



Ref. No. CGTMSE / 51

June 09, 2023

Credit Guarantee Scheme - I & II

All Member Lending Institutions (MLIs) of CGTMSE

Circular No.227/2023-24

Madam / Dear Sir,

Assam Credit Guarantee Scheme (ACGS)

We are pleased to inform that CGTMSE in collaboration with State Government of Assam, has launched a special guarantee scheme "Assam Credit Guarantee Scheme (ACGS)" for the MSEs situated in the State of Assam. Under the Scheme, 75% - 85% of the guarantee coverage for a credit facilities will be provided by CGTMSE as hitherto depending upon the category of the borrower and balance 25% - 15% coverage shall be provided by Government of Assam, taking the overall guarantee coverage to 100%. Claims of the respective MLI will be settled maximum upto 10% NPA level of crystallized portfolio (portfolio will be crystallized every FY). In case the NPA level exceeds the above limit, CGTMSE will honour its share i.e 75% - 85%.

The Scheme is made effective from April 01, 2023. All the existing MLIs shall be eligible under ACGS. Apart from 100% guarantee coverage, all other terms and conditions of the Credit Guarantee Schemes (CGS – I for banks and CGS – II for NBFCs) shall be applicable, mutatis mutandis, under ACGS.

This initiative will support meeting the financial need of MSEs in the State of Assam. We look forward to you for popularizing ACGS & ensuring that the benefit of the Scheme is properly actualized.

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

Yours faithfully,

Sd/-

(MSRK Murthy)
Asst General Manager

