ECLGS 5.0 Crosses 4.11 Lakh Guarantees with guaranteed amount reaching over ₹1.55 Lakh Crore

98% of guarantees issued (by number) benefits MSMEs, Enabling Strong Liquidity for Businesses

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The Emergency Credit Line Guarantee Scheme (ECLGS) 5.0, approved by the Union Cabinet on 5th May 2026, is delivering fast, large-scale liquidity support to businesses affected by the West Asia geopolitical situation. The scheme is designed to provide risk mitigation for lending institutions to provide additional credit to borrowers, thereby helping businesses to tide over cash-flow disruptions and sustain operations. By extending 100% guarantee coverage to additional loans of MSMEs and 90% to other business segments, the scheme has allowed financial institutions to lend more confidently, ensuring liquidity reaches the needy sectors.

Strong Early Momentum

Since launch, **4,11,497 guarantees have been issued under ECLGS 5.0**, with the guaranteed amount reaching to ₹**1,55,229 crore** — a sign of the scheme's rapid absorption across the lending ecosystem.

MSMEs at the Centre of the Scheme

True to its design intent, the scheme has overwhelmingly benefited India's small business sector:

- **98%** of all guarantees issued (by number) have benefited MSMEs
- **82%** of the total guaranteed amount is also towards MSMEs

Nationwide Outreach Underway

To maximise awareness and adoption, the Department of Financial Services (DFS) has led a structured outreach campaign across the country:

Phase 1: Completed during the period of 20.05.2026 to 06.06.2026 across **nine locations**, conducted through State Level Bankers' Committees (SLBCs) with active participation from the National Credit Guarantee Trustee Company (NCGTC), PSB Alliance, banks, industry associations, and enterprises.

Phase 2: Currently underway at 10 locations, of which 4 have been completed

These outreach programmes are intended to ensure that eligible borrowers are aware of the Scheme and are able to access its benefits, while Member Lending Institutions (MLIs) are equipped to facilitate its effective implementation.

The results from ECLGS 5.0 reflect the government's continued commitment to building a resilient, responsive credit ecosystem. As the scheme evolves and outreach expands, it is expected to further strengthen liquidity support for businesses including MSMEs and enable entrepreneurs to meet their liquidity needs in the times of external challenges.

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