ECONOMY AND YOU

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MSMEs under the BJP: enterprise and self-employment under pressure

Highest in the six years of the Government's Udyam record, 2020-21 to 2025-26. In 2025-26, up to 28 February 2026, 58,403 MSMEs were recorded as closed or shut down, nearly three times the 19,828 of 2023-24.

An evidence-based assessment of business setbacks, policy shocks and delivery failures

Source: Rajya Sabha Unstarred Question 3462, answered on 23 March 2026, year-wise table, repeated in Unstarred Question 4089 of 30 March 2026; Udyam Registration Portal and Udyam Assist Platform. The 2025-26 count covers eleven months..

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Evidence checked to 23 November 2026

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THE FINDINGS

The condition of MSME businesses

MSME closures recorded by the Government rose in every year of its Udyam record. Its year-wise table counts 19,828 MSMEs closed or shut down in 2023-24, 39,446 in 2024-25 and 58,403 in 2025-26 up to 28 February 2026, the highest of the six years from 2020-21. Separately, the Government's account table shows MSME loan accounts at scheduled commercial banks, excluding regional rural banks, falling from 257.45 lakh in 2023-24 to 241.68 lakh in 2025-26, which is 15.77 lakh fewer accounts. [RS Unstarred Question 3462, 23 March 2026, year-wise table; LS Unstarred Question 787, 23 July 2026, Annexure II, Total row.]

The BJP years contain documented setbacks. An RBI-hosted study by Harendra Behera and Garima Wahi found that demonetisation deepened an existing slowdown in MSME credit. It also linked the GST transition to export pressures through delayed refunds and blocked working capital. The same study recorded a later credit recovery and did not find a significant overall GST effect on credit. The research is dated, and its authors make no finding of permanent sector-wide damage. [Mint Street Memo 13,17 August 2018, abstract and conclusion.]

The financial damage was visible in firms' own reports of the pandemic period. A ministry-commissioned SIDBI survey of 1,029 MSMEs found that more than half of respondents reported a revenue fall exceeding 25% in FY 2020-21, while around 66% reported lower profitability. These were respondent outcomes, not a national closure census or an isolated estimate of lockdown policy. [Lok Sabha Starred Question 32, 3 February 2022, PDF page 2.]

Later records show continuing weaknesses beyond credit. ASUSE reports a 2.29% nominal decline in value added per other-services establishment between its 2023-24 and 2025 rounds. These different measures do not identify how many distinct entrepreneurs lost viable businesses. [ASUSE 2025, Figure 17.]

The BJP Government must answer for documented policy disruption and persistent failures in payments, access to finance, compliance and investment support. The central test is whether productive self-employment supports a viable business, with sales, retained earnings, affordable finance and capacity to survive.

Raw ASUSE analysis places 87.5% of the 58.47 lakh net establishment increase in establishments reporting no outstanding business loan from any source. The share of covered establishments with an outstanding commercial-bank business loan fell from 4.08% to 3.80%. The expansion of enterprise activity has therefore not brought a similar rise in this reported borrowing category.

Sources: [1] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06. [2] Behera and Wahi, How have MSME Sector Credit and Exports Fared?, RBI Mint Street Memo13, 2018-08-17, Abstract; sectionIII andTable3; sectionIV conclusion. [3] Lok Sabha Starred Question 32: Impact of COVID-19 pandemic on MSME sector, 2022-02-03, PDF page 2, statement (a) to (d). [4] Rajya Sabha Unstarred Question 1855: Closure of MSMEs in the country, 2025-03-17, PDF page 1, answer; PDF page 3, Annexure I, total row. [5] Access to Formal Credit for MSMEs, 2026-07-23, Annexure II, PDF page 4, national Total row and source note; question/answer page 1. [6] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [7] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100.

BANK CREDIT AND ENTERPRISE NUMBERS

Why more establishments can coexist with fewer loan accounts

These sources measure different populations and different events.

The cited RBI returns do not count businesses that closed. They report the number of MSME loan accounts in the covered scheduled commercial banks, excluding regional rural banks. A lower account stock is a net change after all additions, exits and classification changes. It does not disclose gross account closures or identify distinct enterprises that stopped trading.

ASUSE estimates operating unincorporated non-agricultural establishments in manufacturing, trade and other services, whether or not they hold a formal bank loan. It does not enumerate every enterprise in the statutory MSME category. Its 2025 round counts more establishments than the 2023-24 round.

Both results can be correct. Raw ASUSE analysis now shows that 99.7% of its net establishment increase is outside reported outstanding commercial-bank business borrowing. It does not identify the cause of the RBI account-stock decline. The two populations and periods differ, and the bank comparison crosses the April 2025 MSME classification change.

Measure	Earlier observation	Later observation	What the change means
RBI MSME loan accounts; SCBs excluding RRBs	243.15 lakh; FY 2024-25	241.68 lakh; FY 2025-26	Net fall of 1.47 lakh, or 0.60%; not gross closures

> Publish distinct-borrower and matched enterprise evidence, with new lending access, repayments, renewals, closures and classification movements shown separately. Establish whether the expanding enterprise population is obtaining suitable finance; neither headline alone answers that question.

Loan accounts, unique borrowers, establishments and statutory MSMEs are different units. The two populations are not matched. Do not divide these totals to manufacture a formal-credit coverage rate or treat the net account fall as enterprise closures.

Sources: [1] Access to Formal Credit for MSMEs, 2026-07-23, Annexure II, PDF page 4, national Total row and bank-coverage source line; answer dated 23 July 2026. [2] MoSPI, ASUSE 2025 Factsheet, 2026-03-24, PDF pages 3-6: survey coverage and periods, changed sampling design, published 7.97% growth and Table 1; establishments are reported in hundreds. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06. [4] Gazette S.O.1364(E), MSME classification amendment, 2025-03-21, PDF p2, paragraphs1-2. [5] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [6] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100.

ASUSE BUSINESS BORROWING

Growth outside commercial-bank borrowing

99.7% of the net establishment increase is outside reported commercial-bank business borrowing.

ASUSE estimates 58.47 lakh more covered establishments in 2025 than in 2023-24. Of this net increase, 58.29 lakh was in establishments without reported outstanding commercial-bank business loans. These are weighted changes between two survey populations, and they do not identify individual new businesses.

The share of all covered establishments with an outstanding commercial-bank business loan fell from 4.08% to 3.80%. The rise in the overall count therefore did not bring a similar rise in establishments reporting this form of debt.

ASUSE measure	2023-24	2025
Covered establishments (crore)	7.33995	7.92465
Commercial-bank borrowers as a share of covered establishments	4.08%	3.80%

The share of establishments with commercial-bank debt fell while the total establishment count rose.

Commercial-bank borrowing is ASUSE source code 1103. Cooperative banks and societies are combined in a different code; government-sanctioned loans routed through banks are recorded under schemes. Excluding all three categories, 97.3% of the net increase remains outside them. This broader category is not a precise all-bank measure.

Sources: [1] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [2] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06.

ASUSE BUSINESS BORROWING

Where the net establishment increase appears

87.5% of the net increase is in establishments reporting no outstanding business loan from any source.

The mutually exclusive groups below divide the 58.47 lakh net increase. Establishments with commercial-bank debt are placed in the first group even if they also borrow elsewhere. The second group may also have non-institutional borrowing.

The largest contribution, 51.14 lakh, comes from establishments with no outstanding business debt reported. Non-institutional borrowing alone contributes another 6.69 lakh. Having no reported outstanding business loan does not establish that an establishment never borrowed, was refused credit or had no need for a loan.

Outstanding business borrowing	Net change (lakh)	Share of net increase
Commercial-bank borrowing	0.18	0.31%
Other institutional borrowing, no commercial-bank borrowing	0.46	0.78%
Non-institutional only	6.69	11.44%
No outstanding business loan reported	51.14	87.46%
Incomplete loan amount	0.00119	0.002%

The table describes changes in population totals and says nothing about the borrowing histories of matched establishments. Rounding can affect displayed sums.

2023-24 covers October 2023 to September 2024; 2025 covers January to December 2025 and uses a changed sampling design. Personal loans are excluded by both rounds, even when used in the business. These are point estimates; a design-based significance test of the borrowing decomposition has not been completed.

Sources: [1] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [2] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06.

ASUSE BUSINESS BORROWING

Other lenders and outstanding business debt

Supplier credit expanded while average outstanding business debt fell.

ASUSE records borrowing beyond commercial banks. Establishments reporting loans from suppliers or contractors rose from 10.87 lakh to 19.99 lakh. These source counts overlap because an establishment may borrow from several lenders.

Average outstanding business loans across all covered establishments fell from Rs 53,710 to Rs 42,776, a nominal fall of 20.4%. Both rounded averages match MoSPI's published tables. The average covers borrowers and non-borrowers alike. It is not the average loan of a borrower, and it does not measure new lending.

Reported loan source	2023-24 borrowers (lakh)	2025 borrowers (lakh)
Cooperative banks and societies	4.64	3.84
Microfinance institutions/SHGs	7.26	6.61
Suppliers/contractors	10.87	19.99
Friends/relatives	15.12	12.79
Moneylenders	5.31	5.25

Supplier borrowing and average outstanding business debt moved in opposite directions. Source rows must not be added.

ASUSE outstanding business-debt balances and RBI MSME account/credit returns cover different populations and periods, and define their terms differently. Their movements do not reconcile account closures, and they do not establish changes in credit access for every statutory MSME.

Sources: [1] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [2] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06.

SECTOR COMPARISONS IN R

Manufacturing, trade and services on a fixed scope

The comparison fixes the industries and the survey scope before any count is compared.

The comparison fixes NIC 2008 industry coverage across six rounds and removes ASUSE cooperatives to match NSS exclusions. Manufacturing covers divisions 10-33 plus cotton ginning 01632; trade covers 45-47, including motor-vehicle repair. Selected services excludes finance, water supply, membership organisations and intellectual-property leasing. Electricity and residential letting 68108 are excluded.

The counts are changes between two survey cross-sections with the enterprise/establishment break, not annual growth rates or business birth counts. The count tables are kept in the Internal Report.

