

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1347
TO BE ANSWERED ON 09.02.2023

FINANCIAL INCENTIVE POLICY

1347. SHRI KALYAN BANERJEE:

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

- (a) whether the Government has framed an enhanced financial incentive policy to boost up the MSME sector;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the number of registered MSMEs currently functioning along with the number of those currently lying closed during the last five years and the current year, State/UT-wise;
- (d) whether the Government proposes to provide employment, subsidies and financial compensation to persons affected by the closure of MSMEs due to the Covid-19 pandemic; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b): The Government has taken a number of recent incentives to boost up the MSME sector. Some of these include:

- i. Rs. 5.00 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) for businesses, including MSMEs;
- ii. Rs. 50,000 crore equity infusion through Self Reliant India (SRI) 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 redressing grievances and handholding of MSMEs;
- vii. Inclusion of Retail and Wholesale traders as MSMEs;
- viii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- ix. Launch of Udyam Assist Platform on 11.01.2023 to bring Informal Micro Enterprises under the formal ambit for availing the benefit under Priority Sector Lending.
- x. Budget 2023-24 has announced the infusion of Rs. 9,000 crore in the corpus of Credit Guarantee Fund Trust for Micro & Small Enterprises to enable an additional credit of Rs. 2.00 lakh crore with reduced cost of the credit.

(c): The number of MSMEs currently functioning and closed during the last five years and the current year, State/UTs –wise, is attached at Annexure I.

(d) & (e): As informed by M/o Labour and Employment that Aatmnirbhar Bharat Rojgar Yojana (ABRY) has been launched with effect from 1st October, 2020 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. Under the scheme, Government of India for a period of two years, is crediting both the employee's share (12% of wages) and employer's share (12% of wages) of contribution payable or only the employee's share, depending on employment strength of the Employees' Provident Fund Organisation (EPFO) registered establishments. This scheme intends to reduce the financial burden of the employers and encourage them to hire more workers. The terminal date for registration of beneficiaries was 31.03.2022. As on 24.01.2023, benefits have been provided to 60.26 lakh beneficiaries through 1.52 lakh establishments throughout the country.

Annexure I

Annexure referred to in reply to part (c) of Lok Sabha Unstarred Question No. 1347 for answer on 09.02.2023.

