

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
STARRED QUESTION NO. * 391.
TO BE ANSWERED ON 19.03.2026

INFRASTRUCTURE BOTTLENECKS FACED BY MSMEs

*391. SHRI SANJAY DINA PATIL:
PROF. VARSHA EKNATH GAIKWAD:

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

- (a) whether a large number of Micro, Small and Medium Enterprises (MSMEs) in Mumbai and Mumbai Metropolitan Region (MMR) continue to face structural constraints such as high rentals, infrastructure bottlenecks and cost of compliance and if so, the details thereof;
- (b) whether the Government has examined the gap between the large number of MSMEs registered on the Udyam Portal in Mumbai and their actual access to institutional credit, common infrastructure facilities, skilling programmes and market linkages and if so, the details thereof;
- (c) whether a significant proportion of Udyam-registered MSMEs in Mumbai remain inactive or operate below capacity due to delayed credit disbursal, regulatory burden and limited access to public procurement and if so, the details thereof;
- (d) whether the outcome-based monitoring of employment generation claimed by MSME schemes has been undertaken specifically for Mumbai, if so, the details thereof; and
- (e) the measures proposed to ensure that MSME registrations in Mumbai translate into sustainable growth, competitiveness and quality employment?

ANSWER

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI JITAN RAM MANJHI)

(a) to (e): A statement is laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. *391 FOR REPLY ON 19.03.2026.

(a) to (e): The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for overall development and promotion of Micro, Small and Medium Enterprises (MSMEs). These initiatives are aimed at providing ease of doing business, reducing compliance burden and the cost of compliance for MSMEs, strengthening the sector and providing infrastructure support to MSMEs across the country, including those located in Mumbai and Mumbai Metropolitan Region (MMR) in the state of Maharashtra.

The Ministry of MSME launched Udyam Registration Portal (URP) on 01.07.2020 to facilitate ease of registration for MSMEs. The registration is fully online, paperless and based on self-declaration. A registered enterprise becomes eligible to avail the benefit of various schemes of the Ministry of MSME, subject to eligibility criteria.

Since the launch of URP, a total of 7.82 crore MSMEs, including Informal Micro Enterprises (IMEs) have registered on URP, as of 28.02.2026. Enterprises de-register or show closure on the Portal due to a number of reasons such as change in the company owner, certificate not required anymore, duplicate registration and such other reasons. The details of registration of enterprises are given below:

Details of MSME Registration and De-registration, as per Udyam Registration Portal:				
Data pertains to	Total MSME Registered (from 01.07.2020 till 28.02.2026)	Total MSME De-registered (from 01.07.2020 till 28.02.2026)	% of De-registered MSMEs vis-a vis registered MSMEs	
All India	7,82,97,060	1,37,189	0.17	
Maharashtra	1,01,43,173	32,915	0.32	
Mumbai	5,78,435	2,344	0.40	
Mumbai Suburban	6,04,903	2,850	0.47	

Schemes like Credit Guarantee Scheme (CGS), SRI Fund, PM Mudra Yojana, PM Vishwakarma, Prime Minister Employment Generation Programme, etc., are implemented by Government of India to facilitate access to institutional credit by MSMEs. The figures may kindly be referred in this regard:

Data pertains to	Credit Outstanding to MSMEs in Rs. Crore (as per RBI and SLBC)	CGTMSE- No. of guarantees approved (from 2000 till 28.02.2026)	CGS Guarantees Amount approved in Rs. Crore (from 2000 till 28.02.2026)	PMEGP Cumulative Project costs of established micro enterprises in Rs. Crore (FY 2021-22 to FY 2025-26, upto 18.03.2026)
All India(as on 31 st Dec 2025)	36,79,594.88	1,39,39,040	13,16,741	44,827.24
Maharashtra (as on 31 st March 2025)	4,57,942.31	11,58,843	1,66,366	2,208.68
Mumbai	NA	1,94,121	37,679	6.29
Mumbai Suburban	NA	17,606	3,517	28.25

