

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:822

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NRLM

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the objectives and salient features of the National Rural Livelihood Mission (NRLM);
- (b) the details of funds allocated, released and expenditure incurred along with the target fixed under the scheme during the last three years and the current year; State/UT-wise;
- (c) whether the Government has made any evaluation /review of the scheme in terms of shortfall and achievements" made during the said period; if so, the details and the outcome thereof;
- (d) whether the scheme has been able to ameliorate the conditions of the rural people in the country; and
- (e) if so, the details thereof and if not, the reasons therefor and the further steps being taken by the Government in this direction?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI SUDARSHAN BHAGAT)

(a): National Rural Livelihoods Mission (NRLM) is a centrally sponsored scheme which is being implemented in all States and in one Union Territory (Puducherry). NRLM was launched in June 2011. The key features of NRLM are as follows:-

- 1) Mobilization of at least one woman member from each rural poor household in the country into Self Help Group (SHG) network in a phased manner;
- 2) Promotion of SHG federations at village and cluster levels - Village Level Self Help Group Federations (VLF) at village level and Cluster Federation (CF) at cluster (groups of villages) level;
- 3) Provision of continuous and intensive capacity building to SHGs and Self Help Group Federations at village and cluster levels;
- 4) Provision of Revolving Fund (RF) support at the rate of Rs. 10,000 – 15,000 per eligible SHG to supplement own funds;
- 5) Provision of Vulnerability Reduction Fund (VRF) as per norms to eligible VLF to meet community level food security, health and nutrition security and such other priority needs of the poor households;
- 6) Provision of an Community Investment Support Fund (CIF) as per norms to each eligible Cluster Level Federation (CLF), from which VLFs and SHGs can borrow for meeting consumption and production credit needs of their members;
- 7) Intensive support to link each SHG to Bank credit such that each SHG member would be able to leverage a cumulative bank credit of Rs. 1.00 lakh over a period of 5 to 8 years;
- 8) All women SHGs in select 150 districts, which include all IAP districts, will be eligible to avail credit at 7% interest up to the maximum credit outstanding of Rs. 3 lakh. Women SHGs who will repay in time will get an additional subvention of 3%, reducing the effective rate of interest to 4%.
- 9) For the remaining districts which are not part of the 150 districts mentioned above, all the women SHGs, where members are from the NRLM target group, will be eligible for interest subvention to avail the credit at 7% per annum, up to the credit outstanding of Rs. 3.00 lakh against prompt repayment. This is subject to availability of funds.
- 10) 25% of NRLM allocation is earmarked for Skill Development (now DeenDayalUpadhyayGrameenKaushalYojana [DDU-GKY]) which proposes to make skill acquisition aspirational amongst the rural poor, thereby helping to create a highly skilled and productive work force. There is mandatory assured placement to 75% of the trained candidates.
- 11) Mahila Kisan Sashaktikaran Pariyojana (MKSP) one of the components of NRLM promote agriculture based livelihoods of rural women by strengthening community institutions of poor women farmers to achieve sustainable agriculture. MKSP focuses on agriculture, non-timber forest produces and livestock interventions.
- 12) Rural Self Employment Training Institute (RSETI) is also a sub component of NRLM. NRLM provides support for establishing Rural

Self Employment Training Institutes one in each district of the country in collaboration with the banks and the State Governments.

13) The Government has recently launched Start-up Village Entrepreneurship Programme (SEVP) which aims to provide opportunities to build upon the NRLM ecosystem that provides an impulse to entrepreneurial pursuits.

(b): A statement indicating status of State-wise allocation, Release and Expenditure under NRLM for the year 2012-13 & 2013-14 and for the year 2014-15 & 2015-16 is given at Annexure I(a) & I(b), respectively.

(c): A review of the implementation of the Mission in some States was conducted during January- February 2015. It was found that the targets for mobilization of the poor into SHGs and federations were achieved in all States and about 50% of the members mobilized belong to the SCs and STs and minority groups. The review however revealed that:

- i) disbursement of capital support to the SHGs and their federations needs to be augmented;
- ii) there is a lag between the number of eligible SHGs for bank credit and the number actually provided bank credit, and
- iii) there is need for greater focus on promoting the livelihoods of the poor through appropriate technical and capital support.

After review the following measures have been taken:-

- i) Procedures for disbursement of community funds simplified.
- ii) Dedicated funds are being created for promoting financial inclusion of the SHGs, livelihoods of the poor, and for promoting convergence with other Government programmes,
- iii) A concerted effort is being made to sensitize the bankers on SHG bank linkage and to promote regular repayment practice among the SHGs
- iv) A new initiative viz. Intensive Participatory Planning Exercise-II (IPPE-II) has been launched to focus on the livelihoods of the individual households. This involves dovetailing of funds/benefits of NRLM, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) Indira Awaas Yojana (IAY), Deen Dayal Upadhyaya Kaushalya Yojana (DDU-GKY) and National Social Assistance Programme (NSAP) for households identified through Gram Sabha.
- v) Additional funds are proposed to be provided to North Eastern States.

(d) & (e): NRLM was launched only on 3rd June 2011. Simultaneously, Swarnjayanti Gram Swarozgar Yojana (SGSY) was also under implementation till 31st March, 2013. From 1st April, 2013, SGSY ceased to exist. Since, this is a process intensive programme and the programme has been fully in operation only from 1.4.2013, it is too early to make an impact assessment study of the programme.
