

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA**

STARRED QUESTION NO:222
ANSWERED ON:21.07.2004
CREDIT GUARANTEE FUND SCHEME FOR SSI
Singh Shri Kirti Vardhan,Vijay Krishna Shri

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

- (a): whether the Government has launched a `Credit Guarantee Fund Scheme` for the Small Scale Industries;
- (b): if so, the details thereof;
- (c): the number of SSI Units provided collateral guarantee under the scheme as on March 31, 2004, State-wise;
- (d): whether the Government proposes to create a corpus of the fund; and
- (e): if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) IN RESPECT OF THE LOK SABHA STARRED QUESTION NO. 222 FOR REPLY ON 21.7.2004.

(a)&(b): Yes, Sir. The Government has launched a Credit Guarantee Fund Scheme for Small Industries on August 30, 2000, which became operational with effect from 1st January, 2001, with a view to alleviating the problem of collateral security and impediments to flow of credit to the Small Scale Industries (SSI) sector. This Scheme is being operated by the Credit Guarantee Fund Trust for Small Industries (CGTSI) through member lending institutions i.e. Scheduled Commercial Banks (Public Sector, Private or Foreign Banks), select Regional Rural Banks, National Small Industries Corporation Ltd., North Eastern Development Finance Corporation Ltd. and Small Industries Development Bank of India or any other institutions as may be directed by the Government. The scheme provides guarantee cover up to 75% of the credit to new and existing Small Scale Industrial units and Small Scale Service and Business (Industry Related) Enterprises (SSSBs) on loans up to Rs. 25 lakh.

(c): As on March 31, 2004, 14,014 proposals from SSI units/SSSBs were approved for guarantee cover under the Scheme. The details of State/UT-wise proposals approved for guarantee cover are given at Annexure.

(d)&(e): For implementing the Scheme, a corpus fund of CGTSI has been created with contribution from the Government of India and Small Industries Development Bank of India (SIDBI) in the ratio of 4:1. Till the end of June, 2004, a total amount of Rs. 767.44 crore has been jointly contributed by the Government of India and SIDBI towards the corpus.

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA STARRED QUESTION NO.222 FOR REPLY ON 21.7.2004

State/UT-wise details of proposals approved for guarantee cover under Credit Guarantee Fund Scheme for Small Industries since inception.

Sl.No. State/U.T. Number of Proposals approved (As on 31st March, 2004)

- | | |
|------------------------|-----|
| 1. A & Nicobar Islands | 8 |
| 2. Andhra Pradesh | 507 |
| 3. Assam | 77 |
| 4. Bihar | 811 |
| 5. Chandigarh | 6 |

6. Chattisgarh	136
7 Daman & Diu	4
8. Delhi	48
9. Goa	22
10. Guj arat	124
11. Haryana	127
12. Himachal Pradesh	266
13. Jammu & Kashmir`	131
14. Jharkhand	393
15. Karnataka	930
16. Kerala	1922
17. Madhya Pradesh	672
18. Maharashtra	335
19. Manipur	12
20. Meghalaya	3
21. Nagaland	8
22. Orissa	439
23. Pondicherry	8
24. Punjab	301
25. Rajasthan	329
26. Sikkim	5
27. Tamil Nadu	678
28. Tripura	1
29. uttar Pradesh	5204
30. Uttaranchal	18
31. West Bengal	489

Total 14014