

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4788

ANSWERED ON:23.04.2010

PENSIONARY BENEFITS TO EMPLOYEES OF DISTRICT COOPERATIVE BANKS

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Will the Minister of FINANCE be pleased to state:

- (a) the details of the number of Self Help Groups (SHGs) in the country and their annual transactions during the last three years, State-wise;
- (b) whether the Government has conducted any study on the impact of SHGs in the country;
- (c) if so, the details thereof alongwith SHGs share in the Gross Domestic Product (GDP) of India for the said period; and
- (d) the steps taken/being taken by the government to promote the functioning of SHGs and setting up a mechanism to coordinate the functioning of SHGs and utilize their potential for further advancement of the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a): The details of the number of Self Help Groups (SHGs) in the country and their annual transactions during the last three years as reported by National Bank for Agriculture and Rural Development (NABARD) are indicated below:

Particulars	Year	Total SHGs (Amt. in crore)
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No.

Saving linked SHGs	2006-07	4160584	3512.71
	2007-08	5009794	3785.39
	2008-09	6121147	5545.62

Loans disbursed	2006-07	1105749	6570.39
	2007-08	1227770	8849.26
	2008-09	1609586	12253.51

Loans outstanding	31.03.2007	2894505	12366.49
	31.03.2008	3625941	16999.91
	31.03.2009	4224338	22679.84

State-wise information of SHG loans outstanding for the year 2008-09 are furnished in the Annex- A.

(b) & (c): A major national level study on 'Impact and Sustainability of SHG Bank Linkage Programme' was conducted through the National Council of Applied Economic Research (NCAER). The study was aimed to assess the impact and sustainability of SHG Bank Linkage on the socio-economic conditions of individual members and their households in the pre and post SHG scenarios. The study did not estimate SHGs share in the Gross Domestic Product (GDP) of India.

(d): The following steps are being taken to encourage SHGs:

To give an impetus to microfinance the Reserve bank of India (RBI) has categorized microfinance under priority sector lending and lending to SHGs was brought under weaker section of the priority sector lending.

RBI has permitted banks to use the services of Non Governmental Organisations (NGOs)/SHGs, Micro Finance Institutions (MFIs) and other Civil Society Organisations as intermediaries in providing financial and banking services through Business Facilitator (BF) and Business Correspondent (BC) models. The authorized functionaries of well run SHGs can be appointed as BCs of banks.

RBI has advised banks to provide adequate incentives to their branches for financing SHGs.

NABARD has introduced training and capacity building of SHGs/grading of SHGs etc.