



Ref. No. CGTMSE /44/

October 11, 2022

All Member Lending Institutions (MLIs) of CGTMSE – CGS I

Circular No.205 / 2022 – 23

Madam / Dear Sir,

Benefits to Agniveers under Credit Guarantee Scheme

As you may be aware, Government of India has introduced an attractive recruitment scheme called AGNIPATH for Indian youth to serve in the Armed Forces. Youth selected under the Scheme are known as Agniveer. AGNIPATH motivates youth to serve in the Armed Forces for a period of four years with patriotism.

We are glad to inform that in support of AGNIPATH Scheme launched by Gol, it has been decided to provide special benefit to Agniveers for credit facilities extended by MLI, after completion of four years of service by Agniveers. Accordingly, they will be eligible for following two-fold benefits under our Credit Guarantee Scheme.

1. **Charging of Annual Guarantee Fee at lower rate:** AGF would be charged at par with Women Entrepreneur, Micro Enterprises and Units covered in North East Region. The current fee structure is given in Table A of Annexure I
2. **Higher Extent of Guarantee Coverage:** Extent of coverage would be at par with Women Entrepreneur, Micro Enterprises and Units covered in North East Region. The current coverage structure is as given in Table B of Annexure I

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

Yours faithfully,

Sd/-

(Dhiraj Kumar)
Asst General Manager



Table A

Credit Facility	Annual Guarantee Fee (AGF) [% p.a.]*	
	Women, Micro Enterprises and Units covered in North East Region, <u>Agniveers</u>	Others
Up to ₹5 Lakhs	1.00% + Risk Premium as per extant guidelines of the Trust	
Above ₹5 Lakhs and up to ₹50 Lakhs	1.35% + Risk Premium as per extant guidelines of the Trust	1.50% + Risk Premium as per extant guidelines of the Trust
Above ₹50 Lakhs and up to ₹200 Lakhs	1.80% + Risk Premium as per extant guidelines of the Trust	
Retail Trade/ Wholesale Trade (upto ₹100 lakh)	2.00%+ Risk Premium as per extant guidelines of the Trust	
*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.		

Table B

Category	Maximum extent of Guarantee where credit facility is		
	Upto ₹ 5 lakh	Above ₹ 5 lakh & upto ₹ 50 lakh	Above ₹ 50 lakh & upto ₹ 200 lakh
Micro Enterprises	85%of the amount in default subject to a maximum of ₹ 4.25 lakh	75% of the amount in default subject to a maximum of ₹ 37.50 lakh	75% of the amount in default subject to a maximum of ₹ 150 lakh
Women entrepreneurs/ Units located in North East Region (incl. Sikkim) (other than credit facility upto ₹ 5 lakh to micro enterprises), <u>Agniveers</u>	80% of the amount in default subject to a maximum of ₹ 40 lakh		
MSE Retail Trade / Wholesale Trade (upto ₹100 lakh)	50% of the amount in default subject to a maximum of ₹ 50 lakh.		
All other eligible category of borrowers	75% of the amount in default subject to a maximum of ₹ 150 lakh.		