



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

[www.rbi.org.in](http://www.rbi.org.in)

RBI/2018-19/89

FIDD.GSSD.CO.BC.No.11/09.16.03/2018-19

December 06, 2018

The Chairman/ Managing Director & CEO  
All Scheduled Commercial Banks &  
Small Finance banks

Madam/Dear Sir,

**Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM)**

Reserve Bank of India has periodically issued instructions to banks with regard to operationalisation of the Government of India's National Urban Livelihoods Mission (DAY-NULM). The Ministry of Housing & Urban Affairs, Government of India has amended the operational guidelines of Self-Employment Programme (SEP) under DAY-NULM. The revised Master Circular is being issued by incorporating amendments as effected by the Ministry of Housing & Urban Affairs and has been placed on the RBI website [www.rbi.org.in](http://www.rbi.org.in).

Yours faithfully,

(Sonali Sen Gupta)  
Chief General Manager

Encl: As above

वित्तीय समावेशन और विकास विभाग, केन्द्रीय कार्यालय, 10वीं मंजिल, केन्द्रीय कार्यालय भवन, मुंबई 400 001,  
टेलीफोन /Tel No: 91-22-22661000 फैक्स/Fax No: 91-22-22621011/22610948/22610943

ई-मेल/EmailID: [cgmicfidd@rbi.org.in](mailto:cgmicfidd@rbi.org.in)

Financial Inclusion & Development Department, Central Office, 10<sup>th</sup> Floor, C.O. Building, Post Box No.10014 Mumbai -400 001

**हिंदी आसान है, इसका प्रयोग बढ़ाइये**

**चेतावनी - रिज़र्व बैंक द्वारा मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।"**

**Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.**

## **Master Circular: Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM)**

### **Background**

The Government of India, Ministry of Housing and Urban Poverty Alleviation (MoHUPA), restructured the existing Swarna Jayanti Shahari Rozgar Yojana (SJSRY) and launched the National Urban Livelihoods Mission (NULM) in 2013. NULM has been under implementation w.e.f. September 24, 2013 in all district headquarters (irrespective of population) and all the cities with population of 1 lakh or more.

The Self Employment Program (SEP) of NULM focuses on providing financial assistance through provision of interest subsidy on loans to support establishment of Individual & Group Enterprises and Self-Help Groups (SHGs) of urban poor. The erstwhile provision of capital subsidy for USEP (Urban Self Employment Program) and UWSP (Urban Women Self-Help Program) under SJSRY has been replaced by interest subsidy for loans to Individual enterprise (SEP-I), Group enterprise (SEP-G) and Self Help Groups (SEP-SHGs). With a view to improving the livelihood opportunities for the poor in urban areas, Ministry of Housing and Urban Poverty Alleviation (UPA Division), Government of India vide their Office Memorandum No.K-14011/2/2012-UPA/FTS-5196 dated February 19, 2016 has decided to enhance the scope of National Urban Livelihoods Mission. The Mission with enhanced scope was renamed as “**Deendayal Antyodaya Yojana -National Urban Livelihoods Mission (DAY-NULM)**”.

The operational guidelines of the Self Employment Program (SEP) component of DAY-NULM are as under:

#### **1. Introduction:**

- 1.1 The SEP provides financial assistance to individuals/groups including street vendors/hawkers of urban poor for setting up gainful self-employment ventures/ micro-enterprises, suited to their skills, training, aptitude and local conditions. The programme also supports Self Help Groups (SHGs) of urban poor to access easy credit from bank and avail interest subsidy on SHG loans. The SEP will also focus on technology, marketing and other support services to the above beneficiaries engaged in micro enterprises for their livelihoods and will also facilitate issuance of credit cards for working capital requirement of the entrepreneurs.

- 1.2 The underemployed and unemployed urban poor will be encouraged to set up small enterprises relating to manufacturing, service and small business for which there is considerable local demand. Local skills and local crafts should be particularly encouraged. Each Urban Local Body (ULB) should develop a compendium of such activities/projects keeping in view skills available, marketability of products, costs, economic viability etc.
- 1.3 The percentage of women beneficiaries under SEP shall not be less than 30 percent. SCs and STs must be benefited at least to the extent of the proportion of their strength in the city/town population of poor. A special provision of 3 percent reservation should be made for the differently-abled under this program. In view of the Prime Minister's 15-Point Program for the Welfare of Minorities, at least 15 percent of the physical and financial targets under this component shall be earmarked for the minority communities.

