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PART I—Orders and Notifications by the Governor of West Bengal, the High Court, Government Treasury, etc.

GOVERNMENT OF WEST BENGAL
Department of Micro, Small & Medium Enterprises and Textiles
Silpa Sadan (7th & 8th Floor), 4 Camac Street,
Kolkata 700 016

Memo No. 1499/MSMET-18011(11)/5/2023

Dated: 29.03.2023

NOTIFICATION

(In cancellation of earlier Notification Memo No. 1115 /MSMET-18011(11)/5/2023 Date: 10.03.2023)

WHEREAS the Governor is of the opinion that it is necessary to introduce an innovative scheme to provide self-employment to the young entrepreneurs of West Bengal for promotion and development of MSMEs in the State,

NOW, THEREFORE, the Governor is pleased to sanction the implementation of a new self-employment scheme in the State as under :-

1. Short Title

The scheme may be called **West Bengal Bhabishyat Credit Card Scheme** (hereafter referred to as WBBCCS) for the youth of West Bengal

2. Objective

The objective of the scheme is to provide the Youth of West Bengal, who have entrepreneurial skill and want to be self-reliant by setting up micro enterprises, access to institutional finance for their credit needs. This will in turn facilitate the Youth to become self-employed leading to income generation, wealth creation, and creation of further employment opportunities in rural and urban areas of the State.

3. Commencement and Duration

The scheme will come into force on and from the 1st April, 2023 and will remain in force up to 5 years, if not withdrawn / amended by a further notification in the official gazette

4. Area of Operation

The entire state of West Bengal – both urban and rural.

5. Target of coverage

Two lakh Youth per year

6. Eligibility:

- i) Indian National and residing in the state of West Bengal for past 10 years at least.
- ii) Any eligible individual including Motor Transport Workers and Building & Other Construction Workers aged between 18-45 years
- iii) Only one person from one family is eligible under the scheme where 'family' means self and spouse

7. Annual Family income: No bar**8. Applicability of the Scheme:**

- (a) Any income-generating project in manufacturing, service, and trading/business, /farm sector (Dairy, Poultry, Fisheries, Piggery etc.) etc.
- (b) Both new unit and existing unit can apply under the scheme for Term loan and/or working capital loan/composite loan. However, a new unit set up under this scheme may be considered for 2nd dose of capital support in machinery/tools for expansion only after two years of implementation.
- (c) All those applications that were sponsored under 'Karmasathi Prakalpa' but not sanctioned as on 1st of April, 2023 will migrate to this scheme.

10. Non-applicability

- (a) Employees of Central/State Government/Government Undertakings and their families will not be eligible to come under the purview of the Scheme.
- (b) Defaulter borrower in any Bank/Financial Institution.

11. Project Cost: Up to Rs. 5 lakh only**12. Financial Assistance under the Scheme: Loan and government subsidy:**

- (a) **Government subsidy:** In the form of margin money contribution @ 10% of the project cost with a ceiling of Rs. 25,000.
- (b) **Bank Loan:** The Bank loan component will be the project cost minus eligible govt subsidy in the form of Margin Money contribution.

13. Guarantee coverage: The scheme shall have provision of credit guarantee coverage up to 100% for the credit facility extended by Lending Institutions/Banks in collaboration with Credit Guarantee Trust Fund for MSEs (CGTMSE). The extent of guarantee coverage of the State Government over and above the available coverage under CGTMSE for all eligible borrowers will be as follows:-

- i) Maximum coverage of CGTMSE: 85%
- ii) Maximum coverage of the State Government: 15%

14. Annual Guarantee Fee (AGF): CGTMSE will charge AGF as per norms on its share of guarantee coverage. However, there will no additional AGF for the additional guarantee coverage to be provided by the State Government.**15. Eligible Lending Institutions (L.I.):** All Scheduled Public Sector Banks, Private Sector Banks, Regional Rural Banks, Small Finance Banks, Cooperative Banks and any other Lending Institution as may be prescribed.

16. Modalities of the scheme:-**(a) Mode of application:**

- (i) Project proposals will be invited from the prospective and potential entrepreneurs in all districts through advertisement.
- (ii) The scheme will also be publicized in rural areas through Panchayati Raj Institutions.
- (iii) Applications are to be submitted online through a dedicated portal to be developed for the scheme.

