

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

STARRED QUESTION NO:46  
ANSWERED ON:03.12.2004  
SELF EMPLOYMENT IN RURAL AREAS  
Budholiya Shri Rajnarayan;Chavan Shri Harischandra Deoram

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether the Government is formulating any scheme to promote self employment schemes in rural areas;
- (b) if so, the details thereof;
- (c) the amount of funds allocated by the Government for implementing this scheme during the last two years; and
- (d) the steps taken/being taken by the Government to remove unnecessary barriers created by public sector banks in providing loan for self employment in rural areas?

**Answer**

MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH )

(a) to (d) A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.46 due for answer on 3-12-2004.

(a) Sir, the Ministry of Rural Development is implementing the Swarnjayanti Gram Swarozgar Yojana(SGSY) as an integrated programme to create self employment opportunities for the rural poor households launched with effect from 1st April, 1999 following restructuring of the erstwhile Integrated Rural Development Programme(IRDP) and allied schemes.

(b) The objective of the SGSY is to bring the assisted poor families above the poverty line by organizing them into Self Help Groups, building their capacity through training and provision of income-generating assets through a mix of bank credit and Government subsidy. The assisted families (Swarozgaris) may be individuals or Groups (Self Help Groups) from families living below the poverty line. However, the scheme lays emphasis on the Group approach and development of activity clusters by selecting about 10 key activities per block. The Programme is being implemented in rural areas of all the States/UTs (except Delhi and Chandigarh).

(c) The funds allocated for implementation of SGSY during the last two years are as under:-

Year	Central Allocation (Rs. in crore)
2002-2003	710.00
2003-2004	800.00

(d) A four-tier comprehensive co-ordination mechanism at Central, State, District and Block levels is in place to coordinate between different agencies responsible for implementation of the programme. To sort out the issues relating to banks, senior executives of the banks have been made the members of the Committees at all levels.

The Central Level Coordination Committee meets once in six months to review and ensure effective implementation of the programme. The Committee also looks into the issues relating to credit assistance such as delay in sanction and disbursement of loans by the banks. In its last meeting, held on 18th June 2004, it was decided that all loan proposals sponsored by the blocks/DRDAs will be sanctioned by the banks within 15 days and not later than one month of the receipt of the proposals.

At the instance of the Ministry, instructions have been issued by RBI, NABARD and IBA to the Chief Executives/MDs of banks to monitor the scheme at their own level to achieve the targets fixed under the SGSY scheme.