



Ref. No. CGTMSE /Circular/294

February 6, 2026

Member Lending Institutions (MLIs) of CGTMSE (CGS – I)-
Public Sector Banks, Private Sector Banks, Foreign Banks and Lending Institutions.

Circular No. 257/ 2025 – 26

Madam / Dear Sir,

**Special Credit Guarantee Scheme – Collateral Support for Export Credit
under Export Promotion Mission (EPM – Niryat Protsahan)**

CGTMSE, in collaboration with the Directorate General of Foreign Trade (DGFT), Department of Commerce, Ministry of Commerce and Industry, Government of India, has launched a Special Credit Guarantee Scheme titled “Collateral Support for Export Credit” for facilitating institutional export credit to eligible Micro, Small and Medium Enterprise (MSME) exporters under the Export Promotion Mission (EPM – Niryat Protsahan).

Under the Scheme, the applicant shall first submit an online application indicating its intent to avail support prior to applying for export credit facility on the DGFT portal. Upon submission, a Unique Identification Number (UIN) shall be generated. Thereafter, the applicant shall approach an eligible Member Lending Institution (MLI) for sanction of the export credit facility by quoting the UIN. Upon completion of due diligence and sanction of the eligible export credit facility, the MLI shall submit the application to CGTMSE for availing guarantee coverage under the Scheme. CGTMSE shall verify the UIN through system-based integration with the DGFT portal and upon successful verification, extend guarantee coverage under the Scheme.

It is hereby clarified that the verification and validation of the UIN, including confirmation of exporter eligibility, correctness of details, compliance with Scheme guidelines and linkage of the UIN with the sanctioned credit facility, shall rest solely with the concerned MLI.

Under the Scheme, credit guarantee support shall be provided to eligible Member Lending Institutions (MLIs) in respect of export credit facilities sanctioned to eligible MSME exporters. The extent of guarantee coverage shall be 85% for Micro and Small Enterprises (MSEs) (75% by CGTMSE and 10% by DGFT). In respect of Medium Enterprises, the extent of guarantee coverage shall be 65%, which shall be fully supported by DGFT. MLIs shall not be required to approach DGFT separately, as CGTMSE shall issue guarantee and settle the entire claims under Scheme.

The detailed Scheme Guidelines, including eligibility criteria, nature of credit facilities covered, guarantee coverage structure, fee structure, operational process, claim settlement mechanism and other related provisions are enclosed as ***Annexure I*** to this Circular.

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)

1लो मंजिल, सिडबी स्वावलंबन भवन, एवेन्यू 3, लेन 2, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू.), मुंबई - 400 051.

Credit Guarantee Fund Trust for Micro and Small Enterprises (Set up by Government of India & SIDBI)

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EXPORT PROMOTION MISSION – NIRYAT PROSTAHAN

Collateral Support for Export Credit

(also called as Special Credit Guarantee Scheme)

Section 12.X- Collateral Support for Export Credit

12.X.1. Objective

- a. The objective is to facilitate access to formal credit for Micro, Small and Medium Enterprise (MSME) exporters, especially those lacking sufficient collateral, by providing credit guarantee support.
- b. This initiative under EPM aims to reduce the credit risk for lending institutions, enabling greater flow of export credit to MSME exporters.

12.X.2. Scope and Coverage

- a. The initiative will provide guarantee support for working capital export credit extended by eligible Member Lending Institutions (MLIs) to MSMEs without collateral security and third-party guarantee. In the Partial Collateral Security / Hybrid Model, the MLIs will be allowed to obtain collateral security for a part of the credit facility, whereas the remaining part of the credit facility, can be covered under the Scheme.
- b. Guarantee support shall be available to eligible MSME exporters to obtain pre- and post-shipment export credit from the MLIs.
- c. The detailed operational framework, eligibility criteria, and procedures for application, approval and monitoring shall be specified in Chapter 12 of the Handbook of Procedures (HBP).

HANDBOOK OF PROCEDURES (HBP)

12.X.1. Eligibility, Scope and Coverage

- a. All MSME manufacturer exporters and merchant exporters holding a valid active Importer-Exporter Code (IEC) and a valid MSME Udyam Registration Number shall be eligible to receive collateral support for export credit.
- b. Export credit extended by lending institutions in accordance with the Reserve Bank of India (RBI) Master Directions on Pre- and Post-Shipment Export Credit shall qualify for support under this component.
- c. Collateral Support shall be available in respect of exports falling under a notified positive list of tariff lines at the Harmonised System (HSN) six-digit level.
- d. The positive list shall be reviewed periodically based on objective parameters such as sectoral MSME concentration, export concentration ratios, labour intensity, and other relevant considerations, and shall not be linked to minimum export threshold.

12.X.2 Instrument Supported

Support under this initiative shall be available to loans sanctioned without collateral security and third-party guarantee for export-related purposes and shall not apply to domestic working capital loans. However, in the Partial Collateral Security / Hybrid Model, the MLIs will be allowed to obtain collateral security for a part of the credit facility, whereas the remaining part of the credit facility, can be covered under the Scheme.

