



## **Credit Guarantee Scheme for PM SVANidhi**

### **Standard Operating Procedures (SOP)**

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### Credit Guarantee Scheme for PM SVANidhi (CGS - PMS)

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) has been set up jointly by Ministry of MSME, Government of India and Small Industries Development Bank of India (SIDBI) to catalyze flow of institutional credit to Micro & Small Enterprises (MSEs).

Street vendors represent a very important constituent of the urban informal economy and play a significant role in ensuring availability of the goods and services at affordable rates at the door-step of the city dwellers. The COVID-'19 pandemic and consequent lockdowns have adversely impacted the livelihoods of street vendors.

The Ministry of Housing and Urban Affairs (MoHUA), Government of India, has implemented a scheme titled "PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi)", for providing credit to Street Vendors. SIDBI will be the Implementation Partner (IP) of MoHUA for scheme administration and CGTMSE would be administering the Credit Guarantee Scheme for PM SVANidhi. **The Scheme has come into force from July 02, 2020.**

Salient Features of CGS - PMS		
1	Facility	To facilitate Lending Institutions for sanction of working capital term loan up to ₹10,000/- . On timely OR early payment, the vendors will be eligible for second loan with an enhanced limit of upto ₹20,000/- and on timely OR early payment of the second loan, for a third loan of upto ₹50,000/- under the PM SVANidhi Scheme.
2	Interest Rate	In case of Scheduled Commercial Banks, RRBs, SFBs, Co-operative Banks & SHGs, the rates will be as per their prevailing rates of interest. In case of NBFC, MFIs, interest rates will be as per RBI guidelines.
3	Tenor	Upto 1 year.
4	Guarantee	CGTMSE shall provide guarantee cover on portfolio basis for credit facilities extended by Member Lending Institutions (MLIs) to eligible borrower. All loans sanctioned in a month can be pooled together and lodged for guarantee as a portfolio.
5	Eligible lenders/ MLIs	Scheduled Commercial Banks, Regional Rural Banks (RRBS), Small Finance Banks (SFBs), Cooperative Banks, Non-Banking Finance Companies (NBFCs), Micro Finance Institutions (MFIs) and SHG Banks
6	Borrower	The Scheme is available to all street vendors engaged in vending in urban areas as on or before March 24, 2020.
7	Extent of Guarantee	The Scheme has a provision of Graded Guarantee Cover for the loans disbursed, as indicated below, which will

		<p>be operated on portfolio basis:</p> <ol style="list-style-type: none"> <li>First Loss Default (Upto 5%): 100%</li> <li>Second Loss (beyond 5% upto 15%): 75% of default portfolio</li> <li>Maximum guarantee coverage will be 15% of the year portfolio</li> </ol> <p><b>Illustrations:</b></p> <ol style="list-style-type: none"> <li>If an MLI covers a portfolio of ₹100 crore and has a portfolio loss of ₹5 crore, 100% of the loss (₹5 crore) shall be covered by CGTMSE.</li> <li>If an MLI covers a portfolio of ₹100 crore and has a portfolio loss of ₹15 crore, then CGTMSE will cover ₹12.50 crore loss (100% of ₹5 crore + 75% of ₹10 crore).</li> <li>If an MLI covers a portfolio of ₹100 crore and has a portfolio loss of more than ₹15 crore, then CGTMSE coverage will be still ₹12.50 crore.</li> </ol>
8	Guarantee Fee	No guarantee fee
9	Security	No primary or collateral security is required to avail the loan from the MLI
10	Invocation of Guarantee	<p>The MLI may invoke the guarantee / lodge claim application with CGTMSE in respect of credit facilities under PMS portfolio within maximum period of 1 year from the NPA date.</p> <p>Trust shall pay in one instalment 100% of the portfolio guaranteed amount on preferring of eligible claim by the lending institution within 30 days from the date of claim submission subject to the extant guidelines.</p>
11	Settlement after invocation of guarantee	<p>On lodgement of claim application by MLI on quarterly basis, CGTMSE would settle the claim in single instalment.</p> <p>Claim settlement would be carried out quarterly subject to maximum guarantee coverage of 15% of the year portfolio</p>