Sector	Fixed scope in every round
Manufacturing	NIC 2008 divisions 10-33 plus cotton ginning 01632
Trade	NIC 2008 divisions 45-47, including motor-vehicle repair
Selected services	Non-financial services; finance, water supply, membership organisations and intellectual-property leasing are excluded
Excluded in all sectors	ASUSE cooperatives (ownership code 8); electricity and residential letting 68108

Counts in lakh, calculated in R from released microdata and survey weights. All three sectors exclude cooperatives: ASUSE ownership code 8 is removed to match NSS scope. Services uses a fixed, narrower non-financial industry list. The counts are for survey-covered units, not all statutory MSMEs.

NSS counts enterprises; ASUSE counts establishments. Fixed industry coverage improves comparability but does not remove unit, geography, sampling-frame or reference-period breaks. No missing year is interpolated. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] 2010 MoSPI NSS report 549, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 22, 23, 24, 25. [2] 2015 MoSPI Ins Chap 1 Nss73, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3, 4, 5, 6. [3] MoSPI ASUSE 2025, ownership scope and Schedule ESU codes, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 28, 1165; cooperatives included, ownership code8.

SECTOR COMPARISONS IN R

Earlier manufacturing: two separate comparison windows

Retain the older evidence without joining incompatible series.

Window A uses NIC 1987 divisions 20-39, removes repair classes 3941/3942 and group 398, and restricts both rounds to own-account and non-directory manufacturing units. Directory units added in 1994-95, division 97 repair and unknown industry 99 are excluded.

Window B uses proprietary and partnership enterprises in NIC 1998/2004 divisions 15-37. Cotton ginning is excluded. Whole classes 1712 and 2892 are removed in both coding systems to avoid the changed treatment of while-you-wait textile printing and metal engraving. This deliberately removes some otherwise comparable activity.

Window	Round	Selected manufacturing (lakh)
A	1989-90	140.02
A	1994-95	119.19
B	1999-2000	141.53
B	2000-01	169.10
B	2005-06, both frames	169.52

R weighted counts. The 2005-06 Area and List frames are combined once. A and B are different subsets and must not be joined into one trend.

The 1989-90 full-round release discrepancy is unresolved; 1999-2000 has ten records without weights and a remaining publication difference. Window A retains original ownership scope; Window B restricts legal form. Survey frames, geographic coverage and record quality still differ. These selected counts have no separate published MoSPI control. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] MoSPI NSS Report 396/1, own-account and non-directory manufacture 1989-90, Original MoSPI survey report, survey period in title, Report 396/1, NSS45 July 1989-June 1990; PDF pages 8 and 12: industry 99 note and paragraph 3.1, 157.31 lakh; own-account and non-directory manufacture. [2] 1995 MoSPI Schedule 51 2pt2, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 1, 2, 3. [3] 2005-06 MoSPI Report 524, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 8, 20, 21. [4] 2005-06 MoSPI Schedule 2apt2, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3.

SECTOR COMPARISONS IN R

Earlier services and trade: what can be compared

A selected services comparison is possible; old trade retains a size break.

For 1999-2000 and 2001-02, the service subset keeps the same NIC 1998 divisions 55,63,64,71-74,80,85,90,92 and 93, and proprietary/partnership codes 1-4. It excludes transport divisions 60-62, real estate 70, membership 91, trade/repair and finance. This selected subset is smaller than either survey's full services estimate.

The 1990-91 trade package covers the wholesale, retail and other trading enterprises counted in NSS Report 444, and that report does not state a size coverage. The 1999-2000 trade-and-repair package covers all sizes within the informal proprietary/partnership scope and uses NIC 1998. These trade rows are separate baselines. A growth rate between them would mix size, ownership and industry coverage.

Scope	Round	Weighted units (lakh)
Common selected services	1999-2000	69.01
Common selected services	2001-02	95.03
Own-account/non-directory trade	1990-91	139.08
Informal trade and repair, all sizes	1999-2000	173.74

Only the first two rows share the selected services definition. The last two rows are not a like-for-like trade series. A sector missing from a sector-only NSS survey was not covered; it does not mean zero.

The 1999-2000 release and missing-weight qualifications remain. The services selection is not spliced to NIC 2008 services. Over the longer history, motor and household repairs move across trade, services and manufacturing classifications. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] 2002 MoSPI NSS 57 483 final, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 10, 17, 23, 24, 25. [2] 1999-00 MoSPI NSS 55-Schedule-2pt0, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3. [3] 1990-91 MoSPI Schedule 46 2412, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3. [4] MoSPI NSS Report 459, Informal Sector in India 1999-2000, Salient Features, Original MoSPI publication; source accessed19October2026, PDF pages 28-29: revision from Report 456 after excluding 12 unusable records; Statement 3 national total 44412.43 thousand.

SECTOR COMPARISONS IN R

What the fixed scope does and does not resolve

Common industries do not make the surveys identical.

Remaining break	How the comparison handles it
Statistical unit	NSS enterprise versus ASUSE establishment remains a break; counts are not a matched panel or all statutory MSMEs.
Industry classification	NIC 2008 is held fixed for 2010-2025. Older NIC 1987 and NIC 1998/2004 windows stay separate. The NIC 2025 repair shift in 2026 quarterly data is not brought into this annual series.
Legal form and size	ASUSE cooperatives are removed to match NSS exclusions. Other covered forms, including SHGs, remain. Registration/eligibility rules can still differ. Older windows retain their stated form/size restrictions.
Survey period	2010/2015: July-June;2021-22: April-March;2022-23/2023-24: October-September;2025: calendar year. Gaps remain and 2021-22 was pandemic-affected.
Frames and geography	Frames and 2015/2025 sampling designs differ. Some older inaccessible areas were excluded. No geographic reweighting or design-based significance test is claimed.
Weights and unresolved records	Each round retains its released weight and required annual factor. Original replication records remain. Missing weights and unmatched old publication totals are disclosed, not adjusted to fit.

R reproduces all 18 modern sector controls at publisher precision before restrictions. Selected-subset estimates are our calculations from MoSPI microdata. MoSPI has not published them separately.

Fixed industry coverage is a qualified cross-sectional comparison. It does not establish closures, new business births, loan refusals or policy causation. The RBI account-versus-business distinction remains unchanged. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] 2010 MoSPI NSS report 549, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 22, 23, 24, 25. [2] 2015 MoSPI Ins Chap 1 Nss73, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3, 4, 5, 6. [3] MoSPI ASUSE 2025, ownership scope and Schedule ESU codes, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 28, 1165; cooperatives included, ownership code8. [4] MoSPI, Quarterly Bulletin of Unincorporated Sector Enterprises, July to September 2026, 2026-11-23.

SECTOR BORROWING ON COMMON COVERAGE

Recent sector increases outside commercial-bank debt

Most of the sector increase is outside reported commercial-bank debt.

Between ASUSE 2023-24 and 2025, the manufacturing establishments with reported commercial-bank debt fall by about 0.04 lakh, so the part of the net change outside that debt is 100.3%.

For trade, 96.8% of the net change is outside reported commercial-bank debt, and for selected services 98.5%. A contribution above 100% is valid when the bank-borrower count declines.

Sector	Share of net increase	Bank-borrower change (lakh)
Manufacturing	100.3%	-0.04
Trade	96.8%	+0.45
Selected services	98.5%	+0.40

Bank means reported outstanding commercial-bank loans under source 1103. It excludes cooperative banks/societies and government-sanctioned loans routed through banks. Counts are of survey units. They do not count loan accounts or matched newly born businesses. The population is the same fixed NIC 2008 manufacturing, trade and selected non-financial service coverage, excluding ASUSE cooperatives. Small explicit missing amounts are retained as uncertain status. Displayed sums can differ through rounding.

These are differences between weighted populations. They do not trace the loan histories of the same establishments. Both rounds explicitly exclude personal loans even when used for business. Field periods and 2025 sampling design differ. No confidence interval, loan-refusal or causal closure claim follows. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] MoSPI ASUSE 2023-24, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 140, 141, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [2] MoSPI ASUSE 2025, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 143, 144, 145, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [3] MoSPI ASUSE 2025, ownership scope and Schedule ESU codes, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 28, 1165; cooperatives included, ownership code8.

SECTOR BORROWING ON COMMON COVERAGE

Sector borrowing: 2015-16 to 2025, with definition breaks

The longer comparison also shows increases outside commercial-bank debt.

On the same selected industry and non-cooperative scope, the count of reported bank-borrower manufacturing units declines by 0.61 lakh between 2015-16 and 2025, and for trade by 1.27 lakh. Their contributions outside commercial-bank debt are 103.4% and 111.1% of the net change.

For selected services, 99.5% of the net change is outside reported commercial-bank debt, and its bank-borrower count rises about 0.51 lakh. Small changes in uncertain-status weights complete the accounting identity.

Sector	Share of net increase	Bank-borrower change (lakh)
Manufacturing	103.4%	-0.61
Trade	111.1%	-1.27
Selected services	99.5%	+0.51

Bank means reported outstanding commercial-bank loans under source 1103. It excludes cooperative banks/societies and government-sanctioned loans routed through banks. Counts are of survey units. They do not count loan accounts or matched newly born businesses. The population is the same fixed NIC 2008 manufacturing, trade and selected non-financial service coverage, excluding ASUSE cooperatives. Small explicit missing amounts are retained as uncertain status. Displayed sums can differ through rounding.

This is a qualified historical comparison: NSS counts enterprises and ASUSE establishments. The 2023-24/2025 instructions explicitly exclude personal loans used in business; identical wording is not established for earlier rounds. Reference dates, frames, geography and designs also differ. These figures do not certify a constant-definition ten-year credit-access trend. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] MoSPI NSS 73 2015-16 Schedule2.34, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 22; source1103 commercial banks; amount column3 and separate interest column4. [2] MoSPI ASUSE 2025, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 143, 144, 145, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [3] 2015 MoSPI Ins Chap 1 Nss73, Publisher documentation for the stated survey round; read 19 October 2026, PDF pages 2, 3, 4, 5, 6.

SECTOR BORROWING ON COMMON COVERAGE

Cooperative and scheme credit: a broader sensitivity

A pure all-bank-only measure cannot be separated from the combined source codes.

The first column below excludes positive outstanding commercial-bank loans (source 1103). The broader column also excludes cooperative banks/societies (source 1104) and government schemes (source 1102). The broader calculation removes some non-bank credit too, because societies and government schemes are combined categories.

