

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3899
TO BE ANSWERED ON 18.03.2021

SHOPS TO PROVIDE RAW MATERIALS TO MSMEs

3899. SHRI RAVIKUMAR D.:

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

- (a) whether the Government has any proposal to start fair price shops to provide raw materials to MSMEs and if so, the details thereof; and
- (b) the position of the Government over the demand for exemption from GST for all Micro enterprises?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): The National Small Industries Corporation Limited (NSIC) under the Ministry of Micro, Small & Medium Enterprises (MSME) assists MSMEs in fulfilling their requirement of steady and timely delivery of good quality raw materials at competitive prices. The raw materials made available to MSMEs include iron, steel, aluminum paraffin wax, coal, polymer products, etc. The details of raw material distribution by NSIC to MSMEs during last three years are as under:

Year	Quantity (MTs)	Value (Rs. lakh)
2018-19	284598.90	179056.47
2019-20	243422.14	123549.04
2020-21*	188082.05	120831.88

*Upto January 2021

(b): In GST, the threshold exemption of Rs. 40 lakh per year for suppliers of goods and Rs. 20 lakh per year for supplier of services have been prescribed. Besides, units dealing with goods and having annual turnover of upto Rs. 1.5 crore or units dealing with services having annual turnover of upto Rs. 50 lakh may also opt for composition scheme and pay a nominal tax at the rate of 1% and 6% respectively, of turnover. These concessions have been prescribed on the GST Council.
