

K-12011(11)/27/2017-UPA III (9024979)
Government of India
Ministry of Housing and Urban Affairs
NULM Division

Nirman Bhawan, New Delhi
Dated the April 10, 2018

OFFICE MEMORANDUM

Subject: Amendments to Operational Guidelines of Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM)- reg.

The undersigned is directed to refer to the above subject and to inform that the Operational Guidelines of DAY-NULM, mentioned below, stand amended as per the approval of the Governing Council (GC), in their meeting held on February 12, 2018.

1. Operational Guidelines of Social Mobilization and Institutional Development (SMID) under DAY-NULM

The operational guidelines of Social Mobilization and Institutional Development (SMID) component of Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY - NULM), were issued vide O.M. No. K-14014/58(10)/2012-UPA dated December 18, 2013 and subsequent amendments were issued vide O.M. No. K-14011/7 /2013 - UPA / FTS -9789 dated August 3, 2015 and O.M. No. K-14012/15 /2016 - UPA/FTS-16320 dated August 22, 2016.

In continuation of the above, relevant clauses of the operational guidelines of SMID have been amended further as follows:

Sr. No	Existing Provision	Amended Provision
1.	Clause 4: Membership of SHGs Under DAY-NULM, Self Help Groups of urban poor will be formed. Non-poor may be included as members in SHGs where strong affinity or special reasons exist. However, at least 70% of the SHG members should be urban poor to qualify for funding support under DAYNULM. SHGs may consist of 10 to 20 members. In hilly tracts/regions and	Clause 4: Membership of SHGs Under DAY-NULM, Self Help Groups of urban poor will be formed. Non-poor may be included as members in SHGs where strong affinity or special reasons exist. However, at least 70% of the SHG members should be urban poor to qualify for funding support under DAY-NULM. SHGs may consist of 10 to 20 members. In hilly tracts/regions


12/4/18

	<p>predominantly tribal dominated areas where communities are dispersed, smaller groups of less than 10 members may also be formed. These groups need not to be registered....</p>	<p>and predominantly tribal dominated areas where communities are dispersed, smaller groups of less than 10 members may also be formed. SHGs of less than 10 members with a minimum of 5 members may be formed for differently-abled persons. These groups need not to be registered....</p>
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2. Operational Guidelines of Self Employment Programme (SEP) under DAY-NULM

The operational guidelines of Self Employment Programme (SEP) component of Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM), were issued vide O.M. No. K-14014/58(10)/2012-UPA dated December 18, 2013 and subsequent amendments were issued vide O.M. No. K-14014/37 /2010 - UPA (Pt-1)/FTS -14403 dated June 15, 2016 and O.M. No. K-14012/15 /2016 - UPA/FTS-16320 dated August 22, 2016.

In continuation of the above, relevant clauses of the operational guidelines of SEP have been amended further as follows:

Sr. No	Existing Provision	Amended Provision
1.	<p>Clause 5 Procedure of Interest Subsidy Clause 5.1 All Scheduled commercial banks(SCBs), Regional Rural Banks(RRBs) and cooperative banks, which are on the Core Banking Solution (CBS) platform would be eligible for getting interest subvention under the scheme</p>	<p>Clause 5 Procedure of Interest Subsidy Clause 5.1 All Scheduled commercial banks(SCBs), Regional Rural Banks(RRBs), cooperative banks, which are on the Core Banking Solution (CBS) platform would be eligible for getting interest subvention under the scheme. In addition, Small Finance Banks on Core Banking Solution will also be eligible as per extant directions of RBI.</p>

2.	<p>Clause 7 Sub-Component 4.2- Group Enterprises (SEP-G) - Loan & Subsidy Clause 7.1 Eligibility The group enterprise should have minimum 5 members with a minimum of 70% members from urban poor families. More than one person from the same family should not be included in the group.</p> <p>Clause 7.3 Project Cost (PC): The Maximum unit Project Cost for a group enterprise is Rs 10,00,000 (Rs Ten Lakhs)</p>	<p>Clause 7 Sub-Component 4.2- Group Enterprises (SEP-G) - Loan & Subsidy Clause 7.1 Eligibility The group enterprise should have minimum two (2) members with a minimum of 70% members from urban poor families. More than one person from the same family should not be included in the group.</p> <p>Clause 7.3 Project Cost (PC): The group will be eligible for a maximum loan of Rs 2 lakh per member or Rs. 10 lakh, whichever is lower.</p>
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In case of any contradictions between these amendments and any of the provisions in the existing operational guidelines, these amendments shall prevail.

A. Mittal

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To,

1. Secretary / Principal Secretary (UD/MA), All States/UTs
2. Mission Director (DAY-NULM), All States/UTs

Copy for information to,

1. PS to Secretary, MHUA
2. PS to Joint Secretary (NULM)
3. PS to Director (NULM-I)
4. PA to Deputy Director (NULM-II)

F.No.K-14012/15/2016-UPA/FTS-16320
Government of India
Ministry of Housing and Urban Poverty Alleviation
(UPA Division)

Nirman Bhawan, New Delhi,
Dated: 22nd August, 2016

OFFICE MEMORANDUM

Subject: Amendments in Operational Guidelines of Deendayal Antyodaya Mission-National Urban Livelihoods Mission (DAY-NULM) regarding.

The undersigned is directed to refer to the above mentioned subject and to say that the following clauses of the Operational Guidelines of DAY-NULM stand amended with the approval of Governing Council (GC) held on 19th July, 2016.

1. Operational Guidelines of Self-Employment Programme (SEP) under DAY-NULM

The operational guidelines of Self-Employment Programme (SEP) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. No. K-14014/58(10)/2012-UPA dated 18th December 2013 as amended vide letter No. K-14014/37/2010-UPA (Pt-I)/FTS-14403 dated 15th June, 2016 are being further amended as follows:

SN	Existing Provision	Amended Provision
1.	<p>Clause 2. Selection of Beneficiary:</p> <p>The Community Organisers (COs) and professionals from Urban Local Body (ULB) will identify the prospective beneficiaries from among the urban poor. The community structures formed under Social Mobilisation & Institutional Development (SM&ID) component of DAY-NULM viz: Self Help Groups (SHGs) and Area Level Federations (ALFs) may also refer prospective individual and group entrepreneurs for purpose of financial assistance under SEP to ULB. The beneficiaries may directly approach ULB or its representatives for assistance. Banks may also</p>	<p>Clause 2. Selection of Beneficiary:</p> <p>The Community Organisers (COs) and professionals from Urban Local Body (ULB) will identify the prospective beneficiaries from among the urban poor. The community structures formed under Social Mobilisation & Institutional Development (SM&ID) component of DAY-NULM viz: Self Help Groups (SHGs) and Area Level Federations (ALFs) may also refer prospective individual and group entrepreneurs for purpose of financial assistance under SEP to ULB. The beneficiaries may directly approach ULB or its representatives for assistance. Banks may also identify prospective beneficiaries at their end and send such cases directly to ULB.</p>

