

Interest Free Trade Tax Deferment loan u/s 4-A of U.P. Trade Tax Act 1948

Sl. no.	Particulars	Interest Free Trade Tax Deferment loan u/s 4-A of U.P. Trade Tax Act 1948
1.	G.O. No(s) and date	G.O. no. 3025 dated 28.12.1989 as extended / amended vide G.O. no. 937 dated 24.03.93 and further extended/ amended vide G.O. no. 2946 dated 08.10.1995
2.	Eligibility Criteria	<p>The medium and heavy scale units, which have been set up as a new unit and have started production between 01.10.82 to 31.03.90, and have obtained E.C. for tax exemption from D.I. U.P., may in lieu thereof can opt for Interest Free Trade Tax Deferment loan for a period of 3 years to 7 years depending upon the location of the unit and fixed capital investment made in the unit.</p> <p>Subsequently, it was decided by the Govt. that the medium and heavy scale units, which have been set up as a new unit, or have made expansion, diversification or modernization and have started production between 01.04.90 to 31.03.95, and have obtained E.C. for tax exemption from D.I. U.P., may in lieu thereof can opt for Interest Free Trade Tax Deferment loan upto a maximum limit of 100% to 175% of the fixed capital investment made in the unit for a period of 8 years to 10 years depending upon the location of the unit and fixed capital investment made in the unit.</p> <p>Subsequently it was further decided by the Govt. that the medium and heavy scale units, which have been set up as a new unit, or have made expansion, diversification or modernization and have started production between 01.04.95 to 31.03.2000, and have obtained E.C. for tax exemption from D.I. U.P., may in lieu thereof can opt for Interest Free Trade Tax Deferment loan upto a maximum limit of 150% to 250% of the fixed capital investment made in the unit for a period of 8 years to 12 years depending upon the location of the unit and fixed capital investment made in the unit. It was also decided by the Govt. that in case of fixed capital investment of more than Rs. 50.00 Crores, the period of eligibility shall be 15 years.</p>
3.	Eligibility period	As mentioned above
4.	Tenure of loan	<p>The units, commencing production between 01.10.82 to 31.03.90, shall repay the loan after as many years the unit was eligible for loan.</p> <p>The units, commencing production between 01.04.90 to 31.03.2000, shall repay the loan of every individual year</p>

		after 5 years.
5.	Who decides the Criteria of eligibility	Eligibility certificate is granted by Director of Industries, U.P. and the order of availment of loan U/s 8-2A of U.P. Trade Tax Act, 1948 is issued by the Commissioner, Commercial Tax of U.P.
6.	Security towards loan	As a measure of security, the units shall have to create Ist / 2nd Charge over its Fixed assets in favour of PICUP. In case of insufficient security, the unit shall have to provide additional security in the form of Collateral security or Bank Guarantee of sufficient amount to safeguard the sanctioned loan.
7.	Date of closure of Scheme	w.e.f. .01.04.2000 since no G.O. with regard to extension of scheme has been issued by the Govt.
8.	Loan processing fee admissible to PICUP	No reimbursement of administrative expenses is being received as there is no provision in the G.O.
9.	Total sanction	Rs. 1111.74 Crores
10.	Total repaid	Rs. 887.56 Crores (including loan U/s 38).
11.	Outstanding	Rs. 323.35 Crores (including loan U/s 38).
12.	Amount refunded to Government	Rs. 886.67 Crores (including loan U/s 38)