

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 688.
TO BE ANSWERED ON FRIDAY, THE 25TH JULY, 2025.**

SPECIAL ELIGIBILITY CRITERIA FOR STARTUP SCHEMES

688. SHRI RAJENDRA GEHLOT:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the details of specific eligibility criteria for collateral free loan Startup schemes being run in different regions of the country;
- (b) the details of beneficiaries of these Startup loan schemes in the State of Rajasthan, district-wise;
- (c) the details of the total amount of loans provided by Government under Startup schemes in the State of Rajasthan during the last three years, district-wise; and
- (d) whether Government has any proposal to extend the scope of collateral free schemes for Startups of less developed districts in the State of Rajasthan, if so, the details thereof?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

(a) to (c): The Government with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging investments in the startup ecosystem of the country launched the Startup India initiative on 16th January 2016.

To provide for an appropriate risk cover and comfort to financial institutions including banks for enabling collateral free lending to startups, the Government is implementing Schemes such as Credit Guarantee Scheme for Startups (CGSS). The Scheme is implemented on a pan-India basis including for the State of Rajasthan.

CGSS is aimed at enabling collateral free loans through eligible financial institutions such as Scheduled Commercial Banks, All India Financial Institutions (AIFI), Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs), to support eligible borrowers viz. entities recognised as 'Startups' by Department for Promotion of Industry and Internal Trade (DPIIT). CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited.

The details of eligibility criteria for CGSS is provided in the operational guidelines of the Scheme, accessible online at:

https://www.ncgtc.in//content/products/0/20250509/Gazette_Notification_CGSS_8th_May_2025_44e1a2d0dc.pdf

The Scheme has been operationalized from 1st April 2023, and as on 30th June 2025, 289 loans amounting to Rs. 667.85 crore have been guaranteed for startup borrowers. Particularly for the State of Rajasthan, 9 loans amounting to Rs. 32.3 crore have been guaranteed for startup borrowers. The district-wise details of beneficiaries along with the total amount of loans guaranteed under CGSS during the last two years viz. 2023 and 2024 is provided below:

District in Rajasthan	2023		2024	
	No. of loans guaranteed	Amount of loans guaranteed (in Rs. Crore)	No. of loans guaranteed	Amount of loans guaranteed (in Rs. Crore)
Jaipur	1	3.5	2	15
Dungarpur	1	2	-	-
Tonk	2	6.3	3	5.5

- (d): The Government has notified the expansion of the CGSS on 8th May 2025 with the aim to address the financing needs of startups across the country including in the State of Rajasthan. The ceiling on guarantee cover per borrower under the Scheme has been increased from Rs. 10 crore to Rs. 20 crore. The extent of guarantee cover provided has also been increased to 85% of the amount in default for loan amount up to Rs. 10 crore and 75% of the amount in default for loan amount exceeding Rs. 10 crore.

Further, the Annual Guarantee Fee (AGF) for lenders supporting startups in 27 Champion Sectors has been reduced to 1% per annum from 2% per annum. Operational reforms have also been incorporated into the expanded CGSS for wider range of startups to benefit from the Scheme.
