

**WEAVER'S MUDRA**

<b>Objective</b>	The scheme aims to provide adequate and timely assistance from the banks to Handloom sector to meet their credit requirements for term loan & working capital in a flexible and cost-effective manner across the country.
<b>Eligibility</b>	<ol style="list-style-type: none"> <li>1. Individual Handloom Weavers / Weaver Entrepreneurs</li> <li>2. Self Help Groups</li> <li>3. Joint Liability Groups</li> <li>4. Handloom organization, including Primary Handloom Weavers' Cooperative Societies, Apex Handloom Weavers Co-operative Societies, State Handloom Corporations</li> <li>5. Special Purpose Vehicle (SPV)/ consortia promoted by handloom weavers in Mega Cluster/Handloom Parks etc.</li> <li>6. Handloom Producer Companies</li> </ol> <p><b>Other criteria:</b></p> <ol style="list-style-type: none"> <li>a. The applicant should not be defaulter of any bank.</li> <li>b. Prospective borrower should be handloom weaver at the time of taking loan. The borrower is a weaver, can be ascertained from any one of the following:                     <ul style="list-style-type: none"> <li>➤ Weaver' Identity card issued by the Office of DC (Handlooms)</li> <li>➤ Yarn passbook</li> <li>➤ Identity card issued by the State Government.</li> <li>➤ Handloom Organizations – Registration Certificate, Balance Sheet, Profit &amp; Loss Account, name of the weavers registered with Organization etc.</li> </ul> </li> </ol>
<b>Nature of facility</b>	<ul style="list-style-type: none"> <li>• Working Capital</li> <li>• Term loan</li> </ul>
<b>Loan Quantum</b>	<p><b>For Individual Handloom Weaver/ Handloom entrepreneur/SHG/JLG:</b>                      Max. exposure up to Rs. 2,00,000/- per borrower entity under the scheme.</p> <p><b>For Handloom Organization/ Handloom producer companies/ SPV or consortia promoted by Handloom weavers in mega cluster/ Handloom parks, etc.</b>                      Max. exposure up to Rs. 10,00,000/- per borrower entity under the scheme</p>
<b>Interest</b>	Rate of interest as per prevailing guidelines of the Bank linked to RLLR of the Bank, subject to changes from time to time.
<b>Interest Subvention</b>	Subsidized loans at concessional interest rate of 6% for a period of 3 years, from the date of first disbursement, will be available to eligible handloom organizations only. However, this is subject to interest subvention cap only upto 7% by the GoI.
<b>Margin</b>	<p>Minimum 20% for WC/TL facilities.</p> <p><b>Note:</b> - Margin to be brought in by the Borrower upfront and it will be reimbursed once it is received from the Government. Amount of margin money which is over and above the assistance provided by the Government will be borne by the Borrower</p>
<b>Margin Money Assistance</b>	<ol style="list-style-type: none"> <li>1. <b>Individual Handloom Weaver/Weaver Entrepreneur:</b> Margin Money assistance @20% of loan amount, subject to maximum of Rs. 25,000/-.</li> <li>2. <b>Handloom organization:</b> Margin money assistance @20% of loan amount (subject to maximum of Rs. 2,00,000).</li> </ol>
<b>Security</b>	<p><b>Primary Security:</b> Assets created out of Bank Finance.</p> <p><b>Collateral Security:</b>                      For loans up to Rs. 10 lakhs:                      No collateral security to be obtained. However, loans shall invariably be covered under CGFMU/CGTMSE, as applicable.                      Guarantee fee will be borne by Government for 3 years.</p>

<b>Repayment</b>	<b>Working Capital:</b> Working Capital Loan valid for 1 year subject to annual renewal. <b>Term Loan:</b> Maximum repayment period 36 months inclusive of initial repayment holiday of 3 months maximum, depending upon requirement of individual project. Interest to be serviced during the moratorium period as and when due. Maximum financial assistance from Government will be available for 3 years only.
<b>Guarantee Coverage</b>	The loans extended to eligible Handloom organizations will be guaranteed by the Guarantee coverage from CGTMSE/CGFMU as applicable, in eligible cases. Entire credit guarantees fees would be borne by GOI for a maximum period of 3 years. Credit guarantee, which will be effective from the date of disbursement of loan, would be covered on loan amount upto Rs. 10.00 lakhs for a period of 3 years.

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

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