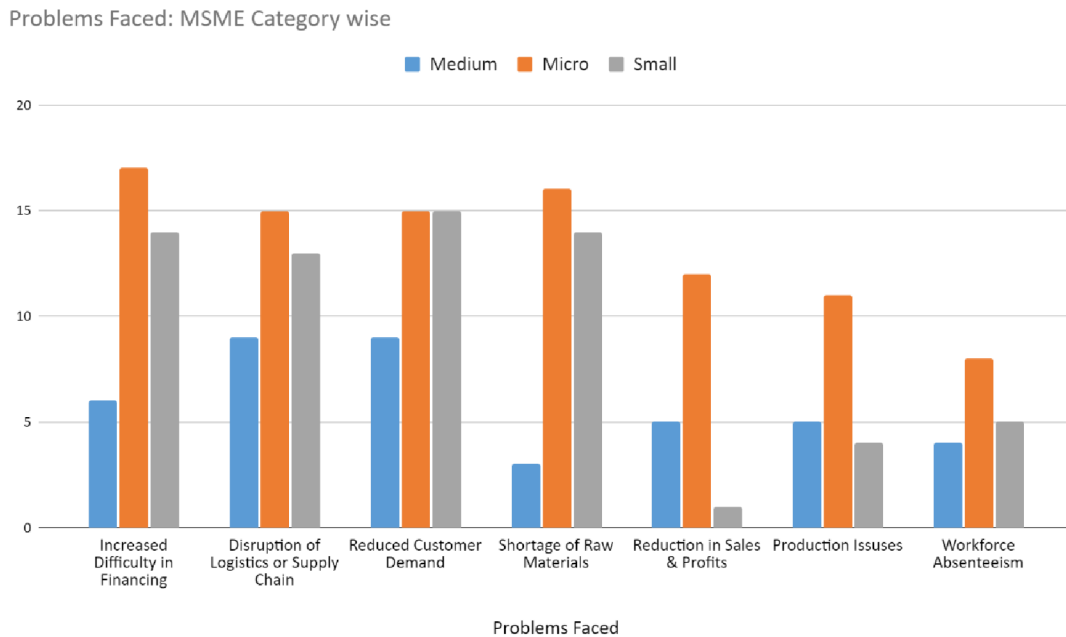


Figure 4.2:2 Problems faced: MSME Category wise

Source: (Primary Source Data, prepared by the author)

Above chart is formulated by the author and it depicts different MSME firms has different problems. From the above chart Micro enterprises were seriously/majorly affected during COVID due to their size and capacity in comparison to medium and small enterprises. The major problem faced was increased in difficulty financing. Doing business daily requires some level of financing to be done like paying to suppliers, buying raw materials etc. but this was affected during COVID. Next shortage of materials was the second biggest problems facing MSME firms. Amongst firms, Micro enterprises (16) were leading, then small enterprises (14) and 3 Medium enterprises. Disruption of logistics or supply chain along with reduced customer demand were equally the third and fourth largest problems that MSME firms endured. Amongst firms, Micro and small enterprises were affected hugely.

4.3 Objective 2: Government Schemes

This section deals with the various Government schemes launched to help the MSME sector in India. Primarily, four schemes were considered which are mentioned in this section.

4.3.1 Emergency Credit line

This scheme is a loan for which National Credit Guarantee Trustee Company (NCGTC) will provide a 100 percent guarantee to Member Lending Institutions (MLIs), and which will be extended in the form of additional working capital term loan facility in the case of Scheduled Commercial Banks (SCBs) and Financial Institutions (FIs), and additional term loan facility in the case of Non-Banking Financial Companies (NBFCs), to eligible MSMEs/ Business Enterprises and interested Pradhan Mantri Mudra yojana borrowers.

Emergency credit line (collateral free loans)

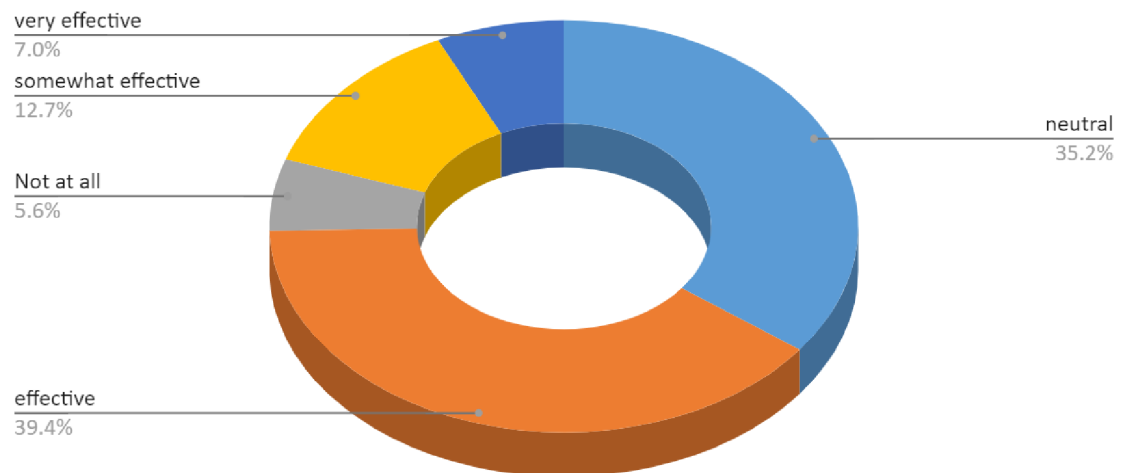


Figure 4.3:1 Emergency credit Line

Source: (Primary Source Data, prepared by the author)

The above chart depicts the effectiveness of the Government scheme Emergency credit Line (Collateral free loans) on the MSME firms to help them deal with the economic losses. Out of the total 71 firms, 28 responses accounting for 39.4 % came out to be in favour of Effective option. This is followed by 25 responses accounting for 35.2 % came out to be in favour of Neutral option. For 9 firms, accounting for 12.7%, the mentioned government scheme was

somewhat effective and for rest 5 and 4 firms, the scheme was very effective with 7% and Not at all effective with 5.6% respectively.