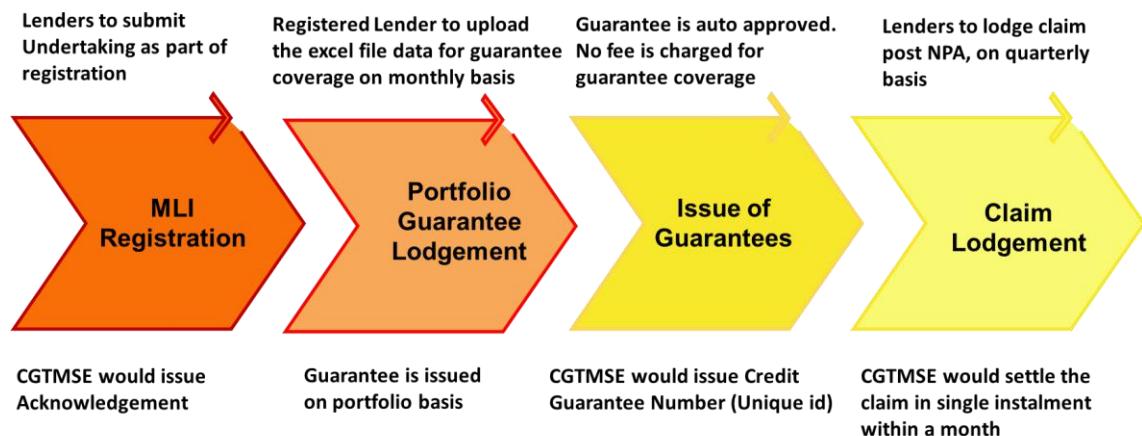
For further details, please visit [www.cgtnse.in](http://www.cgtnse.in) and refer Circular 172/2020-21 & Circular 174/2020-21.

Alternatively, can be accessed through below mentioned link :

<https://streetvendor.cgtnse.in/SV/SVLogin.html>

## Credit Guarantee Operations – Process Flow

## Guarantee Coverage – Process Flow



## Registration of Lending Institutions

Lending Institutions (LIs) eligible under PMSVANidhi Scheme are required to submit a one-time **Undertaking** in a prescribed format [on a stamp paper of appropriate value based on the place of execution (*stamp value equivalent to execution of Agreements*)] duly stamped and signed, as given at **Annexure-I**.

**Please note that the Lending Institution (LI) will only sign the Undertaking and CGTMSE / Trust official will not sign the document. On submission of Undertaking by the LI and issue of Acknowledgement by CGTMSE, the registration process is complete and the Lending Institutions become Member Lending Institutions (MLIs) of CGTMSE under CGS-PMS.**

The benefit of guarantee cover under the Scheme will be available to all the lending institutions since the launch of the scheme i.e., 2nd July 2020, irrespective of date of execution of the Undertaking to be furnished to the Trust.

Along with the Undertaking, the Lending Institutions are required to furnish information for creation of MLI/User ID as given in **Annexure - II**.

On Successful registration, User ID and Password will be created and shared for system access to MLI. MLI can access the portal using credentials and can upload cases for guarantee coverage.

***NOTE: Prior registration with CGTMSE is not a must for sanction/disbursement of loan under PM SVANidhi and registration can be done at the time of first application of guarantee.***

## Data Submission Process for Guarantee Coverage

- 1) Guarantee Portal can be accessed with the user credentials shared by CGTMSE, through the following path:

<https://streetvendor.cgtmse.in/SV/SVLogin.html>

or

[www.cgtmse.in](http://www.cgtmse.in) >> Member Login >> Login



User Id  
Enter User ID

Password  
Enter Password

Captcha Code  
g h v v 9 5

We agree to the terms & conditions of CGTMSE Guidelines and Undertaking under the Scheme. We also agree to other Terms and Conditions.

Submit

Forgot Password ?

- 2) Member Lending Institutions (MLIs) will have to upload (*post obtention of PMS Number from PMSVANidhi portal*) all the loans on monthly basis in the Guarantee Portal for taking guarantee coverage.

