

**GOVERNMENT OF INDIA  
URBAN EMPLOYMENT AND POVERTY ALLEVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:3296  
ANSWERED ON:12.05.2006  
LOANS FOR POOR  
Ahir Shri Hansraj Gangaram;Zahedi Shri Mahboob

**Will the Minister of URBAN EMPLOYMENT AND POVERTY ALLEVIATION be pleased to state:**

- (a) whether the Government have formulated any special loan scheme for the poor living in urban areas;
- (b) if so, the details thereof;
- (c) whether any instructions have been issued to the State Governments to provide loan under subsidy to the unemployed and the poor people of urban areas for their employment; and
- (d) the amount of subsidy provided to them under the said scheme during the current financial year?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF URBAN EMPLOYMENT & POVERTY ALLEVIATION ( KUMARI SELJA )

(a)to(c): Ministry of Urban Employment & Poverty Alleviation have not formulated any special loan scheme for the urban poor. Under the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the employment oriented urban poverty alleviation scheme of the Ministry, assistance is provided to the urban poor living below the poverty line to set up micro-enterprises, under the Urban Self Employment Programme (USEP) component of the Scheme. Under USEP the maximum cost of the project is Rs.50,000/- in case of individual. The subsidy per project is 15% of the project cost and 5% margin money has to be contributed by the beneficiary. The balance 80% is in the form of Bank loan. In case of Women Groups named as Development of Women and Children in Urban Areas (DWCUA) Group, the subsidy is 50% of the project cost or Rs.1,25,000/- whichever is less.

(d): The funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) are provided by the Central Government to the State/UT Governments and not directly to the beneficiary. This is subject to the States/UTs providing Utilization Certificates and Quarterly Progress Reports and committing their State share. The subsidy released by State Governments to individual beneficiaries depends on the project cost (s), case to case, in terms of the scheme guidelines.