Interpretation: For majority of the firms, the Emergency credit Line scheme turned out to be effective for dealing with economic losses and helping them during COVID time. This means they were able to conduct their business operations.

4.3.2 Credit Guarantee Funds Trust

This program aims to encourage first-generation entrepreneurs to start their own businesses by providing credit guarantee funds for third-party, collateral-free loans.

Credit Guarantee Funds Trust for Micro and Small Enterprises (CGTMSE)

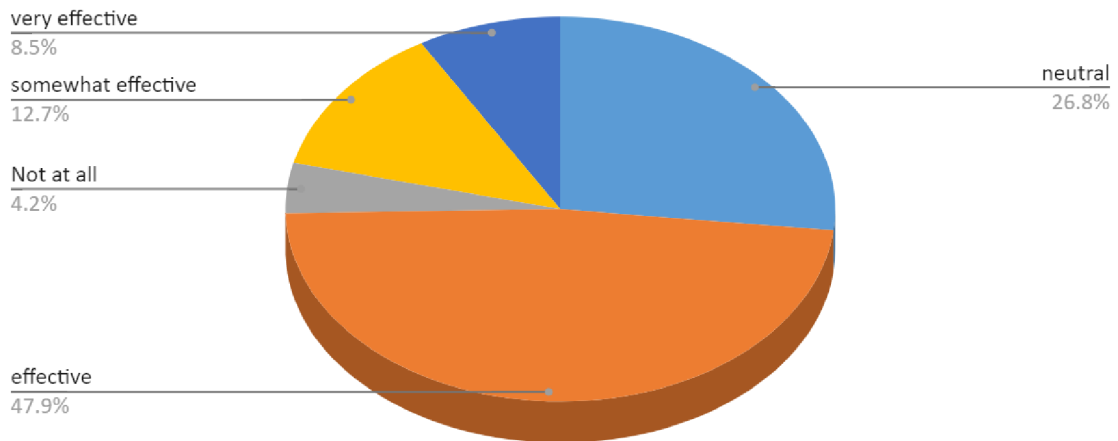


Figure 4.3:2 Effectiveness of CGTMSE scheme

Source: (Primary Source Data, prepared by the author)

The above chart depicts the effectiveness of the Government scheme Credit Guarantee Scheme for Micro & Small Enterprises (CGTMSE) on the MSME firms to help them deal with the economic losses. Out of the total 71 firms, 34 responses accounting for 47.9 % came out to be in favour of Effective option. This is followed by 19 responses accounting for 26.8 % came out to be in favour of Neutral option. For 9 firms, accounting for 12.7%, the mentioned government scheme was Somewhat effective and for rest 6 and 3 firms, the scheme was very effective with 8.5 % and Not at all effective with 4.2% respectively.

Interpretation: For majority of the firms, the Credit Guarantee Scheme for Micro & Small Enterprises (CGTMSE) scheme turned out to be effective for dealing with economic losses

and helping them during COVID time. This means they were able to conduct their business operations.

4.3.3 Fund of Funds Scheme

This scheme aimed at incorporating equity infusion of Rs. 50,000 crores for MSMEs through Fund of Funds. This would provide equity funding for MSMEs to promote growth potential and viability of the firms. Funds of fund will be operated through a parent fund (Mother Fund) and few subsidiary funds to expand MSME's size & capacity of their operations and encourage MSMEs to get listed on Stock Exchange Boards.

Fund of Funds (FoF)

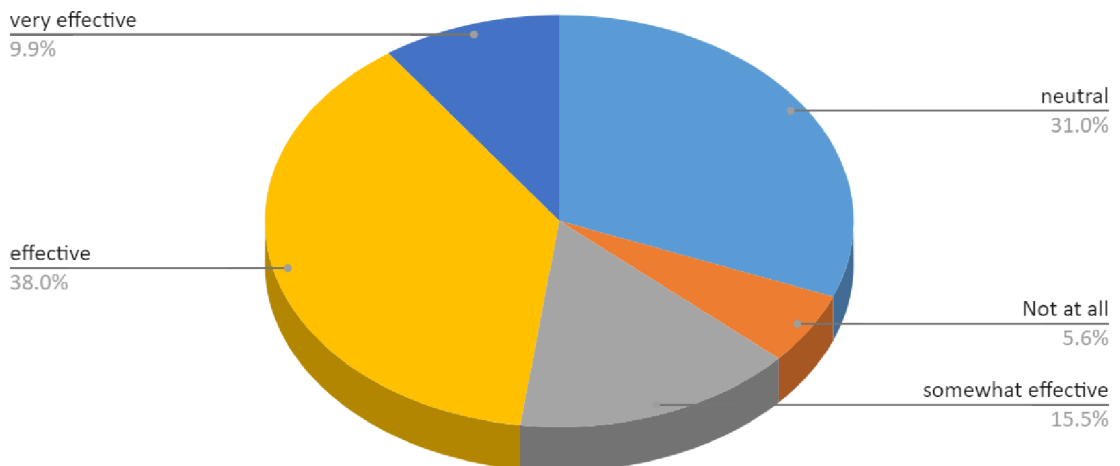


Figure 4.3:3 Effectiveness of Fund of Funds scheme

Source: (Primary Source Data, prepared by the author)

The above chart depicts the effectiveness of the Fund of Funds Scheme on the MSME firms to help them deal with the economic losses. Out of the total 71 firms, 27 responses accounting for 38 % came out to be in favour of Effective option. This is followed by 22 responses accounting for 31 % came out to be in favour of Neutral option. For 11 firms, accounting for 15.5 %, the mentioned government scheme was Somewhat effective and for rest 7 and 4 firms, the scheme was very effective with 9.9 % and Not at all effective with 5.6% respectively.

