

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:195
ANSWERED ON:26.07.2010
SELF HELP GROUPS
Reddy Shri Magunta Srinivasulu

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is taking any steps for graduation of Self Help Groups (SHGs) members to entrepreneurs which requires intensive training and handholding on various aspects like understanding of markets, potential mapping and entrepreneurship management;

(b) if so, the details thereof; and

(c) the view of the SHGs members and experts in this regard for future programmes in the remaining Eleventh Plan period including backward areas in Andhra Pradesh compared to other States?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a) & (b): The Swarnjayanti Gram Swarozgar Yojana (SGSY), was primarily designed to promote self-employment oriented income generating activities for the Below Poverty Line (BPL) households in the rural areas. The main components of the scheme include: (i) formation of SHGs of rural poor households; (ii) capacity building training for managing the SHGs and skill training to take up micro-enterprises; (iii) strengthening thrift and credit in SHGs by providing revolving fund support; (iv) credit linkage with banks/other financial institutions and back ended subsidy for eligible SHGs/members to take up micro enterprises;(v) provision of support for marketing and infrastructure creation to strengthen the forward and backward linkages; and (vi) technology inputs for micro enterprises.

(c): After exhaustive consultation with all the stakeholders including SHG members and experts and taking into consideration the various studies conducted with regard to the performance of SGSY, the SGSY has now been restructured as National Rural Livelihoods Mission (NRLM) with a view to implement it in a mission mode for targeted and time bound delivery of results. Universal social mobilisation through formation of SHGs under NRLM will ensure at least one member of each rural BPL family, preferably a woman member, is covered under SHG network. With a view to form strong Peoples Institutions, NRLM will focus on setting up of federations of SHGs from village panchayat to district levels. NRLM proposes to ensure Universal financial inclusion by facilitating opening of savings accounts of all its beneficiaries, simultaneously encouraging thrift and credit activities, facilitating access to credit from banks etc. Further, in addition to provision of revolving fund and capital subsidy, interest subsidy is being introduced for ensuring availability of credit to beneficiaries at reasonable rates for taking up micro – enterprises. NRLM envisages intensive and focused training and handholding support for all the stakeholders.

NRLM will be implemented, in a phased manner, in all the States and UTs of the Country including the backward areas of Andhra Pradesh, except for Delhi and Chandigarh.