



Government of India  
Ministry of Minority Affairs

# Life Skills



National Institute of Public Cooperation  
and Child Development





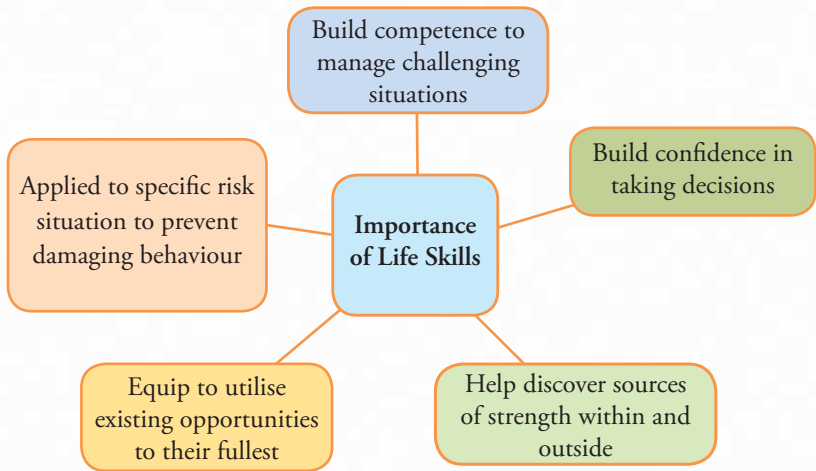
**This booklet contains information on the following topics:**

- Life Skills
- Functions and Formation of Self Help Groups
- Skill Development and Empowerment Oriented Programmes and Schemes

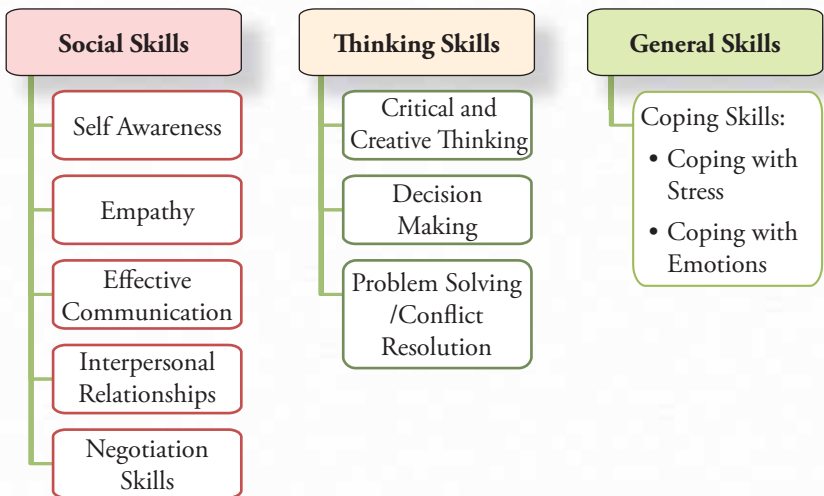
# Life Skills

- Life skills are “the abilities for adaptive and positive behaviour that enable individuals to deal effectively with the demands and challenges of everyday life”.
- Life skill development is a life-long process that helps individuals grow and mature.

## Importance of Inculcating Life Skills



## Life Skills Include



## Self Awareness

- Self awareness is an individual's ability to appreciate the strengths and weaknesses of one's own character.
- Self awareness skills include the ability to:
  - Recognise behavioural strengths and weaknesses.
  - Recognise one's abilities, desires and dislikes.
  - Recognise things which cannot be changed and accepting them.
  - Appreciate oneself - people are not alike and diversity is a good thing.
  - Recognise one's own unique talents.



## Empathy



- Empathy is the ability to put oneself in the position of the other and perceive the situation as they do.
- It involves the ability to develop understanding of motives, feelings and behaviour of other person without giving due weightage to one's own perception.

## Effective Communication

- The ability to express one's views clearly either verbally or in written constitutes effective communication.
- Effective communication skills are very useful in resolving day to day issues and improving interpersonal relationships.



## Interpersonal Relationships

- Interpersonal relationship skills involve ability to form cordial relationships.
- Interpersonal relationship skills help us relate in a positive ways with the people we interact.



## Negotiation Skills

- Negotiation involves the ability to listen, respect and consider each other's views.
- The style of negotiation depends on two dimensions – a concern for self (assertiveness) or a concern for others or relationships (cooperativeness).
- Depending on the degree of assertiveness and cooperativeness, an individual could adapt negotiation styles – Avoiding, Accommodating, Competing, Collaborating and Compromising.



### *Keys to Successful Negotiation*

- Plan and be prepared
- Keep a positive attitude
- Listen carefully
- Respect other's decision
- Be firm and yet friendly
- Persuade, don't pressurise
- Never threaten
- Aim for mutual agreement and not victory
- Build trust

## Critical and Creative Thinking

- Critical thinking is the ability to think through a situation properly, assessing the advantages and disadvantages so as to be able to make appropriate decisions in a situation.
- Whereas creative thinking is a novel way of seeing or doing things. In simple terms, it means thinking out of the box.
- Building critical and creative thinking skills are important for women, as they are confronted by multiple and contradictory issues, messages, expectations and demands.



