

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

UNSTARRED QUESTION NO:2017  
ANSWERED ON:16.03.2005  
CREDIT GURANTEE SCHEME  
Meghwal Shri Kailash;Rawat Shri Dhan Singh

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

- (a): whether the Credit guarantee scheme to provide loans and guarantee to the entrepreneurs keen to set up small and medium scale industries is under operation in the Ministry;
- (b): if so, the details thereof;
- (c): whether the entrepreneurs belonging to the SCs/STs are extended any concession in the interest etc. under the scheme;
- (d): if so, the details thereof; and
- (e): the entrepreneur-wise and enterprise-wise number of the beneficiaries under the scheme in Rajasthan alongwith the amount of loan sanctioned to them?

**Answer**

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

- (a): Yes, Sir. However, the scheme per se is not meant to provide loans.
- (b): The Government launched the Credit Guarantee Fund Scheme for Small Industries on 30 August 2000, which become operational with effect from 1 January 2001. The scheme, operated by the Credit Guarantee Fund Trust for Small Industries (CGTSI), provides guarantee cover to the extent of 75 per cent of the loans of up to Rs. 25 lakh sanctioned to new and existing small scale industrial, service and business enterprises, without collateral and/or third party guarantee, by the Member Lending Institutions (namely, public and private sector banks, regional rural banks, etc.) of the CGTSI.
- (c)&(d): The provisions of the scheme are uniform for all categories of borrowers, including those belonging to the SCs/STs.
- (e): The number of entrepreneur/enterprise beneficiaries and the amount of loans for which guarantee cove has been sanctioned under the scheme in Rajasthan up to 28th February, 2005 are 430 and Rs. 716.36 lakh respectively.