Removing cooperative establishments from survey coverage and counting loans from cooperative lenders are different operations. The population exclusion is unchanged; non-cooperative establishments can still borrow from cooperative banks and societies.

Sector	Latest increase outside commercial-bank debt	Latest increase outside commercial/cooperative/scheme debt
Manufacturing	100.3%	101.7%
Trade	96.8%	98.0%
Selected services	98.5%	100.4%

Shares refer to ASUSE 2023-24 to 2025, on the same common coverage. Outstanding debt is a stock; an establishment may have repaid a loan, used personal borrowing, used other finance or had no borrowing need.

The broader measure is a sensitivity calculation. It does not count establishments without loans from every bank. Percentages can exceed 100% when debt-bearing groups shrink. Missing-data allocation bounds are separate from statistical confidence intervals. The common-sector population and borrowing counts are survey-covered units without an MSME size filter. Statutory ceilings are assessed separately in the constant-limit classification calculation; do not label the earlier totals as all statutory MSMEs.

Sources: [1] MoSPI ASUSE 2023-24, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 140, 141, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [2] MoSPI ASUSE 2025, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 143, 144, 145, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions.

BUSINESS HEALTH

How to assess the health of MSME businesses

Business-health test	Evidence used here	What remains unmeasured
Liquidity and working capital	Pending payment claims and a dated Government-buyer overdue balance	Actual supplier receipts, collection times and the share of firms under cash stress
Credit availability	RBI account stocks, MUDRA annual accounts and DRSC branch findings	Distinct borrowers, unmet applications and reasons for account changes
Cost of finance and compliance	DRSC evidence on charges, collateral and implementation; payment-law duties	A current representative all-MSME effective borrowing-cost and compliance-cost distribution
Fiscal treatment	Ministry budget execution, scheme provisions and corporate-tax context	Direct scheme benefits and effective tax incidence by legal MSME size and legal form
Market access and investment	CPSE procurement shares and technology-centre delivery	Orders, sales, capacity utilisation and investment outcomes for beneficiary firms
Profitability, productivity and solvency	SIDBI respondent revenue and profit setbacks in FY 2020-21; ASUSE other-services GVA per establishment	No representative current all-MSME profit-margin, debt-service or insolvency series is established by this study
Enterprise survival	Udyam shutdown deregistrations rose in a dated table; later answers list broader administrative reasons	Verified business births, survival and cessation, with accounts and reasons

Sources: [1] Access to Formal Credit for MSMEs, 2026-07-23, Annexure II, PDF page 4, national Total row and source note; question/answer page 1. [2] Delayed payments to MSMEs, 2026-08-03. [3] Delayed payments to MSMEs, 2026-07-27. [4] RBI Annual Report 2025-26, Chapter IV, 2026-05-29, Bank Credit to MSMEs table (IV.3 in 2022-23 onwards; IV.5 in 2021-22). [5] Industry Committee Report 333, MSME Demands for Grants 2026-27, checked 19 October 2026. [6] Union Budget 2026-27, Notes on Demands for Grants, Demand 68, 2026-02-01. [7] Effect of economic factor on MSMEs, 2026-08-10. [8] Lok Sabha Starred Question 32: Impact of COVID-19 pandemic on MSME sector, 2022-02-03, PDF page 2, statement (a) to (d). [9] Rajya Sabha Unstarred Question 1855: Closure of MSMEs in the country, 2025-03-17, PDF page 1, answer; PDF page 3, Annexure I, total row. [10] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06. [11] Economic Survey 2024-25, Chapter 5: Medium Term Outlook, 2025-01-31, Held combined PDF pages 193 and 195; printed pages 148 and 150; paragraphs 5.34-5.36 and 5.45.

BJP PERIOD: THE EVIDENCE

What deteriorated during the BJP years

Period and evidence	Setback or outcome	What the evidence permits
Demonetisation; RBI-hosted research published 17 August 2018	MSME credit growth weakened further during the demonetisation phase.	The study also found that slowdown had begun earlier and that credit growth later recovered. This is not an estimate of permanent losses.
GST transition; the same dated study	Refund and input-tax-credit delays put pressure on exporters' working capital.	The authors found more adverse export effects from GST implementation; no significant overall GST effect on MSME credit was established.
FY 2020-21; SIDBI survey reported February 2022	More than half of 1,029 respondents reported revenue down more than 25%; around 66% reported lower profitability.	A sample finding of firm distress; 67% temporary closure is not permanent failure or a national closure census.
FY 2023-24 to FY 2025-26 up to 28 February 2026; March 2026 answers	Recorded closures rose from 19,828 to 39,446 and to 58,403.	A higher recorded count in every year; the 2025-26 count covers eleven months. No national failure rate or policy-causal closure count is inferred.
FY 2023-24 to FY 2025-26; July 2026 parliamentary table of RBI returns	MSME loan accounts fell by 15.77 lakh, from 257.45 lakh to 241.68 lakh.	SCBs excluding RRBs. A stock-account decline is not a count of lost businesses or unique borrowers.
ASUSE 2023-24 to 2025; other services	Nominal value added per establishment fell 2.29%.	A specific deterioration in covered other-services market establishments, not a fall in all MSMEs' profits.
Recent fiscal and delivery record	Budget execution, SC/ST procurement, payment recovery and technology delivery show identified gaps.	These support targeted accountability. They are not substitutes for evidence of firm margins, solvency or survival.

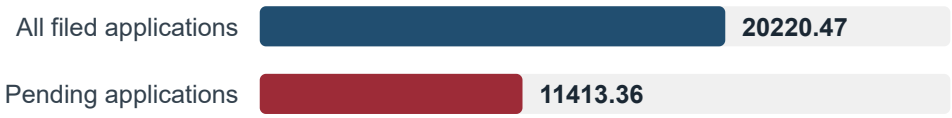
Sources: [1] Rajya Sabha Unstarred Question 3462: Unemployment in MSMEs due to closures, 23 March 2026, Answer (a) and (b), year-wise table of MSMEs closed or shut down. [2] Access to Formal Credit for MSMEs, 2026-07-23, Annexure II, PDF page 4, national Total row and source note; question/answer page 1. [3] Behera and Wahi, How have MSME Sector Credit and Exports Fared?, RBI Mint Street Memo13, 2018-08-17, Abstract; sectionIII andTable3; sectionIV conclusion. [4] RBI Annual Report 2025-26, Chapter IV, 2026-05-29, Bank Credit to MSMEs table (IV.3 in 2022-23 onwards; IV.5 in 2021-22). [5] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06. [6] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2021-22, full report, 2024-07-31, PDF page 47, Statement 2 and pandemic-period survey note; April 2021 to March 2022. [7] NSS Report 582, Economic Characteristics of Unincorporated Non-Agricultural Enterprises, 2015-16, NSS Report 582, 73rd round July 2015 to June 2016; published 2018, PDF pages 10 and 56; all-India enterprise estimate; construction excluded. [8] Industry Committee Report 333, MSME Demands for Grants 2026-27, checked 19 October 2026. [9] Lok Sabha Starred Question 32: Impact of COVID-19 pandemic on MSME sector, 2022-02-03, PDF page 2, statement (a) to (d). [10] Economic Survey 2024-25, Chapter 5: Medium Term Outlook, 2025-01-31, Held combined PDF pages 193 and 195; printed pages 148 and 150; paragraphs 5.34-5.36 and 5.45.

POINT 01

Recover suppliers' money to restore working capital

An August 2026 parliamentary answer records Rs 11,413.36 crore pending in delayed-payment applications filed during 2023-24 to 2025-26. It does not report actual supplier receipts.

Value of applications filed in FY 2023-24 through FY 2025-26; status reported 3 August 2026. Pending claims are part of filed claims. · Rs crore, disputed claim values · scale 0 to 30000



An MSME needs cash to purchase inputs, meet its bills and keep trading. A complaint number does not establish that cash reached the business. Rajya Sabha Unstarred Question 1701, answered on 3 August 2026, records 1,19,445 applications involving Rs 20,220.47 crore filed during FY 2023-24 through FY 2025-26. Of these, 59,919 applications involving Rs 11,413.36 crore were pending. The latter amount is 56.44% of the value in the filed applications. [Answer, page 1, status table.]

The question that matters for financial health is recovery. The response grouped the remaining cases as disposed, or mutually settled or rejected. It recorded 16,159 disposed applications involving Rs 2,579.70 crore, and 43,367 mutually settled or rejected applications involving Rs 6,227.43 crore. These administrative categories do not establish when a supplier received money or whether the full amount was paid. They cannot be treated as a recovery statement for the businesses concerned.

The pending amount is disputed claim value. It is not an adjudicated finding that every rupee is owed, and it cannot measure all delayed payments in the economy. The printed rupee components exceed the printed total by Rs 0.02 crore, a precision discrepancy that should remain visible. Incomplete applications and missing documents can contribute to delay. A fair assessment needs complete and incomplete cases separated, rather than treating all pendency as identical administrative misconduct.

The Government should track each filing cohort through settlement, award, appeal, execution and actual supplier receipt. Age bands should identify how long working capital remains disputed and the support available to enterprises completing documents. A payment-redress system should report the money received by businesses and the time taken to receive it, alongside fairness in deciding each claim.

> **The demand.** Publish filing-cohort and age-wise case outcomes, including actual supplier receipts after settlement or award, with incomplete applications reported separately.

Pending sums are disputed claims; disposal is not cash recovery; categories have a Rs 0.02 crore printed precision discrepancy.

Sources: [1] Delayed payments to MSMEs, 2026-08-03, PDFp1 answer(a),(b), status table. [2] Pendency of delayed payment cases and technology-driven redressal, 2026-08-03.

POINT 02

Government buyers should clear their overdue bills

Government buyers reported Rs 724 crore owed to MSMEs beyond 45 days at the end of June 2026. Parliament should receive the buyer-wise clearance and interest record.

The Government can demonstrate payment discipline in its own purchases. Rajya Sabha Unstarred Question 900, answered on 27 July 2026, records Rs 724 crore beyond 45 days at the end of June. The reporting universe covers Central Ministries, central public sector enterprises and Government agencies. A dated overdue balance within this universe is a concrete accountability issue, even though it is not an estimate of all private and public payment delays. [Answer, page 1.]