12.X.3. List of Eligible Member Lending Institutions

Scheduled Commercial Banks (Public Sector Banks, Private Sector Banks, and Foreign Banks) and select Financial Institutions registered with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) will be eligible as Member Lending Institutions (MLIs) under the Initiative. A list of eligible Member Lending Institutions is provided in Appendix-12C.

12.X.4. Nature of Assistance

- a. Collateral guarantee coverage shall be provided up to a notified maximum percentage of the sanctioned loan amount under this intervention. For Micro and Small exporters, such collateral guarantee shall be extended in addition to, and not in substitution of, any guarantee coverage available under existing CGTMSE schemes. For Medium exporters, the collateral guarantee support shall be provided exclusively under this intervention.

- b. Support shall be extended at an annual guarantee fee as per the rates applicable under Credit Guarantee Scheme for Banks (CGS -I) of CGTMSE and as amended from time to time.
- c. The outstanding collateral guaranteed exposure for each beneficiary MSME exporter shall be capped at a specified level, as notified from time to time. The total amount of guarantees extended over the course of the year may exceed this cap, subject to settlement of earlier loans and issuance of fresh eligible credit facilities.

Guidelines for Collateral Support for Export Credit

1. Sub-Committee on Trade Finance

Sub-Committee on Trade Finance (hereafter referred to as the 'Sub-Committee') shall be constituted for recommendation of activities and monitoring of implementation under Collateral Support for Export Credit. The composition of the Sub-Committee as decided by the DGFT.

2. Implementing Agency

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

3. Guidelines for Collateral Support for Export Credit

a. Collateral guarantee support will be provided in collaboration with CGTMSE. The details are as under:

i. **For Micro and Small Enterprises (MSEs)**

Guarantee Ceiling (INR)	CGTMSE Coverage	Coverage from the funds of the DGFT	Total Coverage
10 crore	75%	10%	85%

ii. **For Medium Enterprises**

Guarantee Ceiling (INR)	CGTMSE Coverage	Coverage from the funds of the DGFT	Total Coverage
10 crore	-	65%	65%

b. **Cap on Guarantee:** Guarantee coverage will be limited to export-related working capital loans up to a guarantee ceiling of ₹10 crore per borrower including credit guarantee issued against the borrower under all schemes of CGTMSE.

c. On default, liability under this initiative will be limited to the coverage as per the table mentioned under Para 3(a)

d. Guarantee coverage shall be restricted to export-related working capital facilities, subject to a notified overall guarantee ceiling per borrower. The aggregate guarantee exposure for a borrower—across this intervention and all other credit guarantee schemes operated by CGTMSE—shall not exceed the prescribed ceiling.

Illustratively, where a borrower has already availed credit guarantee cover of ₹2 crore under existing CGTMSE schemes, the maximum additional guarantee coverage available to such borrower under the export credit collateral guarantee intervention shall be limited to the residual amount of ₹8 crore, within the overall ceiling of ₹10 crore.

4. Intent Filling on DGFT Portal

- a. Applicants shall submit an online application indicating their intent to avail support prior to applying for the export credit facility, via the online portal. A detailed procedure is provided in Annexure-I.
- b. The application shall include details of the firm, export products, and the preferred lending institutions for availing the export credit facility. Upon submission, a Unique Identification Number (UIN) shall be generated.
- c. The following documents are required for intent submission:
 - i. Valid IEC (not suspended or cancelled)
 - ii. Valid UDYAM certificate linked to IEC
 - iii. CA certificate validating the applicant's annual revenue and export turnover for the past three financial years
 - iv. Self-attested copy of export Purchase Order
- d. Each declaration of intent shall remain valid until the end of the financial year.
- e. Applicants shall approach one of the eligible lending institutions with the UIN to apply for the export credit and collateral guarantee facility.

5. Loan Sanction and Guarantee Coverage

- a. The lending institution shall assess the applicant's creditworthiness using its internal evaluation mechanism.
- b. On sanctioning the loan, the Member Lending Institution (MLI) may apply for credit guarantee support to the CGTMSE.
- c. On receipt of application from MLI, the guarantee application will be approved by validating UIN issued on the online portal and unique CGPAN number would be allotted and Performa Invoice will be generated for annual guarantee fee.
- d. The CGTMSE shall issue credit guarantee to the lending institution upon receipt of the applicable fee and final invoice shall be generated.
- e. All other terms and conditions of CGS-I would apply mutatis mutandis under the initiative, and as modified from time to time. The details are given below:

