

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UN STARRED QUESTION No. 2944
TO BE ANSWERED ON 08.08.2024

CONTRIBUTION OF MSME SECTOR IN GDP

2944. SHRI NAVASKANI K:

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

- (a) the contribution of MSME sector in the overall Gross Domestic Product (GDP) of the country;
- (b) the details of growth registered by MSMEs during each of the last three years and the current year;
- (c) whether any centrally funded schemes are available to improve growth of MSMEs in Tamil Nadu and if so, the details thereof;
- (d) whether the Government has fixed any target for increasing total number of entrepreneurs in MSME sector in Tamil Nadu during the last three years and the current year and if so, the details thereof; and
- (e) the steps taken/proposed to be taken by the Government to achieve the growth targets fixed during the next three years?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) and (b): As per the latest information received from the Ministry of Statistics & Programme Implementation, the share of MSME Gross Value Added (GVA) in all India Gross Domestic Product (GDP) during last three years are as follows:

Year	Share of MSME GVA in All India GDP (in %)
2020-21	27.3
2021-22	29.6
2022-23	30.1

(c) to (e): Promotion and development of enterprises is a State subject. Government helps in establishment of MSMEs in States/UTs through its various schemes, programmes and policy initiatives for promotion and development of MSMEs across the country, **including Tamil Nadu**. These schemes/ programmes include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Entrepreneurship Skill Development Programme (ESDP), Procurement and Marketing Support Scheme (PMSS), Raising and Accelerating MSME Performance (RAMP), International Cooperation scheme, Tool Rooms, Technology Centre System Programme (TCSP), National SC/ST Hub (NSSH), MSME Champions, PM Vishwakarma etc.

Further Government has taken a number of initiatives to support the MSME Sector. Some of these are as following:

- i. Collateral free loan up to a limit of Rs. 500 lakh (w.e.f. 01.04.23) to MSEs with guarantee coverage up to 85 % for various categories of loan through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under Credit Guarantee Scheme.
- ii. Rs. 50,000 crore equity infusion through Self Reliant India Fund. This scheme has a provision for corpus of Rs.10,000 crore from Government of India.
- iii. New criteria for classification of MSMEs with higher threshold, based on Investment and Turnover, to widen the ambit of the MSME sector.
- iv. New registration of MSMEs through "Udyam Registration" for Ease of Doing Business.
- v. No global tenders for procurement up to Rs. 200 crore
- vi. Inclusion of retail and whole sale trades as MSMEs w.e.f. 02.07.2021.
- vii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- viii. Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.
- ix. Integration of Udyam Portal and National Career Service (NCS) of Ministry of Labour & Employment, as an outcome registered MSMEs are able to search for jobseekers on NCS.
- x. Under Vivad se Vishwas – I, relief by way of refund of 95% of the deducted performance security, bid security and liquidated damages was provided to MSMEs. Relief was also provided to MSMEs debarred for default in execution of contracts.
- xi. Launch of Udyam Assist Platform (UAP) to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).
- xii. Launch of 'PM Vishwakarma' Scheme on 17.09.2023 to provide benefits to the traditional artisans and craftspeople engaged in 18 trades.
