

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

STARRED QUESTION NO:176
ANSWERED ON:08.03.2013
RURAL BUSINESS HUBS SCHEME
Patel Shri Deoraj Singh;Sharma Dr. Arvind Kumar

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Rural Business Hubs (RBHs) Scheme is being implemented by the Government;
- (b) if so, the details thereof indicating the salient features of the Scheme and the criteria to set up a RBH centre;
- (c) the number of RBH centres in the country at present State/UT-wise along with the number of proposals received, sanctioned and pending with the Government to open RBH centres under the Scheme;
- (d) the funds sanctioned, released and utilised by the States/UTs under the RBH Scheme during each of the last three years and the current year, State/UT-wise; and
- (e) the steps taken by the Government to promote the objectives of the Scheme?

Answer

MINISTER OF PANCHAYATI RAJ (SHRI V. KISHORE CHANDRA DEO)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN PART (A) TO (E) OF THE LOK SABHA STARRED QUESTION NO.176 TO BE ANSWERED ON 8TH MARCH, 2013 REGARDING RURAL BUSINESS HUBS SCHEME.

(a) : The Rural Business Hub (RBH) Scheme was being implemented during the 11th Five Year Plan. On the recommendations of the Working Group of the Planning Commission, this Scheme is not being continued during the 12th Five Year Plan. However, an amount of Rs.25 lakhs has been provided for during 2012-13 to meet the committed liabilities under the Scheme.

(b): RBH Scheme was implemented during the 11th Five Year Plan as a participatory development model for the rural areas of the country that is built on the platform of 4 Ps i. e., Public- Private- Panchayat- Partnership. The Scheme aimed to promote businesses using raw materials/skills available in the rural areas by linking them with industry and marketing organisations so that such products get the benefit of value addition and their marketability is increased. The entire process was mediated/facilitated by the empowered Panchayati Raj Institutions. This scheme was applicable to all the Backward Regions Grant Fund (BRGF) and North-Eastern Region districts. Under the scheme, MoPR extended token financial support (not exceeding Rs. 25 lakh) for viable RBH projects and the balance project cost had to be converged through other Central/ State Government Schemes/ Financial Institutions/ implementing Organizations etc.

(c) & (d): Under RBH Scheme, funds are released directly to implementing agencies and not to the States. No RBH Centres were set up under the Scheme. Number of individual projects sanctioned and funds released to the implementing agencies during last three years and the current year under RBH Scheme is at Annex.

(e): To promote objectives of the RBH Scheme, during the Eleventh Five Year Plan, this Ministry collated the schemes of a host of Central Ministries including Food Processing Industries/ Commerce & Industries / Textiles / Non-Conventional Energy Sources / Power / Petroleum and Natural Gas which could be converged for setting up RBHs. The Khadi and Village Industries Commission and the Export Promotion Councils were approached to converge their programmes with the RBHs. Institutions such as NABARD and SIDBI were also mobilized to promote institutional convergence.