The World Bank supported “Raising and Accelerating MSME Performance” (RAMP) Scheme aims to scale up the implementation capacity and coverage of MSMEs by fostering innovation, improving practices and processes, enhancing market access, promoting greening initiatives, scaling up guarantees to women-owned micro and small enterprises etc. The physical and financial progress of the approved projects under RAMP with respect to all the States/UTs including Maharashtra is monitored on a regular basis by conducting SIP-Implementation Plan (IP) review meetings and through National MSME Council meetings. The details of total fund allocation, released amount and utilization under RAMP in the State of Maharashtra are given as under:

Sl. No.	Details of fund status for Maharashtra (In Rs. Crore)		
	Total approved	Total Released	Total Utilised
1.	194.50	48.7578	21.43

Micro and Small Enterprises (MSEs) - Cluster Development Programme (CDP) of Ministry of MSME aims to enhance the productivity and competitiveness of MSEs by adopting cluster development approach by extending financial assistance as GoI grant 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. These proposals under the scheme are received from the State/UT Governments to address the common needs of existing cluster in their States/UTs.

Status of CFCs & IDs under MSE-CDP in State of Maharashtra				
State	CFC		ID	
	Ongoing	Completed	Ongoing	Completed
Maharashtra	31	18	0	5

With the objective of enhancing market linkages for MSMEs the Ministry of MSME, Government of India notified the Public Procurement Policy for Micro and Small Enterprises (MSEs), Order, 2012 (as amended in 2018), which 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. As per MSME SAMBANDH Portal, a procurement of Rs. 93,272.88 crore was done in F.Y. 2024-25 from MSEs across the country, including in Maharashtra. Procurement and Marketing Support Scheme extends benefits to MSEs for market access through participation in Trade Fairs/ Exhibitions, Vendor Development Programmes, adoption of Modern Packaging Technique, e-Commerce platforms, etc.

Entrepreneurship and Skill Development Programme (ESDP) aim to promote new enterprises, build capacity of existing MSMEs and inculcate entrepreneurial culture in the country. The progress of ESDP scheme in Maharashtra in three years, including current financial year are as given below:

S. No.	Financial Year	No. of Programmes Conducted	No. of Beneficiaries
1.	2023-24	386	16669
2.	2024-25	1338	56200
3.	2025-26 (Till 16.03.2026)	1104	46364

Through these initiatives, employment has been generated. 7.82 crore MSMEs registered on Udyam Registration Portal have reported total employment of 34.50 crore as of 28.02.2026.

As per the third party evaluation study conducted by Ministry of MSME, covering sample of select 28,200 units assisted under PMEGP across the country between 2008-09 and 2023-24, it has been suggested that PMEGP contributes positively to employment generation with each unit generating an average of nine jobs, income growth, profitability and overall development outcomes of the beneficiaries.

Growth in MSME sector in last 3 years:

Data pertains to	All India		Maharashtra		Mumbai		Mumbai Suburban	
	2023	2026 (as on 28-02-2026)	2023	2026 (as on 28-02-2026)	2023	2026 (as on 28-02-2026)	2023	2026 (as on 28-02-2026)
Udyam Registrations	1,64,34,179	7,82,97,060	28,04,756	1,01,43,173	1,99,399	5,78,435	2,23,225	6,04,903
Employment as per Udyam	10,79,71,729	34,49,18,409	1,39,11,123	3,44,66,311	15,82,610	27,52,791	14,24,933	27,32,613
Cumulative Credit Guarantees amount approved (Rs. Cr)	4,26,556	13,16,741	50,834	1,66,366	10,390	37,679	1,398	3,517

Ministry of MSME, through its field offices, regularly organizes outreach programmes in coordination with MSME/Industry Departments of States/UTs concerned including District Industries Centres (DICs) and other stakeholders like CGTMSE, SIDBI, Banks, MSME Associations, etc. to create awareness about the benefits of the Schemes.