

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:3590  
ANSWERED ON:16.12.2005  
SELF EMPLOYMENT SCHEMES  
Renge Patil Shri Tukaram Ganpatrao

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether self-employment schemes are financed by the Union Government;
- (b) if so, the details thereof indicating the involvement and responsibility of the local public representative in the implementation of such schemes;
- (c) the details regarding the manner of implementation of such schemes alongwith the main works and objectives of the said schemes; and
- (d) the remedial steps taken by the Government to review such schemes and to effectively monitor the work of implementation and maintenance of accounts thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYAKANTA PATIL)

(a) Yes, Sir. The Ministry of Rural Development has been implementing the Swarnajayanti Gram Swarozgar Yojana (SGSY) as a major Self Employment Programme in rural India w.e.f. 1st April, 1999. The scheme is financed on 75:25 cost sharing basis between the Centre and the States.

(b) & (c) The objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the poverty line by organizing them into Self Help Groups through the process of social mobilization, their training and capacity building and provision of income-generating assets through a mix of Bank Credit and government subsidy. It is credit linked scheme, wherein credit is the key element and subsidy being an enabling component.

The SGSY is implemented by District Rural Development Agencies (DRDAs) with the active involvement of Panchayati Raj Institutions (PRIs), the banks, the line departments and the NGOs. The DRDAs are expected to coordinate in effective implementation of the programme. The Panchayati Raj Institutions play a crucial role in implementation of the scheme such as identification and approval of the list of beneficiaries, monitoring the performance of the Swarozgaris including repayment of bank loans by them and identification of key activities etc.

(d) A comprehensive system of monitoring has been adopted under the SGSY. The programme is monitored from the Central level down to the grass-root level. At the Central level, the Central Level Co-ordination Committee (CLCC) monitors and reviews the implementation of the Programme and lays down Policy Guidelines for all aspects related to credit linkages for the SGSY. The Performance Review Committee of the Department of Rural Development also reviews the implementation of the SGSY. At the State level, a State Level Coordination Committee (SLCC) monitors the Programme. Implementation of the Programme is monitored and reviewed through the Project Directors' Workshops and periodic meetings with the State Secretaries. At the Block/DRDA level, monitoring is done through field visits and physical verification of assets.

As regards maintenance of accounts, DRDAs are required to maintain the accounts of expenditure annually and get it audited by the Chartered Accountant. The release of second instalment of funds to DRDAs during every financial year is subject to submission of Utilisation Certificate and audited statement of accounts by them.