

Annexure-I (a)

CGTSl(44)/862

November 14, 2005

All Member Lending Institutions of CGTSl

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 CGTSl

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 M.L.s of CGTSl] 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 CGTSl. 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 M.L.s 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 Sathwani)

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 Maintenance and Repairs of Agricultural Implements & | SSSBE* |

| | | |
|---|---|--------|
| | 03 Machinery including Micro Irrigation Systems | |
| 2 | Project Agri Service Centres 04 | S/SBE* |
| 3 | Project Seed Processing Units 05 | S/I** |
| 4 | Project Tissue Culture 06 | S/I** |
| 5 | Project Production of Bio-fertilizers, Bio-pesticides, Bio-control agents 07 | S/I** |
| 6 | Project Honey and Bee product Processing Units 08 | S/I** |
| 7 | Project Feed Processing and Testing Units 14 | S/I** |
| 8 | Project Setting up of Information Technology Kiosks in rural areas for 13 access to various agricultural related portals | S/I** |
| 9 | Project Setting up of Cool chain from the farm level onwards 16 | S/I** |

* 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.