

**Minutes of the Empowered Committee (EC), Export Development Fund (EDF) for North East Region (NER) meeting taken by Shri A.K. Mangotra, Additional Secretary (AS), Department of Commerce (DoC) on 15.4.2010 at 12.00 Noon in 141, Udyog Bhavan, New Delhi.**

Meeting of EC, EDF for NER was held on 15.4.2010 under Chairmanship of Shri A.K. Mangotra, AS, DoC. List of participants is at **Annexure 1.**

2. AS, DoC and Chairman EC, EDF Scheme for NER emphasized the need to improve performance, in both qualitative and quantitative dimensions under the scheme. Monitoring mechanism for each project should be strengthened by involving other agencies operating in NER like North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), North East Industrial and Technical Consultancy Organization (NEITCO) and North Eastern Development Finance Corporation Ltd. (NEDFI). Simplification of procedures like that for submission of proposal, formats for scrutiny, need and extent of techno economic evaluation, and role of State Governments amongst others, needs to be done. It was observed that less than 100 projects were sanctioned under EDF for NER since its inception in 2000-01.

3. Policy issues were taken up first for discussion. Following decisions were taken after deliberations:-

**3.1 Submission of Application:**

3.1.1 Applicant may submit henceforth a proposal either to Agricultural Products Export Development Authority (APEDA) (following offices) or to State Government in four copies only (as against 12 copies at present). In case any application is received in DoC, same can be redirected to APEDA.

APEDA Head Office

3<sup>rd</sup> Floor, NCUI Building,  
(opp. Asiad Village)  
3, Siri Institutional Area,  
August Kranti Marg,  
NEW DELHI – 110 016

APEDA Regional Office

Jain Complex, 3<sup>rd</sup> Floor,  
Opp. Old Post Office, G.S. Road,  
GUWAHATI – 781005 (Assam)

Applications received from all sources would be processed by APEDA.

3.1.2 Export Commissioner (State Official so designated) in a State Government would be nodal officer for this purpose. In case of applications received in APEDA, they may also consult the concerned State Governments.

3.1.3 State Government shall forward their comments / observations on each application to Chairman, APEDA within three months. In case no comments are received within 3 months, it would be presumed that State Government has no comments to offer and the project would be examined by APEDA. Final view can be taken by APEDA after 3 months from date of submission of application.

3.1.4 In case Institutional Finance (term loans from bank etc.) is resorted to, such applicants may not route their application through the State Government. APEDA would entertain such application directly and give their final recommendations to DoC.

### 3.2 **Screening format:**

EC felt that current 12 point screening format is too cumbersome. A simplified screening format (**Annexure 2**) was circulated. Current 12 point screening format would be discontinued forthwith. State Governments and APEDA may provide their comments on new simplified format (Annexure 2) by 15.5.2010 to DoC. The concepts of gap funding, present value of capital etc. may be gone into by the State Governments and their feedback sent to DoC. A final view on this would be taken thereafter in the next meeting of EDF.

### 3.3 **Scrutiny:**

APEDA will scrutinize applications after consulting concerned State Government where the project is self-financed by an applicant. In case of institutional - financing linkage, techno-economic feasibility as assessed by concerned banking institution, would be considered

adequate. Care may be taken to see that the FIs have been free and fair in their assessment.

#### **3.4 Role of various agencies:**

##### **APEDA:**

3.4.1 APEDA would be overall in charge of implementing the EDF scheme for NER under instructions of EC, EDF, DoC. They would examine proposals, provide necessary inputs to DoC / EC EDF and implement decisions.

3.4.2 As of now Chairman APEDA is not a member of EC, EDF. Since APEDA would be coordinating implementation, henceforth Chairman, APEDA would be a permanent invitee to meetings of EC, EDF.

3.4.3 APEDA would formulate a paper on role of other agencies / State Government in EDF scheme and submit to DoC for approval.

