

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1997
TO BE ANSWERED ON: 11.12.2025

REVIVAL OF MSME SECTOR

1997. SHRI RAJA A:

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

- (a) the details of existing schemes to help revive Micro, Small and Medium Enterprises sector which is facing a crisis during the last five years;
- (b) whether the Government intends to provide collateral-free term loan to MSME sector for their working capital, if so, the details thereof;
- (c) whether any package covering financing, regulatory changes and technology support for MSMEs to help them grow and also compete globally, formulated, if so, the details thereof;
- (d) the number of MSME units benefited in the country, especially in Tamil Nadu, with number of employment generation; and
- (e) the details of measures taken to facilitate marketing their products, in domestic market and globally, including giving preference by various Departments, in procurement?

ANSWER

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

(a) and (b): To strengthen and support the MSME sector, the Government of India has taken various steps which, inter-alia, include the following: -

- i. Gazette Notification dated May 29, 2015 provides a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' (FRR for MSMEs). Subsequently, RBI issued instructions vide its circular no. RBI/2015-16/338 FIDD.MSME & NFS.BC.No.21/06.02.31/2015-16 dated 17.03.2016 for implementation of the same.
- ii. Emergency Credit Line Guarantee Scheme launched for businesses, including MSMEs with a provision to provide a cover for Credit Guarantee to the tune of Rs 5 lakh crore. The scheme was operational till 31.03.2023. As per a research report dated 23.01.2023 of the State Bank of India on Emergency Credit Line Guarantee Scheme, about 14.6 lakh MSME accounts of which about 98.3% were in the MSE category were saved from being NPAs.
- iii. Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs) through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to provide credit guarantee for loans upto Rs. 10 crore (w.e.f 01.04.2025) extended by Member Lending Institutions to MSEs.
- iv. Rs. 50,000 crore equity infusion through Self Reliant India Fund.
- v. New revised criteria for classification of MSMEs.
- vi. No global tenders for procurement up to Rs. 200 crores.

- vii. “Udyam Registration” for MSMEs, for Ease of Doing Business
- viii. Launching of an online Portal “Champions” in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.
- ix. Inclusion of Retail and Wholesale traders as MSMEs as well as street vendors for availing the Priority Sector Lending.
- x. non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- xi. Launch of Udyam Assist Platform (UAP) on 11.01.2023 to bring Informal Micro Enterprises (IMEs) under the formal ambit for availing the benefit under Priority Sector Lending (PSL).

(c): Ministry of MSME implements MSME Champions scheme with a holistic approach to unify, synergize, and converge various schemes with common purpose. The end objective is to pick up enterprises and modernize their processes, reduce wastages, sharpen business competitiveness, and facilitate their national and global reach and excellence. There are 3 components under the MSME Champions scheme which include MSME-Sustainable (ZED) Certification Scheme, MSME-Competitive (Lean) Scheme and MSME-Innovative (Incubation, Design & IPR) Scheme.

(d): The details of MSMEs benefitted under major schemes of Ministry of MSME are as under:

- i. The details of the number of MSMEs registered on Udyam and UAP along with estimated employment generated are as under:

MSMEs registered on Udyam and UAP since 01.07.2020 to 30.11.2025		
	No of MSMEs registered	Estimated Employment Generated
All India	7,23,32,260	31,66,13,901
Tamil Nadu	57,86,295	2,99,45,213

- ii. The details of the credit guarantees approved and estimated employment generated under the CGS for MSEs are as under:

CGS- Guarantees Approved			
Cumulative since inception in 2000 till 30.11.2025			
	No. of Guarantees Approved	Amount Approved (in Rs. Crore)	Estimated Employment Generated (in lakh)
All India	1,30,63,982	11,84,872	361
Tamil Nadu	9,87,608	88,744	64

- iii. The details of the no. of units benefitted under Prime Minister Employment Generation Programme (PMEGP) are as under:

PMEGP			
Cumulative since inception till FY 2024-25			
	No. of units assisted	Margin Money Subsidy (in Rs. Crore)	Estimated Employment Generated
All India	10,71,014	29,249	87,25,194
Tamil Nadu	70,520	1,828	6,55,203

(e): The Ministry of MSME vide Gazette Notification No. S.O. 581(E), dated 23rd March, 2012 notified the Public Procurement Policy for MSEs, Order, 2012. The Policy (amended in 2018) mandates 25% annual procurement from MSEs by Central Ministries/Departments/Central Public Sector Enterprises (CPSEs), including 4% from MSEs owned by SC/ST and 3% from MSEs owned by Women entrepreneurs.

Ministry of MSME implements Procurement & Marketing Support (PMS) Scheme to enhance marketability and market access of products and services of MSEs. The Scheme supports market access initiatives such as organising/participation in national & international trade fairs/exhibitions, vendor development programmes (VDPs), adoption of e-commerce platform (MSME Global Mart), adoption of bar-code, national workshops/ seminars.

Further, International Cooperation Scheme provides financial assistance to facilitate visits/participation of MSMEs in international exhibitions/fairs/buyer-seller meets and for organizing international conferences/seminar/workshops in India. Under this scheme, financial support is also provided to the first-time Micro & Small exporters on Registration-cum-Membership Certification (RCMC) with Export Promotion Councils (EPCs), Export Insurance Premium and Testing & Quality Certification for exports.

Ministry of MSME has developed a dedicated support system for export promotion in MSME Sector in the country by establishing 65 Export Facilitation Centres (EFCs) in its field organizations namely MSME-Development and Facilitation Offices, MSME Technology Centres and MSME Testing Centres.
