

**GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:5134
ANSWERED ON:05.04.2017
Self Help Groups in Poverty Alleviation
Paswan Shri Chhedi

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:-

- (a) the role of Self Help groups in poverty alleviation in the country;
- (b) the steps taken/proposed to be taken by the Government to encourage Self Help Groups in the country including Bihar; and
- (c) the details of the schemes being run by the Government to provide sufficient financial resources and loans to the self help groups and to empower them, State-wise including Bihar?

Answer

THE MINISTER OF STATE IN
THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION
[RAO INDERJIT SINGH]

(a) : Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) and DAY-National Rural Livelihoods Mission (DAY-NRLM) envisage mobilization of urban/ rural poor households into SHGs and its federations. Self-Help Groups (SHGs) are groups of 10-20 women or differently abled men who come together to improve their living conditions by groups savings and loans.

(b) & (c): For promoting financial inclusion of SHG members under DAY-NULM & DAY-NRLM, Resource Organizations have been empanelled.

Under DAY-NULM, a Revolving Fund (RF) support of Rs. 10,000/- per SHG and RF of Rs. 50,000/- to registered Area Level Federation (ALF) is provided to sustain their activities. Further financial assistance is provided to SHGs through bank- linkage including interest subsidy over and above 7 percent rate of interest. Details of State/UT -wise number of SHGs which have received RF and bank linkage is at annexure-I.

Under DAY-NRLM, there is provision of revolving fund of Rs. 10,000-15,000 per SHG and Community Investment Fund (CIF) upto Rs. 2.5 Lakh per SHG. Further, intensive support is provided for bank linkage so that each SHG member would be able to leverage accumulated bank credit of Rs. 1 Lakh over a period of 5-8 years. Details of State/UT -wise RF and CIF provided under DAY-NRLM is at Annexure-II and details of bank loan provided to SHGs under DAY-NRLM is at Annexure-III. All women SHGs in selected 250 districts are eligible to avail 7% interest for loan upto Rs. 3 lakhs and an additional subvention of 3% for timely repayment.
