

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1552
ANSWERED ON:22.03.2012
CREDIT LINKED CAPITAL SUBSIDY SCHEME
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether a scheme "Credit Linked Capital Subsidy Scheme (CLCS)" for Technology upgradation of Micro and Small Enterprises is under implementation;
- (b) if so, the details thereof;
- (c) the eligibility criteria for getting assistance under this Scheme; and
- (d) the number of units benefited under this scheme during each of the last three years and the current year, State-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) & (b): The Ministry of Micro, Small and Medium Enterprises (MSME) is operating a scheme for technology upgradation called, Credit Linked Capital Subsidy Scheme (CLCSS). Under the Scheme, capital subsidy at 15% of value of plant & machinery is provided on loans upto Rs.1 crore. The scheme is implemented through 11 Nodal Banks/agencies viz. Small Industries Development Bank of India (SIDBI), National Bank of Agriculture and Rural Development (NABARD), State Bank of India, Andhra Bank, State Bank of Bikaner & Jaipur, Bank of Baroda, Punjab National Bank, Canara Bank, Bank of India, Tamilnadu Industrial Investment Corporation Limited and the National Small Industries Corporation Ltd. (NSIC).

(c): The beneficiaries eligible under the Scheme include sole Proprietorships, Partnerships, Co-operative societies, Private and Public Limited companies in the Micro and Small Enterprises sector. Industries graduating from small scale to medium scale on account of sanction of additional loan under CLCSS are also eligible for assistance. The units covered include existing and new units registered with the State Directorate of Industries, setting up or upgrading their facilities with technology listed under the Scheme guidelines. The Scheme applies to projects where term loans have been sanctioned by the eligible Primary Lending Institutions (PLI) on or after September 29, 2005. Machinery purchased under Hire Purchase Scheme of the National Small Industries Corporation Ltd. (NSIC) is also eligible for subsidy under this Scheme. The detailed guidelines of the Scheme are available at www.dcmsme.gov.in

(d): State/UT-wise number of units benefited under this scheme during the last three years and current year is given at Annexure.