WRAP Exams · wrapexams.com
Prelims PYQ, Mains model answers, and copy evaluation. Write to the desk for this paper, a doubt, or the AI waitlist.
ask@wrapexams.com · +91 85951 84903 · wrapexams.com

Q74

Consider the following statements : 1. The Self-Help Group (SHG) programme was originally initiated by the State Bank of India by providing microcredit to the financially deprived. 2. In an SHG, all members of a group take responsibility for a loan that an individual member takes. 3. The Regional Rural Banks and Scheduled Commercial banks support SHGs. How many of the above statements are correct? (a) Only one (b) Only two (c) All three (d) None Official key: B.

UPSC Civil Services Prelims 2023 · General Studies · 2 marks · Economy

Indian economy, budget, schemes - Prelims GS Paper I.

Explanation

(a)

Only one. Joint liability and bank support both hold; SBI-as-originator does not.

(b) Official key

Only two. SHGs share responsibility for a member's loan; RRBs and commercial banks finance them. The programme was not originally an SBI invention - NABARD / MYRADA lead that history.

(c)

All three. Statement 1 is the miss.

(d)

None. Two statements stand.

Summary

Official key is (b) only two. An SHG is a joint-liability group; RRBs and scheduled commercial banks lend to SHGs (often via NABARD refinance). The SHG-bank linkage was not originally initiated by SBI as the scheme's author.

Related possible facts

These can be asked in a future Prelims paper.

SHG-Bank Linkage
NABARD, from the 1990s; MYRADA as an early NGO model.

Joint liability
Group guarantee for an individual member's loan.

WRAP Exams

WRAP Exams · Write. Read. Analyse. Practice. · https://wrapexams.com/upsc/prelims/gs/2023/consider-the-following-statements-1-the-self-help-group-shg-programme-was-originally-initiated-by-the-state-bank-of-india-by-providing-microcredit-to-the-financially-deprived-2-in-an-shg-all-members-of-a-group-take/ · ask@wrapexams.com · wrapexams.com

WRAP Exams