

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**UN STARRED QUESTION No. 2335**  
**TO BE ANSWERED ON 16.12.2024**

**CONTRIBUTION OF MSMEs SECTOR TO GDP**

2335. SHRI ANIL KUMAR YADAV MANDADI:

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

- (a) whether Government is aware of the fact that contribution of Micro, Small and Medium Enterprises (MSMEs) Sector to GDP is not up to the mark, particularly after the Pandemic period, if so, the details thereof;
- (b) whether Government has put in place any concrete measures to increase the contribution of MSMEs Sector to GDP substantially; and
- (c) if so, the details thereof, if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SUSHRI SHOBHA KARANDLAJE)

(a): As per the latest information received from the Ministry of Statistics & Programme Implementation, the share of MSME Gross Value Added (GVA) in all India GDP during 2020-21 to 2022-23 is as given below:

| <b>Year</b> | <b>Contribution of MSME in GDP (%)</b> |
|-------------|--|
| 2020-21     | 27.3                                   |
| 2021-22     | 29.6                                   |
| 2022-23     | 30.1                                   |

(b) & (c): The Government is implementing many Schemes/ Programmes to enhance economic growth through MSMEs in the country. These schemes/programmes include Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), Raising and Accelerating MSME Performance (RAMP), International Cooperation scheme, Tool Rooms, Technology Centre System Programme (TCSP), National SC/ST Hub (NSSH), PM Vishwakarma, MSME Champions etc.

The Government has taken a number of steps for promotion of Business in India for Micro, Small and Medium Enterprises (MSMEs) these initiative inter-alia includes the following:

- New revised criteria for defining MSMEs.
- “Udyam Registration” for MSMEs, for Ease of Doing Business w.e.f. 1.7.2020.
- Rs. 50,000 crore equity infusion through Self Reliant India Fund.
- Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme, for businesses, including MSMEs. The scheme was operational till 31.03.2023
- No global tenders for procurement up to Rs. 200 crores.
- Launching of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including grievance redress and hand holding of MSMEs.
- Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 2.7.2021.
- Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- Launch of Udyam Assist platform (UAP) on 11.01.2023 to bring Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Landing.
- To enhance access to credit for MSMEs through digital platforms and other innovative mechanisms for facilitating MSMEs, Trade Receivables e Discounting System (TReDS), an electronic platform, facilitates the discounting of trade receivables of MSMEs through multiple financiers. To unlock their working capital by converting their trade receivables into cash the Government of India has announced to reduce the turnover threshold of buyers for mandatory onboarding on the TReDS platform from Rs. 500 crore to Rs. 250 crore.

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