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புதுச்சேரி மாநில அரசிதழ்

La Gazette de L'État de Poudouchéry

The Gazette of Puducherry

PART - II

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GOVERNMENT OF PUDUCHERRY
DIRECTORATE OF INDUSTRIES AND COMMERCE
(SECRETARIAT WING)

(G.O. Ms. No. 3/Ind. & Com./A6/2017, Puducherry, dated 8th May 2017)

NOTIFICATION

Whereas, after the introduction of Industrial Policy 2013, the anticipated growth in industrial sector was not achieved due to various factors like global economic recession, the difference in taxations. The need arose to review the Industrial Policy 2013 taking into account the renewed emphasis laid by the Government of India on the manufacturing

sector in the economy, the announcement of the Hon'ble Chief Minister, Puducherry in the Assembly on the need of new policy and to secure additional employment opportunities to the youth.

Whereas, after due considerations the New Industrial Policy, 2016 was formulated and the Gazette notification was issued *vide* G.O. Ms. No. 7/2016/Ind.A, dated 4th October 2016 which provided various incentives/subsidies and accordingly, the following scheme is formulated to implement the incentive/subsidy components conforming to the New Industrial Policy 2016. The Government Order implementing the following schemes supercedes the existing G.O. Ms. No. 2/2012- Ind.-A, dated 7-5-2012, various incentives/subsidies provided to the industrial units under the scheme "Motivation of Entrepreneurs to start Industries and Fiscal Assistance to Industries-Financial Assistance for Rehabilitation of sick industries".

1. *Short title, extent and commencement.*— (i) This Scheme shall be called as "Motivation of Entrepreneurs and Financial Assistance for Rehabilitation of Sick Industries".

(ii) This scheme shall be in operation in the whole of the Union territory of Puducherry.

(iii) It shall come into force with effect from 1-4-2017.

2. *Definitions.*— The sickness is defined as follows at present and shall be revised as per RBI guidelines from time to time.

(i) Continuous decline in gross output compared to the previous two financial years.

(ii) Delay in repayment of loan, taken from institutional sources, for more than 12 months.

(iii) Erosion in net worth due to the accumulated losses to the extent of 50% of the net worth during the previous accounting year.

(iv) Gross output means, total value of sales of the product manufactured by the unit.

(v) Net worth means, total asset value minus total liabilities.

3. *Assistance to sick enterprises.*— (i) Subsidy @ 50% on the cost of diagnostic study by technical institutions initiated through Financial Institutions/Banks/Government with a maximum of ₹ 50,000.

(ii) Experts in the field of technology, marketing and finance may be engaged to advise sick unit. 50% of fees (maximum ₹ 50,000 per unit) will be reimbursed on implementing suggestion given by such expert.

(iii) Interest subsidy @ 5% per annum limited to ₹ 3 lakhs per year for 3 years on additional finance disbursed by Banks/Financial Institutions for Rehabilitation.

4. *Procedure.*— 4.1 The assistance will be eligible for MSME units those who have obtained UAM/EM(Part-II)/Permanent Registration.

4.2 Sick industrial enterprise satisfying the criteria of sick enterprise will apply to Director of Industries for rehabilitation in the prescribed form for taking and decision by the Committee.

4.3 The constitution of the Committee for Rehabilitation of sick enterprises shall be as under:

- (1) The Secretary to Government (Industries and Commerce) . . . Chairman
- (2) The Lead District Manager . . . Member
- (3) The Managing Director, PIPDIC . . . Member
- (4) The Deputy Secretary/Under Secretary (Finance) . . . Member
- (5) The Director of Industries and Commerce Puducherry. . . Member-Secretary

4.4 The Chairman may co-opt. the Branch Manager of the Financing Banks and President/Secretary of Industrial Association or any other persons relevant to the industry.

5. *Conditions.*— 5.1 Other firms taking over a sick unit for rehabilitation will also be eligible for assistance as above.

5.2 The financial institution shall mean and include PIPDIC or any other Government Corporation, Scheduled Banks including Co-operative Banks.

5.3 The interest subsidy claim should be accompanied by a Certificate issued by the Financial Institution/Bank. The interest subsidy will be paid through the financial institution.

5.4 The decisions of the Committee shall be final in deciding the assistance for rehabilitation for sick enterprises.

(By order)

G. MALAR KANNAN,
Additional Secretary to Government
(Industries and Commerce).