Interpretation: For majority of the firms, the Fund of Funds scheme turned out to be effective for dealing with economic losses and helping them during COVID time. This means they were able to conduct their business operations.

4.3.4 Limiting Global tenders to promote Make In India campaign

This Scheme was launched to help the domestic market and exporters. The Global Tenders will be disallowed in government procurement tenders up to value of Rs. 200 cr. This will be a step towards self-Reliant India and support Make In India campaign of the Indian Government. This will help MSMEs to increase their business capacities and operations.

limiting global tenders to promote Make In India initiative

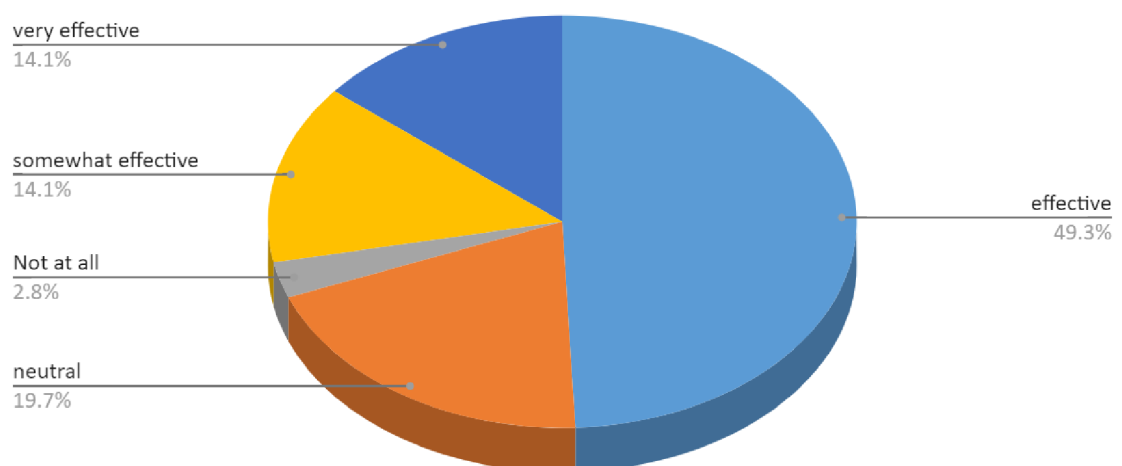


Figure 4.3:4 Limiting Global tenders for MIN initiative

Source: (Primary Source Data, prepared by the author)

The above chart depicts the effectiveness of the Fund of Funds Scheme on the MSME firms to help them deal with the economic losses. Out of the total 71 firms, 35 responses accounting for 49.3 % came out to be in favour of Effective option. This is followed by 14 responses accounting for 19.7 % came out to be in favour of Neutral option. For 10 firms, accounting for 14.1%, the mentioned government scheme was both somewhat effective and very effective which is also accounting for 14.1% of the surveyed firms in this research. For rest 2 firms, the scheme was Not at all effective with 2.8%.

Interpretation: For majority of the firms, the Global Tender limit scheme turned out to be effective for dealing with economic losses and helping them during COVID time. This means they were able to conduct their business operations.

4.4 Objective 3: Resilience showed by MSME firms

This section deals with the objective number 3: to analyse the resilience showed by the firms during COVID and lockdown phase. It means what were the strategies adopted by business owners to save them from various issues and economic problems that were mentioned in previous section of Objective 2.

Resilient strategies adopted by MSME firms

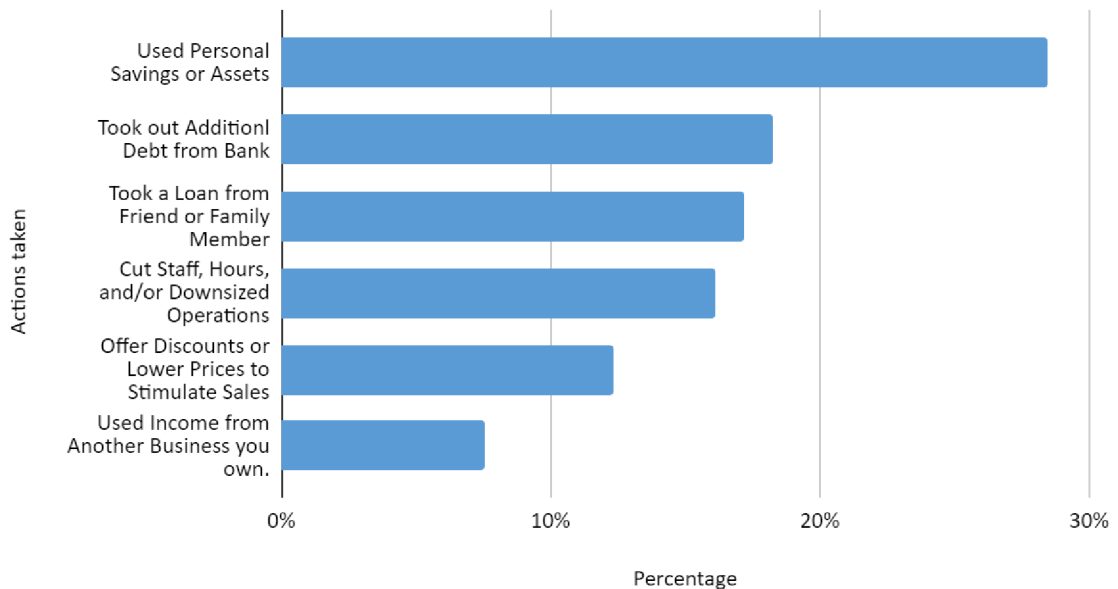


Chart 4.4-1 Resilient Strategies adopted by firms

Source: (Primary Source Data, prepared by the author)

From the above chart, it is visible that majority of the firms used personal savings or assets to deal with the problems associated with their firms due to COVID induced lockdown. It means they could have sold some of the assets owned by them which is 28% of the total responses recorded through survey form. Next firms took out additional debt from banks as they faced payments issues such as paying employees' salaries, etc. which is 18% of responses. This is followed by taking a loan from friend or family member, accounting for 17%. Cutting staff or downsizing operations came in fourth position as the resilient strategy

adopted by firms, with 16% responses. Using income from another business that they own came in last as most firms saw this as least effective strategy to tackle firms' issues.

