



E-Serve No.: 217 of 2025 | Date: December 11, 2025

Sub: Credit Guarantee Scheme for Exporters (CGSE)

Dear Member,

The Council wishes to inform you that the Department of Financial Services (DFS), Ministry of Finance, convened a meeting on 10th December 2025 with EPCs and FIS to review the progress of the newly introduced Credit Guarantee Scheme for Exporters (CGSE). The [Presentation](#), [Guidelines](#) and [FAQs](#) on the Scheme are enclosed for your reference. The CGSE will ease liquidity stress, enhance access to credit and support export growth by providing guarantee-backed, collateral-free working capital to eligible exporters.

Key Benefits of CGSE

1. Scheme Overview:

- Scheme Approval Date: 12th November 2025
- Implementing & Oversight Authority: Department of Financial Services (DFS) through the National Credit Guarantee Trustee Company Ltd. (NCGTC)
- Purpose: To provide 100% guarantee coverage for credit assistance to exporters

2. Financial Benefits:

- Collateral-free additional term loan/working capital term loan support: Up to 20% of existing limits
- Additional credit flow envisaged: Up to ₹20,000 crore
- Maximum loan per borrower: ₹50 crore
- Loan Tenor: 4 years, including a 1-year moratorium
- Interest Rate: 1% below the existing lending rate
  - Interest capped at 10% for Banks/FIs
  - Interest capped at 14% for NBFCs

- Guarantee Fee: Nil

- Pre-payment Penalty: Nil

3. 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

#### 4. Eligibility Criteria

(i) Direct Exporters: • MSMEs with at least 5% export turnover (currently applicable for USD-denominated exports only)

• Non-MSMEs with at least 20% export turnover (currently applicable for USD-denominated exports only)

(ii) Indirect Exporters: MSMEs supplying at least 30% of their total turnover to the above eligible direct exporters.

5. Validity of the Scheme: The CGSE is valid till 31st March.2026 or until guarantees aggregating Rs.20,000 crore are issued—whichever is earlier.

Please note that –

- The CGSE covers all eligible exporters across sectors

- The RBI's relief measures are restricted to 20 eligible sectors, which include Chapter 61, 62, 63 and 94 from textiles.

Members may kindly take note of the above and make use of the Scheme within the stipulated timeline.

Regards,

[Dr. Siddhartha Rajagopal](#)  
Executive Director

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