



# Haryana Government Gazette

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## PART-I

### Notifications, Orders and Declarations by Haryana Government

#### HARYANA GOVERNMENT

#### INDUSTRIES & COMMERCE DEPARTMENT

#### Notification

The 4th March, 2024

**No. 12/02/2022-1IB-II.**— In pursuance to the Programme to Accelerate Development for MSME Advancement (PADMA) notified in Gazette *vide* Notification No. 12/2/2022-1IB-II dated 29th November 2022 and re-notified in Gazette *vide* No. 12/2/2022-1IB-II dated 17th August 2023, the Governor of Haryana is pleased to notify “**PADMA Interest Subsidy Scheme**” for micro and small enterprises inside/ outside the PADMA cluster. The details of the scheme are as under:

#### 1. Objective

The major objective of the scheme is to increase the productivity and reduce the cost of credit for micro and small enterprises related to PADMA identified products. Through this scheme, the State Government will provide financial assistance to micro and small enterprises inside/outside the approved PADMA cluster.

#### 2. Quantum of Assistance

##### I. For units inside the PADMA Cluster:

A financial assistance shall be provided on the term loan to micro and small enterprises inside the approved PADMA cluster by the way of reimbursement of interest @6% p.a. or actual rate of interest paid, whichever is less, up to a maximum of Rs 20 lakh per financial year for new/expansion/diversification/modernization projects.

##### II. For units outside the PADMA Cluster:

A financial assistance shall be provided on the term loan to micro and small enterprises outside PADMA cluster by the way of reimbursement of interest @6% p.a. or actual rate of interest paid, whichever is less, up to a maximum of Rs 10 lakh per financial year for new units setting up in that particular block around the identified product as mentioned in the PADMA policy.

The PADMA interest subsidy shall be allowed for 05 consecutive financial years, from the date of re-notification of said policy or date of loan sanctioned/disbursed, whichever is later.

#### 3. Definitions

- I. **Micro Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crore or as amended by GoI under the Micro, Small and Medium Enterprises Development Act, 2006 from time to time.

- II. **Small Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore or as amended by GoI under the Micro, Small and Medium Enterprises Development Act, 2006 from time to time.
- III. **Expansion/ Diversification/ Modernization:** Existing enterprise taking up expansion and/or diversification with or without forward/backward integration, with investment more than 25% of its existing gross fixed capital investment, as on date of initiating expansion/diversification and commencing production of said expansion/diversification during the operative period of the policy shall be treated as expansion/diversification. The expansion should be completed within 18 months of its initiation.

#### 4. Commencement and Applicability

The scheme shall commence with effect from the date of re-notification of PADMA policy i.e., 17.08.2023 and shall remain in operation for a period of 5 years up-to 16.08.2028 or till the validity of the PADMA policy. The said loan should be sanctioned/ disbursed after the date of re-notification of PADMA policy and before expiry of the operative period of the PADMA policy. In case term loan sanctioned before the date of re-notification but disbursed after the date of re-notification, the applicant is eligible for the said incentive. The PADMA interest subsidy shall be allowed for 05 consecutive financial years, from the date of re-notification of said policy or date of loan sanctioned/dispursed, whichever is later.

#### 5. Eligibility

Micro and small enterprises inside/outside the approved PADMA cluster which have availed term loan from any Bank/ NBFC/ Financial Institutions as approved and registered with GoI/GoH/RBI, after the date of re-notification of PADMA Policy, shall be eligible under the scheme. The units must comply with following conditions at the time of application:

- I. The unit should have filed Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).
- II. The unit should be in commercial production i.e., benefit under the scheme may be availed only after commencement of commercial production.
- III. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to the closed unit.
- IV. Interest amount paid for one year prior to the commencement of commercial production will also be eligible for reimbursement to avail benefit under this scheme.
- V. The unit may avail the benefit every year till 05 consecutive financial years, from the date of re-notification of said policy or date of term loan sanctioned/dispursed, whichever is later or as extended by State Government from time to time.
- VI. The applicant should not be defaulter or NPA with any of the bank.
- VII. The unit availing incentive under this scheme will not be eligible to obtain incentives under similar scheme of other Policies of the State Government.
- VIII. The unit should be engaged in manufacturing & allied activities of PADMA approved products across the entire value chain. The units offering services which are directly related to the manufacturing of products within the PADMA cluster, like Skill Development Centre, Marketing & Branding, Service and Repair Centre, Logistics and Supply Chain Services, Business Development Services, Testing Centre Tool room, etc. or any service as approved by SLSC-PADMA with the reason to be recorded are also eligible to avail the benefits under this scheme.
- IX. The CLU/NOC/Industrial License as applicable obtained by IA for the said PADMA cluster, will be applicable for all the units inside the PADMA cluster.
- X. The Agricultural/ Agri based MSMEs for better seeds are also included under this scheme so that availing loans shall be made simple and shall be done under one roof.

