GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

STARRED QUESTION NO. *219

ANSWERED ON MONDAY, 3rd AUGUST, 2026/ 12 SHRAVANA, 1948 (SAKA)

Credit Flow to Micro, Small and Medium Enterprises

*219. SHRI YOGENDER CHANDOLIA:
SHRI RAJIV PRATAP RUDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Small Industries Development Bank of India (SIDBI) has undertaken major initiatives during the last twelve years to improve the flow of credit to Micro, Small and Medium Enterprises across the country;

(b) if so, the State-wise details thereof, specifically in the Pali Lok Sabha Constituency in Rajasthan;

(c) whether the Government has operationalised Emergency Credit Line Guarantee Scheme (ECLGS) 5.0 and if so, the details of additional credit flow targeted thereunder, including guarantee coverage for MSMEs and support to the aviation sector;

(d) the details of the number of MSME units provided with loans, guarantees and other financial assistance through SIDBI and the ECLGS in Ratlam, Jhabua and Alirajpur districts of Madhya Pradesh during the last two years, district-wise; and

(e) whether the Government is implementing any special scheme to provide accessible credit to MSME units located in tribal and aspirational areas and if so, the details thereof?

ANSWER

THE FINANCE MINISTER

(SMT. NIRMALA SITHARAMAN)

(a) to (e) A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. *219 ANSWERED ON 03rd AUGUST, 2026, REGARDING 'CREDIT FLOW TO MICRO, SMALL AND MEDIUM ENTERPRISES' BY SHRI YOGENDER CHANDOLIA AND SHRI RAJIV PRATAP RUDY, HON'BLE MEMBERS OF PARLIAMENT

(a) Major initiatives undertaken by Small Industries Development Bank of India (SIDBI) to improve credit flow are illustrated as follows: -

i. Indirect Lending:

Financial assistance through refinance and onlending is extended to Banks, NBFCs, SFBs and MFIs which is used by these institutions for financing of MSMEs. This creates a multiplier effect and increases the flow of credit to MSMEs. As on 31.03.2026, the total indirect lending portfolio of SIDBI is ₹5.24 Lakh crore.

ii. Direct Lending:

- Branch Banking: Financial loan assistance is extended to MSMEs directly through SIDBI branch network of 167 branches. Additionally, microlending is undertaken through specific schemes by leveraging the network of partner institutions where loans are facilitated to business entities, especially small and women entrepreneurs.
- Lending through Partnerships
  - Micro lending– Additionally, microlending is undertaken through specific schemes by leveraging the network of partner institutions where loans are facilitated to business entities, especially small and women entrepreneurs.
  - Co-lending: The Bank launched a product on co-lending arrangement with NBFCs and RRBs to provide affordable credit to smaller MSMEs, especially new borrowers, as part of its effort to reach underserved/unserved MSMEs.
- Digital Lending
  - GST Sahay: SIDBI launched a GST Sahay app for 'on tap' invoice-based (cash flow based) small value credit to micro enterprises using trade data and digital frameworks.
  - TReDS: SIDBI is participating in all the 5 TReDS platform to provide timely finance to MSMEs.

iii. SIDBI Cluster Development Fund (SCDF):

To promote cluster development, SCDF has been setup to provide low-cost funding to State Governments for Infrastructure Development in MSME Clusters.

iv. Sectoral Development work/ Coordination Among Stakeholders

To modernise rural non-farm enterprises and improve their productivity and competitiveness, SIDBI is implementing the Modernization of Rural Enterprises (MoRE) Programme, which provides both financial assistance and capacity-building support through a cluster-based approach.

(b) As informed by SIDBI, the state-wise data in respect of refinance to Banks is not maintained by SIDBI. Hence, state-wise data for the entire refinance portfolio of SIDBI to various lending institutions is not available. However, state-wise details of direct credit provided by SIDBI to MSMEs over the last five years are placed at Annexure I. Lok Sabha Constituency- wise data is not maintained. Data pertaining to direct credit of Pali district of Rajasthan is placed at Annexure II.

