

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3849
TO BE ANSWERED ON 18.03.2021

CREDIT GUARANTEE FUND TRUST FOR MSEs

3849. SHRI VISHNU DAYAL RAM:

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

- (a) the role of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) in facilitating financial inclusion for Micro and Small Enterprises (MSEs);
- (b) the number of applications received in this regard and funds approved during the period from 2018-2020, State-wise;
- (c) whether CGTMSE's total outstanding credit to the MSE sector is much below than that recommended (around 15%); and
- (d) if so, the details thereof and the reasons therefor?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) is mandated to facilitate credit guarantee support for collateral free / third-party guarantee-free loans to the Micro and Small enterprises (MSEs), especially in the absence of collateral. It facilitates access to finance for un-served and under-served segments of society and geographies.

(b): The State wise details of guarantees covered under the Credit Guarantee Scheme by CGTMSE during Financial Years 2018-19 and 2019-20 are given in Annexure.

(c) & (d): The Credit Guarantee Scheme run by CGTMSE is a demand driven Scheme and the option to take guarantee lies wholly with the Member Lending Institutions (MLIs). It is not mandatory for the MLIs to cover all their MSE loans under the Scheme nor are all loans eligible for coverage.

Nevertheless, CGTMSE has introduced many policy changes such as hybrid security model, inclusion of retail trade activity, increase in the extent of guarantee coverage to 75%, charging guarantee fees on outstanding amount, inclusion of Non Banking Financial Companies (NBFCs), Small Finance Banks (SFBs), Cooperative Banks, etc. to cover more number beneficiaries.

Annexure to in reply to part (b) of the Lok Sabha Unstarred Question No. 3849 for answering on 18.03.2021

CGTMSE Guarantee Approved Data

Sr. No	States/Uts	FY 18-19		FY 19-20	
		No. of Guarantees	Approved Amt (in Rs. Cr)	No. of Guarantees	Approved Amt (in Rs. Cr)
1	ANDAMAN & NICOBAR	332	30.10	264	29.45
2	ANDHRA PRADESH	29812	979.41	50562	1556.78
3	ARUNACHAL PRADESH	347	24.28	415	46.95
4	ASSAM	12978	792.69	14070	686.72
5	BIHAR	18464	1295.92	24531	1303.32
6	CHANDIGARH	7752	335.31	1778	133.61
7	CHHATTISGARH	5252	497.30	14022	705.70
8	DADRA & NAGAR HAVELI	111	24.69	256	26.88
9	DAMAN & DIU	73	27.14	191	32.48
10.	DELHI	13615	1350.09	24917	2182.94
11.	GOA	1353	120.22	2594	183.07
12.	GUJARAT	21423	2104.14	58595	3859.49
13.	HARYANA	5179	628.92	25916	1582.88
14.	HIMACHAL PRADESH	2682	209.69	7538	436.78
15.	JAMMU & KASHMIR	11724	348.33	12887	416.03
16.	JHARKHAND	11281	1244.52	15340	1116.03
17.	KARNATAKA	27796	2496.55	68572	4068.61
18.	KERALA	17189	851.75	33739	1248.12
19	LADAKH	NA	NA	26	2.46
20	LAKSHA DEEP	15	0.60	52	0.91
21	MADHYA PRADESH	26325	1572.92	40822	2098.28
22	MAHARASHTRA	41206	3718.20	83709	5807.82
23	MANIPUR	1419	43.89	939	42.25
24	MEGHALAYA	515	44.54	1153	70.46
25	MIZORAM	267	23.09	473	29.06
26	NAGALAND	1003	39.62	917	60.95
27	ORISSA	19266	1213.41	26167	1347.05
28	PONDICHERRY	489	37.81	1578	80.41
29	PUNJAB	6850	559.56	24542	1022.21
30	RAJASTHAN	20013	1148.29	41289	1997.79
31	SIKKIM	280	24.94	435	22.92
32	TAMILNADU	37692	2543.01	89725	4352.82
33	TELANGANA	17037	1021.41	39162	2211.72
34	TRIPURA	455	24.22	1378	53.67
35	UTTAR PRADESH	49983	2862.95	89271	4154.02
36	UTTRAKHAND	4693	318.33	11158	482.19
37	WEST BENGAL	20649	1610.74	37667	2398.35
TOTAL		435520	30168.57	846650	45851.22

Source: CGTMSE