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HARYANA GOVERNMENT
INDUSTRIES AND COMMERCE DEPARTMENT

Notification

The 4th October 2021

No. 25/05/2020-4IB-I.— In pursuance to the provision under Chapter 14, clause 14.6 and Annexure – 4, clause 4.17 of the Haryana Enterprises & Employment Policy-2020 notified in Gazette *vide* No. 25/05/2020-4IB-I dated 29.12.2020, the Governor of Haryana is pleased to notify the “State Credit Linked Interest Subsidy for Technology Up-gradation” scheme (SCLISS) with the following provisions:

1. Objective

The survival and growth of enterprises is critically dependent on their modernization and technological upgradation. Up-gradation of both the process of manufacturing and plant & machinery is necessary for small enterprises to reduce the cost of production and remain price competitive at a time when cheaper products are easily available in the global market. The Credit Linked Interest Subsidy Scheme for Technology Up- gradation shall improve the access to finance for enterprises investing in modernization and technology upgradation.

2. Quantum of Assistance

The State Government shall provide 6% subsidy in ‘C’ and ‘D’ category blocks and 5% subsidy in ‘A’ and ‘B’ category blocks on term loan taken to finance technology up- gradation up to a maximum of INR 10 lakh per year for a period of 3 years to an eligible unit in specified sectors/products (appraisal by HSIIDC/Small Industries Development Bank of India).

3. Definition

- i. Small Enterprise: Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.
- ii. Micro Enterprise: Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.
- iii. Plant & Machinery: For availing subsidy under this scheme Plant & Machinery means Machinery, tools, fittings, installations, equipment (including Generating Set) installed by the Enterprise for induction of well-established and improved technology in specified sub-sectors/products.
- iv. Financial institution(s): means a commercial bank for the time being included in the second Schedule to the Reserve Bank of India Act, 1934, Regional Rural Banks, NBFCs and Small Finance Banks as may be specified by the Trust from time to time, or any other institution(s) as may be directed by the Govt. of India from time to time.

4. Commencement and Applicability

The Scheme shall commence with effect from the date of notification of the Haryana Enterprises and Employment Promotion Policy, 2020 i.e. 01.01.2021 and shall remain in operation for a period of 5 years. The assistance shall be available on term loan (Plant and Machinery) sanctioned after 01/01/2021 but before 31/12/2025.

5. Eligibility Criteria

All the existing Micro and Small Units located anywhere in the State, who have filed Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM) shall be eligible under the Scheme. Only the list of technologies approved by the Government of India under CLCSS from time to time shall be eligible for subsidy. The eligible units must also comply with the following conditions:

- (i) The unit must upgrade their existing plant and machinery with State of Art Technology with or without expansion/ diversification as per guideline under CLCSS Scheme of GoI.
- (ii) Industry also graduating from small scale to medium scale on account of sanction of additional loan under CLCSS shall be eligible for assistance. The units shall provide a certificate from Small Industries Development Bank of India (SIDBI)/National Bank for Agriculture and Rural Development (NABARD) regarding their eligibility under the CLCSS of GoI.
- (iii) The item of manufacture of unit should not have been placed in the restrictive list as notified by the State Government from time to time.
- (iv) The technology upgrade shall fall under - new, latest, clean, green and energy efficient technologies in different sectors.
- (v) The unit should have obtained NOC/CLU from competent authority, if applicable.
- (vi) The unit should be in commercial production.
- (vii) The unit should be in regular production at the time of disbursement and the subsidy shall not be released to a closed unit.
- (viii) The units who have applied under GoI's Credit Linked Capital Subsidy Scheme (CLCSS) but have not been able to avail capital subsidy due to revision in CLCSS by GoI are also eligible only after fulfilling the terms and conditions under State Credit Linked Interest Subsidy Scheme.
- (ix) Replacement of existing equipment/technology with the same equipment/technology will not qualify for subsidy under this scheme, nor would the scheme be applicable to units upgrading with fabricated, second-hand machinery.
- (x) The subsidy under this scheme shall not be applicable to any foreign currency term loan, multiple loans or transferred loans.

6. Procedure

- (i) Application on prescribed Form (Annexure-I) for the grant of State Credit Linked Interest Subsidy (SCLISS) along with listed documents would be submitted to the Director/ Director General, Micro, Small and Medium Enterprises, Haryana on the web portal of the department.
- (ii) The application would be processed and examined by Joint Director/Deputy Director, District MSME Centre and who shall check the list of machinery and certify that the machinery is available on list given in the CLCSS guidelines available at website (<https://clcss.dcmsme.gov.in/>). The unit shall provide a certificate from SIDBI/NABARD that the machinery is covered under the list of technologies approved by the Government of India under CLCSS from time to time (confirming the status as and when the list is updated by GoI). Joint Director/ Deputy Director, District MSME Centre shall physically visit the unit and verify the eligibility of plant & machinery as per the claim. The deficiencies, if any, would be communicated to the applicant in writing within a period of 10 working days and the applicant would be given a time period of 15 working days to rectify the deficiencies so pointed out. The enterprise shall not be required to submit any additional document other than specified under Annexure-I without approval of competent authority.
- (iii) In case the deficiencies are not removed within prescribed period, the claim may be filed by the Competent Authority, under intimation to the applicant through e-mail.
- (iv) A claim application so filed may be re-opened with the orders of Administrative Secretary 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.

7. Competent Authority for Sanction:

The Director/ Director General, Micro, Small and Medium Enterprises, Haryana shall be competent authority for sanction of State Credit Linked Interest Subsidy for Technology Up-gradation.

