



CIA



MSME MEGA SURVEY 23 REPORT

POST BUDGET

This survey was conducted Pan India between 2-2-23 to 8-2-23 along with 25 Trade Associations and Members by Consortium of Indian Associations and sponsored by Naturals.

15.2.23

AGENDA

- INTRODUCTION
- SURVEY RESULTS IN A NUTSHELL
- PARTNERS TO THE SURVEY
- METHODOLOGY ADOPTED
- SURVEY FORM
- RESULTS IN GRAPHICS
 - ABOUT RESPONDENTS
 - VIEWS ON BUDGET
 - PRESENT CONDITION OF RESPONDENTS
 - EXPECTATIONS & SUGGESTIONS
- CONCLUSION



15.2.23

MSME MEGA SURVEY 23

SURVEY RESULTS IN A NUTSHELL

The survey results throw significant information from the field. What is important is any government support or stimulus or benefit must percolate to bottom of the pyramid. Some of the highlights, from the respondents are as under:

- ❖ **52% represent manufacturing sector, 11% are Traders, 9% are associations.**
- ❖ **44% of the Respondents are below Rs.1 cr annual turnover, which means Micro entrepreneurs.**
- ❖ **47% of the respondents are Proprietor/ Partnership companies.**
- ❖ **During the last 5 years, the performance of 72% of the respondents is either stagnant or decreasing or stopped or wound up. Only 28% of the respondents have confirmed that they are growing. This is a warning sign.**
- ❖ **76% of the respondents have said they are not making a profit.**
- ❖ **45% feel there is no “ease of doing” feeling that exists in starting or running or closing or in their living style.**
- ❖ **Only 21% of the respondents feel the Government of India supported MSMEs adequately during covid situation.**
- ❖ **87% of the respondents have felt that the Budget 23 is disappointing or a big letdown or have no comments.**
- ❖ **69% of the respondents have said they have not availed any govt support so far.**
- ❖ **82% of the respondents are demanding a separate ministry for Micro Enterprises for better concentration and support.**
- ❖ **59% of the respondents feel the reclassification of MSME norms has not been done properly.**
- ❖ **79% of the respondents are expected to reduce or wait & watch or see no change in their employee strength this year. 21% have expressed their interest in increasing the staff strength.**
- ❖ **On the main issues faced by the entrepreneurs – 79% face bank finance issue, 42% on profit margins, 70% on payment receipts, 40% on raw material sourcing, 52% on statutory compliances, 62% on order book position and 38% on manpower sourcing.**

*** * * * ***

Introduction

Micro small medium enterprises in India have been reclassified in 2020 with the change in specifications based on investments and turnover. It is also included with traders, service providers, manufacturers, and exporters. The last five years, MSME entrepreneurs, especially self-employed micro entrepreneurs have gone through tremendous stress and pressure. On one side the Government of India is focused in converting informal sector into formal sector, in converting cash handling to digital handling, in converting tax evaders into taxpayers. However, this sudden change in policy framework, mode of digital implementation has resulted in the need of external advisors and consultants due to lack of knowledge or expertise or equipment's for micro entrepreneurs and has resulted in their painful struggle.

Therefore, it is very important for the policy makers to have a connection with reality and feedback system being in place. Consortium of Indian Associations, a forum of over 75 associations across India has been playing its part of conducting feedback and submitting the same with the government. It acts in an unbiased manner, and uses online techniques, simple questions, social media for spreading awareness.

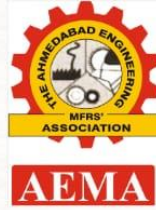
The first survey was conducted during Covid 1 period on June 20 – which had over 43000 respondents. The second survey was done on July 21 during Covid 2 impact which had about 85000 respondents. Both the surveys had highlighted the plight, requirements, and suggestions to the government to help them handle the covid situation.

We thought it was time we did our third survey, especially since we have had one full year of working without a break, covid fear has disappeared and things are looking normal. We waited for the union budget to be announced on 1st Feb 2023 wherein we thought the focus will be in empowering MSME AND CREATION OF JOBS FOR INFORMAL SECTOR. Therefore, we began our survey on 2nd Feb and ended on 8th Feb 2023. This year we had active support and participation of over 25 associations across India and the survey was sponsored by Naturals.

