



Ref. No. CGTMSE / 44/282

April 01, 2025

All Member Lending Institutions (MLIs) – (CGSCL) CGS III

**Circular No.252/2025-26**

Madam / Dear Sir,

**Reduction in Annual Guarantee Fee (AGF) for guarantees above ₹ 1 cr - (CGS -III)**

Please refer to CGTMSE Circular no. 236/2023-24 dated January 01, 2024 on Annual Guarantee Fee structure for guarantees upto ₹ 5 cr. In order to further lower the cost of credit for MSEs, it has been decided to reduce the Annual Guarantee Fee for guarantees above ₹ 1cr to ₹ 5 cr. Accordingly, the revised fee structure is as under:

Slab (₹)	Proposed Rate
	Standard Rate (SR)*% (AGF)
0 - 10 lakh	0.37
Above 10 lakh -50 lakh	0.55
Above 50 lakh -1 crore	0.60
Above 1 crore -2 crore	0.85
Above 2 crore -5 crore	1.00
*AGF will be charged on the guaranteed amount for the first year and on the outstanding amount for the remaining tenure of the credit facility.	

The above revised fee structure shall be applicable to all the guarantees approved on or after April 01, 2025.

All other terms and conditions of CGSIII shall remain unchanged.

The contents of this circular may please be brought to the notice of all your offices.

Yours faithfully,

Sd/-  
(Dhiraj Kumar)  
Deputy General Manager

सूक्ष्म एवं लघु उद्यम क्रेडिट गारंटी फंड ट्रस्ट (भारत सरकार एवं सिडबी द्वारा स्थापित)  
स्वावलंबन भवन (सिडबी बिल्डिंग), १ ली मंजिल, प्लॉट न. सी-११, जी-ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स। बांद्रा (पू.), मुंबई- ४०० ०५१  
Credit Guarantee Fund Trust for Micro and Small Enterprises (Set up by Government of India & SIDBI)  
Swavalamban Bhavan (SIDBI Building), 1<sup>st</sup> Floor, Plot No. C-11, G-Block, Bandra Kurla Complex, Bandra (E),  
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