

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 280
TO BE ANSWERED ON: 02.02.2026

CREDIT TO MSME UNITS IN BELAGAVI DISTRICT UNDER ECLGS

280. SHRI IRANNA KADADI:

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

- (a) the total credit flow to the Micro, Small and Medium Enterprise (MSME) sector in the Belagavi district during the last financial year;
- (b) the details of the units covered under the Emergency Credit Line Guarantee Scheme (ECLGS) and the recovery status;
- (c) the measures taken to ensure timely credit to the micro units in the rural areas;
- (d) the status of the awareness regarding the CGTMSE scheme among the bankers and entrepreneurs; and
- (e) Government's initiative to promote digital lending platforms for MSMEs?

ANSWER

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

(a): As per State Level Bankers' Committee (SLBC) Karnataka, the credit flow to Micro, Small and Medium Enterprises (MSME) sector in Belgavi district during 2024-25 was Rs 4609.04 crore.

(b): The Emergency Credit Line Guarantee Scheme (ECLGS) was launched in May, 2020 as part of Aatmanirbhar Bharat Abhiyaan to support eligible MSMEs and business enterprises in meeting their operational liabilities in view of disruption caused by COVID-19 pandemic. The Scheme was operational till 31.03.2023. As reported by Department of Financial Services (DFS), under ECLGS, since inception till 31.03.2023, total 1.13 crore guarantees amounting to Rs. 2.42 lakh crore have been extended to MSMEs. As per a research report dated 23.01.2023 of the State Bank of India on ECLGS, almost 14.6 lakh MSME accounts, of which about 98.3% of the accounts were in the Micro and Small Enterprises categories, were saved.

(c): As informed by Reserve Bank of India (RBI), in terms of para 4.1 of RBI Master Direction dated July 24, 2017 (Updated as on July 23, 2025) on 'Lending to MSME Sector, banks are mandated not to accept collateral security in the case of loans up to Rs. 10 lakhs extended to units in the Micro and Small Enterprises (MSEs) sector. To promote credit flow to MSEs in Identified Credit Deficient Districts (ICDD) as per RBI, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) offers 10% discount on the Annual Guarantee Fees and extend an additional 5% guarantee coverage. Further, CGTMSE introduced 'Special Provision for the Informal Micro Enterprises (IME)' under Credit Guarantee Scheme on 14.02.2024. The guarantee covers loan up to Rs. 20 lakh with 85% coverage, with no primary security required, and a guarantee fee of 0.37% for loan up to Rs. 10 lakh and 0.45% for loan between Rs 10 lakh to Rs. 20 lakh.

(d): 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 the bankers and MSEs in the country. CGTMSE has organized and attended a total of 295 awareness programs for MSE entrepreneurs and Member Lending Institutions during last three financial years.

(e): Government of India has undertaken several steps to increase the utilization of digital technology and infrastructure. Under the Digital India programme, the Ministry of Electronics and Information Technology (MeitY) offers services on Digital Infrastructure as a Utility, Governance and Services on Demand, Digital Empowerment of Citizens and MSMEs. Digital payments are also done by MSMEs through different digital platform. In order to improve and increase the integration of above technologies to help MSMEs for digitalisation across the country, the Ministry of Micro, Small and Medium Enterprises (MSME), in collaboration with stakeholders runs many initiatives, which inter-alia include the Udyam Portal, MSME Champions Portal, Government e-Marketplace (GeM), Trade Receivables Discounting System (TReDS), MSME TEAM, MSME SAMBANDH, PMEGP Portal, KVIC Online, PM Vishwakarma Portal and Online Dispute Resolution (ODR) portal.
