

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

STARRED QUESTION NO:322
ANSWERED ON:18.08.2006
ASSISTANCE TO SELF HELP GROUPS .
Murmu Shri Rupchand

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) The number of Self-Help Groups (SHGs) working at present under Swarnjayanti Gram Swarojgar Yojana (SGSY), State-wise;
- (b) Whether most of these SHGs are waiting for the Government assistance since formation of SGSY in 1999;
- (c) If so, the details thereof and the reasons therefor;
- (d) The total funds required for assisting these SHGs in the current financial year; and
- (e) The time by which assistance is likely to be provided to the said groups?

Answer

MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH)

(a) to (e) A Statement is laid on the Table of the House.

Statement in respect of Lok Sabha Starred Question No. 322 for answer on 18.08.2006.

(a) A statement showing state-wise number of Self-Help Groups (SHGs) formed, eligible for economic assistance and economically assisted since inception of SGSY

(i.e.1.4.99) upto 14th August 2006, is annexed (Annexure-I)

(b) As of 14th August 2006, of the total number of 6,24,104 SHGs which became eligible for economic assistance under SGSY, 3,27,488 SHGs have been provided economic assistance. The remaining 2, 96, 616 SHGs are in the process of getting economic assistance. Out of these 2, 96,616 SHGs, a significant number (2, 31,594) is in the state of Andhra Pradesh. The Andhra Pradesh government is covering these SHGs through World Bank assisted projects viz., Andhra Pradesh Rural Poverty Reduction Project (APRPRP) and Andhra Pradesh District Poverty Initiatives Project (APDPIP), in addition to the SGSY.

(c) One of the important reasons behind the non-rendering of assistance under the SGSY is that the programme being a process-oriented one, it took time to organize and establish the SHGs, develop their skills, mobilize bank credit, etc. Additionally, it has also been seen that some states have not fully utilized the funds allocated to them. There was a reduction in the allocation to the programme during the earlier years due to low absorption of funds by the State Governments, but in subsequent years the allocations have started improving. So far, most of the states have received funds as per their requirement. However, now that the scheme has established, additional funds are required for meeting the requirement of the eligible SHGs.

(d) &(e) The Ministry of Rural Development is estimating the requirement of funds to assist all the eligible SHGs through a process of consultation with the state governments. For the current financial year, the requirement of funds has been worked out to be Rs. 4400 Crore to cover the balance eligible SHGs. Planning Commission and the Ministry of Finance have been approached for additional funds. The Ministry envisages that the eligible Self Help Groups will be provided the requisite assistance as and when they become eligible.