The same answer reports cumulative dues of Rs 48,209.46 crore and payments of Rs 31,452.73 crore. It separately records Rs 16,032 crore within 45 days. That within-time amount must not be labelled overdue. The precise balance and the rounded age buckets differ by Rs 0.73 crore. So these cells should be reproduced on their printed basis, without manufacturing an exact balance from rounded components or describing the cumulative dues as an outstanding October debt.

A separate answer of 27 July 2026 reports MSME dues outstanding on the SAMADHAAN portal of Rs 1,966.37 crore for 2023-24, Rs 2,331.63 crore for 2024-25 and Rs 2,586.46 crore for 2025-26. As on 22 July 2026, 92,193 of the 2,56,892 applications filed by micro and small enterprises since 30 October 2017 were still under process. The online dispute resolution portal had resolved 4,470 of its 26,997 cases by 14 July 2026. The counts of Question 1701 cover filings of 2023-24 to 2025-26, whereas this answer counts all filings since October 2017. [RS Starred Question 82, 27 July 2026, statement.]

The policy framework already requires action. S.O. 3507(E), dated 30 June 2026, requires operating central public sector enterprises to route MSME invoices through the Trade Receivables Discounting System, or TReDS. It also requires invoice disclosures and annual statutory auditor certification. The supplier keeps the option of whether to discount the invoice. So mandatory routing cannot be described as forcing every supplier to borrow against a receivable.

The next test is compliance and timely settlement. The Government should provide a current buyer-wise ledger showing clearance of the reported overdue bills, interest paid and reasons for continuing delay. Routing, invoice acceptance, discounting and settlement need distinct reporting. Suppliers should not have to finance a public buyer's delay merely to obtain their working capital. A published clearance schedule would make the Government's own payment performance open to scrutiny.

> **The demand.** Publish buyer-wise clearance dates for Government invoices beyond 45 days, the statutory interest paid where legally payable, and audited TReDS compliance results.

Rs 724 crore is a June 2026 reported overdue balance, not all outstanding dues or an October live balance; routing is distinct from optional discounting.

Sources: [1] Delayed payments to MSMEs, 2026-07-27, PDFp1 answer(a)to(d); corroboratedRS2487p1. [2] S.O. 3507(E), CPSE invoice routing and audit requirements, 30 June 2026, 2026-06-30, PDFp2 instructions(i)proviso,(ii),(iii). [3] CPSE compliance with TReDS onboarding before mandatory settlement, 2026-08-10, PDFp1 answer(a). [4] MSMEs closed due to delayed payments, 2026-07-27, Statement (a) and (b), PDF page 2.

POINT 03

MSME loan accounts fell in both years of the Government's table

MSME loan accounts at scheduled commercial banks, excluding regional rural banks, fell from 257.45 lakh in 2023-24 to 241.68 lakh in 2025-26, which is 15.77 lakh fewer accounts in two years. In the same answer, the share of new-to-credit entities in commercial credit fell from 55 per cent in FY 2024 to 42 per cent in FY 2026.



Lok Sabha Unstarred Question 787, answered on 23 July 2026, reports RBI priority-sector returns from scheduled commercial banks excluding regional rural banks. Accounts fell from 257.45 lakh in FY 2023-24 to 243.15 lakh in FY 2024-25 and to 241.68 lakh in FY 2025-26. That is 15.77 lakh fewer accounts in two years, a fall of 6.13%. [Annexure II, PDF page 4, national Total row.]

In the same answer, the Department of Financial Services informs that the share of new-to-credit (NTC) entities in commercial credit, as per the SIDBI and TransUnion CIBIL MSME Pulse Report of July 2026, was 55% in FY 2024, 47% in FY 2025 and 42% in FY 2026. The answer does not say whether the share is by count or by value. [Lok Sabha Unstarred Question 787, page 2, closing table.]

An account is not a distinct borrower, enterprise or person. A net fall in the account stock does not by itself count business closures or refused applicants.

The Government and RBI should provide or identify an account reconciliation and distinct-borrower series, separating new access, repayments, closures, renewals, write-offs and movement between enterprise classes. These data support an outreach question, rather than a claim that every missing account represents a failed business or an excluded entrepreneur.

> **The demand.** Provide or identify an account reconciliation and distinct-borrower series separating new access, repayments, closures, renewals, write-offs and reclassification.

SCBs excluding RRBs; accounts are not distinct borrowers; the new-to-credit share is quoted as the answer prints it.

Sources: [1] Access to Formal Credit for MSMEs, 2026-07-23, 23 July 2026, Annexure II, PDF page 4, national Total row and SCB-excluding-RRB source note. [2] Gazette S.O.1364(E), MSME classification amendment, 2025-03-21, Notification effective 1 April 2025, classification ceilings.

POINT 04

MUDRA must account for fewer annual loan accounts

MUDRA reports 6.6777 crore loan accounts in 2023-24 and 5.0027 crore in 2025-26, a fall of 25.1%. Its Shishu band, for loans up to Rs 50,000, recorded its fewest accounts in eleven years.

Financial year	Accounts, crore
2023-24	6.6777
2024-25	5.4662
2025-26	5.0027

The Pradhan Mantri MUDRA Yojana, or PMMY, is a major route for small business loans. Its opened overall-performance sheets report 6,67,77,013 accounts in 2023-24, 5,46,61,648 in 2024-25 and 5,00,26,549 in 2025-26. The decline between the first and last years is about 25.1%. [MUDRA, annual Overall Performance sheets, Total row.]

The Government must explain why the programme recorded fewer annual loan accounts. A smaller count in that band may reflect movement to larger loans, a changing demand pattern or reduced outreach. The aggregate sheets cannot identify which explanation applies to individual borrowers. The Government should make the transition evidence available.

Shishu loans, the band for loans up to Rs 50,000, numbered 1,72,97,817 in 2025-26. That is the fewest in the eleven annual sheets from 2015-16, when the scheme's first year recorded 3,24,01,046, and less than half the 4,16,28,309 of 2023-24. [MUDRA PMMY Overall Performance, 2015-16 to 2025-26, Total row, Shishu accounts.]

Annual loan accounts are not distinct beneficiaries. The same person may borrow again, and an account in a higher band may belong to a previously smaller borrower. Tarun Plus entered from 2024-25, so the programme mix also changed. The documents carry financial-year headings without explicit observation dates; the held originals were fetched on 18 September 2026. The decline is not a count of firms shut, women excluded, or applications rejected.

A programme intended to widen access should report that access directly. An annual borrower table should distinguish first loans, repeat loans, graduation between bands and rejected or pending applications. District and social-category breakdowns would help Parliament test whether outreach is becoming broader. Larger tickets can help viable firms grow, but the value increase alone does not explain the smaller annual account total.

> **The demand.** Publish unique-borrower outreach and a cohort table tracking first loans, repeat loans and movement between MUDRA loan bands.

Reported annual accounts are not unique beneficiaries; mix changed with Tarun Plus; fewer accounts do not prove denial or closure.

Sources: [1] MUDRA PMMY Overall Performance 2023-24, checked 19 October 2026, Single-page Overall Performance reports; row5Total. [2] MUDRA PMMY Overall Performance 2024-25, checked 19 October 2026, Single-page Overall Performance reports; row5Total. [3] MUDRA PMMY Overall Performance 2025-26, checked 19 October 2026, Single-page Overall Performance reports; row5Total. [4] MUDRA PMMY Overall Performance 2015-16, FY 2015-16, Single PDF page, row 5 Total, Shishu accounts. [5] MUDRA PMMY Overall Performance 2016-17, FY 2016-17, Single PDF page, row 5 Total, Shishu accounts. [6] MUDRA PMMY Overall Performance 2017-18, FY 2017-18, Single PDF page, row 5 Total, Shishu accounts. [7] MUDRA PMMY Overall Performance 2018-19, FY 2018-19, Single PDF page, row 5 Total, Shishu accounts. [8] MUDRA PMMY Overall Performance 2019-20, FY 2019-20, Single PDF page, row 5 Total, Shishu accounts. [9] MUDRA PMMY Overall Performance 2020-21, FY 2020-21, Single PDF page, row 5 Total, Shishu accounts. [10] MUDRA PMMY Overall Performance 2021-22, FY 2021-22, Single PDF page, row 5 Total, Shishu accounts. [11] MUDRA PMMY Overall Performance 2022-23, FY 2022-23, Single PDF page, row 5 Total, Shishu accounts.

POINT 05

A guarantee must work at the bank branch

Parliament's Industry Committee recorded continued collateral demands, high charges and limited rural awareness in its March 2026 examination of MSME credit guarantees.

A guarantee is useful to an enterprise only when it changes what happens at the bank. The Standing Committee on Industry's 333rd Report records concerns about collateral demands, high fees and charges, reliance on credit scores and weak awareness in rural areas. Its observations followed ground-level interactions, including November 2025 deliberations in Kolkata. They identify practical barriers within the implementation of collateral-free lending objectives. [333rd Report, printed pages 33 and 34, paragraphs 3.6 to 3.13.]

The Credit Guarantee Fund Trust for Micro and Small Enterprises, or CGTMSE, supports eligible lending by sharing specified lender risk. A guarantee approval is not the same event as money reaching a firm. It also does not prove that the enterprise survived, used the funds productively or increased viable business activity. The Committee asks for beneficiary outcomes, since guarantee volume is not a complete measure of success. That distinction should govern the Government's reporting. An earlier Finance Committee follow-up in February 2024 had also asked for action on collateral demands rather than another recital of guarantee growth. This shows the concern was raised earlier, on a dated record, and gives no national frequency estimate. [68th Report, printed pages 2 to 4.]

The Committee's field observations are qualitative evidence, not a representative estimate of how often branches impose improper conditions. Coverage percentages and eligibility vary; every covered loan is not guaranteed in full.

Branch implementation is therefore urgent. Applicants need a written explanation of charges, collateral requirements and rejection reasons under the applicable product. A borrower should have a clear escalation route when practice conflicts with a scheme's terms. Beneficiary follow-up should then establish whether approved support produced usable credit and sustained activity. Those results would show whether eligible enterprises received the support intended for them.

> **The demand.** Require written branch-level reasons for collateral and rejection decisions, publish effective borrowing costs, and independently follow guarantee beneficiaries' disbursement, turnover, survival and repayment.

Committee field observations do not establish national prevalence; eligibility and cover vary.

