

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1901**  
**TO BE ANSWERED ON 11.12.2025**

**PRIVATE INVESTMENT IN MSME CLUSTERS**

1901. DR. C M RAMESH:

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

- (a) whether private investment in Micro, Small and Medium Enterprises (MSME) clusters has increased in Andhra Pradesh during the last three years and if so, the details thereof;
- (b) the steps taken to enhance credit flow and ease of doing business for MSMEs; and
- (c) whether any Central schemes are being implemented in partnership with the State agencies to promote private participation in the growth of MSMEs and if so, the details thereof?

**ANSWER**

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

(a): Ministry of MSME is implementing a Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) across the country. The Government provides financial assistance to establish Common Facility Centers (CFCs) in the existing clusters and establish/up-grade infrastructural facilities in new/existing industrial estates/areas/flatted factory complexes. It is a demand driven scheme where proposals are received from State Government to address the common needs of existing cluster in their State/UTs. The CFC proposals follow a tripartite funding pattern with share of Government of India ranges from 60%-80% and that of SPV of participants MSMEs in the range of 5%-15% while remaining share is contributed by respected State Government. The details of projects under MSE-CDP in Andhra Pradesh in last 3 years are as follows.

SI. No.	No. of Projects	Project Cost (in Crore)	Approved Government of India Grant (in Crore)
1	26	404.0252	260.98

(b) to (c): The Central Government Supplements the efforts of State Government to promote the growth of MSMEs. The Government of India, Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes and programmes aimed at promotion and development of MSME Sector in the country. These schemes/ programmes include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Entrepreneurship Skill Development Programme (ESDP), Procurement and Marketing Support Scheme (PMSS), Raising and Accelerating MSME Performance (RAMP), International Cooperation scheme, Tool Rooms, Technology Centre System Programme (TCSP), National SC/ST Hub (NSSH), MSME Champions, PM Vishwakarma etc.

Further, Government has taken a number of initiatives to support the MSME Sector for enhanced credit flow and ease of doing business for MSMEs.

- i. Collateral free loan up to a limit of Rs. 500 lakh (w.e.f. 01.04.23) to MSEs with guarantee coverage up to 90 % for various categories of loan through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) under Credit Guarantee Scheme.
- ii. Rs. 50,000 crore equity infusion through Self Reliant India Fund. This scheme has a provision for corpus of Rs.10,000 crore from Government of India.
- iii. New criteria for classification of MSMEs with higher threshold, based on Investment and Turnover, to widen the ambit of the MSME sector.
- iv. New registration of MSMEs through "Udyam Registration" for Ease of Doing Business.
- v. No global tenders for procurement up to Rs. 200 crore
- vi. Inclusion of retail and whole sale trades as MSMEs w.e.f. 02.07.2021.
- vii. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- viii. Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.
- ix. Integration of Udyam Portal and National Career Service (NCS) of Ministry of Labour & Employment, as an outcome registered MSMEs are able to search for jobseekers on NCS.
- x. Under Vivad se Vishwas – I, relief by way of refund of 95% of the deducted performance security, bid security and liquidated damages was provided to MSMEs. Relief was also provided to MSMEs debarred for default in execution of contracts.
- xi. Launch of Udyam Assist Platform (UAP) to bring the Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).
- xii. Launch of 'PM Vishwakarma' Scheme on 17.09.2023 to provide benefits to the traditional artisans and craftspeople engaged in 18 specified trades.

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