

CLUSTER SPECIFIC SCHEME

CANARA MSME TEXTILES

AREA OF OPERATION – AHMEDABAD, MUMBAI, KARNAL, CHANDIGARH, JAIPUR, CHENNAI, MADURAI, BHOPAL & LUCKNOW CIRCLES

Date last updated: 19.02.2022

CANARA MSME TEXTILE	
Purpose	To provide credit for Working Capital / Term Loan requirement (Fund Based and Non-Fund Based) of MSME (as defined under MSMED Act 2006 with further revision in definition of MSME effective from 01.07.2020, as per Gazette Notification dated 26.06.2020 communicated subsequently) to borrowers engaged in manufacturing in Textile Sector.
Target Group	<p>Units under Manufacturing Sector: Units engaged in:</p> <ul style="list-style-type: none"> ➤ Manufacturing of Yarn (Cotton, Synthetic Silk, Processing of Yarn i.e., Warping, Twisting, Texturizing etc., manufacturing of Thread, Net, Tapes). ➤ Manufacturing of Man Made Fabrics (Grey Cloth, Shawls, Blanket, Carpet, Suiting & Shirting, Carpet, Curtains, Knitted Fabrics, Synthetic Silk, Cotton etc.). ➤ Manufacturing of Jari used in fabric (Metalizing, Cutting etc.). ➤ Processing of Fabric (Dyeing, Printing, Finishing, Embroidery, other value additions on fabric etc). ➤ Manufacturing of Sarees, Dress materials, Garments, Apparels etc. ➤ Installation with maintenance of Solar project for captive consumption by units otherwise eligible and considered under the scheme for financing the manufacturing activity of the unit.
Eligibility	<ul style="list-style-type: none"> ➤ Individuals/ Proprietary Concern/Partnership Firms (other than Partnership Firms where HUF is a Partner) /Company (excluding NBFC). ➤ The Scheme shall be applicable for accounts risk rated up to Moderate Risk.

	<ul style="list-style-type: none"> ➤ Second Hand Machineries are not eligible to be financed under the scheme. ➤ Service Sector shall not be considered for financing under the scheme.
Applicability	<p>Scheme shall be implemented in the following Circles:</p> <ul style="list-style-type: none"> ➤ Ahmedabad Circle ➤ Mumbai Circle ➤ Karnal Circle ➤ Chandigarh Circle ➤ Jaipur Circle ➤ Chennai Circle ➤ Madurai Circle ➤ Bhopal Circle ➤ Lucknow Circle
Loan Amount	<p>Minimum: above Rs.10 lakhs Maximum: Rs.50.00 Crores Maximum exposure under the subject scheme, by way of fund based and/or non fund based facilities shall not exceed Rs.50 Crores per borrower entity.</p>
Margin	<p>Working Capital :25% Term Loan :25%</p>
Nature of Facility	<p>A. Working Capital B. Term Loan (Both Fund-Based and Non-Fund Based facilities)</p>
Rate of interest	<p>Rate of interest is linked to the value of security/approved collaterals and Internal Risk Rating/Grade as applicable which varies from time to time.</p>
Upfront fee/Processing Charges/ Commission on NFB limits	<ul style="list-style-type: none"> ➤ 50% of the applicable upfront fee/ processing charges. ➤ 50% of the applicable commission on NFB limits.
Security	<p>Primary Security – Assets created out of loan proceeds. Security by way of mortgage of Land and Building and/or Approved securities to the extent of at least 75% of the total limit.</p>
Validity	<p>Up to 29.12.2022</p>

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