

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 2403**  
**TO BE ANSWERED ON 03.08.2023**

**CONTRIBUTION OF MSMEs IN GDP**

2403. MS. MIMI CHAKRABORTY:

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

- (a) whether it is a fact that Micro, Small and Medium Enterprises (MSMEs) contribute around 31 per cent to the nation's GDP, 45 per cent share of the overall exports and 34 per cent share of manufacturing output in the country;
- (b) if so, the action taken by the Government for revival and restart of MSMEs on post-covid operations scenario; and
- (c) the details regarding extension of collateral free loan to MSMEs to revive and encourage new business during the last five years and the current year thereof, State and bank-wise?

**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 & Programme Implementation, the share of MSME Gross Value Added (GVA) in all India Gross Domestic Product (GDP) during the year 2021-22 was 29.2% and the share of MSME manufacturing output in all India Manufacturing output during the year 2021-22 was 36.2%.

As per the information received from Directorate General of Commercial Intelligence and Statistics (DGCIS), the share of export of MSME specified products in all India exports during the year 2022-23 was 43.6%.

(b): The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for overall development and promotion of Micro, Small and Medium Enterprises (MSMEs) in the country.

The Ministry of Micro, Small and Medium Enterprises implements various schemes for the growth and development of MSME sector in the country in areas of credit support, new enterprise development, formalization, technological assistance, infrastructure development, skill development and training and market assistance to MSMEs. The schemes/programmes inter alia include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Entrepreneurship Skill Development Programme (ESDP), Procurement and Marketing Support Scheme (PMS) and National SC/ST Hub (NSSH).

The Government has taken a number of recent initiatives to support MSMEs in the country, include:

- i. Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) 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. Launching of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including grievance redress and handholding of MSMEs.
- vi. Inclusion of Retail and Wholesale trades as MSMEs w.e.f. 02<sup>nd</sup> July, 2021.
- vii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- viii. Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.
- ix. 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).

(c): As per the information received from Reserve Bank of India on lending to Micro, Small & Medium Enterprises (MSME) Sector, all scheduled commercial banks (excluding Regional Rural Banks) are mandated not to accept collateral security in the case of loans up to Rs. 10 lakh extended to units in the MSE sector. Banks are also advised to extend collateral-free loans up to Rs. 10 lakh to all units financed under the Prime Minister’s Employment Generation Programme (PMEGP) administered by KVIC. Banks may, on the basis of good track record and financial position of the MSE units, increase the limit to dispense with the collateral requirement for loans up to Rs. 25 lakh (with the approval of the appropriate authority).

Further, position of MSME loans outstanding up to Rs. 25 lakh without collateral security by Public Sector Banks for FY ended 2019 to 2023 is given in annexure I.

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Annexure referred to in reply to part (c) of Lok Sabha Un Starred Question No. 2403 for answer on 03.08.2023.

**Position of Loans Outstanding without Collateral Security at the end of year (No. of accounts In Actual and Amount In ₹ Crore)**

S. No	Bank Name	Mar-19			
		COLLATERAL FREE LOANS UPTO RS. 10 LAKH		COLLATERAL FREE LOANS ABOVE RS. 10 LAKH AND UPTO RS. 25 LAKH	
		No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
1	ALLAHABAD BANK	173456	3326.00	2653	412.00
2	ANDHRA BANK	358891	4510.92	4008	517.66
3	BANK OF BARODA	441932	7852.74	20105	2454.82
4	BANK OF INDIA	813697	12119.84	45743	5414.50
5	BANK OF MAHARASHTRA	7674	152.92	223	31.65
6	CANARA BANK	824046	16691.83	48898	6447.85
7	CENTRAL BANK OF INDIA	364054	8976.75	21942	3878.30
8	CORPORATION BANK	4356	81.68	267	39.27
9	DENA BANK	123002	900.68	4355	386.93
10	IDBI BANK LIMITED	254634	4034.51	7584	1028.04
11	INDIAN BANK	597910	4335.49	4692	1141.26
12	INDIAN OVERSEAS BANK	202016	3172.65	9545	1648.31
13	ORIENTAL BANK OF COMMERCE	18050	352.52	361	29.60
14	PUNJAB AND SIND BANK	68655	84.33	2015	309.54
15	PUNJAB NATIONAL BANK	613312	10262.52	31450	3327.10
16	SYNDICATE BANK	588303	9954.68	25951	3691.65
17	UCO BANK	157729	1601.74	2589	262.26
18	UNION BANK OF INDIA	520320	8136.49	8601	1035.00
19	UNITED BANK OF INDIA	66358	40.43	2166	21.68
20	VIJAYA BANK	197700	3673.64	21505	2697.72
21	STATE BANK OF INDIA	1187507	31971.76	98339	12716.23
	PUBLIC SECTOR BANKS	7583602	128908.117	362992	47491.3762

