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**PROCEEDINGS OF THE MANAGING DIRECTOR, TNSRLM,
Chennai - 34.**

PRESENT: Tmt. Shreya P. Singh, IAS.,

Roc.No: 259/B1/2025

Date: 09-04-2025

- Sub: Tamil Nadu State Rural Livelihoods Mission - Hon'ble Deputy Chief Minister- Announcement made on the floor of Assembly on **28.03.2025- Revolving Fund** to SHGs - Executive Orders - issued- reg.
- Ref: Announcement made by the Hon'ble Deputy Chief Minister on 28.03.2025.

In the reference cited, the Hon'ble Deputy Chief Minister made the following announcement on the floor of Tamil Nadu Legislative Assembly on 28.03.2025 (**Announcement No.11**)

"15,000 சுய உதவிக் குழுக்களுக்கு **22.50** கோடி ரூபாய் சுழல் நிதி வழங்கப்படும்.

சுய உதவிக் குழுக்களுக்கு அவர்களின் சேமிப்போடு, தொகுப்பு நிதியை அதிகப்படுத்தி கடன் இணைப்பு பெறுவதற்கு வழிவகுக்கும் வகையில் **22.50** கோடி ரூபாய் சுழல் நிதி வழங்கப்படும்".

In order to implement the above announcement in rural areas, in respect of SMIB component, Revolving Fund will be provided to newly formed 2,500 SHGs @ Rs.15,000 per SHG during the year 2025-26 with a budget allocation of Rs.3.75 crores under TNSRLM. In this regard, the following Executive Order is issued.

1. Release of Revolving Fund

One time grant of Rs.15,000/- is released to each SHG as Revolving Fund to supplement their internal savings and to enable more members to avail internal loans and to increment their credit capability. It also

helps to strengthen the SHGs to function in a more effective and vibrant manner.

2. Objectives of Revolving Fund

- a. To increase the savings and accumulated interest as SHG corpus fund.
- b. To create ownership on the fund.
- c. To accelerate the process of internal lending.

3. Eligible criteria for release of Revolving Fund to SHGs

- a. SHG should be uploaded in LoKOS portal.
- b. The SHG should be at least 3 months old (from the date of Bank account opening)
- c. The members attendance in the SHG meetings should be above 90%.
- d. The SHG should maintain Minutes Book, Attendance Register, Savings, Cashbook, Loan Ledger and Members' Pass Books.
- e. Members should do regular savings as per the agreed norms.
- f. There should be a regular internal lending of savings to the members for their small needs.
- g. Training of Animators & Representatives and Self Help Group members should have also been completed.
- h. SHG must be graded as 'A' to be eligible to receive RF.
- i. Proposals for release of Revolving Fund must be generated in FDM of NRLM and then it should be sent to SMMU after approval of the District Collector.
- j. Funds should be disbursed to SHG within a week from the date of receipt.

4. Methodology to be adopted for release of Revolving Fund

- a. Preparing the eligible proposal for Revolving Fund to SHGs.
- b. Check and scrutinize the proposal to confirm that SHG has not availed Revolving Fund earlier.
- c. SHG should have the account in a bank linked in Core Banking Solution (CBS).
- d. Fund should be disbursed through the FDM module to the SHG .

- e. All the transactions should be made through online portal only.
- f. In case of SHGs having account in PACCS, fund is to be routed through DCCB by EFMAS. Entry should be maintained in a register for the same.
- g. Resolution copy along with rating of the SHGs are to be verified and submitted by CSTs to the PLFs to confirm their 'A' rating.
- h. No cash transaction should be made.

5. Timeline

- a. District Mission Management Unit should release fund to Self Help Groups through Fund Disbursement Module (FDM) within a week from the date of receipt of Revolving Fund from State Mission Management Unit.
- b. Release of RF shall be uploaded in NRLM by CST immediately and updated in LoKOS APP.

6. Monitoring mechanism

- a. Zonal APOs should maintain a separate list on number of SHGs received RF and about the rotation of the RF funds. The details should also be maintained at the PLF level and BLF Level.
- b. Project Director /Assistant Project Officer on their tour should ensure visiting of RF received SHGs and CIF received SHGs.
- c. Proper assessment of the SHGs should be done before sending the proposal to SMMU (like seniority of the group).
- d. Project Director should monitor and ensure through APOs/BMM/BCs/CSTs that all the SHGs that received RF in the past are entered in the NRLM portal/ LOKOS APP without fail.
- e. Block Mission Managers should monitor the disbursement of Revolving Fund and maintain the copy of passbook of RF disbursement at Block level.

The Project Directors of all Districts are responsible to implement and monitor the scheme at the District level by releasing the Revolving Fund. They are also responsible to ensure that the entries are made in the National Rural Livelihoods Mission portal /LoKOS within the stipulated time. Proper documentation should be ensured by the Project Directors. The targets allocated for the districts should be achieved by December 2025.

Encl:

Target for release of RF
for the year 2025-26

Shreya Panikkassery Singh
MANAGING DIRECTOR

To

The Project Directors
DMMU-TNSRLM,
All Districts.

Copy To

The District Collector
All District.