



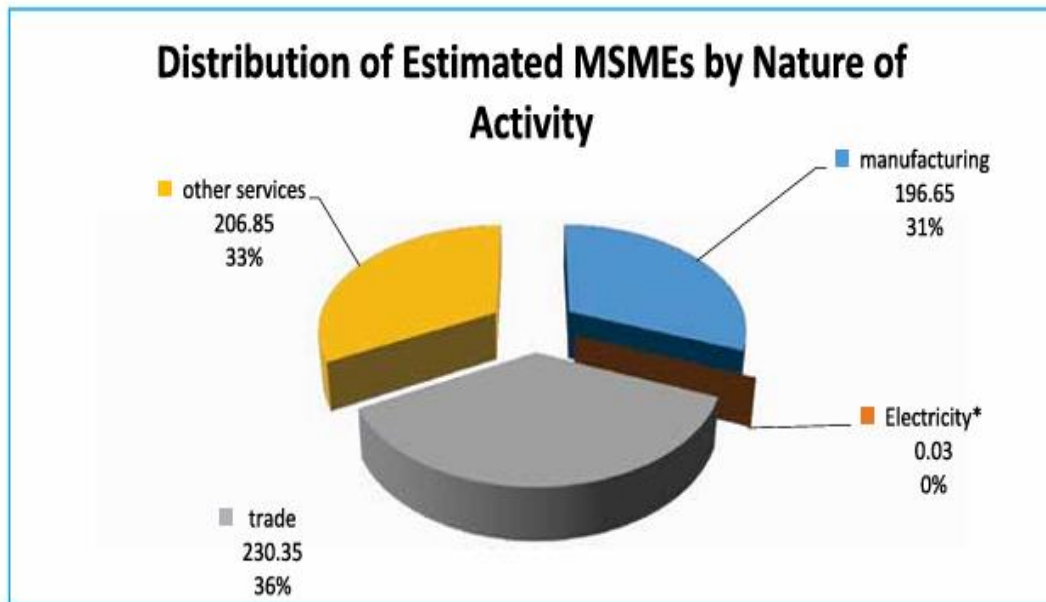
Potential Questions that may kindly be answered for Clarity.

1. Ministry of MSME

1.1. The annual report of the MSME ministry for the year 202-23, speaks specifically about Growth and Performance of MSMEs. As per this document, under page 36/176 – it claims –

As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16, there were 633.88 lakh unincorporated non agriculture MSMEs in the country engaged in different economic activities (196.65 lakh in Manufacturing, 0.03 lakh in Non-captive Electricity Generation and Transmission¹, 230.35 lakh in Trade and 206.85 lakh in Other Services) excluding those 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.

Figure 2.1 Distributions of Estimated MSMEs (Nature of Activity Wise)



**Non-captive electricity generation and transmission*

This data was based on earlier classifications of MSME, done in the year 2017.



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Statement No. 2.11: Comparative distribution of top ten states

Sl. No.	State/UT	NSS 73 rd round*		Fourth All India Census of MSME and Fifth Economic Census**	
		Number (in lakh)	Share (%)	Number (in lakh)	Share (%)
1	Uttar Pradesh	89.99	14	44.03	12
2	West Bengal	88.67	14	34.64	10
3	Tamil Nadu	49.48	8	33.13	9
4	Maharashtra	47.78	8	30.63	8
5	Karnataka	38.34	6	20.19	6
6	Bihar	34.46	5	14.70	4
7	Andhra Pradesh***	33.87	5	25.96	7
8	Gujarat	33.16	5	21.78	6
9	Rajasthan	26.87	4	16.64	5
10	Madhya Pradesh	26.74	4	19.33	5
11	Total of above ten States	469.4	74	261.04	72
12	Other State/UTs	164.5	26	100.72	28
13	All	633.9	100	361.76	100

*NSS 73rd Round, 2015-16,

** Fourth All India Census of MSME, 2006-07 (Unregistered sector) and 5th Economic Census

***Including Telagana in Fourth All India Census of MSME

The government of India changed the norms of MSME in the year 2020, by which most of the enterprises or businesses would either come under MSME or corporate.

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Change in the definition of MSME

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.

Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs.50 cr. and Turnover < Rs. 250 Cr.

Now in the same document it also talks about creation of Udayam Portal and through which the GoI started registrations of MSMEs as per new classifications. The dash board of the Udayam Portal says

Factsheet of MSME (Udyam) Registration Including Udyam Assist Platform (UAP)					
Facts Dated:- 16/11/2023 11:00:1 AM					
Total Registration	Total Classified	Micro	Small	Medium	Total Employment
3,07,93,280	3,07,29,917	3,00,94,357	5,81,472	54,088	15,15,20,495
Factsheet of MSME (Udyam) Registration					
Total Registration	Total Classified	Micro	Small	Medium	Total Employment
2,07,94,870	2,07,31,507	2,00,95,947	5,81,472	54,088	13,97,66,434
Factsheet of Udyam Assist Platform (UAP)					
Total Registration & Classified	Micro	Total Employment			
99,98,410	99,98,410	1,17,54,061			

As per this record, the number of registered MSMEs' is only 3.07 Crores.