This year we had over 108500 respondents and a huge response on what is required from the field. We had also created a multi-language survey form and circulated the same States wise through associations and consolidated the same. The questions were of two types. One on a simple selection of choices and the other was to explain their opinion. In this report we cover the simple expressions – which convey majorly their state of mind and predicament. Regarding their views and suggestions, we have taken the best of them and listed in this document a few and the rest are being consolidated and submitted to the government.



MSME MEGA SURVEY 23 PARTNER ASSOCIATIONS



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PARTNERS TO THE MEGA SURVEY - MSME FEEDBACK - POST BUDGET 23

2.2.2023 - 8.2.2023

CONDUCTED BY

CONSORTIUM OF INDIAN ASSOCIATIONS

SL NO	NAME OF THE ASSOCIATION	LOCATION	CONTACT PERSON
1	ASSOCIATION OF INDIAN ENTREPRENEURS	CHENNAI	K.E.RAGHUNATHAN
2	ALL INDIA MANUFACTURERS ORGANISATION - KARNATAKA STATE BOARD	BENGALURU	Mr.SAMPATH RAMAN - KSB CHAIRMAN
3	ALL INDIA MANUFACTURERS ORGANISATION - TAMILNADU STATE BOARD	CHENNAI	Mr.RAMESH DUGAR - CHAIRMAN TNSB
4	ALL INDIA MANUFACTURERS ORGANISATION - ASSAM STATE BOARD*	TINSUKIA	Mr.AGARWAL - CHAIRMAN ASB
5	AHMEDABAD ENGINEERING MANUFACTURERS ASSOCIATION	AHMEDABAD	Mr.ASHWIN KUMAR, PRESIDENT
6	SPUN PIPE MANUFACTURERS ASSOCIATION OF MAHARASTRA	MUMBAI	Mr.CHANDRAKANT GAVHANE - CHAIRMAN
7	SALON & SPA ASSOCIATION - NATURALS	CHENNAI	Mr.C K KUMARAVEL - MD
8	Association of Fly Ash Products Manufactures Association	KOLKATA	Mr.B.GAJENDRAN - PRESIDENT/Mr.GANESH KUMAR BHARU - SECRETARY
9	Chamber of Small Industry Associations, Vidarbha Chapter	NAGPUR	Mr.JULFESH - President
10	VISION KARNATAKA FOUNDATION	BENGALURU	Mr. KISHORE JAGIRDAR - President
11	Cement Manufacturers Welfare Association of West Bengal	KOLKATA	Mr.RAVI MITTAL - GENERAL SECRETARY
12	South West Bengal Packaged Drinking Water Manufacturers Welfare Association	KOLKATA	Mr.RAVI MITTAL - WORKING PRESIDENT
13	FORUM OF WOMEN ENTREPRENEURS	BENGALURU	Ms. RUPARANI - President
14	TAMILNADU SMALL AND MICRO INDUSTRIAL ENTREPRENEURS DEVELOPMENT ASSOCIATION	COIMBATORE	Mr.SANKARNARAYANAN - President
15	ALL INDIA COSMETIC MANUFACTURERS ASSOCIATION	MUMBAI	Ms.KAJAL ANAND - President
16	THE TAMILNADU CASHEW PROCESSORS & EXPORTER ASSOCIATION	PANRUTI	Mr.RAMAKRISHNAN - Secretary
17	FEDERATION OF SMALL & MEDIUM INDUSTRIES, WEST BENGAL	KOLKATA	Mr.A.K.SENGUPTA - Secretary
18	SIPCOT Pillaipakkam Industrial Estate Manufacturers Society	CHENNAI	Mr.RAVIKUMAR - PRESIDENT
19	INDUSTRIAL ESTATE USERS ASSOCIATION	TINSUKIA,ASSAM	Mr.VIKASH JALAN - JY SECRETARY
20	BADLI INDUSTRIAL ESTATE ASSOCIATION	DELHI	Mr.RAVI SOOD - PRESIDENT
21	SEDERAPET INDUSTRIAL ASSOCIATION	PONDY	Mr.NANDAKUMAR - SECRETARY
22	TAMILNADU SPINNING MILLS ASSOCIATION	DINDIGUL	Dr.K.VENKATACHALAM - CHIEF ADVISOR
23	INDUSTRIES ASSOCIATION OF INDIA	DELHI	Mr.MANOJ BARMAN - PRESIDENT / MR.VARUN BHARDWAJ VP

