

**No.1(64)/CLCSS/Policy Mtters/16-17**  
**Office of the Development Commissioner (MSME)**  
**Ministry of MSME**  
**Investment Promotion & Financial Services Division**  
**CLCSS Section**  
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A-Wing, Nirman Bhawan, New Delhi.

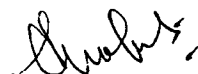
Dated: 02<sup>nd</sup> April, 2019

**OFFICE MEMORANDUM**

**Subject: Guidelines of Credit Linked Capital Subsidy Scheme (CLCSS)-reg.**

In supersession to earlier O.M.s dated 13.03.2012 & 07.09.2012 in regard to Term Deposit Receipt (TDR) under Credit Linked Capital Subsidy Scheme (CLCSS), the undersigned is directed to convey the decision of the Competent Authority that the TDR should be made for the duration of three years from the date of approval of subsidy by PLI/Bank mentioned in the online application. If, there is any delay in release of subsidy by this office, the three year time duration should be taken from the **date of commercial production by the unit after purchasing the said machinery.**

2. In regard to conversion of term loan in to foreign currency term loan issue, it is to mention that as per the CLCSS guideline eligibility criteria 8(i) i.e. capital subsidy at the rate of 15% of the eligible investment in plant and machinery under the Scheme shall be available only for such projects, where term loans have been sanctioned by the eligible PLI. In case the unit converts its term loan into the foreign currency term loan, the subsidy cannot be converted into foreign currency and it should be kept in the form of TDR in rupee denomination only.

  
**Anshuman Mohanty**  
**Director (CLCSS)**  
**Ph: 011-23061197**

To,

All Nodal Banks/Agencies under CLCSS (as per list enclosed)