Interpretation:

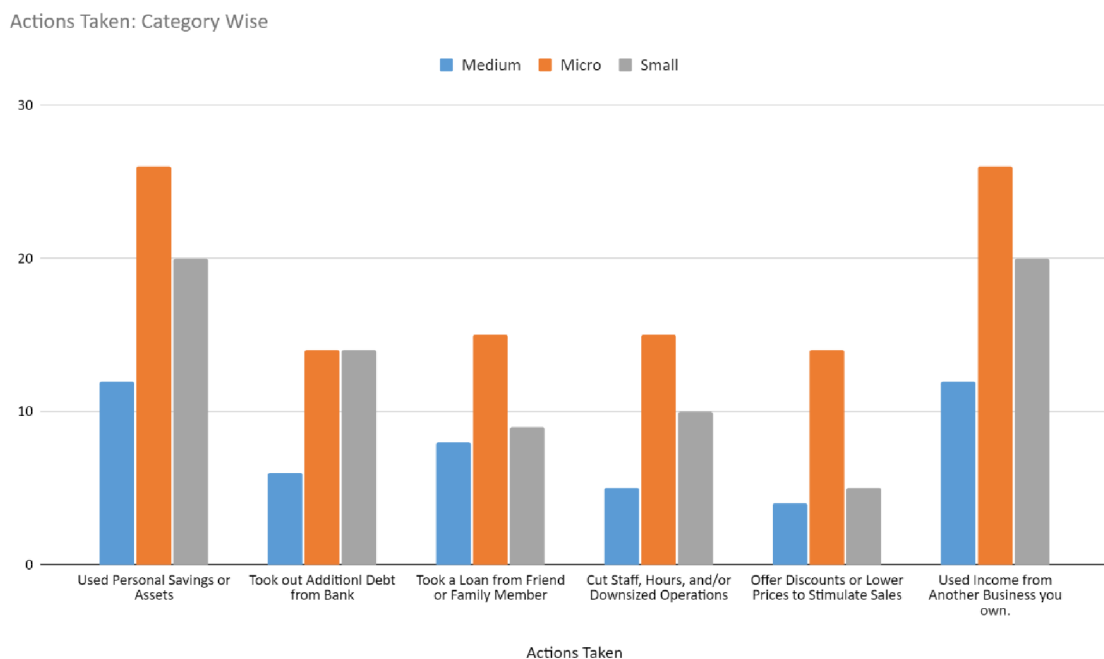


Figure 4.4:1 Actions taken by MSME firms

Source: (Primary Source Data, prepared by the author)

The above chart depicts the strategies that firms chose in accordance with their categories, i.e., Micro, Small and Medium firms. For the used personal savings or assets strategy, Micro Enterprises were leading amongst 3 types of firms, followed by small firms and then Medium firms. Next, important strategy adopted was used income from another business they own in which Micro lead the way with Small and Medium at 2nd and 3rd positions. In taking a loan from a friend or family member, 15 Micro firms, 9 small and 8 Medium firms adopted this strategy. 15 Micro, 10 Small and 5 Medium firms adopted cutting staff, hours, and/or downsized operations for showing resilience. 14 Micro and Small firms took out additional debt from banks.

4.5 Objective 4: Psychological survey of the Business owners

This part covers the fulfilment of objective 4 to analyse the psychological survey of businessowners of MSME firms as the COVID -19 and subsequent lockdown had terrible impact on the behaviour and personality of them for dealing with various business operations daily.

4.5.1 Factor 1

I look forward to returning to complete work even when I am away from work.

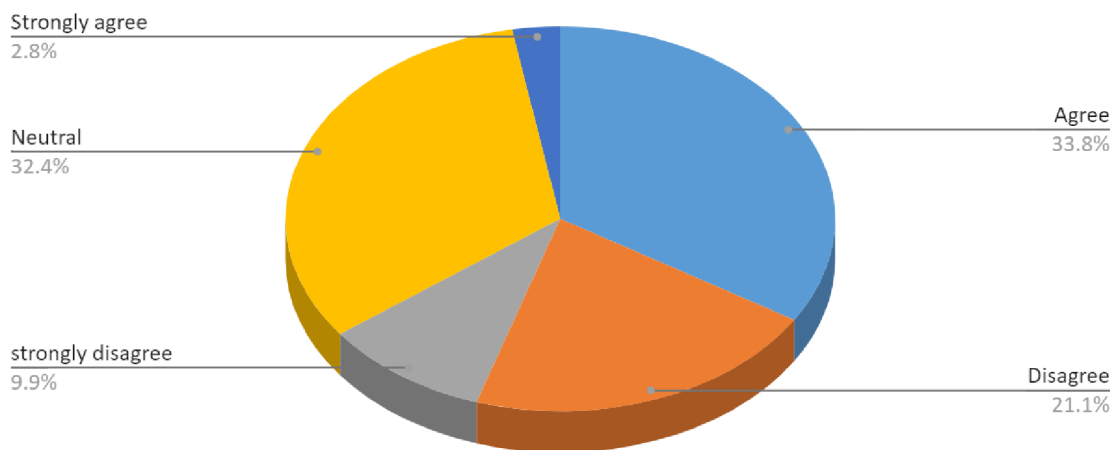


Figure 4.5:1 Looking forward to complete work

Source: (Primary Source Data, prepared by the author)

From the above chart, it is shown that majority of the business owners, 33.8% agreed to looking forward to returning to complete their work when they were away. This means that they had lots of tasks to do and complete and because of the various works they must manage due to less availability of resources during COVID. This is followed by 32.4 % of responders who said they were neutral in this approach. 21.1 % of the business owners disagree with the statement. And the remaining accounted for 9.9% strongly disagree and 2.8 % strongly agree options, respectively.

