

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:997

ANSWERED ON:15.11.2010

NEW SCHEME UNDER SGSY

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the number of cases related to self - employment in the country particularly in Chhattisgarh, Jharkhand and Orissa States under the Swarnjayanti Gram Swarojgar Yojana (SJGSY) sanctioned during the last three years and till date;
- (b) the amount released by the Union Government for providing self employment against the above cases, State-wise;
- (c) whether the Government has formulated any scheme for reducing poverty and enhancing the standard of living in rural areas;
- (d) if so, the details along with the salient features of the new scheme;
- (e) whether the Union Government has consulted the State Governments to implement the said scheme; and
- (f) if so, the details thereof?

Answer

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

(a): The Swarnjayanti Gram Swarojgar Yojana (SGSY) is a Centrally Sponsored Scheme and the funding for the programme is shared between the Centre and the States in the ratio of 75:25, except for North Eastern States, in whose case the ratio is 90:10. The central allocation earmarked for the States, including Chhattisgarh, Jharkhand and Orissa, is distributed in relation to the incidence of poverty in the States.

(b): A statement indicating release of central share of funds during the last three year i.e. 2007-08 to 2009-10 and the current financial year 2010-11 (as on 31-10-2010) is at Annexure.

(c) & (d): The SGSY is a holistic self employment programme aimed at improving family incomes of the rural BPL population through a process of social mobilisation including organizing them into Self Help Groups (SHGs), their training and capacity building, credit linkage with banks and infrastructure and marketing support. SGSY is now being re-structured into the National Rural Livelihoods Mission (NRLM) with a view to implement it in a mission mode for targeted and time bound delivery of results. The salient features of NRLM are as follows:

I. Universal Social Mobilisation, through ensuring that at least one member of each rural BPL family is brought under the SHG network, and, formation of federations of SHGs at various levels.

II. Provision of professional implementation structure from National to Sub district levels.

III. Universal financial linkage, for ensuring linkage of all SHG members with banks and ensuring availability of credit for the poor for consumption and livelihoods requirements by building a pro- poor financial sector through

- a. Provision of Revolving Fund & Capital Subsidy and using the same strategically for leveraging credit for the poor
- b. Introduction of Interest Subsidy for prompt repayment of loans
- c. Strategic partnerships with banking sector
- d. Leverage IT and business correspondents models
- e. Financial literacy and financial counseling to SHG members
- f. Micro insurance to cover life, health and assets

IV. Up scaling of skill development and placement projects for skilled wage employment to rural BPL youth and innovative projects in the nature of pilot projects for triggering growth impulses.

V. Involvement of States for State specific Action Plans in order to ensure that specific needs of the states are addressed.

VI. Monitoring, Evaluation & Transparency: Under the NRLM there will be (i) regular impact assessment (ii) a comprehensive MIS (iii) social accountability practices like social audits, self correcting mechanism of SHGs etc.

(e) & (f): There were repeated consultations with the State Governments before restructuring of SGSY as NRLM. A conference of State Ministers of Rural Development had been organized in September, 2009 with a view to elicit comments of all the State Governments. The comments so received have been considered while restructuring SGSY as NRLM. Subsequent to approval of NRLM also, the State Governments have been consulted systematically through workshops and meetings on finalisation of guidelines for the programme.