GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UN STARRED QUESTION No. 1551
TO BE ANSWERED ON 05.08.2024

CLOSURE OF MSMEs

1551.   DR. SYED NASEER HUSSAIN:
          SMT. RANJEET RANJAN:

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

(a)   year-wise details of the total number of registrations of Micro, Small, and Medium Enterprises (MSMEs) since 2019-2020;

(b)   whether Government is aware that more than 32,000 MSMEs have closed operations between July 2020 and December 2023;

(c)   if so, details of the total number of MSMEs that have shut down since 2019-2020; and

(d)   steps taken by Government to prevent the closures of MSMEs and ensure their long term sustainability?

ANSWER

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

(a) to (d):   Udyam Registration Portal was launched on 01.07.2020 with the new revised criteria for classification of MSMEs. As on 31.07.2024, the total number of MSMEs registered in all India on the Udyam Registration Portal and Udyam Assist Platform was 4.77 Crore while during the same period the total units deregistered due to shutdown was 50,536.

Year-wise number of Micro, Small and Medium Enterprises registered in all India on the Udyam Registration Portal and Udyam Assist Platform is as follows:

Year	Number of MSMEs registered Udyam Registration Portal and Udyam Assist Platform* in all India
2020-21(01.07.2020 to 31.03.2021)	28,38,249
2021-22	51,35,906
2022-23	85,65,154
2023-24	2,49,12,943
2024-25 (as on 31.07.2024)	63,40,557

*Udyam Assist Platform launched on 11.01.2023

The Government of India, Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes and programmes aimed at promotion and development of MSME Sector in the country. These schemes/ programmes include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Entrepreneurship Skill Development Programme (ESDP), Procurement and Marketing Support Scheme (PMSS), Raising and Accelerating MSME Performance (RAMP), International Cooperation scheme, Tool Rooms, Technology Centre System Programme (TCSP), National SC/ST Hub (NSSH), MSME Champions, etc.

Further Government has taken a number of initiatives to support the MSME Sector. Some of these are as following:

i. Collateral free loan up to a limit of Rs. 500 lakh (w.e.f. 01.04.23) to MSEs with guarantee coverage up to 85 % for various categories of loan through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under Credit Guarantee Scheme.

ii. Rs. 50,000 crore equity infusion through Self Reliant India Fund. This scheme has a provision for corpus of Rs.10,000crore from Government of India.

iii. New revised criteria for classification of MSMEs.

iv. New registration of MSMEs through "Udyam Registration" for Ease of Doing Business.

v. No global tenders for procurement up to Rs. 200 crore

vi. Inclusion of retail and whole sale trades as MSMEs w.e.f. 02.07.2021.

vii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.

viii. Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.

ix. Integration of Udyam Portal and National Career Service (NCS) of Ministry of Labour & Employment, as an outcome registered MSMEs are able to search for jobseekers on NCS.

x. Under Vivad se Vishwas – I, relief by way of refund of 95% of the deducted performance security, bid security and liquidated damages was provided to MSMEs. Relief was also provided to MSMEs debarred for default in execution of contracts.

xi. Launch of Udyam Assist Platform (UAP) to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).

xii. Launch of 'PM Vishwakarma' Scheme on 17.09.2023 to provide benefits to the traditional artisans and craftspeople engaged in 18 trades.

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