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FINANCING OF SMALL SCALE INDUSTRIES (SSI) IN INDIA

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ABSTRACT:

Small scale industries have emerged as India's engine of growth in the new millennium. The small scale industries account for 40 per cent of value-addition in the manufacturing sector and 34 per cent of total exports from the country. Through 95 per cent of industrial units in the country, the industry employs about 20 million persons. Therefore small scale industries (SSI) are continuously attracting the attention of planners, policymakers, academicians, entrepreneurs- Micro, Small and Medium as well as large scale in the business.

Development of small scale industries is the result of combined inputs of technological skills, labour, finance, marketing support and managerial efficiency. However, in the process of development, the non-availability of timely and adequate funding generally acts as a critical problem. Finance is one of the significant elements, which activates the overall growth of small scale industries (SSI). It is the lifeblood of economic activity. A well-knit financial system directly contributes to the growth of the SSI and economy. The present paper tries to examine various ventures through which the SSI are availing financial assistance in general. Specifically, the study also deals with the performance of the Credit Guarantee Fund Trust Scheme for Micro and small industries (CGTMSE) in India.

KEYWORDS: *Small scale industry, sources of financial assistance, credit schemes.*

INTRODUCTION

India is developing very fast as compared to other economies in the world. In fact, India is just behind China in terms of the fastest growing economy as per UN trade Agency. Indian Government has always put momentum on small business right after independence but confined to some specific industries. However, Government passed and enforced "Micro, Small and Medium Enterprises Development Act, 2006" with effect from 2nd October 2006, which extended the scope. Over the years, the small scale sector in India has advanced from the production of simple consumer goods to the manufacture of many sophisticated and precision products like electronics control systems, microwave components, electro-medical equipments, etc. The new market reforms have further exposed these enterprises to increasing levels of domestic and global competition.

Development of small scale industries is the result of combined inputs of technological skills, labour, finance, marketing support and managerial efficiency. However, in the process of development, the non-availability of timely and adequate funding generally acts as a critical problem. Finance is one of the significant elements, which activates the overall growth of small scale industries (SSI). When the investment is readily available, industrial development can accelerate as the participation of new entrepreneurs in economic activities depends upon the sources of access to funds on reasonable terms and conditions.

The problems of SSI are both real and financial. Low level of entrepreneurial skill, inadequate supply of raw material, outdated technology, inadequate marketing facilities, lack of standardization, insufficient finance, and inaccessibility to modern forms of financing and organization are some of the real constraints keeping them small and inefficient. In this case, the financial problem is most crucial. Large scale modern industries have greater access to the capital market. Small scale industries do not have access to the capital market. Small scale industries require both working capital and fixed capital for their growth and efficiency and one of the major problems faced by the SSI is related to adequate and timely credit/finance.

FINANCIAL NEEDS OF SMALL SCALE INDUSTRIES

Small Scale Industries (SSI) has been given significant place in the policy framework of Indian planning right from the beginning and occupies a crucial position in the industrial sector. They play a vital role in the creation of employment opportunities, utilization of resources and income generation. Small scale units are, usually, more labour intensive.

The financial requirements of small scale industries may be broadly classified into fixed capital and working capital. The first category needs resources to be deployed for an extended period, and the second category involves resources for a short period. The long term finance is needed for creating assets like land, buildings, plant and machinery, etc. The short term finance is required for purchasing of raw materials and for meeting day-to-day requirements of the business. The fixed capital requirements are usually achieved by the issue of shares and debt securities. The entrepreneurs themselves generally provide equity capital of small scale units. The entrepreneurs often supplement their contribution by the funds raised from their friends and relatives. The small entrepreneurs also borrow on long term basis from the financial institutions and others to meet their fixed capital requirements. The working capital requirements are met by drawing on: (i) owners funds; (ii) funds from operations; (iii) long term borrowings; (iv) spontaneous financing (e.g., trade creditors), and (v) short-term borrowings from commercial banks and others. The working capital is required to purchase raw materials, stores and to maintain the necessary level of Inventory. It is also essential to maintain cash balance and also to make credit sales to customers. Further, all the day to day financial requirements of the business is met out of the funds drawn on working capital. The level of working capital in an organization depends upon the length of the operating cycle, nature of the business, capital market situation, etc.

