

**Government of West Bengal**  
**Department of Micro, Small & Medium Enterprises and Textiles**  
**Silpa Sadan (7<sup>th</sup> & 8<sup>th</sup> Floor), 4 Camac Street, Kolkata 700 016**

Memo No. 1000 / MSMET-18011(11)/5/2023

Dated 07/03/2024

**NOTIFICATION**

WHEREAS the Government of West Bengal had launched a special scheme named **West Bengal Bhabishyat Credit Card Scheme (WBCCS)** w.e.f. 1<sup>st</sup> April 2023 with an objective to providing self-employment to the young entrepreneurs of West Bengal for promotion and development of MSMEs in West Bengal;

WHEREAS it has subsequently been decided by the Government to provide interest subsidy to an extent so that the borrowing entrepreneurs shall have to bear an interest burden of 4% p.a. only during the tenure of their loans without providing any collateral security and third-party guarantee, for undertaking their economic activities;

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 Interest Subsidy Scheme** (hereinafter referred to as **WBCCISS**)

**2. Objective of the Arrangement**

To encourage the entrepreneurs for availing of financial assistance under WBCCS, bearing a low burden of interest on credit facilities.

**3. Commencement & Duration**

The scheme (WBCCISS) will come into force on and from 1<sup>st</sup> April, 2024 covering all the existing WBCCS loan extended by the Banks as on date along with fresh loans to be extended henceforth. This Interest Subsidy Scheme will remain in force, if not withdrawn / amended by a further notification in the official gazette.

**4. Eligibility criteria of the Arrangement**

- (i) All WBCCS loan accounts sanctioned and disbursed on or after **1<sup>st</sup> April 2024** shall be eligible for interest subsidy under the scheme. However, the benefit of interest subvention in these accounts shall cease from the date the account turns into NPA (Non Performing Asset). Otherwise, the benefit of WBCCISS shall continue from the date of disbursement to the date of final repayment as per the terms of sanction.
- (ii) Existing WBCCS loan accounts not identified as **NPA** as on **1<sup>st</sup> April 2024** shall be eligible for interest subsidy under the scheme. If any such loan account is identified as NPA before **1<sup>st</sup> April 2024**, benefit of interest subsidy shall be extended to those accounts also from the date of the disbursement to the date of identification as NPA.
- (iii) WBCCS loan accounts once identified as **NPA** but subsequently are upgraded to “**Standard**” **category** will also come under the purview of **WBCCISS** from the date of upgradation for the

remaining duration of the repayment period, as per the original sanction terms fixed by the Banks, provided those accounts remain in “Standard” category.

- (iv) As per the scheme of WBBCCS, Interest subvention shall be made available for a maximum financial assistance of **Rs.5.00 lakh** per borrower by the Banks.
- (v) MSMEs already availing of interest subvention benefit as available under any of the Schemes of the State / Central Govt. shall not be eligible under the proposed Scheme.

#### 5. **Rate of Interest in WBBCCS Loan Accounts & Interest Subsidy**

- (i) As the rate of interest being charged on **MSME Loans for an amount up to Rs.5.00 Lakh** varies among the Banks, considering the maximum rate of interest (based on prevailing RLLR + CRP) presently being charged by State Bank of India for MSE loan accounts up to Rs.5.00 Lakh, which is 12.40% p.a., a ceiling on rate of interest is pegged at **12.50% p.a.** Accordingly, the maximum rate of interest subsidy benefit to be extended by the Govt. of West Bengal per borrower under the scheme having their respective loan account under “Standard” category shall be 8.50% p.a. With this benefit, the WBBCCS borrowers shall bear the interest rate burden of 4% p.a.
- (ii) The MSME & T Department, the implementing department of the Govt. of West Bengal for WBBCCS is authorized to revise the interest subvention cap of 8.50% p.a. from time to time based on the upward or downward movement of the interest rate fixed by State Bank of India for extending loans up to Rs.5.00 Lakh to MSE segment.

