

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1484**  
**TO BE ANSWERED ON 13.02.2025**  
**MSME SECTOR IN TAMIL NADU**

1484. THIRU D M KATHIR ANAND:

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

- (a) whether the Government has taken a keen note of the issues and problems pertaining to the MSME sector in Tamil Nadu especially in Vellore Parliamentary Constituency and if so, the details thereof; and
- (b) whether the Government has any plans to provide adequate financial support and technology and trade support to various MSMEs including leather and textile sector in the said Constituency and if so, the details thereof?

**ANSWER**

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

(a) and (b): The Government of India has taken a number of steps to address the challenges and issues pertaining to MSME sector in the country, including Vellore Parliamentary Constituency in the State of Tamil Nadu. Some of these steps are as under:

- i. New revised criteria for defining MSMEs adopted in 2020.
- ii. Udyam Registration for MSMEs, for Ease of Doing Business w.e.f. 01.07.2020.
- iii. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 2.7.2021.
- iv. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- v. Launch of Udyam Assist platform on 11.01.2023 to bring Informal Micro Enterprises under the formal ambit for availing the benefit under Priority Sector Landing.
- vi. Operationalisation of Self Reliant India Fund for equity infusion into MSMEs.
- vii. Rs. 5 lakh crore Emergency Credit Line Guarantee Scheme, for businesses, including MSMEs. The scheme was operational till 31.03.2023. As per a research report dated 23.01.2023 of the State Bank of India on Emergency Credit Line Guarantee Scheme, almost 14.6 lakh MSME accounts, of which about 98.3% of the accounts were in the Micro and Small Enterprises categories, were saved from slipping into non-performing asset classification.
- viii. Union Budget 2024-25 announced various measure like Credit Guarantee Scheme for MSMEs in the Manufacturing Sector, New assessment model for MSME credit, Credit Support to MSMEs during Stress Period and Mudra Loans limit enhancement from Rs. 10 lakh to 20 lakh.

For uninterrupted flow of credit and financial support to the MSME sectors, including leather and textile sector, a series of measures have been undertaken, which inter-alia include schemes such as Prime Minister's Employment Generation Programme for setting up of new micro enterprises in the non-farm sector by providing Margin Money subsidy on the Bank loan, Special Credit Linked Capital Subsidy Scheme with a provision of 25% subsidy to SC/ST MSEs on institutional finance for procurement of Plant & Machinery / Equipment, Credit Guarantee Scheme for collateral free loans for Micro & Small Enterprises, collateral free loans upto Rs 20 Lakh for Informal Micro Enterprises, PM Vishwakarma Yojana, Mudra Loan, etc.

MSME Champions Scheme has been formulated with an end objective to modernize the processes, reduce wastages, sharpen business competitiveness of enterprises, and facilitate their National and Global reach and excellence. Further, 18 Tool Rooms & Technical Institutions (Technology Centres) under the Ministry are imparting skilling and assisting MSMEs.

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