

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1912
TO BE ANSWERED ON 09.12.2021

DEFINITION OF MSMEs

1912. SHRIMATI RAKSHA NIKHIL KHADSE:

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

- (a) whether the Government has decided to revise the definition of Micro, Small and Medium Enterprises (MSMEs) on the basis of turnover instead of the existing methodology of classifying them as per cost of plant and machinery after the Covid regime;
- (b) whether the Government has taken the steps or proposes a policy to revive the MSMEs in country particularly in Maharashtra; and
- (c) if so, the details thereof?

ANSWER

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

(a): The Government, vide notification no. S.O. 2119(E) dated 26.06.2020, had notified composite criteria of classification of Micro, Small and Medium enterprises (MSMEs) based on investment in plant and machinery or equipment and turnover of the enterprise. The new criteria became applicable to all States/UTs in the country from 1.7.2020.

(b) & (c): The Government has taken a number of recent initiatives under the Aatma Nirbhar Bharat Abhiyan to support the MSME sector in the country, including in Maharashtra. 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 (The existing overall guarantee limit under ECLGS has been enhanced from Rs. 3 lakh crore to Rs. 4.5 lakh crore).
- 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.
