

CGTSI/(44)/862

November 14, 2005

All Member Lending Institutions of CGTSI

Circular No. 29 / 2005-06

Dear Sir / Madam,

Eligibility of credit facilities to Agri-Clinics and Agri-Business Centres (ACABCs) under Credit Guarantee Scheme (CGS) of CGTSI

Based on NABARD's letter no. NB. DPD (FS)/15/ACABC/2005-06 [Circular no. 73 / DPD.FS/12/2005-06] dated May 3, 2005 on the above subject, some of the Public Sector Banks [who are MLIs of CGTSI] have advised their respective Branch / controlling offices about nine activities under Agri-Clinics and Agri-Business Centres (ACABCs) (as given in Annexure) as eligible for coverage under Credit Guarantee Scheme of CGTSI. Some of the Member-banks have, however, sought our confirmation relating to coverage of finance to these activities under CGS. In this connection we clarify that, the credit facilities extended by the MLIs to these nine activities under Agri-Clinics and Agri-Business Centres (ACABCs) can be covered under the CGS provided the finance is extended as per the terms and conditions of the Credit Guarantee Scheme.

Yours faithfully,

Sd/-

(S N Sadhwani)

Deputy General Manager

Encl: As above.

Annexure

List of activities/Enterprises Identified under Agri-clinic and Agri Business Centres (ACABCs)
Eligible for coverage under the Credit Guarantee Fund Scheme for Small Industries (CGS)

No.	Code	Area	Type of Activity
1	Project 03	Maintenance and Repairs of Agricultural Implements & Machinery including Micro Irrigation Systems	SSSBE*
2	Project 04	Agri Service Centres	SSSBE*
3	Project 05	Seed Processing Units	SSI**
4	Project 06	Tissue Culture	SSI**
5	Project 07	Production of Bio-fertilizers, Bio-pesticides, Bio-control agents	SSI**
6	Project 08	Honey and Bee product Processing Units	SSI**

7	Project 14	Feed Processing and Testing Units	SSI**
8	Project 13	Setting up of Information Technology Kiosks in rural areas for access to various agricultural related portals	SSI**
9	Project 16	Setting up of Cool chain from the farm level onwards	SSI**

* Providing that the total investment in fixed assets (other than that of land and building) does not exceed Rs.10 lakh.

* Provided that the total investment in plant and machinery does not exceed Rs.100 lakh and the process involves use of machinery and equipment.