

Guidelines for Himachal Pradesh State Rural Livelihoods Mission Implementation

- The National Rural Livelihoods Mission's aim is to reach out to all poor families, mobilize them into Self-Help-Groups and thereafter in federation at Village and Block level and to link them to sustainable livelihoods opportunities and nurture them till they come out of poverty and enjoy a decent quality of life. To achieve this, NRLM puts in place a dedicated and sensitive support structure at various levels. These structures work towards unleashing the innate potential of the poor and complement it with capacities to deal with external environment, enable access to finance and other entitlements of the poor.
- In order to strengthen and provide greater financial support to the poor and poorest of the poor families and with the goal of Poverty alleviation through social mobilization, institutions and capacity building, financial inclusion, saturation approach, skill generation and a portfolio of sustainable livelihoods, the Government of India has restructured the SGSY into National Rural Livelihood Mission (NRLM) replacing the existing SGSY scheme w.e.f. April 1, 2013.
- A Society known as the HP State Rural Livelihood Mission (HPSRLM) has already been registered and set up for the implementation of NRLM in Himachal Pradesh. An independent office accommodation has been hired for HPSRLM in HPMC building in Nigam Vihar Shimla-2 and the office has already been set up and started functioning in the new premises w.e.f. 21st April, 2014. The programme costs will be shared by the Center and State in the ratio of 75:25
- In Himachal Pradesh, the State Rural livelihood mission would be covering all the BPL families initially and later on all the poor and poorest of the poor and also families which are marginally above poverty line to be selected through the process of Participatory Identification of Poor, (PIP) by organizing them into SHGs and their Federated Institutions and linking them with Banks and for repeat micro financing. Ultimately, the poor, poorest of the poor (POP) and vulnerable families identified through PIP, approved by the Gram Sabha and ratified by the Panchayat will be the target group of the NRLM.

- The NRLM has been launched in Himachal Pradesh w.e.f. 1st April, 2013. The Government of India expected that NRLM would reach out to all Districts and Blocks of the State by the end of 12th Five-year Plan in the phased manner. Initially, as per the guidelines of the GOI, the strategy of Intensive and Non-intensive Blocks have been adopted. At present 5 Blocks viz. Kandaghat (Solan), Mandi Sadar (Mandi), Nurpur (Kangra), Haroli (Una) and Basantpur (Shimla) have been selected as “Intensive Blocks” in the first phase of NRLM implementation. The remaining ‘Non- intensive Blocks’ would be covered in a phased manner in the next four years.

Interest Subvention

- NRLM provides for interest Subvention to NRLM compliant SHGs all over the State who avail credit from Banks as per instructions of Reserve Bank of India. Capital Subsidy which was being provided under SGSY has been discontinued.
- NRLM has a provision for interest subvention to cover the difference between lending rate of Banks and 7% on all credit (up to Rs. 3.00 lacs)from banks availed by women SHGs. This will be available across the country in two ways.
- **A. Category -I districts**:- In 150 identified districts in country (2 districts Shimla and Mandi in Himachal Pradesh)banks will lend to “**all women SHGs**” @ 7%(up to loan amount of Rs.3.00 Lacs). These SHGs will also get additional interest Subvention of 3% on regular repayment of loan, reducing the effective rate of Interest to 4%.
- **B. Category – II districts**:- In the remaining districts also, “**NRLM compliant women SHGs**” will be eligible for Interest Subvention to the extent of difference between the normal lending rates and 7% (of the loan up to Rs. 3.00 lacs)on regular repayment of loan subject to norms by respective SRLMs.
- Interest Subvention and Additional Subvention will be operationlised and provided by MORD-GOI direct to SHGs in Category-I districts and in Category-II districts it will be provided on line to eligible SHGs by SRLMs in respective States.
- **All women SHGs in category-I districts** irrespective of socio- economic status are eligible.
- SHGs that availed capital subsidy under SGSY having outstanding credit will not be eligible for this benefit
- Interest Subvention benefit is available only to Rural SHGs.

Revolving fund to SHG:-

- Revolving fund @ of Rs. 10000/- to 15000/- would be provided to those SHGs who have been practicing Panchsutra for the last 3 months.

Community Investment fund

- Community Investment fund of Rs. 75000/- to 1, 10,000/- would be provided to those SHGs who have adopted regular internal lending out of savings and revolving fund to the members by small loans for the last 6 months . These funds will be routed through the VOs to the SHGs in the shape of loan.

Vulnerability Reduction Fund

- Vulnerability Reduction Fund of Rs. 1, 50000/- per VO would be provided to those who have attained its age of atleast 6 months.