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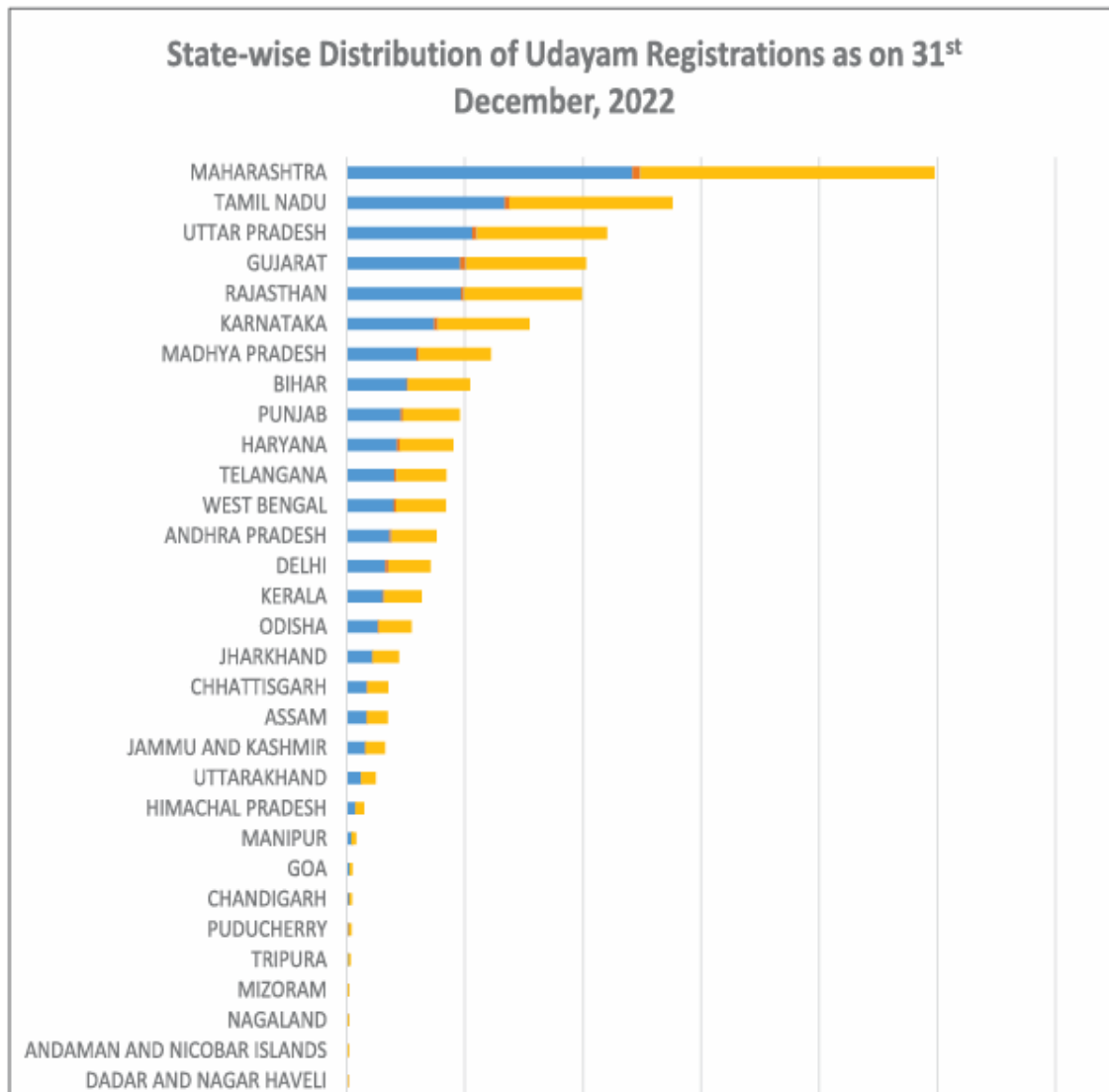


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Figure 2.13: State-wise Distribution of Udayam Registrations as on 31st December, 2022



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Questions Raised on the above – seeking clarifications:

1. The number of registrations under Udhayam Portal is not even 47% of the Data available in 2017. Does it mean many MSMEs' that existed before 2017 have wound up?
2. Is there any data on MSMEs' which have closed their operations?
3. If so – State-wise such data and Reasons for their closure?
4. If no such data is collected by the Ministry – then how will they know the need of the Sector and administer schemes to liberate them?
5. Is there any reluctance in registering with Udhayam Portal or fear among the entrepreneur to share data and registering?
6. What is the status of utilization of funds announced in 2020 under the following schemes, with **amount sanctioned and utilized along with state wise beneficiary list.**
 - Rs 20,000 crores Subordinate Debt for Stressed MSMEs
 - Rs 50,000 cr. Equity infusion for MSMEs through Self Reliant India Fund (Fund of Funds):
 - Emergency Credit Line Guaranteed Scheme (ECLGS) / Guaranteed EmergencyCredit Line (GECL):
7. What is the current share of MSMEs in the Total GDP and in Employment – state wise

Your Sincerely,

For Association of Indian Entrepreneurs,

K.E.Raguathan

Founder Chairman – **Association of Indian Entrepreneurs**

Past National President - **ALL INDIA MANUFACTURERS' ORGANISATION**

Convenor - **CONSORTIUM OF INDIAN ASSOCIATIONS**

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