(c) The Government has introduced Emergency Credit Line Guarantee Scheme (ECLGS) 5.0 in May, 2026. Under the scheme, MSMEs are eligible for additional credit up to 20% of the peak fund-based working capital outstanding during the fourth quarter of FY 2025–26. The scheme provides 100% guarantee coverage to Member Lending Institutions (MLIs) towards the amount in default for such additional credit facility extended to the eligible MSME borrowers. For the scheduled passenger airlines, the guarantee coverage is 90%. However, the scheduled passenger airlines are eligible for additional credit up to 100% of the total peak credit outstanding (both fund-based and non-fund-based) during the fourth quarter of FY 2025-26. Under the scheme, additional credit flow of ₹ 2,55,000 crore is envisaged for MSMEs, non-MSMEs and scheduled passenger airlines.

(d) The details of direct credit provided by SIDBI to MSMEs and details of guarantees issued to MSMEs under ECLGS 5.0 in Ratlam, Jhabua and Alirajpur districts of Madhya Pradesh are placed at Annexure III.

(e) As informed by Ministry of Tribal Affairs, National Scheduled Tribe Finance and Development Corporation (NSTFDC), an apex organization under the Ministry of Tribal Affairs, provides concessional financial assistance to eligible Scheduled Tribe beneficiaries for undertaking income generating activities and self-employment. The major schemes implemented include Term Loan Scheme, Adivasi Mahila Sashaktikaran Yojana (AMSY), Micro Credit Scheme for Self Help Groups (MCF) and Adivasi Shiksha Rrinn Yojana (ASRY). These schemes provide financial support for income generation, entrepreneurship development and education of Scheduled Tribe beneficiaries.
Further, the Ministry of Tribal Affairs launched the Venture Capital Fund for Scheduled Tribes (VCF-ST) in 2024 to promote entrepreneurship among Scheduled Tribe communities through concessional financial assistance of ₹10 lakh–₹5 crore at interest rates as low as 3.75% to 4% per annum. The scheme also provides incubation support of up to ₹30 lakh for technology-oriented and innovative start-ups promoted by ST entrepreneurs.

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Annexure-I

Annexure-I as referred to in part (b) of the reply to the Lok Sabha Starred Question No. *219

State-wise details of direct credit provided by SIDBI to MSMEs over the last five years

(Amount in ₹ crore)

Financial Year 2021-2022					
Sl No	**State**	**Sanctions**		**Disbursement Amt**	**O/S Amt at close of FY**
		No of A/c	**Amt**		
1	Andaman & Nicobar	0	0.00	0.00	0.00
2	Andhra Pradesh	118	116.86	100.63	255.54
3	Assam	7	8.41	2.90	6.93
4	Bihar	12	18.61	13.06	26.10
5	Chandigarh	27	23.90	22.53	65.99
6	Chhattisgarh	36	40.75	28.08	50.42
7	Dadra & Nagar Haveli	10	21.98	22.69	56.19
8	Daman & Diu	5	1.48	1.48	12.45
9	Delhi/NCT of Delhi	289	354.01	291.56	751.35
10	Goa	34	27.25	21.38	47.18
11	Gujarat	979	1329.80	1181.79	3288.68
12	Haryana	477	482.78	450.31	1062.32
13	Himachal Pradesh	37	42.85	37.36	76.04
14	Jammu & Kashmir	0	0.00	0.00	0.07
15	Jharkhand	41	42.90	36.45	72.79
16	Karnataka	267	272.15	233.64	508.31
17	Kerala	170	120.89	122.85	274.72
18	Ladakh	0	0.00	0.00	0.00
19	Lakshadweep	0	0.00	0.00	0.00
20	Madhya Pradesh	123	145.05	135.48	327.72
21	Maharashtra	920	859.58	830.78	1767.69
22	Manipur	1	0.89	0.53	0.70
23	Meghalaya	0	0	0	0
24	Mizoram	0	0.00	0.00	0.00
25	Nagaland	0	0.00	0.00	0.00
26	Odisha	42	31.70	24.23	68.89
27	Puducherry	20	14.70	14.63	40.29
28	Punjab	275	284.94	263.02	588.28
29	Rajasthan	430	372.78	377.67	1188.44
30	Sikkim	0	0.00	0.00	0.00
31	Tamil Nadu	920	960.26	916.07	2047.18
32	Telangana	104	118.91	129.69	335.89
33	Tripura	0	0.00	0.00	0.00
34	Uttar Pradesh	280	282.06	247.78	598.28
35	Uttarakhand	108	114.06	88.82	300.79
36	West Bengal	46	34.62	28.48	111.11
	Grand Total	**5778**	**6124.17**	**5623.89**	**13930.34**

