

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4490
TO BE ANSWERED ON: 19.03.2026

IMPLEMENTATION OF MSME FRAMEWORK IN CHANDIGARH

4490. SHRI MANISH TEWARI:

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

- (a) whether the Government has examined the reasons for non-adoption of the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in the Union Territory of Chandigarh, despite its applicability in neighbouring States and the timeline for its implementation in Chandigarh;
- (b) whether the absence of a formal MSME framework has affected access to benefits such as delayed payment protection, formal recognition of service enterprises and institutional support and if so, the details thereof;
- (c) whether the Chandigarh UT Administration is in the process of formulating and notifying a dedicated MSME policy and the key features proposed therein;
- (d) whether representations have been received from industry bodies regarding lack of parity with neighbouring States in MSME facilitation and the action taken thereon; and
- (e) the steps being taken to align Chandigarh's enterprise ecosystem with national MSME policies to improve ease of doing business and promote investment?

ANSWER

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

(a) and (b): The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for overall development and promotion of Micro, Small and Medium Enterprises (MSMEs) in the country, including Union Territory of Chandigarh. The provisions of the MSME Development Act, 2006 are applicable across the country, including Chandigarh.

The Ministry of MSME launched Udyam Registration Portal (URP) on 01.07.2020 to facilitate ease of registration for MSMEs. The registration is fully online, paperless and based on self-declaration. An enterprise registered anywhere in the country, including Chandigarh is eligible to avail the benefit of various schemes of the Ministry of MSME, subject to eligibility criteria. As per URP, as of now, 89,119 MSMEs are registered in Chandigarh out of which 37,035 MSMEs are engaged in services.

The Ministry of MSME launched MSME SAMADHAAN Portal, which enables MSMEs to file complaints regarding delayed payments by buyers online. Further, Ministry of MSME has launched Online Dispute Resolution (ODR) Portal as a digital, technology-enabled mechanism with an objective of ensuring speedy, cost-effective, and transparent resolution of delayed payment disputes involving Micro and Small Enterprises (MSEs). All the fresh cases of delayed payment by MSEs are being filed on MSME ODR portal w.e.f 15.10.2025.

Certain provisions of the Act require institutional arrangements by State/UTs, including adjudication of delayed payment cases through establishment of the Micro and Small Enterprises Facilitation Council. Out of total, 161 MSEFC, 1 MSEFC is established and functional in Chandigarh.

(c): Formation of State MSME Policy for Chandigarh comes under the purview of Chandigarh UT Administration and Ministry of Home Affairs.

(d) and (e): The Ministry of MSME continues to engage with States and UTs, including Chandigarh, through stakeholder consultations and advisory communications so as to encourage alignment with MSMED Acts, 2006 and the Policy initiatives of the Government of India for the MSME sector. The Ministry of MSME has taken steps to improve ease of doing business, strengthen grievance redressal and promote the growth and competitiveness of MSMEs.

Representations from industry associations and stakeholders are received from time to time regarding MSME facilitation in different regions, including Chandigarh. Such representations are taken up with the concerned State Government/UT Administration and others for appropriate consideration and necessary action.
