# **1. Credit Linked Capital Subsidy Scheme and Special Credit Linked Capital Subsidy Scheme**

# **PURPOSE**

## Facilitate Technology Upgradation of Micro and Small Enterprises in the specified products / sub-sectors by providing 15% capital subsidy for induction of well-established and improved technologies.

## In addition to the above 15%, entrepreneurs belonging to SC/ ST category are entitled to 10% additional subsidy, subject to compliance of the guidelines as outlined in the Guidelines of Special Credit Linked Capital Subsidy Scheme (SCLCSS) for MSEs under National Scheduled Castes and Scheduled Tribes Hub Scheme issued by O/o DC[MSME] on May 17, 2017

# **Validity of the Scheme**

As per O/o DC[MSME] OM dated 13/12/2019, CLCS- TUS will be enforce with effect from 01.04.2017 till 31.03.2020 or till the time sanctions if aggregate Capital Subsidy disbursed reaches to Rs.2360 crore. (Approved Outlay), whichever is earlier.

# **Eligible PLIs**

### Scheduled Commercial Banks

### Eligible Cooperative Banks (other than UCBs)

### State Financial Corporations (SFCs)

### Eligible Regional Rural Banks (RRBs)

### National Small Industries Corporation (NSIC)

### North Eastern Development Financial Institution (NEDFi**)**

# **Nodal Agencies**

## Besides SIDBI and NABARD, the following nine banks/FIs have been inducted as Nodal Banks for the purpose of CLCSS:

## State Bank of India

## Canara Bank

## Bank of Baroda

## Punjab National Bank

## Bank of India

## Andhra Bank

## Tamil Nadu Industrial Investment Corporation

## Corporation Bank

## Indian Bank

# **Eligible Borrowers**

## Sole Proprietorship

## Partnership

## Co-operative Societies

## Private and Public Limited Companies in Micro and Small sector

## (Priority shall be given to women entrepreneurs)

# **Eligibility**

## Units going for upgradation with state of the art technology with or without expansion.

## New units setting up facilities only with the appropriate and proven technology approved by Governing and Technology Approval Board (GTAB).

## The units registered with State Directorate of Industries.

## The process of lodgment of claim has been made online (with effect from October 01, 2013) through the e-portal designed by the O/o DC[MSME] for this purpose. Since then the practice of submission of hard copy of the claim has been discontinued and no hard copy submitted by any of the co-opted PLIs is accepted/treated as valid document. The co-opted PLI(s) of SIDBI are required to lodge the claim after the last disbursement of the loan towards eligible machinery for which subsidy is claimed , i.e., reference date (RD) within the specified date of the next quarter. For example, a unit having the subsidy claim in the RD between April-June, will have to lodge its claim necessarily during the quarter of July-September of that year, otherwise it will not be acceptable.

# **Maximum Ceiling of loan eligible for support**

# 15% of the investment in eligible plant & machinery

## Ceiling on Loan- `100 lakh

## Ceiling on subsidy-`15 lakh

# **Progress Review as on March 31, 2020**

Subsidy aggregating to `2167.26 Crore has been released by SIDBI to 34600 units (including SIDBI / co-opted PLI cases) till March 31, 2020.

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