

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:2291

ANSWERED ON:22.08.2013

LOAN TO WOMEN SHGS

Ganeshamurthi Shri A.;Paranjpe Shri Anand Prakash

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether the Government proposes to give loans to Women Self Help Groups (SHGs) at subsidised rate under the National Rural Livelihoods Mission;
- (b) if so, the details thereof;
- (c) the number of districts to be covered in the first phase, State-wise;
- (d) the number of persons to be benefitted under this scheme; and
- (e) the time by which it is likely to be implemented?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN `ADITYA`)

(a) to (e): As per the announcement made by the Finance Minister in the Budget speech of 2012-13, all Women SHGs will be eligible for interest subvention to avail the credit upto Rs.3 lakhs at 7% per annum. Further, the SHGs will be provided with an additional 3% subvention on prompt repayment, thereby reducing the effective rate of interest to 4%. In its first phase, this scheme will be implemented in 150 most backward districts, including the IAP districts. In the remaining districts all National Rural Livelihood Mission (NRLM) compliant SHGs, will be eligible for interest subvention to avail the credit upto 3 lakhs at the rate of 7% per annum. The interest subvention scheme is a demand driven scheme and number of persons benefitted will depend on the number of SHGs availing loans from Public Sector Banks (PSBs), RRBs and Cooperatives and repaying the loan promptly. The interest subvention scheme shall be rolled out during this financial year.