

Ref. No. CGTMSE /44/

January 03, 2022

All Member Lending Institutions (MLIs) of CGTMSE

**Circular No.190 / 2021 – 22**

Madam / Dear Sir,

**Clarification on updating Outstanding for Working Capital**

CGTMSE has been receiving queries from various MLIs regarding updation of Outstanding, charging of fee and coverage limit for Working Capital. In this connection, we clarify that MLIs are required to provide present / expected outstanding in case of Working capital every year for calculation of fee on outstanding basis. The fee shall be generated as per the present / expected outstanding provided by the MLI and Trust's maximum liability will be restricted to such outstanding amount. Needless to say that MLIs have the option to increase/decrease the limit anytime during the year by making the necessary fee payment for the incremental amount. Other guidelines/clarification pertaining to charging of fee on outstanding basis are listed the table attached as ***Annexure I***.

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

Yours faithfully,

Sd/-

(Promod Bakshi)  
Deputy General Manager



## Annexure I

*Refer to Circular 192 / 2021 -22 dated January 19, 2022 for updated guidelines*