

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:4137

ANSWERED ON:21.03.2013

NRLM

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the main objectives and the guiding principles and the key features of National Rural Livelihood Mission (NRLM);
- (b) the criteria for allocation of funds to the States under NRLM;
- (c) whether the Government has made any institutional arrangement at national State or district levels for effective implementation of the scheme;
- (d) if so, the details thereof; and
- (e) the mechanism put in place by the Government to monitor and evaluate the progress made under the scheme?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a):- The Government is implementing National Rural Livelihoods Mission (NRLM) in a mission mode in a phased manner for targeted and time bound delivery of results. NRLM's mission is to reduce poverty by enabling the poor households to access gainful self-employment and skilled waged employment opportunities resulting in appreciable improvement in their livelihoods on a sustainable basis, through building strong and sustainable grassroots institutions of the poor. NRLM aims to reach out to all the rural poor families (BPL families) and link them to sustainable livelihoods opportunities. It will nurture them till they come out of poverty and enjoy a decent quality of life. The salient features of the NRLM are:-

- (i) at least one member from each identified rural poor household, preferably a women, to be brought under the Self Help Group (SHG) network in a time- bound manner, the ultimate target being full coverage of BPL families;
- (ii) setting up of strong institutions of the poor in the form of SHGs and their federations, Producers Groups etc. for reducing dependence on external agencies;
- (iii) a multi pronged approach envisaged for continuous capacity building of the targeted families, SHGs, their federations, government functionaries, bankers, Non Government Organizations (NGOs) and other key stakeholders;
- (iv) subsidy to be available in form of revolving fund and capital subsidy as an incentive for inculcating the habit of thrift and accumulation of their own funds towards meeting their credit needs in the long run and immediate consumption needs in the short run;
- (v) universal financial inclusion of all poor households, SHGs and their federation;
- (vi) in order to ensure affordable credit, the NRLM has a provision for subsidy on interest rates above 7 percent per annum for all eligible SHGs who have availed of loans from mainstream financial institutions, based on prompt loan repayment;
- (vii) to look at stabilizing and enhancing existing livelihoods and subsequently diversifying them;
- (viii) to pursue skill up-gradation and placement projects through partnership mode; and
- (ix) to promote convergence with other programmes of the Government.

(b) The funds are allocated to the States on the basis of poverty ratio as provided by the Planning Commission. The States are required to prepare and present their Annual Action Plan to the Ministry indicating the requirement of funds. The funds are released to the States within the budgetary allocation to the States subject to the fulfilment of the laid down conditions.

(c) & (d):- At the national level, there is an NRLM Advisory Committee (NRLM-AC), chaired by the Union Minister of Rural Development. It is a policy making body which would set the NRLM overall vision, direction and priorities and review the overall progress. There is a NRLM Coordination Committee (NRLM-CC) chaired by Secretary, Rural Development, which oversees NRLM to ensure that its objectives are achieved in time. There is also an NRLM Empowered Committee which reviews and approves the State Perspective and Implementation Plans and Annual Action Plans and release the funds to State Rural Livelihoods Missions (SRLMs).

In addition, a National Mission Management Unit (NMMU) has been set up which comprises of multi-disciplinary teams of professionals. It provides technical support and multidisciplinary appraisal missions to the States.

Similarly, in the States, State Rural Livelihoods Missions (SRLMs) are required to be constituted by the State Governments to oversee the implementation of all NRLM related activities in the respective States. SRLM is an autonomous body incorporated as a society, trust or company. SRLM implement the NRLM activities through State Mission Management Unit (SMMU) consisting of professionals from various fields and headed by a full time State Mission Director. At the District level, District Mission Management Unit (DMMU) of the SRLM are set up which would be responsible for meeting NRLM objectives and implementing NRLM activities in the district and also guide and monitor the functions of the sub-district level units.

(e):- The implementation of the programme is monitored through periodical reports, meetings with Chief Executive Officers of SRLM and the quarterly Performance Review Committee meetings. SRLMs are regularly given feed-back to enable them to take further action, if necessary, to improve implementation of the programme.