GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION NO. 2397 TO BE ANSWERED ON 13.03.2025

SUPPORT TO MSME's

2397. SHRI SURESH KUMAR SHETKAR:

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

- (a) whether the Government proposes to enhance the investment and turnover limit for classification of all MSMEs to 2.5 and 2 times respectively to help them achieve higher efficiencies of scale, technological upgradation and better access to capital; and
- (b) if so, the details thereof along with the progress made and funds sanctioned/spent, States and district-wise?

ANSWER

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

(a) and (b): The revision in the definition of MSMEs has been announced in the Budget announcement 2025. The investment and turnover limits have been revised to 2.5 and 2 times respectively for classification of Micro, Small and Medium Enterprises (MSMEs). The details are as given below:

| Classification | Current Investment in Plant and Machinery (In Rs. Cr.) | Investment in Plant and Machinery (In Rs. Cr.) | Current Turnover (In Rs. Cr.) | Turnover (In Rs. Cr.) |
|----------------|--|--|-------------------------------------|-----------------------|
| Micro | 1 | 2.5 | 5 | 10 |
| Small | 10 | 25 | 50 | 100 |
| Medium | 50 | 125 | 250 | 500 |

By increasing the investment and turnover limits for classification, MSMEs may achieve greater efficiencies of scale, technological upgradation and better access to capital, while retaining the status and benefits of existing MSME schemes.

The Central Government supplements the efforts of the State/UT Government in supporting MSMEs through its various schemes, programmes and policy initiatives, which inter alia include Prime Minister's Employment Generation Programme, Special Credit Linked Capital Subsidy Scheme, Credit Guarantee Scheme for Micro and Small Enterprises (MSEs), PM Vishwakarma Yojana, Pradhan Mantri Mudra Yojana etc.