3.4.4 APEDA would also submit details of interest income accrued on EDF amount lying with them from the very beginning of EDF for NER

#### **3.5 Mentoring and Monitoring of the projects:**

Wide publicity needs to be given to the scheme in order to invite greater and active participation from all stakeholders including entrepreneurs. Institutions like NERAMAC, NEITCO and NEDFI could mentor promoters in preparation of viable proposals. Similarly they should be involved in monitoring. It was decided that cost of publicity, mentoring and monitoring of proposals would be met from EDF as per EC decision on a case to case basis (subject to a ceiling of 5% of EDF component under project cost including the amount payable to APEDA). Henceforth, EC, EDF would specify the monitoring agency for each project at the time of approval itself.

3.6 Guidelines for monitoring issued so far by CAPART, NABARD and NAPCONS may be looked into for finalizing monitoring MIS. (Management Information System). APEDA would develop necessary formats and would communicate to DoC by 30.6.10 (in soft copy as well). A final decision by DoC in this respect would be taken and put up in next EC, EDF meeting.

#### **3.7 Standard Operating Procedure (SOP) Chart:**

A SOP chart circulated amongst participants (as at **Annexure 3**) detailing procedures to be followed, was approved for compliance. Needless to add that projects supported by financial institutions would be preferred because of proper techno-economic appraisal.

4. Thereafter, regular agenda items were taken up and decisions were taken as under:

**4.1. General Issues:**

Appraisal by National Bee Board (NBB) for Honey Bee projects, which is mandatory as of now, is discontinued for all Bee related proposals forthwith.

**4.2 DEFERRED PROPOSALS (LAST EC MEETING ON EDF-NER HELD ON 28.8.2009):**

<b>S. NO.</b>	<b>REFEREN CE</b>	<b>PROJECT DETAILS</b>	<b>DECISION ON 15.4.2010</b>
1.	F. No. 27/19/06 - Infra-II	Bee keeping & honey processing by Jonts Charitable Society Ltd. (JCS), Yupia, Papum Para District. Arunachal Pradesh	Approved Rs. 78.80 lac grant from EDF. Funds would be released after term loan is released by Bank.  NERAMAC would monitor project implementation.
2	F. No.27/22/07 - Infra-II	Anthurium green house cultivation (hi-tech) by The Blossoms Florist Society (BFS) Nagaland	Case would be examined on file after APEDA sends comments. NERAMAC would monitor project implementation.
3	F. No.27/02/20 09 - Infra-II	Bee Keeping And Honey Processing By Oju Welfare Association, Arunachal Pradesh	APEDA would submit appraisal report to examine this case further on file.

4	F. No. 27/05/2009 - Infra-II	Integrated Bee Keeping And Honey Processing Unit By Page Nalo Farmer Welfare Society, Arunachal Pradesh	Case Deferred. APEDA official would visit project site and send recommendation by 15.5.2010.
5	F. No. 27/06/2009 - Infra-II	Naga King Chilly by Si-Donyi MPCs Ltd., Arunachal Pradesh	Not approved, in view of adverse comments from Spices Board.
6	F. No. 27/08/2009 - Infra-II	Orange Cultivation and Processing Unit by KDB's Welfare Society, Arunachal Pradesh	Case Deferred. APEDA representative would visit project site and send recommendation by 15.5.10.
7	F. No. 27/09/2009 - Infra-II	Bamboo shoot cultivation by Mosen Welfare Society, Arunachal Pradesh –EDF - NER Assistance	Case Deferred. APEDA official would visit projects site and send recommendation by 15.5.10
8	F. No. 27/10/2009 - Infra-II	Bee Keeping and Honey Processing Unit by Tribal Area Development Society, Arunachal Pradesh	Case Deferred. APEDA official would visit projects site and send recommendation in one month, after taking into account State Govt.'s comments.
9.	F. No. 27/04/2009 - Infra-II	Integrated Bee Keeping and Honey Processing Unit by Atunakugha MPCs Ltd., Nagaland.	Approved Rs. 120.00 lac grant from EDF. Funds would be released after term loan is released by Bank.  NERAMAC would monitor project implementation

