

Kerala Stressed MSMEs Revival & Rehabilitation Scheme

Details (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

The “Kerala Stressed MSMEs Revival & Rehabilitation Scheme” intends to provide financial and other handholding support to the MSMEs which show signs of stress and to convert their non-productive assets into productive assets. This scheme aims to revive micro, small and medium manufacturing enterprises in Kerala that suffer due to stressed assets. The maximum assistance admissible for each unit, all reliefs and assistances put together, under the scheme will be limited to ■5 Lakh.

Objectives (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- This scheme aims to revive micro, small and medium manufacturing enterprises in Kerala that suffer due to stressed assets.

Important Features (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- The “Kerala Stressed MSMEs Revival & Rehabilitation Scheme” intends to provide financial and other handholding support to the MSMEs which show signs of stress and to convert their non-productive assets into productive assets. This must be supported with ample proof such as electricity disconnection due to closure or the prescribed return of commercial tax for this period has been nil or any other reason as the expert committee may deem fit.

Benefits (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- 1. Entitlement in the scheme shall be limited to an amount of ■5 lakhs per applicant unit to be availed as one
- time assistance only. 2. Assistance/Relief Available from Government: a) Restructuring of existing loan account: If the bank is willing to restructure the existing loan account and extend additional term loan/working capital loan based on the Revival Project recommendations of the Expert Committee, the unit is eligible for the following one
 - time Assistance. These assistances are also eligible for self
 - financed units availing term loan/working capital loan as part of the Revival Package recommended by the Expert Committee. Margin Money Grant: 50% of the margin insisted by the bank/Financial Institution towards additional working capital loan and term loan, will be payable as Grant Assistance limited to ■2 lakhs. Interest Subvention Assistance: To provide financial assistance in the form of interest subvention on a reimbursement basis for the additional term loan and additional working capital loan availed by the units based on the Revival Project Report recommended by the expert committee. The interest subvention is 6% per annum subject to a maximum amount of ■1 lakh. The interest subvention is limited to one (first) year on the loan sanctioned by the financial institution/bank. b) Restart Expenses: The following one
 - time assistance shall be payable as restart expenses based on the Revival Project recommendations of the Expert Committee. In cases where no term loan is availed for the purchase of brand new additional/balancing plant & machinery, 50% of the cost of Additional/Balancing Plant and Machinery limited to ■1.50 lakhs will be payable as one
 - time assistance. 50% of the cost incurred for the inevitable repair and maintenance of the existing Plant and Machinery and Building limited to ■1.00 lakh will be reimbursed. c) Clearance of Statutory Dues: If there are statutory dues existing for the unit related to the agencies like KSEB, GST/Commercial Tax, Excise, Pollution Control Board, etc. 50% of the dues limited to ■40,000 shall be payable as one
 - time assistance based on the Revival Project recommendations of the Expert Committee. d) Cost of Revival Project Report: Cost of preparation of RPR will be reimbursed @100%, ■10,000/
 - per unit. The maximum assistance admissible for each unit, all reliefs and assistances put together, under the scheme will be limited to ■5 Lakhs.

Eligibility (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- 1. A MSME unit/enterprise which satisfies the following conditions is eligible for the scheme: MSME in the manufacturing category and set up in Kerala state. Does not come under the Negative List. Must

have filed EM Part

- II/UAM. Must come under the definition of Sick Unit and Must be Potentially Viable to be revived or restructured based on a definite Revival Project Report. 2. For the purpose of this scheme, an industrial unit eligible for the assistance shall be an independent legal entity. Obligation of the applicant unit: 1. The applicant unit shall provide all required details in time and declare such information as to be true. 2. The applicant unit shall provide clarification if any sought by vyavasaya mithra. 3. The applicant unit shall utilize the amount received as assistance only in the manner agreed upon. 4. The applicant units thus revived shall restart within one month of the date of receipt of financial assistance and shall be under obligation to function continuously for a further period of 5 years. Otherwise, the assistance given shall be recovered under the Kerala Revenue Recovery Act. 5. Units becoming sick on account of willful mismanagement, willful default, unauthorized diversion of funds, dispute among Partners/Promoters, etc. should not be considered for rehabilitation.

Application Process (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- 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 “Kerala Stressed MSMEs Revival & Rehabilitation Scheme” 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 “new user”, uses 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 need to select “New Application” and click on ‘Proceed’ Option.
- Step 05: Fill out the application form completely and submit.

Documents Required (Kerala Stressed MSMEs Revival & Rehabilitation Scheme)

- Copy of EM Part-II/UAM Copy of Revival Project Report A copy of the sanction letter for Additional Loan
- if any Proof of new investment
- if any Copy of Photo Identity Proof of the Promoter/Promoters Self-attested copy of
- partnership deed/Memorandum and Articles of Association/Bylaws in case of units other than proprietary. Self-attested copy of registration certificate from Registrar of Company/Firm/Society of units other than proprietary. Self-attested copy of resolution towards applying for this assistance in case of units other than proprietary. Copy of balance sheet of last 2 years. Details in support of benefits applied for. Any other document as demanded by the recommending/sanctioning authority.

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