

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1176

ANSWERED ON:26.11.2002

ROLE OF BANKS FOR PROVIDING LOANS TO SWARNAJAYANTI SWAROJGAR YOJANA
RAMSHETH THAKUR

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the role of the banks in providing loans to self-help groups constituted for the implementation of the Swarnajayanti Swarojgar Yojana (SJSY);
- (b) the alternative arrangement contemplated in cases where banks do not provide loans to the eligible persons;
- (c) the number of complaints received against the banks during the last three years and the current year;
- (d) whether any remedial action has been taken in the matter; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI SUBHASH MAHARIA)

(a) With a view to ensuring timely and adequate loaning by the Banks, the Guidelines of the Swarnajayanti Gram Swarozgar Yojana (SGSY) provide for close involvement of the Banks in the identification of key activities, the nurturing of Self-Help Groups (SHGs) and in the selection of Swarozgaris.

(b) to (e) The Central Level Coordination Committee (CLCC), constituted under the SGSY serves as a forum for discussion and resolution, inter-alia, of issues of underfinancing and delays in sanction and disbursement of loans by the Banks. The CLCC was last convened in June, 2002. The Reserve Bank of India has reiterated instructions to the Banks vide their Circular dated 4th July, 2002 to speed up sanction and disbursement of loan applications within a time frame of one month and to avoid underfinancing of projects under any circumstances. The references received from certain State Governments in regard to delay in sanction/disbursement of loans and underfinancing have been taken up for remedial action with the agencies concerned.