

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.680
TO BE ANSWERED ON 22.07.2021

Retail and Wholesale Sector in MSME

680. SHRI BHOLA SINGH:
SHRI RAJA AMARESHWARA NAIK:
DR. SUKANTA MAJUMDAR:
SHRI VINOD KUMAR SONKAR:
SHRI RAJVEER SINGH (RAJU BHAIYA):
DR. JAYANTA KUMAR ROY:
SHRIMATI SANGEETA KUMARI SINGH DEO:

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

- (a) whether the Government has included the retail and wholesale sector into Micro, Small and Medium enterprises (MSMEs) after being excluded from the category four years ago;
- (b) whether the new Udyam portal launched by the Government is a self-declaration and cost-free platform for entrepreneurs to get their enterprises registered and if so, the details thereof;
- (c) the benefits given by the Government for registered MSMEs;
- (d) whether the Government has facilitated the availability of collateral-free credit to all MSMEs and if so, the details thereof including the number of MSMEs availed this facility so far; and
- (e) the other steps being taken by the Government for providing requisite support to the MSMEs and upcoming entrepreneurs in strengthening Indian economy and working towards the vision of Aatmanirbhar Bharat?

ANSWER

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

- (a): Yes Sir. From 2nd July, 2021, the Government has included Retail and Wholesale Trades as MSMEs.
- (b): Yes Sir. The Government, vide notification no. S.O. 2119(E) dated 26.06.2020, had notified composite criteria of classification of MSMEs based on investment in plant and machinery or equipment and turnover of the enterprise. With the introduction of new classification of MSMEs w.e.f. 01.07.2020, a new cost - free system of online Udyam Registration which is based on self –declaration, has replaced the erstwhile filing of Udyog Aadhaar Memorandum.

(c): Filing of Udyog Aadhaar Memorandum (UAM)/ Udyam Registration is required for availing benefits of the schemes and programmes of the Ministry of MSME.

(d): The Government has launched the Credit Guarantee Scheme (CGS) to strengthen credit delivery system and facilitate the flow of credit to the MSE sector without the hassles of collateral and third party guarantee. Under the scheme, Credit Guarantee is given to the Member Lending Institutions (MLIs) for loans upto Rs. 200 lakh. As per the data received from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Mumbai, there are 53,86,739 Nos. of guarantee and Rs. 2,72,007.42 crore amount of guarantee approved under Credit Guarantee Scheme since inception.

(e): To strengthen the Indian economy and to provide help to upcoming entrepreneurs, recently the 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 Self-Reliant India Fund
- iv. New Revised criteria of 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.

An Online Portal "Champions" has been launched on 01.06.2020 by Hon'ble Prime Minister. This covers many aspects of e-governance including redressal of grievances and handholding of MSMEs.

RBI has also announced several measures to Reduce Financial Stress of MSMEs.
