

RSETI

F.No. -I-12011/19/2008-SGSY(Trg.)
Government of India
Ministry of Rural Development
(SGSY-Trg.)

Krishi Bhavan, New Delhi
Dated the 31st December, 2010

CIRCULAR

Subject: - Allotment of land for setting up the Rural Self Employment Training Institutes (RSETIs) -streamlining the process regarding.

193-RSETI
7/1/2011

The Ministry of Rural Development has decided to set up Rural Self Employment Training Institute, one in each district of the country, for skill development training of the rural BPL youth to enable them to undertake micro enterprises and wage employment. 500 RSETIs are proposed to be set up in the country in the 11th Five Year Plan. These institutions will be bank led institutions. In order to ensure that the rural youth are trained in various skills to start their own enterprise with suitable credit linkages with the banks, the rural BPL youth will be given priority so that a minimum of 750 number BPL persons are trained in each year by every RSETI. Ministry of Rural Development would bear one time expenditure, up to a maximum of Rs. 1.00 crore per institution, on infrastructure development of these Rural Self Employment Training Institutes and through the DRDAs will also provide support towards cost of training for rural BPL candidates to the sponsor Banks. State Governments are to provide land, free of cost, to these institutions on priority basis. It would be the responsibility of the banks to manage day to day functioning of the institute.

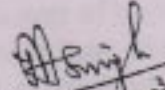
The State Governments are required to handover land to banks free of cost/on nominal charges to establish RSETIs. The Common minimum infrastructure as per RSETI guidelines include two to three class-rooms with toilet facilities (separate for women and physically challenged friendly), two workshops, two dormitories with bath and toilet facilities, one kitchen and one dining hall, one Director's room, one administrative room, one store room, two guest rooms, three staff quarters including one for the Director and two for maintenance staff of the Institute, one reception counter and one common room with basic amenities. But because of undue delay in allotment of land, due to various reasons, the banks are not able to start the construction activities for creation of infrastructure in many States. Also, sometimes land identified for the purpose is far away or not suitable for establishment of RSETIs. The issues raised by various States with regard to problem in land allocation for setting RSETIs were considered in the Ministry and following decisions have been taken to facilitate and expedite the process:

1. Wherever there is difficulty in land allotment due to various reasons, the State Govt. may provide land to banks on long term lease(preferably 90 years with minimum 33 years) either free of cost or on nominal charges.



2. Due to difficulty in finding one acre of suitable land in some places and in hilly terrain, the Ministry has decided that the States may go ahead to establish RSETIs on 0.5 acre land in plain area and on 0.37 acre land in hilly areas,
3. If suitable land for RSETI is not available in District Headquarter, the States are allowed to establish RSETI in the nearest block headquarter.
4. As per the prevailing rules in some States, no land can be allotted free of cost. As a way out the State governments may take action for handing over possession of land to banks through signing of Memorandum of Agreement (MOA) with the banks on condition that the land shall be under full possession and usage of banks as long as RSETI is functioning. If the RSETI becomes non-functional for any reason, the land would revert back to the State Government. Such arrangement is already in place in the State of Gujarat and Kerala. A copy of the sample MOA has been circulated to the States vide this Ministry's letter No. I-12011/18/2009-SGSY(Trg.) dated 8.11.2010.

All the State Governments are requested to expedite the land allotment and handing over its procession to banks on priority basis so that the banks can submit the proposals to NIRD for infrastructure grant for setting RSETIs without further delay.


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To

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- ✓ 3. DG, NIRD Rajendra Nagar Hyderabad