

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:959
ANSWERED ON:28.11.2014
NABARD ASSISTANCE TO ARTISANS
Nete Shri Ashok Mahadeorao

Will the Minister of FINANCE be pleased to state:

- (a) whether the National Agriculture and Rural Development Bank (NABARD) has any proposal to provide loans to artisans, craftsmen and weavers;
- (b) if so, the details thereof; and
- (c) the steps taken or being taken by the NABARD to help artisans in getting easy credit from banks?

Answer

The Minister of State in the Ministry of Finance (Shri Jayant Sinha)

(a) to (c) : National Bank for Agriculture & Rural Development (NABARD) is the implementing agency for Revival Reforms and Restructuring (RRR) Package and institutional credit component of Integrated Handlooms Development Scheme (IHDS) for handloom sector.

The Revival Reform and Restructuring (RRR) Package for Handloom Sector, inter alia, covers one time loan waiver of overdue loans and interest (100% principal and 25% of interest) of eligible handloom cooperative societies and individual weavers as on 31.3.2010 with the balance 75% of overdue interest and entire penal interest, if any, was to be written off by the bank as a precondition; recapitalization of eligible (viable and potentially viable) handloom cooperative societies; provision of fresh subsidized credit to handloom cooperative societies and weavers covered by waiver by providing interest subsidy of 3% for a period of 3 years for fresh loan with credit guarantee; loan for handloom sector at 6%, margin money assistance @ 20% of the project cost subject to a maximum of Rs.10,000 per weaver enabling the handloom weavers, their self-help groups and joint liability groups to leverage this amount for borrowing loans from the banks, etc.

Under the Integrated Handlooms Development Scheme (IHDS), Weavers Credit Cards (WCCs) are issued to weavers. As on September 2014, 52,294 WCCs have been issued by various banks and Margin Money & Interest subsidy of Rs. 9.86 crore has been disbursed to Commercial Banks, Regional Rural Banks and State Cooperative Banks by NABARD.