

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4146  
ANSWERED ON:15.12.2000  
SHORT TERM LOANS TO COTTON MILLS  
BHAWANA GAWALI (PATIL)

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the banks have agreed to adopt some short-term measures alongwith rescheduuiing of loans and also by providing funds for procuring cotton for the mills;
- (b) if so, the details thereof; and
- (c) the assistance provided to the textile industry by these banks and the financial institutions during the current financial year?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) and (b) Public Sector Banks provide loans to Industries based on their commercial judgement, lending policy duly approved by their respective Boards and keeping in view the guidelines issued by Government of India and Reserve Bank of India (RBI) in this regard from time to time. This is applicable to all sectors including loans to Cotton Mills.

(c) The outstanding credit to Textile Industries by scheduled commercial banks as on 30th June, 2000 (latest available) was Rs. 26,284 crores. Assistance sanctioned and disbursed by Ail India Financial Institutions to Textile Sector during April-October, 2000 (latest available) is Rs. 2200.91 crores and Rs. 1710.16 crores respectively.