6. Responsibilities of lending institution under the initiative:

- a. The lending institution shall evaluate credit applications by using prudent banking judgement and shall use their business discretion / due diligence in selecting commercially viable proposals and conduct the account(s) of the borrowers with normal banking prudence.
- b. The lending institution shall closely monitor the borrower account.
- c. The lending institution shall safeguard the primary securities taken from the borrower in respect of the credit facility in good and enforceable condition.
- d. The lending institution shall ensure that the guarantee claim in respect of the credit facility and borrower is lodged with the Trust in the form and in the manner and within such time as may be specified by the Trust in this behalf and that there shall not be any delay on its part to notify the default in the borrowers account which shall result in the Trust facing higher guarantee claims.
- e. The payment of guarantee claim by the Trust to the lending institution does not in any way take away the responsibility of the lending institution to recover the entire outstanding amount of the credit from the borrower. The lending institution shall exercise all the necessary precautions and maintain its recourse to the borrower for entire amount of credit facility owed by it and initiate such necessary actions for recovery of the outstanding amount, including such action as may be advised by the Trust.
- f. The lending institution shall comply with such directions as may be issued by the Trust, from time to time, for facilitating recoveries in the guaranteed account, or safeguarding its interest as a guarantor, as the Trust may deem fit and the lending institution shall be bound to comply with such directions.
- g. The lending institution shall, in respect of any guaranteed account, exercise the same diligence in recovering the dues, and safeguarding the interest of the Trust in all the ways open to it as it might have exercised in the normal course if no guarantee had been furnished by the Trust.
- h. The lending institution shall refrain from any act of omission or commission, either before or subsequent to invocation of guarantee, which may adversely affect the interest of the Trust as the guarantor. In particular, the lending institution should intimate the Trust while entering into any compromise or arrangement, which may have effect of discharge or waiver of personal guarantee(s) or security.

- i. The lending institution shall also ensure either through a stipulation in an agreement with the borrower or otherwise, that it shall not create any charge on the security held in the account covered by the guarantee for the benefit of any account not covered by the guarantee, with itself or in favour of any other creditor(s) without intimating the Trust. Further the lending institution shall secure for the Trust or its appointed agency, through a stipulation in an agreement with the borrower or otherwise, the right to list the defaulted borrowers' names and particulars on the Website of the Trust

7. Annual Guarantee Fee (AGF)

- a. AGF will be charged on the guaranteed amount for the first year and on the outstanding amount for the remaining tenure of the credit facilities as detailed below

Slab	Standard Rate (SR)*	Fee Rate after Discount (-10%)	Fee Rate with Risk Premium			
			15%	30%	50%	70%
0-10 lakh	0.37	0.33	0.43	0.48	0.56	0.63
Above 10-50 lakh	0.55	0.50	0.63	0.72	0.83	0.94
Above 50-1 crore	0.60	0.54	0.69	0.78	0.90	1.02
Above 1-2 crore	0.85	0.77	0.98	1.11	1.28	1.45
Above 2-5 crore	1.00	0.90	1.15	1.30	1.50	1.70
Above 5-8 crore	1.10	0.99	1.27	1.43	1.65	1.87
Above 8-10 crore	1.20	1.08	1.38	1.56	1.80	2.04

**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 standard rate is across all activity including trading activity.

- b. CGTMSE had engaged the services of external agency to carry out the analysis of the portfolio of CGTMSE. The agency, inter alia, has also categorized the MLIs based on various critical factors such as NPA rate, claim rate, quick mortality ratio, net flows etc. Accordingly, depending on the degree of risk, MLI with better portfolio would be given the discount of 10% in standard rate whereas MLI with high risk associated would be charged maximum risk premium upto 70% of SR. MLI shall be individually informed on the

applicable risk premium/discount as the case maybe. The Report on Applicable Risk Premium to MLI is made available in CGTMSE system.

- c. MLIs newly registered/which do not have sufficient history of transactions under CGTMSE will be placed at 70% risk premium for a period of at least 1 year.
- d. The review of Risk classification of MLI would be an annual exercise or at such interval as decided by the Trust. The review of Risk classification of MLI would be carried out by external agency or internally as decided by the Trust.
- e. The fee would be charged on outstanding basis i.e. First fee (guarantee fee) would be charged on guarantee amount and subsequent fee (annual fee) would be charged on outstanding amount.
- f. The total exposure of the MSE would be considered to arrive at the slab of the borrower and accordingly, applicable fee would be charged on the guarantee/outstanding amount
- g. The duration and process of calculation of annual guarantee fee shall remain same.
- h. The various scenarios/calculations for charging of fee at different level of fee rate and risk rate including additional relaxation is illustrated in *Appendix-12B*.

i. **Charging of fee on Outstanding basis**

- a. In case of working capital loans, AGF would be calculated on present / expected Outstanding as provided by MLI.
- b. For cases covered under Hybrid Security Model, Guarantee fee will be charged on the guaranteed amount for the first year and on the outstanding amount after netting off collateral value and unsecured portion, if any, subsequently resulting in lower annual guarantee fee charged to MSEs.
- c. Online module for updating the outstanding amount in respect of eligible guaranteed loan accounts is made available between January 01- January 15 every year.

