

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4450
TO BE ANSWERED ON 27.03.2025

SUPPORT TO MSMEs

4450. SHRI PUSHPENDRA SAROJ:

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

- (a) the crucial role of MSMEs in employment generation and economic growth;
- (b) the specific initiatives being undertaken by the Government to support small and medium enterprises in rural and semi urban areas particularly in the district like Kaushambi; and
- (c) the manner in which the Government ensures access to credit, technological upgradation and market linkage to MSMEs to make them competitive in both domestic and international market?

ANSWER

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

(a): A revised definition based on the twin criteria of investment and turnover, was adopted to define Micro, Small and Medium Enterprises (MSMEs) in 2020 and for registration, Udyam Registration Portal (URP) was launched on 01.07.2020. On 11.01.2023, Udyam Assist Platform (UAP) was launched for informal micro enterprises which are exempted from GST filing. As per the Data for 2022-23, the MSME sector contributed 30.1% to GDP and 36% to Manufacturing output. Further, as per the Data for 2023-24, the MSME sector contributed 45% to Exports.

The details of year-wise growth in MSME registration and employment reported are given below:

Year-wise Growth in MSME Registration on URP including UAP and Employment reported from 01.07.2020 to 15.03.2025					
	As on 31.03.2021	As on 31.03.2022	As on 31.03.2023	As on 31.03.2024	As on 15.03.2025
Total Registration	28,29,746	79,52,575	1,64,99,727	4,13,93,255	6,13,37,576
Employment Reported	2,73,18,171	6,22,03,234	10,77,91,936	18,17,67,574	26,09,22,301

(b) and (c): The Central Government supplements the efforts of the State/UT Government through various schemes, programmes and policy initiatives in rural and semi urban areas of the country, including Kaushambi district. To support and strengthen the MSMEs Sector, the Government implements various measures, which, inter-alia, include measures to provide access to credit support, technological upgradation and market linkage to make them competitive.

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- (i) Under Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs), collateral free loan up to a limit of Rs. 500 lakh (w.e.f. 01.04.2023) to MSEs with guarantee coverage up to 90 % for various categories of loan is provided. The details of the number of guarantees provided and the amount of guarantees approved for Micro and Small Enterprises are given below:

Duration	2000-01 to 2019-2020	2020-2021 to 2024-2025
Number of Guarantees Approved	43,53,591	64,81,482
Amount of Guarantees Approved (In Rs crore)	2,28,704	6,55,987

For providing ease of access to credit, in addition to CGS, 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, PM Vishwakarma Yojana, Pradhan Mantri Mudra Yojana, etc., are implemented.

- (ii) The network of Technology Centres / Tool Rooms in the country supports MSMEs in providing access to advance manufacturing technologies, training & skilling and business consultancy services to make them competitive. ZED 2.0 Scheme has been launched for improved efficacy of certification levels and for enhancing quality and competitiveness. To digitally empower MSEs, the Trade Enablement and Marketing Scheme has been launched.
- (iii) Public Procurement Policy for Micro and Small Enterprises Order 2012 provides an assured market share to MSEs. Procurement and Marketing Support Scheme (PMSS) extends benefits to MSEs for market access through participation in Trade Fairs/ Exhibitions, Vendor Development Programmes, adoption of Modern Packaging Technique, e-Commerce platforms, etc.

Under International Cooperation (IC) Scheme, financial assistance is provided on reimbursement basis to the eligible Central/State Government organizations and Industry Associations to facilitate participation of MSMEs in the international exhibitions/fairs/buyer-seller meets held abroad and for organizing international conference/seminar/workshops in the country. In August, 2021, in order to capacity build MSMEs to enter the export market, two new components viz. 'Capacity Building of First Time Exporters' and 'Framework for International Market Intelligence Dissemination' have been added in the Scheme.

In addition, in Union Budget 2025, a numbers of measures for MSMEs have been announced. Some of these measures are as under:

- Guarantee coverage for Micro and Small Enterprises, enhanced from Rs. 5 crore to Rs.10 crore,
- For Startups, the guarantee coverage amount increased from Rs.10 crore to Rs. 20 crore.
- For well-run exporter MSMEs, credit guarantee for term loans up to Rs. 20 crore.
- A new Fund of Funds, with expanded scope and a fresh contribution of another Rs.10,000 crore.
- A new scheme for women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs for term loans up to Rs.2 crore.
