

ACCENT REGION

UTTAR PRADESH

Loans to MSMEs rose 20% in FY25

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Loans to micro, small, and medium enterprises (MSMEs) in Uttar Pradesh, which comes on top in the country in this segment, in FY25 jumped more than 20 per cent to ₹2.48 trillion. The state is home to more than nine million MSMEs.

According to the official data, credit given by commercial and other banks to MSMEs in FY23 stood at ₹1.68 trillion. The figure in FY24 was ₹2 trillion.

While commercial banks are predominant in the urban and semi-urban pockets, cooperative banks and microfinance institutions are providing 'last mile' credit access to rural micro entrepreneurs, especially women.

Eastern UP accounts for 46 per cent of the state's microfinance loans, the highest in the lot. The western and central regions account for 40 per cent and 14 per cent, respectively, of the loans.

The Yogi Adityanath government has been nudging banks to ease the flow of credit to MSMEs for catalysing the state's industrial development potential and creating local jobs.

"The increasing flow of credit to small businesses will foster the state's 'Make in UP' and 'Brand UP' vision while retaining



our skilled manpower and aspirational youth," a senior official noted.

UP, which also aims to become India's first \$1 trillion economy, is projecting the state to be a potential 'global sourcing hub' for big trading companies, importers, exporters, and ecommerce majors. The government is organising the 3rd edition of the UP International Trade Show 2025 from September 25-29 at the India Expo Mart in Greater Noida.

This year, Russia has been designated as the partner country for the show, marking an effort to go international in its approach.