



GOVERNMENT OF ODISHA
DEPARTMENT OF HANDLOOMS, TEXTILES & HANDICRAFTS

RESOLUTION

No. II.TEX-122/2021/ 8237 /HT&H, Bhubaneswar, dated the 28/12/2021

SUBJECT: - Guidelines for implementation of "Bunakar Assistance For Livelihood And Income Augmentation" (BALIA) .

1. INTRODUCTION:

1.1 Handloom sector of Odisha plays a pivotal role in preserving the rich cultural heritage of the State. It is an important cottage industry in Odisha and provides livelihood opportunities to lakhs of people. The handloom of Odisha has carved a niche for itself in the country for its highly artistic design, exquisite finish and beautiful motifs. To promote Handlooms, Sericulture and Textiles activities in the State, a new Department in the name of Handlooms and Textiles was created during 1992. In order to facilitate the socio-economic empowerment of the weavers of the state as well as to preserve the rich handloom heritage of Odisha, a plethora of developmental and welfare activities are being undertaken under different schemes / programmes through Handlooms, Textiles & Handicrafts Department. The objective is to ensure sustainable livelihood, maximize self-employment opportunities and ensuring a safe and productive working environment while promoting the welfare of the weavers. As a result of these efforts and interventions, the growth of handloom sector in the state displays an increasing trend. As per Handloom Census 2019-20, which is regularly updated by Directorate of Textiles, as on 01.04.2021, there are 66,141 weavers' House Hold having 1,24,084 work force with 56,569 looms as compared to 40,683 nos. of weavers' House Hold having 1,03,158 work force and 43,652 looms in the Handloom Census 2009-10. The sector also contributes to women's empowerment as women are equal participants and contributors in the production process of handloom weaving and in fact shoulder the entire responsibility of the pre-weaving process. Now young women are also attracted to weaving to help their parents in earning their livelihood. In the co-operative sector the production of handloom fabrics has reached Rs.142.47 crore during 2020-21 in comparison to Rs 56.71 crore as reported in the year 2001-2002. Organizations like Boyanika and

Sambalpuri Bastralaya have started generating annual profit after the restructuration of respective organizations.

- 1.2 In Odisha, the handloom sector largely comprises of small and micro units, which fall mostly under the unorganized category. While Banks have financed some weavers under their existing lending programmes, it is found that credit needs of a large number of weavers are being met through informal channels. Past experience in this sector has pointed to the need for an Institutional delivery mechanism to promote or undertake credit related activities for the well-being of weavers. The Government of India has implemented a number of schemes in the past like Swarojgari Credit Card (SCC) scheme, Weaver's Credit Card (WCC) and MUDRA Weaver scheme for enabling banks to sanction loans to the weavers at Concessional rate for the development of the sector. However, the number of loans sanctioned by the nationalized banks as well as RRBs to the Handloom sector is very less. As a result, the weavers of Odisha are deprived of getting finance in time in order to meet their working capital requirement for purchasing Raw Materials like Hank Yarn, Dyes and Chemicals. Under the State scheme "Promotion of Handloom Industries" (POHI), handloom weavers are being provided with new looms, weaving accessories and pre & post loom accessories/ machinery for production of quality handloom products. However, there is no provision for providing them with financial assistance for working capital requirement.
- 1.3 Thus, in order to enable the weavers to avail Cash Credit/ loans from banks to meet their working capital requirement for the purpose of buying quality raw materials like Hank yarns, Dyes & Chemicals, Auxiliaries etc., a new scheme is now formulated with the name "**BUNAKAR ASSISTANCE FOR LIVELIHOOD AND INCOME AUGMENTATION (BALIA)**".

2. AIMS AND OBJECTIVES:

- 2.1 The scheme aims at plugging the current gap faced by weavers and ancillary workers by providing adequate and timely assistance from Banking Institutions to the weavers to meet their credit requirements for working capital in a flexible and cost-effective manner. The scheme would be implemented both in rural and urban areas. In order to encourage credit flow to the Handloom Sector, working capital loan with interest subvention shall be provided to the individual handloom weavers and ancillary workers for a period of three years with the following aims and objectives.
- a) To enable the weavers and ancillary workers to avail Cash Credit Loan up to Rs.50,000/- from the Bank with interest subvention.
 - b) To provide ATM Card to the individual borrower by the bank for withdrawal of funds through his S/B Account.