REVIEW OF LITERATURE

Rao and Revathy (2001)in their research found that lack of access to credit represented a substantial restriction of expansion of small scale industrial development, with proprietors themselves perceiving financing as their most crucial input constraint. Different type of enterprises has significantly different needs as firms grow in size and composition, their financial requirements and relative importance of fixed and working capital changes. Growth affects not only the relative importance of formal and informal sources of finance but also an equal contribution to the development of firms with various types of financing arrangements.

Chandak (2004)in his work observed that the country has made many special dispensations and created a network of financing and support infrastructure to nurture SSI. Further, from time to time expert committees/working groups have been constituted to, among other things, to analyse the flow of funds to SSI and to suggest measures to enlarge and accelerate the credit flow to the sector. Concerned with the level of credit flow to the industry, the Government has decided to set up an SME Fund of Rs.10,000 crores with SIDBI. Without financing the growth in employment/production/export in ITEs, software's, services, automobiles, pharmaceuticals, essential metals, infrastructure not possible.

Anu Muhammad (2009)in his work states, Grameen Bank's microcredit programme has been organized internationally as a successful model. This model has become an integral part of development thinking and has earned global attention as a new form of banking. But it has more as a useful tool for alleviating poverty and empowering women. The model created an excellent opportunity for expanding the market for finance, thereby ensuring GB's spectacular success.

Martínez and Schmukler (2010)studied the relationship between banks and small and medium enterprises. In this study, both nationalized and commercial banks were taken. Interviews were taken from relation managers of respective banks regarding their behaviour toward SME's and their preference in serving the financial needs of SME's. It was viewed that large and foreign banks were generally not interested in helping SMEs, at the same time, small and niche banks had an advantage because they can overcome SME opaqueness through relationship lending.

STATEMENT OF THE PROBLEM

For the development of the Indian economy, there is a need for small and large scale industries. That leads to the generation of employment opportunities, increase the standard of living, and purchasing power etc. At present large scale industries are benefited by various all Indian financial institutions, at the same time small, and medium scale enterprises also need financial investment. The research gaps and relevant questions which strike the mind during the literature review on small scale enterprises regarding their financial assistance in India hence there arises a need to address that what are the financial aid provided under various financial assistance scheme.

OBJECTIVES OF THE STUDY

1) To study various financial institutional agencies that are granting loans to the small scale industries.
2) To examine the performance of the Credit Guarantee fund trust Scheme for Micro and small industries (CGTMSE) in India.

Collection of data

The present study is based on the secondary data collected from various published and unpublished sources such as Annual Reports of DIC, Lead Bank, MSME, CGTMSE, SIDBI, RBI and relevant Journals, newspapers and websites.

SOURCES OF FINANCING SMALL SCALE INDUSTRIES IN INDIA

A lot of financial facilities are available from the Government of India, Central Government Corporations, the concerned State Governments and state-level corporations for setting up and operating small scale industries. Besides, the public sector banks, such as State bank of India, Bank of Baroda and Andhra bank, are the primary sources of financial assistance to small scale units. The financial support to these firms are like loans, advances, discounting of bills, project financing, medium-term and long term loans and export finance. The details are indicated below:

Government of India's contribution: Government of India provides project finance not exceeding 80% of the total project cost, subject to a limit of Rs. 10 crores per project including Rs.10 lakh for 'soft activities', such as 'capacity building' activities in an area where no fixed asset is acquired or formed.

State Bank of India (SBI): SBI provides extensive range of financial products and services consisting of working capital finance; term loans for setting up new units, for expansion or renovation of existing units; deferred payment guarantees to support the purchase of equipment and project finance.

Small scale industries corporations: Small scale industries require financial assistance continuously for running the enterprise and also for diversification and modernization. Government of India, in association with the State Governments, has formulated several policy packages comprising schemes and funds for their growth. Most of these programmes of the Central Government are implemented through two major organizations; namely Small Industrial Development Organization (SIDO) and National Small Industries Corporation Limited (NSIC).

