

Scheme for promotion of Women SHGs (WSHGs) in backward & LWE districts of India

Subsequent to announcement made by Hon. Finance Minister in the Union Budget 2011-12, a scheme for promotion and financing of Women Self Help Groups (WSHGs) in association with Govt. of India is being implemented across 150 backward and Left Wing Extremism (LWE) affected districts of the country since March-April 2012. The scheme aims at saturating the districts with viable and self-sustainable WSHGs by involving Anchor agencies who shall promote & facilitate credit linkage of these groups with Banks, provide continuous handholding support, enable their journey to livelihoods and also take the responsibility for loan repayments. Under the Scheme, in addition to working as an SHPI, the Anchor agencies are also expected to serve as a banking / business facilitator for the Nodal implementing Banks.

To facilitate implementation of the Scheme, an exclusive fund viz. 'Women SHG Development Fund' was set up by Dept. of Financial Services, Ministry of Finance, Govt. of India in NABARD with a stated corpus of ₹500 Cr. Grant support @ ₹10,000/- per SHG to the Anchor agencies and also the cost of publicity, training & other capacity building initiatives is met out of this fund.

Some of the salient features of the scheme are as below:

- An anchor NGO / support agency will be selected by LDM in consultation with the DDM, NABARD and DLCC in each of the identified districts for implementation of the project.
- The scheme would be implemented through Bank branches, having CBS facility.
- The identified Bank branch will enter into a MoU with the identified NGO / support agency.
- The identified NGOs will be eligible for grant assistance upto a maximum of ₹10,000 per WSHG.
- All loans to new WSHGs promoted shall preferably be under the cash credit mode.
- NABARD will provide need based awareness and capacity development programmes for key stakeholders under the project.

As on 31 March 2016, the total number of WSHGs promoted and credit linked are 1.88 Lakh and 1.04 Lakh respectively.