- c) To cover all non-defaulter eligible Handloom Weavers and Ancillary Workers in the State so as to encourage credit flow to the Handloom Sector.
- d) To enable the weavers to purchase Raw Materials like Hank Yarns, Dyes & Chemicals as per their need and will.
- e) To enable the weavers to take up expansion additional engagement in production of Handlooms for increasing their income.
- f) To sensitize the weavers and ancillary workers for timely repayment of loan.

ELIGIBILITY CRITERIA:

- 3.1 All handloom weavers and ancillary workers involved in weaving activities who have not defaulted in repayment of bank loans will be eligible.
- 3.2 Weavers / Ancillary workers between the age group of 18-70 years will be eligible.
- 3.3 Only one member of a weaver family / House Hold will be eligible to avail the assistance. The weaver family comprises of the weaver and his or her spouse along with their dependent children. In case more than one loom is installed in a House Hold, then other member (s) like spouse, son or daughter above 18 years of age of the Family / House Hold if found otherwise eligible may also be considered to avail the assistance.
- 3.4 One member can avail Cash Credit Loan up to Rs.50,000/- from the Bank.
- 3.5 Preference would be given to weavers identified under 4th Census of Handloom Weavers conducted by the Govt. of India as well as to weavers identified by the State Government. However, in exceptional circumstances, weavers who are neither covered under 4th Handloom Census of Govt. Of India nor identified by the State Govt. may also be considered if they are either member of the PWCS or recommended by the concerned zonal officers (Textiles) that they are in weaving profession.
- 3.6 Thrust in financing would be on clusters of weavers and ancillary workers who have joined to form Primary Weaver's Cooperative Society / Self Help Group (SHG) / Joint Liability Group (JLG). While membership in such bodies would give greater comfort to the banks to lending under the scheme, bank finance will be given to weavers in their individual capacity.
- 3.7 All existing weaver borrowers of the bank enjoying credit facilities and having satisfactory dealings with the bank will also be eligible to avail credit facilities under the scheme for a period of three years.
- 3.8 The interest subvention should only be available to the loanees who are not defaulters to encourage prompt payment to the banks.
- 3.9 The weaver must be a permanent resident/domicile of Odisha.

3.10 The weaver his/ her spouse should not be a Government/ PSU sector employee.

3.11 The applicant should furnish an affidavit or self-declaration that he / she has not been convicted of any criminal offence, provided that the Government may, having regard to the circumstances of each case, waive this disability, if in their judgment, the conviction was based on ground other than moral turpitude.

4. APPLICATION PROCEDURE:

4.1. **Application Form:** Application in Prescribed proforma will be obtained from the branch offices of DCCBs.

4.2. **Submission of Application:** Application in prescribed form filled correctly in duplicate along with the documents shall be submitted to the concerned banks for sanction of loan.

4.3. List of Documents to be submitted along with the Application Form:

- i. Two Identical self-attested recent passport size colour photograph.
- ii. Self-Attested copy of the Weavers Identity Card or certificate that he is a bona fide weaver/ ancillary worker.
- iii. Self-Attested xerox copy of the AADHAR Card.
- iv. Proof of Age.
- v. An Affidavit / Self Attestation that he / she is not a defaulter in loan repayment.
- vi. No Dues Certificate from the other Banks under the area of operation .
- vii. Any other documents as per banking norms.

4.4. **Verification of Application:** The Application will be received by the concerned bank. The bank authority will then take necessary steps to scrutinize the documents enclosed, conduct physical verification and record their findings within 15 days of receipt of the application form.

4.5. **Sanction of Loan:** The Director of Textiles will prescribe the details of loan requirement component wise. The branch office of concerned DCCBs may either sanction loan in favour of the applicant weaver or reject the application with reasons of rejection or seek clarification on any of the points in doubt from the applicant. The banks, after sanction of Cash Credit limits of the loan up to Rs.50,000/-, will intimate to weaver applicant within seven days after sanction of loan under intimation to the concerned Zonal Officer (Textiles). After receiving intimation from the bank, the weaver applicant is to open a separate Savings Bank account as per the norms of the bank for transaction purposes. While sanctioning loan, the concerned bank will make hypothecation of Loom in case of weaver and pre & post loom accessories / equipment / machineries in case of ancillary worker.