## **2. Selection of Beneficiary & Procedure for Sponsoring Applications:**

The Community Organizers (COs) and professionals from Urban Local Body (ULB) will identify the prospective beneficiaries from among the urban poor. The community structures formed under Social Mobilization & 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 forward such cases directly to ULB. The Banks may also use their empaneled Business Correspondents (BCs) and Business Facilitators (BFs) to increase the outreach. Due diligence will be undertaken as per the Banks' policy, in this regard.

- 2.1 The application for individual and group enterprise loans will be sponsored by the Urban Local Body (ULB) which will be the sponsoring agency for the individual and group enterprise.
- 2.2 The ULB will create awareness regarding SEP to the prospective beneficiaries through mass media campaigns, Information Education and Communication (IEC) activities, advertisements in local newspapers, City Livelihoods Centres (CLCs) etc. The ULB may also disseminate information regarding this component through active involvement of Resource Organizations and its field staff.
- 2.3 The beneficiaries desirous of seeking financial assistance for setting up an enterprise can submit an application of intent to the concerned ULB officials on a plain paper with basic details viz: Name, Age, Contact

details, Address, Aadhaar details (if any), amount of loan required, bank account number (if available), type of enterprise/ activity, category etc. The intent could also be sent by mail /post to the ULB office. The ULB shall accept such intents throughout the year.

2.4 The community structures formed under Social Mobilization & Institutional Development (SM&ID) component of DAY-NULM viz: Self Help Groups (SHGs)/ Area Level Federations (ALFs) may also refer prospective individual and group entrepreneurs for purpose of financial assistance under SEP to ULB.

2.5 On submission/receipt of the intent from the beneficiary the respective ULB will enter the details in a register/or MIS if available and hence will generate a waiting list of beneficiaries. The ULB will issue an acknowledgement to the beneficiary with a unique registration number, which may be used as a reference number for tracking the status of application.

2.6 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. To verify the identity of the beneficiary, her/his Aadhar number will also be brought on record. If beneficiary does not have Aadhaar card, his/ her any other unique identification document like voters' card, driving license etc. will be taken and s/he will be helped to obtain Aadhar card as soon as possible. The State Urban Livelihoods Mission (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. 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.

2.7 A Task Force constituted at ULB level will scrutinize the applications based on experience, skills, viability of activity, scope of the activity etc. Thereafter, the Task Force will shortlist the applications and call for interview of the applicants before recommending or rejecting the application or call for additional information from the applicant if required.

2.8 The Chief Executive Officer (CEO)/ Municipal Commissioner of ULB will be responsible to constitute the Task Force and will be the Chairman of the Task force. There could be more than 1 task force at ULB level depending upon the size/population of the ULB.

2.9 The indicative composition of the Task Force is as follows:

<b>Sr. No.</b>	<b>TASK Force at ULB level</b>	<b>Role</b>
1.	Chief Executive Officer (CEO) ULB/Municipal Commissioner of ULB/ or any representative authorized by CEO ULB	Chairman
2.	Lead District Manager (LDM)	Member
3.	City Project Officer (CPO), ULB/ or any authorized representative of ULB	Member Convenor
4.	Representative from District Industries Centre (DIC)	Member
5.	Senior Branch Managers (Max-2) of banks	Member
6.	Representatives(2) of Area Level Federation/City Level Federation	Member

2.10 The task force will then recommend the applications if found suitable, reject if found unsuitable or ask the beneficiary to submit further requisite information for re-examination on case to case basis.

2.11 The case duly recommended by the task force will be forwarded by the ULB to the concerned banks for further processing. Such cases recommended by task force have to be processed by concerned banks within a time frame of 15 days. As these cases are already recommended by the task force, such cases should be rejected by banks only in exceptional circumstances.

2.12 The banks will send a periodic report to the ULB on the status of the applications received. In case of MIS being used, the banks may be allowed to update the status of application online in addition to manual report.

2.13 Banks may also 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. The banks can send details of such loans sanctioned by them to ULBs for confirmation of their eligibility for interest subsidy under DAY-NULM. Task Force constituted for scrutinizing applications should quickly clear these applications if they otherwise meet the criteria. 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 compliant.

