

Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units

Details (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

The MSMEs which have become defunct due to genuine issues in the value chain and have potential needs to be revived and rehabilitated considering the role of these units play in the state economy, the Government of Kerala launched a new scheme for defunct MSMEs including cashew processing units during 2020-21. Objective: The scheme envisages supporting defunct MSMEs in the manufacturing sector including cashew processing units through assistance in the form of capital grants and working capital incentives.

Objectives (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

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Important Features (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

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Benefits (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

- 1. Entitlement in the scheme shall be limited to ■15 Lakhs per applicant unit and it can avail only once.
- 2. Financial Assistance under the scheme provided for the following components
 - a) Building Renovation
 - 25% of the total revival project cost limited to ■2 lakh: i) Building Renovation includes maintenance and repair of existing factory buildings, construction of fresh roofing in the factory shed, infrastructure for Waste Disposal / Treatment facilities etc. b) Plant & Machinery and Electrification
 - 40% of the total revival project cost limited to ■8 lakh: i) It will be available for the purchase of new machinery, Repair and Maintenance of Existing machines, industrial electrification etc. c) Working Capital (Margin)
 - 50% margin of working Capital loan approved by financial institution subject to i) Assistance is limited to ■2 lakhs for defunct MSMEs. ii) Assistance is limited to ■5 lakhs for Cashew Units. d) Maximum Limit ■12 lakhs for defunct MSMEs per unit. e) Maximum Limit ■15 lakhs for defunct cashew processing per unit. Note 01: Bank Sanction of fresh working capital loan is mandatory for availing Working Capital (Margin) Assistance, but a bank loan is not mandatory for assistance for building renovation, plant and machinery, electrification etc. Note 02: The assistance under the scheme shall be released to the eligible entrepreneur by the bank on a pro
- rata basis.

Eligibility (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

- All MSMEs in the manufacturing sector which are defunct for at least 6 months due to genuine issues including cashew processing enterprises that have the potential to be revived and rehabilitated, are eligible for assistance under the scheme.
- Obligations of the Applicant Entrepreneurs: The applicant shall provide all required details and declare such information as to be true.

- The applicant shall provide clarifications or further details sought by the recommending/ sanctioning authority.
- The applicant shall allow inspection or verification of any details mentioned in the application including plant and machinery and all other assets if so required by recommending/ sanctioning authority.
- The applicant shall produce originals of any important documents if so required by the recommending/ sanctioning authority for verification.
- The applicant shall execute the requisite legal agreement on Stamp paper worth ₹200 as and when the proposal is approved for implementation and furnishes the signed hard copy to General Manager, District Industries Centre.
- The applicant shall utilize the amount received only in the manner agreed upon as per the revival project submitted.
- The applicant shall operate the unit as stipulated in the agreement in which the quantum of support received, failing which the assistance shall be resumed by restoring the provisions of the Kerala Revenue Recovery Act.

Application Process (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

- Step 01: Application can be submitted online through the Official website of the Directorate of Industries & Commerce, Government of Kerala.
- The applicant needs to visit the official website .
- Step 02: The applicant may select the scheme “Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units” from the available Online Services listed on the home page and click on the “Apply Now” option.
- Clicking “Apply Now” redirects to the Login Page, if the user is a “new user”, use the “Registration” option and if already registered use the ‘Login’ option.
- Step 03: A new user can register by filling in his/her details and after successful registration, the user can login.
- Step 04 : After successful login, the applicant needs to select “New Application” and click on ‘Proceed’ Option.
- Step 05: Fill out the application form completely and submit it.

Documents Required (Revival and Rehabilitation Scheme for Defunct MSMEs and Cashew Processing Units)

- 1. Copy of Identity proof of applicant 2. Udyog Aadhar/Udyam Registration 3. Revival Project Report 4. Title deed of land/land tax receipt if applicable 5. Ownership Certificate of the building if applicable 6. Registered Lease deed or rent deed in such cases 7. Invoice/bill/Proof of payment of Plant machinery and electrification 8. Valuation of Approved Civil Engineer/ chartered Engineer for civil construction 9. Sanction order of Bank for Working Capital Loan if any 10. Audited Balance Sheet for the year before being defunct 11. Any other document as demanded by the recommending/sanctioning authority