

Government of Haryana
Industries and Commerce Department

NOTIFICATION

The 10th June, 2016

No. 49/43/2015-4IB1 In pursuance to the provision under Chapter 12 of Enterprises Promotion Policy-2015 notified No. 49/43/2015-4IB1 dated 14th August, 2015, the Governor of Haryana is pleased to notify the "Interest Subsidy Scheme" with an objective to provide affordable credit to the Micro & Small Enterprises of any sector and as well medium enterprises of thrust sectors for setting up of their units in the following sectors with the provisions given hereunder:

1. Quantum of Assistance

A. Micro & Small Enterprises other than Thrust Sectors:-

- a) @5% for new Micro & Small Enterprises on term loan or maximum upto Rs.10.00 lakh per year for 3 years in 'B', 'C' & 'D' categories blocks & shall not exceed amount of net VAT/SGST paid during the relevant year.
- b) @ 5% for existing micro & Small enterprises on term loan for expansion / diversification / modernization of plant & machinery and technology which are not covered under Credit Linked Capital Subsidy Scheme (CLCSS) of Govt. of India or maximum upto Rs. 10.00 lakh per year for 3 years in 'B', 'C' & 'D' Categories & shall not exceed amount of net VAT/SGST paid during the relevant year. The list of products / industries falling under the CLCSS Scheme of Gol is mentioned under **Annexure-I**.

B. Micro, Small & Medium Enterprises under Thrust Sectors:

- i. **Textile Sector (apparel/ knitting/ embroidery/ technical textiles):-** @ 6% or maximum upto Rs. 10 lakh per year for micro, small & medium enterprise on term loan for new/ expansion/ diversification in addition to interest incentive under RTUFS of Govt. of India for 5 years for garments/ knitting/ embroidery / technical textiles. The list of materials / products falling under technical textiles is mentioned under **Annexure-II**. And 5% for ginning, cotton spinning and power loom MSMEs maximum of Rs. 10 lakh for 5 years in 'B', 'C' & 'D' category blocks and shall not exceed the amount of net VAT/SGST paid in the State by the enterprise during the relevant year.
- ii. **Agro Industries and Food processing Sector:-** @6% for new micro, small & medium enterprises on term loan or maximum upto Rs. 10 lakh per year for 5 years in 'B', 'C' & 'D' category blocks & shall not exceed amount of net VAT/SGST paid during the relevant year.

Government of Haryana
Industries and Commerce Department

- iii. **Footwear Sector (value addition products excluding leather processing):-**
@6% for new micro, small and medium enterprises or maximum upto Rs. 10.00 lakh per year for 5 years in 'B', 'C' & 'D' category blocks limited to amount of net VAT/SGST paid during the relevant year.
- iv. **Defence /Aerospace Production/Electronic/Auto Components:-** @6% for new micro, small and medium enterprises or maximum upto Rs. 10.00 lakh per year for 5 years in 'B', 'C' & 'D' category blocks limited to amount of net VAT/SGST paid during the relevant year.

2. Commencement and Applicability :

The Scheme shall commence with effect from 15.8.2015 for providing interest subsidy on term loan and shall remain in operation for a period of 05 years or till the time Government decides otherwise. Such industrial unit to which term loan has been sanctioned after 14.08.2015 and before 14.08.2020 shall be admissible for interest subsidy.

3. Eligibility:

All Micro, Small & Medium Enterprises mentioned under clause 1(A) & (B) set up in the identified blocks, which have filed EM Part-II/ Udyog Aadhaar Memorandum with respective District Industries Centre and availed term loan from Financial Institutions (SIDBI, State Financial Institutions, Co-operative Banks, Sarv Haryana Gramin Bank)/ Banks shall be eligible under the scheme. The Industrial Units must also comply with the following conditions:

- i. The unit should not have been placed in the restrictive list as notified by the State government from time to time.
- ii. The unit should have obtained NOC/CLU from competent Authority if applicable.
- iii. The unit should be in commercial production.
- iv. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to the closed unit.

4. Procedure :

- 4.1 Application on prescribed Form (**Annexure-III**) for the grant of interest subsidy on the term loan, along with listed documents would be submitted to the Director of Industries & Commerce, on the web portal of the department within three months of closing of financial year for which incentive is being claimed.
- 4.2 The application would be processed and examined. The deficiencies, if any, would be communicated to the applicant in writing within a period of 20

Government of Haryana
Industries and Commerce Department

working days and the applicant would be given a time period of eight weeks to rectify the deficiencies so pointed out.

4.3 In case the deficiencies are not removed within prescribed period, the claim shall be filed by the Competent Authority i.e. Additional Director, under intimation to the party through an e-mail. The enterprise shall not be required to submit any additional document other than specified under **Annexure-III** without approval of competent Authority.

4.4 The claim application so filed may be reopened with the orders of Director of Industries & Commerce provided request for the same is received within a period of 30 days from the date of rejection of the claim by the designated Competent Authority.