### **3. Educational Qualifications and Training Requirement:**

No minimum educational qualification is required for prospective beneficiaries under this component. However where the identified activity for micro-enterprise development requires some special skills appropriate training must be provided to the beneficiaries before extending financial support.

#### **3.1 Employment through Skills Training and Placement (EST&P):**

Financial assistance should be extended only after the prospective beneficiary has acquired required skills for running the proposed micro-enterprise. Such training may not be necessary if the beneficiary has already undergone training from a known institution, registered NGO/Voluntary Organization or trained under any government scheme provided requisite certificate is produced. In case the beneficiary has acquired requisite skills from family occupation such cases should be certified by the ULB before extending financial assistance.

#### **3.2 Entrepreneurship Development Program (EDP):**

In addition to skill training of the beneficiaries, the ULB will also arrange to conduct Entrepreneurship Development Program for 3-7 days for individual and group entrepreneurs. The EDP will cover basics of entrepreneurship development such as management of an enterprise, basic accounting, financial management, marketing, backward and forward linkages, legal procedures, costing and revenue etc. In addition to above topics the module should also include group dynamics, allocation of work, profit sharing mechanism etc. for group enterprises.

#### **3.3**

The EDP module may be developed and finalized by State Urban Livelihoods Mission (SULM) supported by State Mission Management Unit (SMMU) with assistance of an empaneled institution/agency or consulting firm and same may be utilized for conducting training program by the ULB. This EDP training may be arranged through institutions such as Rural Self Employment Training Institutes (RSETI), reputed institutions engaged in entrepreneurship development/ training, management/ educational institutes, reputed NGOs engaged in entrepreneurship development/ training etc.

- 3.4 **Follow-up entrepreneurial support to Individual and Group entrepreneurs:** 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 a loan. During the follow-up EDP, problems and issues faced by beneficiaries should also be discussed and solutions should be given.

#### **4. Pattern of Financial Assistance:**

The financial assistance available to urban poor in setting up individual and group enterprises will be in the form of Interest subsidy on the bank loans. Interest subsidy, over and above 7% rate of interest will be available on a bank loan for setting up of individual or group enterprises. The difference between 7% p.a. and the rate of interest charged by the bank will be provided to banks under DAY-NULM. Interest subsidy will be given only in case of timely repayment of loan. Suitable certification from banks will be obtained in this regard. An additional 3 percent interest subvention will be provided to all Women Self Help Groups (WSHGs) who repay their loan in time. The Interest subsidy will be subject to timely repayment of the loan (as per the loan repayment schedule) and suitable certification obtained from banks by the ULB. The additional 3% interest subvention amount will be reimbursed to the eligible WSHGs. The banks should credit the amount of 3% interest subvention to the eligible WSHGs accounts and thereafter seek the reimbursement.

#### **5. Procedure for interest subsidy to Banks:**

- 5.1 All scheduled commercial banks (SCBs) and Small Finance Banks which are on the Core Banking Solution (CBS) platform would be eligible for getting interest subvention under the scheme.
- 5.2 After disbursement of loan to the beneficiaries, the concerned branch of the bank will send details of disbursed loan cases to ULB along with details of interest subsidy amount.

#### **Procedure I**

- 5.3 The settlement of claims made by banks would be done on quarterly basis by the ULBs, however the submission of claims should be monthly. The ULB will check the data at their end and will release the interest subsidy amount (difference between 7% p.a. and prevailing rate of interest) to the banks.

- 5.4 A prescribed format for interest subsidy claims for loans under this component is enclosed at ([Annex-I](#))
- 5.5 The claims should not be pending more than a quarter. In case the claims of the banks are not settled for a period of 6 months, SLBC is empowered to stop the scheme temporarily in selected cities subject to clearance of claims by such ULBs. In such eventualities, the claims settlement should prospectively be given to the Lead District Bank.

## **Procedure - II**

- 5.6 **Settlement of Claims:** Nodal Agency for releasing interest subsidy: 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). 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 with the nodal bank, which will release funds to the bank branches as per guidelines of the DAY-NULM. Nodal bank will regularly render account of reimbursement to the SULM. This procedure will be followed in all three types of loans i.e. SEP (I), SEP (G) and SHG-Bank Linkage.

