GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA UNSTARRED QUESTION No. 1147 TO BE ANSWERED ON 31.07.2023

SUPPORT FOR MICRO ENTERPRISES

1147. SHRI DEREK O' BRIEN:

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

- (a) whether it is a fact that over 90 per cent of MSMEs in the country are micro enterprises;
- (b) whether it is a fact that over half of these micro enterprises have an annual turnover of $\stackrel{?}{\stackrel{?}{$\sim}}$ 50 lakh;
- (c) whether the government has taken cognisance of the fact that these micro enterprises face a different set of challenges compared to micro enterprises with an annual turnover in the ₹ 5 crore range; and
- (d) whether the government has plans to provide tailored support for them, and the details thereof?

ANSWER

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

- (a): As on 25.07.2023, as per Udyam Registration Portal, the total number of MSMEs which were registered since inception (01.07.2020) to 25.07.2023 in India was 1,77,37,338. Out of which, 96%, 3% and 0.3% were micro, small and medium enterprises respectively.
- (b): As per Udyam Registration Portal, 90% of the micro enterprises registered on the portal were having net turnover upto ₹ 50 lakh.
- (c) & (d): Ministry of MSME has taken a number of policy initiatives to support Micro and Small Enterprises in the country which include:
 - i. Launch of Udyam Assist Platform (UAP) on 11.01.2023 to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).
 - ii. Under Procurement and Marketing Support Scheme, the following components provide benefit to Micro and Small Enterprises:
 - (I) Bar Code to encourage Micro Units for Adoption of Bar Code by providing financial assistance to Micro enterprises towards 80% of one-time registration fee and annual recurring fee (for first three years) for obtaining up to 1000 Nos. of bar codes (i.e. products) subject to ₹ 50,650/-
 - (II) E-Commerce Platform to motivate Micro Enterprises for Adoption of e- Commerce by providing financial assistance on annual membership fee/subscription fee / contingency expenses to Micro enterprises upto 75% of paid amount by Micro Enterprises subject to maximum of ₹ 25,000/-. for selling their products or services (up to 10 new products) through e-commerce portal "MSME Global Mart" being operated by NSIC.

- (III) Participation of Individual Micro and Small Enterprises in Trade Fairs / Exhibitions to encourage and support participation in Trade fairs/Exhibitions by providing subsidy on space rent charges and contingency expenditure including travel, freight charges etc upto ₹ 1.50 Lakh in Metro/A class city and ₹ 80,000 in other cities for each MSE unit.
- iii. Prime Minister's Employment Generation Programme (PMEGP) for generation of employment opportunities through establishment of micro enterprises in non-farm sector for rural as well as urban areas.
- iv. Credit Guarantee Scheme (CGS) to strengthen credit delivery system and facilitate the flow of credit to Micro and Small Enterprises without the hassles of collateral and third party guarantee.
- v. Cluster Development Programme (MSE-CDP) for enhancing the productivity and competitiveness of Micro and Small Enterprises by adopting cluster development approach by providing financial assistance as grant for establishment of Common Facility Centers (CFCs) in the existing clusters and for establishment of new/ up-gradation of existing Industrial areas/ Estates/ Flatted Factory Complex.
- vi. MSME Sustainable (ZED) Certification for creating awareness amongst MSMEs about Zero Defect Zero Effect (ZED) practices and motivate & incentivize them for ZED Certification, in which Micro enterprise gets 80% subsidy on cost of ZED certification.