Sources: [1] Standing Committee on Industry, 333rd Report, MSME Demands for Grants 2026-27, 2026-03-11, pp33-34, paras3.6-3.13. [2] RBI Annual Report 2025-26, Chapter IV, 2026-05-29, Bank Credit to MSMEs table (IV.3 in 2022-23 onwards; IV.5 in 2021-22). [3] Finance, report 68: Report on action taken by the Government on the observations/recommendations contained in the 46th Report (17th Lok Sabha) on 'Strengthening Credit Flows to the MSME Sector", checked 19 October 2026, Printed pages 2 to 4/PDF pages 7 to 9, Chapter I, paragraphs 5 to 7.

POINT 06

Budget promises need an execution account

The MSME Ministry's 2025-26 net provision fell from Rs 23,168.15 crore at Budget Estimate to Rs 12,095.98 crore at Revised Estimate. Rs 9,000 crore of the Rs 11,072.17 crore cut was the emergency credit guarantee line, which fell to zero at the Revised Estimate.

Budget basis, Rs crore	Ministry net total	GECL line	PMEGP
2024-25 actual	8,230.97	0	2,277
2025-26 BE	23,168.15	9,000	2,954.42
2025-26 RE	12,095.98	0	2,548.66

A budget announcement is a promise of provision, while actual spending records execution. Demand 68 in the 2026-27 Union Budget prints a net MSME Ministry total of Rs 23,168.15 crore at the 2025-26 Budget Estimate and Rs 12,095.98 crore at Revised Estimate. The reduction is Rs 11,072.17 crore. The GECL guarantee provision moved from Rs 9,000 crore to zero, explaining 81.28% of that aggregate reduction. [Demand 68, printed pages 234 and 235.]

Most of the reduction came from the guarantee provision. A budget guarantee provision, a guarantee issued, a bank loan disbursed and a guarantee claim paid are different accounting events. The disappearance of the line at Revised Estimate does not show that Rs 9,000 crore of loans were cancelled, or that borrowers were denied that amount. Revised Estimate is also not final actual expenditure.

The Government should reconcile the chain from provision to guarantees, actual credit, claims and beneficiary outcomes. A scheme-by-scheme explanation of deviations would show whether timing, accounting or delivery caused each change. A cumulative bank-loss figure and an annual ministry budget cannot establish that chain. Parliament should be able to trace support through the full financing chain without confusing the stages.

> **The demand.** Publish a scheme-wise reconciliation of BE, RE and actual spending, linked separately to guarantees issued, disbursements, claims paid and beneficiary outcomes.

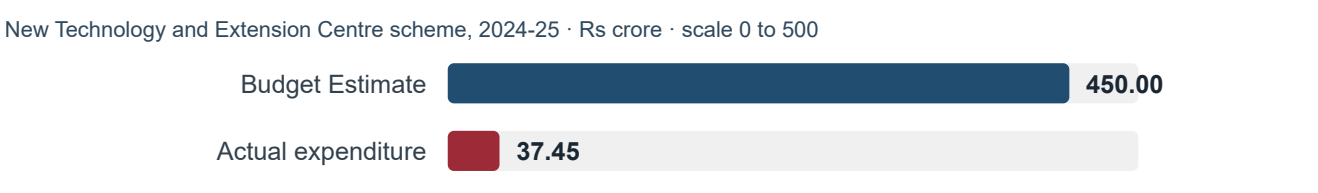
RE is not actual spending; guarantee provisions are not loans; ministry net expenditure is not all public MSME support.

Sources: [1] Union Budget 2026-27, Notes on Demands for Grants, Demand 68, 2026-02-01, PDFp1/printed234 totals; PDFp2/printed235 scheme rows8,10,23,24.

POINT 07

Technology support needs centres that open on time

The new Technology Centre and Extension Centre scheme spent Rs 37.45 crore against a Rs 450 crore budget in 2024-25. Only 25 of 100 approved Extension Centres were operational by 31 December 2025.



Small manufacturers need access to equipment, testing, skills and technical advice. The Government's new Technology Centre and Extension Centre scheme is intended to help provide that capacity. The Industry Committee's March 2026 report records actual spending of Rs 37.45 crore against a Rs 450 crore Budget Estimate in 2024-25, or 8.32% of the original provision. The same scheme's 2025-26 provision moved from Rs 591 crore at Budget Estimate to Rs 150 crore at Revised Estimate. [333rd Report, printed page 43, paragraphs 3.45 to 3.47.]

In 2023-24, Rs 9.99 crore was spent against a Budget Estimate of Rs 450 crore. Over 2023-24 and 2024-25 together, the scheme spent Rs 47.44 crore against Rs 900 crore budgeted, or 5.27 per cent. [333rd Report, page 43, table under paragraph 3.45.]

This followed a specific assurance. In the August 2025 Action Taken Report, the Ministry said the Rs 591 crore allocation was expected to be fully used for Technology Centre construction and Extension Centre machinery. The March report then records a 74.62% reduction at Revised Estimate. The Ministry has to explain what happened after its assurance of full spending. [330th Report, printed page 20, original recommendation 77 and reply.]

The physical record is just as specific. Of 100 approved Extension Centres, 25 were operational up to 31 December 2025. The count is a December observation and not a verified October 2026 inventory. The March table's interim 2025-26 actual-expenditure entry must not be presented as final-year spending. The documented constraints were State land availability, built space and a poor response to the initial partnership tenders.

The Government should now provide a centre-wise completion ledger and final 2025-26 accounts. That ledger should show land handover, tender award, construction, machinery installation and the date services became available. The Committee sought upfront State commitments and priority for ready sites. Following that sequence would connect budget approval to usable services, while making delays and responsibility visible to the enterprises waiting for support.

> **The demand.** Publish centre-wise land, tender, commissioning and service milestones, with final 2025-26 expenditure and an explanation of the earlier full-utilisation assurance.

Operational count is as at 31 December 2025; 2024-25 spending is a completed-year figure; 2025-26 RE is not final actual spending; later delivery was not verified.

Sources: [1] Industry Committee Report 330, action taken on MSME Demands for Grants 2025-26, checked 19 October 2026, Printed page 20, PDF page 28; recommendation 7, original 327th Report paragraph 77, and Action Taken Reply. [2] Industry Committee Report 333, MSME Demands for Grants 2026-27, checked 19 October 2026, Printed/PDF page 43, paragraphs 3.45 to 3.47.

POINT 08

PMEGP applicants need predictable decisions

For FY 2021-22 through FY 2025-26, the 30 July 2026 parliamentary answer reports average PMEGP stage times of 58 days for agency processing, 70 days for bank sanction and 84 days for subsidy release. These are separate stage means.

Processing stage	Reported average days, FY 2021-22 through FY 2025-26
Implementing agency	58
Bank sanction	70
KVIC subsidy release	84

An applicant planning a small enterprise needs to know when a decision will arrive. The Prime Minister's Employment Generation Programme, or PMEGP, combines bank credit with margin money subsidy. Lok Sabha Starred Question 177, answered on 30 July 2026, reports average times over 2021-22 to 2025-26: 58 days for implementing-agency processing, 70 days for bank sanction and 84 days for KVIC's subsidy release. [Answer, page 2, processing-time statement.]

These figures identify distinct administrative stages where applicants can face uncertainty. These stage means must not be added to estimate one applicant's total wait. The answer does not establish that the same applicants passed through all three stages on non-overlapping clocks. Averages also conceal the people waiting longest. A programme can report an acceptable mean while leaving an old queue unresolved. Median and upper-percentile waiting times would make that distribution visible.

The annual applications and approvals are not a linked applicant funnel. For 2025-26 the answer records 50,944 sanctions and subsidy release for 66,494 applications, which demonstrates that same-year flows can include different cohorts or carryovers.

The Union should publish release dates alongside service deadlines for each stage. Bank-wise ageing, reasons for pending decisions and automatic escalation would help applicants plan without guessing. The 2026-27 budget provision needs a delivery schedule that applicants can rely on. Predictable processing should become a reported outcome of the programme.

> **The demand.** Publish compliance against applicable PMEGP stage deadlines, identify any stage without a stated standard, and report median and 90th-percentile waits, bank-wise ageing and escalation.

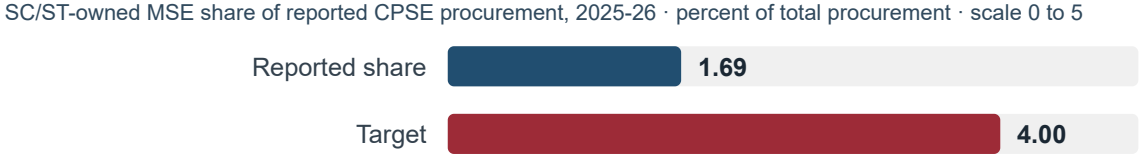
Separate stage means cannot be added; annual flows are not a common cohort.

Sources: [1] Delay in Disbursement of Financial Assistance under PMEGP, 30.07.2026, PDFp2 answer(c); PDFp6 AnnexureI totalrow; headerPDFp5. [2] Union Budget 2026-27, Notes on Demands for Grants, Demand 68, 2026-02-01, PDFp1/printed234 totals; PDFp2/printed235 scheme rows8,10,23,24.

POINT 09

The SC/ST procurement target remains unmet

SC/ST-owned micro and small enterprises received 1.69% of reported CPSE procurement in 2025-26, against the 4% target. The same table stays below target in all five years shown.



Public purchasing can open markets to entrepreneurs who struggle to enter established supply chains. The Government's 30 July 2026 Lok Sabha answer reports procurement from Scheduled Caste and Scheduled Tribe-owned micro and small enterprises at 1.69% of reported central public sector enterprise purchases in 2025-26. The target is 4% of total procurement, rather than 4% of the MSE subset. The shortfall is 2.31 percentage points. [Lok Sabha Unstarred Question 2070, page 1 and Annexure, page 2.]

The same complete table reports SC/ST shares of 0.79%, 0.89%, 1.04%, 1.73% and 1.69% from 2021-22 through 2025-26. The target was unmet in each year. The Government should set out how buyers will meet the participation target.

The denominator must remain consistent. Parliamentary procurement tables can change between answer dates, and this comparison uses the 30 July table throughout. The policy also allows purchases from other MSEs in specified circumstances when qualifying SC/ST enterprises do not participate or meet tender and price requirements. An aggregate missed target does not prove that every award was unlawful, or establish a sum legally owed to any particular supplier.