SIDO: It is an apex body for the promotion and development of small scale industries in the country. Some of its primary functions include advising the Government on the formulation of policies and programmes for small scale industries and devising a comprehensive set of schemes for providing credit facilities, technology support services and marketing services. Some of the significant projects include credit linked capital subsidy scheme for technology up-gradation, credit guarantee scheme, integrated infrastructure development scheme (IID scheme), ISO9000/ISO 14001 Certification Reimbursement Scheme and Macro-Finance Schemes.

National Small Industries Corporation Ltd. (NSIC): Is an ISO 9001-2008 certified Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). The mission of NSIC is promoting, aiding and fostering the growth of small industries and industry related micro, small and medium enterprises in the country. The schemes of NSIC consist of facilitating marketing, credit, EDP training, hire purchasing, leasing, up-gradation of technology, raw material support and other support services.

State level corporations: At the State level, several State Financial Corporations (SFC) has been established by the respective State Governments for providing financial assistance to the small scale industrial units. There are around 18 SFCs in the country. These institutions have introduced many schemes over the years to assist small scale enterprises. The financial assistance extended by SFCs is in the form of several funds and non-fund based facilities.

SFCs provide long-term finance to small and medium-sized industrial units organised as proprietary, partnership, co-operative, public or private company concerns. It also undertakes the issue of stock, shares, bonds or debentures of industrial concerns and to grant loans and advance to industrial interests repayable within a period not exceeding 20 years. Facilities like technical knowledge, packaging assistance, maintenance assistance, machinery, land and building, purchasing assistance, low rate of interest loan assistance etc. are provided by SFC to SSI.

The National Bank for Agriculture and Rural Development (NABARD):established in 1981 for providing credit for the promotion of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas to promote integrated rural development and securing prosperity of rural areas and for matters connected in addition to that or incidental to it. Schemes on producer organisation development fund, dairy venture capital fund, poultry estates, slaughterhouses, units of organic inputs etc. are implemented by NABARD for small scale industries in India.

State industrial development corporation (SIDC): The objective of SIDCs are to provide assistance like term-loans, underwriting direct subscription to shares / debentures and guarantees also they undertake a variety of promotional activities like preparation of feasibility reports, conducting industrial potential surveys, entrepreneurship development programmes and developing industrial estates, technical guidance, assistance in plant locations and coordination's with other agencies. SIDCs were integrated under the Companies Act, 1956, is owned by State Government Undertakings for promoting industrial development.

Small industries development bank of India (SIDBI): Providing financial and non-financial assistance to the SSI sector, the Government of India set up the Small Industries Development Bank of India (SIDBI) in 1989, as a wholly-owned subsidiary of IDBI. The SIDBI has been regularly providing assistance to SSI on up-gradation and modernisation, refinancing, discounting bills, term loan, fixed assets loan, foreign currency loan, raw material assistance, and marketing the products etc. The SIDBI's financial aid to SSIs is through the Development Corporations, Commercial Banks and Regional Banks.

Industrial development bank of India (IDBI): The industrial bank of India (IDBI) was established on 1st July 1964 under the industrial development bank of India act, owned subsidiary of the Reserve bank of India. IDBI provides adequate security for the facility availed by the micro/small enterprises units (MSEs) has been a significant roadblock for their inability to access the banking system. Under this objective Government of India and SIDBI had set up "Credit Guarantee Fund Trust for Micro and Small Enterprises" (CGTMSE). On the basis of CGTMSE guidelines IDBI bank offers collateral-free loans up to Rs. 1 crore to realize the areas of those entrepreneurs who have viable Projects/ proposals but lacks adequate collateral security to offer, MSME restructuring/rehabilitation policy for timely and transparent mechanism for restructuring the debts of potentially viable Micro, Small and Medium (MSME).