4.6. Insurance: In order to safeguard the livelihood of the other members of the weaver's family, in case of any mis-happenings due to natural calamities as well as sudden demise of the weaver borrower, insurance against the loan sanctioned will be made by the bank through suitable Insurance agency. The premium would be borne by the beneficiary.

4.7. Issue of ATM (Debit) Card: In order to have ATM (Debit) Card, the weaver borrower has to open on Saving Bank account with the Bank and the bank will issue an ATM (Debit card) along with a Pass Book to the weaver borrowers for withdrawal of fund. After sanction of Cash Credit Loan by the bank, the fund will be transferred from the loan account to the Saving Bank account of the weaver. The cost of the same shall be borne by the bank.

5. FIXATION OF CREDIT LIMIT:

5.1 The credit limit will be fixed based on assessment of working capital requirements like purchase of Raw materials i.e., Hank Yarns, Dyestuffs & Chemicals, Tie & Dyed Yarns etc. required for carrying out weaving activity.

5.2 The maximum limit to individual weaver will be up to Rs.50,000/-.

5.3 The limit is expected to be utilized as a revolving cash credit and will provide for any number of drawls and repayment within the limit. As the limit sanctioned would normally have a validity of three years, the need to accommodate incremental working capital requirement would be kept in view.

6. VALIDITY / RENEWAL OF LIMIT:

6.1 The limit of loan sanctioned will have a validity of 3 years. He / she will be eligible to avail loan up to Rs. 50, 000 /- during a particular year. The due date of repayment will be after one year of first drawl during the year. The due date of renewal of loan shall be one year from the date of first drawl.

6.2 The scheme will be reviewed during 2023-24 to examine the impact / outcome from its implementation and to suggest modifications keeping in view the overall objective of enhancing weavers' welfare.

7. IMPLEMENTING AGENCY:

7.1 The Zonal Officers (Textiles) shall act as the Implementing Agency to implement the scheme.

7.2 All District Central Cooperative Banks (DCCBs) as well as Odisha State Cooperative Bank (OSCB) shall act as Executing Agency.

8. MODALITY OF OPERATION:

8.1 The scheme is aimed at sanctioning of Cash Credit Loan by the banks to the Weavers and ancillary workers with interest subvention for a period of three years. The entire interest amount charged by the bank in a year will be reimbursed by the Govt. of Odisha to the bank. The Government will have no

liability to reimburse interest on the loan sanctioned beyond the validity period of three years. The liability of Government will be limited to the extent of interest subvention only.

- 8.2 The interest subvention will be calculated by the banks on net loan in case any subsidy admissible under any scheme of Govt. The rate of interest charged by the bank must be indicated in the prescribed format failing which the claim will not be considered. The rate of interest as applicable from time to time will be charged.
- 8.3 The extent of interest against the loan amount availed by the weaver borrower will be calculated by the banks on a half yearly basis for submission of claim to Govt. for sanction of funds.
- 8.4 The State Co-operative Bank, Bhubaneswar will recommend the bank-wise claim to the Directorate of Textiles, Odisha for placement of funds.
- 8.5 On receipt of proposal, the Handlooms, Textiles & Handicrafts Department, Government of Odisha will sanction and release funds under the scheme to the Director of Textiles & Handloom, Odisha.
- 8.6 The Director of Textiles & Handloom, Odisha will draw and transfer the amount to the account maintained with the Odisha State Cooperative Bank, Bhubaneswar for release of interest subvention claim to different banks.
- 8.7 After release of reimbursement claim to different banks, the OSCB will submit the bank-wise reimbursement statement along with Utilization Certificate to the Director of Textiles & Handloom, Odisha.

9. MONITORING AND SUPERVISION:


- 9.1 The progress on implementation of the scheme shall be monitored and reviewed on a quarterly basis by the Director of Textiles & Handloom, Odisha & to suggest any changes that may be required from time to time to Government in HT&H Department for smooth implementation of the scheme.
- 9.2 The Divisional Officers (Textiles) shall review the progress on implementation of the scheme every month in their concerned zones.
- 9.3 For effective monitoring of the scheme, financial support as per norms of Finance department would be provided from the contingency amount.
- 9.4 The DCCBs shall submit Monthly Progress Report (MPR) to the concerned Zonal Offices.
- 9.5 The Zonal Officers (Textiles) shall submit the MPR to the Directorate of Textiles, Odisha every month. The Director of Textiles & Handloom, Odisha shall submit consolidated progress report to the Government in HT&H Department every quarter.