(Amount in ₹ crore)

Financial Year 2022-2023					
Sl No	State	Sanctions		Disbursement Amt	O/S Amt at close of FY
		No of A/c	Amt		
1	Andaman & Nicobar	0	0.00	0.00	0.00
2	Andhra Pradesh	86	144.40	122.61	290.42
3	Assam	7	9.46	8.89	14.43
4	Bihar	7	20.41	11.68	34.97
5	Chandigarh	20	22.40	15.52	47.86
6	Chhattisgarh	33	65.31	42.78	82.02
7	Dadra & Nagar Haveli	8	12.79	15.20	52.44
8	Daman & Diu	5	6.16	2.74	11.40
9	Delhi/NCT of Delhi	218	464.90	335.54	877.60
10	Goa	24	28.23	25.40	61.88
11	Gujarat	955	1669.86	1337.59	3946.84
12	Haryana	315	465.06	402.44	1149.90
13	Himachal Pradesh	26	34.64	26.50	75.49
14	Jammu & Kashmir	2	7.85	3.66	3.66
15	Jharkhand	71	86.06	74.83	128.47
16	Karnataka	272	434.32	343.67	727.81
17	Kerala	83	96.62	94.53	302.97
18	Ladakh	0	0.00	0.00	0.00
19	Lakshadweep	0	0.00	0.00	0.00
20	Madhya Pradesh	88	154.62	135.22	360.75
21	Maharashtra	733	1146.89	848.45	2094.02
22	Manipur	0	0.00	0.36	0.88
23	Meghalaya	0	0	0	0
24	Mizoram	0	0.00	0.00	0.00
25	Nagaland	0	0.00	0.00	0.00
26	Odisha	73	102.35	71.31	130.95
27	Puducherry	28	50.56	28.67	56.67
28	Punjab	277	404.08	372.18	780.94
29	Rajasthan	427	717.57	506.95	1424.91
30	Sikkim	0	0.00	0.00	0.00
31	Tamil Nadu	845	1279.66	1151.38	2598.34
32	Telangana	63	115.53	83.84	340.09
33	Tripura	0	0	0	0
34	Uttar Pradesh	201	314.73	242.49	647.77
35	Uttarakhand	76	112.90	89.92	279.62
36	West Bengal	36	52.94	43.07	127.53
Grand Total		**4979**	**8020.30**	**6437.42**	**16650.63**

(Amount in ₹ crore)

