

**Draft Guidelines for Aatmanirbhar Gujarat Scheme for Assistance to MSMEs –Capital  
Investment Subsidy, Interest Subsidy, Reimbursement of CGTMSE fees**

1. **Government Resolution No** -MIS-102022-1271(2)-I dated.05/10/2022
2. **Operative Period** –from 05/10/2022 to 04/10/2027
3. **Guideline under the Scheme** –
  - 1) **Eligible Investment Period:** In addition to para 1.13 of the GR of this scheme, MSMEs opting /applying under this scheme as per clause 7.2 or 7.3 of this scheme, the assets acquired and paid for the investment made during the operative period of previous scheme till the date of issue of GR (i.e., from 7/08/2020 – 5/10/2022) shall also be considered for calculating eligible Fixed Capital Investment (eFCI)
  - 2) **Eligible FCI:** In addition to para 1.8 of the GR of this scheme
    - Any new/existing enterprise that decides to carry out expansion/diversification at some other premises other than the existing premises will not be considered as an “Expansion Unit” and need to apply as a “New Unit” for incentives.
    - For the purpose of incentive calculations, MSMEs will be categorized based on the gross investments made by them in Plant & Machineries in the proposed New Project.
    - However, total Gross investment in plant & machinery of all units located in Gujarat state should not exceed the limit of Rs 50 Cr. (limit for gross investment in plant & machinery includes the investment in plant & machinery for proposed project).
  - 3) **Registered Start up:** Enterprise will be considered as registered start up, if Enterprise has been recognised as Start-up by DPIIT, GoI (Department for Promotion of Industry and Internal trade) or Government of Gujarat
  - 4) Service sector Enterprise will not be eligible for capital subsidy.
  - 5) 1% additional interest subsidy to differently abled entrepreneur, women entrepreneur and registered start up in manufacturing sector. Enterprises must be set up with 100% equity contribution from women entrepreneur.
  - 6) 1% additional interest subsidy to young entrepreneur below age of 35 years on the date of sanction of the term loan. Enterprises must be set up with 100% equity contribution from young entrepreneurs. School leaving certificate is valid document for age proof. In absence of school leaving certificate birth certificate is eligible. If there is discrepancy in both, then the birth certificate is final. Any discrepancy in certificate to be validated by providing affidavit.
  - 7) Only New Enterprise under service sector will be eligible for incentive.

- 8) As per G.R para 3.3.2 The service listed at Annexure – A (ii) shall have to Comply with following additional condition:
- The Enterprise shall have to give permanent employment to minimum 10 (Ten) persons. Enterprise need to submit Necessary document in this regard.
  - Enterprise must have GST registration. However, Enterprise which are exempted as per act may be considered subject to compline of other term and condition of G.R
- 9) An Existing Enterprise which installs new solar power plant or any other renewable power plant for captive consumption in the premises will be eligible for interest subsidy in accordance with the location of the enterprise. In Addition to the Interest Subsidy as mentioned above special provision is made for the interest subvention on such installation. However, incentive will be available only once. If an enterprise has already availed of this subsidy under the previous scheme, such enterprise shall not be eligible for this subsidy under this scheme.
- E.g – If an existing Enterprise applies for expansion and captive solar power plant for incentive in category 1 Taluka, Enterprise will be eligible for interest subsidy as per below
- For Expansion: Interest subsidy @ 7 % on Term Loan with maximum amount of Rs. 35.00 lakh/per annum for maximum 7 years
  - For Captive Solar Power Plant: Interest subsidy @ 7 % on Term Loan with maximum amount of Rs 35.00 lakh/per annum for maximum 7 years
- 10) If the enterprise becomes defaulter in payment of interest or instalment of term loan to Bank/Financial institution as per guidelines of RBI and as mentioned in certificate of Bank/Financial institution such default period will be deducted.
- 11) If the applicant opts date of commercial production for date of eligibility of Interest subsidy, then unit will not be eligible for the interest subsidy from the duration of first disbursement of term loan to the date of commencement of commercial production.
- 12) Late Submission of application will be considered by deducting late period after maximum permissible time for application. The period of late submission will be counted from the accepted date i.e. date of first disbursement of loan or from the date of commencement of commercial production/rendering services.)
- 13) DIC / MSME Commissioner Office may obtain bank appraisal report and detailed project report prepared/ Certified by CA/FI/ Authorized Agency.
- 14) If the unit fails to fulfil the condition of continues production for more than 6 months, such applications be forwarded to head office with valid reasons. However, seasonal activities are excluded.
- 15) Enterprise need to submit notarizes rent agreement / registered rent agreement regarding land/ building / shed/ plot / as and when applicable
- 16) In case of Term Loan taken over by another Bank, Subsidy will be calculated on outstanding amount of old term loan only.

- 17) As per the applicant request, Capital Investment subsidy & Interest Subsidy can be given in , Cash Credit or Current account of bank.
- 18) For respective application, MSME final status of the unit will be decided at the time of first claim.
- 19) Enterprise which is engaged in Trading/Service activities and starts manufacturing activities will be considered as new unit.
- 20) In case of unit is sold completely then additional subsidy benefits (for women, differently abled owned unit) will be cancelled from effective date and subsidy rate will be revised and will be applicable accordingly. No upgradation of rate is eligible. However, Registered Start up Units will not be affected.
- 21) Enterprise need to submit valid Insurance Policy of the Machinery/Building/ shed at the time of claim application
- 22) In case of merger / acquisition /amalgamation / change in constitution/Management, unit must have to submit change in constitution and change in management or Authorised person details to DIC/ MSME Commissioner Office. However, it will not affect the assistance. But the enterprise should remain in operation as MSME.
- 23) The enterprise has to apply online and upload required documents at IFP Portal and also submit the copy of the duly signed application with documents specified in checklist to the concerned DIC/ MSME Commissioner Office in prescribed format. Enterprise may submit / process application offline to DIC/MSME Commissioner Office till module / portal made live.

#### **Scheme: Assistance for reimbursement of CGTMSE fees**

##### **1. Assistance Available:**

Assistance as reimbursement @100% annual service fees paid to Bank / Financial Institution for collateral free Term Loan under CGTMSE, for the period of five years.

Only for Micro and Small Enterprise will be eligible for CGTMSE Fees reimbursement.

##### **2. Conditions:**

- 1) Assistance will be disbursed with Interest Subsidy once in a year.
- 2) Service and trading activity will not be eligible for subsidy. (only Manufacturing activities will be eligible for Subsidy)
- 3) The application should be submitted within one year from the date of first disbursement of term loan or on before the date of commencement of commercial production whichever is later.
- 4) The enterprise has to apply online and upload required documents at IFP Portal and also submit the copy of the duly signed application with documents specified in checklist to the concerned DIC/ MSME Commissioner Office in prescribed format. Enterprise may submit /process application offline to DIC/MSME Commissioner Office till module / portal made live.