

Scheme - Interest Subsidy

No. 3/40/2003/IND(Part)
Government of Goa,
INDUSTRIES DEPARTMENT,
Secretariat, Porvorim - Goa.
Dated :- 31st December, 2008.

NOTIFICATION

Whereas vide Notification No. 1/49/2000/S(IND)/Vol. II dated 04-08-2003, published in the Official Gazette, Extraordinary No.4 Series 1 No.18 dated 06.08.2003, the Government of Goa notified the Goa Industrial Policy, 2003 (hereinafter referred to as the "said Policy").

Now, in pursuance of clause 5.9 (iii) of the said Policy, the Government of Goa is pleased to frame the following Scheme, namely :-

1. Short title and commencement

- 1) This Scheme shall be called the INTEREST SUBSIDY SCHEME, 2008.
- 2) It shall come in force from the date of its publication in the Official Gazette, and shall remain in force upto 31st March, 2011.

2. Introduction - In an effort to boost economic growth in the State, it is proposed by the Government of Goa to provide subsidy to the Micro and Small Enterprises on interest payable by them. This will be a very attractive incentive to the investors who could then invest more and seek better returns for themselves and for the State.

3. Objectives - The main objectives of this Scheme are as follows:-

- a) To give boost to the Micro and Small Enterprises in the State.
- b) To provide incentives to small investors for making their enterprises viable financially.
- c) To promote industrial growth in the State and create an optimistic environment for the small investor and local entrepreneurs to invest.

4. Eligibility

- a) Only new Micro and Small Enterprises which go into commercial production after the commencement of this Scheme shall be eligible to avail facilities under this Scheme. (NOTE: - Date of commencement of production as recorded by Directorate of Industries, Trade and Commerce will be considered.
- b) Only those units permanently or acknowledgement with Entrepreneur Memorandum II by Directorate of Industries, Trade and Commerce shall be eligible under this Scheme.
- c) Units are eligible for the benefit, for the period of 5 years that is 20 quarters subsequent to the quarter in which the commercial production has commenced.
- d) This Scheme is applicable to industries covered under Green List and specified Orange List. (The units covered under Orange II, II B are not entitled to avail benefit under this scheme)
- e) This Scheme shall not be applicable to units under revival plan as defined under sick unit revival policy.

5. Criteria

- a) The Scheme is applicable to the units which have availed loan as term loan and working capital from nationalized banks or scheduled bank or Co-operative Bank or Economic

Development Corporation Ltd. or any other Financial Institution notified by the Government of Goa.

b) The eligibility amount of loan shall be subject to parameters as defined below :

- I. The Interest Subsidy will be applicable from the Interest of the quarter preceding the quarter of first commercial production date;
- II. Benefit under this Scheme will be for a period of 5 years, 20 quarters from the quarter of applicability as in (i) above.

6. Quantum of Subsidy

a) Incentives shall be given to eligible units to the extent of 1 1/2% of the total net turnover or 30% of the interest paid by the units, whichever is less, subject to a ceiling of Rs.5.00 lakhs per annum.

Explanation :- For the purpose to this Scheme, Net turnover means turnover not including taxes, such as, sales tax and excise as also net of any discount.

b) Any additional benefit granted to Women Entrepreneurs by Government of India/Government of Goa under any scheme of any Department.

7. Procedure to file claim - Every eligible unit shall file its claim after closing of every financial year and before 31st of May in specified Performa alongwith the certificate issued by the nationalized banks/specified financial institutions in respect of total interest paid by the units.

Explanation :- The claim for the year (four quarters) shall lapse, if not submitted by 31st May. However, the eligibility continues for balance period of benefit.

8. Disbursement procedure - Upon receipt of such applications, the Task Force Committee constituted under the scheme consisting of the following members, shall scrutinize and recommend the applications within 3 months from the receipt of such applications and shall disburse the amount payable within 6 months from the date of receipt of such applications.

1. General Manager (DIC) of Directorate of Industries, Trade and Commerce, as a Chairman.
2. Assistant Director (Admn) of Directorate of Industries, Trade and Commerce, as a Member.
3. Under Secretary (Finance)/(Expenditure), as a Member.
4. One person to be nominated by the Government from Goa Chamber of Commerce and Industry.
5. One person to be nominated by the Government from Goa State Industries Association.

The Committee may co-opt additional members from Financial Institutions or Associations, if felt necessary.

This has been issued with the concurrence of Finance (Exp.) Department vide U.O.No. 1650 dated 26/6/2008.

By Order and in the name of
the Governor of Goa.
Sd/-
(B. S. Kudalkar)
Under Secretary (Industries)