TARGET AUDIENCE FOR THE MSME MEGA SURVEY 23



HOW THE SURVEY WAS PLANNED & EXECUTED

Steps for Effective Spread of Mega Survey

HOW WE DID IT....

STEP 01

Define our Audience

Determine who are our target audience is so that we can better solve their pain points.



STEP 02

Create Content

Start creating relevant Survey form with simple, multi lingual or, easy to submit format for our target audience.



STEP 03

Build a List

Bring on board, several like minded Associations and Trade bodies.

Start gathering our audience email/ whatsapp groups.



STEP 04

Marketing & Reach

Social Media, In person reach out, various forums, groups. Be consistent and aggressive in promotions.



Survey Form

This survey is being done with Self - Employed entrepreneurs, MSME Owners, GIG workers - pan India to know their mind and predicament at this point of time - after 2 years of COVID impact, followed by Global Recession and the Budget 2023 - conducted by Consortium of Indian Associations.

Email *

Your Location *

You are engaged in *

- Manufacturing
- Services
- Ancillary unit
- Exporter
- Trader
- Other:

Your Last year Turn over *

- BELOW Rs. 1 cr
- BETWEEN Rs. 1 - 5 Cr
- BETWEEN Rs.5 - 50 cr
- BETWEEN Rs. 50 - 250 cr
- ABOVE Rs.250 cr

Number of Employees - Permanent / Temporary / Contract - mention as 10/ 20/ 30 for eg

Year of Establishment *

Type of the applicant Enterprises *

- PROPRIETOR/ PARTNERSHIP
- LLP / PVT LTD
- LTD
- LISTED
- SOCIETY/ TRUST
- Other:

Performance outlook in the last 5 years *

- GROWING
- STAGNANT
- DECREASING
- STOPPED
- Other:

Are you making a profit? *

- YES
- NO

Tick the Problems you are facing with, currently. In the others - pls mention the most acute problem you are facing today *

- BANK FINANCE
- RAW MATERIAL SOURCING
- MANPOWER
- ORDER BOOK
- PROFITABILITY
- UNABLE TO PREDICT DELIVERY SCHEDULES
- OUTSTANDING PAYMENTS
- STATUTORY COMPLIANCE AND GOVT INTERFERENCE
- Other:

Do you think that there is a real Ease of *

- STARTING BUSINESS
- DOING BUSINESS
- CLOSING BUSINESS
- LIVING STYLE
- NONE
- OTHER

Do you think, Government of India adequately supported MSMEs during the impact of COVID 1 & 2? *

- YES
- NO
- Other:

What did you expect from the BUDGET 23 for your type of business entity and sector *

Do you think, the Budget 23 has met your expectations and how would you categorise your state of mind *

- VERY HAPPY
- HAPPY
- DISAPPOINTED
- A BIG LET DOWN
- NO COMMENTS
- Other:

In the Budget 23 announcements - which were the announcements that make you feel happy and will help your business grow? *

In the Budget 23 - what announcements were missing and that will hamper your industry further? *

Have you availed any support from Central or State Governments in their schemes announced in the last 3 years? *

- YES
- NO

Do you want a separate Ministry for Micro Enterprises rather than being part of the Ministry of MSME? *