It means majority of the business owners were able to do their tasks and finish their daily activities efficiently.

4.5.2 Factor 2

I showed persistence during crisis.

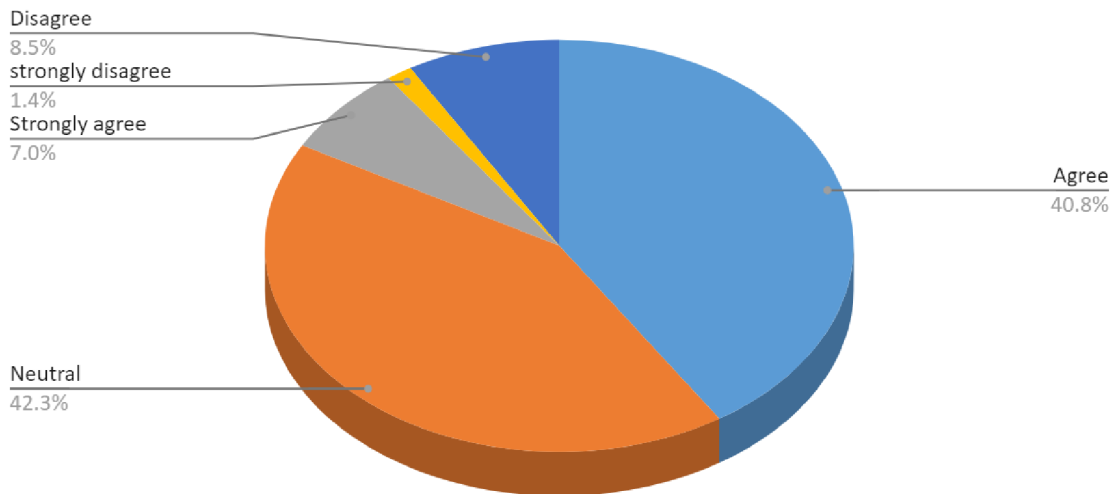


Figure 4.5:2 Persistence during crisis

Source: (Primary Source Data, prepared by the author)

Factor 2 was “I showed persistence during crisis”. It basically showed the persistence as a capacity of the individual business owner. From the above chart, it is shown that majority of the responders 42.3% were neutral in approach to their persistence during COVID crisis. It is followed by the 40.8% who agreed that they showed persistence during crisis meaning they took necessary steps to counterbalance the crisis while dealing with issues and problems in their firms. Next, 8.5% disagree that they showed persistence and remaining 7% strongly agreed while 1.4% strongly disagreed to the mentioned statement.

4.5.3 Factor 3

I like to do multitasking.

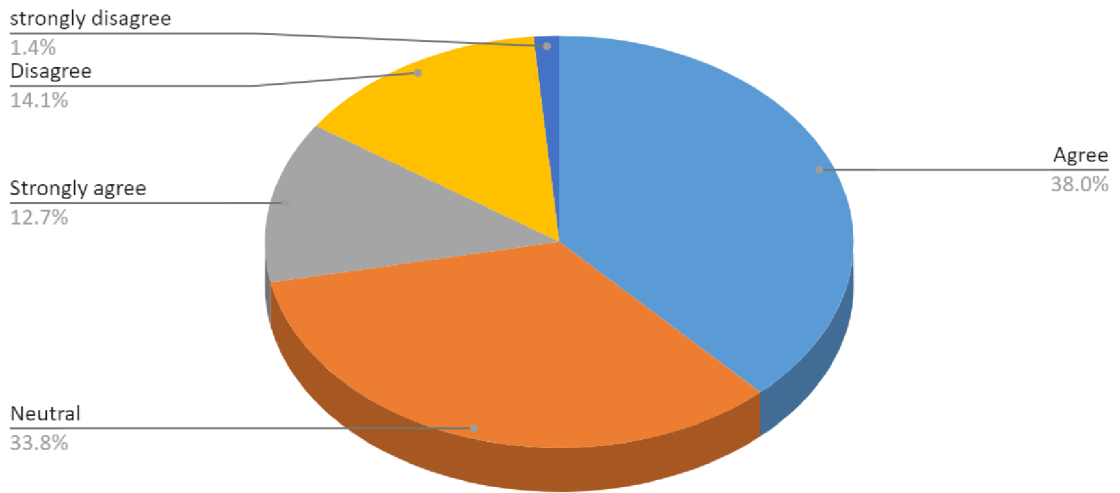


Figure 4.5:3 Likes to do multitasking

Source: (Primary Source Data, prepared by the author)

From the above chart it is visible that majority of the business owners liked to do multitasking during COVID. This value is 38% of the total 71 responders. It is followed by the 33.8% business owners who were neutral in this approach, for them it did not matter that much. Next, 14.1 % owners disagreed that they like to do multitasking and 12.7% strongly agreed that they like to do multitasking. Remaining 1.4 % strongly disagreed to the mentioned statement.

4.5.4 Factor 4

I don't like to delegate work to my subordinates.