Sr. No	Process step
1	<p><b><u>Data Preparation</u></b></p> <ul style="list-style-type: none"><li>• Data to be pulled out from MLIs IT system for guarantee cover</li><li>• Data to be prepared as per CGTMSE Excel Bulk Upload Template (available in portal after login as well as shared with MLIs)</li><li>• Preparation of data to be ensured as per the data validation sheet</li></ul>

### Bulk Upload Fields - 1

Member of CIG / JLG/None	Name of CIG / JLG	Name of Street Vendor	Gender	Mobile no	Social Category	PWD	Minority community	PMS No.	Name of Activity

### Bulk Upload Fields - 2

If Activity is Others (Pls specify)	Loan Sanction Amount	Sanction Date (DD/MM/YYYY)	Guarantee Amount	Tenure of Loan (in Months)	Loan Account number	Moratorium (in Months)

### Bulk Upload Fields with Validations

S.No.	Heading	Field Name	Details	Condition	Type of Field
1	Borrower Details	Member of CIG / JLG/None	(CIG / JLG / None)	Mandatory	Text
2	Borrower Details	Name of CIG / JLG	Mandatory if 1 is CIG / JLG	Situational	Text
3	Borrower Details	Name of Street Vendor	Text Format & can also accept Number & special character	Mandatory	Text
4	Borrower Details	Gender	Male/Female/Transgender	Mandatory	Text
5	Borrower Details	Mobile no	Not exceeding 10 digit *Duplication check	Mandatory	Numeric
6	Borrower Details	Social Category	General/SC/ST/OBC	Mandatory	Text
7	Borrower Details	PWD	(Y/N)	Mandatory	Text
8	Borrower Details	Minority community	(Y/N)	Mandatory	Text
9	Borrower Details	PMS Number	It is mandatory and 14 alphanumeric characters * No Duplication	Mandatory	Alpha Numeric
10	Activity Details	Name of Activity	It should be selected from List	Mandatory	Text
11	Activity Details	If Activity is Others (Pls specify)	Free Text		
12	Guarantee Details	Loan Sanction Amount	Amount less than equals to 10,000 and minimum 1000	Mandatory	Numeric
13	Guarantee Details	Sanction Date	Format should be in DD/MM/YYYY	Mandatory	Date
14	Guarantee Details	Guarantee Amount	Amount less than equals to 10,000 && <=loan Sanction amount	Mandatory	Numeric
15	Guarantee Details	Tenure of Loan (in Months)	Not exceeding 12 months and value should be between 1 to 12	Mandatory	Numeric
16	Guarantee Details	Loan Account number		Mandatory	Alpha Numeric
17	Guarantee Details	Moratorium (in Months)	Not exceeding 12 months and value should be between 0 to 11	Mandatory	Numeric
18	Guarantee Details	ROI	Rate of Interest should be numbers and accept 2 digit decimal	Mandatory	Numeric

2

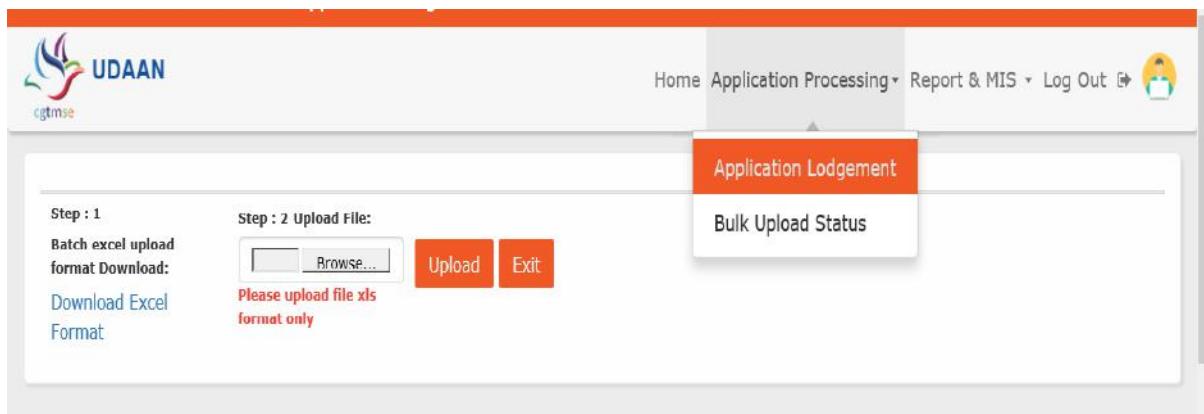
### Data Upload on the CGTMSE Portal

MLI can access the portal using the User credentials provided by CGTMSE.