Industrial Finance Corporation of India (IFCI): IFCI was established in 1948 under an Act of Parliament to provide medium and long-term credit to the industrial sector in India. IFCI transformed into a corporation from 21st May 1993 to, provide more considerable flexibility to respond to the needs of changing the financial system. The primary business of IFCI give medium to long term financial assistance to the manufacturing, services and infrastructure sectors, broking, venture capital, financial advisory, depository services, factoring etc. also schemes of Credit Enhancement Guarantee for Scheduled Caste (SC) Entrepreneurs for providing guarantee to banks against loans to young and start-up entrepreneurs belonging to Scheduled Castes with an objective to encourage entrepreneurship in lower strata of the society.

OTHER CREDIT SCHEMES

In the post-World Trade Organization (WTO) environment, it has become apparent that SSIs have to be cost-competitive and produce quality goods to remain in business. The Ministry of SSI proposed to help small scale industries by giving incentives for taking ISO-9000 certification, introduce a credit linked capital subsidy scheme (CLCSS), LaghuUdyami Credit Card Scheme (LUCCS), Swarojgar Credit Card Scheme (SCCS), Credit Guarantee fund trust scheme for Micro and small industries (CGTMSE), National Equity Fund Scheme (NEF), Integrated Infrastructure development Scheme (IIDS), Technology Development and Modernization Fund Scheme (TDMF), SHG-bank linkages programme, tax concession, marketing support and assistance to MSMEs through Bar Coding, mini tool room and training centre, application of lean manufacturing techniques (LEAN), quality management system (QMS), quality technology tools (QTT), design clinics etc. It means for promoting SSI, various schemes for financial assistance are introduced by Central and State Governments.

THE PERFORMANCE OF CREDIT GUARANTEE FUND TRUST SCHEME ON MICRO AND SMALL ENTERPRISES (CGTMSE)

The Credit Guarantee Fund Scheme for Micro and Small Enterprises (CGS) was launched in 2000, by the Government of India (GOI) to make available collateral-free credit to the micro and small enterprise sector. Both the existing and the new enterprises are eligible to be covered under the scheme. The Ministry of Micro, Small and Medium Enterprises, GOI and Small Industries Development Bank of India (SIDBI), established a Trust named Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to implement the Credit Guarantee Fund Scheme for Micro and Small Enterprises.

Scheme Benefits & Highlights

Fund and non-fund based (Letters of Credit, Bank Guarantee etc.) credit facilities up to Rs 200 lakh for an eligible borrower is covered under the Guarantee Scheme provided they are extended on the project viability without collateral security or third party guarantee.

Guarantee Cover

The guarantee cover available under the scheme is to the extent of 50%, 75%, 80% & 85% of the sanctioned amount of the credit facility. The scope of guarantee cover is 85% for micro-enterprises for credit up to Rs 5 lakh. The extent of guarantee cover is 50% of the sanctioned amount of the credit facility for credit from Rs 10 lakh to Rs 100 lakh per MSE borrower for retail trade activity.

The extent of guarantee cover is 80%(i) Micro and Small Enterprises operated and owned by women; and (ii) all credits/loans in the North East Region (NER) for credit facilities up to Rs 50 lakh. In case of default, Trust settles the claim up to 75% of the amount in default of the credit facility extended by the lending institution for credit facilities up to Rs 200 lakh.

Catalytic role of CGTMSE in the MSE sector

Credit Guarantee Schemes are the most effective instrument for fuelling growth in MSEs; its catalytic roles are stated below:

- **Financial Additionality:** CGS schemes lead to more flow of credit towards the MSE system, which otherwise would not have been there.
- **Ease of credit:** Enables faster credit sanction vis-a-vis plain vanilla collateral-based lending, thus being responsive to the urgent credit needs of the MSEs
- **Multiplier Effect:** Targets MSE sector, the most crucial component in developing economy both in terms of employment and economic growth
- **Entrepreneurship Focus:** Promotes Entrepreneurship and ensures that good business ideas do see last light of the day. Additionally, since this benefit is explicitly restricted to the MSE sector, which has an essential place in the Indian economy both for growth and employment generation, the positive externalities would be manifold.

