

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:6848
ANSWERED ON:07.05.2015
PARTICIPATION OF SHGS IN RURAL DEVELOPMENT PROGRAMMES
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the details of the current rural development programmes/schemes in which Self Help Groups (SHGs) participate;
- (b) the details of the work assigned to such SHGs;
- (c) the total number of women SHGs involved in rural development works, Statewise;
- (d) whether the Government proposes to further strengthen such groups by providing financial assistance or loans; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI SUDARSHAN BHAGAT)

(a) and (b):- The Self Help Groups (SHGs) participate in the following programmes / Schemes of the Ministry of Rural Development:-

- (1) National Rural Livelihoods Mission (NRLM) including Skills Development
- (2) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).
- (3) Indira AwasYojana (IAY).
- (4) National Social Assistance Programmes (NSAP).
- (5) Pradhan Mantri Gram Sadak Yojana (PMGSY)
- (6) The Integrated Watershed Management Programme (IWMP) converted as the Watershed Component of the Pradhan Mantri Krishi Sinchai Yojana (PMKSY).

The Self Help Groups (SHGs) participate in various programmes in the following manner:-

NRLM: - Self Help Groups (SHGs) are formed and supported to take up economic activities to improve their income generation. Under the Skills Development component of NRLM, named as DeenDayalUpadhyaya GrameenKaushalyaYojana (DDU-GKY) SHGs and their federations are involved in mobilising target beneficiaries, creating awareness about the programme, facilitating counselling for candidates and their parents and monitoring the implementation of training programmes. MGNREGA:- A separate section of works has been provided under Schedule-I of the Act to support the work of the women SHGs promoted under NRLM to support their livelihoods.

IAY: - The SHGs are involved in conduct of IEC campaign to build awareness of the scheme. Volunteers from SHGs are also included in the functional committee or task force set up in each village panchayat for coordinating different activities under IAY.

NSAP: - The SHGs are involved in the identification of beneficiaries.

PMGSY: - The Self Help Groups participate during the transect walk in the beginning of the planning for construction of roads.

IWMP:-SHGs are provided financial support for livelihood activities out of the portion of IWMP funds earmarked for the purpose.

(c):- A statement indicating the number of SHGs under NRLM State-wise is enclosed at Annexure I.

(d) and (e):- Under NRLM, financial support is provided to SHGs and their federations in the form of Revolving Fund and the Community Investment Support Fund. The maximum amount of Revolving Fund provided to an SHG is Rs. 15,000/- as a one time grant. The Community Investment Support Fund to SHGs and their federations is limited to a maximum of Rs. 2.50 lakh per SHG. In addition, women SHGs are also provided interest subvention to avail loans up to Rs. 3 lakhs from banks at an interest rate of 7% per annum with an additional subvention of 3% for prompt repayment in 150 districts. In the remaining districts interest subvention is provided to women SHGs for loans up to Rs. 3 lakhs from banks to maintain the interest rate of 7%.

Under IWMP, eligible SHGs are provided an amount of Rs. 25,000 as Revolving Fund which is refundable within a period of 18 months. In addition, funding for major livelihood activities is provided in the form of grants-in-aid to the extent of 50% of the cost or Rs. 2 lakhs, whichever is less, subject to the condition that the grant-in-aid will not exceed 30% of the livelihood component of the project.