S. NO.	REFERENCE	PROJECT DETAILS	DECISION ON 15.4.2010
10	F. No. 27/13/09 -Infra-II	Orange Cultivation & Processing Unit by Holistic Rural Development society, Nagaland.	Case closed, as the State Govt. has not submitted details.
11	F. No. 27/14/09 -Infra-II	Bee Keeping and Honey Processing Unit by Shurho Piggery Multipurpose Co-operative society Ltd., Nagaland	Approved Rs. 78.80 lac grant from EDF. Funds would be released after term loan is released by Bank.  NERAMAC would monitor project implementation.
12	F. No. 27/15/09 -Infra-II	Ginger Cultivation & Processing Unit by Tribal Women Welfare Society, Nagaland	Case Closed, in absence of details from State Govt.
13	F. No. 27/17/09 -Infra-II	Cultivation processing and Turmeric by Charn MPCs Ltd., Nagaland	Case Deferred. To be taken up with Spices Board.
14	F. No. 27/03/2009 -Infra-II	Setting up of R&D Center-cum-Training Institute-cum-Food/Fruit Processing Unit at Aizwal, Mizoram	Case Deferred. Case would further be examined on file after State Govt. of Mizoram sends their comments about other sources of finance.

#### 4.3 New Proposals

Reference	Project Details	DECISION ON 15.4.2010
4.3.1 Arunachal Pradesh  Commissioner, Trade and Commerce, Govt. of Arunachal Pradesh vide letter dated. 27.07.2009  Project cost Promoter Share EDF Grant	Kiwi fruit cultivation and processing by Joram Socio-cultural & Literacy society, Arunachal Pradesh  Rs. Lakhs 200.00 60.00 60.00	Approved Rs. 60 lac grant under EDF. Funds would be released after term loan is released by Bank.  NERAMAC would monitor project implementation.

Reference	Project Details	DECISION ON 15.4.2010
<p>4.3.2 <b>Manipur</b></p> <p>1. F.No.27/21/2009 - Infra-II</p>	<p>Stevia Extraction Plant at Mao, Senapati District, Manipur by Intouch Natural Pvt. Ltd.</p>	<p>APEDA shall send a copy of proposal to NEITCO for techno economic appraisal and recommendations. Case would be examined on file after comments of NEITCO are received</p>
<p>4.3.3 <b>Mizoram</b></p> <p>1. F.No.27/20/2009 - Infra-II</p>	<p>Proposal of Exchange of Trade Delegation to Myanmar, Bangladesh and South East Asian Countries forwarded by Govt. of Mizoram.</p>	<p>Not approved. State Government may submit proposal to MDA / MAI Division of DoC.</p>
<p>4.3.4 <b>Nagaland</b></p> <p>1. F.No.27/22/2009 - Infra-II</p> <p>2. F.No. 27/01/2010 - Infra II</p> <p>3. Letter dt. 16.6.09 of OSD, Ind. &amp; Com. Dept. Govt. of Nagaland</p>	<p>Cultivation of Passion Fruit in respect of Kezekevi Krotho Farming Co-operative Society Ltd., Seiyhama village, Nagaland</p> <p>Integrated Development of Broom Stick Making in the State of Nagaland (Name and complete address of the proposing and implementing organisations have not been mentioned clearly)</p> <p>Integrated Development of Broom Stick Making in the State of Nagaland (Name and complete address of the proposing and implementing organisations have not been mentioned clearly).</p> <p>Project Proposal for cultivation of the World Hottest Chilly (Naga King Chilly) by Naga Fragrance Pvt. Ltd., Nagaland.</p>	<p>Case Deferred as the total grant sought under EDF is more than 30% of project cost. State Govt. to send revised proposal</p> <p>Not approved.</p> <p>Case Deferred. APEDA would examine and send recommendations to EC, EDF.</p>

Reference	Project Details	DECISION ON 15.4.2010
<b>4.3.5 Sikkim</b>  1.F.No.27/03/10- Infra-II	100% Export Oriented Watch Jewels Manufacturing Unit by Sikkim Jewels Ltd., Sikkim (a Govt. of Sikkim Undertaking)	Rs.550.17 lacs grant under EDF. Approved. Funds would be released after land and State share is released by State Government as back ended subsidy.  NEDFI would monitor project implementation.
<b>4.3.6 FIEO</b>  1. F. No. 27/19/2009 – Infra-II	Organizing 5 two days Export Awareness Workshop on Scope and Opportunities from NER for Exports  The workshops would be at Guwahati, Shillong, Gangtok, Kohima and Aizwal during April – July, 2010.	Approved with total grant under EDF of Rs. 16 lacs. FIEO was directed to involve Residents Commissioner of NER States as well as NEDFI, NERAMAC and NEITCO in the seminars. One day seminar at Itanagar and Agartala may also be organized

