

**Govt. of India
Ministry of Finance
Department of Financial Services**

**LOK SABHA
UNSTARRED QUESTION No. 1912**

TO BE ANSWERED ON THE 29th December, 2017 / Pausha 08, 1939 (Saka)

Loans to Self Help Groups

QUESTION

1912. ADV. M. UDHAYAKUMAR

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

- (a) whether the Government has urged the banks to give more loans to Self Help Groups (SHGs);
- (b) if so, the details thereof;
- (c) whether providing loans to SHGs will help to generate employments in the unorganised sector in the country; and
- (d) if so, the details thereof ?

ANSWER

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)

(SHRI SHIV PRATAP SHUKLA)

(a) & (b): Reserve Bank of India (RBI) has from time to time issued guidelines/instructions to banks advising them to consider lending to Self Help Groups (SHGs) as part of their mainstream credit operations both at policy and implementation level. A target of 10% of Adjusted Net Bank Credit (ANBC) is prescribed for weaker sections which also includes SHGs.

(c) & (d): Data relating to employment generated through loans given to SHGs is not maintained centrally. However, National Bank for Agriculture and Rural Development (NABARD) had commissioned a comparative study on livelihood methods of SHGs in Bihar and Gujarat in 2017. It was observed that 35.95% of the SHGs/members in Gujarat and 25.25% of the SHGs/members in Bihar reported had taken up livelihood activities. The members have reported availing loans from SHGs.
