

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

LOK SABHA
UNSTARRED QUESTION NO. 1483
ANSWERED ON 07/12/2021

1483. COL. RAJYAVARDHAN RATHORE:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the total amount of funds disbursed to State Governments under the Interest Subvention Scheme under the Deendayal AntyodayaYojana-National Rural Livelihoods Mission (DAY-NRLM) up to October 2021 scheme since its inception;
- (b) the total number of regional rural banks and cooperatives collaborated with under the scheme, Statewise and down to district level distribution for the State of Rajasthan;
- (c) whether the Government intends to provide 75 per cent of the amount of Interest Subvention in the beginning of the Financial Year (calculated on the basis of previous year's data) or to provide 75 per cent of Interest Subvention as interest free "Revolving Fund" to Cooperative Banks?

ANSWER

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

(a) Interest Subvention to women SHGs under the Deendayal AntyodayaYojana-National Rural Livelihoods Mission (DAY-NRLM) is provided in two ways:

(i) In 250 backward districts referred as category-I districts, all women SHGs are eligible for upfront loans upto Rs 3 lakhs at 7% per annum. Banks are subvented to the extent of the difference between lending rate and 7% subject to a ceiling of 5.5%. SHGs repaying promptly are also provided additional subvention of 3% per annum. This part of the scheme is implemented directly by the Ministry of Rural Development through participating Banks and entirely funded from the Central Component of the annual budget of DAY-NRLM. Subvention amount is directly given to the banks lending to SHGs. Since April 2013 to October, 2021, a total amount of Rs 6750.62 crore has been transferred to various participating Banks.

(ii) In the remaining districts of the country referred to as Category-II districts, women SHGs under DAY-NRLM availing loans upto Rs 3 lakhs, interest subvention is given to the extent of the difference between bank's lending rate and 7% subject to the maximum ceiling of 5.5% per annum. This part of the interest subvention scheme is implemented by State Rural Livelihoods Missions (SRLMs) set up by respective State Governments and budgetary provisions are made out of the annual grants received by them from Central and state governments, not exceeding 50% of the annual allocation. A sum of Rs. 538.30 crores has been given by the various State Governments to the women SHGs since inception of the scheme in April, 2013 to October, 2021.

(b) All 43 Regional Rural Banks and 31 State Cooperative banks, including the District Cooperative Banks lending to Self Help Groups in respective states, are eligible for submitting claims under interest subvention schemes. In Rajasthan, two Regional Rural Banks (Rajasthan Marudhara Gramin Bank, Baroda Rajasthan Kshetriya Gramin Bank) and Rajasthan Apex Cooperative Bank, including associated District Central Cooperative Banks

lending to women SHGs, in rural area are eligible for submission of claims under interest subvention Scheme. For category-I districts, claims are submitted by banks to the Ministry of Rural Development (MoRD). Since April 2013 to Oct 2021, a total amount of Rs 1880.07 Lakhs has been released by MoRD to various banks on account of interest subvention to women SHGs in the state of Rajasthan.

(c) No, Sir. The Guidelines in this regard are issued by RBI & NABARD and are followed. These do not have the provision of payment in advance or creation of a revolving facility therefore.
