

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2115
ANSWERED ON:24.07.2014
LOAN TO HANDLOOM COOPERATIVE SOCIETIES
Meghwal Shri Arjun Ram

Will the Minister of TEXTILES be pleased to state:

- (a) the number of cooperative societies registered under institutional credit for handloom sector in the country, State-wise;
- (b) the number of such cooperative societies which have been provided loans by the banks under the said component State/UT-wise;
- (c) whether the Government has noticed that some banks do not provide loans to such cooperative societies;
- (d) if, so the details thereof; and
- (e) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF TEXTILES (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Government has not registered any cooperative societies under institutional credit for handloom sector. However, under the concessional credit component of National Handloom Development Programme, Primary Handloom Weavers Cooperative Societies and Apex Handloom Weavers Cooperative Societies are also eligible to avail loan from the Banks/ Financial Institutions at 6% interest. NABARD, the implementing agency has informed that specific information regarding loan sanctioned to cooperative societies is not available, however waiver of overdue loan and interest as on 31.3.2010 & recapitalization assistance to 39 Apex cooperatives and 9829 Primary weavers cooperative societies under Revival, Reform and Restructuring (RRR) Package for handloom sector has been sanctioned.

(c) to (e): Yes Madam, State Governments have informed that banks are not showing enthusiasm in providing loan to handloom weavers/cooperative societies due to various reasons. During the year 2013-14, against target for issuance of 2 lakh Weavers Credit Cards (WCCs) with expected credit mobilization of Rs.1200 crore only around 71,643 WCCs have been issued and Rs.195 crore loan has been sanctioned by the Banks. Ministry of Textiles has been regularly pursuing the matter with Ministry of Finance and banks to extend the loan to handloom weavers and has requested State Governments to include issuance of loan to handloom weavers and their organization as regular agenda of State Level Bankers Committee. Ministry of Finance has also been requested to fix a sub-target for handloom sector under priority sector lending.