

# **Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries**

## **Details (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

"Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries" is a scheme by the Industries and Commerce Department, Union Territory of Puducherry. Through this scheme, the cost of implementing suggestions given by the experts in the field of technology, marketing and finance engaged to advise sick units is reimbursed.

## **Objectives (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

- "Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries" is a scheme by the Industries and Commerce Department, Union Territory of Puducherry.
- Through this scheme, the cost of implementing suggestions given by the experts in the field of technology, marketing and finance engaged to advise sick units is reimbursed.
- Also, a 50% subsidy is provided towards the cost of diagnostic study by technical institutions initiated through Financial Institutions/Banks/etc.
- The applications are accepted offline in the prescribed form available on the Official Website of the Department.

## **Important Features (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

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## **Benefits (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

- Subsidy @ 50% on the cost of diagnostic study by technical institutions initiated through Financial Institutions/Banks/Government with a maximum of ₹50,000/
  - . 50% of fees (maximum ₹50,000/ per unit) will be reimbursed on implementing suggestions given by the experts in the field of technology, marketing and finance engaged to advise sick units. Interest subsidy @ 5% per annum limited to ₹3,00,000/
  - per year for 3 years on additional finance disbursed by Banks/Financial Institutions for Rehabilitation.
- \*The interest subsidy will be paid through the financial institution. \*The financial institution shall mean and include PIPDIC or any other Government Corporation, Scheduled Banks including Co-operative Banks.

## **Eligibility (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

- 1. The applicant should be MSME unit those who have obtained UAM/EM(Part II)/Permanent Registration. 2. The applicant should be a "Sick" Industrial Enterprise. "Sickness" is defined as follows at present and shall be revised as per RBI guidelines from time to time: Continuous

decline in gross output compared to the previous two financial years. Delay in repayment of loan, taken from institutional sources, for more than 12 months. Erosion in net worth due to the accumulated losses to the extent of 50% of the net worth during the previous accounting year. 3. Other firms taking over a sick unit for rehabilitation will also be eligible.

## **Application Process (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

- Step 1: The sick enterprise should take print from the prescribed form from the Directorate of Industries and Commerce, Puducherry.
- Step 2: In the application form, fill in all the mandatory fields, and attach copies of all the mandatory documents.
- Step 3: The enterprise should submit the duly filled and signed application form and the documents to the Director of Industries either in person or by post.
- Step 4: Request a receipt or acknowledgement from the concerned authority at the Directorate.
- \*The State Level Committee will go into the merits of each case to decide whether the unit qualifies for the grant of financial assistance.

## **Documents Required (Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries)**

- Entrepreneurs Memorandum Part-2 (UAM/ PMT) Registration/ Commencement of Production Certificate. Certificate issued by the Financial Institution/Bank. Any other document
- as required by the Committee.

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