8. Payment of AGF

- a. Annual Guarantee fee (first time fee) shall be paid to the Trust by the institution availing of the guarantee within 30 days from the date of first disbursement of credit facility (not applicable for Working capital) or 30 days from the date of Demand Advice (CGDAN) of guarantee fee whichever is later *or such date as specified by the Trust*.
- b. The Annual Guarantee fee (subsequent to first time fee) at specified rate (as specified above) *on pro-rata basis for the first and last year and in full for the intervening years* would be generated by 2nd week of February every year. AGF so demanded would be paid

by the MLIs on or before 30th March each year or any other specified date by CGTMSE, of every year.

- c. The Annual Guarantee Fee shall be demanded in respect of all live covered accounts excluding the accounts where claim has been lodged in the system.
- d. Provided further that in the event of non-payment of annual service / guarantee fee within the stipulated time or such extended time that may be agreed to by the Trust on such terms, liability of the Trust to guarantee such credit facility would lapse in respect of those credit facility against which the service charges / fee are due and not paid.
- e. Provided further that, the Trust may consider renewal of guarantee cover for such of the credit facility upon such terms and conditions as the Trust may decide.
- f. In the event of any error or discrepancy or shortfall being found in the computation of the amounts or in the calculation of the guarantee fee / annual service fee, such deficiency / shortfall shall be paid by the eligible lending institution to the Trust together with interest on such amount at a rate of four per cent over and above the Bank Rate, or as may be prescribed by the Trust from time to time. Any amount found to have been paid in excess would be refunded by the Trust. In the event of any representation made by the lending institution in this regard, the Trust shall take a decision based on the available information with it and the clarifications received from the lending institution, and its decision shall be final and binding on the lending institution.
- g. The amount equivalent to the annual guarantee fee and / or the service fee payable by the eligible lending institution may be recovered by it, at its discretion from the eligible borrower.
- h. The annual guarantee fee and / or annual service fee once paid by the lending institution to the Trust is non-refundable except under certain circumstances like –
 - i. Excess remittance,
 - ii. Remittance made more than once against the same credit application,
 - iii. Annual Guarantee fee & or annual service fee not due,
 - iv. Annual Guarantee fee paid in advance but application not approved for guarantee cover under the initiative, etc.
 - v. In case of pre-closure / request for refund, refund of proportionate annual guarantee fee (GF/AGF/ASF) will be allowed only where closure is marked in CGTMSE system / refund request is within 3 months from the date of receipt of fee by CGTMSE. To claim refund in case of pre-closure, it is mandatory to mark closure

of account in the system. Any pre-closure marked / refund request received after 3 months from the date of receipt of fee by CGTMSE would not be considered.

9. Revival of closed accounts

If the guaranteed account gets closed due to non-payment of AGF, the guarantee under the initiative shall not be available and request for revival of accounts/ delayed payment will be considered subject to the following conditions:

- i. Request for revival of account will have to be submitted within next financial year.
- ii. Account should be standard and regular as on date of submission of request for revival and the Trust reserves the right to reject the claim if the account turns NPA within 180 days from the date of revival of account.
- iii. Any fee due by the MLI (current and previous FY) will be demanded along with penal interest (@ 4% over Bank Rate, per annum) and additional risk premium @15% of standard rate or at such rates specified by the Trust from time to time, for the period of delay.

10. Claims/Invocation of guarantee - NPA marking

- a. The Member Lending Institutions (MLIs) are required to inform the date on which the account was classified as NPA in a particular calendar quarter, by end of subsequent quarter.
- b. The lending institution may invoke the guarantee in respect of credit facility within a maximum period of 3 years from the NPA date or lock-in period whichever is later if the following conditions are satisfied: -
 - i. The guarantee in respect of that credit facility was in force **at the time of account turning NPA.**
 - ii. The lock-in period of 18 months for guarantee (or 9 months for guarantee upto ₹10 lakh with tenure upto 36 months) from either the date of last disbursement of the loan to the borrower or the guarantee start date in respect of credit facility to the borrower, whichever is later, has lapsed.
 - iii. The amount due and payable to the lending institution in respect of the credit facility has not been paid and the dues have been classified by the lending institution as Non-Performing Assets. Provided that the lending institution shall not make or be

entitled to make any claim on the Trust in respect of the said credit facility if the loss in respect of the said credit facility had occurred owing to actions / decisions taken contrary to or in contravention of the guidelines issued by the Trust.

