

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 473
TO BE ANSWERED ON 22.07.2021

Development of MSME Sector

473. SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
DR. HEENA GAVIT:
DR. SHRIKANT EKNATH SHINDE:
DR. SUJAY RADHAKRISHNA VIKHE PATIL:
SHRI UNMESH BHAIYYASAHEB PATIL:

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

- (a) whether the Government has given special attention for the development of the Micro, Small and Medium Enterprises (MSMEs) sector and if so, the details thereof;
- (b) the details of the exemptions and SOPs being given to MSMEs for speedy development;
- (c) whether the measures initiated by the Government in strengthening the MSME sector have gradually started yielding positive results in the development of MSMEs in the country, which are the backbone of the country's economy and if so, the details thereof; and
- (d) the details of the objectives and the achievements made so far by the MSME sector?

ANSWER

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

(a): Yes Sir, The Government has given special attention for development of the Micro Small and Medium Enterprises (MSMEs) sector . The definition of MSME is revised based on the Composite Criteria of Investment in Plant & Machinery/equipment and Annual Turnover. The Government has also included Retail and wholesale trades as MSMEs and they are allowed to be registered on Udyam Registration Portal. Validity of Udyog Adhar Memorandum (UAM) is extended up to 31.12.2021. For ease of doing business new registration of MSMEs on portal Udyam Registration is going on.

(b): For speedy development of MSMEs following exemptions and SOPs are being provided:

- (i) Public Procurement Policy benefits/facilities are provided to all registered MSEs. Benefits/facilities such as Tender set free of cost; Exemption from the payment of Earnest Money; In tender, participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply at least 25% of the total tendered value; 358 items are reserved for exclusive procurement from MSEs; The MSEs and Start-ups may also be given exemption in prior experience and turnover clauses.

- (ii) Public Procurement Policy for Micro and Small Enterprises (MSEs) mandates 25% annual procurement from MSEs by Central Ministries /Departments/Central Public Sector Enterprises (CPSEs) including 4% from MSEs owned by SC/ST and 3% from MSEs owned by Women entrepreneurs.
- (iii) An MOU has been signed with GeM for mobilizing maximum number of MSEs on GeM platform.
- (iv) launch of “MSME Sambandh Portal” to monitor the progress of procurement by the CPSEs from MSEs etc.
- (v) To resolve the grievances/ issues of Delayed payment SAMADHAN Portal mechanism is initiated where MSEs can also check status of online applications.

(c): The Ministry of MSME implements various schemes and programmes for growth and development of MSME Sector in the country. These schemes and programmes include Prime Minister’s Employment Generation programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE), Interest Subvention Scheme for Incremental Credit to MSMEs, Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), Credit Linked Capital Subsidy and Technology Up gradation Scheme (CLCS-TUS).

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 Doing Business.
- vi) No global tenders for procurement up to Rs. 200 crores, this will help MSME.

(d): The strengthening of the MSMEs sector is the focus of the Government which is ongoing. The details of achievements under various schemes (during the last three years) which have been initiated by the Government is given at Annexure-I:

Annexure-I

Annexure-I referred to in reply to part (d) of the Lok Sabha Unstarred Question No. 473 for answer on 22.07.2021

Table-1 Prime Minister Employment Generation Programme (PMEGP)

Year	Margin Money subsidy disbursed (Rs crore)	Number of units assisted	Estimated employment generated (in Lakh)
2019-20	1950.82	66653	5.33
2020-21	2188.8	74415	5.95
2021-22*	453.77	14820	11.85

**Up to 30.06.2021*

Table-2 Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE)

Financial Year	No. of Credit Facilities Approved	Amount of Guarantees Approved (Rs in crore)
2019-20	846650	45851.22
2020-21	836065	36954.72
2021-22*	244300	13315.95

Till June-2021

Table-3 Interest Subvention Scheme for Incremental Credit to MSMEs 2018 -

Financial Year	No. of Units	Subsidy (Rs. in crore)
2019-20	1362355	541.51
2020-21*	908860	431.07

** As on 31-03-2021*

Table-4 Micro and Small Enterprises- Cluster Development Programme (MSE-CDP)

Year	Projects completed		
	Common Facility Centres (CFC)	Infrastructure Development Centres (ID)	Total
2017-18	13	11	24
2018-19	17	11	28
2019-20	11	11	22
2020-21	8	12	20
2021-22	1	1	02
Total	50	46	96

Table -5 Status of MSEs on Gem Portal

Fiscal Year	MSE Sellers & Service Providers	Order values in INR	Order Volume
FY 20-21	5,80,843	2,26,34,82,23,899	11,00,266
FY 21-22	15,891	1,04,14,57,97,924	2,71,317

Table -6 Status of Application/Cases on SAMADHAN Portal

	TOTAL	RESOLVED	REJECTED	PENDING
As on 15.7.2021	82,069	15174 (Disposed by MSEFC +Mutually settled)	15230	51665

