

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:2337

ANSWERED ON:24.07.2014

AAJEEVIKA PROGRAMME

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government has been implementing National Rural Livelihood Mission (NRLM)-Aajeevika, rural employment generation programme in phased manner;
- (b) if so, the details of the scheme including the details of thrust areas and major components of the programme and the current status of implementation;
- (c) the details of the targets fixed and the achievements made during the last three years and the current year under the programme including the number of people benefited, State/UT-wise;
- (d) the details of the funds allocated, released, spent and unspent during the last three years and the current year, State/year-wise;
- (e) whether the Government has reviewed the programme and changed the criteria for the release of funds under NRLM, if so, the details thereof; and
- (f) the details of proposals received under the programme from various States including Kerala during the last three years and the current year, State/UT-wise and year-wise and the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI UPENDRA KUSHWAHA)

(a)&(b) The Government is implementing National Rural Livelihoods Mission (NRLM), subsequently renamed as Aajeevika, which aims at building strong and sustainable grass roots institutions of rural poor women and enabling them to access their own social networks, resources and knowledge for gainful self-employment and skilled wage employment opportunities and thereby achieve appreciable improvement in their livelihoods on a sustainable basis. Universal social mobilization through formation of Self Help Groups (SHGs) under NRLM and federating these groups at village and higher levels will ensure at least one member of each rural poor family, preferably a woman member, is covered under SHG and is part of a large social network. NRLM also aims to ensure universal financial inclusion for them by facilitating opening of savings accounts of all SHGs and ensuring credit linkage with Banks. The key components of NRLM are as follows:-

i. Promoting Institutions of the Poor: Strong quality institutions of the poor such as SHGs and their federations are set up on a priority basis. Aajeevika promotes specialized institutions like livelihoods collectives, producers' cooperatives/companies for livelihoods promotion through deriving economies of scale, backward and forward linkages.

ii. Training, Capacity Building and Skill Building: A multi-pronged approach is adopted for providing continuous capacity building of the targeted families, SHGs, their federations, government functionaries, bankers, NGOs and other key stakeholders. The capacity building is aimed at providing the poor with skills to manage their institutions, link up with markets, manage their existing livelihoods and enhance their credit absorption capacity and credit worthiness.

iii. Revolving Fund: A Revolving Fund (of Rs. 15,000/SHG) is provided to the SHGs (where more than 70% members are from NRLM Target Group households) as an incentive to inculcate the habit of thrift and accumulate their own funds towards building their corpus meeting their credit needs in the long-run and immediate consumption needs in the short-run.

iv. Community Investment support Fund (CIF): Community Investment support Fund (CIF) is routed to SHGs through federations (primary and secondary levels) to support the livelihoods of the members and initiate collective activities for the members. CIF is disbursed against Micro Credit Plans (MCP) developed by the institutions. v. Interest Subvention: NRLM has a provision for interest subvention to all women SHGs. The districts have been classified as Category I and Category II Districts, according to the modality of interest subvention being provided.

In Category I Districts (including 82 Integrated Action Plan districts and 8 Northeast districts under the World Bank Supported NERLP) all women SHGs can avail loans up to Rs. 3 lakh per SHG at 7% rate per annum. Further, these SHGs are eligible for an additional interest subvention of 3% on prompt repayment of loan, reducing the effective rate to 4%. In the Category II districts (remaining districts), all women SHGs meeting the NRLM eligibility norms can avail loans up to Rs. 3 lakh per SHG at 7% rate per annum. vi. Mahila Kisan Sashaktikaran Pariyojana (MKSP): Mahila Kisan Sashaktikaran Pariyojana (MKSP) is also a sub-component of NRLM to meet the specific needs of women farmers and achieve socio-economic and technical empowerment of the rural women farmers, predominantly small and marginal farmers.

vii. Infrastructure creation and Marketing support: NRLM ensures that the infrastructure needs for the major livelihoods activities of the

poor are met. It also provides support for marketing to the institutions of the poor. About 20% of the state's program outlay (25% in case of North-Eastern States and Sikkim) is earmarked for this purpose.

viii. Skills and Placement Projects: Scale up of existing skills and placement projects through partnership mode as one of the best investments in youth, and provide impetus to livelihoods opportunities in emerging markets. Aajeevika Skills is a Placement Linked Skill Development Program' for regular wage employment under National Rural Livelihoods Mission for rural poor youth in the age group of 18-35 years. 25% of the central allocation under NRLM is earmarked for this purpose.

ix. Rural Self Employment Training Institutes (RSETIs):NRLM also has a scheme to set up Rural Self Employment Training Institutes (RSETI), one in each district of the country in collaboration with the banks and the State Governments to provide training to the rural BPL youth to enable them to take up in-situ self- employment.

x. Innovations: Aajeevika believes that successful innovations can reduce the learning curve for poverty eradication by showing a different pathway out of poverty. 5% of the Central allocation is, therefore, earmarked for innovations.

NRLM has adopted a phased implementation strategy to provide intensive support to the SHGs and their federations such that the Mission reaches out to all rural poor households. NRLM is to be implemented in all States and UTs (other than Delhi and Chandigarh). At present, NRLM is being implemented in 27 States and 1 Union Territory. It has commenced work in 238 districts and 952 blocks.

(c)NRLM was launched on 3rd June, 2011. Upto 31/03/2013, both NRLM and Swarnjayanti Gram Swarogjar Yojana (SGSY) were implemented simultaneously. SGSY has ceased to exist w.e.f.01/04/2013. A statement indicating (i) Promotion of SHGs under NRLM and (ii) Funds disbursed to the community is given atAnnexure-I & Annexure-II, respectively. As far as the Aajeevika Skill component of NRLM is concerned, as per available information, the total target for skilling in Aajeevika Skills is as below:-

2012-13 - 2,12,000
2013-14 - 2,50,000
2014-15 - 2,10,000

Against the target, state-wise achievement for Aajeevika Skills in the year 2012-13, 2013-14 and 2014-15 (till May, 2014) is given at Annexure III.

(d) A statement indicating status of Sate-wise and year-wise allocation, release and expenditureunder NRLM is given at Annexure-IV. A statement indicating status of funds released under Aajeevika Skills during the year 2012-13 and 2013-14 is given at Annexure -V.

(e)Under NRLM, allocation of Central funds to all the States, except Jammu & Kashmir, is based upon their inter-se poverty ratio as communicated by the Planning Commission. In the case of Jammu & Kashmir, the funds are provided to cover about 2/3rd of the rural households.

(f) A statement indicating the status of proposals received under Social Inclusion and Social Development component of NRLM is given at Annexure-VI. A statement indicating the status of proposals received under MKSP component of NRLM is given at Annexure-VII. A statement indicating the status of proposals received and disposed in the year 2011-12, 2012-13 and 2013-14 under Aajeevika Skills is given at Annexure-VIII.