SN	Existing Provision	Amended Provision
	<p>identify prospective beneficiaries at their end and send such cases directly to ULB.</p>	<p>The Banks may also use their empanelled Business Correspondents (BCs) and Business Facilitators (BFs) to increase the outreach. Due diligence will be undertaken as per the Banks' policy, in this regard.</p>
2.	<p>Clause 3 Educational Qualifications and Training Requirement</p> <p>Clause 3.4</p> <p>Any cost incurred on training of beneficiaries under this component is to be met out of EST&P component budget.</p>	<p>Clause 3.4: Follow-up entrepreneurial support to Individual and Group entrepreneurs:</p> <p>After financing to Individual and Group beneficiaries, the ULB will also arrange to conduct follow-up Entrepreneurship Development Programme (EDP) as and when required. Such programme should preferably be conducted once in six months for each beneficiary who has been given loan.</p> <p>During the follow-up EDP, problems and issues faced by beneficiaries should also be discussed and solutions should be given.</p>
3.	<p>Clause 5 Procedure for interest subsidy to Banks</p> <p>Clause 5.5</p> <p>The State Level Bankers' Committees (SLBCs) has the option of evolving any alternative procedure of aggregating/ sanction of claims in consultation with the State government.</p>	<p>Clause 5.5:</p> <p>Nodal Agency for releasing interest subsidy:</p> <p>A public sector bank may be engaged by each State as nodal bank in consultation with the convener of the respective State Level Bankers' Committee (SLBC).</p> <p>All the Banks will consolidate data regarding interest subsidy from their branches and upload on the portal of Nodal Bank. The nodal bank, after verification, will transfer the interest subsidy to the bank branches. The State/UT will deposit some funds in advance in this nodal bank, which will</p>

SN	Existing Provision	Amended Provision
		<p>release funds to the bank branches as per guidelines of DAY-NULM. Nodal bank will regularly render account of reimbursement to the SULM. This procedure will be followed in all the three types of loans i.e. SEP (I), SEP (G) and SHG-Bank Linkage.</p> <p>The State/UT government has the option of evolving any alternative procedure of aggregating/ sanction of claims in consultation with the State Level Bankers' Committees (SLBCs).</p>
4.	<p>Clause 6 Sub component 4.1 Individual Enterprises (SEP-I) Loan and Subsidy</p> <p>Clause 6.4</p> <p>Collateral on Bank loan</p> <p>No collateral required. As per RBI Circular RPCD.SME & NFS. BC. No. 79 / 06.02 .31/2009-10 dated May 6, 2010 banks are mandated not to accept collateral security in the case of loans upto 10 lakhs extended to units in the MSE sector (Annexure-I). Therefore, only the assets created would be hypothecated/ mortgaged/ pledged to banks for advancing loans. The banks may approach Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) setup by Small Industries Development Bank (SIDBI) and Government of India for the purpose of availing guarantee cover for SEP loans as per the eligibility of the activity for guarantee cover (Details of the</p>	<p>Clause 6.4. Collateral Guarantee on Bank Loan:</p> <p>No collateral required. As per RBI Circular RPCD.SME & NFS. BC.No. 79 /06.02.31/2009-10 dated May 6, 2010 banks are mandated not to accept collateral security in the case of loans upto 10 lakhs extended to units in the MSE sector (Annexure-I). Therefore, only the assets created would be hypothecated/ mortgaged/ pledged to banks for advancing loans. The banks may approach Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) setup by Small Industries Development Bank (SIDBI) or any other appropriate Guarantee Fund for the purpose of availing guarantee cover for SEP loans as per the eligibility of the activity for guarantee cover (Details of the scheme of CGTMSE are at Annexure-II).</p>

SN	Existing Provision	Amended Provision
	scheme are at Annexure-II)	
5.	<p>Clause 7 Sub component 4.2 Group Finance (SEP-G) Loan and Subsidy</p> <p>Clause 7.5</p> <p>Collateral Guarantee on Bank Loan:</p> <p>No collateral guarantee required. Only the assets created would be hypothecated / mortgaged/ pledged to banks for advancing loans. The banks may approach Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) as detailed in Para-6.4.</p>	<p>Clause 7.5. Collateral Guarantee on Bank Loan:</p> <p>No collateral guarantee required. Only the assets created would be hypothecated / mortgaged/ pledged to banks for advancing loans. The banks may approach Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) or any other appropriate Guarantee Fund as detailed in Para 6.4.</p>
6.	<p>Clause 8 Procedure for Sponsoring of Applications</p> <p>Clause 8.6</p> <p>Banks may also identify beneficiaries as per the eligibility criterion and receive the intent letter. The applications received directly by the banks will be referred to the ULB. The applications in this case will also form a part of the waiting list.</p>	<p>Clause 8.6:</p> <p>Banks may directly accept the loan applications of urban poor beneficiaries on the basis of relevant documents as per the guidelines of Prime Minister MUDRA Yojana (PMMY) or any other such scheme without the need of having prior sponsoring from ULB.</p> <p>The banks can send details of such loans sanctioned by them to ULBs for confirmation of their eligibility for interest subsidy under DAY-NULM. On confirmation of their eligibility, interest subsidy may be claimed from ULBs on the pattern of interest subsidy claim for beneficiaries sponsored by ULBs. The subsidy will be transferred directly to the loan account of DAY-NULM beneficiaries. This procedure will also be Direct Benefit Transfer (DBT) compliant.</p>

