

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA

UNSTARRED QUESTION NO. 1811

ANSWERED ON TUESDAY, 16th DECEMBER, 2025/ 25 AGRAHAYANA, 1947 (SAKA)

LOANS/APPLICATIONS AND APPROVAL TRENDS FOR TEXTILE SEGMENT

1811 MS. DOLA SEN:

Will the Minister of FINANCE be pleased to state:

- (a) the number of applications received by nationalized banks and financial institutions each year from MSMEs for availing benefits under key textile-sector support schemes during the last three financial years;
- (b) the State/UT-wise corresponding number of applications approved and rejected;
- (c) the State/UT-wise prime reasons for rejections;
- (d) the average time taken for processing applications under major schemes irrespective of sanction or rejection; and
- (e) whether Government has identified any regional disparities in application patterns and approval rates?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e) Ministry of Textiles (MoT), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)/ Ministry of Micro, Small & Medium Enterprises (MoMSME), Reserve Bank of India (RBI) and Indian Banks' Association (IBA) have confirmed that data sought is not maintained centrally.

However, Office of the Development Commissioner for Handlooms, Ministry of Textiles has informed that its office is implementing Concessional Credit/Weaver MUDRA Scheme, a component of National Handloom Development Programme (NHDP) for providing adequate and timely assistance in terms of loans to handloom sector across the country to meet their credit requirement in a flexible and cost effective manner from Banks including Nationalized Banks. Under the scheme, margin money assistance is provided @20% of loan amount subject to maximum of ₹25,000/- to individual handloom weaver/weaver entrepreneur and @20% of loan amount subject to maximum of ₹20.00 lakh (margin money @₹2.00 lakh for every 100 weavers/workers) to the handloom organization. Interest subvention is provided on loan amount at concessional interest rate of 6% for a period of 3 years to handloom organizations only, subject to interest subvention capped upto 7% and Credit guarantee fee on loan amount to handloom organizations for a period of 3 years.

Further, as informed by CGTMSE, 20,227 number of guarantees amounting to ₹ 2,862 crores were issued by CGTMSE to Micro and Small Enterprises (MSEs) in the textile sector in FY 2022-23 which have increased to 26,895 number of guarantees amounting to ₹ 4,967 in FY 2024-25.
