

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 592**  
TO BE ANSWERED ON 07/02/2024

**FINANCIAL SUPPORT TO SHG**

592 SHRI RAGHAV CHADHA:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the current status and extent of financial support provided to Self-Help Groups (SHGs) under the various programs;
- (b) the details of budget allocation and utilization for this purpose in the last five years; and
- (c) the details of strategies and measures in place to enhance the financing of SHGs, particularly in Punjab, to promote entrepreneurship and self-reliance among community members?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT  
(SADHVI NIRANJAN JYOTI)

(a) The Ministry is implementing Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY – NRLM) across the country (except Delhi & Chandigarh) with the objective of organizing the rural poor women into Self Help Groups (SHGs) and continuously nurturing and supporting them till they attain appreciable increase in income over a period of time and improve their quality of life & come out of abject poverty.

Under DAY-NRLM, capitalization support is provided in the form of Revolving Fund (RF) at the rate of Rs. 20,000-30,000 per SHG and Community Investment Fund (CIF) to the extent of Rs. 2,50,000 per SHG to support their income generating and livelihood activities. As on 31<sup>st</sup> January 2024, a total of Rs. 38892.98 Crore of capitalization support has been provided to SHGs and their federations since inception. Apart from this, DAY-NRLM also facilitates credit mobilisation for SHGs in the form of Bank loans. Since 2013-14 the SHGs have accessed Bank credit of Rs.8.15 lakh crore up-to 31<sup>st</sup> January 2024. In order to reduce the effective cost of Bank credit to women SHGs, DAY-NRLM provides interest subvention to SHGs on loans from Banks from Financial Year 2013-14.

(b) The details of central funds allocated and released/utilization under National Rural Livelihoods Mission (NRLM) and National Rural Economic Transformation Project (NRETP) for the last five years are given at Annexure.

(c) Funds provided to SHGs in the form of RF and CIF help them in creating a corpus, from which the SHG members can avail loans for various purposes including for promotion of livelihoods. In addition, the SHGs are also facilitated for Bank linkage for accessing credit at subsidized rates of interest. SHG members are also provided financial literacy skills through trainings on accounting, record-keeping, budgeting, and loan management etc.

To promote entrepreneurship, the Ministry is also implementing Start-up Village Entrepreneurship Programme(SVEP), a sub-scheme under the DAY-NRLM with the objective to help the SHG households to set-up enterprises at the village level in non-agricultural sectors.

SVEP has a provision for support through Community Enterprise Fund for the beneficiary households, to partly meet the cost of setting up the enterprise and while the balance is contributed by the beneficiary from her own savings or Bank credit.

The Ministry also facilitates the marketing of SHG products through its own online platform, i.e., [www.esaras.in](http://www.esaras.in) and also through other online platforms, i.e., Amazon, Flipkart, Meesho. The SHG members are also being trained to upload their products on online platforms. In addition, marketing of SHG products is also being carried out through stores and SARAS Melas at National and State levels including in Punjab.

1.19 Lakh SHG members have been deployed all over the country and 1,052 in Punjab as Business Correspondent Agents (BCAs)/Digi-Pay points also known as BC Sakhi to provide last mile financial services including deposit, credit, remittance, disbursement of pensions, scholarships, payment of MGNREGA wages and enrolment under insurance and pension schemes.

Punjab State Rural Livelihoods Mission (PSRLM) also conducts district level loan melas to provide loans to SHG members for the State of Punjab

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**Annexure referred in reply to part (b) of Rajya Sabha Unstarred Question No. 592 to be answered on 07.02.2024 regarding “Financial support to SHG”**

Funds allocated and released/utilization for the last five years:

Amount in Rs. lakhs

Financial Year	NRLM		NRETP*	
	Central Allocation	Funds Released/Utilized	Central Allocation	Funds Released/Utilized
2018-19	301422.10	301369.60	-	-
2019-20	408815.72	408815.72	40600.00	33582.49
2020-21	522330.38	522330.38	42193.99	42193.99
2021-22	788188.98	682571.60	64389.04	38672.20
2022-23	799592.90	785821.33	44300.00	43483.91

\*National Rural Economic Transformation Project (NRETP) commenced in the year 2019