- iv. The credit facility has been recalled, and the recovery proceedings have been initiated under due process of law. Mere issuance of recall notice under SARFAESI Act 2002 cannot be construed as initiation of legal proceedings for purpose of preferment of claim under CGS. MLIs are advised to take further action as contained in Section 13 (4) of the SARFAESI Act 2002 wherein a secured creditor can take recourse to any one or more of the recovery measures out of the four measures indicated therein before submitting claims for first instalment of guaranteed amount. In case the MLI is not in a position to take any of the action indicated in Section 13(4) of the aforesaid Act, they may initiate fresh recovery proceeding under any other applicable law and seek the claim for first instalment from the Trust.
- v. Initiation of legal proceedings as a pre-condition for invoking of guarantees shall be waived for credit facilities having aggregate outstanding up to ₹10,00,000/-.
- vi. The accounts classified by the Lending Institution as Fraud / Willful defaulter / Non-Co-operative borrower shall not be considered eligible for Claim Settlement.
- vii. The account slipping into NPA within 90 days from the material date shall not be considered eligible for Claim Settlement.
- viii. Claims of the respective MLI will be settled to the extent of 2 times of the fee including recovery remitted during the previous financial year. Any claim lodged / received exceeding 2 times of the total fee including recovery remitted by MLI will be suspended till such time the position is remedied i.e. payout is brought within the payout cap limit.
- ix. The claim should be preferred by the lending institution in such manner and within such time as may be specified by the Trust in this behalf.
- x. The Trust shall pay 75 per cent of the guaranteed amount on preferring of eligible claim by the lending institution, within 30 days, subject to the claim being otherwise found in order and complete in all respects. The Trust shall pay to the lending institution interest on the eligible claim amount at the prevailing Bank Rate for the period of delay beyond 30 days. The claim for balance 25 per cent of the guaranteed amount can be lodged after the completion of 3 years from the settlement of first

claim or OTS (after the receipt of full and final OTS amount) whichever is earlier. On a claim being paid, the Trust shall be deemed to have been discharged from all its liabilities on account of the guarantee in force in respect of the borrower concerned. MLIs, however, should undertake to refund any amount received from the unit after payment of full guaranteed amount by CGTMSE.

- xi. In the event of default, the lending institution shall exercise its rights, if any, to take over the assets of the borrowers and the amount realized, if any, from the sale of such assets or otherwise shall first be credited in full by the lending institutions to the Trust before it claims the remaining 25 per cent of the guaranteed amount.
- xii. The lending institution shall be liable to refund the claim released by the Trust together with penal interest at the rate of 4% above the prevailing Bank Rate, if such a recall is made by the Trust in the event of serious deficiencies having existed in the matter of appraisal / renewal / follow-up / conduct of the credit facility or where lodgments of the claim was more than once or where there existed suppression of any material information on part of the lending institutions for the settlement of claims. The lending institution shall pay such penal interest, when demanded by the Trust, from the date of the initial release of the claim by the Trust to the date of refund of the claim.
- xiii. MLIs can update, allocate and remit the recoveries/ OTS amount received post settlement of first instalment of claim in the CGTMSE portal. In the Recovery Module, MLIs can allocate the CGPANs to generate RP Number and initiate payment by generating Virtual Account Number for remitting recovery related payment to CGTMSE.
- xiv. While online lodgment of first claim, MLIs have to submit the Declaration & Undertaking (D& U) electronically along with the checklist displayed in the system.
- xv. The Guarantee Claim received directly from the branches or offices other than respective operating-offices of MLIs through hardcopy will not be entertained.

11. Claims/Invocation of guarantee - Settlement of second / final instalment

- a. Second / final instalment can be lodged after the completion of 3 years from the settlement of first claim or OTS (after the receipt of full and final OTS amount) whichever is earlier.
- b. Claim settlement process shall be in two instalments i.e. 75% of eligibility amount as first instalment & balance 25% as second instalment. For legal waiver accounts, second

instalment of claim -would be settled after three years from the date of settlement of 1st claim or OTS whichever is earlier.

12. Subrogation of rights and recoveries on account of claims paid

- a. The lending institution shall furnish to the Trust, the details of its efforts for recovery, realizations and such other information as may be demanded or required from time to time. The lending institution will hold lien on assets created out of the credit facility extended to the borrower, on its own behalf and on behalf of the Trust. The Trust shall not exercise any subrogation rights and that the responsibility of the recovery of dues including takeover of assets, sale of assets, etc., shall rest with the lending institution.
- b. In the event of a borrower owing several distinct and separate debts to the lending institution and making payments towards any one or more of the same, after the account turning into NPA, whether the account towards which the payment is made is covered by the guarantee of the Trust or not, such payments shall, for the purpose of this clause, be deemed to have been appropriated on proportionate basis by the lending institution based on total outstanding amount as on the date of NPA/recovery, to the debt covered by the guarantee and in respect of which a claim has been preferred and paid, irrespective of the manner of appropriation indicated by such borrower or manner in which such payments are actually appropriated. The same will be applicable even for OTS settlement of such accounts.
- c. Every amount recovered and due to be paid to the Trust shall be paid by the lending institution on pro-rata basis. In case where legal action has been initiated, legal expense (which includes only court fees and advocate fees) will be netted off from total recovered amount and then, amount on pro-rata basis has to be returned to the Trust.
- d. However, if an account is settled under OTS, and there are other loan accounts sanctioned by MLI but which are not covered under CGTMSE for the same borrower, then the MLI shall remit the OTS amount on the proportionate basis based on total outstanding amount as on OTS date.
- e. MLIs are required to provide a certificate from their Statutory Auditors in respect of remittance of recoveries made, post settlement of claims. MLIs can obtain the recovery certificate duly authenticated by their Head of Audit Department / Zonal/Regional Offices confirming remittance of entire recoveries netting off legal expenses, if any, and including refund of 1st claim, if any, to CGTMSE during the FY as per the format attached as *Annexure V*. Head Office of the respective MLI may consolidate the information so received from their MLIDs/Regional/Zonal/Circle Offices and submit the final consolidated certificate to

CGTMSE duly signed by an authorized official not below the rank of General Manager. Such certificate for a particular FY must be submitted by MLIs by September 30th of the succeeding year.