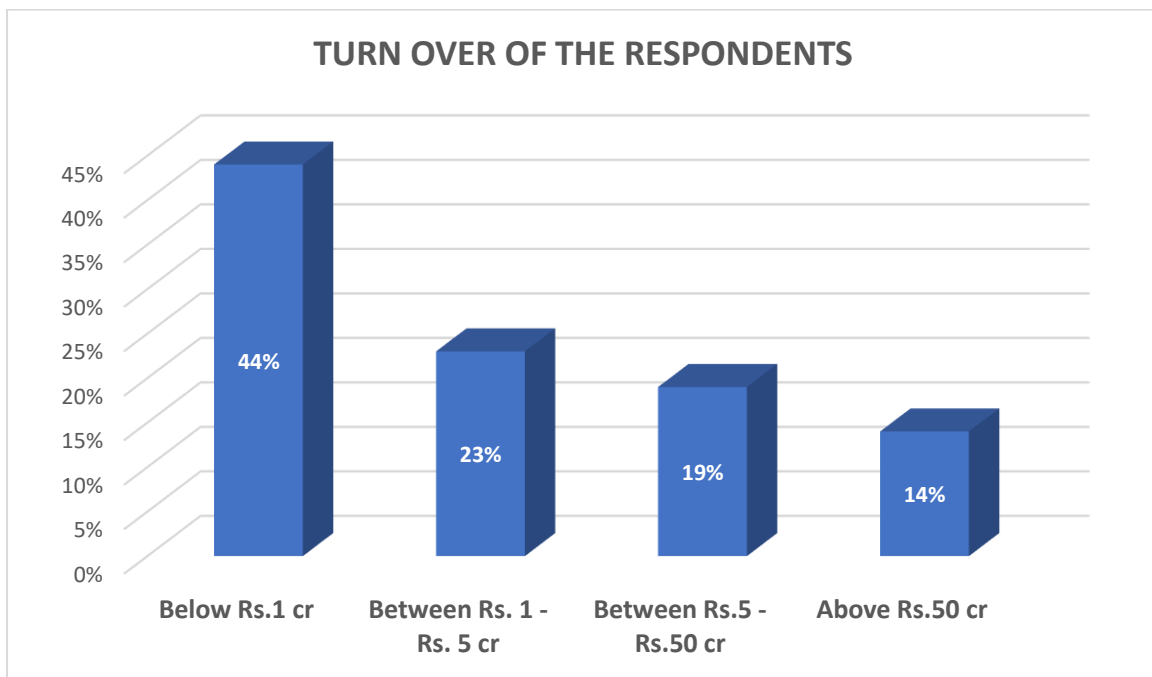
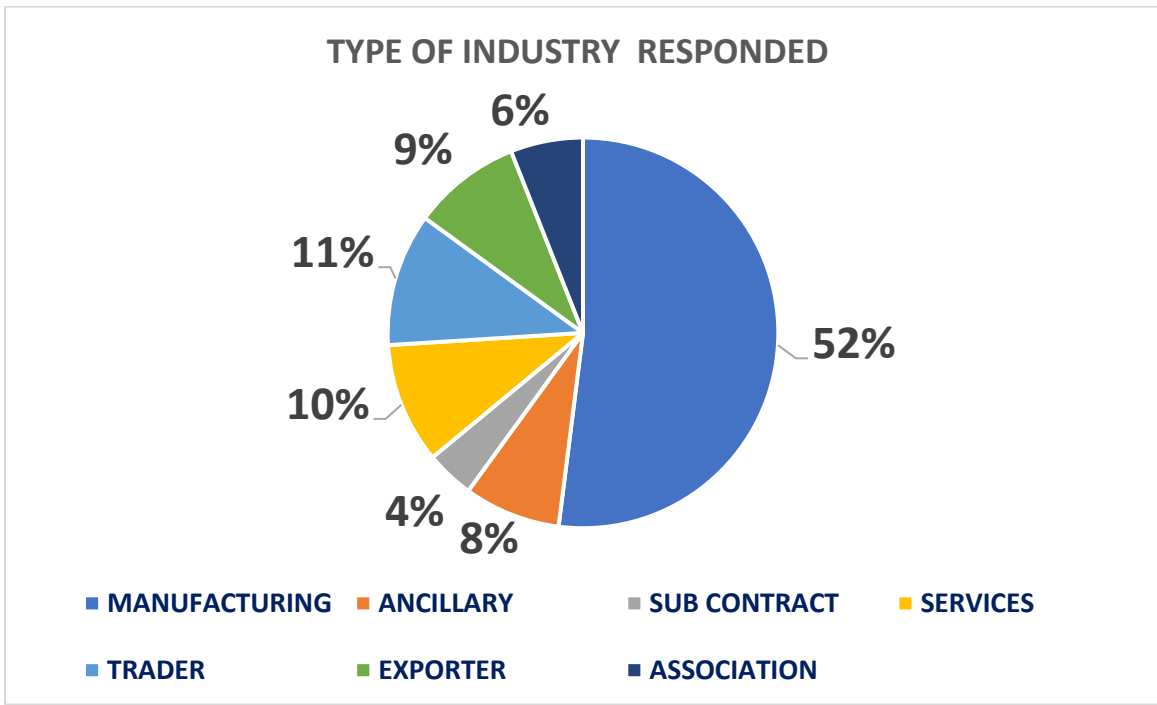
- YES
- NO