SN	Existing Provision	Amended Provision
7.	<p>Clause 8. Procedure for Sponsoring of Applications</p> <p>Clause 8.7</p> <p>ULB will call the beneficiaries in order of the waiting list to complete requisite documentation including filling of Loan Application Form (LAF), activity details, identity proof, address proof, bank account details etc. The SULM may develop a Loan Application Form (LAF) in suitable format in consultation with State Level Bankers Committee (SLBC) convenor bank. The same LAF may be utilised across the State.</p>	<p>Clause 8.7:</p> <p>ULB will call the beneficiaries in order of the waiting list to complete requisite documentation including filling of Loan Application Form (LAF), activity details, identity proof, address proof, bank account details etc.</p> <p>To verify the identity of the beneficiary, her/his Aadhaar number will also be brought on record. If beneficiary does not have Aadhaar card, any other unique identification document like voters' card, driving license etc. will be taken from the beneficiary and s/he will be helped to obtain Aadhar card as soon as possible.</p> <p>The SULM may develop a Loan Application Form (LAF) in suitable format in consultation with State Level Bankers' Committee (SLBC) convenor bank. The same LAF may be utilised across the State/UTs.</p> <p>The Loan Application Form (LAF) will contain basic data in respect of economic status of the beneficiary and her/his family. This data will be such that it can be used to analyse impact of the benefits on her/his economic status at a later stage.</p>
8.	<p>Clause 12 Sub component 4.3 Interest Subsidy on SHG Loans (SHG Bank Linkage)</p> <p>Clause 12.2</p> <p>As per Master Circular on SHG-Bank Linkage Programme by Reserve Bank of India.</p> <p>(RPCD.FID. BC.No. 10/12.01.033/2013-14 dated 01 July 2013 -</p>	<p>Clause 12.2:</p> <p>As per Master Circular on SHG-Bank Linkage Programme by Reserve Bank of India (RBI/2016-17/03 FIDD.FID.BC.No.06/12.01.033/2016-17 dated 01 July, 2016 - Annexure-III) and subsequent revisions. RBI has instructed the banks for SHG bank linkage.....</p>

SN	Existing Provision	Amended Provision
	Annexure-III) RBI has instructed the banks for SHG bank linkage.	
9.	<p>Clause 12 Sub component 4.3 Interest Subsidy on SHG Loans (SHG Bank Linkage)</p> <p>Clause 12.10</p> <p>RBI guidelines for prompt repayment are as follows:</p> <p>(a) For Cash Credit Limit to SHGs:</p> <p>(i) Outstanding balance shall not have remained in excess of the sanctioned limit/drawing power continuously for more than 30 days.</p> <p>(ii) There should be regular credits in the account. In any case there shall be at least one customer induced credit during the month.</p> <p>(iii) Customer induced Credits during a month shall be sufficient to cover the interest debited during the month.</p> <p>(b) For Term Loan to SHGs:</p> <p>A term loan account where all of the interest payments and/or instalments of principal were paid within 30 days of the due date during the entire tenure of the loans would be considered as an account having prompt payment.</p> <p>The prompt payment guidelines will continue to be guided by RBI guidelines on the subject in future.</p>	<p>Additional clause is as follows:</p> <p>Clause 12.10. Type of Loan Facility:</p> <p>SHGs can avail either Term loan or a Cash Credit Limit (CCL) loan or both based on the need. In case of need, additional loan can be sanctioned even though the previous loan is outstanding.</p> <p>Clause No 12.10 in existing guidelines shall be renumbered as 12.11</p>

SN	Existing Provision	Amended Provision
10.	<p>Clause 13 Sub component 4.4 Credit Card for enterprise development</p> <p>Clause 13.2</p> <p>In order to support the micro-entrepreneurs to meet their working capital and miscellaneous credit needs, NULM will facilitate access to Credit Cards through banks</p>	<p>Clause 13.2:</p> <p>In order to support the micro-entrepreneurs to meet their working capital and miscellaneous credit needs, DAY-NULM will facilitate access to Credit Cards or MUDRA Card through banks.</p>
11.	<p>Clause 13 Sub Component 4.4 Credit Card for enterprise development</p> <p>Clause 13.3</p> <p>The SULM in consultation with the State Level Bankers Committee (SLBC) will finalise the norms, limits and specifications for issuance of credit card to the individual entrepreneurs. The General Credit Card Scheme (GCC), which is being implemented by all scheduled commercial banks or any other variant of credit cards for enterprise development of banks in urban areas, may be explored by SULM and SLBC for the same. The details of revised GCC scheme as per RBI notification is provided at Annexure-IV</p>	<p>Clause 13.3:</p> <p>The SULM in consultation with the State Level Bankers Committee (SLBC) will finalise the norms, limits and specifications for issuance of credit card or MUDRA Card to the individual entrepreneurs. The General Credit Card Scheme (GCC), which is being implemented by all scheduled commercial banks or any other variant of credit cards for enterprise development of banks in urban areas, may be explored by SULM and SLBC for the same. The details of revised GCC scheme as per RBI notification is provided at Annexure-IV</p>
12.	<p>Clause 15 Funding Pattern</p> <p>Clause 15.1</p> <p>Funding under this component will be shared between the Centre and the States in the ratio of 75:25. In case of special category States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram,</p>	<p>Clause 15.1:</p> <p>Funding under this component will be shared between the Centre and the States as per the general norms under DAY-NULM.</p>

SN	Existing Provision	Amended Provision
	Nagaland, Sikkim, Tripura, Jammu & Kashmir, Himachal Pradesh and Uttarakhand) this ratio will be 90:10 between the Centre and States.	
13.	Clause 16 Monitoring and Evaluation	<p>Additional Clause 16.3:</p> <p>All the SEP beneficiaries should be visited periodically to assess the impact of the benefit and also to know any problem being faced by them.</p> <p>The Community Organisers (COs) should visit all the beneficiaries in their jurisdiction at least once in three months.</p> <p>The Project Officer/ technical experts at CMMU level should visit at least 50% of the beneficiaries once in three months.</p> <p>The observations during the field visit should be kept in record and be uploaded on MIS also.</p>
14.	Clause 16. Monitoring and Evaluation	<p>Additional Clause 16.4:</p> <p>During the field visits mentioned above, data on economic status of the beneficiaries should be collected and compared with similar data given in loan application form, to assess the impact of the benefit on the beneficiaries.</p>
15.	Clause 16. Monitoring and Evaluation	<p>Additional Clause 16.5:</p> <p>Impact analysis studies may also be conducted at suitable intervals to assess the impact of benefit under SEP on the economic status of the beneficiaries.</p>

2. Operational Guidelines of Employment through skill training & Placement (EST&P) under DAY-NULM

The operational guidelines of Employment through Skill Training & Placement (EST&P) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. No. F.No. K-14014/58(8)/2012-UPA dated 13th December, 2013 as amended vide the following O.Ms, viz.,

- a. K-14014/58(8)/2012 -UPA/FTS-7791 dated 8th June 2015
- b. K-14011/7/2013-UPA/FTS-9789 dated 3rd August 2015
- c. K-14014/3/2015-UPA/FTS 12523 dated 18th February 2016

is being further amended as follows:

