

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 4405
TO BE ANSWERED ON: 19.03.2026

PERFORMANCE OF MSMEs IN WEST BENGAL

4405. SHRI AZAD KIRTI JHA:

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

- (a) whether the Government is aware that West Bengal records the highest employment intensity of Micro, Small and Medium Enterprises (MSMEs) credit in the country, with approximately 162 jobs generated per Rupees one crore of MSMEs lending against the national average of about 44 jobs, as per data from the Ministry and Small Industries Development Bank of India (SIDBI) and if so, the details thereof;
- (b) the steps taken to increase credit flow and ease of access for MSMEs, particularly in districts with low formal credit penetration;
- (c) the initiatives taken/proposed to be taken to strengthen cluster development, digitalisation and common infrastructure for MSMEs in the State;
- (d) the details of credit guarantee, interest subvention and refinance schemes currently operational in West Bengal under programmes such as Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Prime Minister's Employment Generation Programme (PMEGP) and Raising and Accelerating MSME Performance (RAMP); and
- (e) the measures being implemented to promote women entrepreneurship, financial literacy and credit awareness among MSMEs

ANSWER

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

(a): As per Udyam Portal, 53.65 lakhs MSMEs have been registered in the state of West Bengal till 16.03.2025. The MSMEs in the state of West Bengal has employed 2.23 crore people of the state.

(b) to (e): The Government has taken various measures to improve credit penetration, increase ease of access, strengthen cluster development for Micro, Small and Medium Enterprises (MSMEs), including women led MSMEs, across the country, which inter-alia includes:

- i. Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs) implemented through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to provide credit guarantee for loans extended to MSEs without collateral security and third-party guarantee. The ceiling for guarantee coverage is Rs. 10 crore under the scheme. The scheme also provides credit guarantee coverage of 90% for loans extended to women-led MSEs, as against 75% in general, along with a 10% relaxation in the guarantee fee. Since inception till 28.02.2026, a total of 8,03,720 credit guarantees amounting to Rs.76,887 Crore have been extended to MSEs in West Bengal.
- ii. Self-Reliant India (SRI) Fund has been set up to infuse Rs. 50,000 crore as equity funding in MSMEs with a provision of Rs. 10,000 crore from the Government of India and Rs. 40,000 crore through Private Equity/Venture Capital Funds. The Budget 2026-27 has also announced a support of Rs 2,000 crore to top up the SRI Fund set up in 2021 to continue support to micro enterprises.

- iii. Prime Minister's Employment Generation Programme (PMEGP) provides margin money subsidy for setting up of new micro enterprises, in the non-farm sector with project cost of Rs. 50 lakh for Manufacturing and Rs. 20 lakh for Services enterprises. For beneficiaries belonging to Special categories such as Women, the margin money subsidy is 35% in rural areas and 25% in urban areas. Under PMEGP, during the last three years, 5,404 Micro Enterprises have been assisted by a way of margin money subsidy of Rs.201.53 crore generating 43,232 employment in the state of West Bengal.
- iv. Ministry of MSME implements Micro and Small Enterprises Cluster Development Programme (MSE-CDP) across the country, with an objective to enhance the productivity and competitiveness of MSEs for their holistic development adopting cluster approach through financial assistance as Government of India (GoI) grant for establishment of Common Facility Centres (CFCs) in the existing clusters and for establishment of new / up-gradation of existing Industrial Areas / Estates / Flatted Factory Complex.
- v. Procurement and Marketing Support (PMS) scheme run by Ministry of MSME extends benefits for creating market access initiatives to MSEs. Under the scheme women beneficiaries are provided 100% Budgetary support upto Rs.1.5 Lakhs for Metro and A class cities and Rs. 0.80 lakhs for other cities for participation in approved domestic trade fairs and exhibitions
- vi. Ministry of MSME implements Raising and Accelerating MSME Performance (RAMP) program which aims at enhancing the impact of the existing schemes like the MSME Champions scheme, Credit Guarantee Scheme etc, and increasing Centre-State collaboration by providing grants to States/UTs for funding selected projects proposed in the Strategic Investment Plans proposed by the States and UTs. Under MSE Green Investment Financing for Transformation (GIFT) Scheme and MSE Scheme for Promotion and Investment in Circular Economy (MSE - SPICE) scheme of RAMP Programme, 6,029 MSEs have been assisted with sanctioned amount of Rs.4345.25 Crore in the state of West Bengal.
- vii. In order to address the constraints faced by MSMEs in obtaining finance, particularly in terms of their ability to convert trade receivables into liquid funds, RBI had issued guidelines in December 2014 (updated on July 02, 2018) for the Trade Receivables Discounting System (TReDS)' permitting the non-bank entities to set up and operate an electronic platform for facilitating the financing of MSMEs' trade receivables through multiple financiers.
- viii. As informed by RBI, in terms of para 4.1 (a) of RBI Master Direction - Lending to Micro, Small & Medium Enterprises (MSME) Sector dated July 24, 2017, all Scheduled Commercial Banks are mandated not to accept collateral security in the case of loans up to Rs. 10 lakh extended to units in the MSE sector. As per RBI circular dated 9th February 2026, this limit stands increased to Rs. 20 lakh from 1st April, 2026.
- ix. Ministry of MSME, through its field offices, regularly organizes outreach programmes in coordination with MSME/ Industry Departments of States/UTs concerned and other stakeholders like CGTMSE, SIDBI, Banks, MSME Associations etc., to enhance credit availability among MSMEs.
