



ABSTRACT

Micro, Small and Medium Enterprises Department - Micro, Small and Medium Industries Policy 2008 - To boost the development of Micro, Small and Medium Enterprises in the State by exempting the condition stipulating an increase in 25% turn over / production for enterprises seeking to avail subsidy for expansion / diversification as a special case - Orders issued.

Micro, Small and Medium Enterprises [D(2)] Department

G.O.(Ms) No.57

Dated : 06.08.2020

திருவள்ளூர் ஆண்டு 2051

சார்வரி வருடம், ஆடி-22

Read:

1. G.O. (Ms). No.42, Micro, Small and Medium Enterprises (D2) Department, dated 04-09-2013.
2. G.O. (Ms). No.70, Micro, Small and Medium Enterprises (D2) Department, dated 15-10-2019.
3. From Industries Commissioner and Director of Industries and Commerce letter Rc. No. 4603 / LC3 / 2020, dated 12-05-2020.

ORDER

In the Government Order first read above, the Government have issued order enhancing the rate of capital subsidy from 15% to 25%, with effect from 07-05-2013.

2. Based on the announcement made by the Hon'ble Chief Minister on the floor of the Assembly on 12-07-2019 under Rule 110, in the Government Order second read above, the Government have issued orders enhancing the upper cap of maximum eligible subsidy, under capital subsidy scheme from the existing Rs.30 lakhs to Rs.50 lakhs with effect from 12-07-2019.

3. In the letter third read above, the Industries Commissioner and Director of Industries and Commerce has stated that several associations had represented even before the lock down, the difficulty in availing capital subsidy under expansion due to down turn in auto

industry due to general economic slump and transition to BS VI norms. The situation has further worsened due to the lockdown measures that were put in place to arrest the spread of COVID-19 pandemic. Due to the phased relaxation of lockdown, exodus of migrant labour to their home states, shrinkage of exports and social distancing norms, many units are likely to see further loss of orders, reduced production and slump in orders due to sluggish demand/uncertainties in consumption. Further there is no additional fund requirement involved for relaxing the existing guidelines in the Government Order to the above effect.

4. The Industries Commissioner and Director of Industries and Commerce has therefore requested to issue orders exempting the condition stipulating an increase in 25% turn over/ production for enterprises, seeking to avail subsidy for expansion or diversification.

5. The Government after careful examination of the above proposal have decided to accept it. Accordingly, the Government issue order to exempt the condition stipulating an increase in 25% turn over/ production for enterprises, seeking to avail subsidy for expansion or diversification as a special case subject to the following conditions:-

- 1) The first condition for expansion / diversification of machinery must be "involving enhancement of plant and machinery value by at least 25% of the existing plant and machinery" must be fulfilled and increase in turnover alone to be exempted.
- 2) This will be permitted only for the MSMEs which have taken effective steps for expansion / diversification from 01.04.2020 to 31.03.2021.
- 3) All other conditions stipulated in the guidelines shall remain the same.

6. This order issues with the concurrence of Finance Department vide its U.O. No.22499 / Finance (Industries) / 2020 Dated: 04.08.2020.

(BY ORDER OF THE GOVERNOR)

Dr. K.GOPAL
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)

To
The Industries Commissioner and
Director of Industries and Commerce,
SIDCO Corporate Office Building,
Thiru Vi.ka. Industrial Estate,
Guindy, Chennai-32.

The Accountant General (A & E), Chennai-18.
The Additional Chief Secretary to Government,
Finance Department, Secretariat, Chennai.9.
The Pay and Accounts Officer, Chennai.8.
The Chief Accounts Officer,
Directorate of Industries and Commerce, Chennai-32
The Special Personnel Assistant to Hon'ble Minister (Rural Industries),
Chennai.9
The Senior Private Secretary to
Principal Secretary to Government (FAC),
Micro, Small and Medium Enterprises Department , Chennai-9.
✓ The Personnel Assistant to Deputy 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.3038 / D(2) / 2020)

// FORWARDED BY ORDER //

[Handwritten Signature]
06/04/2020

SECTION OFFICER