The file prepared in the above process step to be uploaded.

System Path: Member Login >> Application Processing >> Application lodgement

## Screenshot



3.

### **File Upload Status Check**

After upload of file, MLI can view the status of uploaded data and can download the successful/ unsuccessful records.

For unsuccessfully uploaded records, the file can be uploaded again after necessary correction as identified by the system

System Path: Member Login >> Application Processing >> Bulk Upload Status

## Screenshot

The screenshot shows the 'Bulk Upload Status' page. The top navigation bar and dropdown menu are identical to the previous screenshot. The main content area displays a table of uploaded entries. The table has columns: SR.NO., MEMBER ID, UPLOAD ID, uploaded by, uploaded date, STATUS, SUCCESS COUNT, UNSUCCESS COUNT, and IN EXCEL COUNT. The table shows two entries, both marked as 'C' (Completed). The bottom of the page includes a 'Search:' input field, a 'Refresh' button, and navigation links for 'First', 'Previous', 'Next', and 'Last'.

SR.NO.	MEMBER ID	UPLOAD ID	uploaded by	uploaded date	STATUS	SUCCESS COUNT	UNSUCCESS COUNT	IN EXCEL COUNT
1	1021	27072020043150	SubadraV4321	27/07/2020 04:31	C	2	0	2
2	1021	27072020041549	SubadraV4321	27/07/2020 04:15	C	49	2	51

3.

### **Guarantee coverage & CGPAN allotment**

For successfully uploaded records, guarantee commences on real time basis and CGPAN (Credit Guarantee No.) is allotted by CGTMSE for each case/unit.

No Guarantee fee is payable.

System Path: Member Login >> Report & MIS >> Street Vendor Application Details >> list of guarantee covered cases are displayed. Alternatively, Excel export option is also available.

#### **Screenshot**

Street Vendor Application Details								
Start Date : *		End Date : *		MLI ID : *		Search:		
01/07/2020		12/08/2020		102100000000		Search		
Show 10 entries								
S No	CGPAN	Street Vendor Name	Loan Account No	Loan Sanction Amt	Sanction Date	Guarantee Amount	Guarantee Date	Member Name
1	CGSV000029718	ARVIND	TCB90049079	10000	10/07/2020	10000	27/07/2020	SubadraV4321
2	CGSV000029719	JASMINE	TCB90049080	10000	10/07/2020	10000	27/07/2020	SubadraV4321
3	CGSV000029720	HAPPY	TCB90049081	10000	10/07/2020	10000	27/07/2020	SubadraV4321
4	CGSV000029721	JASBINDER	TCB90049082	10000	10/07/2020	10000	27/07/2020	SubadraV4321
5	CGSV000029722	ARVIND	TCB90049083	10000	10/07/2020	10000	27/07/2020	SubadraV4321
6	CGSV000029723	JASMINE	TCB90049084	10000	10/07/2020	10000	27/07/2020	SubadraV4321

## **NPA and Claim Process**

MLIs are required to invoke the guarantee with CGTMSE once the accounts turn into NPA. MLIs to pool all the NPA accounts in a particular quarter and lodge for claim during the next quarter.

However, the MLI may invoke the guarantee / lodge claim application with CGTMSE in respect of credit facilities under PMS portfolio within maximum period of 1 year from the NPA date.

Initiation of legal proceedings is not necessary given the small loan size. Lending Institutions are expected to have their own prudent recovery measures and may submit management certificate confirming that the amount due and payable to the lending institution in respect of the loan has not been paid and the dues have been classified by the lending institution as Non Performing Asset.

