

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3235**  
**TO BE ANSWERED ON 20.03.2025**

**SUPPORT TO MSMEs**

3235. SMT. KAMALJEET SEHRAWAT:  
SHRI VISHWESHWAR HEGDE KAGERI:  
SHRI MITESH PATEL BAKABHAI:  
SHRI DUSHYANT SINGH:  
SHRI YADUVEER WADIYAR:  
SHRI JUGAL KISHORE:  
SHRI HASMUKHBHAI SOMABHAI PATEL:  
SHRI MADHAVANENI RAGHUNANDAN RAO:  
SHRI JAGDAMBIKA PAL:

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

- (a) the manner in which the increase in investment and turnover limits for MSME classification impact small businesses and their ability to expand;
- (b) the measures in place to ensure that MSMEs can fully utilize the additional working capital provided under the revised classification limits;
- (c) the long-term vision with the Ministry for sustaining growth in the MSME sector beyond this budget cycle, particularly in light of global economic challenges; and
- (d) the additional policy measures can MSMEs expect in the coming years to further ease access to capital and promote business expansion?

**ANSWER**

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

(a): The increase in the investment and turnover limits for classification will help Micro, Small and Medium Enterprises (MSMEs) achieve greater efficiencies of scale by enabling existing businesses to expand operations through technology upgrades, innovation, and increased investment in plant, machinery, or equipment, while remaining within the MSME classification and retaining the benefits of existing MSME schemes.

(b): The revision in the definition of MSMEs has been announced in the Budget announcement 2025, thereby enhancing the ambit of the MSME sector and enabling more MSMEs to take the benefits of various initiatives, including Priority Sector Lending. Further, in Budget 2025, measures like introduction of customized Credit Cards with a Rs. 5 lakh limit for micro enterprises registered on Udyam portal and an increase in the credit guarantee cover ceiling under the Credit Guarantee Scheme for Micro and Small Enterprises from the existing Rs. 5 crore to Rs. 10 crore, leading to additional credit of Rs. 1.5 lakh crore in the next 5 years, have been announced.

(c) and (d): For sustaining growth in the MSME sector and providing support, including for business expansion and ease of access to capital, a series of measures have been undertaken, which inter-alia include schemes and programmes such as Prime Minister's Employment Generation Programme, Special Credit Linked Capital Subsidy Scheme, Credit Guarantee Scheme for Micro and Small Enterprises, PM Vishwakarma, Pradhan Mantri Mudra Yojana, Stand Up India, Self Reliant India, Fund of Funds for Startups, Micro and Small Enterprises-Cluster Development Programme, Entrepreneurship Skill Development Programme, Procurement and Marketing Support Scheme, International Cooperation scheme, Tool Rooms, Technology Centre System Programme, National SC/ST Hub, MSME Champions, Public Procurement Policy for MSEs, 2012 Order, etc.

Some additional policy measures for promotion and development of MSME announced in Budget 2025 include the following:

- (i) For Startups, the guarantee coverage amount increased from Rs.10 crore to Rs. 20 crore.
- (ii) For well-run exporter MSMEs, credit guarantee for term loans up to Rs. 20 crore.
- (iii) A new Fund of Funds, with expanded scope and a fresh contribution of another Rs. 10,000 crore.
- (iv) A new scheme for 5 lakh women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs for term loans up to Rs.2 crore during the next 5 years.

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