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THE COTTON TEXTILES EXPORT PROMOTION COUNCIL
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E-Serve No.: 200 of 2025 | Date: November 13, 2025

Sub: Credit Guarantee Scheme for Exporters (CGSE) - Scheme Guidelines

Dear Member,

The Council has received a communication from O/o DGFT regarding the guidelines on the above subject.

A summary of the CGSE is given below:

Purpose of the Scheme - To provide 100% guarantee coverage for the additional credit facility extended to the exporters who are in need of additional working capital to tide over any short term mismatches and to explore new potential markets

Implementing Agency- National Credit Guarantee Trustee Company (NCGTC)

Date of Commencement- The guidelines shall come into force from the date of issue of these guidelines by NCGTC

Eligible borrowers- Direct and indirect exporters - detailed eligibility criteria will be decided by the Management Committee of the Scheme.

Quantum of Support- Direct exporters: Upto 20% of sanctioned export working capital limits

Indirect exporters: Upto 20% of the working capital limits

Maximum Loan Amount-₹50 crore per borrower

Tenor of Loan-4 years from the date of first disbursement including moratorium of 1 year (i.e 1+3 years)

Guarantee Fee-Nil

Credit Facility-Financial assistance provided under the Scheme by way of additional term loan/working capital term loan facility to borrowers

Interest Rate-1% below interest rate on existing facility on date of issue of guidelines

Eligible Lending Institutions-

(i) Scheduled Commercial Banks;
(ii) Scheduled Urban Co-operative Banks (SUCBs);
(iii) Non-Banking Financial Companies registered with RBI;
(iv) Financial Institutions: As defined in Reserve Bank of India Act, 1934

Security-The MLIs shall ensure to create charge on existing securities (primary as well as collateral) if any, within a stipulated time. No additional collateral security will be insisted for the scheme.

Duration of Scheme-The Scheme would be applicable from the date of issue of the guidelines by NCGTC upto 31.03.2026 or till guarantees amounting to ₹20,000 crore are issued, whichever is earlier.

Detailed operational guidelines of the scheme shall be issued by the National Credit Guarantee Trustee Company Limited (NCGTC) with the approval of the management committee.

Regards,

Dr. Siddhartha Rajagopal
Executive Director

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