GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UN-STARRED QUESTION NO. 266
ANSWERED ON MONDAY, 2nd FEBRUARY, 2026/ MAGHA 13, 1947 (SAKA)

Credit Guarantee Scheme for Exporters (CGSE)

266. SHRI MANICKAM TAGORE B:

Will the Minister of FINANCE be pleased to state:

a) whether the Government has made any assessment regarding the distribution of Credit Guarantee Scheme for Exporters (CGSE) sanctions to determine whether MSME exporters across regions are benefitting equitably from the scheme;
b) if so, the details of beneficiaries, sector/State wise particularly in Tamil Nadu, district wise;
c) the reason behind the large gap between applications received and amount sanctioned within a supposedly fast track emergency credit framework, given that applications worth Rs. 8,764 crore were received;
d) the details of the plan proposed by the Government to monitor end use of funds under CGSE to ensure credit is deployed for export continuity and competitiveness rather than balance sheet restructuring alone;
e) the effectiveness of equipment financing when demand uncertainty and export volatility discourage MSMEs from making fresh capital investments under the MCGS-MSME scheme (Mutual Credit Guarantee Scheme-Micro, Small and Medium enterprises); and
f) the average loan size and the manner in which it meaningfully supports productivity upgrades with nearly 8.96 lakh MSME applications sanctioned under MCGS-MSME or merely supports incremental survival financing?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) The Credit Guarantee Scheme for Exporters (CGSE) is demand-driven and is accessible to eligible exporters across all States and Union Territories through member lending institutions, without any regional cap. In view of the vulnerability of MSMEs to market uncertainties, coverage has been extended to both direct and indirect MSME exporters to ensure wider outreach and equitable access to liquidity support across the country.

(b) The State-wise (Table 1) and sector-wise (Table 2) details of beneficiaries, along with district-wise details (Table 3) for Tamil Nadu, as on 21.01.2026, are enclosed as an Annexure.

(c) Applications under the CGSE can be submitted online through the Jan Samarth portal on a 24×7 basis. Applications received are forwarded to the respective member lending institutions for scrutiny and appraisal in accordance with the scheme guidelines. Sanction of assistance under CGSE is subject to due diligence by the lenders, including verification of eligibility and completion of requisite documentation.

(d) As per CGSE guidelines, the additional credit extended under the scheme is required to be utilised for working capital purposes. The sanctioning of credit facility is a credit decision to be taken by the MLI based on the scheme guidelines. The aforesaid additional credit support under CGSE will help the exporters overcome short-term liquidity mismatches, sustain production, improve competitiveness and explore new potential markets.

(e) and (f) The Mutual Credit Guarantee Scheme for MSMEs (MCGS- MSME) provides guarantee coverage of up to ₹ 100 crores to Member Lending Institutions (MLIs) to facilitate term loans to Micro, Small and Medium Enterprises for the viable projects. The Scheme aims to give a boost to manufacturing and provide an incentive to Member Lending Institutions (MLIs) to enable availability of additional credit facility upto ₹ 100 crore to MSME borrowers for purchase of Equipment/ Plant & Machinery. The Scheme envisages to provide 60% guarantee cover to the MLIs for any losses suffered by them due to non-repayment of the funding under the scheme by the borrowers. As informed by National Credit Guarantee Trustee Company Ltd. (NCGTC), the average amount of loan guaranteed under the Scheme is ₹7.54 crore.

*****

Annexure

Table1 - State wise applications sanctioned

Name of the State	No of Sanctioned Applications	Amount sanctioned (Rs in crore)
Tamil Nadu	275	971.87
Uttar Pradesh	225	508.91
Maharashtra	116	792.54
Delhi	71	265.02
Rajasthan	66	235.50
Kerala	41	171.72
West Bengal	33	156.31
Gujarat	32	107.89
Haryana	40	124.23
Andhra Pradesh	33	555.10
Karnataka	31	115.14
Punjab	28	91.98
Madhya Pradesh	13	56.29
Telangana	7	48.50
Odisha	9	164.30
Himachal Pradesh	3	17.12
Uttarakhand	1	0.12
Chandigarh	1	1.50
Grand Total	**1,025**	**4,384.02**

Table2 - Sector wise applications sanctioned

Industry	No of Sanctioned Applications	Amount sanctioned (Rs in crore)
Ready-made garments of all textiles	257	784.73
Engineering Goods	103	394.99
Cotton Yarn / Fabs. / Madeups, Handloom Products Etc	110	445.05
Handicrafts Excl. Hand Made Carpet	126	230.00
Marine Products	71	1,051.64
Gems and Jewellery	64	441.40
Carpet	77	135.47
Leather and Leather Manufactures	48	210.51
Man-Made Yarn/Fabs./Madeups Etc	22	57.39
Plastic and Linoleum	21	98.04
Other Cereals	4	5.55
Mica, Coal and Other Ores, Minerals Including Process	25	106.59
Organic and Inorganic Chemicals	23	156.95
Ceramic Products and Glassware	15	26.83

Fruits and Vegetables	17	49.95
Spices	9	56.12
Rice	6	26.57
Cereal Preparations and Miscellaneous Processed Item	8	50.25
Jute Mfg. Including Floor Covering	3	3.46
Meat, Dairy and Poultry Products	2	4.70
Oil Seeds	5	17.68
Coffee	5	11.75
Tea	1	0.01
Tobacco	1	3.00
Oil Meals	1	1.20
Cashew	1	14.20
Grand Total	**1,025**	**4,384.02**

Table3 - District wise applications sanctioned in Tamil Nadu

Name of the Branch City	No of Sanctioned Applications	Amount sanctioned (Rs in crore)
Tiruppur	129	336.26
Karur	36	69.93
Coimbatore	24	87.57
Chennai	21	99.23
Erode	15	85.41
Madurai	14	57.03
Virudhunagar	6	11.72
Thoothukkudi	4	55.60
Tuticorin	6	31.46
Salem	2	4.60
Ranipet	4	31.73
Dindigul	1	3.40
Krishnagiri	1	3.40
Rajapalayam	2	20.66
Thiruchirapalli	1	0.20
Ramanathapuram	1	2.78
Avinashi	2	2.24
Bhiwani	1	6.30
Theni	3	62.00
Thanjavur	1	0.25
Dharmapuri	1	0.10
Grand Total	**275**	**971.87**