Do you think, Government of India - rightly reclassified the MSME in 2020 according to the Turnover and investments on Plant & Machinery? *

- YES
- NO
- Other:

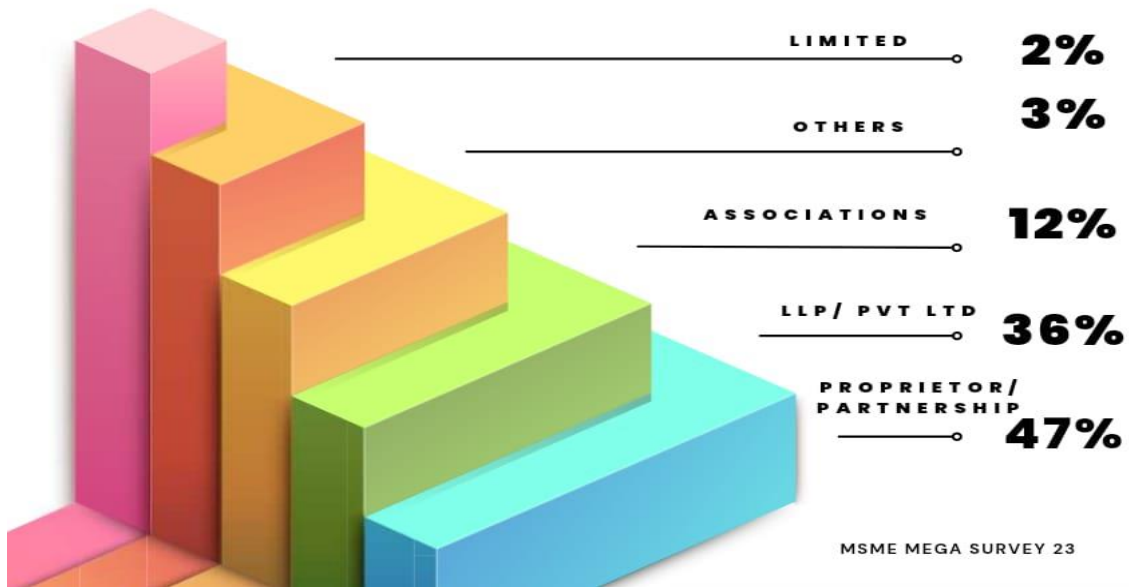
Are you Expected to reduce or stop new intake of employees in your industry during 23- 24? Just your perception at this moment *

