

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 711
TO BE ANSWERED ON 07.12.2023

FINANCIAL ASSISTANCE

711. SHRI D.M. KATHIR ANAND:

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

- (a) whether it is true that millions of people employed in Micro, Small and Medium Industries in the country have lost their jobs due to various reasons like cash crunch, import-export crisis and escalating price rise of raw materials and if so, the details thereof;
- (b) the steps taken by the Union Government to restore the jobs and improve the status of MSMEs, especially in Tamil Nadu;
- (c) whether the Government has provided any financial assistance for revival of MSMEs in Tamil Nadu and if so, the details thereof; and
- (d) the measures taken/to be taken by the Government to protect the interests of both employer and employees of MSME sector?

ANSWER

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

(a) to (d): The Government has taken a number of steps to resolve the issues faced by the MSME sector in the country, including the State of Tamil Nadu. Some of these steps are as follows:

- 1) Budget 2023-24 announced the infusion of Rs 9,000 crore Credit Guarantee Trust for Micro, Small & Medium Enterprises (CGTMSE) to enable an additional credit of Rs. 2.00 lakh crore with reduced cost of credit.
- 2) PM Vishwakarma Scheme: A Central Sector Scheme with budget outlay of Rs. 13,000 crore for its implementation during the period of 2023-24 to 2027-28. The scheme envisages to provide end to end holistic support to artisans and craftspeople who work with their hands, using tools, in the 18 trades covered.
- 3) Vivad se Vishwas – Relief for MSMEs: In cases of failure by MSMEs to execute contracts during the Covid period, 95 per cent of the forfeited amount relating to bid or performance security will be returned to them by government and government undertakings.
- 4) Under Section 43B of Income Tax Act: Deduction has been allowed for expenditure incurred on payments only when payment is actually made to MSMEs.
- 5) No global tenders for procurement upto Rs. 200 crore.
- 6) Inclusion of retail and whole sale traders as MSMEs w.e.f. 02.07.2021.
- 7) Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs w.e.f. 18.10.2022.

- 8) The Government of India has taken several measures to provide support of the both employers and employees. Some of them are as under:
- (i) (a) Adoption of dual criteria based definition of MSMEs on 26.06.2020 to widen the ambit of the MSME sector has been done by Ministry of MSME.
(b) Launch of Udyam Portal on 01.07.2020 to facilitate ease of registration for MSME. Since then, till 04.12.2023, 2.12 crore MSMEs, with an employment of over 14.25 crore, have registered on Udyam Portal.
(c) Launch of Udyam Assist Platform on 11.01.2023 to bring Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefits under Priority Sector Lending. Since then, till 04.12.2023, 1.04 crore IMEs with an employment of over 1.22 crore have been registered on UAP.
 - (ii) To protect the interest of both the employer and employees of MSME sector during the Covid 19 crisis, the Government of India launched the Emergency Credit Line Guarantee Scheme in May 2020, which was running till March 31, 2023. Under the Scheme, 1.13 crore loans amounting to Rs.2.43 lakh crore were extended to MSME borrowers, which has helped employees and employer of these MSMEs.
 - (iii) Aatmanirbhar Bharat Rojgar Yojana has been launched on 1st October, 2020 to incentivize employers for creation of new employment and restoration of loss of employment during Covid-19 pandemic. The terminal date for registration was 31.03.2022.
 - (iv) The Government is implementing Prime Minister Street Vendor's AtmaNirbharNidhi (PM SVANidhi Scheme) since June 01, 2020 to facilitate collateral free working capital loan to street vendors to restart their businesses, which were adversely impacted during the Covid-19 pandemic.
 - (v) Pradhan Mantri Mudra Yojana (PMMY) was launched by the Government for facilitating self-employment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities.
 - (vi) PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.

In pursuance of Budget Announcement 2022 Udyam portal have been linked to other portals of e-Shram, National Career Service (NCS) portal, and integration of Skill India Digital (SID) portal of Ministry of Skill Development & Entrepreneurship is underway.
