

CREDIT GUARANTEE FUND TRUST FOR MICRO & SMALL ENTERPRISES (CGTMSE)

Purpose	To facilitate Micro & Small Enterprises- MSEs (Manufacturing as well as service units) to avail finance without providing or by providing partial collateral securities.			
Eligibility	<p>i. Existing as well as new Micro & Small Enterprises who have availed credit facilities from the Bank upto Rs. 200 lakhs without providing or by providing partial collateral security and third party guarantee.</p> <p>ii. Wholesale trade, Educational/training institutions are included as eligible activities for CGMSE coverage.</p> <p>iii. The Cap of ₹200 lakhs is set the maximum guarantee coverage limit per borrower based on the outstanding credit facilities including Retail Trade & Wholesale Trade.</p> <p>iv. Obtention of Udyam Registration Certificate(URC) has been made mandatory for seeking Guarantee coverage under Credit Guarantee Scheme of CGTMSE w.e.f 16.01.2023, except for loans extended specifically under PM-SVANidhi and DAF-SDSM Credit Guarantee Scheme for Subordinate Debt (CGSSD).</p> <p>Ineligible for coverage under the CGMSE scheme:</p> <p>i. Any credit facilities in respect of which risks are additionally covered under a scheme operated / administered by ECGC/DICGC or RBI to the extent they covered.</p> <p>ii. Any credit facilities in respect of which risks are additionally covered by Government or by any other general insurer or any other person or association of persons carrying on business of insurance, guarantee or indemnity; to the extent they are so covered.</p> <p>iii. Any credit facility for loans up to ₹10 lakhs to Micro Enterprises shall not be eligible to cover under CGMSE, if the said credit facility has been covered under MUDRA Guarantee Scheme through NCGTC Ltd.</p> <p>iv. Credit facilities extended to Self Help Groups/Joint Liabilities Group.</p>			
Maximum Credit Guarantee Coverage	The Guarantee coverage for loans sanctioned w.e.f 01.12.2022 (excluding the enhancement in existing working capital accounts already covered under CGMSE)			
	Category	Maximum extent of Guarantee coverage where credit facility is		
		Up to ₹5 lakhs	Above ₹5 lakhs & up to ₹50 lakhs	Above ₹50 lakhs & up to ₹200 lakhs
	Micro Enterprises	85%	75%	
	MSEs located in 1. UT of Jammu and Kashmir. 2. UT of Ladakh & 3. North East Region(incl. Sikkim)	80%		75%
Women Entrepreneurs, Agniveers, MSEs situated in Aspirational districts, ZED Certified MSEs, SC/ST Entrepreneurs and Person with Disability(PwD)	85%			
All other eligible category of borrowers	75%			

**Annual
Guarantee
Fee (AGF)**

Annual Guarantee fee will be charged on the guaranteed amount for 1st year & on outstanding amount for the remaining tenure of the loans sanctioned/renewed to MSEs on or after 01.12.2022 as under:

Slab	Standard Rate*
0 - ₹10 lakh	0.75%
Above ₹10 lakhs to ₹50 lakhs	1.10%
Above ₹50 lakhs to ₹2 Crores	1.20%

*All the rates mentioned above are only base rates to which the applicable risk premium shall be added periodically.

Concession/Relaxation of 10% is applicable on Standard Rate for below categories:

Social	Geographic	MSE Status
Women/SC/ST/Person with Disability(PwD) & Agniveers.	MSEs located in 1. UT of Jammu and Kashmir. 2. UT of Ladakh 3. North East Region (incl. Sikkim) & 4. Aspirational Districts	ZED Certified

Terms & Conditions apply. The information provided above is only illustrative and not exhaustive.

Contact: For more details, please contact your nearest Canara Bank Branch or E-mail to: hosbu@canarabank.com.