

Kerala Stressed MSMEs Revival & Rehabilitation Scheme Are you sure you want to sign out?CancelSign

OutEngEnglish/âââââSign InBackDetailsBenefitsEligibilityExclusionsApplication ProcessDocuments RequiredFrequently Asked QuestionsSources And ReferencesFeedbackSomething went wrong. Please try again later.OkYou need to sign in before applying for schemesCancelSign InSomething went wrong. Please try again later.OkIt seems you have already initiated your application earlier.To know more please visit CancelApply NowCheck EligibilityKeralaKerala Stressed MSMEs Revival & Rehabilitation Scheme Closed UnitMSMERehabilitationRevivalSick UnitStressedDetailsThe âKerala Stressed MSMEs Revival & Rehabilitation Schemeâ 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 â15 Lakh.Stressed MSME: As per the Notification of the Reserve Bank of India, an MSME can be treated as stressed if:-a) Principal or interest payment not overdue for more than 30 days but account showing signs of incipient stress.b) Principal or interest payment overdue between 31 - 60 days.c) Principal or Interest payment overdue between 61 -91 daysNote: The above condition may vary in accordance with the guidelines issued by the Reserve Bank of India from time to time.Sick Unit: An MSME should be considered sick if-a) Any of the borrower accounts of the unit remains substandard for more than six months i.e. principal or interest in respect of any of its borrower accounts has remained overdue for a period exceeding one year or more. The requirement of an overdue period of one year or more will remain unchanged even if the period for classification of an account as sub-standard, is reduced in due course; Orb) There is erosion in the net worth of the unit, which is to the extent of 50% of its net worth due to accumulated cash losses during the previous accounting year; Andc) The unit has been in commercial production for at least two years for closed units and one year for working units.Closed Unit:An MSME is referred to as a closed unit, if the unit has been in commercial production for at least two years before its closure, and it has remained closed continuously for a period of 6 months. 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.Potentially Viable sick unit:A sick unit can be considered as âPotentially Viableâ if it is in a position, after implementing a relief package spread over a period not exceeding five years from the date of commencement of the package from banks, financial institutions, Government (Central/State) and other agencies concerned, as may be necessary, to continue to service its repayment obligations as agreed upon including those forming part of the package without the help of concessions after the aforesaid period.Negative List: List of units which are ineligible for any financial assistance/loan/exemption/subsidy from the state Government.1. Photo Studios and Colour Processing Centres2. Breweries and Distilleries of all types3. Sawmills4. Soap Grade Sodium Silicate5. Asbestos processing except for units in respect of which the quantum of asbestos used in the production process is less than 25% and environmental and occupational health hazards have been taken care of to the satisfaction of authorities concerned.6. Metal Crushers including Granite Manufacturing units.7. All types of Steel Re-rolling mills and units manufacturing iron ingots.8. Calcium Carbide9. Cement manufacturing except units manufacturing cement from fly ash10. Potassium Chlorate11. Cashew industrial units12. Power-intensive units based on electrothermal/electrochemical Processor units where total power requirement exceeds 5000 KVA of contract load or where the cost of power is more than 33% of the cost of production of the items manufactured except where the units generate their power requirement in excess of 5000 KVA of contract load by own captive power.Note: The Negative list may be amended from time to time.Benefits1. Entitlement in the scheme shall be limited to an amount of â15 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 â12 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 â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 â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 â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 â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%, â10,000/- per unit.The maximum assistance admissible for each unit, all reliefs and assistances put together, under the scheme will be limited to â15 Lakhs.Eligibility1. 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 andMust 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.ExclusionsThe industries included in the Negative list and notified as such from time to time, government-controlled industries, public sector undertakings, units started by government-controlled agencies, units financed by KVIC/KVIB etc. shall not be eligible for any assistance under the scheme.Application ProcessOnlineStep 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 âKerala Stressed MSMEs Revival & Rehabilitation Schemeâ from the available Online Services listed on the home page and click on the âApply Nowâ option. Clicking âApply Nowâ redirects to the Login Page, if the user is ânew userâ, uses the âRegistrationâ option and if already registered use the âLoginâ 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 âNew Applicationâ and click on âProceedâ Option.Step 05: Fill out the application form completely and submit.Documents RequiredCopy of EM Part-II/UAMCopy of Revival Project ReportA copy of the sanction letter for Additional Loan,

if anyProof of new investment, if anyCopy of Photo Identity Proof of the Promoter/PromotersSelf-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.Frequently Asked QuestionsWhat is the aim of the scheme? The aim of the scheme is to revive micro, small and medium manufacturing enterprises in Kerala that suffer due to stressed assets.What are the objectives of the scheme?The objective of the scheme is 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. Which is the implementing department of this scheme?Director of Industries & Commerce, Government of KeralaWhich types of MSME Units are eligible to get the benefits of the scheme?An MSME unit/enterprise which satisfies the following conditions is eligible for the scheme: (a) MSME in the manufacturing category and set up in Kerala state. (b) Does not come under the Negative List. (c) Must have filed EM Part-II/UAM. (d) Must come under the definition of Sick Unit and (e) Must be Potentially Viable to be revived or restructured based on a definite Revival Project Report.Is it necessary to be an independent legal entity for an MSME unit?Yes, for the purpose of this scheme, an industrial unit eligible for the assistance shall be an independent legal entityWhat is the benefit of the scheme?Under the scheme, the financial assistance of ₹15 lakhs will be given to an applicant unit.How many times can an applicant unit avail the financial assistance under the scheme?The applicant unit can availed of one-time assistance only.What are activities & services included in the Negative List?Photo Studios and Colour Processing Centres, Breweries and Distilleries of all types, Sawmills, Soap Grade Sodium Silicate, Asbestos processing except for units in respect of which the quantum of asbestos used in the production process is less than 25% and environmental and occupational health hazards have been taken care of to the satisfaction of authorities concerned, Metal Crushers including Granite Manufacturing units, All types of Steel Re-rolling mills and units manufacturing iron ingots, Calcium Carbide, Cement manufacturing except units manufacturing cement from fly ash, Potassium Chlorate, Cashew industrial units, Power-intensive units based on electro thermal/electrochemical Processor units where total power requirement exceeds 5000 KVA of contract load or where the cost of power is more than 33% of the cost of production of the items manufactured except where the units generate their power requirement in excess of 5000 KVA of contract load by own captive power.Which type of manufacturing units cannot apply under the scheme?The industries included in Negative list and notified as such from time to time, Government controlled industries, public sector undertakings, units started by Government controlled agencies, units financed by KVIC/KVIB etc. shall not eligible for any assistance under the scheme.How can an applicant unit apply under the scheme?Application can be submitted online through the Official website of the Directorate of Industries & Commerce, Government of Kerala. <https://schemes.industry.kerala.gov.in/public/index.php/schemes>Sources And ReferencesOfficial WebsiteGuidelinesApplication PortalOkWas this helpful?News and UpdatesNo new news and updates availableShareSomething went wrong. Please try again later.OkYou need to sign in before applying for schemesCancelSign InSomething went wrong. Please try again later.OkIt seems you have already initiated your application earlier.To know more please visit CancelApply NowCheck EligibilityKeralaKerala Stressed MSMEs Revival & Rehabilitation Scheme Closed UnitMSMERehabilitationRevivalSick UnitStressedDetailsBenefitsEligibilityExclusionsApplication ProcessDocuments RequiredFrequently Asked QuestionsThe “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. 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