

# **New Entrepreneur-cum-enterprise Development Scheme**

## **Details (New Entrepreneur-cum-enterprise Development Scheme)**

The scheme "New Entrepreneur-Cum-Enterprise Development Scheme (NEEDS)" was launched by the Department of Micro, Small and Medium Enterprises, Government of Tamil Nadu. The scheme was devised and formulated as a special scheme to assist educated youth to become first-generation entrepreneurs. Under this scheme, educated youth will be given entrepreneur training, assisted to prepare their business plans, and helped to tie up with financial institutions to set up new business ventures, besides linking them with major industrial clients. The scheme aims to provide training to young first-generation entrepreneurs in conceiving, planning, initiating, and launching manufacturing or service enterprises successfully. Objectives of the Scheme: Educated youth will be given entrepreneurship training to groom them as first-generation entrepreneurs on the essentials of conceiving, planning, initiating, and launching a manufacturing or service enterprise successfully. Activities covered: All economically viable manufacturing and service activities are eligible under this scheme subject to appraisal for their viability as per the guidelines of Tamil Nadu Industrial Investment Corporation Limited (TIIC) / Bank.

## **Objectives (New Entrepreneur-cum-enterprise Development Scheme)**

- The scheme aims to provide training to young first
- generation entrepreneurs in conceiving, planning, initiating, and launching manufacturing or service enterprises successfully. Objectives of the Scheme: Educated youth will be given entrepreneurship training to groom them as first
- generation entrepreneurs on the essentials of conceiving, planning, initiating, and launching a manufacturing or service enterprise successfully.

## **Important Features (New Entrepreneur-cum-enterprise Development Scheme)**

- The trainees will be exposed to Behavioural Components, Business Opportunity Guidance and Preparing bankable Business Plans, Information on Entrepreneurship support Institutions, Business Laws and Regulations related to Micro and Small Enterprises, Management issues, and Technical Training in the specific technology sector.
- An innovative methodology by combining Behavioural & Management Games, Lecture cum discussion supported by audiovisuals, Interaction with successful entrepreneurs, Intensive Technical Training, and Exposure visits will be adopted.

## **Benefits (New Entrepreneur-cum-enterprise Development Scheme)**

- Under the scheme, subsidy assistance will be provided by the State Government up to 25% of the project cost (Subject to a maximum limit of ₹75 Lakhs). Interest subvention provided at the rate of 3%, throughout the period of repayment. Priority in allotment in Small Industries Development Corporation (SIDCO) industrial estates. An additional capital subsidy is provided for 10% over the capital subsidy of the eligible project cost to the enterprises promoted by SC/ST or differently
- abled candidates.

## **Eligibility (New Entrepreneur-cum-enterprise Development Scheme)**

- The applicant should be a resident of Tamil Nadu State for not less than 3 years. The applicant should be a first
- generation entrepreneur. The age of the applicant should be between 21 to 35 years in general and for special (Women/BC/MBC/SC/ST/Ex
- servicemen/Transgender/Differently abled), age relaxation is up to 45 years. The applicant should possess a minimum 12th std./diploma/ Industrial Training Institutes (ITI) or vocational training from a recognized Institution, aspiring to become entrepreneurs would be eligible for assistance under the scheme. There will be no income ceiling for assistance in setting up projects under this scheme. Assistance under the Scheme is available only for new projects sanctioned specifically under the NEEDS. Entrepreneurs who have already availed assistance under Prime Minister's Rozgar Yojana (PMRY), Rural Employment Generation Programme (REGP), Prime Minister's Employment Generation

Programme (PMEGP), Unemployed Youth Employment Generation Programme (UYEGP), Tamil Nadu Adi Dravidar Housing and Development Corporation Limited (TAHDCO) or any other scheme of Government of India or State Government will not be eligible for assistance under the NEEDS. Any applicant/entrepreneur who has availed loan for economic activity under Self Help Group/other group activity will also be not eligible. The applicant should not be a defaulter to any Commercial Bank / Tamil Nadu Industrial Investment Corporation Limited (TIIC). Entrepreneurs availing assistance under this scheme will not be eligible to avail of capital subsidy under any other State Government schemes. Project cost should be above ₹10 lakh, and below ₹5 crore. The applicant's contribution should be 10% of the project cost for the General category

- and 5% for the Special category. Entrepreneurship Development Programme (EDP) training is mandatory. Note 01: Subject to satisfying the eligibility criteria by all the partners, partnership concerns may be considered for assistance under the scheme. However, EDP training will be provided to only one of the partners authorized by other partners in such cases. Note 02: The value of the land may be considered as the promoter's contribution, either in part or in full, as per guideline value or market value, prevailing as on the date of filing of the loan application, whichever is lower, subject to the condition that the title of the land is in the name of the entrepreneur/enterprise proposed to be established.

## **Application Process (New Entrepreneur-cum-enterprise Development Scheme)**

- Application Processes: Step 01: The applicant willing to avail loan under the NEEDS scheme should fill up the online application through the Official Website of the Micro, Small and Medium Enterprises Department, Government of Tamil Nadu.
- Step 02: On the home page, click on "Apply Online" and then "New Application".
- Step 03: Click on 'Register' and fill in the details like Name, Date of Birth, Email ID, Aadhaar Number & Mobile Number.
- Step 04: After successful registration, click on 'login' and fill in all the mandatory details.
- Step 05: Upload all the necessary documents and submit the application form.
- Post-Application Process: Step 01: The received applications will be scrutinized and shall be placed before the Task Force Committee.
- Step 02: The Selection will be based on qualification, skill, aptitude, viability of the proposed project, marketability, interview/screening of the applicant, etc.
- Step 03: The selected applications will be sent to the bank / Tamil Nadu Industrial Investment Corporation Limited (TIIC) branches by the General Managers, District Industries Centres in proportion to the target fixed by the Industries Commissioner and Director of Industries and Commerce.
- Step 04: The bank / Tamil Nadu Industrial Investment Corporation Limited (TIIC) branches shall assess the potentiality and will issue provisional sanctions to eligible beneficiaries.
- The provisional sanctions shall be intimated to the concerned District Industries Centres.
- Step 05: The District Industries Centres shall arrange for compulsory Entrepreneurship Development Programme training by the Entrepreneurship Development Institute.
- On completion of training, Entrepreneurship Development Institute will issue training certificates.
- Step 06: After successful completion of Entrepreneurship Development Programme training (EDP), those beneficiaries who ever apply, shall be allotted Developed Plot / Work Sheds at Small Industries Development Corporation Limited (SIDCO) managed Industrial Estates, at the cost fixed by Small Industries Development Corporation Limited (SIDCO), subject to the availability of the same on priority basis by Small Industries Development Corporation Limited (SIDCO).
- Step 07: Subsequently, the beneficiary will deposit the Promoter's Contribution with the bank / Tamil Nadu Industrial Investment Corporation Limited (TIIC).
- Thereafter, the bank / Tamil Nadu Industrial Investment Corporation Limited (TIIC) will disburse the 1st installment of the bank finance to the beneficiary.
- ■ Procedure for Online Filling of Application Dos and Don'ts ■

## **Documents Required (New Entrepreneur-cum-enterprise Development Scheme)**

- Identity proof i.e. copy of Election ID Card/ Aadhaar card Copy of PAN Card Passport size photo Educational Qualification proof Proof of age Caste/Community Certificate Residence proof Valid certificate for the proof of Ex-Serviceman /Differently abled /Transgender Bank account details Any other document
- if required