



## Telangana Industrial Health Clinic

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### Why in News

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The **Telangana Industrial Health Clinic Ltd. (TIHCL)**, an initiative of the State government **to handhold Micro and Small Manufacturing Enterprises (MSMEs) from slipping into sickness**, is ready to extend its services at pan India level.

### Telangana Industrial Health Clinic Limited

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- It was established in 2018 as a **fintech Non-Banking Finance Company (NBFC)**. It is a diagnostic and curative industry initiative for MSMEs.
- It is **promoted by** the State Government of Telangana and **supported by** Telangana Industrial Development Corporation (TSIDC).
- **Objectives:**
  - To **ensure** healthy MSMEs through responsive counselling and responsible consulting and other mentoring services
  - To **engage** MSMEs in strong and consistent financial performance through better compliance standards
  - To **support & enrich** a sustainable working environment that attracts, retains and develops committed team sharing common values
  - To play the role of **advocacy** in assuring prompt payment by the vendees of MSMEs
  - To **propel** potential MSMEs to equity platforms like the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).
- **Corpus:** It has a corpus of **Rs.100 Crores**, with an initial contribution of Rs.10 Cr. from State Government of Telangana, Rs.50 Cr. from Government of India, and the rest through equity holding from MSMEs, Banks and Financial Institutions, etc.

The TIHCL has been managing with just one-tenth (contribution made by the State government) of the originally envisaged ₹100 crore corpus fund, making it eligible for Central government funding in order to fulfill the industry demand.

- **Investment:** In terms of its investment, it is up to **₹25 lakh per unit**. Its portfolio of products comprises of **bridge loan, stressed assets finance, credit financing and margin amount funding**.

For women entrepreneurs, it offers these services at a concessional rate of interest under **NARI scheme**. It also provides **composite loans** with flexible repayments and withdrawals to new micro and small enterprises established by women.



The infographic features a central illustration of a stethoscope. The chest piece is positioned over a circular area containing an industrial scene with various factory buildings and chimneys. Below the chest piece, the text 'A success story' is written in a bold, sans-serif font. To the left of the stethoscope's handle, there is a red circular callout containing the text 'Cares for micro, small enterprises'. To the right of the stethoscope, there are several bullet points and a quote, all separated by horizontal lines.

- In a rather short span, the TSIHCL has helped 40 industrial units emerge stronger and is in the process of doing the same to 13 more.
- Seeks to address incipient sickness in MSMEs
- Offers a bouquet of products from bridge loan to margin amount funding
- Evolves a rating system for the enterprises
- Has a scheme for micro enterprises in clusters
- Additional benefits for units of women entrepreneurs
- Focus on revival, restructuring and rehabilitation of units

**“The Central funding is expected to be between ₹10 crore and ₹25 crore**

**B. YERRAM RAJU, ADVISER, TIHCL**

Source: TH