

SWAROZGAR CREDIT CARD

1. **Coverage** Small artisans, handloom weavers, service sector, fishermen, self-employed persons, rickshaw owners, other micro-entrepreneurs etc. in rural/semi-urban/urban/metro areas are covered under Swarozgar Credit Card (SCC).
2. **Area of operation** The scheme will be operated through all branches except Metropolitan branches.
3. **Purpose of loan** SCC Scheme aims at providing working capital loan/term loan or both to small artisans, handloom weavers, service sector, fishermen, self-employed persons, rickshaw owners, other micro-entrepreneurs etc. The facility may also include a reasonable component for consumption needs.

4. **Eligibility**

Age	Education Qualification	Family Income	Others
No separate criteria have been communicated by NABARD. Hence, normal prudence to be applied as in the case of other loan			

5. **Assessment of Credit Limit**
 - The term loan will be provided for meeting the investment requirements and it will be repaid within five years in suitable installments.
 - The revolving cash credit will be fixed taking into account the operating cycle/nature of the investment and shall be fixed based on available balance after sanction of term loan.
6. **Loan amount (mention type of facility)** Normally Rs 25,000/- per borrower as composite loan will be provided. Entrepreneurs borrowing more than Rs 25,000/- can also be covered under SCC Scheme in deserving cases. The initial investment in fixed assets and/or working capital requirements/recurring expenditure of the borrower are to taken as the base for fixing the limit. The working capital/ recurring expenditure limit may be in the form of a revolving cash credit and fixed as a percentage of the turn over divided by the number of operating cycles per annum. A component for consumption credit could be built in keeping in view the value of the family labour in the productive activity. The total limit would have a relationship with the projected net earning and the repayment capacity of the borrower.
7. **Margin/Subsidy** Normally margin is applicable as per H. O. Guidelines. It is not linked with any subsidy programme.
8. **Security: Primary:** Assets created out of bank loan. No collateral is to be insisted.

9. **Interest:** As per HO Circular issued from time to time.
10. **Disbursement** As per terms of sanction.
11. **Repayment** Term Loan should be repaid in 5 years.
12. **Validity** The SCC is normally valid for 5 years subject to satisfactory operation of the account and renewed on a yearly basis through simple review process. The operations in the account should be regular.
13. **Insurance** Assets are to be incused with Bank's clause.
14. **Operations**
 - The borrower can avail the credit facility as per his/her requirements i.e. either term loan or working capital loan or a combination of both.
 - The beneficiaries under the scheme are to be issued with a laminated credit card and a passbook incorporating the name, address, borrowing limit, validity etc. which will serve both as an identity card as well as facilitate recording of the transactions on an ongoing basis. Cost of photograph may be rev oared from the borrower.
 - The issuing branch would maintain the ledger account in respect of each SCC Account holder. The term loan component and working capital component will be accounted for separately. The operations in the account will be generally through the card issuing branch.
 - Withdrawal from the account will be through the withdrawal slips/cheques. The SCC Card and the passbook should be produced each time cash withdrawal is made.

Opening of SB A/c. should be a precondition for issue of SCC.