SN	Existing Provision	Amended Provision
1.	<p>Clause 5: Skill Training Providers</p> <p>5.1 Identification</p>	<p>Additional Clause 5.1 (vii) :</p> <p>Convergence of EST&P with PMKVY 2.0</p> <p>In order to bring about convergence and synergy, the EST&P component of DAY-NULM can be dovetailed with the modified PMKVY, where States/UTs can undertake skill training in convergence with PMKVY, in addition to implementing the EST&P component as is being done currently by them through the existing skill infrastructure.</p> <p>States/UTs can take up the responsibility for mobilising candidates for the PMKVY while MoSDE/NSDC will be responsible for selecting Training Providers, ensuring quality of trainers and training, alignment with common norms, etc.</p> <p>Under such arrangement, the States/UTs can directly provide funds for skill training of urban poor candidates under EST&P to National Skill Development Fund (NSDF), which is the Trust under the MoSDE, or to NSDC.</p>

3. Operational Guidelines of Social Mobilization & Institutional Development (SM&ID) under DAY-NULM

The operational guidelines of the Social Mobilization & Institutional Development (SM&ID) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. No.K-14011/1/2013-UPA, dated 11th December 2013 as amended vide O.M. nos. K-14011/7/2013-UPA/FTS-9789 dated 3rd August, 2015 and K-14011/2/2012-UPA/FTS 5196 dated 19th February 2016 are further amended as follows:

SN	Existing Provision	Amended Provision
1.	<p>Clause 4. Membership of SHGs Under NULM, Self Help Groups of urban poor will be formed. Non-poor may be included as members in SHGs where strong affinity or special reasons exist. However, at least 70% of the SHG members should be urban poor to qualify for funding support under NULM. SHGs may consist of 10 to 20 members. These groups need not to be registered. Normally, women SHGs will be formed, however male SHGs of handicapped persons will be allowed to be formed. The objective is to organise all the urban poor families into SHGs, however, those areas may be taken up first where urban poor are concentrated.</p>	<p>Under DAY-NULM, Self Help Groups of urban poor will be formed. Non-poor may be included as members in SHGs where strong affinity or special reasons exist. However, at least 70% of the SHG members should be urban poor to qualify for funding support under DAY-NULM. SHGs may consist of 10 to 20 members. In hilly tracts/regions and predominantly tribal dominated areas where communities are dispersed, smaller groups of less than 10 members may also be formed These groups need not to be registered. Normally, women SHGs will be formed, however male SHGs of handicapped persons will be allowed to be formed. In case of persons involved in vulnerable occupations like rag pickers, rickshaw pullers, sanitation workers etc., activity based SHGs of male members may also be formed. The objective is to organise all the urban poor families into SHGs, however, those areas may be taken up first where urban poor are concentrated.</p>
2.	<p>Clause 6 Box 2: Panchsutra for a good SHG:</p> <ol style="list-style-type: none"> 1. Regular savings 2. Regular meetings 3. Regular accounts- 	<p>Amendment in Box 2: Panchsutra for a good SHG:</p> <ol style="list-style-type: none"> 1. Regular meeting 2. Regular Saving 3. Regular Internal Lending

SN	Existing Provision	Amended Provision
	<p>bookkeeping and accounting</p> <p>4. Regular repayments</p> <p>5. Adherence to rules and regulations of the SHG</p>	<p>4. Regular loan repayments</p> <p>5. Regular Bookkeeping</p>
3.	<p>Clause 13 (Formation of SHGs: Engagement of Resource Organization):</p> <p>The experts hired under City Mission Management Unit (CMMU) along with the community organizers will work at the field level for formation of Self Help Groups under DAY-NULM. The services of ASHA / Anganwadi workers and other community level functionaries under various schemes / programmes of the Central and State Governments may also be utilised for this purpose</p>	<p>The experts hired under City Mission Management Unit (CMMU) along with the community organizers will work at the field level for formation of Self Help Groups under DAY-NULM. The services of ASHA / Anganwadi workers and other community level functionaries under various schemes / programmes of the Central and State Governments may also be utilised for this purpose. The expenditure on handholding, training and nurturing of the SHGs formed by CMMU/COs can be made from SM&ID funds, within the limit of Rs. 10,000 per SHG.</p>
4.	<p>Clause 16:</p> <p>The functions of the RO are as follows:</p>	<p>Addition of new Clauses 16.6, 16.7 and 16.8:</p> <p>16.6 <u>Implementing Community Managed book of accounts for SHGs:</u> ROs will facilitate identification of one bookkeeper per SHG and one senior bookkeeper per ALF. Book keepers to be provided adequate training in phased manner for maintaining book of accounts. Initial classroom training should be for at least 5 days. This should be followed by monthly refresher training and on the job training by ROs on regular basis. The gap between two trainings should not be more than 45 days. The States will adopt uniform format</p>

SN	Existing Provision	Amended Provision
		<p>for books of accounts as being used under DAY-NRLM (Annexure VIII). However, some modifications may be made as per local requirements.</p> <p><u>16.7 Developing Internal CRPs (Community Resource Persons):</u> ROs will facilitate identification of 2 active women out of 15-20 SHGs and develop them as internal CRPs. Internal CRPs may be the active member of SHGs who have established them as role model and who are willing to provide their services to the poor community. These active women are to be provided for at least 30-45 days training in phased manner. This will include engagement with external CRPs for 10-15 days, classroom training and exposure visit to better performing Self Help Groups/Area Level Federations/City Level Federations. After completion of the training, the Internal CRPs will be assessed by External CRPs/ROs. If necessary, additional inputs will be provided. After clearing assessment criteria, Internal CRPs can be engaged for conducting social mobilization process in other areas.</p> <p><u>16.8 Reporting by ROs:</u> Every month, the ROs will provide report of activities performed by them to ULBs. The ULBs /State Mission Management Unit will organize monthly review meeting to assess the progress of ROs. If required, the ROs will be provided training and field exposure for effective implementation of SM&ID activities.</p>
5	<p>17. Selection of ROs</p> <p>17.4 Care must be taken to ensure that the RO chosen is experienced in working with</p>	<p>Clause 17: Selection of ROs</p> <p>17.4 Care must be taken to ensure that the RO chosen is experienced in working with the poor at the grass-root level and</p>