The Government should disclose buyer-wise shortfalls and the recorded tender reasons behind them. Vendor development should identify which goods and services offer feasible entry, support qualifying suppliers and track participation through actual awards. A timetable to reach the existing target would put responsibility on the procuring institutions. The test is fair access to public demand, with transparent reasons where the target cannot be met.

> **The demand.** Publish buyer-wise SC/ST procurement shortfalls, recorded tender exceptions and a dated vendor-development plan to reach 4%.

Shares use one complete parliamentary snapshot; the target is of total reported procurement; missed aggregate target does not establish every contract unlawful.

Sources: [1] Procurement of Goods from Women & SC/ST owned MSEs, 30.07.2026, PDFp2 Annexure: Annual procurement of goods and services from MSEs by CPSEs; PDFp1 answer(c). [2] Public Procurement Policy Amendment Order, S.O. 5670(E), 2018, 2018-11-09. [3] Public Procurement Policy Amendment Order, S.O. 3237(E), 2021, 2021-08-11.

POINT 10

New payment duties need proportionate enforcement

The new invoice-routing and disclosure duties took effect on 15 October 2026. The amended section 27 does not expressly name sections 15A or 22A among its penalty triggers.

Provision	Verified position at 19 October 2026
New routing and invoice disclosure duties	Effective 15 October
New Council composition	Scheduled for 15 December
Act sections 8 to 10	Not listed in opened October notification

The MSMED Amendment Act, 2026 received assent on 13 August. Its provisions must be read with commencement dates, rather than treated as one measure already operating in full. S.O. 5575(E), dated 12 October, commenced sections 7 and 13 from 15 October. These insert section 15A on CPSE invoice routing and section 22A on invoice disclosure. Both duties are current at this study's 19 October cutoff. [Act 16 of 2026, pages 3 and 5; commencement notification, page 2.]

The amended section 27 names sections 8, 22 and 26 in its penalty triggers. It does not expressly name the two new duties under sections 15A and 22A. Annual-account disclosure under section 22 is a different obligation from the new TReDS invoice disclosure under section 22A. The concern is limited to the absence of an express section 27 penalty for breach of those new duties. It does not extend to a claim that suppliers possess no remedies.

Statutory interest, contractual remedies, administrative measures and the June notification's auditor certification remain relevant. The final section 20 requires States to establish an adequate number of Facilitation Councils, while saying they may provide resources. That wording does not prove that any particular State supplied no staff or funding. The October notification schedules the replacement Council composition for 15 December. It does not list sections 8 to 10 on dispute clocks, award recovery and setting-aside procedure; any separate commencement requires verification.

The Government should close the precise enforcement gap and publish a costed Council-capacity plan with States. Reporting should distinguish effective duties from future or separately commenced provisions. Suppliers need institutions capable of deciding and executing claims, alongside a route for proportionate action against non-compliance. The Government should provide proportionate enforcement for the new duties and show how suppliers will obtain timely decisions and payment, as sought in the August speech.

> **The demand.** Provide proportionate enforcement for sections 15A and 22A and publish a funded Council-capacity plan with a provision-by-provision commencement tracker.

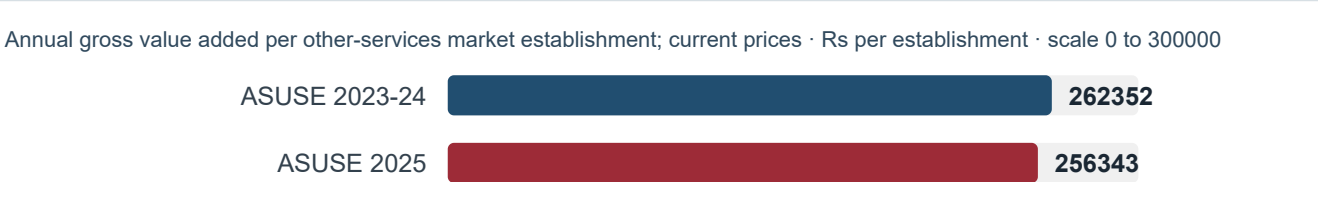
No express section 27 penalty for these duties is narrower than no legal consequence; Council composition changes in December; separate commencement of sections 8 to 10 was not verified.

Sources: [1] Micro, Small and Medium Enterprises Development (Amendment) Act, 2026, 2026-08-13, PDFp3 section7(new15A), PDFp5section13(new22A),PDFp6section14(new27); PDFp5 section11(new20) andsection12(new21). [2] S.O. 5575(E), commencement notification, 12 October 2026, 2026-10-12, PDFp2 paragraph(a),(b). [3] S.O. 3507(E), CPSE invoice routing and audit requirements, 30 June 2026, 2026-06-30, PDFp2 instructions(i)proviso,(ii),(iii).

POINT 11

Other-services businesses produced less value per establishment

ASUSE reports that nominal annual value added per other-services market establishment fell from Rs 2,62,352 in 2023-24 to Rs 2,56,343 in 2025, a decline of 2.29%. This is an enterprise-level performance measure, not employee pay.



An enterprise can remain registered and continue trading while producing less value. MoSPI's ASUSE 2025 reports annual gross value added per market establishment separately by broad activity. In other services, the figure fell from Rs 2,62,352 in the 2023-24 round to Rs 2,56,343 in 2025. Figure 17 prints the change as minus 2.29%. This is a specific business-performance deterioration within the Government's own enterprise survey. [PDF page 74,printed 48,paragraphs 3.9.2.1-2 andFigure 17.]

Gross value added is the value of production after intermediate inputs. It supports several claims on the business and is not identical to profit, cash available to the owner or employee earnings. The figures are in current prices. The two rounds also have different reference periods, October 2023 toSeptember 2024 andJanuary toDecember 2025. The comparison does not establish that the same firms became less productive.

The sector distinction must remain visible. It warrants a focused explanation of which activities and types of enterprise account for the weaker average.

The Government should provide or identify detailed activity-wise business outcomes and explain the policy response where value creation weakened. Existing data should be used to examine credit, tax-compliance assistance, demand, technology access and enterprise costs. This request does not presume that every relevant dataset is unpublished. A fall in average value added is a reason to investigate business conditions; it does not identify which policy caused the fall.

> **The demand.** Provide or identify activity-wise value-added, sales, cost and survival evidence, and explain support for other-services enterprises where average value creation declined.

ASUSE-covered other-services market establishments; current prices, differing survey periods, aggregate averages. GVA is not profit or owner income; this is not a decline in all MSMEs.

Sources: [1] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06, PDF page74,printed48,paragraphs3.9.2.1-3,Figures17 and18.

POINT 12

Measure business viability beyond the registration total

The Government counts Udyam registrations, but a registration does not establish the sales, profits, debt-service capacity or survival of an MSME business.

Measure	What the cited answers establish
Sales, profits and debt-service capacity	Not measured by these registration answers
Verified business survival or insolvency	Not identified by the administrative cancellation count

A registration can make a business visible to public programmes. It does not establish whether the enterprise is profitable, current on its debts or still trading. Rajya Sabha Unstarred Question 905, answered on 27 July 2026, says the process is based on self-declaration, with administrative integrations and a discrepancy or complaint verification route. These are registration arrangements, not a survey of firms' accounts. [Answer, page 1.]

The same distinction applies to cancellations. The 10 August answer to Question 2482 reports closed or shut-down registrations and explains that reasons include ownership change, a certificate no longer required, shutdown and others. Those administrative events do not supply a verified national insolvency rate or identify which firms became financially unviable. A register should not be treated as a set of audited business accounts. [Answer, page 1.]

What this study lacks is a representative enterprise financial-health panel. It should follow sales, operating surplus or profits, input costs, credit, overdue receivables, debt service and investment on consistent definitions. Separating micro, small and medium enterprises, legal forms and sectors would let Parliament test whether public support improves commercial viability. Registration counts cannot substitute for those outcomes.

The Government should publish a representative follow-up of registered enterprises, with verified births, continuing operations and genuine cessation. Business accounts and reasons for closure should be distinguished from administrative cancellation. The demand is to assess the condition of enterprises themselves, with a published sampling method and matched periods. This study does not claim that no other financial data exist; the cited registration answers do not answer these questions.

> **The demand.** Publish a representative MSME financial-health account covering turnover, margins, receivables, debt service, investment and survival, separately by enterprise size, sector and legal form.

Registration entries are not new firms, financial accounts or a survival cohort; cancellation has mixed reasons. The data gap refers to what this study establishes.

Sources: [1] Employment by MSMEs, 2026-07-27, PDFp1 answer(a),(b),(c). [2] Effect of economic factor on MSMEs, 2026-08-10, PDFp1 answer(a)to(c). [3] MoSPI, User Guide for ASUSE, 2 January 2026, 2026-01-02.

POINT 13

The pandemic hit the revenue and profitability of small firms

In a ministry-commissioned SIDBI survey, around 66% of respondent MSMEs reported lower profitability. More than half reported a revenue fall exceeding 25% in FY 2020-21.

Reported outcome	Respondents	Period or boundary
Revenue declined by more than 25%	More than 50%	FY 2020-21
Profitability declined	Around 66%	SIDBI study submitted 27 January 2022
Temporary closure up to three months	67%	Temporary, not permanent cessation

The pandemic and restrictions on activity struck directly at the viability of small businesses. In its answer to Lok Sabha Starred Question 32 on 3 February 2022, the Ministry described a SIDBI study of 1,029 respondent MSMEs across 20 States and 2 Union Territories. The study was submitted on 27 January 2022. More than 50% of respondents reported a revenue decline exceeding 25% in FY 2020-21. Around 66% reported lower profitability as revenue fell while fixed costs remained. Employee-welfare indicators are a different matter; these figures measure the difficulties businesses faced directly. [Statement, PDF page 2.]

The same answer says 67% of respondents temporarily closed for up to three months. Temporary closure is a suspension of activity; it does not establish that those firms permanently ceased trading. The answer reports a sample survey and does not provide the detail needed here to extrapolate those percentages into a national number of failed enterprises. It also does not isolate the effects of lockdown design from the pandemic, demand changes and other disruptions.