9.6 Any doubt in interpretation of any provision of these rules or in administering the same, shall be referred to the Govt. in HT&H Department for appropriate action.

9.7 The scheme is subject to Audit as per Government norms.

Order- It is ordered that this resolution be published in an extraordinary issue of the *Odisha Gazette* of the Government of Odisha for the general information and copy be communicated to all Departments of Government/all Heads of Departments and other concerned.

By Order of the Governor


28/12/2021
Commissioner-cum-Secretary to Government

Memo No. 8238 /HT&H, Bhubaneswar dated the 28/12/2021

Copy along with soft copy forwarded to the Director, Printing, Stationery & Publication, Odisha, Cuttack for publication of the Resolution in the next issue of the Odisha Gazette with a request to supply 50 copies of the Gazette to this Department.


Additional Secretary to Government 28/12/2021

Memo No. 8239 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Odisha Gazette Cell (in-Charge), Odisha Gazette Cell, C/o-Commerce Department for information with a request to take appropriate action to publish the Notification in the next extra ordinary issue of the Odisha Gazette.


Additional Secretary to Government 28/12/2021

Memo No. 8240 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Gen. Miscellaneous Section, HT&H Department with a request to upload the resolution in the website of Handloom, Textiles & Handicrafts Department.


Additional Secretary to Government 28/12/2021

Memo No. 8241 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Principal A.G. (A&E), Odisha, Bhubaneswar for information and necessary action.


Additional Secretary to Government 28/12/2021

Memo No. 8242 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Additional Secretary to Hon'ble Chief Minister, Odisha/ PS to Hon'ble Minister, Handlooms, Textiles & Handicraft, Odisha/ PS to Chief Secretary, Odisha/ PS to DC-cum-ACS, P&C Department/PS to Principal Secretary to Government, MSME Department/ PS to Principal Secretary to Government, Industries Department/ PS to Principal Secretary to Government, Energy Department/ PS to Principal Secretary to Government, Finance Department/ PS to Commissioner-cum-Secretary to Government, Handlooms, Textiles & Handicrafts Department for kind information and necessary action.


Additional Secretary to Government 28/12/2021

Memo No. 8243 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to All Departments/ All Heads of Department/ All Revenue Divisional Commissioners/ All Collectors/ All RICs/DICs for information.


Additional Secretary to Government

Memo No. 8244 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Director of Textiles & Handlooms, Odisha, Bhubaneswar / Director of Handicrafts, Odisha/ Managing Director, OSCHC Ltd., Bhubaneswar/ Member Secretary, SIDAC, Bhubaneswar/ Member Secretary, OHHDPC, Bhubaneswar for information and necessary action.


Additional Secretary to Government

Memo No. 8245 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Managing Director, Odisha State Co-operative Bank Ltd., Bhubaneswar for information and necessary action.


Additional Secretary to Government

Memo No. 8246 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to All Officers/ All sections of HT&H Department/ Guard file (10 copies) for information.


Additional Secretary to Government

Memo No. 8247 /HT&H, Bhubaneswar dated the 28/12/2021

Copy forwarded to the Sr. PS to Special Secretary/FA-cum-Joint Secretary, HT&H Department for information and necessary action of Special Secretary and FA-cum-Joint Secretary.


Additional Secretary to Government

ANNEXURE-I**Tentative estimate of interest subvention for five years for the scheme Bunakar Assistance for Livelihood and Income Augmentation (BALIA)**

Year	Beneficiary to be covered	Cumulative beneficiaries	Amount of loan to each beneficiary	Principal (Rs. in Crore)	Proposed prevailing rate of interest @ 11.5 % P.A. (In Rs.)
2022-23	5000	5000	Rs. 50000/-	25	2,87,50,000
2023-24	7000	12000		60	6,90,00,000
2024-25	8000	20000		100	11,50,00,000
2025-26				75	8,62,50,000
2026-27				40	4,60,00,000
Total					34,50,00,000
Add 2% contingency charges					69,00,000
Total estimate for the scheme					35,19,00,000

* The rate of interest may change time to time as per banking guideline.

* 20,000 weavers /ancillary workers to be covered during 2022-23 to 2024-25.