SN	Existing Provision	Amended Provision
	<p>the urban poor at the grass-root level and preference must be given to ROs with a proven track record on this.</p>	<p>preference must be given to ROs with a proven track record on this.</p> <p>Additional new Clause 17A: <u>Engagement of Community Resource Persons (CRPs):</u> DAY-NRLM has developed successful model of Community Institutions and Community Resource Person (CRPs) which can be useful for DAY-NULM also for implementing SM&ID activities. To widen the scope of social mobilization, DAY-NULM may consider to engage CRPs from DAY-NRLM areas to support Social Mobilization activities under DAY-NULM. The services of such CRPs may be taken by entering MoU with State Rural Livelihoods Mission/State Urban Livelihoods Mission/Federations at the State level or at ULB level.</p>
6	<p>Clause 22: Opening of Bank Accounts</p>	<p>Additional new Clause 22.4: All the beneficiaries should be covered with various benefits under Prime Minister Jan Dhan Yojana. The SHGs and ALFs will be made aware about the process of opening bank account under this scheme and its related benefits.</p>
7	<p>Clause 23: Affordable Insurance (Health, Life and Pension) 23.1 SULM should ensure maximum coverage under to the existing/ on-going insurance schemes of Government of India such as Rashtriya Swasthya Bima Yojana (RSBY) for health insurance, Janashree Bima Yojna (JBY) for Life Insurance, any state specific insurance schemes and micro insurance</p>	<p>Clause 23: Affordable Insurance (Health, Life and Pension) 23.1 SULM should ensure maximum coverage under to the existing/ on-going insurance schemes of Government of India such as Rashtriya Swasthya Bima Yojana (RSBY) for health insurance, Janashree Bima Yojna (JBY), Pradhan Mantri Jivan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana, Atal Pension Yojana any state specific insurance schemes and micro insurance products.</p>

SN	Existing Provision	Amended Provision
	products.	
8	<p>Clause 25: Revolving Fund Support to Self-Help Groups (SHGs)</p> <p>A one-time Revolving Fund support of Rs.10,000 will be provided to urban poor SHGs, which have not availed such support earlier. A SHG should be functional for a period of 6 months with at least 70% of SHG members should be urban poor to become eligible for Revolving Fund support under NULM. The RF is also available to existing SHGs formed under SJSRY, which have not availed the same</p>	<p>Clause 25: Revolving Fund Support to Self-Help Groups (SHGs)</p> <p>A one-time Revolving Fund support of Rs.10,000 will be provided to urban poor SHGs, which have not availed such support earlier. A SHG should be functional for a period of 3 months with at least 70% of SHG members as urban poor to become eligible for Revolving Fund support under DAY-NULM. The RF is also available to existing SHGs formed under SJSRY, which have not availed the same.</p>
9	<p>Clause 26:</p> <p>The SHG can route its application (in prescribed format Annexure-V) for revolving fund through ROs to ULB. The ULB will check the application and requisite documents/records of the SHG like number of meetings held and minutes recorded since inception, collections made from members towards group savings & regularity in savings, collection and amount of savings mobilized etc. before sanctioning and releasing the Revolving Fund to eligible SHG. ULB may take some random sample check of RF applications for field level verification if required for due</p>	<p>Initially, the SHG can route its application (in prescribed format Annexure-V) for revolving fund through ROs to ULB. The ULB will check the application along with grading of the SHG before sanctioning and releasing the Revolving Fund to eligible SHG. Once the Area Level Federations come into existence, they will grade the SHGs on regular basis and forward their applications to ULBs. ULB may take some random sample check of RF applications for field level verification if required for due diligence. The RF will be transferred directly into the bank account of the respective SHG by ULB.</p>

SN	Existing Provision	Amended Provision
	<p>diligence. The RF will be transferred directly into the bank account of the respective SHG by ULB.</p>	
10	<p>Clause 55 (Component 1.5): A pool of CRPs, Professionals, Civil Society organisations, resource agencies with domain expertise and experience (e.g. issues like bank linkage, bookkeeping and accounts, micro-planning, micro-investment process, roles and responsibilities of members, etc.) should be identified and engaged for providing capacity building inputs to the community institutions.</p>	<p>A pool of CRPs, Professionals, Civil Society organisations, resource agencies with domain expertise and experience (e.g. issues like bank linkage, bookkeeping and accounts, micro-planning, micro-investment process, roles and responsibilities of members, etc.) should be identified and engaged for providing capacity building inputs to the community institutions. States may utilize the community master trainers and resource persons developed under DAY-NRLM to conduct training under DAY-NULM. These Community Master Trainers from NRLM may also be engaged with Training Agencies for providing training to mission staff and community.</p>
11	<p>Clause 57: Monitoring & Evaluation</p> <p>The SMMU at the State level and CMMU at the ULB level will closely monitor progress of activities / targets under this component, undertake reporting and evaluation. The SULM and the ULB/executing agencies shall report timely progress in formats prescribed by the Mission Directorate from time-to-time, indicating the cumulative achievement monthly and upto the end of the quarter and key issues in implementation.</p>	<p>The SMMU at the State level and CMMU at the ULB level will closely monitor progress of activities / targets under this component, undertake reporting and evaluation. The experts and officials at SMMU, CMMU and COs will undertake regular field visits to monitor the performance of ROs, assess quality of the community institutions and providing handholding support for effective functioning of SHGs and Federations. The SULM and the ULB/executing agencies shall report timely progress in formats prescribed by the Mission Directorate from time-to-time, indicating the cumulative achievement monthly and upto the end of the quarter and</p>

SN	Existing Provision	Amended Provision
		key issues in implementation.
12	<p>Annexure III Checklist of Functional SHGs</p> <p>Point 3: Meetings: Minimum Once in a week</p> <p>Point 8: Maintenance of Records</p> <ul style="list-style-type: none"> • There should be a record of every meeting in the minute book with signature / thumbprint of all members • Every meeting should have a record of attendance • Savings and internal loans register should be updated in every meeting • Bank passbook to be updated once a month 	<p>Annexure III : Checklist of Functional SHGs</p> <p>Point 3: Meetings: Minimum Once in a week</p> <p>Members are sitting in a circle.</p> <p>Chairperson is selected in each meeting for conducting the proceedings of meeting</p> <p>Minutes of meeting are recorded in the meeting itself and are read out loudly by book-keeper/office bearers.</p> <p>Social agenda is included in SHG meeting</p> <p>Meeting to be held in the house of each member on rotation basis</p> <p>Agenda of meeting will be decided by SHGs. This may include - attendance, saving, internal lending, loan repayment, information of income & expenditure, benefits under different components of DAY-NULM, rights & entitlements, benefits under government programmes, social issues etc.</p> <p>Point 8: Maintenance of Records</p> <p>Book keeper is identified for the SHG.</p> <p>There should be a record of every meeting in the minute book with signature / thumbprint of all members</p> <p>Every meeting should have a record of attendance</p> <p>Savings and internal loans register should be updated in every meeting</p> <p>Bank passbook to be updated once a month</p>
13	<p>Annexure IV</p> <p>Model Framework for engagement of Resource Organizations (ROs) for the formation of SHGs under NULM</p>	<p>Addition of Annexure IV 'A'</p> <p>Indicative measurable outcomes related to payment of ROs.</p>