Sl. No.	State/UTs	No. of MSME registered							No. of MSME closed						
		Udyam Aadhaar Registration (From 01.04.2017 to 30.06.2020)				Udyam Registration (From 01.07.2020 to 03.02.2023)			Udyam Aadhaar Registration (From 01.04.2017 to 30.06.2020)				Udyam Registration (From 01.07.2020 to 03.02.2023)		
		2017-18	2018-19	2019-20	2020-21	2020-21	2021-22	2022-23	2017-18	2018-19	2019-20	2020-21	2020-21	2021-22	2022-23
1	Andhra Pradesh	54,581	38,510	73,392	42,267	65,655	1,48,206	1,95,177	0	0	0	0	0	113	208
2	Arunachal Pradesh	212	501	528	445	729	2,257	3,198	0	0	0	0	0	0	1
3	Assam	1,714	4,212	12,150	8,716	17,231	72,171	1,00,204	0	0	1	3	0	8	22
4	Bihar	99,167	72,562	75,053	50,720	91,138	2,22,911	2,48,586	0	0	1	2	18	541	464
5	Chhattisgarh	8,253	15,082	30,138	13,488	33,287	69,123	86,975	0	0	0	0	4	64	91
6	Goa	1,204	2,095	3,035	2,062	6,087	8,666	12,438	0	0	0	0	3	5	15
7	Gujarat	1,93,473	1,71,331	1,84,252	71,803	2,49,543	4,01,428	4,13,965	0	0	0	0	67	492	873
8	Haryana	29,458	51,536	66,230	41,379	1,03,719	1,80,338	1,91,101	0	0	3	3	16	151	327
9	Himachal Pradesh	2,166	4,597	6,620	3,256	12,950	27,011	39,085	0	0	16	2	2	8	83
10	Jharkhand	21,562	25,724	32,203	19,885	43,441	83,697	1,10,205	0	0	1	1	0	134	188
11	Karnataka	56,783	85,254	1,14,143	94,403	1,53,446	3,16,354	3,48,156	0	0	2	2	4	272	428
12	Kerala	20,566	27,706	36,268	24,006	72,560	1,18,732	1,46,873	0	0	0	1	2	137	273
13	Madhya Pradesh	2,06,137	2,99,758	2,93,487	41,995	1,12,485	2,47,233	2,89,589	0	0	9	2	1	112	440
14	Maharashtra	1,90,800	5,68,295	7,04,173	2,52,574	6,54,730	9,82,332	9,84,798	0	0	130	76	3	1,831	2,697
15	Manipur	6,415	8,856	10,533	3,159	10,504	13,841	17,800	0	0	0	0	0	0	48
16	Meghalaya	565	720	602	257	701	2,233	4,894	0	0	0	0	0	1	1
17	Mizoram	799	755	1,200	412	1,122	3,555	5,900	0	0	0	1	0	1	2
18	Nagaland	142	366	763	579	720	3,325	6,134	0	0	0	0	0	1	5
19	Odisha	19,142	16,111	29,601	28,345	49,823	1,06,506	1,37,799	0	0	1	0	1	118	165
20	Punjab	29,035	59,802	86,240	32,783	1,01,278	1,83,244	2,19,048	0	0	2	0	0	208	88
21	Rajasthan	1,28,489	1,35,787	1,79,051	67,723	2,37,324	3,95,224	4,19,082	0	0	44	26	11	312	839
22	Sikkim	171	254	268	225	351	1,778	2,246	0	0	0	1	0	0	1
23	Tamil Nadu	2,17,959	2,32,933	2,55,786	90,955	3,14,589	5,44,128	5,87,529	0	0	2	0	2	591	1487
24	Telangana	46,218	89,097	74,115	35,681	98,370	1,62,467	1,84,854	0	0	6	4	2	128	93
25	Tripura	701	1,552	1,491	1,111	1,703	6,740	11,180	0	0	4	3	0	8	6
26	Uttar Pradesh	1,18,984	1,24,344	1,67,451	1,16,510	2,19,413	4,16,110	5,40,870	0	0	17	15	20	494	914
27	Uttarakhand	6,275	9,725	17,738	9,136	22,890	50,036	58,814	0	0	0	1	1	32	161
28	West Bengal	36,518	31,333	44,075	60,162	64,231	1,71,332	2,13,848	0	0	2	5	17	153	284

29	Andaman And Nicobar Islands	1,457	1,490	1,517	412	1,852	2,999	3355	0	0	3	2	0	9	9
30	Chandigarh	1,553	3,192	4,333	2,299	5,808	9,581	8,312	0	0	0	0	1	21	8
31	Dadar & Nagar Haveli and Daman & Diu	1164	2066	2578	999	3127	4242	4273	0	0	0	0	0	7	14
32	Delhi	21,962	44,930	58,302	55,877	90,532	1,35,804	1,47,780	0	0	1	5	0	210	396
33	Jammu And Kashmir	989	2,416	2,848	2,411	26,722	74,781	77,191	0	0	0	0	0	51	103
34	Ladakh	0	0	78	61	741	2,314	2,384	0	0	0	0	0	1	2
35	Lakshadweep	14	24	33	13	39	209	276	0	0	0	0	0	0	0
36	Puducherry	2,100	2,693	3,512	1,265	3,911	8,301	9,323	0	0	0	0	0	8	31
		15,26,728	21,35,609	25,73,787	11,77,374	28,72,752	51,79,209	58,33,242	0	0	245	155	175	6,222	10,767

Source: Udyam Registration Portal