GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1697
TO BE ANSWERED ON 03.08.2026

MSMEs

1697. DR. MENAKA GURUSWAMY:

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

(a) the number of MSMEs that have ceased operations during the last three years;
(b) the amount of financial assistance and credit support extended to MSMEs; and
(c) the measures taken to improve access to finance and markets?

ANSWER

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

(a): The Udyam Registration Portal (URP) was launched by Ministry of MSME on 01.07.2020 consequent upon revision of the definition of MSME classification vide notification dated 26.06.2020. Udyam Assist Portal (UAP) was launched on 11.01.2023. As on 30.06.2026, a total of 8.84 crore MSMEs have registered on URP and UAP. The details of MSMEs registered and ceased/shut down operation in the country during the last three years are as below:

No. of MSMEs which registered and ceased/shut down operations		
Year	No. of MSMEs Registered	No. of MSMEs ceased/shut down
2023-24	2,48,44,435	19,828
2024-25	2,06,03,131	39,446
2025-26	1,83,63,216	62,747

(b): As informed by Reserve Bank of India (RBI), as on 31.03.2026 the total credit outstanding to MSME sector is Rs.39.30 lakh Crore.

(c): The Government is implementing several schemes and programmes to improve access to finance and markets for MSMEs across the country. To facilitate the access to institutional credit for registered MSMEs, a number of initiatives have been taken up by the Government as detailed below:

(i) As informed by RBI, Scheduled Commercial Banks have been mandated not to accept collateral security in the case of loans up to Rs. 10 lakh extended to units in the MSE sector. The above limit has been enhanced to Rs. 20 lakh.

(ii) Prime Minister's Employment Generation Programme provides Margin Money subsidy up to 35%, for setting up of new micro enterprises, in the non-farm sector with project cost of Rs. 50 lakh for Manufacturing and Rs. 20 lakh for Services enterprises.

(iii) Ministry of MSME implements Credit Guarantee Scheme (CGS) for Micro Small Enterprises (MSEs) through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to provide credit guarantee for loans up to Rs.10 crore extended to new as well as existing MSEs by Member Lending Institutions without collateral security and third-party guarantee.

(iv) Self-Reliant India (SRI) Fund has been set up to infuse Rs. 50,000 crore as equity funding in MSMEs with a provision of Rs. 10,000 crore from the Government of India and Rs. 40,000 crore through Private Equity/Venture Capital Funds.

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

(vi) Pradhan Mantri Mudra Yojana extends collateral free credit up to Rs. 20 lakh.

(vii) Ministry of MSME implements Procurement and Marketing Support Scheme to provide financial assistance to Micro and Small Enterprises (MSEs) to enhance their market access and competitiveness. Under the Scheme eligible MSEs are provided financial assistance for participation in domestic/international trade fairs/exhibitions/expo’s Vendor Development Programmes, National Workshops/Seminars, adoption of barcodes, packaging improvement and use of digital marketing platforms such as Government e-Marketplace (GeM) and MSME Global Mart.

*****