

Ref. No. CGTMSE /44/ 293

March 31, 2023

All Public Sector Banks, Private Sector Banks, Member FIs, Foreign Banks

Circular No.220 / 2022 – 23

Madam / Dear Sir,

Increase in ceiling of coverage from ₹200 lakh to ₹500 lakh – CGS I

As you are aware, presently the ceiling for availing credit guarantee for CGTMSE under CGS-I is ₹200 lakh. In view of the request received from banks, the matter has been reviewed. Accordingly, we are glad to inform that it has been decided to increase the ceiling for coverage under the CGS -I from ₹200 lakh to ₹500 lakh per borrower for the credit facilities extended by eligible MLIs to the Micro and Small Enterprises (MSEs).

The extent of coverage is given in the table below:

Category (including Trading activity)	Maximum extent of Guarantee Coverage		
	where guaranteed credit facility is		
	Upto ₹ 5 lakh	Above ₹ 5 lakh & upto ₹ 50 lakh	Above ₹ 50 lakh & upto ₹ 500 lakh
Micro Enterprises	85%	75%	75%
MSEs located in North East Region (incl. Sikkim, UT of Jammu & Kashmir & UT of Ladakh)	80%		
Women entrepreneurs / SC/ST entrepreneurs / Person with Disability (PwD)/ MSE promoted by Agniveers / MSEs situated in Aspirational District/ ZED certified MSEs	85%		
All other category of borrowers	75%		



The above modifications shall be applicable for all guarantees approved on or after April 01, 2023 including enhancement in Working Capital of existing covered accounts. All other Terms and conditions of the Scheme shall 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**