**4.4 Issues which has already been approved but require EC attention / further consideration:**

Reference	Project Details	Decision on 15.4.2010
4.4.1 F.No.27/24/07 - Infra-II	Cultivation of Anthurium and Gerbera Cut Flower under Hi-tech Green House and Controlled Atmosphere by Tongpok Multipurpose Cooperative Society, Dimapur, Nagaland.	EC approved the decision taken on file. Decision to release 2 <sup>nd</sup> instalment would be taken on file after receipt of physical verification report and recommendation of APEDA.
4.4.2 F.No.27/03/07- Infra - II	Export of Organic Products from NE Region by Naga Indigenous Foods, Kohima	Case Deferred. APEDA may examine and send comments.

**4.5 Issue / proposal for ratification / ex-post –facto approval of EC:**

F.No.27/05/07- Infra -II	Setting up of Sikkim's 1st processing and extraction unit for large cardamom by Parvatiya Vikash Sansthan	EC ratified decision taken on file.
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## **4.6 Policy Issues:**

### **4.6.1 Extension of Inland Transport Assistance (ITA)**

In the last EC meeting, Inland Transport Assistance (ITA) Scheme was extended upto 31.3.2010. ITA Scheme was formulated to subsidize expenditure on transportation involved in transport of goods for boosting export of fresh and processed horticulture products from NER. The scheme came into operation with effect from 15.07.2002. The scheme is being implemented through APEDA.

**Decision:** EC approved continued implementation of ITA coterminous to 11<sup>th</sup> five year plan, that is, upto 31.3.2012. However, a review of the scheme may be undertaken by a reputed institute from the North - East.

### **4.7 Interest to be refunded by EPCH**

**4.7.1 Diversion of fund of Rs.11 lakhs for participation in International fair by Export Promotion Council for Handicrafts (EPCH) (F.No.27/25/2002-Infra-II)**

**4.7.2 Project Proposal for Aggressive International Marketing of North Eastern Handicrafts. (27/4/06-Infra-II)- EPCH had surrendered the unspent balance but without interest to this Department.**

**Decision :** EPCH to send detail of interest earned to DoC in each case. EPCH request for interest waiver is rejected. EPCH agreed to refund the amount.

5. Meeting ended with vote of thanks to the Chair.

## Annexure.-I

**List of participants in EC, EDF meeting dated 15.4.2010 at 12.00 Noon in Udyog Bhawan chaired by Sh. A.K. Mangotra, Additional Secretary, DoC.**

S. No.	Name & Designation	Ministries / Departments / Organizations
1.	Dr. Shyam Agarwal, Joint Secretary	Department of Commerce
2.	Shri. Arvind Mehta, Joint Secretary	Department of Commerce
3.	Ms. Jayashree Mukherjee, Joint Secretary	Ministry of DoNER
4.	Shri Naveen Verma, Joint Secretary	Ministry of Home Affairs
5.	Sheri A.K. Bamba, Director	Department of Commerce
6.	Shri Anurag Saxena, Director	Department of Commerce
7.	Shri S.K. Sharma, Under Secretary (Finance)	Department of Commerce
8.	Shri D. K. Verma, US	Department of Commerce
9.	Shri Asit Tripathy Chairman	APEDA
10.	Shri Pravin Gupta, General Manager	APEDA
11.	Shri O. Nabakishore Singh, Secretary, Commerce & Industry	Government of Manipur
12.	Shri Arvind Kumar, Resident Commissioner	Government of Sikkim
13.	Shri Pawan Awasthi, MD, Sikkim Jewels Ltd.	Government of Sikkim
14.	Shri D.K. Bhalla, Resident Commissioner	Government of Nagaland

