

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION No. 271
TO BE ANSWERED ON 05.02.2024

PROMOTING MSMEs

271. DR. SUDHANSHU TRIVEDI:

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

- (a) the measures being taken to enable MSMEs to do well in exports and become a part of the global supply chain of the world's big companies;
- (b) the number of people currently employed and indirectly getting employment in the Micro, Small and Medium enterprises;
- (c) the measures being taken to utilize the potential of MSMEs in the faster economic growth of the nation through appropriate institutional and statutory mechanisms; and
- (d) efforts which have been made in the last decade to bring MSMEs to the forefront of the economy?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a): Ministry of Micro, Small and Medium Enterprises is implementing International Co-operation Scheme to encourage the MSMEs to increase exports of their products to other countries. Under the Scheme, the financial assistance is provided to the eligible Central/State Government organizations and Industry Associations to facilitate visit/participation of MSMEs in the international exhibitions/fairs/buyer-seller meets held abroad and for organizing international conference/seminar/workshops in India with the aim of technology upgradation, modernization, joint venture etc. Further, for Capacity Building of First Time Exporters (CBFTE), reimbursement is provided to new Micro & Small Enterprises (MSE) exporters for costs incurred on Registration cum-Membership Certification (RCMC) with EPCs, Export Insurance Premium and Testing & Quality Certification for exports.

The Ministry has also developed a dedicated support system for export promotion from MSME Sector by establishing 59 Export Facilitation Cells (EFCs) in its field institutions. MSME's Field Offices are organising export promotion programmes to motivate MSMEs to boost export and provide them the vital information for exports.

Other important initiatives of the Government to support MSMEs for promotion of export from them are as follows:

- i. To promote exports from the districts, the District Export Hub Initiative has been started. It includes identification of products and services with export potential in all the districts of the country. An institutional mechanism has been set up in all States/UTs by forming the State Export Promotion Committee (SEPC) and District Export Promotion Committee (DEPC) at the District level.
- ii. The new definition of MSMEs w.e.f. 1.7.2020, provisions that the export turnover of Udyam Registered enterprises shall not be counted in the turnover of enterprises for deciding their category as micro or small or medium. This helps the MSMEs to export more without crossing their limit of turnover in the present category as micro or small or medium.

- iii. Dak Ghar Niryat Kendra, serves as a one-stop destination for exporters, providing comprehensive assistance and streamlined processes for export-related documentation, logistics, customs procedures and packing.
 - iv. The One District One Product (ODOP) initiative, aims to promote at least one Product from each District (One District – One Product) of the country for enabling holistic socio-economic growth across all regions. The ODOP Initiative has identified more than 1100 products encompassing various sectors such as textiles, agriculture, food processing, handicrafts, and more, from all 761 districts of the country.
- (b): The Udyam Registration Portal was launched on 01.07.2020 to facilitate ease of registration for MSMEs and access to all the Schemes and benefits. The registration process is free of cost, paperless and digital. As on 01.02.2024, more than 3.59 crore MSMEs with an employment of more than 16.74 crore, have registered on Udyam Portal including the Informal Micro Enterprises (IMEs) registered on Udyam Assist Platform.
- (c) & (d): The Ministry provides support to the MSMEs to face challenges before them through various scheme/programmes and policy initiatives which inter alia include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro Small and Medium Enterprises, Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Entrepreneurship Skill Development Programme (ESDP), Procurement and Marketing Support Scheme (PMSS), International Cooperation Scheme, Tool Rooms, Technology Center System Programme, National SC/ST Hub (NSSH), MSME Champions, etc. In addition, Ministry of MSME launched 'PM Vishwakarma' Scheme on 17.09.2023 to provide benefits to the artisans and craftspeople, working with their hands and tools, engaged in 18 trades covered under the Scheme.

The Government has taken important initiatives for promotion of MSMEs in the country and to revive them that include:

- i. No global tenders for procurement up to Rs. 200 crores.
- ii. Launching of an online Portal "Champions" in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.
- iii. Non-tax benefits extended for 3 Years in case of an upward change in status of MSMEs.
- iv. PM Vishwakarma Scheme: A central Sector Scheme with budget outlay of Rs. 13, 000 crore for its implementation during 2023-24 to 2027-28. Scheme envisages to provide end-to-end holistic support to artisans and craft people who works with their hands, using tools, in the 18 trades covered.
- v. Raising and Accelerating MSME Performance (RAMP) programme with outlay of Rs. 6,000 crore over 5 years. This will help the MSME sector become more resilient, competitive and efficient.
- vi. Rs. 50,000 crore equity infusion through Self-Reliant India Fund.
- vii. Vivad se Vishwas I- Relief for the MSMEs: In case of failure by MSMEs to execute contracts during Covid period, 95% of the forfeited amount relating to bid or performance security, will be returned to them by government and its undertakings.
- viii. Ministry of MSME has launched Samadhaan Portal for filing of grievances and monitoring of outstanding dues to the MSEs from the buyers of goods and services.
- ix. Ministry of MSME has launched a portal namely, Udyam Assist Platform (UAP) on the 11.01.2023, for bringing Informal Micro Enterprises (IMEs) in the formal ambit which helped the registered IMEs to avail the benefits of Priority Sector Lending.
