



ABSTRACT

Micro, Small and Medium Enterprises - Announcement made by Hon'ble Minister for Micro, Small and Medium Enterprises - COVID Assistance and Relief to Entrepreneurs (CARE) Scheme - Guidelines approved - Sanction of Rs.50 crore under Unemployed Youth Employment Generation Programme (UYEGP) and Capital Subsidy - Accorded - Orders issued.

MICRO, SMALL AND MEDIUM ENTERPRISES [D(2)] DEPARTMENT

G.O. (Ms.) No.52

Dated 12.07.2022

**திருவள்ளூர் ஆண்டு 2053
சுபகிருது வருடம், ஆணி-28**

Read:

1. Hon'ble Minister for MS&ME's Announcement for the year 2022-2023.
2. From the Industries Commissioner and Director of Industries and Commerce letter Rc. No.12012/NEEDS/2022, dated 28.04.2022.

ORDER:

The Hon'ble Minister for MS&ME has made the following announcement on 20.04.2022 on the floor of the Assembly while moving the demand No.44 for the year 2022-2023:-

"கோவிட்-19 பெருந்தொற்று காலத்தில் பாதிக்கப்பட்ட தகுதி வாய்ந்த தொழில்முனைவோர் பயனடையும் வகையில் தொழில்முனைவோர் கோவிட் உதவி மற்றும் நிவாரணத் திட்டம் (Covid Assistance and Relief to Entrepreneurs - CARE) என்கின்ற புதிய திட்டம் ரூ.50 கோடி நிதி ஒதுக்கீட்டுடன் ஓராண்டு காலத்திற்கு செயல்படுத்தப்படும்.

2. In the letter second read above, the Industries Commissioner and Director of Industries and Commerce has stated that, it was decided to extend subsidy supported credit scheme to help the eligible entrepreneurs whose businesses were affected by the Covid-19 Pandemic, to re-establish their existing business or to start a new enterprise of similar activity or some other activity, either by himself/ herself or through their legal heirs and to incentivise those who undertake technology up-gradation /

modernization of their existing enterprise with an objective to enhance the productivity.

3. The Industries Commissioner and Director of Industries and Commerce has requested to approve the guidelines for CARE Scheme and re-appropriation of Rs.50 crore for the implementation of CARE Scheme 2022-2023 and to permit operational flexibility in implementing the scheme.

4. The Government after careful examination of the request of the Industries Commissioner and Director of Industries and Commerce, have decided to implement the CARE Scheme for the year 2022-2023 with the following two components:-

- a) A subsidy linked credit scheme to help the eligible entrepreneurs whose businesses were affected by the Covid-19 Pandemic, to re-establish their existing business or to start a new enterprise of similar activity or some other activity, either by himself/herself or through their legal heirs.
- b) An incentive scheme to support those who undertake technology up-gradation / modernization of their existing enterprise with an objective to enhance the productivity.

5. The Government also accord sanction for a sum of Rs.50 crore for the implementation of the CARE scheme for the year 2022-2023 and also ordered that out of Rs.50 crore, Rs.20 crore under Capital Subsidy head and Rs.30 crore under UYEGP head shall be utilized by re-appropriation. The approved Guidelines for the CARE Scheme 2022-2023 is annexed to this order.

6. The amount sanctioned in para 4 above shall be debited to the following head of accounts:-

Head of account	Amount re-appropriated
"2851 - 00 - Village and Small Industries - 800 - other expenditure - State's expenditure - JB Scheme for unemployed youth employment generation programme" 311 Subsidies 01 Individual Based Subsidy (IFHRMS DP Code 2851 - 00 - 800 - JB -31101)	Rs. 30 crore
"2851 - 00 - Village and Small Industries - 102 - Small Scale Industries -State's expenditure - LZ Capital Subsidy to Micro, Small, Medium and Agro based Industries - 11 Subsidies - 101 Individual based subsidy." (IFHRMS DP Code 2851 - 00 - 102 - LZ -31101)	Rs. 20 crore

7. The Industries Commissioner and Director of Industries and Commerce is authorized to draw and disburse the funds sanctioned in para 4 above.

8. This order issues with the concurrence of Finance Department vide its U.O. No.24893/Finance (Industries)/2022, dated 23.05.2022.

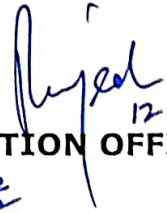
V. ARUN ROY
SECRETARY TO GOVERNMENT

To
✓ The Industries Commissioner and
Director of Industries and Commerce,
Guindy, Chennai-32.
The Accountant General, Chennai-18.
The Pay and Accounts Officers, Chennai-8.