The BJP Government should provide or identify the full SIDBI study, its sampling and response information, and any follow-up on business recovery. The relevant test is whether respondents restored sales, profitability and debt-service capacity, including firms outside relief. Nothing in this request claims that the full study remains unpublished. An entrepreneur surviving through additional borrowing may still need orders and retained earnings to rebuild the business.

> **The demand.** Provide or identify the complete SIDBI study and any respondent follow-up on sales, profitability, debt servicing and continued operation, including firms outside emergency support.

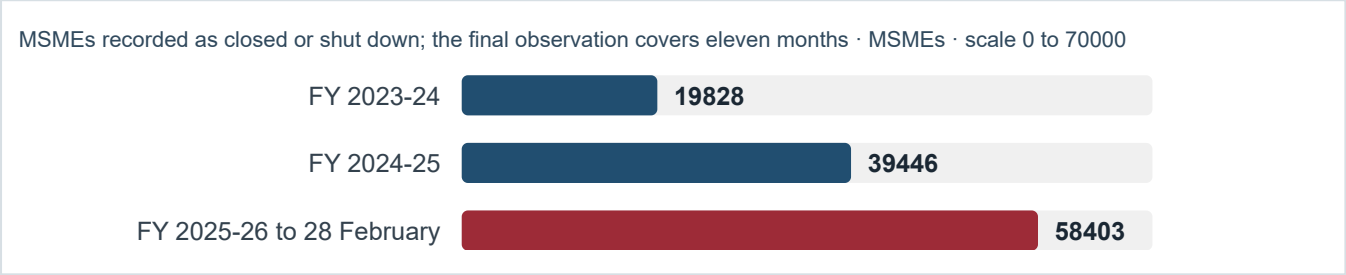
A 1,029-respondent survey reported in February 2022; temporary closures are not permanent failures. It does not identify a national closure count or isolate the causal effect of lockdown policy.

Sources: [1] Lok Sabha Starred Question 32: Impact of COVID-19 pandemic on MSME sector, 2022-02-03, PDF page 2, statement (a) to (d).

POINT 14

Recorded MSME closures nearly tripled in two years

The Government's Udyam table records 58,403 MSMEs closed or shut down in 2025-26 up to 28 February 2026, against 39,446 in 2024-25 and 19,828 in 2023-24. The eleven-month 2025-26 count is the highest of the six years from 2020-21.



Rajya Sabha Unstarred Question 3462, answered on 23 March 2026, gives the year-wise count of MSMEs closed or shut down on the Udyam Registration Portal and the Udyam Assist Platform. The counts are 175 in 2020-21, 6,222 in 2021-22, 13,290 in 2022-23, 19,828 in 2023-24, 39,446 in 2024-25 and 58,403 in 2025-26 up to 28 February 2026. Unstarred Question 4089, answered on 30 March 2026, prints the same table. [RS 3462, year-wise table.]

The first four years are the same counts that the answer of 17 March 2025 described as units deregistered due to shutdown. That answer gave 35,567 for 2024-25 up to 28 February 2025; the full-year count is 39,446. [RS 1855, Annexure I, total row; RS 3462, year-wise table.]

> **The demand.** Publish the year-wise count by reason of cancellation, the full-year 2025-26 count, and a follow-up of the enterprises recorded as closed, including revival and access to relief.

Sources: [1] Rajya Sabha Unstarred Question 3462: Unemployment in MSMEs due to closures, 23 March 2026, Answer (a) and (b), year-wise table. [2] Rajya Sabha Unstarred Question 4089: Data on closed MSMEs, 30 March 2026, Answer (a) and (b), the same table. [3] Rajya Sabha Unstarred Question 1855: Closure of MSMEs in the country, 2025-03-17, Answer, PDF page 1; Annexure I, PDF page 3, total row.

POINT 15

Reduce the cost of running and growing a small business

The Government's Economic Survey 2024-25 acknowledges that compliance burdens depress growth and that smaller firms have limited management and financial capacity.

The Government's own assessment identifies a continuing obstacle to enterprise growth. Paragraphs 5.34 and 5.35 of the Economic Survey 2024-25 describe how regulatory compliance burdens hold back formalisation and productivity, restrict innovation and depress growth. The Survey also describes firms staying small and losing access to institutional capital, technology and formal supply chains. This is an official recognition of business constraints after a decade of BJP government. [Chapter 5, printed page 148.]

Paragraph 5.45 explains why the burden is uneven. Smaller firms have limited management time and financial resources, and compliance costs consume both. The same requirement may therefore weigh more heavily on a small proprietor than on a large company. The paragraph does not establish a measured national rupee loss, an average compliance bill for every MSME or a causal estimate of firms destroyed by regulation. [Printed page 150.]

The Survey also credits reforms already undertaken and places responsibility on both Union and State governments. A fair demand must identify which authority controls each requirement. Simplification should remove duplicated filings and unnecessary delays while preserving the purpose of payment, safety and environmental duties. The evidence does not justify treating every protection as an obstacle or promising that portal registration alone will solve a firm's commercial difficulties.

The BJP Government should publish what changed for a typical small business: fewer repeated submissions, less proprietor time spent obtaining permissions, lower legitimate compliance costs and faster access to markets and finance. A dated Union-State action plan should identify the responsible authority and publish measured outcomes. That would make the promise of easier self-employment testable in the operation of real businesses.

> **The demand.** Publish a dated Union-State plan to remove duplicate requirements and measure reductions in proprietor time, legitimate compliance costs and approval delays while retaining essential protections.

An official diagnosis of remaining constraints, not a national rupee-loss or closure estimate. The Survey also recognises reforms; responsibility is shared between Union and State authorities.

Sources: [1] Economic Survey 2024-25, Chapter 5: Medium Term Outlook, 2025-01-31, Held combined PDF pages 193 and 195; printed pages 148 and 150; paragraphs 5.34-5.36 and 5.45.

THE EVIDENCE RECORD

How the evidence was assembled

Sources were checked to 23 November 2026. This assessment examines MSME enterprises and entrepreneurs' self-employment during the BJP period. It distinguishes documented business setbacks, fiscal and delivery failures, subsequent recovery and unresolved financial-health measures. Employee compensation and welfare are outside its main scope.

Each comparison retains its date, coverage and unit. Accounts are not distinct enterprises, registrations are not new firms, a credit stock is not disbursement, and a guarantee is not a payment to a business. Pending claim values are not adjudicated dues or actual recovery.

Ministry Budget Estimates, Revised Estimates and actual expenditure are separate stages. A programme delivery gap is distinguished from an observed change in firms' financial condition. Nominal amounts are not price-adjusted growth measures.

Corporate profit brackets are not legal MSME classes. That comparison supplies context for a request for MSME-specific fiscal-incidence data. The study does not establish a current representative national MSME margin, debt-service or insolvency series.

The fifteen points make specific demands about working capital, finance, fiscal treatment, market access and investment support. They do not establish a combined causal effect of demonetisation, GST and the pandemic. Each point carries its original sources and calculation notes.

THE EVIDENCE RECORD

How the evidence was assembled, continued

The 2015-16, 2021-22 and later enterprise figures are separately dated survey snapshots. No matched-firm survival estimate or common 2014 to 2026 causal series is inferred. The RBI-hosted 2018 study is attributed to its authors and kept to its actual short-run findings, including the recovery it records.

Requested articles were read as reporting and analytical leads. Their useful claims were traced to reopened parliamentary answers and the Economic Survey. Opinion, firm examples, survey respondent percentages and administrative shutdown events remain separately attributed. The article archive includes a clearly marked publisher preview where the complete visible story was unavailable.

The 2025-26 credit comparison uses the consistent three-year table supplied to Parliament on 23 July 2026, explicitly excluding regional rural banks. Account numbers are not unique borrowers or business failures, and the April 2025 MSME classification change is retained. The financial-year labels do not imply a more precise observation date than the source prints.

The borrowing comparison uses MoSPI native ASUSE CSV files, official annual weights and separately retained non-borrowers. Published totals and loan averages reproduce at publication precision. Survey populations are not matched; a reported absence of business debt does not show refusal or never borrowing. Source and calculation notes are in the annexure.

EVIDENCE AND LIMITS

Annexure: ASUSE borrowing definitions and method

MoSPI native CSV releases supply four ASUSE rounds. Annual weights are MLT/100, applied once to each eligible establishment; they are not divided again by four. NIC 68108, residential letting, is excluded as directed by the publisher. Loan rows are aggregated by establishment before joining the full base, preserving establishments without loan rows.

ASUSE loan-source code 1103 identifies reported outstanding commercial-bank business borrowing. Cooperative banks and societies share code 1104. Government-sanctioned loans routed through banks belong to code 1102. A clean all-bank-only classifier cannot be reconstructed from these combined codes. A bank/post-office deposit account is not evidence of a bank loan.

Positive reported commercial-bank debt establishes that borrowing status even if another amount is incomplete. Other incomplete records are shown separately. Missing amount classifications change the estimated commercial-bank-free contribution only from 99.674% to 99.696%; this is a missing-data sensitivity, not a confidence interval.

Item	Meaning
Statistical unit	ASUSE establishment; not an RBI loan account or every statutory MSME
Loan measure	Reported outstanding business debt; personal loans excluded in the current two rounds

Sources: [1] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [2] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06.

EVIDENCE AND LIMITS

Annexure: ASUSE borrowing definitions and method

All four ASUSE rounds reproduce published national, rural and urban establishment counts and average outstanding loans at publication precision. Sixteen benchmark checks and 128 separately written CSV/Decimal arithmetic comparisons passed. A separate R data.table calculation directly from the raw files also passes 128 borrowing count, amount and group comparisons. These are deterministic checks; no fresh independent substantive reading or review clearance is claimed.

The two current rounds exclude personal loans even when used in the establishment. Outstanding debt is a stock, not new lending, repayment, refusal or a measure of all credit access. Loan-source borrower counts overlap; only the stated decomposition groups are mutually exclusive.

Item	Meaning
Statistical unit	ASUSE establishment; not an RBI loan account or every statutory MSME
Loan measure	Reported outstanding business debt; personal loans excluded in the current two rounds

Sources: [1] MoSPI ASUSE 2023-24 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [2] MoSPI ASUSE 2025 native unit-level CSV, Publisher native CSV release; accessed 19 October 2026, Block 2; Block 11 source-wise loans, code 1103; annual MLT/100. [3] MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report, 2026-05-06.

