

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 554
TO BE ANSWERED ON 06.02.2025

**CREDIT GUARANTEE FUND TRUST FOR
MICRO AND SMALL ENTERPRISES**

554. SHRI BAIJAYANT PANDA:

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

- (a) the total number of MSMEs that have benefited from the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) during the financial year 2023-24;
- (b) the total number of MSMEs that have benefited from this scheme in Odisha and particularly in Kendrapara;
- (c) the total funds allocated and disbursed under the CGTMSE scheme during the financial year 2024-25;
- (d) the specific steps being taken to expand access to credit for MSMEs, particularly for new and first-time entrepreneurs; and
- (e) whether the Government has a roadmap to ramp up credit guarantees to MSMEs through the CGTMSE scheme in the coming years, if so, the details thereof?

ANSWER

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

(a): A total of 17.24 lakh credit guarantees amounting to Rs. 2.02 lakh crore have been extended to eligible Micro and Small Enterprises (MSEs) under Credit Guarantee Scheme (CGS) being implemented by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) during the financial year 2023-24.

(b): The details of the total number of credit guarantees extended to eligible MSEs under CGS in Odisha and Kendrapara during the financial year 2023-24 are as below:

	Number of guarantees approved	Amount approved (in Rs. crore)
Odisha	56,392	6,109
Kendrapara	1,359	112

(c): No funds have been allocated by the Government to CGTMSE for the financial year 2024-25, as of now.

(d) to (e): The details of the measures taken by Government to enhance the availability of credit to the MSEs, including first-time entrepreneurs, and ensure the reach and coverage of CGS are given below:

- i. Increase in guarantee ceiling from ₹2 crore to ₹5 crore.
- ii. Annual Guarantee Fee structure revised with significant reduction in the Annual Guarantee Fees from peak rate of 2% per annum to as low as 0.37% per annum.

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- iii. The limit for waiver of legal action was increased from Rs. 5 lakh to Rs. 10 lakh.
- iv. Concession in fee by 10% and coverage of 85% has been introduced in respect of loans given to special categories of the borrowers.
- v. The extent of guarantee coverage for women owned MSEs has been increased from 85% to 90% vide notification dated 10.12.2024.
- vi. To promote credit flow to MSEs in RBI's Identified Credit Deficient Districts (ICDD), CGTMSE offers 10% discount on the Annual Guarantee Fees and extends an additional 5% guarantee coverage.
- vii. CGTMSE introduced 'Special Provision for the Informal Micro Enterprises (IME)' under Credit Guarantee Scheme on 14.02.2024. The guarantee covers credit facilities up to Rs. 20 lakh with 85% coverage, with no primary security required, and a guarantee fee of 0.37% for up to Rs. 10 lakh and 0.45% for Rs. 10 lakh to Rs. 20 lakh.
- viii. As announced in Union Budget 2025-26, to improve access to credit, the credit guarantee cover will be enhanced for MSEs, from Rs. 5 crore to 10 crore.
