

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.1703
TO BE ANSWERED ON 05.12.2024

DIGITAL TRANSFORMATION OF MSMEs

1703. SMT. PRATIMA MONDAL:

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

- (a) whether the Government acknowledges concerns raised by MSME stakeholders regarding persistent bureaucratic hurdles and high compliance costs, which remain significant barriers to sectoral growth despite initiatives announced in the Union Budget 2024-25;
- (b) the steps being taken to provide direct financial incentives for adopting sustainable and eco-friendly technologies and to ensure robust digital infrastructure and training programmes to support the digital transformation of MSMEs; and
- (c) whether the Government plans to address the lack of reliable sectoral data, which is reportedly a critical barrier to designing effective policy interventions for MSME growth and if so, the details thereof?

ANSWER

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

(a) & (b): The Government has been constantly working to address the concerns raised by MSME stakeholders regarding hurdles, burden and barriers to sectoral growth. These includes digitization and digitalization of services/ programmes, setting up single window clearances and reducing/ simplifying procedures for Ease of Doing Business (EODB). Some of the initiatives of Ministry of MSME for digitalization, financing and sustainability are Udyam Registration, MSME SAMBANDH, Micro and Small Enterprises - Green Investment and Financing for Transformation Scheme (MSE- GIFT Scheme), Micro and Small Enterprises Scheme for Promotion and Investment in Circular Economy (MSE- SPICE Scheme), MSME Sustainable ZED Certification Scheme, Prime Minister Employment Generation Programme (PMEGP), MSME SAMADHAAN, Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) etc.

The National Single Window System (NSWS) is a digital platform which guides in identifying and applying for approvals according to business requirements. The Ease of Doing Business under Department for Promotion of Industry and Internal Trade (DPIIT) is an initiative aimed at creating a conducive business environment. The key focus areas of the initiative are:

- (i) Simplification of procedures related to applications, renewals, inspections, filing records, etc.
- (ii) Rationalization of legal provisions, by repealing, amending or omission of redundant laws, and
- (iii) Digitization of government processes by creating online interfaces.

(c): The Udyam Registration Portal of this Ministry captures economic activities as per NIC 2008 Codes and provides the information regarding the Manufacturing and Service sector. Further, more than 40 API integrations have been established with various organizations and bodies. Under the portal various data points are being captured and the data derived is used in designing Policy and improvement for efficacy.