For Example:

<b>NPA Date</b>	<b>Date for claim submission</b>
1 <sup>st</sup> Jan - 31 <sup>st</sup> March	By 30 <sup>th</sup> June
1 <sup>st</sup> April – 30 <sup>th</sup> June	By 30 <sup>th</sup> September

The Scheme has a provision of Graded Guarantee Cover for the loans sanctioned, as indicated below, which will be operated on portfolio basis:

- ⊕ First Loss Default (Up to 5%): 100%
- ⊕ Second Loss (beyond 5% up to 15%): 75% of default portfolio
- ⊕ Maximum guarantee coverage will be 15% of the year portfolio

## Claim Settlement

On invocation of guarantee / On lodgement of claim application by MLI on quarterly basis, CGTMSE would settle the claim in single instalment.

### Illustrations:

NPA Scenarios on a portfolio	NPA @ 15%	NPA @ 8%	NPA @ 25%
Details	(₹ Crore)	(₹ Crore)	(₹ Crore)
Loan portfolio created	100.00	100.00	100.00
Assumed NPA	15.00	8.00	25.00
Maximum NPA Cap under the Scheme	15%	15%	15%
<b><u>CGTMSE liability</u></b>			
100% coverage upto first 5% loss of portfolio	5.00	5.00	5.00
75% guarantee cover beyond 5% upto 15% loss of the portfolio (i.e. 75% on 5-15% loss)	7.50	2.25	7.50
Total Claim Payable by CGTMSE	12.50	7.25	12.50

If the portfolio of ₹100 crore has a loss of more than ₹15 crore, then the eligible claim amount will be restricted to ₹12.50 crore only.

Trust shall pay in one instalment 100% of the portfolio guaranteed amount on preferring of eligible claim by the lending institution within 30 days subject to the extant guidelines.

**Credit Guarantee Scheme for  
"PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi)"**

*{Draft of undertaking to be executed by lending institution}*

To  
The Chief Executive Officer  
Credit Guarantee Fund Trust for Micro and Small Enterprises,  
C-11, G-Block  
SIDBI,  
Swavalamban Bhavan, 7th Floor  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai-400 051.

**Dear Sir,**

In consideration of the **Credit Guarantee Fund Trust for Micro and Small Enterprises** (hereinafter referred to as "the Trust" which expression shall, unless repugnant to the context, also include its successors and assigns), agreeing to guarantee under the **Credit Guarantee Scheme for PM SVANidhi (CGS-PMS)** (a copy whereof is hereto annexed and which is hereinafter referred to as "the Scheme"), certain credit facilities granted by us to eligible borrowers, we \_\_\_\_\_ (Name of lending institution), do hereby agree with the Trust as follows :

1. That the provisions of this Undertaking shall be in addition to, and not in derogation of, the provisions of the Scheme and the guidelines and instructions issued by the Trust from time to time.
2. That the provisions of the Scheme and such modifications as may be made thereto from time to time shall be deemed to be incorporated in this Undertaking and shall be binding on us, in so far they relate to the credit facilities granted by us to borrowers which have been or are eligible for being guaranteed thereunder.
3. That the provisions of the Scheme along with modifications, if any, and this Undertaking shall be applicable to or in relation to all credit facilities eligible for guarantee under the Scheme.
4. That we shall claim the benefit of the guarantee under the Scheme only in respect of the credit facilities specified in the Scheme and to the extent provided therein and that we shall for this purpose obtain and preserve affidavits or other documents from the borrowers concerned or otherwise satisfy ourselves by reference to the borrowers' books of account or other records that the borrowers in respect of whom the benefit of the guarantee has been or is to be provided by the Trust are eligible for the guarantee under the Scheme.

