



GOVERNMENT OF KERALA

Abstract

Industries Department – One Family One Enterprise Scheme - Administrative sanction accorded - Orders Issued.

INDUSTRIES (B) DEPARTMENT

G.O.(Rt)No.747/2022/ID

Dated, Thiruvananthapuram, 22/07/2022

- Read :
1. Letter No.DIC/2023/2022-FC1 dated 30/05/2022 from the Director of Industries and Commerce
 2. Minutes of the meeting of the Departmental Working Group held on 28/06/2022

ORDER

With the aim of facilitating One Lakh Micro, Small and Medium Enterprises the year 2022-23 is celebrated as the “Year of Enterprises”. As part of this, a new scheme namely “One Family One Enterprise” has been formulated with the objective of encouraging entrepreneur activity in every household and to empower women.

2) Accordingly, the Director of Industries and Commerce, as per letter read above, submitted a proposal for implementing the scheme. The Departmental Working Group in its meeting held on 28/06/2022 considered the proposal and approved the scheme.

3) Government have examined the proposal in detail and are pleased to accord administrative sanction for the implementation of the scheme “One Family One Enterprise” for an amount of Rs.400 Lakhs (Rupees Four Hundred Lakhs only) by meeting the expenditure from the Head of Account 2851-00-102-07(04) from the current years's budget allocation subject to the condition that the interest subvention under the scheme will be limited to 5% and interest after subvention will be 4%.

4) The Director of Industries and Commerce will draw and disburse the amount in due course.

5) The details of the scheme are appended to this Order.

(By Order of the Governor)
SUMAN BILLA
PRINCIPAL SECRETARY

To :

✓ The Director of Industries and Commerce, Thiruvananthapuram
The Principal Accountant General (Audit/A&E), Kerala, Thiruvananthapuram
The District Treasury Officer, Thiruvananthapuram
The Finance Department
The Planning & Economic Affairs Department
Industries (J) Department
The Information and Public Relation (Web and New Media) Department
Stock File/Office Copy

Forwarded/By order


Section Officer

ONE FAMILY, ONE ENTERPRISE SCHEME

Government of Kerala has declared the year 2022-23 as the year of enterprises. The aim of Government is to facilitate setting up One lakh Micro Small and Medium Enterprises. According to the All India Census 2011, there are 78.50 lakh families/households in the State. So as to encourage entrepreneur activity in every household, and empower women, a new scheme named 'One Family One Enterprise scheme' is introduced to support and assist the entrepreneurs.

Introduction/Background

This scheme aims to support setting up at least one MSME unit including trade activity in each family. The scheme intends to provide interest subvention on the term loan or working capital loan availed by the unit from any financial institution. The units engaged in the manufacturing, services & trading as well as job work is eligible for this assistance.

Objective of the scheme

The scheme is to promote upcoming entrepreneurs in setting up Nano/Household enterprises in each family, with a project cost upto 10.00 lakh.

Eligibility for Applicants

All newly registered enterprises in manufacturing, service & trade sector whose total project cost (including fixed capital and working capital) upto Rs. 10.00 lakh are eligible for assistance under this scheme.

50% of the beneficiaries under the scheme shall be women entrepreneurs.

Women, handicapped persons, ex-service men, NRK, Young (age upto 45) and persons belonging to SC/ST are to be given priority under this scheme.

Entitlement of a successful applicant

The assistance provided under this scheme is in the form of an interest subvention. Each MSME engaged in manufacturing, service & trade sector whose total project cost (including fixed capital and working capital) upto Rs.10.00 lakh shall be eligible for an interest subvention on the interest charged by the financial institution for a period of five years from the period of sanction of the loan by the financial institution. The rate of subvention shall be the difference in the rate of interest charged by the financial institution and 4 %, so

that after the subvention the entrepreneur is liable to pay only 4 % interest per annum to the financial institution. In other words, the rate of subvention will be any rate over and above 4% of the rate of interest per annum charged by the financial institution.

Eligible components:

The Project cost under this scheme shall include the following.

1. Plant & Machinery, electrification, equipment including all accessories, tools, jigs, fixtures, essential office equipment and furniture.
2. Working Capital. The working capital shall not exceed 50% of the project cost

Sanctioning Authority/Recommending Authority

The respective Assistant District Industries Officers, Taluk Industries Offices shall be the recommending authority for assistance under the scheme. He shall submit the application before the sanctioning authority with the recommendation for disbursing the assistance/or rejection, whichever the case may be.

