

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION No. 1393
TO BE ANSWERED ON 19.12.2022

CONTRIBUTION OF MSMES AND COTTAGE INDUSTRY TO GDP

1393. SHRI NEERAJ DANGI:

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

- (a) the details of contribution of Micro, Small and Medium Enterprises (MSMEs) and Cottage Industry to the country's Gross Domestic Product (GDP), export and employment generation during the last three years and the current year;
- (b) whether there has been a contribution of the manufacturing/production of MSME's to the GDP and employment creation during the said period;
- (c) if so, the details thereof; and
- (d) the other corrective measures taken by Government to improve the execution of works and development of MSMEs in the country?

ANSWER

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

(a) to (c): As per the information received from Ministry of Statistics and Programme Implementation, the share of MSME Gross Value Added (GVA) in all India Gross Domestic Product (GDP) is as follows:

Year	2018-19	2019-20	2020-21
Share of MSME GVA in All India GDP (%)	30.50	30.50	26.83

As per the information received from Directorate General of Commercial Intelligence & Statistics, the share of export of specified MSME related products in all India Export is as follows:

Description	2019-20	2020-21	2021-22	2022-23 (up to Aug. 2022)
Share of export of MSME related products in All India Export (in %)	49.77	49.35	45.03	42.67

As per Udyam Registration portal, the total number of persons employed in MSMEs which are incorporated during the last 3 years and the current year is as follows.

Year	2019-20	2020-21	2021-22	2022-23 (up to 07.12.2022)
All India	65,64,458	1,12,27,745	1,30,19,919	84,23,452

As per the information received from Ministry of Statistics and Programme Implementation, the share of Manufacturing MSME Gross Value Added (GVA) in all India Manufacturing Gross Value Added (GVA) is as follows:

Year	2018-19	2019-20	2020-21
Share of manufacturing MSME GVA in All India manufacturing GVA (%)	40.60	40.67	38.47

(d): Ministry of MSME implements various schemes/programmes for the promotion and development of Micro, Small and Medium Enterprises (MSMEs) sector across the country inter alia include Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE) and A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE).

The Government has taken a number of recent initiatives to support MSMEs in the country, which inter alia include:

- (i) Rs. 5 lakh crore Collateral Free Automatic Loans for business, including MSMEs.
- (ii) Rs. 50,000 crore equity infusion through MSME Self-Reliant India Fund.
- (iii) New revised criteria for classification of MSMEs.
- (iv) No global tenders for procurement up to Rs. 200 crores.
- (v) "Udyam Registration" for MSMEs, for Ease of Doing Business.
- (vi) Launching of an online Portal "Champions" in June, 2020 to cover many aspects of e-governance including grievance redress and handholding of MSMEs.
- (vii) Inclusion of Retail and Wholesale trades as MSMEs w.e.f. 02nd July, 2021.
- (viii) Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
