



ABSTRACT

Micro, Small and Medium Enterprises Department- Announcement made by the Hon'ble Deputy Chief Minister during the Budget Speech in the Tamil Nadu Legislative Assembly for the year 2020-2021 - Raising the upper cap of subsidy from Rs.30.00 lakh to Rs.50.00 lakh under New Entrepreneur – cum - Enterprise Development Scheme (NEEDS) - Orders issued.

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

G.O.(Ms.) No.70

Dated : 03.11.2020

திருவள்ளூர் ஆண்டு 2051
சார்வரி வருடம், ஐப்பசி 18

Read:

1. G.O. (Ms) No. 49, Micro, Small and Medium Enterprises (D2) Department, dated 29.10.2012.
2. G.O. (Ms) No. 13, Micro, Small and Medium Enterprises (D2) Department, dated 24.04.2018.
3. G.O. (Ms) No. 30, Micro, Small and Medium Enterprises (D2) Department, dated 01.10.2018.
4. From the Industries Commissioner and Director of Industries and Commerce Rc. No.21426 / LC1 / 2019, dated 20.02.2020.

ORDER:

In G.O. first read above, the New Entrepreneur-cum-Enterprise Development Scheme (NEEDS) was devised and formulated as a special scheme to assist educated youth to become first generation entrepreneurs in conceiving, planning, initiating and launching a manufacturing or service enterprises successfully. The scheme and the guidelines of this scheme was approved to be implemented in the 12th Five Year Plan (2012-17) period.

2. In G.O. second read above, orders have been issued extending the implementation of New Entrepreneur cum Enterprise Development Scheme (NEEDS) for a further period of five years from 2017-18 to 2021-22. It is also ordered for enhancing the minimum project cost from Rs.5.00 lakh to Rs.10.00 lakh and maximum project cost from Rs.100.00 lakh to Rs.500.00 lakh under New Entrepreneur cum Enterprise Development Scheme (NEEDS). However, subsidy component is restricted to Rs.25 lakh.

3. In G.O. third read above, orders have been issued enhancing the maximum cap on the 25% Capital Subsidy granted on the value of project cost from Rs.25.00 lakh to Rs.30.00 lakh under New Entrepreneur cum Enterprise Development Scheme (NEEDS) in tandem with the Capital subsidy scheme under Micro, Small and Medium Industrial Policy, 2008.

4. During the Budget Speech, the Hon'ble Deputy Chief Minister has made the following Announcement in the Assembly on 14-02-2020:-

“The flagship entrepreneurship initiative of Tamil Nadu is the New Entrepreneur cum Enterprise Development Scheme (NEEDS). The maximum project cost was increased from Rs.100 lakh to Rs.500 lakh in April 2018. However, the maximum cap on the capital subsidy was increased only from Rs.25 lakh to Rs.30 lakh in 2018. The Government will enhance the maximum capital subsidy under the New Entrepreneur cum Enterprise Development Scheme (NEEDS) from Rs.30 lakh to Rs.50 lakh. A sum of Rs.100 crore has been allocated for this scheme in the Budget Estimates 2020-21”.

5. In the letter fourth read above, the Industries Commissioner and Director of Industries and Commerce has sent a proposal for enhancing the maximum cap on the 25% Capital Subsidy granted on the value of project cost under New Entrepreneur cum Enterprise Development Scheme (NEEDS) from the existing limit of Rs.30.00 lakh to Rs.50.00 lakh in tandem with capital subsidy scheme as per the existing Micro, Small and Medium Industrial Policy, 2008.

6. The Government after careful examination decided to accept the above proposal and accordingly issue orders for enhancing the maximum cap on the 25% Capital Subsidy granted on the value of project cost under New Entrepreneur cum Enterprise Development Scheme (NEEDS) from the existing limit of Rs.30.00 lakh to Rs.50.00 lakh with effect from the date of issue of this order.

7. This Order issues with the concurrence of Finance Department vide its U.O. No.35340 / Finance(Ind) / 2020, dated 29.10.2020.

(BY ORDER OF THE GOVERNOR)

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

To
The Industries Commissioner and
Director of Industries and Commerce,
Guindy, Chennai-32.

The Accountant General (A&E), Chennai-18.
The Pay and Accounts Officer, Chennai - 8.

Copy to:

Hon'ble Chief Minister's Office, Chennai-9.
The Special Personal Assistant to Hon'ble Deputy Chief Minister, Chennai-9.
The Special Personal Assistant to Minister for Rural Industries, Chennai-9.
The Senior Private Secretary to Principal Secretary to Government,
Micro, Small and Medium Enterprises Department, Chennai-9.
The Finance (Ind/BG I/BG II) Department, Chennai-9.
The Micro, Small and Medium Enterprises (OP / B) Department, Chennai-9.
Stock file / Spare copy.

// FORWARDED BY ORDER //

Boonjunt

SECTION OFFICER

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