

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1859
TO BE ANSWERED ON 17.03.2025

IMPACT OF GST ON MSMEs

1859. SHRI DEBASHISH SAMANTARAY:

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

- (a) the number of Micro, Small and Medium Enterprises (MSMEs) that have registered under GST since its implementation;
- (b) whether Government has assessed the impact of GST compliance costs on small enterprises;
- (c) the number of MSMEs that have benefited from the Composition Scheme under GST; and
- (d) the steps taken to simplify GST filing for MSMEs and reduce their compliance burden?

ANSWER

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

(a): As per Udyam Registration Portal, the total number of Micro, Small and Medium Enterprises (MSMEs), since its launch on 01/07/2020 till 28/02/2025, that reported having GSTIN are 65,15,314.

(b) to (d): As informed by GST Council, a Group of Ministers (GoM) to identify measures necessary for creating a conducive environment for MSMEs was constituted and based on the recommendations, various measures for MSME Sector has been taken. Based on turnover, certain enterprises are **not** required to obtain GST registration and the details are as given below:

- (i) If aggregate turnover in a financial year does not exceed 40 Lakh for supply of goods
- (ii) If aggregate turnover in a financial year does not exceed 20 Lakh for supply of services

Composition levy scheme in GST is an alternative method of levy of tax for MSME taxpayers having turnover upto a prescribed limit.

To simplify GST filing for MSMEs, special return filing provisions for MSME Sector has been introduced. The Government has notified that all eligible registered persons having annual turnover up to Rs. 5 crore, in the preceding financial year, may opt for filing of quarterly returns with monthly payment of tax.