13. Miscellaneous

- a. Appropriation of amount received from the lending institutions**
 - i. The amount received from the lending institutions shall be appropriated in the order in which the service fee / annual guarantee fee, penal interest and other charges have fallen due.
 - ii. If the service fee / annual guarantee fee and the penal interest have fallen due on the same date, then the appropriation shall be made first towards service fee / annual guarantee fee and then towards the penal interest and finally towards any other charges payable in respect of the eligible credit facility.
- b. Appropriation of amount realized by the lending institution in respect of a credit facility after the guarantee has been invoked.**
 - i. Where subsequent to the Trust having released a sum to the lending institution towards the amount in default in accordance with the provisions contained in the Section 10 of this initiative, the lending institution recovers money subsequent to the recovery proceedings initiated by it, the same shall be deposited by the lending institution with the Trust, after adjusting towards the legal cost incurred by it for recovery of the amount.
 - ii. The Trust shall appropriate the same first towards the pending annual service fee / annual guarantee fee, penal interest, and other charges due to the Trust, if any, in respect of the credit facility towards which the amount has been recovered by the lending institution, and the balance, if any, shall be appropriated in such a manner so that losses on account of deficit in recovery of the credit facility between the Trust and the lending institution are in same proportion in which guarantee has been extended.
- c. Trust's liability to be terminated in certain cases**
 - i. If the liabilities of a borrower to the lending institution on account of any eligible credit facility guaranteed under this Initiative are transferred or assigned to any other borrower and if the conditions as to the eligibility of the borrower and the amount of the facility and any other terms and conditions, if any, subject to which the credit facility

can be guaranteed under the Initiative are not satisfied after the said transfer or assignment, the guarantee in respect of the credit facility shall be deemed to be terminated as from the date of the said transfer or assignment.

- ii. If a borrower becomes ineligible for being granted any credit facilities under the Initiative, by reason of cessation of his activity or his undertaking ceasing to come within the definition of a MSE unit, the liability of the Trust in respect of any credit facilities granted to him by a lending institution under the Initiative shall be limited to the liability of the borrower to the lending institution as on the date on which the borrower becomes so ineligible, subject, however, to the limits on the liability of the Trust fixed under this Initiative. However, notwithstanding the death or retirement of a partner where the borrower is a partnership firm or the death of one of the joint borrowers, if the lending institution is entitled to continue the credit facilities to the surviving partner or partners or the surviving borrower or borrowers, as the case may be and if the credit facilities have not already become non-performing asset, the guarantee in respect of such credit facilities shall not to be deemed to be terminated as provided in this paragraph.

d. Returns and Inspections

- i. The lending institution shall submit such statements and furnish such information as the Trust may require in connection with any credit facility under this Initiative.
- ii. The lending institution shall also furnish to the Trust all such documents, receipts, certificates and other writings as the latter may require and shall be deemed to have affirmed that the contents of such documents, receipts, certificates and other writings are true, provided that no claim shall be rejected and no liability shall attach to the lending institution or any officer thereof for anything done in good faith.
- iii. The Trust shall, insofar as it may be necessary for the purposes of the Initiative, have the right to inspect or call for copies of the books of account and other records (including any book of instructions or manual or circulars covering general instructions regarding conduct of advances) of the lending institution, and of any borrower from the lending institution. Such inspection may be carried out either through the officers of the Trust or of SIDBI (in case of Institutions other than SIDBI) or any other person appointed by the Trust for the purpose of inspection. Every officer or other employee of the lending institution or the borrower, who is in a position to do so, shall make

available to the officers of the Trust or SIDBI or the person appointed for the inspection as the case may be, the books of account and other records and information which are in his possession.

e. Conditions imposed under the Initiative to be binding on the lending institution

- i. Any guarantee given by the Trust shall be governed by the provisions of the Initiative as if the same had been written in the documents evidencing such guarantee.
- ii. The lending institution shall as far as possible ensure that the conditions of any contract relating to an account guaranteed under the Initiative are not in conflict with the provisions of the Initiative but notwithstanding any provision in any other document or contract, the lending institution shall in relation to the Trust be bound by the conditions imposed under the Initiative.

f. Modifications and exemptions

- i. The Trust reserves to itself the right to modify, cancel or replace the initiative so, however, that the rights or obligations arising out of, or accruing under a guarantee issued under the Initiative up to the date on which such modification, cancellation or replacement comes into effect, shall not be affected.
- ii. Notwithstanding anything contained herein, the Trust shall have a right to alter the terms and conditions of the Initiative in regard to an account in respect of which guarantee has not been issued as on the date of such alteration.
- iii. In the event of the Initiative being cancelled, no claim shall lie against the Trust in respect of facilities covered by the Initiative, unless the provisions contained in Clause (i) and (ii) of Section 10 of the Initiative are complied with by the lending institution prior to the date on which the cancellation comes into force.

g. Interpretation

- i. If any question arises in regard to the interpretation of any of the provisions of the Initiative or of any directions or instructions or clarifications given in connection therewith, the decision of the Trust shall be final.

h. Supplementary and general provisions

- i. In respect of any matter not specifically provided for in this Initiative, the Trust may make such supplementary or additional provisions or issue such instructions or clarifications as may be necessary for the purpose of the Initiative.