(b) Screening of applications:

- (i) To ensure sponsoring of quality applications to Lending Institutions, preliminary Block Level Screening Committee will be notified by the MSMET department for checking the applicants from the rural areas.
- (ii) On receipt of project proposals from the entrepreneurs in rural areas, the Block Level Screening Committee will primarily check the proposals with respect to completeness of the forms. If any deficiency is noticed, the same needs to be notified to the concerned applicant for resubmission as soon as possible and in no case later than 15 days from submission.
- (iii) The sponsoring of the applications will be done after the same is approved in the Sub-divisional level Sponsoring Committee, to be notified by the MSMET department.
- (iv) For municipal areas, the Sub-divisional level Sponsoring Committee will screen and then sponsor the applications. In such cases, Executive Officer of the concerned municipality shall be included in the Committee.
- (v) For Corporation areas including KMC, a separate committee will be notified by the MSMET department consisting of officials from corporation, MSMET Directorate Lead Bank, major related departments etc.

(c) Sponsoring of applications:

Screened and complete applications will be sponsored to the banks within seven days on completion of screening.

(d) Sanction of project and Bank finance:

- i. On receipt of the sponsored applications, Bank will appraise the project and take credit decision within a stipulated time period of 21 days from the date of receipt of the sponsored applications. Banks shall sanction the project cost inclusive of Margin Money component and Bank loan portions and complete process of documentation.
- ii. Banks shall upload the sanction letter in the portal and convey the sanction to the applicant (e-mail/ hard copy). The concerned DIC will take note of the sanction from the portal.
- iii. No collateral security / personal guarantee / 3rd party guarantee will be insisted upon by the Banks in line with the guidelines of RBI.
- iv. On sanction of the loan application, the concerned applicant shall open an account in the concerned bank. If an applicant already has an account, the same can be used for this purpose.
- v. Banks shall submit claims for release of subsidy to the State Government through designated format. Upon verification of the claim, the State Govt. will release the full subsidy amount for credit to the borrower's personal A/c under intimation to the Bank branch concerned. Upon receipt of the subsidy, the Bank shall disburse the sanctioned amount of loan and adjusted proportionate subsidy to the Bank A/c of the loanee. Bank shall also control withdrawal of the amount by the borrower through exercising Debit Freeze / lien covering the "Subsidy Amount Only" in the concerned account immediately upon receipt of the subsidy.

- vi. The admissible subsidy will be 'one time assistance', from Government. No subsidy will be available for any enhancement of credit limit for whatever reason of the same project financed under this scheme within 2 years of implementation.
 - vii. Unspent / unutilized subsidy to be refunded by the concerned Bank branch, stating the reason, to the respective DICs immediately after 6 months from the date of receipt of the said subsidy.
 - viii. Applications which do not conform to the scheme guidelines and which remain incomplete even after consultation and notification after the stipulated timeline will also be rejected by the DIC, recording reason for rejections. Reasons for rejection will also be conveyed to the applicant and to the screening committee.
- (e) **Invocation of guarantee:** Invocation of guarantee of CGTMSE will be done by the banks following the norms of CGTMSE. The guarantee coverage of the State Government shall be up to the maximum NPA level of 15% of the crystalized portfolio of the MLI of a particular year. The modalities of assessment of State Government's total guarantee coverage and the process of payment of claims for the entire year will be chalked out in conformity with the CGTMSE guidelines.
- (f) **Project Monitoring Unit (PMU):** A PMU will be formed in each district, Sub-division and the directorate of MSME. The PMU will provide handholding support to the applicant with regard to filling up application form, documentation and preparation of project report. Besides, the PMU will coordinate approved proposals with the Banks if required, with the concerned District Coordinators of banks. The PMU will also be allowed to engage banking and data support experts on contractual basis after taking approval from the department of MSMET. An amount not exceeding 3% of the total subsidy claimed shall be allotted for functioning of these PMUs above.
- (g) **Monitoring of the scheme:** The performance of the scheme and the functioning of sanctioned and disbursed projects shall be periodically monitored at district level by the District Level Bankers Committee. A State Level Committee shall also be constituted for performance monitoring of the scheme.
- (h) Banks will assign a special code (WBBCC) in its CBS for identification of the MSE loans under the WBBCC scheme for generation of required MIS.
- (i) **Grievance redressal and Interpretation:** A grievance redressal mechanism will be developed at State Level. The Grievance Cell will act upon the grievances within the next 72 hours and direct the concerned GM, DIC to take necessary action. In case of any interpretation regarding the scheme, the same shall be provided by the Department of MSME&T.
17. **Savings and Repeal:** The 'Karmasathi Prakaalpa' shall stand subsumed in this scheme with effect from 1st of April, 2023 and pending applications, if so agreed by the applicants, shall be migrated to this scheme. However, the applications sanctioned under Karmasathi Prakaalpa shall continue to be provided benefits under that scheme.

18. Constitution of different Committees in different levels

A. Block level Screening Committee for rural areas

- a) Block Dev Officer - Chairman
- b) Industrial Dev Officer - Member-Convener
- c) Cooperative Inspector - Member
- d) Convener, BLBC - Member
- e) Any two other Block level Officer, as decided by Committee - Member