



Date last updated: 20.10.2020

COIR UDYAMI YOJANA (CUY)

Eligibility	<ul style="list-style-type: none"> ➤ Any individual above 18 years of age with Indian Citizenship. ➤ Only one person from one family is eligible for obtaining financial assistance for setting up of projects under CUY Scheme. ➤ The 'family' includes self and spouse. ➤ There will be no income ceiling for assistance for setting up of project under CUY Scheme. ➤ Assistance under the Scheme is only available for projects for the production of coir fiber /yarn/products etc. coming under coir sector. 						
Other Eligibility	<ul style="list-style-type: none"> ➤ The project cost will include capital expenditure ie. Building and Machinery. ➤ If the beneficiary is already having the work shed the component of required machinery will alone constitute the project cost as per the scheme. ➤ The applicants will have the option to include one cycle of working capital also in the project proposal. The loan for working capital shall be sanctioned and released only after setting up of the unit. In no case the working capital included in the project shall exceed more than 25% of the project cost. 						
Validity	XII Five Plan Period						
Project cost	The Maximum admissible cost of the project is Rs.10 Lakhs plus Working Capital, which shall not exceed 25% of the project cost						
Promoter's investment	5%						
Nature of loan	Composite Loan						
Quantum of loan	Level of funding under CUY						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Beneficiary's contribution (of Project Cost)</th> <th style="width: 20%;">Bank credit</th> <th style="width: 40%;">Rate of Subsidy (of project cost)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5%</td> <td style="text-align: center;">55%</td> <td style="text-align: center;">40%</td> </tr> </tbody> </table>	Beneficiary's contribution (of Project Cost)	Bank credit	Rate of Subsidy (of project cost)	5%	55%	40%
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5%	55%	40%					
<p>Note: Maximum admissible cost of the project is Rs.10 lakhs plus working capital, which shall not exceed 25% of the project cost. The branches shall consider composite loan instead of term loan to cater to the working capital requirements also. This should be exclusive of Rs.10 lakhs limit proposed. However, subsidy will be computed excluding working capital component.</p>							

Rate of interest	As per prevailing guidelines.
Repayment	Repayment may not exceed maximum of 7 years after the initial moratorium permitted.
Upfront fee on Term Loan	Normal charges (No upfront fee on Govt. grant/subsidy portion of the loan)
Security	<ol style="list-style-type: none"> a. Assets created out of loan and Govt. grant to be held as prime security by way of hypothecation of machinery, equipments (including those used in erection of work shed), tools, accessories, stocks, book debts etc. b. No collateral security including third party guarantee to be insisted. c. The beneficiary shall not mortgage/hypothecate the assets acquired through the grant/loan, except to the Bank from whom the credit facility is availed for establishing the unit. d. The assets which are obtained pursuant to the grant of approval under the scheme cannot be transferred, mortgaged or sold partially or wholly under any circumstances.
CGTMSE cover	The loans granted under the scheme are to be covered under CGTMSE.
Implementing Agency	<ul style="list-style-type: none"> ➤ At National Level the scheme will be implemented through Coir Board a statutory organization under the Ministry of MSME as the Nodal Agency. ➤ At State level the scheme will be implemented through Board's Regional Offices, Sub Regional Offices, Coir Mark Scheme Office and District Industries Centres, Coir Project Offices, Banks and such other offices from time to time.

Conditions apply. The information provided above is only illustrative and not exhaustive.

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