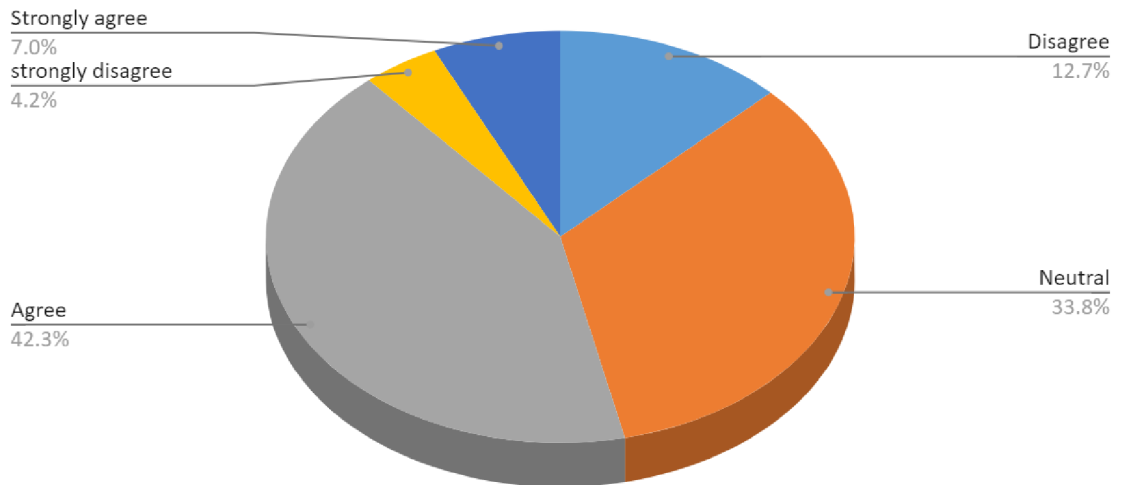


Figure 4.5:4 Don't like to delegate work to subordinates

Source: (Primary Source Data, prepared by the author)

From the above chart, it is depicted that 42.3 % of the business owners agreed that they do not like to delegate work to their subordinates. It means they like to do most of the work themselves although some help could be required by them. Next, 33.8 % were neutral in this approach, for them it did not matter much. They could easily do their work themselves or delegate to their subordinates as for them completing the given task mattered more.

Its sis followed by 12.7% who disagreed to this statement and 7 % strongly agreed to delegating work. Remaining 4.2% strongly disagreed to the mentioned statement.

5 Results and Discussion

This chapter contains the various findings from the secondary data analysis and the primary data analysis performed using survey questionnaire form.

5.1 Findings from Secondary Data

For this research study, I took the liberty to study and analyse the various secondary data sources in the form of Articles, journals, websites, etc. to better understand the impact of COVID-19 on the economy of India as well as the MSME sector of the country. And the results shown in myriad studies conducted during these last two years and lots of surveys indicated that indeed COVID-19 was catastrophic for MSME sector.

COVID-19 created a havoc in the Indian business industry as well as the MSME sector right from its initial days. During the initial period of COVID-19, a series of lockdown phases were implemented to contain the virus from spreading which led to shutdowns of several MSME firms be it temporarily or permanently. This hugely affected the business side of these firms, with studies reporting almost 67% firms got closed temporarily. And they shut their business activities. Now being shut is one thing but what it does is it produced snowball effects in other industries such as employment. Many people who were working for these firms and were employed suffered badly as they lost their jobs and consequently were unable to provide for their respective families.

Liquidity challenges, fresh orders, labour availability, logistical issues, and raw material availability were the most mentioned problems by MSMEs during the pandemic, according to online research by the National Small Industries Corporation.

Various Government schemes especially the Atma Nirbhar Bharat Abhiyaan proved to be a measure of relief for majority of the MSME firms and helped them in tackling the various issues faced by these firms.

5.2 Findings from Primary Data Analysis

The main findings from primary data analysis which was done using a survey questionnaire form were –

1. COVID-19 was brutal to all MSME firms, especially the Micro enterprises, they were the ones which took the most impact.
2. From the survey, most of the surveyed firms were in North India with 30 frequencies, followed by locations in West India accounting for 16 firms, then came Central India with 14 firms and South India, East India with 8 and 3 firms, respectively.
3. Main roles of the business owners were as follows – 21 were directors of the firms, 17 were General managers, 15 persons were head of finance and/or accounting, 16 were head of operations (sales), 1 each were logistics head or partner.
4. 39 firms belonged to the manufacturing sector and 32 belonged to the service sector, respectively.
5. Of the total 71 firms that were surveyed, Micro enterprises came out at the top with 33 frequency that is 46.5% of surveyed firms. Then 23 were small enterprises constituting 32.4% and lastly 15 were medium enterprises with 15 frequencies constituting 21.2% of the surveyed firms.
6. Next, main problems faced by surveyed firms were – reduced customer demand with 39 frequencies, followed by increased difficulty in financing operations with 37 frequencies, disruption of logistics or supply chains with same 37 frequencies, shortage of raw materials was next with 33 frequencies, production issues, reduction in sales and profits, workforce absenteeism were all with less than 20 frequencies among surveyed firms.
7. In terms of various government schemes implemented, a survey question using 5-point likert scale was established to estimate the effectiveness of these schemes. In the results, Emergency credit line (collateral free loans) was effective with 39.4% responses, next was credit guarantee funds trust scheme with 47.9 % effective responses, Fund of Fund scheme was also effective for surveyed firms with 38% responses, and lastly government policy to limit global tenders up to 200 crores INR to promote Make in India campaign was also effective with 49.3% responses.
8. Surveyed firms also adopted some resilient strategies to cope up with the economic losses due to COVID-19. The results from survey were – most of the firms used

personal savings or assets with 53 frequency result, next was taking out loan or debt from bank with 34 frequencies, taking a loan from friend or family member was 32 frequencies, cutting staff, hours, and/or downsizing operations was 30 frequencies, Offer Discounts or Lower Prices to Stimulate Sales was 23 frequencies, and lastly using income from other business that owners own was 14 frequencies.