5 Time Limit to apply

An enterprise shall forfeit its entitlement for the interest subsidy on term loan, if it does not submit its claim, complete in all respects within three months of the closing of the financial year of which incentive is being claimed.

6 Competent Authority for sanction

The Director of Industries & Commerce shall be competent authority for sanction of the subsidy above Rs.5 lakh to Rs.10 lakh and Additional Director Industries upto Rs.5 lakh within 30 days from the date of completion of the claim.

7 Interpretation of Rules

Administrative Secretary Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

8 Appeals

Appeal against the order passed by the Competent Authority shall lie with the Director Industries & Commerce and appeal against the orders passed by the Director Industries shall lie with Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of order appealed against.

9 Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentive/assistance from the State Government.

Government of Haryana
Industries and Commerce Department

DEVENDER SINGH
Principal Secretary to Government of Haryana,
Industries and Commerce Department.

Government of Haryana
Industries and Commerce Department

Annexure-I

Credit Linked Capital Subsidy Scheme (CLCSS) for Technology up-gradation of GoI being implemented by Development Commissioner, MSMEs covers the following technology needs/ products/ sub-sectors:

1. Bio-tech Industry
2. Common Effluent Treatment Plant
3. Corrugated Boxes
4. Drugs and Pharmaceuticals
5. Dyes and Intermediates
6. Industry based on Medicinal and Aromatic plants
7. Plastic Moulded/ Extruded Products and Parts/Components
8. Rubber Processing including Cycle/Rickshaw Tyres
9. Food Processing(including Ice Cream manufacturing)
10. Poultry Hatchery & Cattle Feed Industry
11. Dimensional Stone Industry (excluding Quarrying and Mining)
12. Glass and Ceramic Items including Tiles
13. Leather and Leather products including Footwear and Garments
14. Industrial process control; Analytical, Medical, Electronic Consumer & Communication equipment etc.
15. Fans & Motors Industry
16. General Light Service (GLS) lamps
17. Information Technology (Hardware)
18. Mineral Filled Sheathed Heating Elements
19. Transformer/ Electrical Stampings/ Laminations/ Coils/ Chokes including Solenoid coils
20. Wires & Cable Industry
21. Auto parts and Components
22. Bicycle parts
23. Combustion Devices/ Appliances
24. Forging and Hand Tools
25. Foundries- Steel and Cast Iron
26. General Engineering Works
27. Gold Plating and Jewellery
28. Locks
29. Steel Furniture
30. Toys
31. Non-Ferrous Foundry
32. Sport Goods
33. Cosmetics
34. Readymade Garments
35. Wooden furniture
36. Mineral Water Bottle
37. Paints, Varnishes, Alkyds and Alkyd products
38. Agricultural Implements and Post Harvest Equipment

Government of Haryana
Industries and Commerce Department

39. Beneficiation of Graphite and Phosphate
40. Khadi and Village Industries
41. Coir and Coir Products
42. Steel Re-rolling and /or Pencil Ingot making Industries
43. Zinc Sulphate
44. Welding Electrodes
45. Sewing Machinery Industry

Note: The list of products / sub-sectors may be expanded by including new technologies / products / sub-sectors with the approval of the Competent Authority i.e. The Govt. of India and Technology Approval Board (GTAB) / Technology Sub-Committee (TSC) of the CLCSS.

Technical Textiles

Technical textiles are defined as textile materials and product used primarily for their technical performance and functional properties rather than their aesthetic or decorative characteristics. Depending on the product characteristics, functional requirement and end-use applications, the highly diversified range of technical textiles have been grouped into 13 sectors, application-wise:

- i. Agrotech (Agriculture, Horticulture and Forestry)
- ii. Buildtech (Building and Construction)
- iii. Clothtech (Technical components of shoes and clothing)
- iv. Geotech (Geo-textiles and Civil Engineering)
- v. Homotech (Components of furniture, household textiles and floor coverings)
- vi. Indutech (Filtration, cleaning and other industrial usage)
- vii. Meditech (Hygiene and Medical)
- viii. Mobiletech (Automobiles, Shipping, Railways and Aerospace)
- ix. Oekotech (Environmental Protection)
- x. Packtech (Packaging)
- xi. Protech (Personal and Property Protection)
- xii. Sporttech (Sports and Leisure)
- xiii. Defencetech (Textiles for defense use)
- xiv. Any other product as notified by Ministry of Textiles, Government of India and State Government, time to time.

Government of Haryana
Industries and Commerce Department

Annexure -III

Application format for claiming Interest subsidy on term loan.

