

Credit Guarantee Fund

National Credit Guarantee Trustee Company Ltd. has already been set up by the Department of Financial Services, Ministry of Finance, Government of India to function as a common trustee company to manage and operate various credit guarantee trust funds. To meet the funding needs of Startups, Government of India has established Fund of Funds for Start ups (FFS) under Start up India Programme.

Under Startup India initiative, all applications can be submitted to the Department for Promotion of Industry and Internal Trade. The incentives provided to Startups under Startup India initiative are as follows:

- i. Self-Certification under 6 Labour Laws & 3 Environmental Laws.
- ii. Relaxations in Public Procurement Norms.
- iii. Faster exit under the Bankruptcy Code.
- iv. Rebates on Patent & Trademark filing fees, support from facilitators and expedited examination of Patent application.
- v. Income Tax exemption under section 80 IAC.
- vi. Exemption from Income Tax on investments received above fair market value under clause (ii) of the proviso to clause (vii) of sub-section (2) of section 56 of the Income Tax Act.
- vii. Funding support under the Fund of Funds for Startups.
- viii. Guidance and facilitation support from Startup India Hub.

Ministry of MSME has taken several initiatives to encourage Micro, Small and Medium Enterprises. This covers the Aspirational Districts across the Country including Wayanad in Kerala. These initiatives include the schemes/programmes such as Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE), Credit Guarantee Scheme (CGTMSE), Credit linked Capital Subsidy-Technology Upgradation Scheme (CLCS-TUS), Micro & Small Enterprises- Cluster Development Programme (MSE-CDP), National Scheduled Caste and Scheduled Tribe Hub (NSSH), Procurement and Marketing Schemes (PMS) etc. National Small Industries Corporation (NSIC) under the Ministry of MSME also boost and supports Micro, Small and Medium Enterprises (MSMEs) Sector by providing integrated

support services encompassing marketing, finance, technology and other services. Till date, 1254 number of units are registered under Udyog Aadhaar Memorandum (UAM) in Wayanad District.

Collateral-free loans have been made available to MSMEs under the Credit Guarantee Scheme in Aspirational Districts including Wayanad District. Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) has approved 4299 guarantees amounting to Rs. 103.17 Crore (upto October 31, 2019) in Waynad District of Kerala since the inception of the Scheme.

This information was given by Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises in written reply to a question in Lok Sabha today.

RCJ/SKP/IA

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