

5. MAHALIR THITTAM

5.52 2007 - 08 Formation of 10,000 youth Self Help Groups in 30 Districts both Urban and Rural areas

Rural Development and Panchayat Raj (CGS-I) Department

G.O. (Ms) No. 110

Dated: 22.6.2007

Read:

1. G.O.(Ms.) No.124, Rural Development & Panchayat Raj (CGS-II) Dept., dated 19.9.2006
2. From the Managing Director, Tamil Nadu Corporation for Development of Women Ltd., D.O. Letter No. 641/D1/2007, dated 13.4.2007

ORDER

Based on the announcement made by the Hon'ble Minister(Rural Development &Local Administration) in the Legislative Assembly, orders were issued in the G.O. first read above for the formation of 10,000 Youth Self Help Groups during 2006-07 with an allotment of Rs.10.00 Crores.

2. In his D.O.letter second read above, the Managing Director, Tamil Nadu Corporation for Development of Women Ltd., has sent proposal for formation of 10,000 Youth SHGs. for the year 2007-08. He has stated that as on 31.3.2007, 9397 youth SHGs have been formed and 1396 youth SHGs have been provided revolving fund of Rs.10,000/- each. With a view to improve the employability of the youth, skill training has been imparted to 4098 youth through reputed industrial houses and institutions like L&T, MRF and TVS Research and Training centre among others. In the current year, it is proposed to focus on formation of activity based youth groups and also youth groups comprising young women who are not part of women self help groups.

3. The Managing Director has also stated the following:

Special features of Youth SHGs:

Unlike Women SHGs, which were formed originally for social empowerment, Youth SHGs will have economic empowerment as the primary focus. Therefore, the focus will be on skill training for increasing their employability and promotion of economic activities. In addition, Youth SHGs will be trained in SHG concept, savings, etc like Women SHGs.

The salient features of Youth SHGs will be:

- ❖ Groups will be formed based on economic activities.
- ❖ Skill training will be imparted to increase employability and to promote self-employment.

Group formation:

The SHGs will be formed with unemployed youth in the age group of 18 to 35 years. Each group will comprise 10 to 20 members drawn from the below poverty line population. These SHGs will be formed in all the 30 districts in both urban and rural areas. The NGOs affiliated to TNCDW will be engaged in forming these groups. Group formation cost of Rs.350/- per group will be paid to NGOs.

Monitoring cost:

To closely monitor and handhold Youth SHGs, NGOs forming the SHGs will be provided monitoring cost on the same pattern like women SHGs.

The Monitoring Cost will be released to the NGOs under the following conditions:

(i) During the year of formation, (i.e) the first year, only for those groups which have conducted regular meetings and savings and have been imparted capacity building training (i.e) SHG Training and A&R Training.

(ii) In the second year, only for those groups which have passed first credit rating and are eligible for Revolving Fund / Credit Linkage.

SHG member training:

This training will be imparted to all the members of the Youth SHGs. The basic concepts about the functioning of Self Help Groups will be taught during this training. Training will be in 4 modules in 4 days.

Animator and Representative Training:

The Animator and any one Representative from each SHG will be imparted this training which focuses on leadership, team building and maintenance of accounts. It will be in 3 modules spread over 6 days.

Skill Training:

Providing marketable skills to unemployed youth is very essential to improve their employability. This program will lay stress on imparting skill training through established industries and reputed institutions. The objective will be to either get wage employment based on the skills acquired or encourage self-employment ventures. For Skill training. 5,000 Youth @ an average cost of Rs.8,000/- per trainee. This skill training will be provided to unemployed youth who are members of SHGs as well as other unemployed youth who are not part of the SHGs.

Provision of revolving fund:

The Youth SHGs will be graded, 6 months after formation and efforts will be taken to provide credit linkage. To facilitate credit linkages, Rs.10000/- will be provided as grant towards revolving fund. It is estimated that 1140 Youth SHGs will be provided revolving fund.

The scheme cost works out to **Rs.10.00 Crores** for the current financial year and it has been provided in the Budget Estimate 2007-08. Therefore he has requested to approve the proposal and release a sum of Rs.10.00 crores towards "Formation of 10,000 Youth SHGs during 2007-08".

4. The Government after careful examination accept the proposal of Managing Director, Tamil Nadu Corporation for Development of Women and issue the following orders:-

1. 10,000 Youth Self Help Groups shall be formed in all the 30 districts in both urban and rural areas with unemployed youth in the age group of 18-35 years, comprising of 10 to 20 members for each group from the below poverty line population by engaging the Non Governmental Organizations affiliated with Tamil Nadu Corporation for Development of Women.
2. Group formation cost of Rs.350/- per group shall be paid to the Non Governmental Organizations.
3. The Non Governmental Organizations forming the Self Help Groups shall be provided monitoring cost on the same pattern like women Self Help Groups as detailed below:-

For the first 300 SHGs.	301-500 SHGs.	501-1000 SHGs.	1001 and above
Rs.30/- per Group /p.m.	Rs.25/- per Group / p.m.	Rs.20/- per Group / p.m.	Rs.15/- per Group / p.m.

5. MAHALIR THITTAM

The Monitoring Cost will be released to the NGOs under the following conditions:

- (i) During the year of formation, (i.e) the first year, only for those groups which have conducted regular meetings and savings and have been imparted capacity building training (i.e) SHG Training and A&R Training.
- (ii) In the second year, only for those groups which have passed first credit rating and are eligible for Revolving Fund / Credit Linkage.

4. All the members of the Youth Self Help Groups shall be imparted training on the basic concepts about functioning of Self Help Groups in 4 modules in 4 days.

5. The Animator and any one Representative of each Self Help Groups shall be imparted training focusing on leadership, team building and maintenance of accounts in 3 modules in 6 days.

6. The skill trainings shall be provided to unemployed youth, who are members of Self Help Groups through established industries and reputed institutions with the objective of getting wage employment or to encourage self employment.

7. The youth Self Help Groups shall be granted revolving fund of Rs.10, 000/- to facilitate credit linkage.

8. The Government approve the following activities in relation to Youth Self Help Groups and expenditure during 2007-08.

Activities and Expenditure:

Sl. No	Component	Unit Cost	Amount (Rs.)
1	Group Formation Cost	10000 x Rs.350/-	35,00,000
2	Monitoring Cost	10000 x Rs.27.50 x 12(2007-08) 10000 x Rs.27.50 x 12(2006-07)	33,00,000 33,00,000
3	SHG Member Training cost	10000 x Rs.60 x 12 members x 4 days	2,88,00,000
4	A&R Training	10000 x 2 members x 6 days x Rs.60	72,00,000
5	Need based skill training	5000 x Rs.8,000/- (Average)	4,00,00,000
6	Revolving fund	1140 x Rs.10000/-	1,14,00,000
7	Printing of Registers	10000 x Rs.250/-	25,00,000
	TOTAL		10,00,00,000

5. The Government accordingly accord sanction for an amount of Rs.10.00 crores (Rupees ten crores only) for the formation of Youth Self Help Groups and other activities mentioned above and release a sum of Rs.10.00 crores only (Rupees ten crores only) for the purpose.

6. The expenditure sanctioned in para 5 above shall be debited to the following heads of account :

"2235 Social Security and Welfare -02 Social welfare 200 other programme-schemes in Eleventh five year plan- II State Plan JB Assistance to self help groups for youth 09 grants-in-aid 03 Grants for specific schemes" (DPC 2235 02 200 JB 0935)	- Rs.8,00,00,000/
2235-02-789, Special Component Plan for Scheduled Castes-Schemes in the Eleventh Five year Plan-II. State Plan JG Assistance to Self Help Groups for youth under special component plan - 09 grants-in-aid 03 Grants for specific schemes" (DPC 2235 02 789 JG 0939)	- Rs.2,00,00,000/-

7. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the said amount to Tamil Nadu Corporation for Development of Women Ltd., by means of cheque.

8. The Managing Director, Tamil Nadu Corporation for Development of Women is directed to send the Utilisation Certificate to the Accountant General and Government.

9. This order issues with the concurrence of Finance Department vide its U.O.No.36371/Fin.(RD)/07, dated 12.6.2007.

(By order of the Governor)

K.ASHOK VARDHAN SHETTY
SECRETARY TO GOVERNMENT