

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4408**  
**TO BE ANSWERED ON: 19.03.2026**

**FRAUDS UNDER MSME SCHEMES**

4408. SHRI SUDAMA PRASAD:

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

- (a) whether the Government is aware of recent cases where individuals and entities have been defrauded by fake persons claiming to facilitate credit and loans under Micro, Small and Medium Enterprises (MSMEs) schemes and if so, the details thereof;
- (b) the total number of such cases reported/registered across the country during the last five years, State-wise along with the quantum of money involved, scheme names misused and the action taken in this regard;
- (c) whether the Government has data on identified fake agencies/intermediaries misusing the names and logos of MSME and Government schemes or other MSME credit initiatives and if so, the details thereof; and
- (d) whether the Government proposes constituting a committee or bringing any legislative or policy changes to enhance security, increase penalties for fraudsters targeting MSME beneficiaries and protect genuine MSME entrepreneurs from such fraud practices and if so, the details thereof?

**ANSWER**

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

(a) to (d): All credit related schemes of Ministry of Micro, Small and Medium Enterprises (MSMEs) are implemented through Banks/Financial Institutions. Further, Ministry of MSME, through its field offices, regularly organizes outreach programmes in coordination with MSME/ Industry Departments of States/UTs concerned and other stakeholders such as Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Small Industries Development Bank of India (SIDBI), Banks, MSME Associations etc. to create awareness and disseminate information among MSMEs in the country. Ministry of MSME, vide letter no. No. 1(12)/CLCSS/Misc/Fake Loans /2020-21 dated 18.09.2020, issued advisory to all MSMEs not to fall prey to offers made by such fraudsters either directly or through website/phone calls etc.

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