## Decision Making

- Decision making is the ability to utilise all available information to assess a situation, analyse the advantages and disadvantages and make an informed and personal choice.

- One must learn to think, prioritise and understand the consequences before making a decision.

## Problem Solving

- Problem solving is the ability to identify, cope with and find solutions to difficult or challenging situations.
- Simple five 'why' questions for one problem statement can help to identify the reason for a problem.
- The series of 'why' questions provide insight with respect to certain problem. Once the causes for a problem are understood, finding a solution becomes easy.

## General Skills: Coping Skills

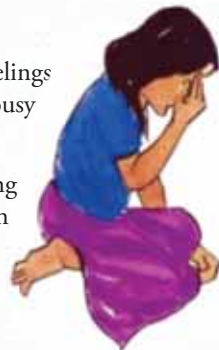
### Coping with Stress

- Stress is body's response to any unpleasant situation.
- Stress can be caused by physical, emotional or psychological factors.
- Family problems, unemployment, examination pressure, death of a family member or a dear one are examples of situations that can cause stress.
- Recognising the sources of stress in our lives and understanding how they affect us and acting in ways that can help minimise stress and promote relaxation.



### Coping with Emotions

- All humans go through a range of emotions like feelings of happiness, joy, love, fear, sadness, anger, jealousy and so on.
- Coping with emotions involves understanding emotions within oneself, others and dealing with them in the most appropriate manner.
- Understanding emotions enables one to feel confident to express these feelings to others. Not sharing or being clear does not resolve the problem.



## Self Help Groups (SHGs)

An SHG is a small voluntary structure formed by people belonging to same socio-economic background. It is formed for economic assistance, problem solving or decision making. SHGs may be formed among women.



### Functions of SHGs:

#### ➤ Savings and Thrift:

- The amount may be small, but savings have to be a regular and continuous habit with all the members.
- 'Savings first — Credit later' should be the motto of every group member.
- Group members learn how to handle large amounts of cash through savings. This turns out to be useful when they use bank loans.

#### ➤ Internal lending:

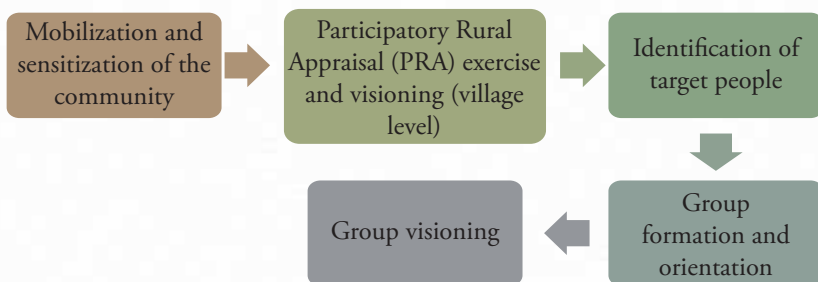
- The savings are used as loans for members.
- The purpose, amount, rate of interest, etc. is decided by the group members.
- Proper accounts are kept by the SHG.
- Opening savings account with a bank.
- Enabling SHG members to obtain loans from banks and repaying the same.

#### ➤ Discussing problems:

- In every meeting, the group discusses thrust areas (like promoting income generating activities, value addition/production units & village marketing).
- Find solutions to the problems (like gender & legal issues) faced by the members of the group.



## Process of Formation of Self Help Groups



### Important rules for functioning of SHGs

- Common agreement and decision.
- Agreed penalties for non-attendance.
- Agreement on amount of saving.
- Giving small loans to each other.
- Timely repayment of bank loan.
- Maintaining clear books for all transactions.

### Rashtriya Mahila Kosh (RMK)

- RMK extends micro-finance services through a client friendly and hassle free loan mechanism for livelihood activities, housing, micro-enterprises, family needs, etc. to bring about the socio-economic upliftment of poor women.
- RMK also promotes the concept of women empowerment through micro financing, thrift and credit, formation and stabilisation of SHGs and also enterprise development for poor women.
- Credit is disbursed to the women SHGs both rural and urban, through intermediate organisations like NGOs, co-operative societies and government organisations.



राष्ट्रीय महिला कोष  
Rashtriya Mahila Kosh

# Skill Development and Empowerment Oriented Programmes and Schemes

## National Minorities Development and Finance Corporation (NMDFC)

The National Minorities Development and Finance Corporation promotes the economic and developmental activities for the benefit of the backward sections amongst the notified minorities, preference being given to occupational groups and women.

### Target Group

- Muslim, Christians, Sikhs, Buddhists, Jains and Parsis belonging to the minority communities as per the National Minorities Commission Act, 1992.
- Families with annual income less than ` 81,000 in rural areas and ` 1,03,000 in urban areas.