#### 6. Process for Application

- I. Application on prescribed Form (Annexure - I) for the grant of PADMA interest subsidy on the term loan, along with listed documents should be submitted to the Director General, Directorate of Micro, Small and Medium Enterprises, on the web portal of the department within three months of closing of financial year for which incentive is being claimed or from the date of notification of the scheme, whichever is later.

- II. The application would be processed and examined by the Joint Director/Deputy Director, District MSME Centre. He/she will be responsible for scrutiny & verification of documents and shall clearly recommend the application for approval/rejection of the claim after conducting the inspection of the unit. The deficiencies, if any, would be communicated to the applicant in writing within a period of 07 days and the applicant would be given a time period of 10 days to rectify the deficiencies so pointed out.
- III. In case the deficiencies are not removed within prescribed period by the applicant, the claim shall be recommended for rejection by the Joint Director/Deputy Director of the concerned District MSME Centre and subsequently, the claim shall be filed by the Competent Authority, under intimation to the enterprise through an e-mail. The enterprise shall not be required to submit any additional document other than specified under Annexure-I, unless required for establishing genuineness of the claim.

**7. Time Limit**

An enterprise shall forfeit its entitlement for the PADMA 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 or from the date of notification of the scheme, whichever is later.

**8. Competent Authority for Sanction**

The Head of the Department (HOD) of Directorate of MSME, Haryana shall be competent authority for sanction of the amount of assistance under the scheme.

**9. Interpretation/Clarification**

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation/clarification and removal of difficulties in provision of this scheme.

**10. Appeals**

- I. An appeal against the orders passed by the Head of the Department (HOD) of Directorate of MSME, Haryana shall lie with Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of order appealed against.
- II. The orders passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final.

**11. Power to condone delay in submission of application:**

- I. 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.
- II. 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 and 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 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.

Chandigarh:  
The 1st March, 2024

ANAND MOHAN SHARAN,  
Additional Chief Secretary to Govt. Haryana,  
Industries & Commerce Department

**Annexure – I****Application Form for claiming PADMA Interest Subsidy on term loan**

| S. No. | Particulars  | Details |
|--------|--|---------|
| 1.     | Name of the applicant (Authorized person of the Unit)  |         |
| 2.     | Name and address of the unit with contact no. and email  |         |
| 3.     | Registered office address  |         |
| 4.     | Name of the PADMA Cluster, Block and Product   |         |
| 5.     | Constitution of the unit [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership) and Co-operative society]                |         |
| 6.     | Category of unit (Micro/Small)   |         |
| 7.     | Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM) No. & Date   |         |
| 8.     | Date of commencement of commercial production (as per first sale bill)   |         |
| 9.     | Item of manufacturing/processing   |         |
| 10.    | Name of Bank/ Financial Institution from which term loan has availed   |         |
| 11.    | Quantum of term loan sanctioned for the project  |         |
| 12.    | Actual Rate of interest on term loan   |         |
| 13.    | Date of disbursement of first installment of loan & amount   |         |
| 14.    | Cost of project as approved by bank/ financial institution   |         |
| 15.    | Details of Project Cost  |         |
| 16.    | Quantum of PADMA Interest Subsidy admissible for the financial year _____ as per scheme applicable. (Attach bank certificate as per prescribed Performa) |         |
| 17.    | Details of PADMA interest subsidy claimed earlier year-wise  |         |
|        | 1st Year (FY.....)   |         |
|        | 2nd Year (FY.....)   |         |
|        | 3rd Year (FY.....) etc.  |         |