5. That we agree that a borrower who ceases to be so eligible will, in accordance with and subject to the provisions of the Scheme, be excluded from the benefit of any guarantee and that for this purpose, we shall obtain from the borrower concerned every quarter or at such other intervals as may be required by the Trust, such information declarations as may be deemed necessary.
6. That the books of accounts, ledgers and other documents relating to eligible credit facilities, covered by the Scheme shall, as far as may be practicable, be segregated and maintained in a proper manner so as to facilitate such scrutiny or inspection as may be undertaken by the Government of India (GOI) or by the Trust or by any other person nominated by the Trust/GoI in this behalf.
7. That we undertake to make available to the Officers of GOI or of the Trust or of any agency which may be specified by the Trust in this behalf, as the case may be, all our books and records and provide such other facilities as may be required for such scrutiny and inspection.
8. That we shall furnish to the Trust a statement in a form and manner required by the Trust, showing the outstanding balances with break-up of principal and interest / other expenses details, etc. in respect of the eligible credit facilities covered under the Scheme, as and when required by the Trust.
9. That we shall furnish to the Trust thereafter such statements or information as the Trust may require about the eligible credit facilities in such form and manner, and at such intervals, as may be required by the Trust.
10. That in order to enable the Trust to ascertain whether a claim made on it is on account of any eligible credit facility which has been so covered, we shall preserve in good order the detailed statement or statements referred to in clauses 7, 8 and 9 hereof as also the relevant documents relating to the credit facility.
11. That we shall, in respect of every eligible credit facility, exercise due diligence in recovering the dues, and safeguarding the interest of the Trust. We shall, in particular, refrain from any act of omission or commission either prior to or subsequent to invocation of guarantee which may adversely affect the interest of the Trust as a Guarantor.
12. That for invoking the guarantee under the Scheme we undertake to submit to the Trust an application in such form as may be specified by the said Trust and furnish such other information as may be required of us by the Trust.

13. That we shall secure for the Trust or its appointed agency the right to inspect the business / premises and books of account of the borrowers if and when considered necessary by the Trust.
14. That we shall secure for the Trust or its appointed agency the right to list the defaulted borrowers names and particulars on the web site by the Trust.
15. That notwithstanding anything to the contrary contained in the Scheme, if any loss occurs in respect of an account covered by the Scheme owing to actions / decisions taken contrary to or in contravention of the guidelines issued by the Trust, we shall not make and shall not also be entitled to any claim on the Trust in respect of the said account.
16. That all applications, documents, receipts, statements and other papers shall be signed on behalf of our institution by the Chief Executive Officer or by other persons in our employment who shall be deemed to be authorised by us to sign all such applications, documents, receipts, statements and other papers and that any irregularity in the signature, or want of authority of the persons so signing shall not in any way affect or prejudice the rights of the Trust or affect our liability in respect thereof.
17. That all data, including applications, periodical returns, funds transfer, updated or transferred to the Trust in the electronic form, shall be deemed to be signed on behalf of our institution by the Chief Executive Officer or by other persons in our employment who shall be deemed to be authorised by us to sign all such applications, documents, receipts, statements and other papers and that any irregularity in the use of member-id, or want of authority of the persons so signing shall not in any way affect or prejudice the rights of the Trust or affect our liability in respect thereof.
18. That we shall introduce and follow such accounting arrangements as may be necessary or as may be required by the Trust or take such other steps as may be necessary or expedient for protecting its interests in respect of the outstanding balances on account of credit facilities in regard to which the Trust's guarantee is invoked by us.
19. That this Undertaking shall take effect from the first day of \_\_\_\_\_.
20. That the stamp duty payable on this Undertaking shall be borne by us.

Yours faithfully,

For and on behalf of \_\_\_\_\_  
Signature \_\_\_\_\_  
Name \_\_\_\_\_

Designation \_\_\_\_\_

Place: \_\_\_\_\_

Date : \_\_\_\_\_

Note :

(i) This Undertaking is to be executed by the lending institution for getting itself registered as Member to avail of the guarantee facility extended by the Trust.

(ii) This Undertaking is to be executed by an official authorised by appropriate authority of the lending institution.

(iii) This Undertaking is to be stamped as an agreement. The value of stamp duty will depend upon the place where it is executed and/ or acted upon.

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**Annexure - II****Details required for MLI registration along with original Undertaking**

<b>Lending Institution Registration</b>	
MLI Type (select one)	PSU/Pvt/MFI/NBFC/Coop/RRB/SHG/SFB/Foreign Bank/FI
Bank Name	
Registered Office Address	
State	
District	
City	
Pincode	
PAN of Institution	
GSTIN No	
Landline Nos (With STD code)	
Official Email Id of Bank	
Contact Person	
Mobile No	
<b>User Registration</b>	
First Name	
Middle Name	
Last Name	
User Designation	
Mobile No	
Landline Nos (With STD code)	
Official Email Id of User	

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