

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1301
ANSWERED ON:18.07.2014
BANK LOAN TO ARTISANS
Meghwal Shri Arjun Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to provide bank loans to artisans, craftsmen and weavers without any collateral security;
- (b) if so, the details thereof; and
- (c) the steps taken or being taken by the Government to help artisans for getting easy credit from banks?

Answer

FINANCE MINISTER IN THE MINISTRY OF FINANCE (SHRI ARUN JAITLEY)

(a) to (c): The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) provides the borrowers in the Micro and Small Enterprises (MSE) sector, including artisans, craftsmen and weavers, easy access to credit from the organized banking sector. CGTMSE provides guarantee to its registered Member Lending Institutions (MLIs) against the loans / credit facilities upto Rs.100 lakh extended by them without taking any collateral security and / or third party guarantee to a new or existing units in the MSE sector, including units in manufacturing and service sectors. As on March 31, 2014 (cumulatively), 14,19,807 guarantees for an amount of Rs.70,026 crore have been approved by CGTMSE. No separate data maintained for loans given to artisans, craftsmen and weavers without collateral security.

National Bank for Agriculture and Rural Development(NABARD) has formulated `Swarozgar Credit Card Scheme` in the year 2003. The scheme aims at providing adequate and timely credit, i.e., working capital/ or block capital or both to small artisans, handloom weavers from the banking system in a flexible, hassle free and cost effective manner. The facility also includes a reasonable component for consumption needs.

Beneficiaries under the scheme are automatically covered under the group insurance scheme and the premium is shared by the bank and the borrower equally.