## **6. Individual Enterprises (SEP-I)-Loan & Subsidy**

An urban poor individual beneficiary desirous of setting up an individual micro-enterprise for self-employment can avail benefit of subsidized loan under this component from any bank. The norms/specifications for individual micro-enterprise loans are as follows:

- 6.1 **Age:** The prospective beneficiary should have attained the age of 18 Years at the time of applying for loan.
- 6.2 **Project Cost (PC):** The Maximum unit Project Cost for an individual micro-enterprise is ₹ 2,00,000 (₹ Two Lakhs).
- 6.3 **Collateral Guarantee on Bank Loan:** 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 up to ₹ 10 lakhs extended to units in the MSE sector. 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.

- 6.4 **Repayment:** Repayment schedule would range between 5 to 7 Years after initial moratorium of 6-18 months as per norms of the banks.
- 6.5 **Margin Money:** No margin money should be taken for a loan up to ₹ 50,000 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.
- 6.6 **Type of Loan Facility:** Banks 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 borrower's requirement.

## 7. Group Enterprises (SEP-G) -Loan & Subsidy

A Self Help Group (SHG) or members of an SHG constituted under DAY-NULM or a group of urban poor for self-employment can avail benefit of subsidized loans under this component from any bank. The norms/specifications for group based micro-enterprise loans are as follows:

- 7.1 **Eligibility Criteria:** The group enterprises should have minimum of Three (3) members with a minimum of 70% of the members from urban poor families. More than one person from the same family should not be included in the same group.
- 7.2 **Age:** All members of the group enterprise should have attained an age of 18 years at the time of applying for bank loan.
- 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.
- 7.4 **Type of Loan:** 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 up to 2 lakhs and an overall cap of 10 lakhs based on the principal of joint liability of 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.

**7.5 Type of Loan Facility:** Banks 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.

**7.6 Loan and Margin Money:** The Project Cost minus 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 ₹ 50,000 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.

**7.7 Collateral Guarantee on Bank Loan:** No collateral guarantee is 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-6.3.

**7.8 Repayment:** Repayment schedule would range between 5 to 7 Years after initial moratorium of 6-18 months as per the norms of the banks.

## **8. SHG-Bank Linkage – General Guidelines**

Linking of SHGs with banks have been emphasized in the Monetary policy of Reserve Bank of India and Union Budget announcements from time to time and various guidelines in this regard have been issued by the Reserve Bank of India (RBI) to banks. To scale up the SHGs linkage program and make it sustainable, banks have been advised to consider lending to SHGs as part of their mainstream credit operations both at policy and implementation level.

8.1 Master Circular of RBI on SHG-Bank Linkage Programme, [FIDD.FID.BC. No.04/12.01.033/2018-19 dated July 02, 2018](#) contains instructions on opening of Savings Bank Account of Self Help Groups (whether registered or unregistered), which are engaged in promoting habit of savings among their members as a starting point. Thereafter, the SHGs may be sanctioned Savings Linked Loans (varying from a saving to loan ratio of 1:1 to 1:4) after due assessment or grading by banks. However, in case of matured SHGs, loans may be given beyond the limit of four times the savings as per the discretion of the bank. The Banks have also been instructed that the advances to SHGs irrespective of the purposes for which the members of SHGs

should be included by the banks as part of their lending to the weaker sections.

- 8.2 Under Social Mobilization & Institution Development (SM&ID) component of DAY-NULM, the ULB will do necessary groundwork to open bank accounts for SHGs and facilitating access to Revolving Fund (RF). The ULB may also engage Resource Organization (RO) for the purpose or may directly facilitate SHGs through its staff. (Concept & Formation of SHGs, ROs and Revolving Fund has been detailed out in Social Mobilization & Institutional Development (SM&ID) component of DAY- NULM).
- 8.3 The banks will send the details of disbursed loan cases to the ULB along with the calculation details of the interest subsidy amount. The ULB will check the data at their end and will release the interest subsidy amount on quarterly basis to the banks following a similar procedure as mentioned in Para 5. The prescribed format for claiming the additional interest subvention is enclosed at ([Annex –II](#)).
- 8.4 The ULB through its field staff or Resource Organization (ROs) will facilitate filling of loan applications for eligible SHGs to access credit from the banks. The ULB will be responsible to forward the Loan application of the SHGs to the concerned banks with requisite documentation. The ULB will maintain area wise, bank-wise, ROs/ Staff wise data of SHGs loan applications forwarded to the banks. The same will be sent to SULM on a monthly basis.
- 8.5 In order to ensure effective SHG-Bank Linkage under DAY-NULM, the SULM will monitor and review the progress with banks on regular basis and co-ordinate with SLBC for interest subsidy/ subvention on SHG Loans in the state. Active involvement of State level Bankers' Committee (SLBC) and lead banks may be ensured for sensitization of bank and branch staff for financial inclusion of urban poor.
- 8.6 It may be noted that the identification, selection, formation and monitoring of SHGs who are to get interest subvention would be the responsibility of State/ ULBs and banks would not be liable for wrong identification of SHGs who get interest subvention.
- 8.7 Type of Loan Facility: SHGs can avail either Term loan or a Cash Credit Limit (CCL) loan or both based on their needs. In case of need, additional loan can be sanctioned even though the previous loan is outstanding.
- 8.8 RBI guidelines for prompt repayment are as follows:

**a. For Cash Credit Limit to SHGs:**

- i) Outstanding balance shall not have remained in excess of the sanctioned limit/drawing power continuously for more than 30 days.
- ii) There shall be regular credits and debits in the account. In any case there shall be at least one customer induced credit during the month.
- iii) Customer induced Credits during a month shall be sufficient to cover the interest debited during the month.

**b. For Term Loan to SHGs:** 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. The prompt payment guidelines will continue to be guided by RBI guidelines on the subject in future.

**9. Progress Reporting for SEP-I, SEP-G & SEP-SHG**

9.1 The ULB will prepare a data sheet of the applications recommended by the TASK force along with their status details of the sanction, disbursement and rejection (along with reasons) after validating the same with the respective banks. This data sheet will be sent to SULM on a monthly basis.

9.2 The SULM will compile all the reports received from respective ULBs and will communicate to M/o HUPA on a monthly basis.

9.3 SULM must ensure that progress under SEP is reviewed in every SLBC and District Consultative Committee (DCC) meetings. Any other important issue with regard to SEP may be taken up by SULM with SLBC convener bank for effective coordination and implementation.

**10. Credit Card for enterprise development**

10.1 The financial assistance to the individual entrepreneurs through subsidized loan for setting up of enterprises under DAY-NULM could be viewed as initial impetus to facilitate livelihood support to the urban poor. However the individual entrepreneurs require further financial support in terms of working capital to make the enterprise economically sustainable. This may include immediate and short term monthly requirement of cash for meeting expenses for purchase of goods, raw materials and other miscellaneous expenditures etc. The micro-entrepreneur does not have a regular

fixed monthly cash inflow/income to meet expenses arising out of entrepreneurial activities. To approach a financial institution for such immediate credit requirement, it requires procedural documentation and consumes a lot of time. This need for working capital credit is generally met from informal sources of credit (including money lenders) which is typically available at high rate of interest.

- 10.2 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.
- 10.3 The SULM in consultation with the State Level Bankers Committee (SLBC) will finalize 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 Circular on revised GCC scheme has been issued by RBI notification vide [RPCD.MSME& NFS.BC.No.61/06.02.31/2013-14 dated December 02, 2013](#) available on RBI web-site '[www.rbi.org.in](http://www.rbi.org.in)'.
- 10.4 The ULB will identify the prospective beneficiaries and will facilitate linkages with banks for issuance of credit cards. The focus is to initially facilitate issuance of credit card to cover all the beneficiaries who have availed financial assistance under SEP. Additionally, other beneficiaries who are running their own business but have not availed assistance under SEP may also be covered if they satisfy the norms of issuance of credit cards.
- 10.5 The targets for the same may be decided at ULB level and the progress under this component is aggregated at SULM level and communicated to M/o HUPA periodically.

## **11. Technology, Marketing and Other Support**

- 11.1 Micro entrepreneurs often need support in order to grow and sustain their businesses. Support needed may be for establishment, technology, marketing, and other services. Micro entrepreneurs who run very small businesses may need to gain a better understanding of what the market needs, demand of the products produced by them, prices, where to sell, etc. Support services under this

component are envisaged with a view to provide an encouraging environment for development of micro enterprises.

11.2 The City Livelihoods Centers (CLCs) established under DAY-NULM will offer services to the micro-enterprises such as in establishment (licenses, certificates registration, legal services etc.), production, procurement, technology, processing, marketing, sales, packaging, accounting etc. for long term sustainability. CLCs will also provide support in taking up feasibility/ assessment studies on market demand and market strategy for products and services of micro-enterprises.

