

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 106
TO BE ANSWERED ON 25.11.2024

WOMEN-LED MSMEs

106. DR. DHARMASTHALA VEERENDRA HEGGADE:

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

- (a) whether Government is aware that women-led enterprises constitute only 7.09 per cent of the outstanding credit to Micro, Small and Medium Enterprises (MSMEs) and if so, the details thereof;
- (b) the reasons for such low credit supply to women-led MSMEs compared to their proportion in the sector;
- (c) whether Government has taken initiatives to address these issues and improve access to credit for women owned enterprises and if so, the details thereof; and
- (d) the steps taken/being taken by Government to increase the labour force participation among women and address the barriers for financial inclusion of women-led MSMEs?

ANSWER

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

(a): As per a study conducted by the Financial Inclusion & Development Department, Central Office, Reserve Bank of India, the share of the women-owned MSMEs in outstanding MSME credit of Scheduled Commercial Banks (excluding foreign banks and Regional Rural Banks) stood at 7.09% as on March 31, 2023.

(b) to (d): As informed by RBI, the Government of India had drawn up a 14- point action plan (now 13-point action plan) in the year 2000 for implementation by Public Sector Banks (PSBs). The PSBs were advised to earmark 5 per cent of their Net Bank Credit (NBC) for lending to women. The total outstanding credit provided by PSBs to women as on March 31, 2024 was Rs.11,69,279.00 crore, forming 15.42% of NBC of PSBs.

For easier access to financial resources, Credit Guarantee Scheme for Micro & Small Enterprises extends the following additional benefits to women entrepreneurs:

- (i) General guarantee cover is 75% whereas coverage for women has been increased to 85%.
- (ii) Women entrepreneurs are offered 10% concession in annual guarantee fees.

: 2 :

The details of Guarantees approved for women entrepreneurs under Credit Guarantee Scheme for Micro & Small Enterprises in the last financial year is given below:

CGTMSE – Women Entrepreneurs Guarantee Approved						
(Amount Rs. Crore)						
	Total Guarantee		Guarantee Women		Percentage of Guarantee for women vis a vis Total Guarantee	
Duration	No.	Amt	No.	Amt.	No%	Amt%
FY 2023-24	17,24,073	2,02,807	4,25,865	32,223	25%	16%

Source: CGTMSE

Further under Prime Minister's Employment Generation Programme (PMEGP), Credit Linked subsidy for setting up new micro-enterprise in non-farm sector is provided. Margin Money Subsidy ranging from 15% to 35% of project cost, for projects up to Rs. 50 Lakh in Manufacturing sector and Rs. 20 Lakh in the Service sector, is provided. For beneficiaries belonging to Special Categories, which includes women, the Margin Money Subsidy is 35% in rural areas and 25% in urban areas.

Stand-Up India Scheme launched on April 05, 2016 has been extended up to the year 2025. The objectives of the Scheme is to facilitate loans from Scheduled Commercial Banks (SCBs) of value between Rs. 10 lakh and Rs. 1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and one Women borrower per bank branch for setting up Greenfield enterprise in manufacturing, services or trading sector including activities allied to agriculture. The Stand Up India scheme has facilitated over 2.35 lakh loans to SC/ST and Women entrepreneurs across the country.

The Yashasvini campaign launched by the Ministry of MSME on June 27, 2024 with an aim of mass awareness campaigns for formalizing women owned informal micro enterprises and providing capacity building, training, handholding and mentorship to the women owned enterprises. It is organized by the Ministry of MSME in collaboration with other Central Ministries/Departments/State Government and Women Industry Association in various parts, focusing Tier 2 and 3 cities in the country.