The General Managers, District Industries Centres concerned shall be the sanctioning authority. All completed applications have to be disposed within a period of 15 days from the receipt of the completed application.

Mode of application

The application can be submitted online along with the documents as per the checklist. The application for assistance under the scheme has to be preferred by the entrepreneur within 3 months from the date of sanction of the loan. But General Manager, District Industries Centres has the power to condone delays for a further period of 3 months. No delays beyond one year from the date of sanction of loan shall be entertained. The application will be processed by the Sanctioning Authority and the assistance will be sanctioned based on merit.

After registering under the scheme, the applicant has to submit the required remittance particulars and bank confirmation statement every year to get the assistance.

Mode of payment

The interest payable to the financial institution over and above 4% will be reimbursed to the unit on a yearly basis on receipt of the confirmation of

remittance from the bank along with a certificate in the prescribed format. The assistance will be released after completion of each year for a period of 5 years.

Obligation of an applicant

1. The applicant shall provide all required details and declare such information as to be true.
2. The applicant shall provide clarifications of further details sought by the recommending/sanctioning authority.
3. The applicant shall allow inspection or verification of any details mentioned in the application including plant and machinery and all other assets if so required by recommending/ sanctioning authority.
4. Applicants shall produce loan remittance particulars and bank certificate yearly towards the remittance of loan.
5. The applicant shall execute the requisite legal agreement online and if required on paper as and when the assistance is sanctioned.
6. The applicant shall operate the unit as stipulated in the agreement in which the quantum of support received, failing which the assistance shall be resumed by restoring the provisions of Kerala Revenue Recovery Act.

General Provisions

1. The assistance under the scheme shall be released to the eligible entrepreneur through their bank account on a yearly basis.
2. All applications for assistance under the scheme shall be submitted by the applicant by online and produce the originals along with details before the Recommending Authority.
3. The Officer while accepting the application form should examine whether all necessary details have been furnished. If any information is found inadequate the same should be intimated to the applicant unit both electronically and otherwise and grant 10 days time to rectify the defects.
4. The assistance shall be disbursed by sanctioning authority through the financing institution which has financed the unit on their executing an agreement with the sanctioning authority in the prescribed format.
5. Units which receive the assistance will be under obligation to remit the interest on the loan availed by the unit from any financial unit, without any default for the stipulated period.
7. The unit shall not have availed any grant/ assistance earlier under any schemes of Government of India & Government of Kerala or Local Self Government Department.

Appeals

Appeals, if any, against the decision of the Sanctioning Authority shall be filed before the Director of Industries & Commerce within 30 days from the date of issue of orders of the General Manager, District Industries Centres concerned. No appeal after this period will be entertained. The appeal shall be disposed of as far as possible within 3 months from the date of receipt of appeal after giving the appellant an opportunity of being heard whenever necessary.

Recoveries and Penalties

Any assistance under the scheme to an industrial unit is liable to be refunded by the unit with interest at the rate of 14% per annum from the date of receipt of the same, on issue of registered demand notice to the unit by the Recommending/Sanctioning Authority on ground of obtaining assistance by misrepresentation, forgery or deception or not found working continuously for 3 years from the date of receipt of grant. All amounts due to Government under this provision shall, in case of default, be recoverable as if they are arrears of land revenue under the provisions of the Kerala Revenue Recovery Act, 1968 or in such other manner as Government may deem fit. Sufficient opportunity to show cause in writing shall however be granted to the units before a demand raised against it.

Forms

The Director of Industries & Commerce shall have the full authority to prepare application forms, form of agreement and any other formats required for the proper implementation of the scheme and to make, sub-rules, check list if any, required.

Check List

a. For registration (onetime Initially)

1. Copy of Voters ID/Passport/Ration Card/Driving license of the promoter/promoters (self attested) (in case of young entrepreneurs the document furnished shall show the date of birth of the applicant)
2. Copy of Caste Certificate (in case of SC/ST entrepreneurs)
3. Udyam Registration.
4. Project Report.
5. Copy of sanction letter of the bank towards approval of loan

6. Copy of bank loan passbook
7. In case of belated application, request for condonation for delay in filing application

b. For yearly release of assistance

1. Bank statement of the year for which the reimbursement is claimed.
2. Remittance confirmation statement of the bank.
3. Recommendation of the bank for release of assistance.