11.3 All SEP individual and groups enterprises can avail the services from CLCs as per the norms of CLCs. The CLCs with support of ULB may also tie up with various other government schemes which offer services and benefits for micro-enterprise development for the benefit of prospective beneficiaries.

11.4 The SULM may arrange for additional funds/professional assistance for the purpose of providing above services to CLCs.

## **12. Funding Pattern of SEP of DAY-NULM**

12.1 Funding under this component will be shared between the Centre and the States as per the general norms under DAY-NULM.

12.2 The Ministry will allocate funds to the states on annual basis based on the targets assigned to the states. The states in consultation with the respective SLBCs and ULBs will decide the targets and corresponding funds will be allocated to ULBs so that full reimbursement to the banks on account of Interest subvention is settled during the financial year and no subvention amount remain overdue or pending with the States.

## **13. Monitoring and Evaluation**

13.1 The State Mission management Unit (SMMU) at the State level and City Mission Management Unit (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 up to the end of the quarter and key issues in implementation.

- 13.2 In addition, under DAY-NULM, a comprehensive and robust IT-enabled DAY-NULM MIS will be established for tracking targets and achievements. States and ULBs will be required to submit their progress reports online and may also use this tool to monitor progress on the ground. In the spirit of proactive disclosure of information and ensuring transparency under DAY-NULM, key progress reports under SEP will also be made available in the public domain in a timely manner.
- 13.3 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. The Community Organisers (COs) should visit all the beneficiaries in their jurisdiction at least once in three months. The project officer/ technical experts at CMMU level should visit at least 50% beneficiaries once in three months. The observations during the field visit should be kept in record and be uploaded on MIS also.
- 13.4 During the field visit mentioned above data on economic status of the beneficiaries should be collected and be compared with similar data given in loan application form, to know the impact of the benefit on the economic conditions of the beneficiaries.
- 13.5 Impact analysis studies may also be conducted at suitable interval to assess the impact of benefit under SEP on the economic status of the beneficiaries.
- 13.6 To monitor progress of the targets vis-a-vis achievement under DAY-NULM, Banks are advised to furnish cumulative progress reports on quarterly basis as per enclosed proforma ([Annex III](#) & [IV](#)) to the Director, UPA at [dupa-mhupa@nic.in](mailto:dupa-mhupa@nic.in) as well as to RBI on [email](#) latest by the end of next month of the quarter to which they relate.
- 13.7 **Unique Code for loans under NULM:** Banks are advised to categorise these loans under Non-Farm sector and use unique sub-code in their database for loans granted under NULM. Further, separate sub-sub-codes may also be assigned for SEP-I, SEP-G, SHG and WSHGs. Proper care must be taken while classifying loans under NULM particularly relating to SHG and WSHGs to enable distinct identification of these loans vis-à-vis NRLM loans as WSHGs are eligible for additional 3 percent interest subvention.

**INTEREST SUBSIDY CLAIMS UNDER DEENDAYAL ANTYODAYA  
YOJANA - NATIONAL URBAN LIVELIHOODS MISSION (DAY-NULM)**

**1. Name of the Bank:**

**Submission of Interest subsidy claims to lend @ 7% p.a. to SEP-I, SEP-G and SHGs under DAY-NULM for quarter ending (Figs in Rupees):**

We hereby apply for sanction and release of interest subsidy aggregating to

₹.....

(Rupees.....)

covering ..... Accounts in respect of financial assistance sanctioned to following constituent accounts numbers as per the details given below

A) SEP- I (Individual Enterprise)

No	Branch	Name of the borrower	Loan Account No	Loan Amount (₹)		Interest (₹)	
				Sanctioned	Disbursed	Charged	Subsidy Claimed
1	2	3	4	5	6	7	8
1							
2							
3							
	<b>Total</b>						

B) SEP- G (Group Enterprise)



No	Branch	Name of the Group	Loan Account No	Loan Amount (₹)		Interest (₹)	
				Sanctioned	Disbursed	Charged	Subsidy Claimed
1	2	3	4	5	6	7	8
1							
2							
3							
	<b>Total</b>						

C) SEP-SHG (Self Help Group - Bank Linkage)

No	Branch	Name of the SHG	Loan Account No	Loan Amount (₹)		Interest (₹)	
				Sanctioned	Disbursed	Charged	Subsidy Claimed
1	2	3	4	5	6	7	8
1							
2							
3							
	<b>Total</b>						

