



Ref. No. CGTMSE /259

February 28, 2025

All Member Lending Institutions (MLIs) – CGS - I (Banks)

Circular No.244/2024-25

Madam / Dear Sir,

Gujarat Credit Guarantee Scheme (GjCGS)

CGTMSE in collaboration with the Government of Gujarat (GoG) has launched a Special Credit Guarantee Scheme “Gujarat Credit Guarantee Scheme (GjCGS) for the Micro & Small Enterprises (MSEs) situated in the State of Gujarat. Under the scheme, 75%-90% of the guarantee coverage for a credit facility will be provided by CGTMSE as being done hitherto depending upon the category of the borrower and balance 15% - 05% coverage shall be provided by Government of Gujarat taking the overall guarantee coverage to 90% - 95% as given in the table below. Under the Scheme, enhanced guarantee coverage will be available upto NPA level of 10% of crystallized portfolio (portfolio will be crystallized every FY). In case the NPA level exceeds the above limit of 10% of crystallised portfolio, the claims thereafter will be settled as per the terms of normal Credit Guarantee Scheme of CGTMSE.

Extent of guarantee coverage under GjCGS		
Category of Borrower	Credit Facility (₹)	Maximum extent of coverage
Micro	0-5 lakh	95%
Micro & Small (Women Entrepreneur / MSEs situated in Aspirational District / ZED certified MSEs / SC/ST entrepreneurs / PWD / MSEs promoted by Agniveers)	0-500 lakh	95%
All other category of borrowers	0-500 lakh	90%

The Scheme shall be effective for all the credit facilities sanctioned on or after February 22, 2025 and continue till the exhaustion of the corpus fund committed by the Government or as and when directed and decided by GoG, whichever is earlier. All the existing MLIs shall be eligible under GjCGS (excluding NBFCs). Apart from 90% - 95% guarantee coverage, all other terms and conditions of the Credit Guarantee Scheme – I (Banks) shall be applicable, mutatis mutandis, under GjCGS.



This initiative will support meeting the financial assistance needs of MSEs in the State of Gujarat. You are requested to take steps to popularise the scheme and ensure that the objective of the Scheme is actualised.

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

Yours faithfully,

Sd/-

(Dhiraj Kumar)
Deputy General Manager