DETAILS ABOUT THE RESPONDENTS

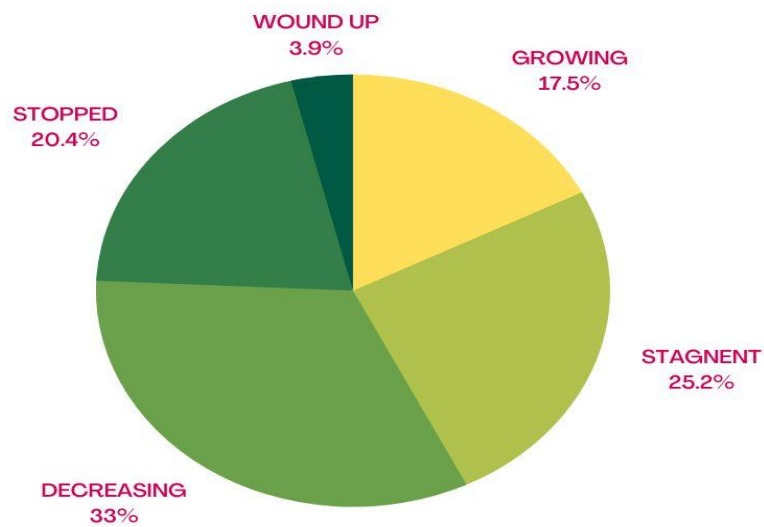




TYPE OF RESPONDENTS



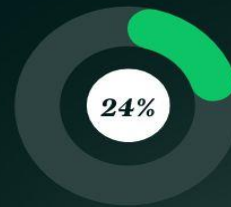
PERFORMANCE IN LAST 5 YEARS



ARE YOU MAKING PROFIT NOW?