SN	Existing Provision	Amended Provision
14		Addition of Annexure IX Indicative training modules for ALFs, CLFs, CRPs and COs

4. Operational Guidelines of Support to Urban Street Vendors (SUSV) under DAY-NULM

The operational guidelines of the Support to Urban Street Vendors (SUSV) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. No. F. No. K-14014/1/2013-USD dated 13th December 2013, have been amended.

The relevant clauses of the Operational Guidelines of SUSV, have been amended as follows:

SN	Existing Provision	Amended Provision
1.	<p>Clause 4.5:</p> <p>Under this sub-component, financial support will be provided to the ULB for preparation of City Street Vending Plan which will contain the following:</p> <ul style="list-style-type: none"> (i). profile of street vending trades and activities; (ii). spatial distribution of street vending activities; (iii). earmarking of space or area for vending zones; (iv). determination of vending zones as restriction- free vending zones, restricted vending zones and no-vending zones; (v). estimates of holding capacity of vending zones, which is the maximum number of street vendors who can be accommodated in any vending zone; (vi). understanding of key challenges, constraints and 	<p>Amendment in Clause 4.5</p> <p>Under this sub-component, financial support will be provided to the ULB for preparation of City Street Vending Plan as per the provisions of The Street Vendors (Protection of Livelihoods and Regulation of Street Vending) Act, 2014.</p>

SN	Existing Provision	Amended Provision
	<p>issues relating to street vending; and</p> <p>(vii). Possible solutions and potential street vending areas.</p> <p>The Street Vending Plan will also take into account the natural markets where sellers and buyers naturally congregate for the sale and purchase of products and services. The Plan will be developed after consultations with Street Vendor's representatives and other relevant stakeholders.</p>	
2.	<p>Clause 4.24 Access to Credit:</p> <p>The Self Employment Programme- Individual Enterprises (SEP-I) component of NULM provides financial assistance to urban poor in the form of interest subsidy on bank loans for setting up individual enterprises. In accordance with SEP guidelines, loans can be made available to the identified urban poor street vendors at 7% rate of interest. The modalities and procedure for availing loans for poor street vendors will be similar as detailed out in SEP-I component.</p>	<p>Amendment in Clause 4.24 Access to Credit</p> <p>The Self Employment Programme of DAY-NULM provides financial assistance to urban poor in the form of interest subsidy on bank loans for setting up individual enterprises and group enterprises. In accordance with SEP guidelines, loans can be made available to the identified urban poor street vendors at 7% rate of interest. The modalities and procedure for availing loans for poor street vendors will be similar as detailed out in SEP component.</p>
3.	<p>Clause 7 Funding Pattern</p> <p>Up to 5% of the total NULM allocation of the State can be spent on implementation of this component of NULM (excluding any cost incurred on training and access to credit which will be met from EST&P and SEP components respectively). Funding pattern of</p>	<p>Amendment in Clause: 7 Funding Pattern</p> <p>Up to 5% of the total DAY-NULM allocation of the State can be spent on implementation of this component of DAY-NULM (excluding any cost incurred on access to credit which will be met from SEP components</p>

SN	Existing Provision	Amended Provision
	Central and State share will be in the ratio of 75:25. In case of north eastern states (Arunachal Pradesh, Assam, Manipur, Meghalaya, Tripura, Mizoram, Nagaland, Sikkim) and special category states (Jammu and Kashmir, Himachal Pradesh and Uttarakhand) this will be in the ratio of 90:10.	respectively).

5. Operational Guidelines of Scheme for Urban Homeless (SUH) under DAY-NULM

The operational guidelines of the Scheme for Urban Homeless (SUH) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. issued vide O.M. No.K.-14014/58 (19)2012-USD dated 13th December 2013 and subsequent amendments were issued vide the following:

1.O.M.No.E-14013/1/2013/USD Dated:7th Dec-2015.

2.O.M.No.K-14011/7/2013-UPA Dated:3rd Aug-2015

3.O.M.No.G-24011/4/2015-UPA Dated:2nd Feb2016.

4.O.M.No.K.14011/2/2012-UPA Dated :19th Feb2016.

As amended above, the relevant Clauses of the Operational Guidelines of SUH have been amended further as follows:

SN	Existing Provision	Amended Provision
1.	<p>Clause 3.3 (d)</p> <p>Special Shelters: Taking into account special needs for segments of homeless persons, such as old persons without care, mentally ill, recovering patients and their families etc. special shelters may be provided.</p>	<p>Amendments in Clause 3.2.d</p> <p>Special shelters: Taking into account special needs for segments of homeless persons, such as old persons without care, mentally or physically challenged, recovering patients and their families, attendants of the patients admitted in hospitals etc special shelters may be provided.</p>