Financial Year 2023-2024					
Sl No	**State**	**Sanctions**		**Disbursement Amt**	**O/S Amt at close of FY**
		No of A/c	**Amt**		
1	Andaman & Nicobar	0	0.00	0.00	0.00
2	Andhra Pradesh	150	306.56	216.32	424.15
3	Assam	6	12.65	16.41	27.46
4	Bihar	20	50.74	41.99	71.43
5	Chandigarh	13	13.35	19.13	50.34
6	Chhattisgarh	33	61.28	45.29	117.37
7	Dadra & Nagar Haveli	8	14.06	12.81	39.20
8	Daman & Diu	4	2.31	4.49	11.22
9	Delhi/NCT of Delhi	256	639.91	569.27	1192.72
10	Goa	30	27.53	27.69	73.03
11	Gujarat	1545	2878.41	2238.13	5303.52
12	Haryana	457	702.41	589.19	1388.67
13	Himachal Pradesh	45	60.55	48.92	99.98
14	Jammu & Kashmir	5	3.85	4.66	7.43
15	Jharkhand	75	152.04	128.72	227.61
16	Karnataka	454	736.77	583.54	1106.99
17	Kerala	176	223.42	176.36	382.48
18	Ladakh	0	0.00	0.00	0.00
19	Lakshadweep	0	0.00	0.00	0.00
20	Madhya Pradesh	143	261.41	222.34	477.15
21	Maharashtra	946	1589.83	1378.79	2842.18
22	Manipur	0	0.00	0.00	0.67
23	Meghalaya	0	0	0	0
24	Mizoram	0	0.00	0.00	0.00
25	Nagaland	1	2.54	2.54	2.54
26	Odisha	86	168.80	98.08	203.77
27	Puducherry	33	43.02	49.34	87.31
28	Punjab	411	537.14	438.37	993.63
29	Rajasthan	520	777.68	606.06	1730.32
30	Sikkim	1	0.38	0.00	0.00
31	Tamil Nadu	1323	2340.70	1897.50	3753.73
32	Telangana	79	175.93	151.30	401.98
33	Tripura	1	0.46	0.45	0.45
34	Uttar Pradesh	333	461.91	374.78	847.72
35	Uttarakhand	120	203.34	186.74	384.78
36	West Bengal	85	131.97	96.89	197.62
Grand Total		**7359**	**12580.95**	**10226.10**	**22447.45**

(Amount in ₹ crore)

Financial Year 2024-2025					
Sl No	**State**	**Sanctions**		**Disbursement Amt**	**O/S Amt at close of FY**
		No of A/c	**Amt**		
1	Andaman & Nicobar	0	0.00	0.00	0.00
2	Andhra Pradesh	134	203.73	241.55	560.67
3	Assam	12	31.82	16.22	40.50
4	Bihar	34	62.75	49.33	108.57
5	Chandigarh	26	34.63	26.32	56.71
6	Chhattisgarh	37	87.75	71.64	142.66
7	Dadra & Nagar Haveli	2	2.77	2.85	28.53
8	Daman & Diu	9	16.29	7.30	14.12
9	Delhi/NCT of Delhi	276	644.47	548.35	1416.21
10	Goa	24	24.67	19.63	72.23
11	Gujarat	1721	3773.54	3099.24	7225.59
12	Haryana	565	842.88	725.70	1660.42
13	Himachal Pradesh	50	78.07	53.71	119.38
14	Jammu & Kashmir	6	7.58	5.79	10.77
15	Jharkhand	98	113.58	99.27	287.17
16	Karnataka	544	1084.68	843.37	1621.32
17	Kerala	215	226.95	190.34	465.73
18	Ladakh	0	0.00	0.00	0.00
19	Lakshadweep	0	0.00	0.00	0.00
20	Madhya Pradesh	181	311.77	259.45	594.36
21	Maharashtra	1077	1971.34	1738.05	3727.85
22	Manipur	2	1.82	1.82	2.27
23	Meghalaya	1	0.25	0.25	0.25
24	Mizoram	1	1.60	1.60	1.60
25	Nagaland	10	13.10	12.88	14.94
26	Odisha	104	138.84	123.39	285.84
27	Puducherry	30	29.39	37.99	102.22
28	Punjab	493	619.88	539.97	1206.00
29	Rajasthan	627	953.46	810.31	2117.41
30	Sikkim	0	0.00	0.38	0.31
31	Tamil Nadu	1610	3055.58	2657.53	5354.58
32	Telangana	116	248.57	179.03	475.61
33	Tripura	2	0.36	0.25	0.63
34	Uttar Pradesh	368	639.81	572.40	1168.35
35	Uttarakhand	101	174.42	137.08	428.15
36	West Bengal	105	149.64	130.58	270.65
Grand Total		**8581**	**15545.99**	**13203.57**	**29581.60**

(Amount in ₹ crore)

