



MoU for the First Women's Fund Financial Institution

Why in News?

On July 25, 2022, an MoU was signed between Rajasthan Rural Livelihood Development Council and Streenidhi Telangana in the presence of Minister of Rural Development and Panchayati Raj Ramesh Chand Meena for setting up the state's first and the country's third 'Women's Financial Institution' in Rajasthan.

Key Points

- The MoU was signed at the Indira Gandhi Institute of Panchayati Raj by State Mission Director Manju Rajpal on behalf of Rajivika and G. Vidyasagar Reddy, MD, Streenidhi on behalf of Telangana.
- The 'Rajasthan Mahila Nidhi' in the state is being set up through Rajivika as a state-level cooperative financial institution on the lines of the Stree Nidhi model successfully operated in the state of Telangana. Rajivika's cluster level federation will be its members.
- Rajasthan Mahila Nidhi will be started in 15 districts in the first year of implementation, out of which it is being started in 6 districts namely Karauli, Alwar, Kota, Dungarpur, Rajsamand and Jodhpur.
- A total grant of Rs.50 crore (Rs.25 crore in the first year) will be given by the State Government in two years for setting up of Rajasthan Mahila Nidhi and proposals for grant of Rs.110 crore from the Government of India have been sent to the Central Government.
- For the operation of this fund, in a phased manner, Rajivika is contributing Rs.10 lakh per cluster level association share capital from 561 promoted cluster level federations.
- Through the Women's Fund, loans up to Rs.40,000/- can be disbursed in 48 hours and above within a time frame of 15 days.
- Speaking on the occasion, Rural Development Minister Ramesh Chand Meena said that after the setting up of the Women's Fund, the economic empowerment of women of Rajivika's Self Help Groups will get a boost and it will be convenient for them to get loans for their enterprise. The number of loan applications pending in banks will also come down.
- The Rajasthan Mahila Nidhi will act as a supplementary financial institution with formal banks. The fund will be operated by the women of SHGs for the women of SHGs only.
- It may be mentioned that an announcement was made by Chief Minister Ashok Gehlot in the Budget for the year 2022-23 regarding setting up of women-run banks.

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