

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:6697
ANSWERED ON:07.05.2015
MANUFACTURING OF PRODUCTS
Ajmal Shri Sirajuddin

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) Whether the Government proposes to harness the potential for manufacturing products from raw materials available in rural areas and exporting them to enable the rural people to get employment and improve economy in rural India;
- (b) If so, the details thereof; and
- (c) The other step taken by the Government to encourage the rural people to improve their economy at Panchayat level?

Answer

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ (SHRI NIHAL CHAND)

(a) to (c): Ministry of Panchayati Raj (MoPR) was implementing a Central Sector Scheme namely Rural Business Hubs during the 11th Five Year Plan (2007-12), for promoting manufacturing of products using raw materials/skills available in the rural areas. The scheme was subsumed under the Backward Region Grant Fund (BRGF) scheme from the 12th Plan. Under BRGF, untied funds were provided to the States to bridge critical gaps in local infrastructure and other development requirements in the identified 272 backward districts. MoPR was also implementing the scheme on Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) under which funds were provided to States for administrative, technical support and physical infrastructure facilities to Gram Panchayats, besides capacity building and training of Elected Representatives and functionaries of PRIs. These schemes have now been transferred to the States.