9. A psychological survey revealed startling results. Almost 1/3rd of the business owners agreed to returning to work while they were away. This was followed by 43 % who showed persistence during crisis. Next was the statement “I like to do multitasking,” for which there were 38% of total 71 owners. Then, 43% owners do not like to delegate their work to their subordinates.

6 Conclusion

The undertaken research thesis to study the impact of the coronavirus (COVID 19) on the economy of India with focus on the MSME sector aimed to examine the problems faced by these firms, laid out various resilient strategies that were adopted by the business owners in order to deal with the economic losses inflicted due to COVID crisis, impact of government schemes to deal with pandemic issues, a psychological survey of the business owners or entrepreneurs and formulated a strategic SWOT matrix to pave way for future developments of MSME sector in India. To analyse the primary data collected, MS Excel and IBM SPSS were used in this study.

The study began with the analysis of secondary data from relevant sources such as official websites of ministries, reports published by the various agencies like McKinsey, KPMG, etc. It was found that according to studies and surveys, the national lockdown enforced in April 2020 had a detrimental impact on 95% of businesses, and 70% of businesses were interrupted until August 2020. According to statistics, about 40% of enterprises were still disrupted till the end of February 2021, even after incremental unlocking. Market access, overall productivity, and gaining access to more funds are the three major challenges that MSMEs face. In 2021, lockout resulted in an average 11 percent drop in business volume for Indian MSMEs, compared to a 46 percent drop during the nationwide lockdown in 2020.

The brunt of COVID-19 was so bad that the Indian government revised the old definition of categorisation of MSMEs to the now new one where the annual turnover and investment in equipment and machinery were changed accordingly to the size of MSME enterprise.

COVID-19 not only slowed down economic activities of MSME firms but also affected the psychological perspective of several business owners.

The All-India Manufacturers Organisation performed a survey on MSMEs and found that self-employed MSME units, which account for 35 percent of the MSMEs sector, did not have any prospects for recovery and have already begun winding down their operations.

Even the macroeconomic indicators such as inflation, current account balance, etc. were severely affected, mostly showing negative results from 2020.

Now the main part of the thesis was to study the impact of coronavirus with special emphasis on MSME firms with the help of primary data that was collected using a survey questionnaire distributed between November 2021 to February 2022. The main findings from the primary data analysis are –

- For the realisation of the first objective, the main problems identified were reduced customer demand which accounted for 39 responses from the surveyed firms. Next increased in difficulty spending and disruption of logistics or supply chain were the second and third main problems faced by the firms with both accounting for 37 responses, respectively. Shortage of raw materials was next problem with 33 responses to it. Production issues was next in line with 20 responses. Reduction in sales and profits with 18 and lastly, workforce absenteeism with 17 responses.
- If we consider the MSME categories then, Micro enterprises were seriously/majorly affected during COVID due to their size and capacity in comparison to medium and small enterprises. The major problem faced was increased in difficulty financing. Doing business daily requires some level of financing to be done like paying to suppliers, buying raw materials etc. but this was affected during COVID. Next shortage of materials was the second biggest problems facing MSME firms. Amongst firms, Micro enterprises (16) were leading, then small enterprises (14) and 3 Medium enterprises. Disruption of logistics or supply chain along with reduced customer demand were equally the third and fourth largest problems that MSME firms endured. Amongst firms, Micro and small enterprises were affected hugely.
- For the second objective, the realisation was if the government schemes implemented by the India Government were effective for the business owners of these forms or not. For this purpose, a lickert-style question was developed which was analysed using MS-Excel. It gave following results: for the emergency credit line (Collateral free loans) scheme, the firms responded effective with 39.4%. For next government scheme which was credit guarantee funds trust for micro and small enterprises (CGFTMSE), firms responded 47.9% with effective option. This meant majority of the firms found this scheme meant to be effective for them in dealing with their firm's economic losses. The Fund of Funds scheme turned out to be effective with 38% responses accounted. For the policy of limiting the global tenders to promote the

Make In India initiative, most firms almost 50%, 49.3 % to be exact found it to be effective for them to deal with economic losses.

- Resilient strategies were considered for the next objective. Among the categories of the firms, Micro enterprises were in majority which adopted resilient strategies to deal with the COVID crisis. All firms adopted the personal savings or assets method to tackle the financial situation in their firms with almost 30 % responses belonging to it. Next taking out additional debt from bank, taking a loan from a friend or family member and cutting staff, hours and/or downsizing operations came with comparable results with 16-18 % of responses recorded from survey. Using income from another business that they owned was the least favourite resilient strategy adopted by the firms.
- For the objective number 4 which was a psychological survey to understand the impact of COVID on business owners. 38% of the business owners agreed that they liked to do multitasking. It meant they were mostly occupied with many tasks at a single time. Next, almost 43% of the business owners showed neutral approach to the statement “I showed persistence during crisis”. It was closely followed by the 41% of the business owners who agreed to this statement. Next 34% owners agreed to returning to their work while they were away. This meant they were eager to finish their work. 43% of the owners agreed that they don’t like to delegate their work to their subordinates and preferred to their works themselves.
- A nice and sophisticate SWOT matrix is formulated by studying and analysing survey results for paving the way for strategies which can be adopted by firms and some strategies have already been in place with the help of Government initiatives and policies to boost MSME growth and productivity.

So, overall, COVID-19 proved to be challenging time for MSME firms in India as they were faced with many challenges and problems in the form of financial losses. However, they did adopt some resilient strategies to cope up with these challenges and the launched government schemes were proven to be effective for the business owners of these surveyed firms.

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8 Appendix

Survey Questionnaire Form

COVID impact on MSME Firms in India

Dear responder,

Hi! My name is Anup Chhokar, studying MBA at Česká zemědělská univerzita (CZU), Prague, CZ. I am conducting a research survey for the purpose of understanding the impact of COVID-19 on the MSME firms as part of my Diploma Thesis. So, all the responses collected are for research purposes only and anonymity will be maintained throughout.

