



Haryana Government Gazette

EXTRAORDINARY

Published by Authority

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No. 163-2021/Ext.] CHANDIGARH, MONDAY, OCTOBER 4, 2021 (ASVINA 13, 1943 SAKA)

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 14.7 and Annexure- 4, clause 4.21 of Haryana Enterprises & Employment Policy-2020 notified dated 29.12.2020 the Governor of Haryana is pleased to notify the “Collateral Free Credit Guarantee Scheme” for Micro Enterprises located anywhere in the State. The provisions given hereunder:

1. Objective

To make credit available to Micro Enterprises without collateral/ third party guarantees

2. Quantum of Assistance

Reimbursement @ 100% guarantee cover fee charged by the Financial Institutions/ banks from Micro Enterprises for collateral free term loan/working capital under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for the period of 05 years.

3. Commencement and Applicability

The Scheme shall commence from the date of commencement of Haryana Enterprises & Employment Policy, 2020 i.e. 01.01.2021 and shall remain in operation for a period of 5 years.

4. Definitions

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.

5. Eligibility

- i. Credit facility should be availed by the borrowing unit from a single lending institution. However, the unit already assisted by the State Level Institution can be covered under the scheme for the credit facility availed from member bank, subject to fulfillment of other eligibility criteria.
- ii. The lending institutions, which are covered 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).
- iii. The scheme is applicable for all micro enterprises in the state of Haryana.
- iv. The unit should be in commercial production.
- v. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to a closed unit.
- vi. The Unit must also comply with the following conditions:

- a. The Unit shall file Udyam Registration Certificate (URC) and Haryana Udhyaam Memorandum (HUM) on the portal.
- b. The Unit should not have been placed in the restrictive list as notified by the State government from time to time.
- c. The Unit should have obtained NOC/CLU from competent Authority if applicable.

6. Procedure

- i. Application on prescribed Form (**Annexure-I and II**) for the grant of assistance under this scheme, along with listed documents should 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 Center. The deficiencies, if any, would be communicated to the applicant in writing within a period of 7 working days and the applicant would be given a time period of 15 working days to rectify the deficiencies so pointed out.
- iii. In case the deficiencies are not removed within prescribed period, the claim shall be filed by the Competent Authority, under intimation to the party through an e-mail. The Center shall not be required to submit any additional document other than specified under **Annexure-I & II** unless required for establishing genuineness of the claim.
- iv. The claim application so filed may be reopened with the orders of Director/ Director General, Micro, Small and Medium Enterprises 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.
- v. The applicant may be called for a presentation or any clarification in relation to either eligible activity or the cost marked against the Eligible activity, or any of its components.

7. Methodology for Disbursement

Eligible Units will be entitled for the reimbursement of 100% guarantee cover fee charged by the Financial Institutions/ banks for the period of 5 years.

8. Time Limit to apply

The Unit shall forfeit its entitlement for the assistance under this scheme, if it does not submit its claim, complete in all respects within three months from the date of start of operation or from the date of notification of the scheme, whichever is later.

9. Competent Authority for sanction

The Director/Director General, Micro, Small and Medium Enterprises, Haryana shall be competent authority for sanction of the subsidy within 30 days from the date of completion of the claim.

10. Interpretation/ Relaxation

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

11. Appeals

- i. In case of rejection:
 - a. 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, Haryana 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.

12. 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. If the applicant fails to refund the assistance 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.

13. 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

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

Annexure –I**Application format for claiming assistance under Collateral Free Credit Guarantee Scheme**

Sr.No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & address of the enterprise with telephone no. and e- Mail	
3	Registered Office address	
4	Name of the block in which the enterprise is located and category	
5	Category of the unit (Micro/ Small/Medium).	
6	Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) No. and date	
8	Item of manufacture/processing	

9. Self-attested copies of supporting documents to be uploaded with the application:
- i. Copy of Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM).
 - ii. Declaration by the applicant as on Annexure-II.
 - iii. Certificate of Incorporation/ Partnership deed.
 - iv. Board resolution/ Power of attorney.
 - v. CA Certificate regarding expenses incurred (Annexure-III).
 - vi. Audited balance sheet of the unit of last year (if Applicable).
 - vii. Documentary evidence towards payment of Credit Guarantee cover.

Signature of the applicant
(with seal)

Declaration
(On the Letter Head of the Unit)

1. I, _____ do hereby solemnly state that I am proprietor/ partner/director/ _____ of M/s _____ located at _____ which is engaged in the manufacture of _____ and I have been authorized to file the reimbursement subsidy under the Collateral free Credit Guarantee Scheme for Micro Enterprises with the Department of MSME, 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 is later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of assistance of INR _____ (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)

Annexure-III

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

To whomsoever it may concern

The records and books of account of M/s.....with their regd. Office at.....and enterprise located at..... in respect ofexpenses incurred towards payment of credit guarantee cover services has been verified.

The total investment incurred in plant and machinery by M/s..... Stands as INR.....

It is certified that the credit guarantee covers as on date..... stands as INR.....

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

Date-----

UDIN No.-----