

# Chapter 7

## Designing a Multi-Criteria Decision-Making Framework to Reduce the Post-COVID-19 Impact on SMEs

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### ABSTRACT

*After the agricultural sector, micro, small, and medium enterprises (MSME) play a vital role in the development of India. Micro, small, and medium enterprises (MSME) are contributing about 25% of the country's GDP (gross domestic product) from service activities and 33% to the manufacturing amount produced for India. Micro, small, and medium (MSME) entrepreneurs have been highly impacted due to the COVID-19 pandemic lockdown. Due to lockdown, MSME sector who could not export, nor get their ancillary parts, had problems with transportation leading to the inability to do marketing. Most important migrant laborers rushed to their villages or natives. Hence, without labor or workforce, the assembly lines stopped. In this chapter, an attempt is made to identify the challenges of the MSME sector and deal with the efforts often taken to restart them.*

### 1. INTRODUCTION

As per statistics of trade exports, Over 45% of shipment are unable to shipped due o lockdown. Lockdown doesn't affect Agrisector business or workers and fishery business that much. In both agrisector and fishery sector 14 million people engaged but whole world depends on them. Indian farmers are small and marginal farmers with but two acres of land like wisely 9 million small scale fishers directly depends on fishing. During harvesting time of Rabi crop, Covid -19 kept its foot in India .For safety of individuals lockdown started, but due to this harvesting is stopped, on availability of labour, machinery, transportation facility and restriction on movement creates great loss in farming. Tamilnadu farmers

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could not do their flower farming, Gandhi National Rural Employment Guarantee Scheme (MNREGS) labors also couldn't work. Starting from dairy farmers to poultry farmers and fishers all bear loss. Both brackish and water aquaculture farmers have also been affected, shrimp farms could not export their stuff. So, fish prices have fallen resulting in loss of income. Tribal communities could not engage themselves in collection and sale of forest produce like kendu leaves and mahua in Odisha.

When government allowed exemption of agriculture and fisheries from lockdown restrictions in late March, still they faces problems in delivery and implementation at the bottom level. NGOs, and Govt people conducted awareness programs on COVID-19 and precautionary measures to be taken are conducted in many villages and allowed to figure in MNREGS and farming.

The MSME area is liable for around 40% of the fares and 45 percent of the all out assembling yield in the nation. Understanding the essentialness a different Department of Micro, Small and Medium Enterprises has been made with a goal to encourage, advance and upgrade seriousness of MSMEs in the state. It is a State Government activity to restore, give highest need and push for encouraging and co-organizing the development and improvement of the MSME sector. MSME credit arrangement of non-banking budgetary organizations (NBFC) may see a noteworthy increment in wrongdoing levels, as per the CARE Ratings. The danger of wrongdoings additionally exists for lenders offering unstable advances to SMEs who commonly depend on the appraisal of the assessed incomes with high return. "Lockdowns, disturbances in flexibly chain and effect of huge ventures credits would increment quick misconducts in this fragment," the office said. The Confederation of Indian Industry (CII) has looked for extra impromptu assent of working capital of up to 25% of authorized breaking point to help the money starved MSMEs. The business body additionally recommended setting up of an exceptional MSME Factoring Fund to empower MSMEs to limit their bills to affirmed retailers in 15 days and allowing retailers to pay in 120 days. Though the bank duty have been conceded, the prompt test of MSMEs will be to take care of their legal obligations, wages and squeezing creditors. The world is at battle with the most recent extreme aversion – COVID-19 or the Coronavirus as we call it. This is a bio-war circumstance and has left the entire world deserted and overpowered about how one contamination has carried everything to an end. In the midst of this, the economies of separate nations have been hit hard. The MSME area, specifically, is confronting the most extreme backfire.

Regardless of the assembly surrendering facilitated EMIs and encouraging smooth credit, India's more modest scope and medium undertakings are looking at a serious future in the wake of this Covid-19 crisis.

They are set to confront an intense money smash because of a sharp fall in business and operational difficulties with low or zero labor throughout the following hardly any weeks since transient specialists are escaping to their old neighborhood.

The legislature ought to make a corpus to enable MSMEs to pay compensation, it stated, including that augmentation of non-performing resource standards cases to 150 days from the current 90 days. It has likewise recommended that impromptu cutoff points to a degree of 25% of endorsed cutoff points might be permitted by banks on SOS premise to defeat transitory liquidity crunch. The erupting of the COVID-19 pandemic has put the economies over the world on a strict freeze. Thinking about the in all cases annihilation released by the COVID-19, the organization needs to devise a consistent after part. It should report fast assistance measures to help the trust in this noteworthy part which has gotten demolished as a result of a hurricane of aggravations introduced by the council.

The authentic test lies in the advancement of the occupation from being protective to restricted time through assistant assignments by computing the use demand. Brief imbuement of money in associations and redesign of MSME division is really important to comprehend the 'Make in India' dream. An

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