Financial Year 2025-2026					
Sl No	**State**	**Sanctions**		**Disbursement Amt**	**O/S Amt at close of FY**
		No of A/c	**Amt**		
1	Andaman & Nicobar	0	0.00	0.00	0.00
2	Andhra Pradesh	227	419.16	305.01	690.78
3	Assam	8	21.47	19.67	55.94
4	Bihar	47	71.41	60.85	147.08
5	Chandigarh	17	10.42	9.16	37.73
6	Chhattisgarh	73	242.13	142.44	237.48
7	Dadra & Nagar Haveli	6	10.05	13.31	37.36
8	Daman & Diu	17	34.88	33.09	51.28
9	Delhi/NCT of Delhi	406	1090.66	670.31	1657.90
10	Goa	14	18.62	14.77	66.54
11	Gujarat	2229	5483.94	4148.33	9694.68
12	Haryana	897	1430.52	947.27	2119.61
13	Himachal Pradesh	82	118.13	93.56	187.72
14	Jammu & Kashmir	6	40.07	28.04	40.37
15	Jharkhand	107	137.65	85.91	309.12
16	Karnataka	733	1705.62	1232.77	2412.31
17	Kerala	190	235.46	204.66	533.02
18	Ladakh	0	0.00	0.00	0.00
19	Lakshadweep	0	0.00	0.00	0.00
20	Madhya Pradesh	260	552.27	417.57	817.60
21	Maharashtra	1461	3128.76	2438.69	5113.54
22	Manipur	1	0.54	0.54	2.26
23	Meghalaya	2	0.59	0.28	0.51
24	Mizoram	0	0.00	0.00	1.48
25	Nagaland	0	0.00	0.00	13.10
26	Odisha	151	191.94	136.84	367.64
27	Puducherry	45	93.12	72.07	145.31
28	Punjab	643	1034.12	782.92	1712.01
29	Rajasthan	821	1687.09	1223.31	2877.64
30	Sikkim	0	0.00	0.00	0.23
31	Tamil Nadu	2028	4365.97	3422.73	7382.30
32	Telangana	165	634.66	363.49	760.62
33	Tripura	1	0.15	0.15	0.33
34	Uttar Pradesh	597	1092.70	727.36	1516.73
35	Uttarakhand	134	275.41	228.39	568.66
36	West Bengal	145	195.25	142.27	335.68
	Grand Total	**11513**	**24322.76**	**17965.76**	**39894.56**

Annexure-II

Annexure-II as referred to in part (b) of the reply to the Lok Sabha Starred Question No. *219

Details of direct credit provided by SIDBI to MSMEs over the last five years in the Pali district of Rajasthan

(Amount in ₹ crore)

FY	District	Sanctions		Disbursements Amt	O/S Amt at close of FY
		No of A/c	Amt		
2021-22	PALI	0	0	0	1
2022-23		1	1	1	1
2023-24		4	3	2	3
2024-25		4	2	1	4
2025-26		11	8	6	8

Annexure-III

Annexure-III as referred to in part (d) of the reply to the Lok Sabha Starred Question No. *219

Details of direct credit provided by SIDBI to MSMEs in Ratlam, Jhabua and Alirajpur districts of Madhya Pradesh

(Amount in ₹ crore)

	2024-25		2025-26	
District Wise	Number	Amount	Number	Amount
ALIRAJPUR	0	0	0	0
RATLAM	0	0	4	11
JHABUA	0	0	2	30

Note: As informed by SIDBI, the data in respect of refinance to Banks is not maintained by SIDBI. Hence, state-wise/ district-wise data for the entire refinance portfolio of SIDBI to various lending institutions is not available.

Details of guarantees issued to MSMEs in Ratlam, Jhabua and Alirajpur districts of Madhya Pradesh under ECLGS 5.0 in FY 2026-27 (till 30.06.2026)

(Amount in ₹ crore)

District Wise	Number of Guarantees	Amount
ALIRAJPUR	30	2.38
RATLAM	548	129.38
JHABUA	91	21.99

Note: ECLGS 5.0 has been launched in May 2026.

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