

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

Circular No.210 / 2022 – 23

Madam / Dear Sir,

**Aligning guarantee for Retail/ Wholesale Trade
with other segments - CGS I**

As you are aware, Retail / Wholesale Trade is an eligible activity under Credit Guarantee Scheme with an exposure limit upto ₹100 lakh. In view of growing credit needs of MSEs under trading activity, it has been decided to align Trading activity (MSE Retail Trade and Wholesale Trade) with other activities of CGS-I in respect of following parameters:

- Ceiling of credit guarantee cover increased from ₹100 lakh to ₹200 lakh
- Extent of Guarantee Coverage at par with other activities
- Rate of Annual Guarantee Fee at par with other activities

The above modifications shall be applicable to all guarantees approved on or after December 01, 2022. However, the revised extent of guarantee coverage shall not be applicable in case of enhancement of existing working Capital accounts already covered under Guarantee Scheme and shall remain 50%.

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

Yours faithfully,

Sd/-

(Dhiraj Kumar)
Asst General Manager