Member Lending Institutions (MLIs)

A thriving Credit Guarantee Ecosystem is incomplete without a constructive engagement with the MLI. The Banks / Financial Institutions, which are eligible under the scheme, are scheduled commercial banks (Public Sector Banks/Private Sector Banks/Foreign Banks) and select Regional Rural Banks (which have been classified under 'Sustainable Viable' category by NABARD). As on 2018 (a total of 113 MLIs) 51 Regional rural banks (RRBs), 21 Public Sector Banks, 20 Private Sector Banks, 5 Foreign Banks, nine other Financial Institutions, 1 Small Finance Bank and 6 Non-Banking Financial Companies are registered MLIs for availing guarantee cover from the Trust.

The CGTMSE also works towards integrating IT infrastructure to enable lesser human intervention and quicker turn around for the majority of the processes. Besides, CGTMSE does frequent interaction with its MLIs not just to push for business numbers but also to disseminate information and jointly engage MLIs as part of new product design. With such active and two-way communication, the guarantee environment for MSE is expected to grow manifold and benefit all stakeholders.

Table 1: MLIs wise amount released (FY 2018).

MLIs	Number of Guarantees	Amount (in Crores)
Public Sector Banks	228384	16558
Private Sector Banks	18656	2121
Regional Rural Banks	15788	231
Financial Institutions	235	106
Foreign Banks	132	50

Source:18th Annual Report (2017-18), UDAAN, cgtmse.

The above table 1 represents the amount released under CGTMSE through member lending institutions. It can be seen from the above data that as on FY 2018 the public sector banks had 228384 number of guarantees and had released Rs. 16558 crores for the overall development of MSEs, on the other hand, the regional rural banks had 15788 number of Guarantees and the amount realised was Rs, 231 crores.

The performance of CGS

MSE sector currently contributes to 90.2% of the total share of GST returns filed and contributes to 15.8% of the total tax. Such formalised income sources help MLIs in faster credit assessment. CGTMSE engages continuously with MLIs to enhance the features of guarantee products and enhance credit flow. CGTMSE also takes care of information dissemination, and its processes are proactive to smooth functioning, it engages with MLIs in designing scheme-specific products, and it also participates in integrating IT infrastructures of Banks and the trusts. Table 2 gives a detailed insight into the number of active MLIs, several credit facilities approved, amount of guarantees approved, and cumulative guarantees approved between financial year (2000-01) to (2017-18).

Table 2: Number of Proposals and Collateral Free Loans Provided to Micro and Small Enterprises (MSEs) under Credit Guarantee Scheme in India (2000-01 to 2017-2018)

Period	No. of Active MLIs	No. of Credit Facilities Approved	Amount of Guarantees Approved (Rs. Crore)	Cumulative Guarantees Approved (Rs. Crore)
FY 2000-01	9	951	6.06	6
FY 2001-02	16	2296	29.52	36
FY 2002-03	22	4955	58.67	94
FY 2003-04	29	6603	117.6	212
FY 2004-05	32	8451	267.46	539
FY 2005-06	36	16284	461.91	1001
FY 2006-07	40	27457	704.53	1705
FY 2007-08	47	30285	1055.84	2702
FY 2008-09	57	53708	2199.4	4824
FY 2009-10	85	151387	6875.11	11560
FY 2010-11	106	254000	12589.22	23846
FY 2011-12	109	243981	13783.98	37139
FY 2012-13	117	288537	16062.48	52600
FY 2013-14	117	348475	18188.12	70026
FY 2014-15	119	403422	21274.82	90446
FY 2015-16	119	513978	19949.38	108991
FY 2016-17	106	452127	19931.48	128787
FY 2017-18	113	432520	19065.91	146829

Source:18th Annual Report (2017-18), UDAAN, cgtmse.

During the FY 2000-01 there were 9 active member lending institutions, which approved 951 credit facilities withRs. 6.06 crores of guarantees approved. Moreover, it can be seen from Table 2 that there has been a tremendous increase in MLIs, approvals and assurance amounts periodically. It can be noticed from the table that during FY 2018, a total of 263195 guarantees were approved for an amount of Rs.19066 crores. Cumulatively, as on March 31, 2018, a total of 3029948 accounts have been accorded guarantee approvals for Rs. 146829 crores. The average loan size has scaled up in FY 2018 due to increasing the ceiling of the guaranteed amount from Rs. 1 crore to Rs. 2 crores and a subsequent increase in the coverage in this slab.

