

EMERGENCY CREDIT LINE GUARANTEE SCHEME (ECLGS)

November 3, 2020

In news

Union Government has extended the Emergency Credit Line Guarantee Scheme (ECLGS) by one month till November 30th, 2020, or till such time that an amount of Rs. 3 lakh crore is sanctioned under the Scheme, whichever is earlier

More information

The ECLGS was announced as part of the Aatma Nirbhar Bharat Package (ANBP) to provide fully guaranteed and collateral-free additional credit to MSMEs, business enterprises, individual loans for business purposes, and MUDRA borrowers, to the extent of 20 percent of their credit outstanding as on 29.2.2020.

About ECLGS

- Under the Scheme, 100% guarantee coverage to be provided by National Credit Guarantee Trustee Company Limited (NCGTC) for additional funding of up to Rs. 3 lakh crore to eligible MSMEs and interested MUDRA borrowers.
- The credit will be provided in the form of a Guaranteed Emergency Credit Line (GECL) facility.
- The Scheme would be applicable to all loans sanctioned under GECL Facility during the period from the date of announcement of the Scheme to 31.10.2020.

About National Credit Guarantee Trustee Company Ltd

NCGTC is a private limited company incorporated under the Companies Act, 1956 in 2014, established by the Department of Financial Services, Ministry of Finance, as a wholly owned company of the Government of India, to act as a common trustee

company for multiple credit guarantee funds.