GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION No. †2882 TO BE ANSWERED ON 05.08.2021

Contribution of MSME Sector in Economy

†2882. SHRI RAHUL KASWAN:

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

(a) whether MSME sector of the country has major contribution in the country's economy and is also a major employment provider;

(b) if so, the details thereof;

(c) whether the sector failed to provide expected employment opportunities during recent years and is also facing the problem of non-availability of bank assets; and

(d) if so, the reaction of the Government thereto?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NARAYAN RANE)

(a) & (b): As per 73rd Round of NSS Report on Unincorporated Non-Agricultural Enterprises' (July 2015- June 2016) conducted by Ministry of Statistics & PI, estimated number of workers in MSME sector was 11.10 crore.

As per the information received from Central Statistics Office, Ministry of Statistics & PI, Share of MSME Gross Value Added (GVA) in All India GVA at current prices (2011-12) for the year 2019-20 was 33.1%.

As per the information received from Directorate General of Commercial Intelligence and Statistics, the share of export of specified MSME related products to All India exports during 2020-21 was 49.45%.

(c) & (d): The Ministry of Micro, Small and Medium Enterprises (MSME) implement various other schemes for the growth and development of MSME sector in the country. These include Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS) and SC/ST Hub.

Post Covid-19, Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 Pandemic. Some of them are:

- i) Rs 20,000 crore Subordinate Debt for MSMEs.
- ii) Rs 3 lakh crores Collateral free Automatic Loans for business, including MSMEs.
- iii) Rs. 50,000 crore equity infusion through MSME Fund of Funds.
- iv) New revised criteria for classification of MSMEs.
- v) New Registration of MSMEs through 'Udyam Registration' for Ease of Dong Business.
- vi) No global tenders for procurement up to Rs. 200 crores, this will help MSME.

All new and existing Micro and Small Enterprises engaged in manufacturing or services including trading activity are eligible to be covered under Credit Guarantee Scheme (CGS) implemented by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). CGTMSE has approved 4,35,520 guarantees for an amount of Rs. 30,168.57 crore during 2018-19, 8,46,650 guarantees for an amount of Rs. 45,851.22 crore during 2019-20, 8,35,592 guarantees for an amount of Rs. 36,899.39 crore during 2020-21.

Under Interest Subvention Scheme for Incremental Credit to MSMEs, number of beneficiaries and amount are 13,62,355 and Rs. 541.51 crore during 2019-20 and 9,08,860 and Rs. 431.07 crore during 2020-21.

As part of the Aatma Nirbhar Bharat Abhiyaan, under the Emergency Credit Line Guarantee Scheme (ECLGS), around 1.09 crore MSME borrowers have been provided with guarantee support amounting to Rs. 1.65 lakh crore as on 02.07.2021.

An online Portal "Champions" has been launched on 01.06.2020 by Hon'ble Prime Minister. This covers many aspects of e-governance including grievance redressal and handholding of MSMEs. Through the portal, total 35,361 grievances have been redressed upto 12.07.2021.

Under the Prime Minister's Employment Generation Programme (PMEGP), the estimated employment generated (number of persons) in micro enterprises during the year 2020-21 and 2021-22 (as on 01.07.2021) are 5.95 lakh and 1.19 lakh respectively.