State-wisenumber of Guarantees (Top ten states)

Table 3 and Figure 1 show the state-wise classification (top ten states) of the number of guarantees and amount approved status during the financial year 2018.

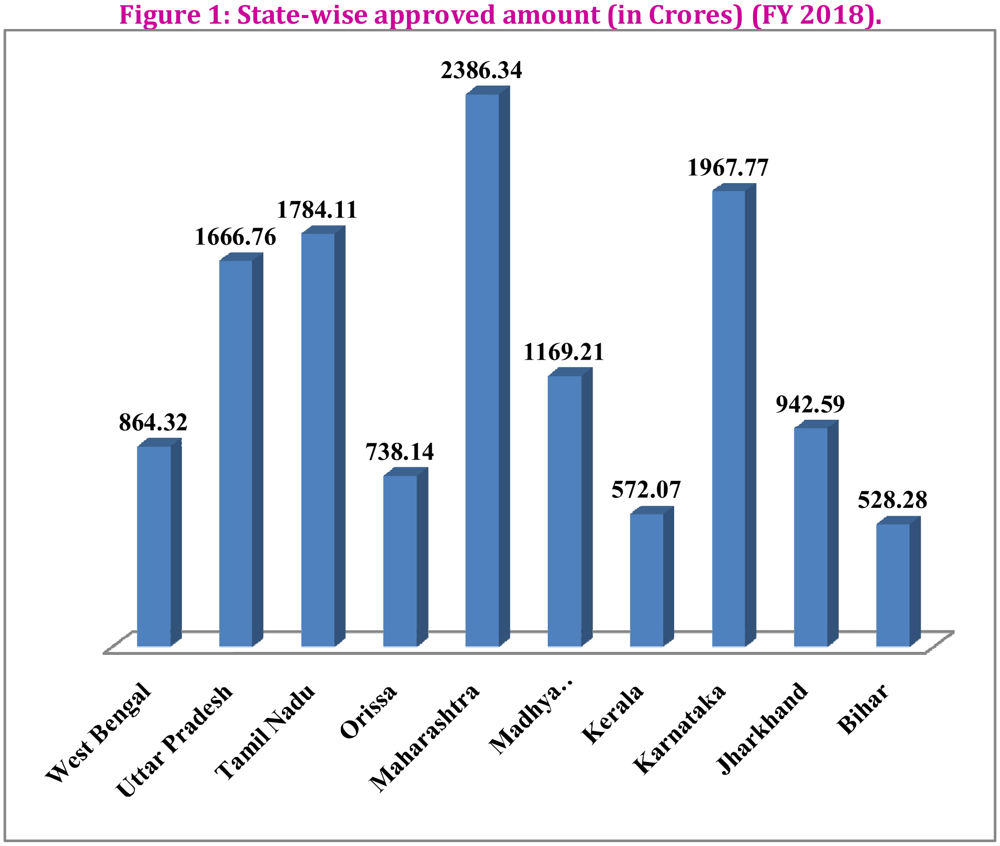
Table 3: State-wise number of guarantees (FY 2018).

State	Number of Guarantees
Tamil Nadu	30282
Uttar Pradesh	29266
Karnataka	20845
Maharashtra	20223
Madhya Pradesh	18766
Kerala	17816
Orissa	12310
Jammu and Kashmir	11538
Bihar	10572
West Bengal	10535

Source:18th Annual Report (2017-18), UDAAN, cgtmse.

It is seen from the table that during FY 2018, Tamil Nadu had the highest number of Guarantees under CGTMSE with a total of 30282 guarantees. West Bengal with a total number of 10535 numbers of guarantees stood at the tenth place, and Karnataka stood at the third place with a total of 20845 guarantees. As stated in the report by the ministry, the credit guarantee scheme has noticed a positive trend in the number of guarantees in the North-East region of India which shows how MSEs are increasing in terrain and isolated areas and how the government has taken positive steps in fulfilling the credit requirements of the enterprises in these areas.

