



## **ABSTRACT**

Micro, Small and Medium Enterprises – Subsidies - Value Added Tax Subsidy - Sanction of Rs. 50.00 lakhs – Orders - Issued.

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### **MICRO, SMALL AND MEDIUM ENTERPRISES (D2) DEPARTMENT**

**G.O.(D).No. 142**

**Dated: 19.11.2010.**

**திருவள்ளூர் ஆண்டு, 2041**

**கார்த்திகை 03,**

**Read:**

1. G.O.Ms.No.14, Micro, Small and Medium Enterprises (B) Department, dated 7.5.2008.
2. G.O.Ms.No.29, Micro, Small and Medium Enterprises (D2) Department dated 22.5.2009.
3. G.O.(D).No. 89, Micro, Small and Medium Enterprises (D2) Department, dated 08.07.2010.
4. From the Industries Commissioner and Director of Industries and Commerce Rc.No.13050/ LC1/2010, dated : 22.10.2010.

### **ORDER:**

In the Government Order first read above, the Government have issued orders introducing various incentives and concessions to the micro, small and medium enterprises in the State based on the Micro, Small and Medium Industries Policy 2008 including reimbursement of Value Added Tax Subsidy to all micro manufacturing enterprises in the State. All Micro Manufacturing Enterprises are entitled to a 100% subsidy on the net Value Added Tax paid by them for the first six years upto the value of the investments made in eligible Plant and Machinery at the time of filing of Entrepreneur Memorandum (Part -II). This incentive is also applicable to all eligible Micro Enterprises which have taken up substantial Expansion/Diversification of the existing projects.

2. Subsequently, in the Government Order second read above, orders have been issued to the effect that the reimbursement of Value Added Tax subsidy would be on quarterly basis and the tax paid during one quarter will be reimbursed to the enterprise as subsidy towards the payment of tax during next quarter on quarterly basis.

3. The Industries Commissioner and Director of Industries and Commerce in his letter foruth read above, has requested the Government to sanction a sum of Rs.50.00 lakhs to clear the pending Value Added Tax reimbursement subsidy applications as well as the anticipated applications from eligible micro manufacturing enterprises for the year 2010-11.

4. The Government, after careful examination, have decided to accept the proposal of Industries Commissioner and Director of Industries and Commerce in para 3 above and accordingly sanction a sum of Rs.50.00 lakhs (Rupees Fifty Lakhs only) towards disbursement of Value Added Tax reimbursement subsidy to the Micro Manufacturing Enterprises for the year 2010-11.

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

**2851 – 00 – Village and Small Industries –102 – Small Scale Industries –Schemes in the Eleventh Five Year Plan-II. State Plan – MC- Value Added Tax refund to Micro Industries-11 Subsidies -01 Individual Based subsidy”.**

**(D.P. Code 2851 00 102 MC- 1111).**

6. The Industries Commissioner and Director of Industries and Commerce is authorized to draw the amount sanctioned in para 4 above and allocate it to the General Managers of District Industries Centres / Regional Joint Director, Chennai, based on the requirement. The Industries Commissioner and Director of Industries and Commerce is instructed to send the Utilization Certificate to the Government in this regard.

7. This order issues with the concurrence of Finance Department vide its U.O.No. 64737/MSME/2010, dated 16.11.2010.

**(BY ORDER OF THE GOVERNOR)**

**P. SELVAM,  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT.**

To  
The Industries Commissioner and  
Director of Industries and Commerce, Chennai-5.  
The Accountant General, Chennai 6/18.  
The Accountant General, Chennai 6/18 (By name).  
The Pay and Accounts Officer (East), Chennai-5.

**Copy to:**

The Finance Department, Chennai-9.  
The Micro, Small and Medium  
Enterprises (OP) Department, Chennai-9.  
SF/Sc.

**//FORWARDED BY ORDER//**

**SECTION OFFICER**