

All Member Lending Institutions of CGTMSE

Circular No.155 / 2018-19

Madam / Dear Sir,

Modifications in the Interest Rate Cap under  
Credit Guarantee Scheme (CGS-I) of CGTMSE

Based on the feedback received from MLIs / Stakeholders in various fora, it has been decided to carry out following modification in the Scheme:

Clause No.	Existing Clause	Modified Clause
Chapter - II S.No.5 (x)	Interest Rate Cap Any credit facility which has been sanctioned by the lending institution (all scheduled commercial banks, selected financial institutions and RRBs) with the maximum interest rate not more than 14% p.a. including cost of guarantee cover would be eligible for coverage under CGS.	Any credit facility which has been sanctioned by the lending institution (all scheduled commercial banks, selected financial institutions and RRBs) with the interest rate charged as per the RBI guidelines would be eligible for coverage under CGS.

All the other covenants of the current CGS-I would remain unchanged.

The above modifications are applicable to credit facilities eligible for guarantee coverage by MLIs on or after the date of issue of this Circular.

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

Yours faithfully,

Sd/-  
(Y Venugopal Rao)  
Dy. Chief Executive Officer

सूक्ष्म एवं लघु उद्यम क्रेडिट गारंटी फंड ट्रस्ट (भारत सरकार एवं सिडबी द्वारा स्थापित)  
सिडबी एमएसएमई विकास केंद्र, 6 वी मंजिल, सी-11, जी-ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स। बांद्रा (पू.), मुंबई- 400 051  
Credit Guarantee Fund Trust for Micro and Small Enterprises (Set up by Government of India & SIDBI)

SIDBI MSME Development Center, 6<sup>th</sup> Floor, C-11, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

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