GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 1236
TO BE ANSWERED ON 27.07.2023

DOWNWARD TREND IN MSMEs

1236. SHRI MALOOK NAGAR:

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

(a) whether it is a fact that continuous downward trend is being noticed in Micro, Small and Medium Enterprises (MSME) sector during the last three years;

(b) if so, the details thereof;

(c) whether it is also a fact that industries are not getting policy and administrative support as a result of which industries are not flourishing and its production is declining and if so, the details thereof;

(d) the reasons behind such downward trend in industry; and

(e) the steps taken by the Government to address these problems of industry?

ANSWER

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

(a) & (b): 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 all India was 2,08,18,798, which includes 30,93,352 informal micro enterprises on the Udyam Assist Platform. The average registration on Udyam Registration Portal is in the range of 25,000-30,000 per day. Year wise registrations on the Portal are showing an increasing trend, as given below:

<table>
<thead>
<tr>
<th>Year/Period</th>
<th>Total</th>
<th>Cumulative Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/07/2020 - 31/03/2021</td>
<td>28,49,117</td>
<td>28,49,117</td>
</tr>
<tr>
<td>01/04/2021 - 31/03/2022</td>
<td>51,50,353</td>
<td>79,99,470</td>
</tr>
<tr>
<td>01/04/2022 - 31/03/2023</td>
<td>72,55,624</td>
<td>1,52,55,094</td>
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<tr>
<td>01/04/2023 - 25/07/2023 (4 months)</td>
<td>24,70,352</td>
<td>1,77,25,446</td>
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</tbody>
</table>

The positive trend can also been seen in credit off take by the MSMEs. Under the Credit Guarantee Scheme for Micro and Small Enterprises, 7.17 lakh guarantees were approved in the FY 2021-22, involving an amount of 56,172 crore. During the FY 2022-23, 11.65 lakh guarantees were approved, involving an amount of Rs. 1,04,781 crore. Considering the excellent response to the scheme, the Government, in Budget 2023-24 announced the infusion of Rs. 9,000 crore in the corpus of CGTMSE to enable additional credit of Rs. 2.00 lakh crore with a reduced cost of credit. As on 30.06.2023, 2.34 lakh guarantees approved involving an amount of Rs. 30,498 crore (F.Y. 2023-24).
Ministry of MSME has taken a number of policy initiatives to support MSMEs in the country in the recent past, include:

i. Rs. 50,000 crore equity infusion through MSME Self-Reliant India Fund.
ii. New revised criteria for classification of MSMEs.
iii. “Udyam Registration” for MSMEs, for Ease of Doing Business
iv. Inclusion of Retail and Wholesale traders as MSMEs on 02.07.2021.
v. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
vi. 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).
vii. Launching of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including grievance redress and handholding of MSMEs
viii. Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.

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