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**Annexure-1**

S. No.	Name & Designation	Ministries / Departments / Organizations
15.	Shri S.P. Singh, Resident Commissioner	Government of Mizoram
16.	Shri. Tokong Pertin, Director, Trade & Commerce	Govt. of Arunachal Pradesh
17.	Shri Nikhil Kumar, Joint Secretary	Government of Mizoram
18.	Shri. Ziley Singh, Consultant (Planning)	Government of Meghalaya
19.	Shri. R.K. Srivastava, Dy. Director	Export Promotion Council for Handicrafts (EPCH) "EPCH HOUSE", POCKET-6 & 7, SECTOR 'C', L.S.C., VASANT KUNJ, NEW DELHI-110 070.
20.	Shri Manoj Kumar Das, DGM	North Eastern Development Finance Corporation (NEDFI) Ltd. Basundhara Enclave, B.K. Kakati Road, Ulubari, Guwahati- 781 007, Assam
21.	Shri Satish Kumar, AM	North Eastern Regional Agricultural Marketing Corporation Ltd. (NERAMAC) 9 Rajbari Path, Ganeshguri Guwahati-781005, Assam
22.	Shri Prashant Seth, Dy. Director	Federation of Indian Export Organizations (FIEO)
23.	Shri S. Banerjee	NEITCO, G.S. Road, Bhangagarh, Guwahati-781005

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**Revised screening format**

**1. Project objective & Location**

1.1 Project Period: Date of start & Completion of project -

Date of start of marketing products -

1.2 Product / Output Description:

**2. Inputs**

2.1 Land requirement

Land area ( in acres )	Survey No. / Property Description	Ownership

2.2 Other Inputs

Sl. No.	Item	Description	Local Sourcing	Out of State Sourcing
2.2.1	Raw material (in value Rs. lacs / yr)			
2.2.2	Machinery and Equipment (in value Rs. Lacs)			
2.2.3	Skilled / Technical manpower requirement (in no. of persons)			

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## Annexure 2

### 3. Output ( Product ) & its Marketing

- 3.1. Output Description
- 3.2 Target Market
- 3.3 Proposed export linkage

### 4. Funding

- 4.1. Total project cost
- 4.2 Funding sources

(Amount in Rs. lacs)

S.No.	Financial institution	Amount	Percentage	Remarks
1.	Banking / Financial Institutions			
2.	State Govt. / PSU*			
3.	Central Govt. / PSU*			
4.	Self financing			
	<b>Total</b>			
5.	Proposed funding under EDF			
	<b>Grand Total</b>			

\* In case of FIs / PSU please indicate the agency name and address in remarks column.

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**5. Calculation of Viability gap :** ( All amounts in Rs. lacs )

**5.1 Project cost ( As per DPR )**

5.1.1 Total cost:

5.1.2 Of 5.1.1 fixed capital cost:

5.1.3 Subsidy sought:

5.1.4 Net loan / Self-financing (Total amount - (5.1.1 – 5.1.3) - Rs. Lacs)

Loan component

Self financed Component \_\_\_\_\_

Total \_\_\_\_\_

**5.2 Returns expected (Estimates from DPR )**

5.2.1 Annual Gross Income

5.2.2 Annual Net Income

**5.3 Capitalization (based on return)**

5.3.1 Discount rate for viability calculation:

5.3.2 Present Value of capital (based on return)  $[(5.2.2 / 5.3.1) * 100]$

**5.4 Viability Gap**

5.4.1 Viability gap (5.1.4 – 5.3.2)

5.4.2 In % terms (5.4.1 / 5.1.1)

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**An Illustration to calculate Viability Gap :**

**5.1 Project cost**

5.1.1 Total cost	Rs. 10 lacs
5.1.2 Of 5.1.1, fixed capital cost	Rs. 5 lacs
5.1.3 Subsidy funding	Rs. 3 lacs
5.1.4 Net loan / self financing (5.1.1 – 5.1.3)	Rs. 7 lacs

**5.2 Returns expected**

5.2.1 Annual gross income	Rs. 2 lacs
5.2.2 Annual net income	Rs. 1 lac

**5.3 Capitalization (based on return)**

5.3.1 Discount rate for viability 20%

5.3.2 Present value of capital (based on return)

$$[(5.2.2 / 5.3.1) * 100] = \frac{1.00 \times 100}{20} = \text{Rs. 5 lacs}$$

5.4.1 Viability gap (5.1.4 – 5.3.2): Rs.7.00 - Rs.5.00 = Rs. 2 lac

5.4.2 In % terms (5.4.1 / 5.1.1) : Rs. 2 lacs / Rs. 10 lacs = 20%

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**Standard Operating Procedure****SOP Chart**

