

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 6374
TO BE ANSWERED ON: 02.04.2026

POLICY TO PROTECT SMALL ENTERPRISES FROM UNFAIR COMPETITION

6374. SHRI HARISH CHANDRA MEENA:

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

- (a) whether the Government proposes any special policy to protect small enterprises from unfair competition from big corporate groups and if so, the details thereof;
- (b) whether any specific schemes and assistance are being provided by the Government to ensure financial stability and corporate compliance for Micro, Small and Medium Enterprises (MSMEs) operating in Rajasthan, if so, the details thereof;
- (c) the number of companies penalized under the Companies Act in the said State during the last three years; and
- (d) the number of small local units out of the said penalised companies?

ANSWER

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

(a) to (d): The Government of India has taken various policy measures to create a level playing field for MSMEs and safeguard their interests, particularly in areas such as delayed payments, unfair competition, etc.

As informed by the Ministry of Corporate Affairs, as per Competition Act, 2002, the Competition Commission of India (CC) is empowered to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade carried on by other participants in markets, in India, and for matters connected therewith or incidental thereto.

In addition, the following measures have also been taken to support small enterprises:

- i. Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, mandates that buyers must make payments to MSMEs within 45 days, failing which compound interest is payable.
- ii. In order to promote timely payments to Micro and Small Enterprises, vide Finance Act, 2023, Section 43B of the Income Tax Act was amended to provide that any sum payable by the assessee to a Micro or Small Enterprise beyond the time limit specified in section 15 of the MSMED Act, 2006, shall be allowed as a deduction only on actual payment.
- iii. Trade Receivables Discounting System (TReDS) is an RBI-regulated digital platform that enables MSMEs to convert their trade receivables into finance thereby improving their liquidity and reducing dependence on large buyers.
- iv. CHAMPIONS Portal is an online grievance redressal mechanism on which complaints and grievances related to various issues, including unfair practices can be submitted.

To ensure financial stability and ease of compliance for MSMEs across the country, including Rajasthan, the Ministry of MSME implements Credit Guarantee Scheme (CGS) for Micro & Small Enterprises (MSEs), Self Reliant India (SRI) Fund, MSME Champions Scheme, Raising and Accelerating MSME Performance (RAMP), Prime Minister's Employment Generation Programme (PMEGP), etc. The details of the performance under these initiatives for financial support to MSMEs are given below:

CGS- Guarantees approved: since inception in 2000 till 28.02.2026		
Location	No. of guarantees approved	Amount approved in Rs. Crore
All over India	1,39,39,040	13,16,741
Rajasthan	6,19,410	59,092

Number of Microenterprises assisted under PMEGP from FY 2020-21 to FY 2024-25			
Location	No. of Units Assisted	MM Subsidy (Rs. Cr.)	Est. Employment
All over India	4,11,627	13,184.51	32,93,016
Rajasthan	10,002	489.06	80,016

SRI Fund: since inception till 28.02.2026		
Location	No. of Investee Companies	Fund Investment (in Rs. Crore)
All over India	731	17,438.1
Rajasthan	9	275.7

To enhance the competitiveness and sustainability of MSMEs, the Ministry launched MSME-Sustainable- Zero Defect Zero Effect (ZED) Certification Scheme. The details of ZED certified MSMEs are given below:

ZED Certified MSMEs since launch (28.04.2022)				
Location	2022-23	2023-24	2024-25	2025-26 (till date)
All over India	3,143	1,76,341	1,04,976	2,42,679
Rajasthan	94	8299	8683	11213

The information regarding the number of companies penalized under the Companies Act, 2013 is maintained by the Ministry of Corporate Affairs.