SN	Existing Provision	Amended Provision
2.	<p data-bbox="256 170 379 203">Clause.5</p> <p data-bbox="256 230 657 264">Linkages with Entitlements</p> <p data-bbox="256 291 783 683">Shelters will be a space for convergence and provisions of various entitlements of social security, food, education and health care systems. All homeless persons, in shelters should be given priority under various schemes, and government programmes. An illustrative list where such convergence is desirable is given below:</p> <ul data-bbox="309 712 783 1323" style="list-style-type: none"> ● Identity Proof & Postal Address, Elector's Photo Identity Card (EPIC), etc. ● Old age, widows and disability pensions ● BPL Cards, PDS ration Cards etc. ● Bank or post office Account ● ICDS service ● Admission to government schools ● Rashtriya Swasthya Bima Yojana ● Admission to public hospitals for health care ● Linkage to Rajiv Awas Yojana ● Free Legal Aid 	<p data-bbox="826 170 1198 203">Amendments in Clause.5</p> <p data-bbox="826 230 1233 264">Linkages with Entitlements</p> <p data-bbox="826 291 1401 817">Shelters will be a space for convergence and provisions of various entitlements of social security, food, education and health care systems. All homeless persons, in shelters should be given priority under various schemes, and government programmes. The Shelter Management Agencies and Committees would be responsible to ensure the availability of various entitlements and benefits to the homeless. An illustrative list of schemes / benefits where such convergence is desirable is given below :</p> <ul data-bbox="868 846 1401 2060" style="list-style-type: none"> ● Identity Proof & Postal Address, ● Elector's Photo Identity Card (EPIC), Aadhaar Card etc. ● Old age, widows and disability pensions ● BPL cards, PDS Ration cards, etc. ● Bank , post office, Jan Dhan Yojana Accounts ● ICDS services ● Admission to government schools ● Admission to public hospitals for health care ● Free Legal Aid ● Rashtriya Swasthya Bima Yojana ● Pradhan Mantri Suraksha Bima Yojana, ● Pradhan Mantri Jeevan Jyoti Bima Yojana, ● Pradhan Mantri Awas Yojana-Housing for All ● Skill Training under DAY-NULM & Prime Ministers Kaushal Vikas Yojana ● Pradhan Mantri Mudra Yojana, SEP component of DAY-NULM. ● Identity card / vending certificates to homeless street vendors. ● Rehabilitation of disabled schemes of Ministry of Social Justice and empowerment. ● Referral services for women & Children in distress with SWADHAR, UJJAWALA,

SN	Existing Provision	Amended Provision
		<p>SABLA, One stop centre, Women Helpline Scheme schemes of MoW&CD.</p> <ul style="list-style-type: none"> ● Subsidy under PDS. ● Direct Benefit Transfer under various Govt. schemes.
3.	<p>Clause:5. Linkages with Entitlements</p>	<p>Additional Clause 5.1. Linkages with Entitlements</p> <p>Shelters are not the destiny for the homeless; Working men/ women's hostel, rental housings, affordable /social housings may also be promoted by the states/ ULBs for mainstreaming homeless.</p>
4.	<p>Clause:6. Location of Shelters</p>	<p>Additional Clause:6.4. Location of shelters</p> <p>The ULBs may plan the shelter along with City Livelihood Centre (CLC) under DAY-NULM at one place to efficiently utilise the land/ building and to integrate the services/ scheme benefits</p>
5.	<p>Clause 9.1 Project Proposal</p> <p>The shelters under this scheme would be established by the State/ULBs and operated either by them or through agencies identified by the State or ULBs. Convergence / dovetailing of this scheme with similar programmes for urban homeless being implemented by States/UTs will be permissible.</p>	<p>Amendments in Clause 9.1 Project Proposal</p> <p>The shelters under this scheme would be established by the State/ULBs and operated either by them or through agencies identified by the State or ULBs. Convergence / dovetailing of this scheme with similar programmes for urban homeless being implemented by States/UTs will be permissible. The State/UTs may also construct shelters with CSR support and other donations. If required the name of the corporate/ donor can be displayed on the shelter. For these shelters also the O&M support can be availed under</p>

SN	Existing Provision	Amended Provision
6.	<p>Clause 9.4.</p> <p>Project Proposal</p> <p>For construction of new shelters and for refurbishment, it will be the responsibility of the State Government/ULB to bring in the land. Many a times, unused land may be available with Railways, Bus stands, Port Trusts, hospitals, NGOs, charitable trusts or any other such organisations; and States of ULBs may not be owning that land. In such circumstances, States/ ULBs may enter into an arrangement with the concerned organisation for use of land for construction and maintenance of shelters with or without formal transfer of ownership. All the necessary clearances and approvals for the land must be obtained prior to preparation of the proposal. The cost of the land acquisition is not eligible for funding under the scheme.</p>	<p>DAY-NULM</p> <p>Amendments in Clause 9.4.</p> <p>Project Proposal</p> <p>For construction of new shelters and for refurbishment, it will be the responsibility of the State Government/ULB to bring in the land. Many a times, unused land may be available with Railways, Bus stands, Port Trusts, hospitals, NGOs, charitable trusts or any other such organisations; and States of ULBs may not be owning that land. In such circumstances, States/ ULBs may enter into an arrangement with the concerned organisation for use of land for construction and maintenance of shelters with or without formal transfer of ownership. All the necessary clearances and approvals for the land must be obtained prior to preparation of the proposal. The cost of the land acquisition is not eligible for funding under the scheme. In view of the shortage of land in cities, vertical designs may be considered by the States/UTs to accommodate more homeless</p>
7.	<p>Clause:13</p> <p>Monitoring and Evaluation</p>	<p>Additional clause:13.7</p> <p>Monitoring and Evaluation</p> <p>To address security issues and ensure monitoring of shelters for vulnerable groups, CCTV camera may be installed at entry and exit points of shelters.</p>

2. This issues with the approval of Hon'ble Minister for Housing and Urban Poverty Alleviation.

A. Mittal
(Archana Mittal)
(Director, UPA-I)
Tel: 011-23062127

To,

Principal Secretary/ Secretary (UD)
of all the States/UTs

Mission Directors (DAY-NULM)
All States/UTs

Copy to:

1. Ms. Anjuly Chib Duggal, Secretary, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi 110001.
2. Shri Rajiv Gauba Secretary, M/o Urban Development, Room No. 122, C-Wing, Nirman Bhawan, ND-1.
3. Shri Jitendra Shankar Mathur, Secretary, M/o Rural Development, Krishi Bhavan, Dr. Rajendra Prasad Road, New Delhi - 110001.
4. Dr. Subash Chandra Khuntia, Secretary, Department of School Education & Literacy, M/o HRD, Shastri Bhawan, New Delhi - 110001
5. Shri Shankar Aggarwal, Secretary, M/o Labour & Employment, Room No. 112, Shram Shakti Bhawan, Rafi Marg, New Delhi-110001
6. Shri K.K. Jalan, Secretary, M/o Micro, Small & Medium Enterprises, Room No. 169, Udyog Bhawan, Rafi Marg, New Delhi - 110011
7. Ms. Leena Nair, Secretary, M/o Women and Child Development, Shastri Bhawan, New Delhi
8. Ms. Anita Agnihotri, Secretary, Department of Social Justice & Empowerment, M/o Social Justice & Empowerment, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi - 110001.

