

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2469

ANSWERED ON:23.08.2013

CREDIT FACILITY

Dhruvanarayana Shri R. ;Mahendrasinh Shri Chauhan

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

- (a) whether the Government has any details of the registered Self Help Groups (SHGs) who are receiving credit facilities;
- (b) if so, the details thereof;
- (c) whether the credit facility to SHGs under livelihood programme is being provided by banks;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the Government proposes to make the credit linkage to rural poor simpler; and
- (f) if so, the details thereof indicating the manner in which it is likely to be done and if not, the reasons therefor ?

**Answer**

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

(a) & (b): Self Help Groups are unregistered, informal community based organisations which get credit from various banks. National Bank for Agriculture and Rural Development (NABARD) has informed that as on 31st March, 2013 there were 41.95 lakh SHGs which had loans outstanding against them.

(c) to (f): SHGs get credit under Swarnjayanti Gram Swarozgar Yojana (SGSY) which has now been restructured as National Rural Livelihoods Mission(NRLM).

NABARD vide its circular dated 27th March, 2012 has suggested to all Scheduled Commercial Banks, Regional Rural Banks and Cooperative Banks that, cash credit/ overdraft system of lending may preferably be adopted to overcome the issues of non sanction of repeat loans and allowing flexible and need based drawals by SHGs. This approach will provide considerable flexibility to SHGs in meeting their frequent need as well as help them in reducing documentation requirements and their cost of borrowings.