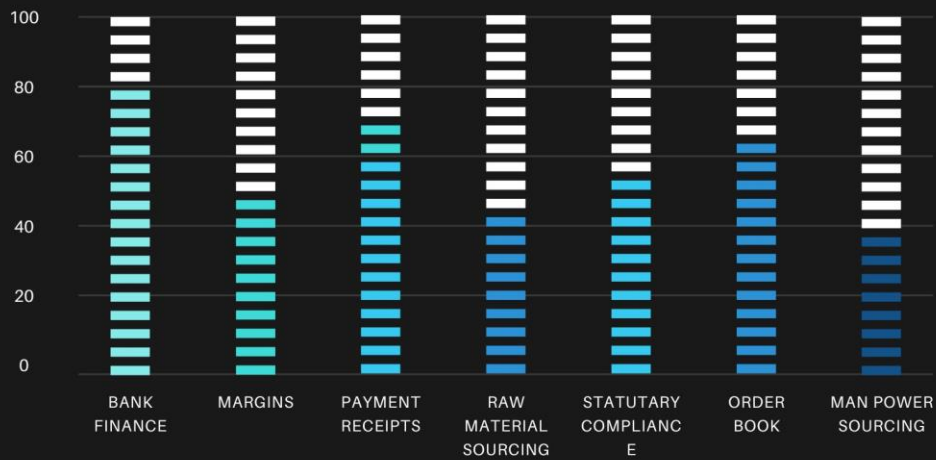
NO



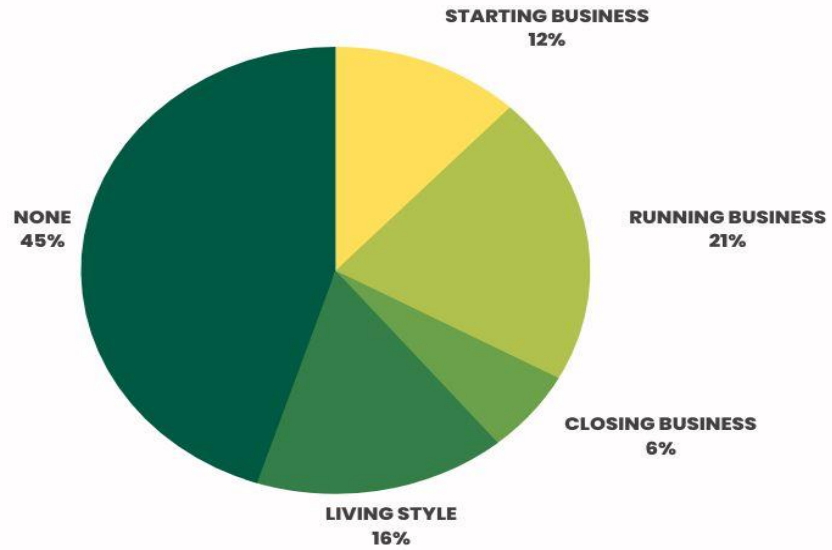
YES

RESPONSE BY RESPONDANTS

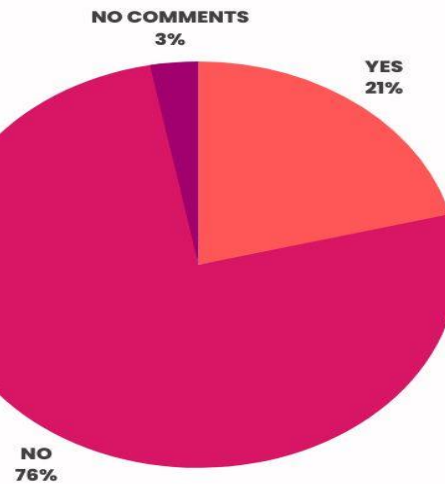
THE PROBLEMS FACED



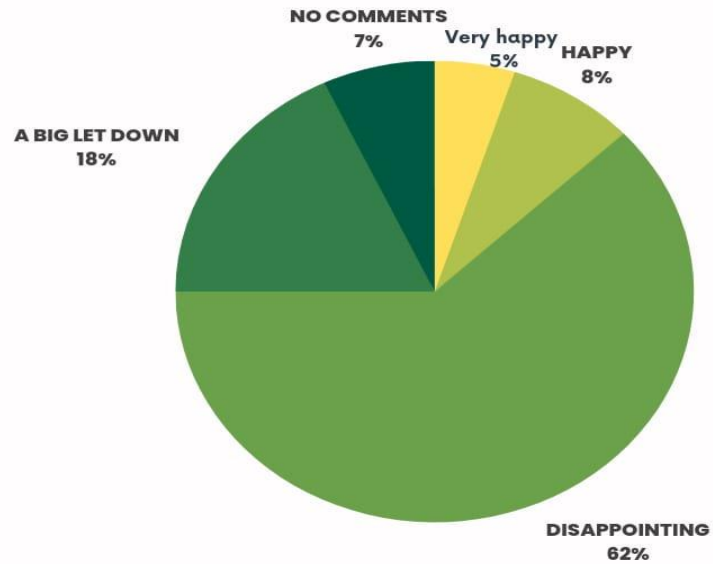
Your opinion on where the "ease of doing", exists in



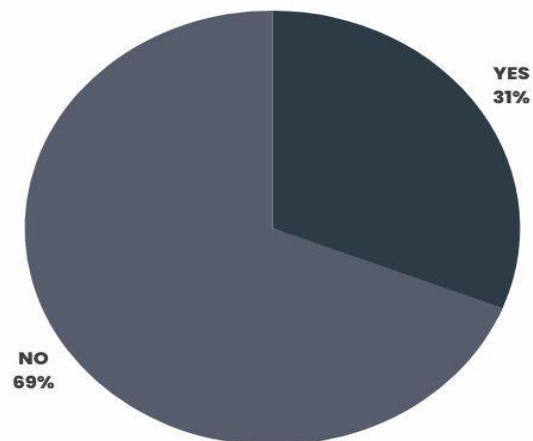
Do you think , Gol supported MSMEs adequately during Covid?



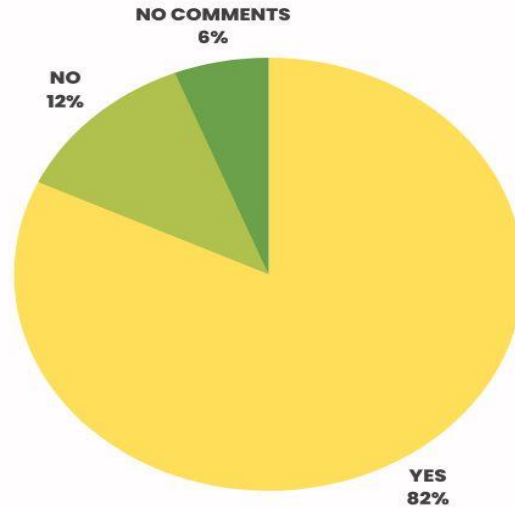
Has budget 23 met your expectations?