List of Tariff Lines Eligible for Collateral Support for Export Credit

As decided by DGFT.

Annexure 12C

List of eligible Member Lending Institutions

(Last Updated on November 30, 2025)

PUBLIC SECTOR BANKS (12 nos.)	PRIVATE SECTOR BANKS (22 nos.)	FOREIGN BANK (7 nos.)	LENDING INSTITUTIONS (10 nos.)
BANK OF BARODA	AXIS BANK LIMITED	BANK OF BAHRAIN AND KUWAIT	ANDHRA PRADESH STATE FINANCIAL CORPORATION
BANK OF INDIA	BANDHAN BANK LIMITED	BARCLAYS BANK PLC	DELHI FINANCIAL CORPORATION
BANK OF MAHARASHTRA	CATHOLIC SYRIAN BANK	DBS BANK	EXPORT IMPORT BANK OF INDIA
CANARA BANK	CITY UNION BANK.	DEUTSCHE BANK	JAMMU & KASHMIR DEVELOPMENT FINANCE CORPORATION LTD
CENTRAL BANK OF INDIA	DEVELOPMENT CREDIT BANK LTD.	STANDARD CHARTERED BANK	KERALA FINANCIAL CORPORATION
INDIAN BANK	HDFC BANK LTD.	SBM BANK (INDIA) LTD	NATIONAL SMALL INDUSTRIES CORPORATION LTD.
INDIAN OVERSEAS BANK	ICICI BANK LTD.	HSBC	NORTH EASTERN DEVELOPMENT FINANCE CORPORATION LTD.
PUNJAB & SIND BANK	IDBI BANK LTD		SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA
PUNJAB NATIONAL BANK	IDFC FIRST BANK LIMITED		THE TAMIL NADU INDUSTRIAL

			INVESTMENT CORPORATION LTD.
STATE BANK OF INDIA	INDUSIND BANK LTD.		NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
UCO BANK	KARNATAKA BANK LTD.		
UNION BANK OF INDIA	KOTAK MAHINDRA BANK LTD.		
	LAKSHMI VILAS BANK		
	TAMILNAD MERCANTILE BANK LTD.		
	THE DHANALAKSHMI BANK LTD.		
	THE FEDERAL BANK LTD.		
	THE JAMMU & KASHMIR BANK LTD.		
	THE KARUR VYSYA BANK LTD		
	THE NAINITAL BANK LTD.		
	THE RATNAKAR BANK LTD.		
	THE SOUTH INDIAN BANK LTD.		
	YES BANK LIMITED		

Intent Procedure for Collateral Support for Export Credit

Following steps are to be followed by the applicant to fill and submit the intent form:

Step I: Applicant should log in to the DGFT portal with the credentials.

Step II: Click on “Services” tab on the portal.

Step III: Select the option “Export Promotion Mission (EPM) under “Services” tab.

Step IV: Click on Apply for EPM Schemes

Step V: Click on “Start Fresh Application” tab.

Step VI: Under Application Type tab, select “Collateral Support for Export Credit” and click on “Save & Proceed” tab.

Step VII: Fill the following form:

Basic Details		
IEC Number	PAN	Firm Name
Auto Populated	Auto Populated	Auto Populated
Date of Birth /Incorporation	IEC Issuance Date	Nature of Concern/Firm
Auto Populated	Auto Populated	Auto Populated

Exporter Type	Applicant's Name *	Applicant's Contact *
<input type="button" value="Auto Populated"/>	<input type="text"/>	<input type="text"/>

Address Details						
Branch*	<input type="text"/>	<input type="text" value="Auto Populated"/>	<input type="text" value="Auto Populated"/>	Address Line 1	Address Line 2	
City	<input type="text" value="Auto Populated"/>	<input type="text" value="Auto Populated"/>	<input type="text" value="Auto Populated"/>	State	Pin Code	District
MSME Details						
S. No	Registration Number	Registration Type	Date of Issue	Issuing Authority	Product for Which Registered	MSME Type
<input type="text" value="1"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Annual TurnOver (last three years)						
FINANCIAL - YEAR	ANNUAL TURNOVER			ANNUAL EXPORT TURNOVER		

2022-23

2023-24

2024-25

AVERAGE

Declaration for updated
profile*

I/We have updated my/our profile in
ANF-1 (My IEC profile)

Save & Proceed

Other Details

Number of Employees

Number field

Whether applicant is? (if applicable)

SC/ST

Women

Whether applicant is from Northeastern/Hilly State?