8. Time Limit

The enterprise shall forfeit its entitlement for the subsidy, if it does not submit its claim, complete in all respects within three months of the purchase of the equipment for which Credit Linked Interest Subsidy is being claimed. The subsidy amount will be disbursed only after commissioning of the technology in the unit.

9. Interpretation/Relaxation

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

10. Appeal

- (i) In case of rejection: An appeal against an order passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against. The orders passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final.
- (ii) In case of time barred:
 - (a) The Director/Director General, Micro, Small and Medium Enterprises shall be competent to condone the delay up to a period of 03 months after the prescribed time limit.
 - (b) The Administrative Secretary, Industries & Commerce, Haryana shall be competent to condone the delay up to a period of 06 months after the prescribed time limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/ arguments presented by the applicant.

11. Penal Action

In case, it is found at any stage that the applicant has claimed the subsidy on the basis of wrong facts, the applicant shall besides refunding subsidy with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government. If the applicant fails to refund the subsidy amount with interest, then the amount shall be recovered as arrear of land revenue. The applicant shall be debarred from public procurement as a result of mismatch in facts and figures.

12. Service Delivery Timeline

Sr. No.	Tasks	Time limit (working days)
1	Letter of Approval	30 days
2	Letter of Sanction	07 days
3	Disbursement	07 days

13. Terms and Conditions

- (a) The Beneficiary will comply with and faithfully observe all terms and conditions of the said Scheme and also all the subsequent amendments and modifications and additions thereto together with the conditions of the sanction of the said financial assistance.
- (b) That the Beneficiary will allow the officers of the Government of Haryana or any other person or persons authorized by Government of Haryana to inspect the work for which the subsidy has been granted and also the machines, plant, appliances, tools, equipment, etc. for the procuring of which the subsidy has been granted and will furnish such information concerning the machines, plant implements, etc., or concerning the matter connected with the interest subsidy or incidental there to as the Government of Haryana or their nominees may, from time to time require.
- (c) That the Beneficiary will not change the place or location of the industrial unit entirely or partly, nor enter into partnership with any one, or change its constitution by merger, amalgamation or in any manner nor the Beneficiary effect disposal of fixed capital investment without the express prior permission of the Government of Haryana in-writing.
- (d) The Beneficiary unit shall remain in commercial production for a period of at least three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit. This is except in cases where the unit remains out of production for short periods not exceeding three months due to reasons beyond its control such as shortage of raw material/ power, etc. to the satisfaction of the State Government.

VIJAYENDRA KUMAR,
Principal Secretary to Government of Haryana,
Industries and Commerce Department

Annexure – I

Application format for claiming State Credit Linked Interest Subsidy Scheme (SCLISS) for Technology Up-gradation

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Factory address of the unit with telephone no. & email	
3	Registered Office address	
4	Name of the block in which the enterprise located and category of blocks i.e. A/ B/C/D	
5	Category of the unit (Micro/ Small).	
6	Udyam Registration Certificate & Haryana Udhya Memorandum No. & date	
7	Date of commencement of commercial production of the technologically upgraded unit (As per first sale bill)	
8	Item of manufacture/processing	
9	Category under which subsidy has been claimed: Micro/ Small/ Medium/ Large	
10	Name of the bank/ financial institution	
11	Quantum of term loan sanctioned for the technology upgradation.	
12	Date of disbursement of first installment of loan & amount	
13	Total cost of scheme as approved by bank/financial institution	
14	Total source of funding / means of finance (as approved by Bank/FI): i. Promoters' Contribution ii. Term Loan iii. Other resources Total	
15	a. Details of Technology Upgradation b. Areas where Technology Up-gradation carried out production power, quality etc.	
16	Quantum of subsidy admissible to the unit (Attach bank certificate as per prescribed performa as Annexure III)	

17. Copies of documents to be attached with the application:

- i. Copy of Udyam Registration Certificate (URC) and Haryana Udhya Memorandum (HUM).
- 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. Declaration (As in Annexure II) on non-judicial stamp paper of INR50
- vi. Certificate on Financial Institution/Bank's letterhead (Annexure-III)
- vii. CA Certificate regarding investment in plant & machinery for new unit/expansion/ diversification (Annexure-IV)
- viii. Audited balance sheet of the unit of last year (if Applicable)
- ix. Copy of first sale bill

Signature of the applicant (with seal)

Annexure-II

Declaration (on non-judicial stamp paper of INR 50 duly notarized)

1. I,.....do hereby solemnly state that I am proprietor/partner/director/ of M/s.....located atwhich is engaged in the manufacture of.....and I have been authorized to file the Credit Linked Interest Subsidy claim with the Directorate of Micro, Small and Medium Enterprises, 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 INR...../-[INR (in words)]
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)

Annexure-IIICertificate from Financial Institution
(on its letter head)

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

The unit has been disbursed term loan of INR.....upto.....The last instalment of the term loan of INR was disbursed on date.....The amount of interest subsidy eligible by the unit per year is..... This is to certify that:

- (i) No penal interest has been charged.
- (ii) The unit is eligible to be financed subsidy under Credit Linked Interest Subsidy Scheme of Government of Haryana.

Signature
Branch Manager
Name of Bank

Seal of the Bank

Place:
Date:

Annexure-IV

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

To whom it may concern

The records and books of account of M/s.....with their regd. office at..... and enterprise located at..... in respect of investment in existing plant & machinery (original purchase value) of the unit has been verified. It is certified that the investment in plant & machinery as on date..... stands as INR..... and turnover for current fiscal year is INR....., whereas turnover for last fiscal year was INR

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

UDIN:.....

Dated: