GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)

RAJYA SABHA
UNSTARRED QUESTION NO.2320
FOR ANSWER ON 23-08-2011

TRAINING OF YOUTHS UNDER NRLM

2320. SHRI TARIQ ANWAR: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether it is a fact that Government has launched National Rural Livelihood Mission (NRLM);

(b) if so, the details thereof;

(c) whether it is also a fact that training will be given to youths under Public Private Partnership (PPP); and

(d) if so, the number of youths expected to be benefitted under this Mission?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI PRADEEP JAIN ‘ADITYA’)

(a) : Yes, Sir.

(b) The salient features of NRLM are:

- **Universal social mobilisation through formation of SHGs** under NRLM. This will ensure that at least one member of each rural BPL household, preferably a woman member of the household, is brought under the Self Help Group (SHG) net.

- With a view to form strong Peoples Institutions, NRLM will focus on **setting up of federations of SHGs** from village panchayat to district levels. These federations will not only
provide voice and strength to its members, but will also
handhold the SHGs through providing all kinds of support
services
• The goal of **universal financial inclusion** will be furthered
through linking the SHGs with banks for securing credit for:
  ✓ swapping of high cost debt
  ✓ meeting their consumption needs – food, health,
education, etc
  ✓ acquiring assets and working capital for income
generation

• Capacity Building and Training – Capacity building and
training will be the most important part of the programme.

• **Provision of enhanced Revolving Fund & Capital Subsidy**-

  **Revolving Fund**- To meet the requirement both in terms of
consumption and taking up the income generating activities, it is
proposed to raise the amount of **revolving fund to Rs 15000 per
SHG. Capital Subsidy**- It is proposed to provide subsidy of Rs
15,000 to individual Swarozgaries of general category and Rs
20,000 to SC/ST and people with disabilities. For SHGs, subsidy
will be Rs. 20,000 per capita subject to a maximum of Rs 2.50
lakh, whichever is less. The capital subsidy will be provided to
the SHGs either through their federations or directly. NRLM will
attempt to make a smart use of subsidy so that it helps in
building a credit track for the SHG members so that they are
seen as credit worthy clients by banks for extending loans to
them for their various needs.

• **Introduction of Interest Subsidy**- Under NRLM, interest
subsidy will be provided to SHGs for prompt repayment of loans
to banks. The difference between 7% and Prime Lending Rates (PLR), will be provided to the poor households for every loan accessed from the banks, up to a limit of Rs 1 lakh per household. This is with a view to enhance viability and competitiveness of SHGs and encourage the repayment of loan by them.

- NRLM will also focus on ensuring skilled wage employment for rural youth through placement linked skill development projects.
- For ensuring monitoring, evaluation & transparency: NRLM will take steps like creation of MIS, impact assessment studies, social audit, panel studies etc.

(c) & (d): Yes, Sir. Under the Special Project component of Swarnjayanti Gram Swarojgar Yojana (SGSY) / National Rural Livelihoods Mission, Ministry of Rural Development is implementing placement linked skill development projects through Public Private Partnership (PPP) model. Under these projects, youth between the age group of 18-35 years are trained by Project Implementing Agencies (PIAs) to develop their skills in various trades with a view to get wage employment. Under the programme 75% placement is assured by the PIAs. The Ministry provides financial support to the PIAs by way of grants to the extent of 75% of the total cost of the project and remaining 25% is mobilized by the Agency through contributions from State Government, industry and other sources. Upto the financial year 2010-11, 2.78 lakh youth have been trained. For the current financial year (2011-12), there is a budget provision of Rs.449 crore for implementation of such projects. The Ministry provides a maximum of Rs.14,100/- towards the cost per beneficiary under the project.