

All Member Lending Institutions (MLIs) of CGTMSE –
Credit Guarantee Scheme – I (CGS-I)

Circular No.209 / 2022 – 23

Madam / Dear Sir,

Modification in Extent of Guarantee Coverage

In order to enhance the effectiveness of the Credit Guarantee Scheme for financial inclusion programme & create greater support to underserved/ weaker segments, the extent of guarantee coverage for credit facility has been increased to 85% for ZED certified MSEs, units under Aspirational District, Women & SC/ST Entrepreneur.

The Trust shall provide guarantee coverage as under:

Category (including Trading activity)	Maximum extent of Guarantee Coverage		
	where credit facility is		
	Upto ₹ 5 lakh	Above ₹ 5 lakh & upto ₹ 50 lakh	Above ₹ 50 lakh & upto ₹ 200 lakh
Micro Enterprises	85%	75%	75%
MSEs located in North East Region (incl. Sikkim)	80%		
Women entrepreneurs	85%		
MSEs situated in Aspirational District	85%		
ZED certified MSEs	85%		
SC/ST entrepreneurs	85%		
All other category of borrowers	75%		



The revised guideline for extent of coverage will be applicable to all guarantees approved on or after December 01, 2022. However, this revised guideline shall not be applicable in case of enhancement of existing working Capital accounts already covered under Guarantee Scheme.

All other terms & conditions of CGS would remain unchanged

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

Yours faithfully,

Sd/-

(Dhiraj Kumar)
Asst General Manager