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Address of the unit with telephone no. and e-mail	
3	Constitution of the Unit [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership)]	
4	Name of the block in which the enterprise located and category of blocks i.e. B/C/D	
5	Category of the unit (Micro/ Small/ Medium).	
6	EM Part-II/UAM No. & date	
7	Date of commencement of commercial production (As per first sale bill)	
8	Item of manufacture/processing	
9	Category under which interest subsidy has been claimed i) Micro & Small ii) Textile Sector (apparel/ knitting/ embroidery/ technical textiles) iii) Agro industries and Food processing sector iv) Footwear sector v) Defence/Aerospace/Electronic/Auto Components	
10	Whether the project is new/ expansion/ diversification	
11	Whether the expansion/diversification/modernization is covered under CLCSS of Govt. of India. If yes, give details.	
12	Name of the bank/ financial institution	
13	Quantum of term loan sanctioned for the project	
14	Date of disbursement of first instalment of loan & amount	
15	Cost of project as approved by bank/ financial institute	
16	Details of Fixed Capital Investment: i. Land ii. Building iii. Plant & Machinery/ Equipments iv. Others Total	

Government of Haryana
Industries and Commerce Department

17	Means of Finance i. Promoters' Contribution ii. Term Loan iii. Others resources Total	
18	Rate of interest subsidy applicable i.e. 5% or 6%	
19	Quantum of Interest Subsidy admissible for the financial year as per scheme applicable. (Attach bank certificate as per prescribed performa	
20	Details of net VAT/SGST deposited by the applicant during the financial year of which claim has been filed (attach DETC certificate)	
21	Details of interest subsidy claimed earlier year-wise	

22. Self attested copies of documents to be attached with the application:

- i. Acknowledgement of Entrepreneur Memorandum (EM) part-II/ UAM.
- ii. Certificate of Incorporation/ Partnership deed.
- iii. Board resolution/ Power of attorney
- iv. Change of Land Use (CLU)/ NOC from competent authority, if applicable.
- v. Certificate for Financial Institution on Letter Head of the Bank(Annexure-IV)
- vi. CA Certificate regarding investment in plant & machinery for new unit/ expansion/ diversification (Annexure-V).
- vii. Audited balance sheet of the unit of last year (if Applicable).
- viii. Certificate from concerned Deputy Excise & Taxation Commissioner (Sale Tax) regarding net VAT/SGST deposited by the applicant during the financial year of which claim has been filed (Annexure-VI).
- ix. Copy of first sale bill.

Signature of the applicant
(with seal)

Government of Haryana
Industries and Commerce Department

Undertaking/Declaration (to be submitted on non-judicial stamp paper of Rs. 50/- (Min) duly sworn before a Notary Public (duly affixed with Notarial Stamp; and with Notary Seal & Notary Registration Number) or First Class Magistrate):

I, _____ do hereby solemnly state that I am proprietor/
partner/ director/ _____ of M/s _____
located _____ which is engaged in the manufacture of _____
and I have been authorized to file the Interest subsidy claim with the Department
of Industries and Commerce, Haryana.

2. I, do hereby affirm that the particulars given in the application are correct.
In case any of the statement/ information furnished in the application/ documents
later found to be wrong or incorrect or misleading, I, do hereby undertake to
refund the entire amount of assistance of Rs. _____
(Rupee _____) granted to me at the
compound rate of interest @12% per annum, besides facing legal action in case
facts contained in this application are proved to be wrong at the time of
verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)

Government of Haryana
Industries and Commerce Department

Annexure-IV

Certificate from financial institution
(on letterhead of the bank)

This is to certify that M/s has been sanctioned term loan of Rs. for the project located at @ % interest.

The unit has been disbursed term loan of Rs. upto The first instalment of the term loan of Rs. was disbursed on dated

The unit had made repayment for the last financial year dated 01/04/20.... to dated 31/03/20.... as under:-

Against Term loan	Rs.
As interest	Rs.
Total	Rs.....

On the disbursement amount of term loan mentioned above, the interest amount for the above period comes to Rs. at (5% or 6% whichever is applicable).

This is to certify that:

- i) The unit is presently regular in repayment of the term loan instalments.
- ii) No penal interest has been charged.
- iii) The above interest has been charged/ calculated on the original term loan sanctioned to the unit.
- iv) No enhancement of term loan has been made.

Whether Unit has claimed Credit Linked Capital Subsidy Scheme of Govt. of India, if yes, give detail.

Place:

Date:

Signature
Branch Manager
Name of Bank

Seal of the Bank

Government of Haryana
Industries and Commerce Department

Annexure-V

Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)

To whom it may concern

The records of M/s with their regd. office at and factory located at in respect of investment in plant & machinery* (original purchase value) of the company has been verified. It is certified that the investment in plant & machinery as on date..... stands as Rs.....

- In case of expansion/ diversification, indicate investment in plant & machinery of existing as well as additional separately.

Name & signature of the Chartered Accountant
with stamps & CA membership number

Dated:

Government of Haryana
Industries and Commerce Department

Annexure-VI

Certificate of net VAT/SGST paid during the financial year _____ to be obtained from concerned Deputy Excise and Taxation Commissioner.

1. Name and Address of the Industrial Unit:
2. VAT/SGST Registration No.:
3. Net amount of VAT/ SGST paid by the company during the financial year _____
4. Certified that net VAT/SGST amount of rupees _____ has been deposited in the State on the sale of goods/ products manufactured by M/s _____ during the financial year _____
5. It is also certified that no refund what so ever has been made to the unit out of the above amount given in sr. no. 4.

Date:

Deputy Excise & Taxation Commissioner
District _____