Sl. No.	Description	Project Funding Source		
		Financial Institution (FI)	Central Govt. / State Govt. subsidy (over & above EDF)	Self-financed
1.	Techno Economic Feasibility	By concerned FI	State Govt. / Agency and APEDA	To be assessed by APEDA in consultation with State Govt.
2.	Release of funds / Subsidy under EDF	As per Schedule of FI	Back-ended with 'No collateral' needed	Back-ended through Export Commissioner, State Govt.
3.	EDF funding Quantum	Maximum 30% from EDF subject to a subsidy ceiling of 70% from all sources and EDF put together.	Maximum 30%* from EDF subject to a subsidy ceiling of 70% from all sources and EDF put together.	Maximum 30% from EDF
4	Physical verification	FI (periodical reports to APEDA) upto repayment of loan by promoters.	State Govt. upto two years after commissioning of project.	APEDA/ DGFT/ DoC upto 2 years after commissioning of project.

\*In case, the project is implemented by a Central / State PSU, ceiling for EDF subsidy can be upto 50%.

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**Explanatory note:**

- (1) If the amount of EDF funding is:
  - (a) Less than Rs. 50 lacs, release would be in two installments.  
Second installment would be released only after physical verification / inspection report after midway progress.
  - (b) More than Rs. 50 lacs, release would be in three installments or more.  
(Each installment should not be normally more than Rs. 25 lacs).
  - (c) In case of institutional – financing linkage, lump sum release can be done while purchasing machines and equipments.

(2) **Collateral security**

In case of loan from FI, no collateral would be required by APEDA and the premium for upfront guarantee fee charged by FI would be met from EDF within the overall limit of 30%. Small Industries Development Bank of India (SIDBI) is running a scheme titled Collateral Free Credit to Micro and Small Enterprises (MSEs) on payment of upfront guarantee fee and annual service charges. (As per details attached at **Annexure 3A**)

(3) **Purchase of Machinery and Equipments**

If cost of Plant & Machinery (P&M) is less than or equal to proposed funding under EDF, EDF funds would be used for payment towards purchase of P & M and funds would be released to beneficiary on receipt of invoice and physical delivery from supplier.

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**COLLATERAL FREE CREDIT GUARANTEE SCHEME FOR MSEs**

Entrepreneurs in the Micro and Small Enterprises (MSEs) sector face problems in availing finance required for their projects due to their inability to provide collateral security / third party guarantee. In order to alleviate this problem as also to facilitate increased credit flow to MSEs in the country, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was established by Government of India and SIDBI in August 2000 to facilitate collateral free credit to this sector. CGTMSE extends guarantee for credit facility upto Rs. 1 crore extended by its Member Lending Institutions (MLIs) to MSEs (both in the manufacturing and service sector).

Under Credit Guarantee Scheme (CGS), CGTMSE shall cover credit facilities (Fund based and / or Non Fund - based ) extended by MLIs to a single eligible borrower in MSEs for credit facility

- (i) upto Rs. 50 lacs (Regional Rural Banks / Financial Institutions ) and
- (ii) upto Rs. 1 crore (Scheduled Commercial Banks and select Financial Institutions)

by way of term loan and / or working capital facilities. Lender should extend credit without any collateral security and / or third party guarantee. Credit facility guaranteed under the scheme carry zero percent risk weight / provision for the MLIs for the guaranteed portion.