#### 6. **Mechanism for Claim Submission & Fund Management**

- (i) For smooth operationalization of the WBBCCISS, a Scheduled Commercial Bank having strong IT infrastructure and large branch network in the state shall be nominated by the State Government as **State Nodal Bank** to undertake Agency Function. The **State Nodal Bank** shall maintain an **Escrow Account** for this purpose where **MSME & T Department** shall be placing required fund from time to time on receipt of consolidated requisition of all the financing Banks through the **State Nodal Bank** after due verification at their end.
- (ii) The **State Nodal Bank** shall prepare, launch and maintain a **dedicated Portal for WBBCCISS** where financing Banks shall upload and submit their claims for interest subsidy through a specially devised format which shall be informed in due course by the MSME & T Department.
- (iii) All the financing Banks shall nominate one of their West Bengal based branches as the **Nodal Branch** which shall maintain a special account where the State Nodal Bank shall be remitting eligible amount of interest subsidy in connection to their claims submitted in the **WBBCCISS Portal**.
- (iv) All the stakeholders of WBBCCS, excluding the borrowers, shall have access to the Portal with varying level of functionalities to perform their various actions related to management of WBBCCISS fund.
- (v) To ensure prompt / simultaneous credit of WBBCCISS subsidy in the borrowers’ individual loan accounts on the value dates of interest charging by the financing Banks, the eligible interest subsidy amount shall be placed **UPFRONT by the MSME & T Department** in the Escrow Account maintained by the State Nodal Bank thereby making the subsidy available to the financing Banks in advance.
- (vi) After receipt of the eligible fund from the State Nodal Bank, it shall be incumbent upon the

concerned Bank in receipt of upfront Interest Subsidy amount to ensure smooth flow of interest subsidy amount in the loan accounts on the dates of charging of interest so that the interest burden of 4% p.a. per borrower under WBCCS becomes crystallized on that date.

- (vii) All the financing Banks shall prepare their **Quarterly Estimates** for the required amount of interest subsidy based on "Draw Down" schedule considering their present exposure and future exposure under the scheme concerning the ensuing quarter/s. The said estimated demand of interest subsidy shall have to be uploaded in the portal by the lending Banks.
- (viii) All lending Banks shall be responsible for submission of accurate data and monitoring of the scheme. The Nodal Bank shall not be liable for any inaccurate submission of data by the financing banks.

**7. Audit and Interest Subsidy Claim**

While submitting interest subsidy claims for the subsequent quarters after receipt of the initial tranche of quarterly subsidy upfront, all financing Banks through its identified Nodal Branch shall submit one duly audited Utilization Certificate in a format which shall be informed by the MSME & T Department in due course. The audit verification of the Utilization Certificate shall have to be done by any of the Statutory Auditors of the financing Bank.

**8. Intimation to existing and fresh WBCCS beneficiaries about availability of interest subsidy**

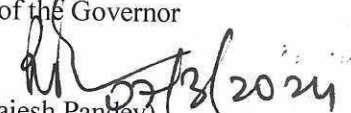
All the existing and fresh borrowers shall be communicated by the financing bank branches about introduction and availability of this benefit to them through a suitably drafted letter to be prepared by the MSME & T Department in consultation with SLBC West Bengal, which on being acknowledged by those borrowers shall become a part of the concerned Loan Documents for each borrowal account under the scheme.

**9. Monitoring**

An Interest Subsidy dashboard would be made available up by the State Nodal Bank in the WBCCISS Portal for the Interest Subsidy Arrangement in consultation with the MSME & T Department by incorporating data received from the individual banks on subsidy claimed, released and adjusted etc. This dashboard will ensure effective monitoring and enable the MSME & T Department, Govt. of West Bengal to measure the outcome of the Arrangement.

This has been issued in concurrence with the Finance Department, vide, its U.O. No. Group C/2023-2024/0082 dated 28/02/2024 and approval of the State Cabinet held on 6/3/2024

By Order of the Governor

  
(Rajesh Pandey)

Principal Secretary to the  
Government of West Bengal