

Udyam initiative represents a significant step towards creating a level playing field for MSMEs through digital inclusion. Explain.

The government has relaxed the registration of MSMEs during the pandemic with the Udyam - a digital registration system.

Benefits with Udyam

with Udyam MSMEs are auto registered with the Government e-market place. Bodies such as Indian railways

MSME Contribution	
31%	GDP
45%	Exports
12.4 crore	Employment

e-procurement system, India post are on board

Coem which can expand MSME footprint.

MSMEs can participate as sellers on the

Treds and RxIL, involvement which can

reduce the working capital of

MSMEs.

With ~~at~~ Udyam, MSMEs get access to
Samarudhoo Portal - ADR mechanism which can
address the delayed payment received

Udyam also simplifies getting financial
assistance from centre and states via
bill discounting and p-note discounting upto

50 crores.

As it is linked with GST and TReDS
data organized can be used to assess the
credit worthiness of MSMEs

Bottlenecks

6.3 crore MSMEs are operational and only

5.7 lakh are registered with Udyam.

Ambiguity practically regarding GSTIN despite
clarity from government and compliance cost
fears add up.

easy financial - Ease of registration with mobile
app, and tax incentives and interest subvention
measures can help foster adoption towards Udyam