

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**STARRED QUESTION NO. \*113**  
**TO BE ANSWERED ON 31.07.2023**

**PROBLEMS FACED BY MSMEs SECTOR**

\*113. SHRI K. R. SURESH REDDY:

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

(a) whether Government has taken note of the fact that Micro, Small & Medium Enterprises (MSMEs) face several problems such as lack of access to global markets, inadequate infrastructure facilities, including power, water, roads, etc., low technology levels and lack of access to modern technology, lack of skilled manpower for manufacturing, services, marketing, etc., and multiplicity of labour laws and complicated procedures associated with compliance of such laws; and

(b) if so, the corrective steps being taken/proposed to be taken by Government to solve these major problems?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NARAYAN RANE)

(a) to (b): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (b) OF THE RAJYA SABHA  
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(a) to (b): The Government of India has taken several steps to give impetus to MSME Sector of the country and to mitigate the problems faced by them, which are as under:

- i. To assist MSMEs enter export markets, Ministry of MSME implements several Schemes namely, International Cooperation Scheme, Special Market Assistance Scheme under National SC-ST Hub Scheme, and an online business to business (B2B) portal - **MSME Global Mart** by National Small Industries Corporation Ltd. (NSIC), a Central Public Sector Enterprise (CPSE) under the Ministry. Further, to support exports, the Ministry has set up 54 Export Facilitation Cells (EFCs) at MSME Development and Facilitation Offices (DFO), Technology Centres/Testing Centres across the country.
- ii. For Infrastructural support, Micro and Small Enterprises Cluster Development Programme (MSE-CDP) and Scheme of Funds for Regeneration of Traditional Industries (SFURTI) provide assistance for creation of Common Facility Centres including Plug & Play facilities, Flatted Factory Complexes. Under SFURTI Scheme, assistance is provided to traditional industries to become competitive, sustainable and attain economies of scale.
- iii. To provide the MSMEs access to modern technology, a number of Technology Centres & Testing Centres have been set up across the country. These centres extend support in Design, Development & Manufacturing, Research & Development for Complex Tools, Parts and Components. These centres impart skill development training and capacity building to cater to the requirements of skilled manpower demand of Industry and also encourages youth to take up entrepreneurship.
- iv. Ministry of MSME implements Innovative Scheme for Incubation, Design and Intellectual Property Rights. Idea Hackathon has been launched to promote Innovation, Ideation for developing complete business value chain for MSMEs.
- v. Some of the major Schemes for entrepreneurship and skill development are Entrepreneurship and Skill Development Programme (ESDP) and National SC-ST Hub Scheme. Several trainings are carried out in NSIC Technical Service Centres (NTSC) and Khadi and Village Industries Commission(KVIC), Coir Board and National Institute of MSME (ni-msme).
- vi. To enhance marketability of products and services, Procurement and Marketing Support (PMS) Scheme, KVIC and Coir Board facilitates MSMEs to participate in National / International Trade Fairs. Similarly, International Cooperation Scheme and Special Market Assistance Scheme facilitate participation of MSMEs in International Exhibitions/Trade Fairs outside India.

- vii. Ministry also facilitates collateral free credit for Micro and Small Enterprises through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme and Equity funding through Self Reliant India(SRI) Fund.
- viii. Regarding issues faced by MSMEs in Labour Laws compliance, Government of India has formulated Labour Codes, which have been aligned with the present economic scenario and technological advancements along with reduction in multiplicity of Definitions and Authorities. The Codes also ease compliance mechanism aiming to promote Ease of Doing Business while ensuring safety and social security of every worker.

Further, to support MSMEs and to ensure ease of business, many initiatives have been taken by the Ministry, which *inter-alia* include:-

- a. Launched an online Champions Portal in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.
- b. Revised criteria for Classification of MSMEs to widen the ambit of the MSME sector.
- c. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 02nd July, 2021.
- d. Launched Udyam registration Portal w.e.f. 01.07.2020 for online registration of MSMEs. In addition, Udyam Assist Platform has been launched on 11.01.2023 to bring Informal Micro Enterprises (IMEs) under the formal ambit for availing benefits under Priority Sector Lending.
- e. Integration of Udyam Portal with Portals of Ministry of Labour & Employment and Ministry of Skill Development and Entrepreneurship in September, 2022.
- f. Launched Capacity Building for First Time Exporters (CBFTE) programme to promote exports from Micro & Small Enterprises (MSEs).
- g. MSME SAMADHAAN portal which monitors delayed payments to MSMEs.
- h. MSME SAMBANDH portal - a Public Procurement Policy Monitoring Portal sharing factsheets about public procurement by Central Public Sector Enterprises (CPSEs), and Government of India Ministries/Departments.

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