

GST's negative impact on MSMEs

245. SHRI BINOY VISWAM: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Government has any data on the total number of Micro, Small and Medium Enterprises (MSMEs) commenced during the last three years;

(b) if so, the details thereof;

(c) the employment generated in this sector between 2014 to 2019;

(d) whether demonetisation and GST had any negative impact on MSMEs; and

(e) if so, the details thereof?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NITIN JAIRAM GADKARI): (a) and (b) As on 19.06.2019, the total number of Micro, Small and Medium Enterprises (MSMEs), which were registered on Udyog Aadhaar Portal during the years 2016-17, 2017-18 and 2018-19 are 23.73 lakhs, 15.18 lakhs and 21.24 lakhs, respectively.

(c) The information on generation of employment in MSME sector is not maintained centrally. However, as per the 73rd Round of National Sample Survey (NSS), conducted by National Sample Survey Office, Ministry of Statistics and Programme Implementation during the period 2015-16, the estimated number of workers in unincorporated non-agriculture MSMEs in the country engaged in different economic activities excluding the MSMEs registered under (a) Sections 2m(i) and 2m(ii) of the Factories Act, 1948, (b) Companies Act, 1956 and (c) Construction activities falling under Section F of National Industrial Classification (NIC), 2008, are 11.10 crore.

As per details provided by the MSMEs registered on Udyog Aadhaar Portal during the year 2018-19, the number of persons employed in these MSMEs was 118.21 lakhs.

Under the Prime Minister's Employment Generation Programme (PMEGP,) the estimated employment generated (number of persons) in micro enterprises during the years 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are 3.58 lakhs, 3.23 lakhs, 4.08 lakhs, 3.87 lakhs and 5.87 lakhs, respectively.

(d) No such study regarding the impact of GST on MSME sector has been conducted.

(e) Does not arise in view of (d).