Copy to:-

The Special Personal Assistant to Hon'ble Chief Minister, Chennai-9.
The Special Personal Assistant to Minister (MS&ME), Chennai-9.
The Personal Assistant to Secretary to Government,
Micro, Small and Medium Enterprises Department, Chennai-9.
The Finance (Industries) Department, Chennai-9.
The Micro, Small and Medium Enterprises (B/OP) Department, Chennai-9.
Stock file / Spare copy. (C.No.3456/D2/2022)

// FORWARDED BY ORDER //


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SECTION OFFICER
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12/7/22

ANNEXURE**G.O. (Ms.) No.52, Micro, Small and Medium Enterprises [D(2)] Department, dated 12.07.2022.**

Guidelines for the subsidy linked credit scheme under CARE scheme 2022-2023 as follows **(CARE-I)**:

- 1.1 Individuals / Proprietary and Partnership units whose business were affected by Covid-19 economic environment in 2020-21 and 2021-22, or their heirs or partners are eligible to avail the assistance under the scheme,
- 1.2 Age criteria may be 21 – 55 years in common for all and the educational qualification may be a pass in HSC.
- 1.3 Those who have availed subsidy, already under any Government sponsored scheme relevant to MSME Department till 2019-20 may also get assistance under this scheme. However, such beneficiaries of 2020-21 & 2021-22 are not eligible.
- 1.4 The scheme may cover manufacturing and service sector enterprises as well.
- 1.5 The maximum project cost may be Rs.5.00 crore.
- 1.6 The capital subsidy @ 25% of the investment made on the plant and machinery / equipments necessarily required for the line of activity will be given.
- 1.7 The maximum cap on the capital subsidy will be Rs.25.00 lakh.
- 1.8 The subsidy may be sanctioned and disbursed in a single instalment after the date of commencement of production / service or on ensuring the expenditure is actually incurred.
- 1.9 Since these entrepreneurs are experienced, EDP training may not be insisted as mandatory. But, they may be imparted with the same being given online, on their request or if the heirs are first time entrepreneurs.
- 1.10 The applicants with required qualifications may apply for subsidy linked credit with DICs concerned / RJD, Chennai.
- 1.11 All other guidelines issued for NEED scheme in G.O. (Ms.) No. 49, MSME (D2) Department, dated 29.10.2012 will be applicable for the above subsidy linked credit scheme of CARE scheme.
- 1.12 The scheme may be implemented for one year i.e., 2022-2023.

2. Guidelines for the Technology upgradation / modernization under CARE scheme as follows **(CARE-II)**:

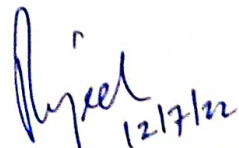
- 2.1 Existing Micro, Small and Medium Manufacturing Enterprises which have takenup Technology upgradation / Modernisation of the existing activities by adding additional machinery and

equipments are only eligible for subsidy, provided they are affected by Covid-19 economic environment in 2020-21 and 2021-2022.

- 2.2 Fulfillment of the conditions for availing Capital Subsidy for expansion stated in para 5.2 of Guidelines of MSME Policy 2021 is not applicable.
- 2.3 The MSMEs are eligible to avail 25% on the value of plant and machinery subject to a maximum of Rs.25 lakh as capital subsidy.
- 2.4 The value of plant and machinery involved under Technology up-gradation / Modernization of an enterprise by a COVID affected MSME will be eligible for incentives. Reestablishment of plant and machinery will be eligible in exceptional cases with the specific approval of Industries Commissioner and Director of Industries and Commerce.
- 2.5 All other guidelines issued for Capital Subsidy Scheme in the G.O. (Ms.) No. 37, MSME (B) Department, dated 06.07.2021 will be applicable for the above CARE scheme of Technology Upgradation / Modernisation, subject to the following conditions:-
- The projects in which effective steps were taken on or after the date of 23.03.2020, the date of first lockdown imposed by the Government due to COVID-19 only will be eligible for availing subsidy.
 - The Enterprise located anywhere in the State is eligible for CARE subsidy. An Enterprise not qualified for State Capital Subsidy earlier due to location criteria can also apply for CARE subsidy provided Technology upgradation / Modernisation in the unit undertaken atleast after one year of commencement of production of new unit.
 - Possession of valid ISO 9001 or any other recognized and relevant quality certification (Product or Process/ System) is not mandatory to qualify for availing incentives under this scheme.

V. ARUN ROY
SECRETARY TO GOVERNMENT

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