**Cost of Guarantee Cover**

<b>Credit facility</b>	<b><u>Upfront Guarantee Fee</u> NER (incl. Sikkim) (%)</b>	<b>Annual Services Fee (%)</b>
Upto Rs. 5 lacs	0.75	0.50
Above Rs. 5 lacs upto Rs. 50 lacs	0.75	9.75
Above Rs. 50 lacs upto Rs. 1 cr.	1.50	0.75

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## Annexure 3A

**Extent of Guarantee:** The Trust shall provide guarantee as under:

Category	Maximum extent of Guarantee where credit facility is		
	Upto Rs. 5 lacs	Above Rs. 5 lacs & Upto Rs. 50 lacs	Above Rs. 50 lacs & Upto Rs.100 lacs
Micro Enterprises	85% of the amount in default subject to a maximum of Rs. 4.25 lacs	75% of the amount in default subject to a maximum of Rs. 37.50 lacs	Rs.37.50 lacs plus 50% of amount in default above Rs. 50 lacs subject to overall ceiling of Rs. 62.50 lacs
Women entrepreneurs / Units located in North East Region (incl. Sikkim) (Other than credit facility upto Rs. 5 lacs to micro enterprises)	80% of the amount in default subject to a maximum of Rs. 40 lacs		Rs. 40 lacs plus 50% of amount in default above Rs. 50 lacs subject to overall ceiling of Rs. 65 lacs
All other category of borrows	75% of the amount in default subject to a maximum of Rs. 37.50 lacs		Rs. 37.50 lacs plus 50% of amount in default above Rs. 50 lacs subject to overall ceiling of Rs. 62.50 lacs

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### **Availing of Guarantee Cover**

Entrepreneurs in the Micro and Small enterprises sector may contact any of the Members Lending Institutions are registered as MLIs of CGTMSE. All public sector banks, major private sector banks and select Regional Rural Banks (RRBs) / FIs are registered as MLIs of CGTMSE.

### **Proposal**

It has been observed that majority of applicant seeking assistance under EDF are under MSE sector and they may be eligible to avail Credit Guarantee Scheme facility of SIDBI.

It is proposed their premium of upfront guarantee fee to entrepreneurs of MSE sector from NER taking loan for export linked projects may be subsidized from EDF scheme. Promoters seeking EDF grant with loan from financial institution also as one source of funding may avail of CGS facility.

Premium payable on account of upfront guarantee may be subsidized from EDF. However this would be subject to overall ceiling of 30% grant under EDF.

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**Member Lending Institutions of CGTMSE\***

**PUBLIC SECTOR BANKS:**

- \* Allahabd Bank
- \* Andhra Bank
- \* Bank of Baroda
- \* Bank of Maharashtra
- \* Bank of India
- \* Central Bank of India
- \* Canara Bank
- \* Corporation Bank
- \* Dena Bank
- \* Indian Bank
- \* IDBI Bank
- \* Indian Overseas Bank
- \* Oriental Bank of Commerce
- \* Punjab National Bank
- \* Punjab & Sind
- \* Syndicate Bank
- \* United Bank of India
- \* UCO Bank
- \* Union Bank of India
- \* Vijaya Bank

**SBI AND ITS ASSOCIATE BANKS:**

- \* State Bank of India
- \* State Bank of Hyderabad
- \* State Bank of Mysore
- \* State Bank of Travancore
- \* State Bank of Bikaner & Jaipur
- \* State Bank of Indore
- \* State Bank of Patiala

**PRIVATE SECTOR BANK:**

- \* Axis Bank
- \* City Union Bank
- \* HDFC Bank
- \* ING Vyasya Bank
- \* ICICI Bank
- \* Industrial Bank
- \* Kotak Mahindra Bank
- \* Karnataka Bank
- \* The Jammu & Kashmir Bank
- \* The South Indian Bank
- \* The Federal Bank
- \* The Dhanalakshmi Bank
- \* The Nainital Bank
- \* The Bank of Rajasthan
- \* Tamilnad Mercantile Bank
- \* YES Bank

**FOREIGN BANKS:**

- \* Deutche Bank
- \* Standard Chartered Bank

**REGIONAL RURAL BANKS:**

**Select RRBs**

**OTHER LENDING INSTITUTIONS:**

- \* Delhi Financial Corporation
- \* National Small Industries Corporation Ltd.
- \* North Eastern Development Finance Corporation Ltd.
- \* Small Industries Development Bank of India
- \* The Tamilnadu Industrial Investment Corp. Ltd.
- \* Kerala Financial Corporation

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REGISTERED OFFICE  
MSME Development Centre, 7<sup>th</sup> Floor, C-11/G-Block  
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051  
Tel.: 022-652909774, FAX: 022-25541821  
Website: www.cgtmse.in