Source: As reported by Public Sector Banks

S. No	Bank Name	Mar-20			
		COLLATERAL FREE LOANS UPTO RS. 10 LAKH		COLLATERAL FREE LOANS ABOVE RS. 10 LAKH AND UPTO RS. 25 LAKH	
		No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
1	ALLAHABAD BANK	170865	3356.00	2688	441.00
2	ANDHRA BANK	301826	4238.29	4163	519.98
3	BANK OF BARODA	718114	12220.51	51487	6047.39
4	BANK OF INDIA	852375	13770.66	46688	5520.98
5	BANK OF MAHARASHTRA	6013	109.90	461	61.88
6	CANARA BANK	836905	18201.00	51993	6703.00
7	CENTRAL BANK OF INDIA	106996	2165.66	3885	379.30
8	CORPORATION BANK	7694	169.33	499	70.67
9	DENA BANK	Merged with Bank of Baroda			
10	IDBI BANK LIMITED	IDBI Bank Privatized			
11	INDIAN BANK	51618	1125.00	5569	748.00
12	INDIAN OVERSEAS BANK	191266	3266.51	9101	1570.16
13	ORIENTAL BANK OF COMMERCE	235752	4019.84	15691	1645.39
14	PUNJAB AND SIND BANK	74660	1347.46	7152	944.99
15	PUNJAB NATIONAL BANK	575808	9739.74	29420	3048.73
16	SYNDICATE BANK	553395	10111.77	27920	3563.77
17	UCO BANK	242171	2752.56	3080	350.05
18	UNION BANK OF INDIA	562469	9085.55	7872	1029.22
19	UNITED BANK OF INDIA	130030	329.52	2846	71.16
20	VIJAYA BANK	Merged with Bank of Baroda			
21	STATE BANK OF INDIA	1124805	34137.71	88159	11112.66
	PUBLIC SECTOR BANKS	6742762	130147.005	358674	43828.33454

Source: As reported by Public Sector Banks

S. No	Bank Name	Mar-21			
		COLLATERAL FREE LOANS UPTO RS. 10 LAKH		COLLATERAL FREE LOANS ABOVE RS. 10 LAKH AND UPTO RS. 25 LAKH	
		No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
1	STATE BANK OF INDIA	1907420	28653.61	92120	12060.50
2	BANK OF BARODA	996384	17268.87	64436	8536.17
3	BANK OF INDIA	1273410	17261.53	48310	5906.13
4	BANK OF MAHARASHTRA	19250	162.14	1457	124.77
5	CANARA BANK	1548910	19335	64751	9020
6	CENTRAL BANK OF INDIA	101769	1979.35	3524	358.20
7	INDIAN BANK	82366	1846.26	8437	1077.80
8	INDIAN OVERSEAS BANK	157584	2807.56	7994	1386.10
9	PUNJAB AND SIND BANK	112575	1550.95	3260	439.79
10	PUNJAB NATIONAL BANK	1876814	22577.75	70050	8228.89
11	UCO BANK	363534	3819.61	4674	608.34
12	UNION BANK OF INDIA	1532947	17829.12	30319	3600.72
	PUBLIC SECTOR BANKS	9972963	135091.62	399332	51347.27

Source: As reported by Public Sector Banks

S. No	Bank Name	Mar-22			
		COLLATERAL FREE LOANS UPTO RS. 10 LAKH		COLLATERAL FREE LOANS ABOVE RS. 10 LAKH AND UPTO RS. 25 LAKH	
		No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
1	STATE BANK OF INDIA	1861087	28297.68	88247	11357.86
2	BANK OF BARODA	976321	16680.16	47483	5998.39
3	BANK OF INDIA	1361995	19051.4247	47461	5760.13
4	BANK OF MAHARASHTRA	19219	388.75	2576	360.64
5	CANARA BANK	1556549	20165.81	70696	9663.5
6	CENTRAL BANK OF INDIA	195163	2898.45	6572	758.78
7	INDIAN BANK	341887	4804.00	9633	1405.89
8	INDIAN OVERSEAS BANK	177288	3169.71	8791	1516.87
9	PUNJAB AND SIND BANK	119913	1833.44	3927	512.79
10	PUNJAB NATIONAL BANK	1470532	23271.10	65481	7683.97
11	UCO BANK	347822	4049.06	5908	735.12
12	UNION BANK OF INDIA	1379201	16513.87	60111	16275.92
	PUBLIC SECTOR BANKS	8830656	141123.46	369403	62029.86

Source: As reported by Public Sector Banks

S. No	Bank Name	Mar-23			
		COLLATERAL FREE LOANS UPTO RS. 10 LAKH		COLLATERAL FREE LOANS ABOVE RS. 10 LAKH AND UPTO RS. 25 LAKH	
		No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
1	STATE BANK OF INDIA	992454	17406.90	54753	6869.33
2	BANK OF BARODA	1366475	21543.43	44062	5372.751826
3	BANK OF INDIA	63351	628.02	4303	665.1
4	BANK OF MAHARASHTRA	1520241	22783.02	82389	11206.03
5	CANARA BANK	383727	3645.58	4371	475.23
6	CENTRAL BANK OF INDIA	1236846	12732.44	68404	8749.87
7	INDIAN BANK	295663	5855.79	16292	2792.94
8	INDIAN OVERSEAS BANK	1347599	25023.00	67318	7628
9	PUNJAB AND SIND BANK	117222	1895.97	3904	491.63
10	PUNJAB NATIONAL BANK	1800312	27124.87	107679	13247.23053
11	UCO BANK	412268	5781.9	8345	1037.25
12	UNION BANK OF INDIA	1464909	20351.91	72296	18570.6
	PUBLIC SECTOR BANKS	11001067	164772.83	534116	77105.96

Source: As reported by Public Sector Banks