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28 MAY 2026

ECLGS 5.0: Rs 2.55 lakh crore cap

100% cover for MSMEs.
IBC Amendment Act, 2026.

100%

MSME GUARANTEE

Rs 2.55
lakh cr

GUARANTEE CAP

Rs 4.32
lakh cr

IBC REALISATION

Original concept illustration | Figures from cited sources

ECLGS

MSME credit.

IBC

Reforms.

Price of the Edition: Complimentary Copy

Designed and prepared by CrackExam.co.in Team

<https://crackexam.co.in/>

Research cutoff: 28 May 2026, sources dated 28 May 2026

Editor's briefing and contents

Two PIB explainers on credit and insolvency policy make up this short edition.

Research cutoff: 28 May 2026, sources dated 28 May 2026

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Reading guide

2 verified stories, each linked to its source. Earlier developments are explicitly carried forward. Not every possible update is covered. The separate 7-question test uses this same dataset. Original practice, not an actual previous-year paper.



Banking and RBI

ECLGS 5.0: guarantee cover up to 100% for MSMEs, 90% for non-MSMEs and airlines; Rs 2.55 lakh crore cap

28 May 2026 | Press Information Bureau

A PIB explainer of 28 May 2026 says the Union Cabinet has approved ECLGS 5.0 to relieve MSME units and the aviation sector from pressures such as higher ATF prices, airspace restrictions and operational challenges. NCGTC will give credit guarantee cover of up to 100 per cent for MSME units and up to 90 per cent for non-MSME and airline borrowers to Member Lending Institutions.

Additional loans of up to 20 per cent of peak working capital utilisation in Q4 of 2025-26, capped at Rs 100 crore, may be given. The guarantee is co-terminus with loan tenure, and the scheme applies to loans sanctioned till 31 March 2027 or until guarantees of Rs 2.55 lakh crore are issued, whichever is earlier. Eligible MSME units pay no additional guarantee fee.

Key facts

Scheme: Emergency Credit Line Guarantee Scheme (ECLGS 5.0)

Cover: up to 100% for MSMEs; up to 90% for non-MSME and airlines

Extra loan: up to 20% of peak working capital, max Rs 100 crore

Limit: till 31 March 2027 or Rs 2.55 lakh crore of guarantees, whichever is earlier

Exam takeaway: NCGTC is the trustee company that provides the credit guarantee under ECLGS.

One-minute recall: ECLGS 5.0: cover 100% MSME, 90% others; cap Rs 2.55 lakh crore; till 31 Mar 2027 (PIB, 28 May).

Press Information Bureau

Insolvency and Bankruptcy Code (Amendment) Act, 2026: PIB explains reforms; creditors realised nearly Rs 4.32 lakh crore

28 May 2026 | Press Information Bureau

A PIB explainer of 28 May 2026 says the IBC, 2016 created a unified, creditor-driven, time-bound framework for resolving financial distress, and that creditors realised nearly Rs 4.32 lakh crore through approved resolution plans till March 2026.

It says the Insolvency and Bankruptcy Code (Amendment) Act, 2026 introduces reforms to reduce delays, strengthen creditor oversight and improve procedural clarity. Before 2016, resolution ran through separate laws such as the Companies Act, SICA, debt recovery and SARFAESI, which led to fragmented proceedings.

Key facts

Act: IBC (Amendment) Act, 2026

Recovery through approved plans till March 2026: nearly Rs 4.32 lakh crore

Aim: cut delays, strengthen creditor oversight, procedural clarity

Earlier laws: Companies Act, SICA, debt recovery, SARFAESI

Exam takeaway: The IBC, 2016 consolidated insolvency law for companies, partnership firms and individuals.

One-minute recall: IBC (Amendment) Act 2026 aims to cut delays; creditors realised ~Rs 4.32 lakh crore till March 2026 (PIB).

Press Information Bureau

Rapid revision and vocabulary

ECLGS 5.0: cover 100% MSME, 90% others; cap Rs 2.55 lakh crore; till 31 Mar 2027 (PIB, 28 May).

IBC (Amendment) Act 2026 aims to cut delays; creditors realised ~Rs 4.32 lakh crore till March

2026 (PIB).

ECLGS: Emergency Credit Line Guarantee Scheme.

NCGTC: National Credit Guarantee Trustee Company.

MLI: Member Lending Institution.

IBC: Insolvency and Bankruptcy Code.

SARFAESI: Securitisation and Reconstruction of Financial Assets Act.

Rapid-revision prompts

What does ECLGS 5.0 offer?

What does the IBC Amendment Act aim for?

Who gives the guarantee?

Sources and publication information

Every figure comes from the linked source page for that story. Where an official page was not read, the story names the publication that reported it. Items we could not verify, or whose outcome was not settled, were left out. This edition has 2 stories because that is what we could verify for the day.

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