Yes

No

If yes, please specify the name of the state & district

Name of the Northeastern/Hilly State

Name of the District

Please select from the list

Please select from the list

Bank details

Note:

1. Please select only those banks which are validated. You may refer to the member lending institutions eligible for Collateral Support for Export Credit here.
2. Your account with the bank should be validated in your IEC profile.
3. The bank details displayed below are from your IEC Profile.
4. In case the Bank Account details are not available / visible, please check and modify your IEC.

Select	Account No	Account Holder Name	IFSC Code	Bank Name	Branch Name
<input type="radio"/>	XXXXXXXXXX428	XXXXXXXXXX	XXXXXX23	Bank of XXXXX	Baroda
<input type="radio"/>	XXXXXXXXXXX534	XXXXXXXXXX	XXXXXX41	State Bank	XXXXX of India

Loan Details

Loan Applied for (in INR)	Loan Reference Number (if already applied for loan)	Tenure (in days)	Estimated Rate (in %)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Save & proceed

Item Details

Note:

Only one sector can be selected per application.

Sector	ITC (HS) Code	ITC (HS) Product Description
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Please select from the list	Please select from the list	Auto Populated				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Technical Characteristics</td> <td style="width: 50%;">Country of Export</td> </tr> <tr> <td><input style="width: 100%; height: 40px;" type="text"/></td> <td><input style="width: 100%; height: 40px;" type="text"/></td> </tr> </table>			Technical Characteristics	Country of Export	<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>
Technical Characteristics	Country of Export					
<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>					
Add Reset						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Attachment Type</td> <td style="width: 50%;">Remark</td> </tr> <tr> <td><input style="width: 100%; height: 40px;" type="text"/></td> <td><input style="width: 100%; height: 40px;" type="text"/></td> </tr> </table>		Attachment Type	Remark	<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>	
Attachment Type	Remark					
<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>					
<p>Note: Maximum 5 Attachment of 5 MB Allowed (Only pdf,jpg are allowed)</p>						
Upload Attachments						
Save & proceed						
Declaration						
<p>1. I/We hereby certify that:</p> <p class="list-item-l1">A. The entity for whom the application has been made have not been penalized/have been penalized under any of the following Acts (as amended from time to time):</p> <p class="list-item-l2">A. The Customs Act, 1962,</p> <p class="list-item-l2">B. The Central Excise Act 1944,</p> <p class="list-item-l2">C. The Central Goods and Services Tax Act, 2017</p> <p class="list-item-l2">D. Foreign Trade (Development & Regulation) Act 1992, and</p> <p class="list-item-l2">E. The Foreign Exchange Management Act, 1999;</p> <p class="list-item-l2">F. Conversion of Foreign Exchange And Prevention of Smuggling Activities Act, 1974</p> <p class="list-item-l2">G. SEZ Acts and Rules</p>						

B. None of the Directors/Partners/Proprietor/Karta/Trustees of the company/firm/HUF/Trust,(as the case may be), is/are a Director(s)/Partner(s)/Proprietor/Karta/Trustee in any iii. other Company/firm / entity which is on the Denied Entity List (DEL) of DGFT;

C. Neither the Registered Office of the company/Head Office of the firm/ nor any of its Branch Office(s)/ Unit(s)/ Division(s) has been declared a defaulter and has otherwise been made ineligible for undertaking import / export under any of the provisions of the Policy;

D. We have not obtained nor applied for issuance of an Importer Exporter Code Number in the name of our Registered / Head Office to any other Licensing Authority.

2. I hereby declare that :

- i. I had provided all the details and that are true in my knowledge.
- ii. I had provided all the details of Subsidy/Incentive/Duty nullification Schemes that I had availed.
- iii. This application does not contain any ITC (HS) products which are ineligible under Collateral Support for Export Credit as specified in XXXXXXX, as amended from time to time.

3. I/We undertake to abide by the provisions of the Foreign Trade (Development and Regulation) Act, 1992, as amended from time to time, the Rules and Orders framed there under, the Foreign Trade Policy, the Handbook of Procedures.

4. I/We hereby certify that that particulars and statements made in this application are true and correct and nothing has been concealed or held therefrom.

5. I hereby certify that I am authorized to verify and sign this declaration as per Paragraph 11.06 of the Foreign Trade Policy.

6. We have not availed/availing benefits under Production Linked Incentive Scheme.

7. I/We, hereby undertake that the annual credit guarantee amount availed by our organization shall not exceed INR 10 crore in this given financial year. We understand and acknowledge that this limit has been set by the relevant regulatory authorities to ensure fair distribution of benefits and resources among exporters.

8. We understand that any violation of this undertaking may result in penalties, legal action, or the withdrawal of collateral benefits.



Tick the box as acceptance of declaration/ undertaking and fill in the details below. *

Place

Auto populated

Date

Auto populated

User Details

(Note: If user profile are not updated, Please update your logged in user profile before submitting the application by clicking on your Username > Profile in the top right corner of website.)

Save & proceed