



Andhra Pradesh Brahmin Welfare Corporation Limited
(A Government of Andhra Pradesh Undertaking)



Chanakya Scheme for Small and Medium Entrepreneurship (CS-SME)

Andhra Pradesh Brahmin Welfare Corporation (ABC) Limited, a Government of Andhra Pradesh undertaking, is introducing “Chanakya Scheme for Small and Medium Entrepreneurship” (CS-SME) for the year 2016-17 for encouraging entrepreneurship in the Brahmin community of Andhra Pradesh. Under this scheme, Back-end subsidy will be provided based on the project cost for setting up new business unit after the announcement of the scheme.

Objective

To encourage Brahmins to set up new Small or Medium Enterprises in Andhra Pradesh in various sectors.

Scope

This scheme is applicable for the Brahmins of Andhra Pradesh, who will set-up NEW Small and Medium Enterprise in Andhra Pradesh, as detailed below:

	Small	Medium
Project Cost	Rs. 11 Lakhs to Rs. 100 lakhs	Rs. 101Lakhs to Rs. 500 lakhs
Back-end Subsidy (% of Project Cost)	20% up to a maximum of Rs. 10 lakhs	10% up to a maximum of Rs. 25 lakhs
Applicant's Margin (% of Project Cost)	10%	10%
Bank Loan	Project cost excluding margin	Project cost excluding margin

Eligibility

- The applicant should belong to Brahmin Community.
- The applicant should be residing in any of the 13 districts of Andhra Pradesh.
- Preference shall be given to:
 - Applicants who are availing the economic Support schemes for the first time.
 - Women Applicants

- The unit proposed should be setup in Andhra Pradesh only.
- Projects requiring Capital Expenditure
- The activity proposed by the applicant should be technically feasible and economically viable and it will be considered by the Corporation on merits.
- The beneficiaries who have availed any financial assistance (subsidy) from the Corporation against Chanakya Scheme for the year 2015-16 for any business activity will not be eligible.
- Subsidy will be sanctioned only once to the entire family, as defined in the ration card.
- Applicant availing subsidy from ABC Ltd shall not be eligible under any of the similar schemes for the next **FIVE** years.

Application Procedure

- Eligible candidates shall fill their application online (www.andhrabrahmin.ap.gov.in) in the prescribed format.
- Applicant should also upload the scanned copies (in pdf of maximum 150 kb size each) of the following documents:
 1. Aadhar Card of the Applicant.
 2. Caste certificate issued by competent authority
 3. Certificate of highest qualification of the applicant.
 4. A Detailed Project Report (DPR), covering Financial statements, such as Project Cost (Land, Building / Shed, Equipment, Furniture, Preliminary & Pre operative expenses, capitalised Interest and working capital margin), Source of Funds, Profit & Loss, Balance Sheet, Cash Flow statement, etc. and a write-up on how the applicant's Aspirations, Background and Capabilities match the project.
 5. If available, bank consent letter for the loan as per the scheme guidelines
 6. Passport size photograph.

Selection process (IF THE APPLICANT HAS A BANK CONSENT LETTER) :

- ABC Ltd (State Level Selection Committee) shall scrutinise and interview the eligible candidates
- ABC Ltd shall send the list of selected candidates to the concerned Bank
- The concerned Bank shall sanction Loan (which includes back-end subsidy) to the candidates.
- The bank shall also release first instalment of the loan to the beneficiary as per the sanctioned terms and conditions.
- The Bank shall inform the Corporation the details of sanction, date of release of first instalment along with the details of the Loan Account no. and non-operative SB a/c number and IFSC of the bank.

- The officials from the ABC Ltd shall inspect the unit and obtain copies all necessary documents from the bank, such as copy of sanction letter, process note, etc and submit his/her report to the corporation for release of the subsidy.
- ABC Ltd will issue administrative sanction and proceedings to the concerned bank and beneficiary and credit the Back-end subsidy to the Non operative SB A/c of the Beneficiary.
- There is a lock in period of 3 years for the back end subsidy, from the date of first disbursement.
- The beneficiary is eligible for adjustment of the backend subsidy, only if he / she makes regular payments to the bank and is not a defaulter to the bank.
- The bank shall not adjust the backend subsidy without the consent of ABC Ltd.
- If the beneficiary satisfies all the above terms and conditions, the corporation shall permit the bank to adjust the back end subsidy amount to the loan account (or to the SB a/c of the beneficiary, in case if the loan account is closed) after three years, on receipt of written requisition from the beneficiary along with bank recommendations.
- State Level Committee is authorised to make exceptions in the eligibility / selection process.

Selection process (IF THE APPLICANT DOESN'T HAVE A BANK CONSENT LETTER) :

- District wise targets along with scheme guidelines shall be communicated by the ABC Ltd to the SLBC and District Collectors.
- The Corporation shall scrutinise and send the applications alongwith Detailed Project Report (DPR) to the concerned District Collectors.
- The District Collectors shall allot the applications to a banker in his jurisdiction with a copy to the applicant and ABC Ltd.
- The concerned Bank shall evaluate and sanction Loan (which includes back-end subsidy) to the candidates.
- The bank shall also release first instalment of the loan to the beneficiary as per the sanctioned terms and conditions.
- The Bank shall inform the Corporation the details of sanction, date of release of first instalment along with the details of the Loan Account no. and non-operative SB a/c number and IFSC of the bank.
- The officials from the ABC Ltd shall inspect the unit and obtain copies all necessary documents from the bank, such as copy of sanction letter, process note, etc and submit his/her report to the corporation for release of the subsidy.
- ABC Ltd will issue administrative sanction and proceedings to the concerned bank and beneficiary and credit the Back-end subsidy to the Non operative SB A/c of the Beneficiary.
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