SECTOR BORROWING ON COMMON COVERAGE

Annexure: sector borrowing definitions and breaks

Use the same population and the same reported outstanding-loan field.

Issue	Treatment and remaining limit
Numerator and denominator	Change in the weighted count without reported source 1103 debt, divided by the sector's net population increase. No household or establishment is claimed to be followed over time.
Lender definition	1103 is commercial banks. Cooperative banks/societies 1104 and government-sanctioned bank-routed loans 1102 are outside it. The combined codes prevent a clean all-bank-only total.
Purpose of debt	ASUSE 2023-24/2025 explicitly exclude personal loans even when invested in business. That identical exclusion is not established for earlier rounds. The longer comparison is qualified accordingly.
Stock date and interest	NSS 2010-11/2015-16 and ASUSE 2021-22 use reference-year end; later ASUSE uses reference-period end. Only the amount-outstanding column is used; separate interest is not added. ASUSE permits inseparable interest in the reported amount.
Changed source codes	NSS 67 suppliers/friends/others are 1109/1110/1111; NSS 73 and ASUSE use 1111/1112/1113. Bank 1103 is stable. Never apply the later source-code list to NSS 67.
Unknowns and sparse records	A positive bank amount establishes bank borrowing. Without one, explicit missing amounts or source/total conflicts are classified as uncertain. Sparse omitted loan rows mean no reported debt, not proof of no past loan.
Scope and inference	The prior common industry/cooperative exclusion is unchanged. Remaining statistical-unit, eligibility, frame, geographical and field-period breaks remain. No design-based significance or policy-causation claim is made.

The count formula uses released annual weights once, with NSS 73 Weight_SC/2 across both semi-rounds. Source/base identifiers and weights agree. The 111 R checks and the separate raw CSV/Decimal checks validate the arithmetic. They do not amount to substantive review clearance.

The bank category is a survey source label. It is neither an RBI loan-account count nor a count of firms denied credit. These borrowing comparisons do not splice in earlier sector-only NSS windows, because no source-specific loan-definition bridge exists for them.

Sources: [1] MoSPI NSS 67 2010-11 loan field instructions, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 35, 36; source1103 commercial banks; amount column3 and separate interest column4. [2] MoSPI NSS 73 2015-16 Schedule2.34, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 22; source1103 commercial banks; amount column3 and separate interest column4. [3] MoSPI ASUSE 2021-22, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 148, 149, 150, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [4] MoSPI ASUSE 2023-24, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 140, 141, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions. [5] MoSPI ASUSE 2025, Instructions to Field Staff, Volume I, Block11, Publisher supporting documentation for the named survey round; read19October2026, PDF pages 143, 144, 145, Block11; source1103, government routing, cooperative banks/societies; amount and interest instructions.

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Delayed payments to MSMEs

Publisher original

date: 2026-08-03

Pendency of delayed payment cases and technology-driven redressal

Publisher original

date: 2026-08-03

Delayed payments to MSMEs

Publisher original

date: 2026-07-27

S.O. 3507(E), CPSE invoice routing and audit requirements, 30 June 2026

Publisher original

date: 2026-06-30

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

CPSE compliance with TReDS onboarding before mandatory settlement

Publisher original

date: 2026-08-10

MSMEs closed due to delayed payments

Publisher original

date: 2026-07-27

Access to Formal Credit for MSMEs

Publisher original

locator: Annexure II, PDF page 4, national Total row and source note; question/answer page 1

publication date: 2026-07-23

coverage: Priority-sector returns submitted by scheduled commercial banks excluding regional rural banks; financial-year labels as printed; no precise as-on day printed.

Gazette S.O.1364(E), MSME classification amendment

Publisher original

locator: PDF p2, paragraphs1-2

publication date: 2025-03-21

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

MUDRA PMMY Overall Performance 2023-24

Publisher original

locator: Single PDF page, row5 Total and rows6-7 Out of Above; financial-year heading and units

MUDRA PMMY Overall Performance 2024-25

Publisher original

locator: Single PDF page, row5 Total and rows6-7 Out of Above; financial-year heading and units

MUDRA PMMY Overall Performance 2025-26

Publisher original

locator: Single PDF page, row5 Total and rows6-7 Out of Above; financial-year heading and units

MUDRA PMMY Overall Performance 2015-16

Publisher original

locator: Single PDF page, row 5 Total, Shishu accounts

date: FY 2015-16

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

MUDRA PMMY Overall Performance 2016-17

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2016-17

MUDRA PMMY Overall Performance 2017-18

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2017-18

MUDRA PMMY Overall Performance 2018-19

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2018-19

MUDRA PMMY Overall Performance 2019-20

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2019-20

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

MUDRA PMMY Overall Performance 2020-21

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2020-21

MUDRA PMMY Overall Performance 2021-22

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2021-22

MUDRA PMMY Overall Performance 2022-23

Publisher original
locator: Single PDF page, row 5 Total, Shishu accounts
date: FY 2022-23

Standing Committee on Industry, 333rd Report, MSME Demands for Grants 2026-27

Publisher original
locator: Printed/PDF pp32-36, paras3.1-3.20
publication date: 2026-03-11

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

RBI Annual Report 2025-26, Chapter IV

Publisher original
locator: Bank Credit to MSMEs table (IV.3 in 2022-23 onwards; IV.5 in 2021-22)
publication date: 2026-05-29

Finance, report 68: Report on action taken by the Government on the observations/recommendations contained in the 46th Report (17th Lok Sabha) on ‘Strengthening Credit Flows to the MSME Sector"

Publisher original

Union Budget 2026-27, Notes on Demands for Grants, Demand 68

Publisher original
date: 2026-02-01

Industry, report 330: Action taken by the Government on the recommendations / observations contained in the 327th Report of the Committee on Demands for Grants (2025-26) pertaining to the Ministry of Micro, Small and Medium Enterprises

Publisher original

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Industry, report 333: Report on Demands for Grants (2026-27) pertaining to the Ministry of Micro, Small and Medium Enterprises

Publisher original

Delay in Disbursement of Financial Assistance under PMEGP

Publisher original
date: 30.07.2026

Procurement of Goods from Women & SC/ST owned MSEs

Publisher original
date: 30.07.2026

Public Procurement Policy Amendment Order, S.O. 5670(E), 2018

Publisher original
date: 2018-11-09

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Public Procurement Policy Amendment Order, S.O. 3237(E), 2021

Publisher original
date: 2021-08-11

Micro, Small and Medium Enterprises Development (Amendment) Act, 2026

Publisher original
date: 2026-08-13

S.O. 5575(E), commencement notification, 12 October 2026

Publisher original
date: 2026-10-12

MoSPI, Annual Survey of Unincorporated Sector Enterprises 2025, full report

Publisher original
publication date: 2026-05-06

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Employment by MSMEs

Publisher original

date: 2026-07-27

Effect of economic factor on MSMEs

Publisher original

date: 2026-08-10

MoSPI, User Guide for ASUSE, 2 January 2026

Publisher original

publication date: 2026-01-02

Lok Sabha Starred Question 32: Impact of COVID-19 pandemic on MSME sector

Publisher original

locator: PDF page 2, statement (a) to (d)

publication date: 2022-02-03

coverage: SIDBI survey of 1,029 respondents, 20 States and 2 UTs; report submitted 27 January 2022; revenue reference FY 2020-21. No national firm-closure census or isolated lockdown effect.

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Rajya Sabha Unstarred Question 3462: Unemployment in MSMEs due to closures

Publisher original

locator: Answer (a) and (b), year-wise table of MSMEs closed or shut down

date: 23 March 2026

publication date: 2026-03-23

coverage: Udyam Registration Portal and Udyam Assist Platform; 2025-26 only up to 28 February 2026. The Ministry's own column label is "closed/shutdown".

Rajya Sabha Unstarred Question 4089: Data on closed MSMEs

Publisher original

locator: Answer (a) and (b), the same year-wise table as Question 3462

date: 30 March 2026

publication date: 2026-03-30

coverage: Udyam Registration Portal; 2025-26 only up to 28 February 2026.

Rajya Sabha Unstarred Question 1855: Closure of MSMEs in the country

Publisher original

locator: PDF page 1, answer; PDF page 3, Annexure I, total row

publication date: 2025-03-17

coverage: Udyam units deregistered due to shutdown; FY 2024-25 only through 28 February 2025. Administrative reporting, not a matched survival sample or national insolvency rate.

Economic Survey 2024-25, Chapter 5: Medium Term Outlook

Publisher original

locator: Held combined PDF pages 193 and 195; printed pages 148 and 150; paragraphs 5.34-5.36 and 5.45

publication date: 2025-01-31

coverage: Government assessment of persistent compliance burdens and limited managerial/financial capacity of small firms; credits reforms as well as identifying remaining obstacles.

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

Behera and Wahi, How have MSME Sector Credit and Exports Fared?, RBI Mint Street Memo13

Publisher original
locator: Abstract; sectionIII andTable3; sectionIV conclusion
date: 2018-08-17
publication date: 17 August 2018

MoSPI, Annual Survey of Unincorporated Sector Enterprises 2021-22, full report

Publisher original
locator: PDF page 47, Statement 2 and pandemic-period survey note; April 2021 to March 2022
publication date: 2024-07-31

NSS Report 582, Economic Characteristics of Unincorporated Non-Agricultural Enterprises, 2015-16

Publisher original
locator: PDF pages 10 and 56; all-India enterprise estimate; construction excluded
publication date: NSS Report 582, 73rd round July 2015 to June 2016; published 2018

MoSPI ASUSE 2023-24 native unit-level CSV

Publisher original
locator: Block 2; Block 11 source-wise loans, code 1103; annual MLT/100
publication date: Publisher native CSV release; accessed 19 October 2026

EVIDENCE INDEX

Sources and original documents

Sources: held originals, each with its publication date as listed below; read 19 October to 24 November 2026.

MoSPI ASUSE 2025 native unit-level CSV

Publisher original

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publication date: Publisher documentation for the stated survey round; read 19 October 2026

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locator: Report 396/1, NSS45 July 1989-June 1990; PDF pages 8 and 12: industry 99 note and paragraph 3.1, 157.31 lakh; own-account and non-directory manufacture

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1995 MoSPI Schedule 51 2pt2

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locator: PDF pages 1, 2, 3

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