

lence Scheme" and exporters through "Status Holder Scheme".

### **Credit Guarantee Scheme Revamped to Reduce Cost of Credit for MSEs**

The Credit Guarantee Fund Trust for Micro & Small Enterprises has released guidelines aimed at revamping the Credit Guarantee Scheme for Micro and Small Enterprises. This includes a reduction of the annual guarantee fee for loans up to Rs 1 crore from a peak rate of 2% per annum to as low as 0.37% per annum. Officials state that these changes will significantly reduce the overall cost of credit for Micro & Small Enterprises. Meanwhile, the corpus of CGTMSE has been infused with Rs 8,000 crore to enable reduction in the cost of the credit by about 1%. Furthermore, the limit on the ceiling for guarantees has been increased from Rs 2 crore to Rs 5 crore, and the requirement for legal proceedings for the settlement of claims in respect of guarantees for loans outstanding up to Rs 10 lakh has been removed.

**India's Defense Exports Reach All Time High of Rs 1000 Bn**