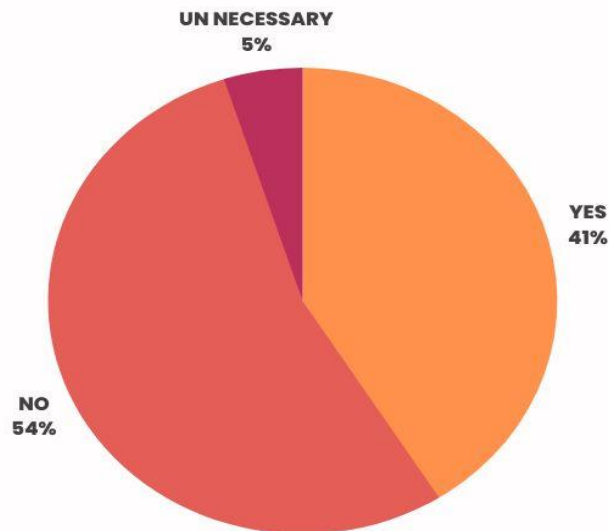
Have you availed any Govt support, so far?



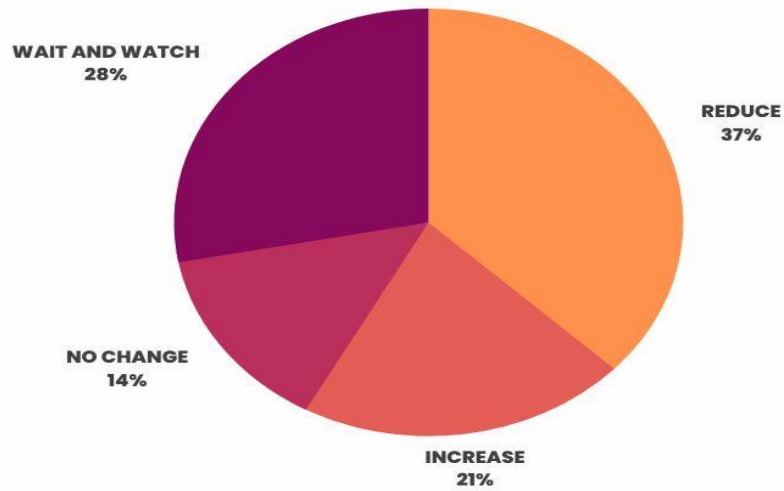
Would you prefer an exclusive Ministry for Micro Enterprises?



Do you think Govt rightly reclassified MSME Norms?



Are you likely to Reduce / Increase / no change - in employee strength in 23-24?



What did you expect from the BUDGET 23 for your type of business entity and sector?

- ❖ Relaxation of eligibility norms for ECLGS loans.
- ❖ Ease of extending credit loan financing, Credit without insisting CIBIL score / security / past performance.
- ❖ Online applying for loans through bank portals with clearcut Yes or No response within 7 days.
- ❖ IT benefits for investments made on startup ventures by Venture capitalists to encourage Series A investments.
- ❖ One time settlement for those wanting to wind up and restart their business.
- ❖ Modification in NPA norms with longer time before falling under NPA norms.
- ❖ Specific solution for Raw material price increase.
- ❖ GST rate cuts & increase in exemption threshold.
- ❖ Formation of appellate Tribunal for GST.
- ❖ Marketing portals like Alibaba and GeM for B2C, B2B Target audiences for exclusive use by MSMEs' with minimum 80% local content.
- ❖ Sector wise demand creation support.

In the Budget 23 announcements - which were the announcements that make you feel happy and will help your business grow?

- ❖ Creation of Payment compulsion in 45 days – otherwise expenses will not be permitted.
- ❖ Refund of 95% of performance guarantee for items supplied during covid time.
- ❖ IT Exemption till Rs. 7 lakhs.
- ❖ Credit guarantee scheme enhancement with 1% reduction in rate of interest.

Report Prepared by

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