9. **Shri Rohit Nandan**, Secretary, Ministry of Skill Development & Entrepreneurship, 2nd Floor, Shaheed Bhagat Singh Marg, Shivaji Stadium, Connaught Place, New Delhi- 110001
10. **Shri Uma Shankar**, Chief General Manager, FIDD, Reserve Bank of India, 10th Floor, Central Office Building, Shahid Bhagat Singh Road, Mumbai-400 001.
11. **Shri G.R.Chintala**, Chief General Manager, Micro Credit Innovations Department (MICD), 4th Floor, 'D' Wing C-24, 'G' Block Bandra Kurla Complex Bandra (East) Mumbai - 400 051
12. **Shri Jiji Mammen**, Chief Executive Officer, Mudra Bank, MSME Development Centre, C-11, G-Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051
13. **Shri S.Ramadorai**, Chairman, NSDA & Chairman of the Board, NSDC, , B-2, Pusa Road, Opposite Pillar No. 95, New Delhi -110005.
14. **Shri Amitabh Kant**, CEO, NITI Aayog, Sansad Marg, New Delhi - 110001.

Copy for information to:

1. PS to Hon'ble Minister (UD, HUPA& PA)
2. PS to Hon'ble Minister of State (UD, HUPA& PA)
3. PS to Secretary (HUPA)
4. JS & FA, M/o UD & HUPA, Nirman Bhawan, New Delhi
5. Joint Secretary (HFA) , Ministry of HUPA

K-14014/37/2010-UPA (Pt-1)/FTS-14403
Government of India
Ministry of Housing and Urban Poverty Alleviation
UPA Division

Nirman Bahwan, New Delhi,
Dated the 15th June, 2016

To

Mission Directors (NULM)

All States/UTs

Subject: Amendment in Clause 6 & 7 of Operational Guidelines of Self-Employment Programme (SEP) component of Deendayal Antyodaya Mission-National Urban Livelihoods Mission (DAY-NULM) regarding.

I am directed to refer to the above mentioned subject and to say that the following clauses of operational guidelines of the Self-Employment Programme (SEP) component of Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) issued vide O.M. No. K-14014/58(10)/2012-UPA dated 18th December 2013 has been amended with the approval of Hon'ble Minister as indicated in the table given below.

Clause 6: Sub-Component 4.1-Individual Enterprises (SEP-I) - Loan & Subsidy.	
<u>Existing Provision</u>	<u>Amended Provision</u>
Clause 6. Sub-Component 4.1- Individual Enterprises (SEP-I) - Loan & Subsidy.	Additional clauses are as follows: Clause 6.6. Margin Money: No margin money should be taken for loans up to Rs. 50000 and for loans ranging from Rs 50,000 - 10 lakhs, preferably 5% should be taken as margin money and it should in no case be more than 10% of the Project cost. Clause 6.7. Type of Loan Facility: Bank may extend finance to individuals for capital expenditure in the form of Term Loan and Working Capital loans through Cash Credit. Banks may also extend Composite Loans consisting of Capital Expenditure and Working Capital components, depending upon individual's requirement.

ISSUED - *mes*
15/6/16

Clause 7: Sub-Component 4.2-Group Finance (SEP-G) - Loan & Subsidy.		
SN	Existing Provision	Amended Provision
1.	<p>Clause 7. Sub-Component 4.2-Group Enterprises (SEP-G) -Loan & Subsidy.</p> <p>A Self Help Group (SHG) or members of an SHG constituted under SJSRY/ NULM or a group of urban poor desirous of setting up a group enterprise for self-employment can avail benefit of subsidised loans under this component from any bank.</p>	<p>Clause 7. Sub-Component 4.2-Group Finance (SEP-G) -Loan & Subsidy.</p> <p>A Self Help Group (SHG) or members of an SHG constituted under SJSRY/ DAY-NULM or a group of urban poor for self-employment can avail benefit of subsidised loans under this component from any bank.</p>
2.	<p>Clause 7.1. Eligibility:</p> <p>The group enterprise should have minimum 5 members with a minimum of 70% members from urban poor families. The application/intent to set up a group enterprises by beneficiaries/group members should preferably be referred by community structures viz: SHG/ ALF formed under SJSRY/NULM.</p>	<p>Clause 7.1. Eligibility Criteria:</p> <p>The group should have minimum 5 members with a minimum of 70% members from urban poor families. More than one person from the same family should not be included in the same group.</p>
3.	<p>Clause 7.4. Loan:</p> <p>Project Cost less the beneficiary contribution (as specified by bank) would be made available as loan amount to the group enterprise by the bank.</p>	<p>Amended / Additional clauses in 7.4 are as follows:</p> <p>Clause 7.4.1. Type of Loan:</p> <p>Loan can be extended either as a single loan to the group functioning as one borrowing unit or each member of the group can be provided individual loans based on mutual trust and collateral substitute among the group. The principles laid down in the RBI circular on “Budget (2014-15) Announcement Financing of Joint Farming Groups of ‘Bhoomi Heen Kisan’ dated 13th November, 2014” and subsequent revisions should be followed in case of loans to a group.</p> <p>Clause 7.4.2. Type of Loan Facility:</p> <p>Bank may extend finance to groups for capital expenditure in the form of Term Loan and for Working Capital, through Cash Credit Facility. Banks may also extend Composite Loans for Capital Expenditure and Working Capital, depending upon Group’s requirement.</p>

	Clause 7.4.3. Loan and Margin Money : Project Cost less the beneficiary contribution (Margin Money) would be made available as loan amount to the group enterprise by the bank. No margin money should be taken for loan up to Rs. 50000 and for higher amount loans, preferably 5% should be taken as margin money and it should in no case be more than 10% of the project cost.
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Yours faithfully,

Archana Mittal

Archana Mittal
(Director, UPA-I)
Tel: 011-23062127

Copy to:

1. **Principal Secretary (UD)** of all the States/UTs for information.
2. **Shri A. Udgata**, Chief General Manager-in-Charge, FIDD, Reserve Bank of India, 10th Floor, Central Office Building, Shahid Bhagat Singh Road, Mumbai-400 001.
3. **Shri Jiji Mammen**, Chief Executive Officer, Mudra Bank, MSME Development Centre, C-11, G-Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051

Copy for information to:

1. Joint Secretary, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi 110001.

Copy to (Officers in the Ministry of HUPA):

1. PS to Hon'ble Minister (UD, HUPA & PA)
2. PS to Hon'ble Minister of State (UD, HUPA & PA)
3. PS to Secretary (HUPA)
4. JS & FA, M/o UD & HUPA, Nirman Bhawan, New Delhi
5. Joint Secretary (HFA), Ministry of HUPA