



Hotel Hamza 3rd Cross lane, Old Gagribal, Boulevard Road Srinagar- 190001
JKPCC Building, Bahu Plaza, Near Panama Chowk Jammu-180006
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Sub: Revised guidelines for disbursement of Revolving Fund – regarding.

ORDER NO: 13 JKRLM of 2023

DATED : 24 - 01-2023

Whereas, as a practice the JKRLM (Umeed) has been disbursing the Revolving Fund (RF) through Village Organization (VO) to the eligible Self Help Group (SHG) as a loan by the VO. The Revolving Fund were treated as a corpus fund within the VO, in order to make them financially self-reliant in the longer run;

Whereas the DAY-NRLM has introduced LoKoS portal, which doesn't have provision of capturing the Revolving Fund as per the norm followed by the JKRLM(Umeed); whereas, the DAY-NRLM in its review meeting has instructed JKRLM to disburse Revolving Fund as per the guidelines of DAY-NRLM.

Now therefore, in order to disburse the RF as per the guidelines of DAY-NRLM and thereby capturing of RF disbursement information on LoKoS portal, it is hereby ordered that the RF will be disbursed as a grant to the SHGs.

The guidance note for disbursement of Revolving Funds is (enclosed).


24.01.23
Indu Kanwal Chib (JKAS)

Mission Director.

No. MD/JKSRLM/22/2014/

Dated: 24.01.2023

Copy to:

1. Additional Mission Director, JKRLM, Jammu/Kashmir for information.
2. All SPMs/DPMs/BPMs for information and necessary action.
3. Office order file/stock file.



Government of Jammu & Kashmir
Office of the Mission Director, J&K Rural
Livelihoods Mission,



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Reference: Order No. 13 of JKRLM of 2023 dated: 24.01.2023

Guidelines for Revolving Fund

1. Background:

Under the intensive Social Mobilization approach, once the rural women are organized into their own institutions, they need to be supported with resources to meet their felt needs. These needs include consumption needs, redemption of high cost outstanding debt, livelihoods enhancement and other priorities like education, health etc. Some of these needs would be met if they are provided with: Revolving Fund (RF) to SHGs through Village Organizations.

2. Revolving Fund to the SHGs

2.1 Savings is a small fund regularly contributed by the members, to lend to each other within the SHG to meet the urgent household needs of members. As the age of the group increases this savings and accumulated interest develops into a SHG corpus and it belongs to all the members. It creates a deep ownership on that fund. To accelerate the process of internal lending and increase the size of the corpus, the Revolving Fund is thought off as a mechanism in the development of SHGs.

2.2 The criteria for provision of Revolving Fund to SHG –

2.2.1 It is a SHG of women from the households of rural areas as its members having low socio-economic conditions. Priority should be given to S.H.G.s of the poorest of the poor. Note: In case of Persons with Disability and elderly, the SHG can be of women, men or both. The size of the SHG can be a minimum of 8-15.

2.2.2 The SHG should have been practicing 'panchasutra' for the last 3-4 months (15 weeks):

- The members' attendance in the group meetings is atleast 90% and above.
- Members are saving regularly as per the agreed norms.
- There is a regular internal lending of savings to the members for their small needs.
- These loans are regularly recovered, maintaining atleast 95% recovery at SHGs level.
- A trained Book Keeper is engaged by the group and books (Meeting minutes book, Savings cum attendance register, Cashbook, Loan ledger and Member's pass book) are written in the same group meetings.

2.2.3 The group has opened an SB Account in any Bank Branch.

2.2.4 All the members of the group have received member level training on SHG concept, group management and pancha-sutras by the CRPs and PRPs

2.2.5 A commitment from the group that the Revolving Fund will be utilized for internal lending to the members along with savings.