### Lending Schemes and Programmes of NMDFC

#### ➤ Term Loan Scheme

- This scheme is for individual beneficiaries and is implemented through the State Channelising Agencies (SCAs).
- Projects which cost upto ` 10 Lakhs are considered for financing.
- NMDFC provides loan upto 90% of the project cost subject to a maximum of ` 9,00,000. The remaining cost of project is met by SCA and the beneficiary.
- Beneficiary has to contribute minimum of 5% of the project cost.
- The rate of interest charged from beneficiary is 6% p.a. (reducing balance method).
- Assistance is available for commercially viable and technically feasible ventures from various sectors.

#### ➤ Micro Financing Scheme

- It is an informal loan scheme which ensures quick delivery of loan at the door steps of the beneficiaries and is implemented through the SCAs as well as the NGOs.

- Micro credit is extended to members of SHGs (especially minority women who are not able to take advantage of formal banking credit).
- Small loans upto a maximum of ` 50,000 per member of SHG are provided through the NGOs at an interest rate of 1%, which is further lent to the SHGs at an interest rate not more than 7% p.a.
- The repayment period under the scheme is maximum upto 36 months.

### **Mahila Samridhi Yojana**

- It is a unique scheme linking micro credit with the training of women members to form SHGs in trades such as tailoring, cutting and embroidery.
- Training is given to a group of 20 women in any suitable craft activity for six months with a stipend of ` 1,000 per trainee.
- The training cost and stipend is met by NMDFC as grant.
- The group is formed into SHG during the training itself and after the training, need based micro credit (maximum of ` 50,000) is given to each member of SHG so formed at an interest rate of 7% p.a.



### **Support to Training and Employment Programme (STEP)**

STEP aims to support women's work by providing training for skill up-gradation, marketing and credit linkages to ensure sustainable employment through Public Sector Organisations, District Rural Development Agencies, Federations, Co-operatives and Non-Governmental Organisations.



### **National Rural Livelihoods Mission (NRLM)**

National Rural Livelihoods Mission - *Aajeevika* was launched by the Ministry of Rural Development (MoRD), Government of India in 2011 as a restructured version of *Swarna Jayanti Gram Swarozgar Yojna* (SGSY).

## Three Pillars of National Rural Livelihoods Mission

- Universal Social Mobilization

- Financial Inclusion

- Livelihoods Enhancement

### Support to SHGs under NRLM

- Support to the SHGs is provided in terms of knowledge, skills, funds, bank linkages and interest subvention.
- Knowledge and skills are provided to members, leaders and book keepers of SHGs for management of SHGs, enhancing credit absorption capacity and credit worthiness, linking up with markets, managing their existing livelihoods, etc.

### Financial Benefits

- Financial assistance in form of Revolving Fund (RF), Vulnerability Reduction Fund (VRF) and Community Investment Fund (CIF) is provided to the Community Based Organisations (CBOs).
- NRLM does not provide direct financial support to individual members.

- One time RF of ` 10,000 to ` 15,000 for a period of 3/6 months to existing SHGs

#### Revolving Fund

- VRF of ` 1500 per member to SHG Federations for addressing the vulnerabilities like food security, health security etc.

#### Vulnerability Reduction Fund

- CIF of ` 3000 per SHG member, to undertake the common/collective socio-economic activities

#### Community Investment Support Fund

- Covers difference between the bank's lending rate and credit availed by women SHGs for maximum of ` 3, 00,000 per SHG


#### Interest Subvention

## National Urban Livelihoods Mission (NULM)

- National Urban Livelihoods Mission enables urban poor to access gainful self employment and skilled wage employment opportunities.
- The mission aims at providing shelter equipped with essential services to the urban homeless.
- The mission also addresses livelihood concerns of the urban street vendors by facilitating access to suitable spaces, institutional credit, social security and skills to the urban street vendors for accessing emerging market opportunities.

**Components:** The major components of NULM are listed below:

- Employment through Skill Training and Placement
  - Assistance for development/upgradation of skills for self employment or salaried employment.
- Self Employment Programme
  - SHG and bank linkages.
  - Cover beneficiaries with credit cards.
  - Technology, marketing and consultancy in setting up micro-enterprises.
- Social Mobilization and Institutional Development
  - Build community institutions to facilitate formation of SHGs.
  - Financial inclusion through opening of savings account, access to financial literacy, credit and remittance.
  - Revolving fund support to SHGs.
  - One stop shop as a resource centre to seek information relating to employment and skill training opportunities.
  - Training and capacity building for SHGs and their federations.
- Shelter for Urban Homeless
  - Provide shelter and essential services.
- Support to Urban Street Vendor (SUSV)
  - Issue identity cards by registering street vendors.
  - Skill training and micro-enterprise development support for Economically Weaker Section (EWS).

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- Development of informal sector markets.
  - Capacity Building and Training Programmes
    - Establish technical assistance at central, state and city level.

**The trainer may refer to Day 4, Session 1 & 2 for details of the topics covered, related activities and annexures in the training module.**





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