

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.584
TO BE ANSWERED ON 22.07.2021

MSME Severely Affected in Covid

584. SHRI SELVAM G:

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

- (a) whether setting up of new units of the Micro, Small and Medium Enterprises (MSMEs) has been severely affected due to second wave of COVID-19 pandemic and if so, the details thereof and the remedial measures taken in this regard;
- (b) whether the Government is planning to simplify the process for registration of MSMEs and if so, the details thereof;
- (c) the details of the funds allocated/released by the Government for setting up of new units of MSMEs after the spread of COVID-19 pandemic and the number of jobs generated therefrom including in backward and rural areas of the country;
- (d) whether the Government has received proposals for setting up new MSMEs from the State of Karnataka, Maharashtra and Tamil Nadu after the spread of COVID-19 pandemic;
- (e) if so, the details and status thereof along with the time by which the said proposals are likely to be approved; and
- (f) the other steps taken/proposed to be taken by the Government for setting up of MSMEs for rural women of SC/ST living below the poverty line in the country?

ANSWER

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

(a) & (b): The Government of India simplified the process of registration of MSMEs by replacing the Udyog Aadhaar Memorandum (UAM) with Udyam Registration (UR) on 1st July 2020. UR is free of cost, transparent, online, hassle free and is based on self-declaration. It does not require any documents and has an automatic integration with ITR and GSTIN. During the second wave of Covid -19 pandemic MSMEs continued to register on UR Portal.

(c): MSMEs can avail the benefits of schemes such as Prime Minister's Employment Generation Programme (PMEGP)/Rural Employment Generation Programme (REGP)/Micro Units Development & Refinance Agency (MUDRA) and the announcements made to provide relief to MSMEs from the problems faced due to COVID-19 pandemic. The number of Projects and Employment generation under PMEGP during 2020-21 in July, 2021 are 91,054 and 7,28,432, respectively.

(d) & (e): The Ministry of Micro, Small and Medium Enterprises (MSME) does not set-up any MSME in any state including Karnataka, Maharashtra and Tamil Nadu. The MSME sector consists of private players and the investments in this sector are made by the entrepreneurs themselves. Promotion and development of enterprises is a State subject. However, the Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for promotion, development and enhancing the competitiveness of MSMEs in the country.

(f): A number of schemes are being implemented by Ministry of MSME for MSMEs, including Prime Minister's Employment Generation Programme (PMEGP), Credit Linked Capital Subsidy for Technology Upgradation Scheme (CLCS-TUS), Schemes for Khadi & Village Industries and Coir, International Cooperation Scheme, Procurement and Marketing Support Scheme, Scheme for Credit Guarantee Fund for Micro and Small Enterprises, National SC/ST Hub etc. Benefits under these schemes are available to all eligible MSMEs, including those belonging to SC and ST communities. The Public Procurement Policy for Micro and Small Enterprises Order 2012 mandates 4% procurement from SC/ST owned MSEs and 3% from women owned MSEs.
