

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5452  
ANSWERED ON:28.04.2000  
SELF HELP GROUP LINKAGE PROGRAMME  
ANNA SAHEB M.K. PATIL;PUTTASWAMY GOWDA;R.L. JALAPPA

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

- (a) whether NABARD has been implementing a medium term strategic action plan under Refinance support under Self Help Group Linkage Programme in various States, particularly in Karnataka and Maharashtra;
- (b) if so, the details thereof and the State-wise names of banks sponsored by NABARD; and
- (c) the achievements of the Scheme and the number of persons benefited therefrom?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR):

(a) and (b) National Bank for Agriculture and Rural Development (NABARD) has reported that it has been implementing strategic action plan for linking Self-Help Groups (SHGs) with banks in all the States including Karnataka and Maharashtra. To effectively credit link SHGs with banks, NABARD has been adopting various strategies which include providing per cent refinance assistance to banks at an interest rate of 6.5 per cent per annum against their financing of SHGs, providing number of training and exposure programme, supporting Nongovernment Organizations in forming, nurturing and monitoring SHGs, providing financial and technical support to micro finance partner institutions for promoting and credit linking of SHGs, providing encouragement to Regional Rural Banks and Cooperatives to take on the role of Self Help Promoting Institutions, etc. NABARD has reported that the bank-wise details of SHGs linked are not available. However, the details of the state-wise cumulative number of SHGs linked with banks and the cumulative bank loan provided as on 31st March, 2000 are indicated in the attached statement.

(c) As reported by NABARD, the cumulative number of SHGs financed by banks stood at 5,000 as on 31st March, 2000, covering about 16 lakh poor families with bank credit. It is expected that about 8 million persons have benefited under the programme.