This survey would only take 5-10 minutes of your precious time to be filled in. Don't worry! the answers you are going to provide here, will be used for research study only as mentioned in the beginning. Thank you for taking out your time and completing the form!

* Required

General Information

This section contains general questions about your firms.

1. Which MSME category would your firm fit into? *

- Micro (Investment in Plant and Machinery or Equipment < INR 1 crore and Annual Turnover < INR 5 crore)
- Small (Investment in Plant and Machinery or Equipment < INR 10 crore and Annual Turnover < INR 50 crore)
- Medium (Investment in Plant and Machinery or Equipment < INR 50 crore and Annual Turnover < INR 250 crore)

2. Which type of enterprise your firm would be? *

- Manufacturing
- Service

3. Which sector does your firm operate in? *

- Manufacturing
- Construction
- Healthcare
- Wholesale & Retail Trade
- Finance Services
- Transportation and warehousing
- Logistics
-
- Other

4. In which region is your firm located? *

- North India
- South India
- East India
- West India
- Central India

5. What is your role in the firm? (designation) *

- Director
- General Manager
- Head of Finance and/or Accounting
- Head of Operations (Sales)
-
- Other

3/21/2022

Employees

This section corresponds to the questions related to employees and Staff of the firm.

6. How many employees does your firm have before COVID-19? *

- 0-20
- 21-50
- 51-100
- 101-500
- more than 500

7. Is your firm currently or has already done layoffs? *

- Yes
- No

8. What percentage of your staff are you expecting to (or already cut)?

If you answer "Yes" in Q7, please select from below options.

- 1-10%
- 11-20%
- 21-30%
- over 30%

9. Were you able to pay full salaries of your employees? *

- Yes
- No

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10. If Yes, then how did you manage to pay salaries of employees?

11. If No, then select by which percentage salaries of employees were cut?

- 1-10 %
- 11-20 %
- 21-30 %
- over 30 %

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Investment & Cash flow

This section contains questions about how you managed investments & cash flow during COVID.

12. Did you limit your general investments plan for 2020-22? *

- Yes
- No

13. What kind of investments did you limit?

14. If you selected "Yes", then select from below:

- Cancelled or delayed all investments
- Changes investment plan but not drastically
- Changed investment plan drastically

15. If you selected "No", then select from below :

- Current situation is an opportunity for our business/sector
- Stuck to same plan as planned before crisis

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16. How long can your firm maintain the current cash flow operation? *

- less than 1 month
- 1-3 months
- 4-6 months
- more than 6 months

17. How did you deal (or currently dealing) with cash flow shortage? *

- Taking Loans
- Staff cutting
- Reducing salaries
- Shutting down operations
-
- Other

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Firm's financial health

This section contains questions about your firm's finance management.

18. Have you made any significant change in strategy regarding how you conduct your business activities or operations? *

Yes

No

19. On a scale of 1-5, rate the intensity that lockdown has had on your business : *

	weak	Very weak	moderate	strong	Very strong
Intensity of lockdown	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

20. Between COVID 1st and 2nd wave in India, based on your calculations, rate your firm's financial performance : *

	very poor	Poor	Fair	Very good	Exceptional
1st wave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2nd wave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Problems faced due to COVID and lockdown

This section deals with questions related to various problems faced by you and your firms.

21. Did you shutdown you business activities during COVID? *

- Yes
- No

22. If the answer was yes, select type of shutdown :

- complete
- partial

23. What is your major concern today in regards to COVID-19? Tick multiple options. *

- Economic security
 - inability to fully recover business
 - providing a safe work place
 - Financing business activities
 -
- Other

24. Have you had cases of COVID-19 in your firm? *

- Yes
- No
- Not sure

25. What problems did your business face in pandemic? Tick multiple options *

- Increased difficulty in financing
- Disruption of logistics or supply chain
- Reduced customer demand
- Shortage of raw materials
- Reduction in sales & profits
- Production issues
- Workforce absenteeism
-
- Other

Government Policies & WFH policy

This section contains questions related to MSME schemes and your understanding of the same.

26. Are you aware about various Government schemes launched to help MSME sector especially during COVID pandemic? *

- No
- Maybe
- Yes

27. Are you aware about the Atma Nirbhar Bharat Scheme? *

- No
- Maybe
- Yes

28. Rate regarding Government policies in helping your business : *

	unsatisfied	somewhat satisfied	fully satisfied
Level of Satisfaction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

29. On a scale of 1-5, how would you rate the effectiveness of following schemes for your firm to deal with the economic losses? *

1= Not at all; 2= somewhat effective; 3= neutral; 4= effective; 5= very effective

	Not at all	somewhat effective	neutral	effective	very effective
Emergency credit line (collateral free loans)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Credit Guarantee Funds Trust for Micro and Small Enterprises (CGTMSE)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fund of Funds (FoF)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
limiting global tenders to promote Make In India initiative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

30. Working from home policy : *

	not allowed	partial allowed	completely allowed
Before COVID	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
After COVID	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Resilience

This section deals questions about resilient strategies adopted by you during COVID.

31. What actions did you take to deal with the financial challenges? Tick multiple options. *

- used personal savings or assets
- took out additional debt from bank
- took a loan from friend or family member
- cut staff, hours and/or downsized operations
- offer discounts or lower prices to stimulate sales
- used income from another business you own

32. According to you, what's the recovery time for your business? *

- < 1 month
- 1-2 months
- 3-5 months
- 6-8 months
- 9-12 months
- > 1 year

Entrepreneurial Psychology survey

33. Rank how strongly you agree with each of the following statements with the following scale:

*

5 = Strongly Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, 1 = Strongly Disagree.

	strongly disagree	Disagree	Neutral	Agree	Strongly agree
I look forward to returning to complete work even when I am away from work.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I showed persistence during crisis.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like to do multitasking.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I don't like to delegate work to my subordinates.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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