

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 1485
TO BE ANSWERED ON 15.12.2022

CONTRIBUTION OF MSMEs IN GDP

1485. SHRI RAJENDRA DHEDYA GAVIT:

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

- (a) whether the Government has decided to increase the contribution of Micro, Small and Medium Enterprises (MSMEs) in GDP from existing thirty per cent to forty per cent and if so, the details thereof;
- (b) whether the Government has prepared any roadmap to achieve the target in near future;
- (c) if so, whether the Government proposes to offer special incentive to MSME sector to ensure the expected growth; and
- (d) if so, the details thereof?

ANSWER

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

(a): As per the information received from Ministry of Statistics and Programme Implementation, the share of Gross Value Added (GVA) of MSME sector in all India Gross Domestic Product (GDP) during 2020-21 was 26.83%. The Ministry of Micro, Small and Medium Enterprises implements various schemes for the growth and development of MSME sector in the country and is continuously striving towards achieving higher share of the GDP.

(b) to (d): Ministry of MSME implements various schemes/programmes for the promotion and development of Micro, Small and Medium Enterprises (MSMEs) sector across the country which 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.