18. Self-attested copies of documents to be attached with the application.
- Copy of latest Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).
  - Certificate of Incorporation/ Partnership Registration with concerned DIC/ LLP/ Co-operative Society Registration.
  - Board Resolution/Power of attorney to be signed by the majority of the Directors/Partners along with their Name, Specimen of signature and Director Identification Number (as applicable).
  - Undertaking/ Declaration on non-judicial stamp paper
  - Land title documents *i.e.*, Allotment Letter/ Occupation Certificate/ Sale Deed/ Transfer Deed/ Conveyance Deed in favour of the Applicant Unit/ Proprietor. Registered Lease Deed/ Registered Rent Deed for a minimum period of 10 years in favour of the Applicant Unit/ Proprietor, in case the unit is running on lease/rent.
  - Term loan sanction letter from Bank.
  - Certificate for Bank/ Financial Institution concerned (Annexure – II).
  - CA Certificate regarding investment in plant & machinery for new unit/expansion/diversification (Annexure – III).
  - Copy of GST Return/ Audited Balance Sheet for last financial year (as applicable).
  - Copy of first Sale bill/ copy of sale bill after expansion/diversification of the unit.
  - Any other document as required by Directorate of MSME from time to time.

Signature of applicant (with seal)

Date: \_\_\_\_\_

**Annexure – II****Certificate from Financial Institution/ Bank**

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 \_\_\_\_\_ up to \_\_\_\_\_. The first installment of the term loan of INR \_\_\_\_\_ was disbursed on dated \_\_\_\_\_.

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

Against Term loan                      INR \_\_\_\_\_

As interest                                      INR \_\_\_\_\_

Total    INR \_\_\_\_\_

On the disbursed amount of term loan mentioned above, the interest amount for the above period comes to INR \_\_\_\_\_ at \_\_\_\_\_ (6% or actual rate 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.

Place:

Date:

Signature

Branch Manager

Name of Bank

(Seal of the Bank)

**Annexure - III****Certificate from Chartered Accountant regarding investment in plant & machinery and turnover  
(on CA letter head)****TO WHOM IT MAY CONCERN**

The records of M/s \_\_\_\_\_ with their registered office at \_\_\_\_\_ and factory located at \_\_\_\_\_ in respect of investment in plant and machinery (original value) of the company have been verified.

The unit has availed term loan of INR \_\_\_\_\_ up to \_\_\_\_\_ from \_\_\_\_\_ (Bank/FI) on \_\_\_\_\_. The first installment of the term loan of INR \_\_\_\_\_ was paid on dated \_\_\_\_\_.

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

Against Term loan                      INR \_\_\_\_\_

As interest                                INR \_\_\_\_\_

Total                                        INR \_\_\_\_\_

On the disbursed amount of term loan mentioned above, the interest amount for the above period comes to INR \_\_\_\_\_ at \_\_\_\_\_ (6% or actual rate whichever is applicable).

Verified from the books of accounts of above firm the total investment in plant & machinery as on date \_\_\_\_\_ stands as INR \_\_\_\_\_ and turnover of last financial year INR \_\_\_\_\_ (Rupees \_\_\_\_\_).

Name & Signature of the Chartered Accountant

With Stamps & CA membership number

Dated: \_\_\_\_\_

UDIN \_\_\_\_\_

**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 \_\_\_\_\_ which is engaged in the manufacture of \_\_\_\_\_ and I have been authorized to file the PADMA Interest Subsidy claim with the Directorate of MSME, Haryana.

I have not been availed/ have not availed benefits under PADMA Interest Subsidy scheme of Haryana Enterprises & Employment Policy 2020 or Haryana AatmaNirbhar Textile Policy 2022-25 or Haryana Logistics, Warehousing & Retail Policy, 2018.

The unit will be liable to refund the entire subsidy/ assistance or excess subsidy/assistance, if released due to any kind of omission or pointed out by the Audit team of Principal Accountant General, Haryana at the time of verification/ checking or otherwise at any stage.

The unit has neither defaulted and nor declared NPA with any of the Banks/Financial Institutions.

I do hereby further affirm that the particulars given in the application are correct. In case any of the statement/ information furnished in the application/ documents found to be wrong or incorrect or misleading or violation of the eligibility criteria/conditions at any stage or after the disbursement of amount, I do hereby undertake to refund the entire amount of PADMA Interest Subsidy Scheme of INR \_\_\_\_\_ (Rupees \_\_\_\_\_) 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.

Signature of the applicant (with seal)

Date: \_\_\_\_\_