Figure 1: State-wise approved amount (in Crores) (FY 2018).



The figure shows the data of the top ten states approved amount under the CGTMSE during FY 2018. Maharashtra has the highest approved amount, Rs. 2386.34 crores under this scheme. Karnataka stood at the second position in terms of sanctioned amount of Rs. 1967.77 Crores followed by Tamil Nadu at the third position with an approved amount of Rs. 1784.11 crores. Subsequently Bihar with an approved amount of Rs. 528.28 Crores ranked the tenth position.

SLAB-WISE APPROVED AMOUNT

The majority of proposals approved during FY 2018 were in respect of smaller loans. 1,86,371 proposals for Rs. 3,523 crore were in respect of loans up to Rs. 5 lakh accounting for 71% of the total guarantees approved in FY 2018 by way of numbers. Of the 2,63,195 proposals for Rs. 19,066 crore approved in FY 2018, 74,283 proposals (28%) pertained to the category having credit component up to Rs. 1 lakh, 54,204 proposals (20.59%) having credit component in the range of Rs. 1,00,001 to Rs. 2 lakh, 57,884 proposals (21.99%) in the range of Rs. 2,00,001 to Rs. 5 lakh, 38,451 proposals (14.61%) in the range of Rs. 5,00,001 to Rs. 10 lakh, 23,848 proposals (9.06%) in the range of Rs. 10,00,001 to Rs. 25 lakh, 9,208 proposals (3.49%) in the range of Rs. 25,00,001 to Rs. 50 lakh and 5,317 proposals (2%) in the range of above Rs. 50 lakh to Rs. 200 lakh category.

CLAIMS SETTLEMENT & CLOSURE

During the FY 2018, 38,714 applications were received for invocation of guarantee and settlement of claims against the defaulting borrowers against which CGTMSE has issued guarantees and the guarantees were in force. Out of the applications lodged earlier and pending for settlement at the end of FY 2017 as well as applications received during FY 2018, claims in respect of 33,980 units have been settled mainly for the first instalment aggregating Rs. 927.13 crore. Further, second and final claims of Rs. 40.66 crore were paid for 2297 units during the FY. Cumulatively as on March 31, 2018, guarantee claims in respect of 3,365 units have been rejected for Rs. 266.30 crore. MLIs have withdrawn guarantee claims in connection of 1,192 units for Rs. 54.11 crore.

OVERALL IMPACT OF CGS OPERATIONS

The cumulative guarantee approved during FY 2018 is 3029948 compared to 2772744 during FY 2017. Loan amount during the FY 2017 Rs 128787 increased to 146829 in FY 2018. The number of member lending institutions under this scheme has varied from 128 MLIs in FY 2017 to 113 MLIs during FY 2018, and it reduced due to intervening cancellations and modifications among the MLIs. It is quite interesting to note that under this scheme during the FY 2017, 15.66% of women were benefited. Still, during the FY 2018, it has slightly increased to 15.92%, which is a positive indication of development that has been attained through empowering women.

CONCLUSION

This scheme has been tremendously successful if we consider the fact that the scheme has facilitated loans which were 20 times the corpus and has thus been able to promote entrepreneurial activities in the country. The Guarantee Scheme is only of its kind which has covered more than 31 lakh beneficiaries in the last 18 years. The beneficiaries experienced a boost in their turnover, as well as employment generation in the years following approval of CGTMSE funding, has had a positive impact on six major areas in the MSE sector - technology up-gradation, skill up-gradation, market development, the sustainability of the scheme, Economic Impact, and Social Impact.

The scheme has been successful in spanning itself geographically across the country with a special focus in the North East. The benefits of the scheme have also reached more than 100 industrial sectors in which MSEs are operating. The beneficiaries are spread over even tier 3 towns and not limited to major industrial hubs. CGTMSE has been highly effective in settling the claims wherein the first instalment was settled within three weeks in the majority of the cases.

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