

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2374
ANSWERED ON:07.12.2012
REVIEW OF SHGS
Mandal Shri Mangani Lal;Singh Shri Mahabali

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to review the constitution of Self Help Groups(SHGs), their activities and role of banks in setting up SHGs ;
- (b) if so, the details thereof;
- (c) whether any cases of discrimination by the banks during distribution of loans of SHGs have come to the notice of the Government;
- (d) if so, the details thereof; and
- (e) the corrective steps taken by the Government in this direction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

- (a) & (b): In order to provide thrust to formation of Self Help Groups (SHGs), reduce the time taken in documentation and increase convenience for the SHGs as well as banks, Government has advised banks to sanction cash credit limits to the SHGs and National Bank for Agriculture and Rural Development (NABARD) to ensure compliance of the same.
- (c) & (d): NABARD has reported that no instance of discrimination by banks during distribution of loans to SHGs has come to their notice.
- (e): Does not arise.