

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5318
ANSWERED ON:14.08.2014
SELF HELP GROUPS
Shinde Dr. Shrikant Eknath

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the number of Self Help Groups (SHGs) formed in the country during each of the last three years and the current year, State/UT-wise;
- (b) whether the Union Government provided any financial assistance to them during the period and if so, the details thereof and the achievements made thereon, State/UT-wise;
- (c) the number of SHGs that have become self-dependent to cater the needs of the families connected with them, State-wise;
- (d) whether the Government is aware that assistance from Nationalized Banks is not available to them in some cases; and
- (e) if so, the reasons therefor and the steps taken/being taken by the Government to help the SHGs in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI UPENDRA KUSHWAHA)

(a) National Rural Livelihoods Mission (NRLM) has been launched on 3rd June, 2011. A statement indicating the number of Self Help Groups (SHGs) formed under NRLM since inception is given at Annexure-I.

(b) I. Under NRLM, the following financial assistance is provided:

- (i) Provision of Revolving Fund (RF) support at the rate of Rs. 10,000 – 15,000 per eligible SHG to supplement own funds;
- (ii) Provision of a Community Investment Support Fund (CIF) as per norms to the SHGs and their federations;

A statement indicating the funds disbursed to Self Help Groups (SHGs) and its federations under NRLM is given at Annexure-II.

II. Further, National Bank for Agriculture and Rural Development (NABARD) is implementing a scheme for promotion and financing of Women Self Help Groups (WSHG) across 150 backward and Left Wing Extremism (LWE) affected districts of the country. The scheme aims at saturating the districts with viable and self sustainable WSHGs by involving anchor NGOs/support agencies which promote and facilitate credit linkage of these groups with banks, provide continuous handholding support, enable their journey for livelihoods and also take responsibility for loan repayments. NABARD provides grant support @ Rs.10,000/- per SHG to these NGOs and also bears the cost of training and other capacity building initiatives.

A statement indicating the status of the scheme as on 31 March 2014 as given by NABARD is enclosed as Annexure – III.

III. Under NRLM, Interest Subvention is also provided to women SHGs since 2013-14. All Women SHGs in 150 most backward districts (category I), will be eligible for loans upto Rs.3 lacs at 7% p.a. The WSHGs will get an additional subvention of 3% if they repay in time, reducing the effective rate of interest to 4%. Banks will be subvented to a maximum extent of 5.5% for loans of up to Rs.3 lakh at 7% p.a. extended by them to Women SHGs.

In the districts beyond these 150 districts (Category II) Women SHGs will be eligible for interest subvention to avail loan facilitating an interest rate of 7% upto a loan of Rs.3 lakh. In category II districts, Banks will charge the SHGs as per their respective lending norms to the SHGs and the difference between the lending rates and 7% will be sub vented in the loan accounts of the SHGs by State Rural Livelihood Missions. A statement indicating the state-wise interest subvention including that on prompt repayment provided to WSHGs by NABARD is given in Annexure - IV.

IV. SHGs are provided credit by various Public and Private Sector Commercial banks, RRBs, SCBs and DCC Bs. NABARD has furnished the details of loans disbursed to SHGs by banks during the last three years and provisional data for the year 2013-14 and the same is enclosed as Annexure - V.

(c) No such data is maintained.

(d) & (e) NABARD has informed that no such instances have come to their notice. However, progress in Self Help Group Bank Linkage Programme is reviewed every quarter in various fora like Block Level Bankers Committee, District Level Consultative

Committee and State level Bankers Committee, which is attended, inter alia, by RBI, NABARD, Bankers, State Government officials and elected representatives of the people. Special efforts are made under NRLM to interface with banks to ensure Bank-linkage of all SHGs.