**Place:** (Signature of the Authorized Officer of the Bank)

**Date and Seal of the Bank**

ANNEX-II

**Submission of claims for additional Interest Subvention to lend  
SEP-Women Self Help Groups (SEP-WSHG) at 3% pa under DAY-  
NULM for the quarter ending:**

**Name of the Bank:**

Statement for the quarterly claims: Loans disbursed/outstanding (Figs in Rupees)

No	Branch	Name of the WSHG	Loan Account No	Loan Amount Disbursed (₹)	Amount of Interest subvention (₹)
1	2	3	4	5	6
1					
2					
3					
	<b>Total</b>				

We hereby certify that above loans were repaid on time and the benefit of additional interest subvention has been passed on to the WSHG's account, reducing effective rate of interest to 4% for the prompt payee WSHGs

Place: \_\_\_\_\_ (Signature of the Authorised Officer of the Bank)

**Date and Seal of the Bank**

**ANNEX III**

**Statement showing Target under Deendayal Antyodaya Yojana –  
National Urban Livelihoods Mission (DAY-NULM)**

Name of the Bank

(To be furnished at the time of target allocation)

Reporting year

No in Actual & Amount in Rs lakh

Sr No	States/U.Ts	Target for individual (SEP-I)		Target for groups (SEP-G)			Target for SHG Bank Linkage			Total (Target)	
		No.	Amt	No. of Groups	No. of Beneficiaries	Amt	No. of SHGs	No. of Beneficiaries	Amt	Total Number	Total Amount
1	ANDAMAN & NICOBAR									0	0.00
2	ANDHRA PRADESH									0	0.00
3	ARUNACHAL PRADESH									0	0.00
4	ASSAM									0	0.00
5	BIHAR									0	0.00
6	CHANDIGARH									0	0.00
7	CHHATTISGARH									0	0.00
8	DADRA&NAGAR HAVELI									0	0.00
9	DAMAN & DIU									0	0.00
10	DELHI									0	0.00
11	GOA									0	0.00
12	GUJARAT									0	0.00
13	HARYANA									0	0.00
14	HIMACHAL PRADESH									0	0.00
15	JAMMU & KASHMIR									0	0.00
16	JHARKHAND									0	0.00
17	KARNATAKA									0	0.00
18	KERALA									0	0.00
19	LAKSHADWEEP									0	0.00
20	MADHYA PRADESH									0	0.00
21	MAHARASHTRA									0	0.00
22	MANIPUR									0	0.00
23	MEGHALAYA									0	0.00
24	MIZORAM									0	0.00
25	NAGALAND									0	0.00
26	ORISSA									0	0.00
27	PUDUCHERRY									0	0.00
28	PUNJAB									0	0.00
29	RAJASTHAN									0	0.00
30	SIKKIM									0	0.00
31	TAMIL NADU									0	0.00
32	TELANGANA									0	0.00
33	TRIPURA									0	0.00
34	UTTARAKHAND									0	0.00
35	UTTAR PRADESH									0	0.00
36	WEST BENGAL									0	0.00
<b>Grand Total</b>		0	0.00	0	0	0.00	0	0	0.00	0	0.00

ANNEX IV

Quarterly Statement showing Cumulative Progress under Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM)

NAME OF THE BANK

REPORTING YEAR

REPORTING QUARTER

No of Ac/s in Actual and Amt in Rs.Lakhs

Sr No	States/U.Ts	Loan distributed to individual (SEP-I)		Loan disbursed to groups (SEP-G)			Total loan disbursed under SHG Bank Linkage			Out of SHGs (9,10,11) Loan disbursed to Women SHGs			Achievement		Total Subsidy given under DAY-NULM (SEP-I + SEP-G+SHGs)	Additional Subvention to WSHG	Physical Coverage (in nos.)			
		No.	Amt	No. of Groups	No. of Beneficiaries	Amt	No. of SHGs	No. of Beneficiaries	Amt	No. of WSHGs	No. of Beneficiaries	Amt	Total no. of beneficiaries under DAY-NULM	Total Amount disbursed under DAY-NULM			Women	SC/STs	Differently abled	Minorities
1	ANDAMAN & NICOBAR												0	0.00						
2	ANDHRA PRADESH												0	0.00						
3	ARUNACHAL PRADESH												0	0.00						
4	ASSAM												0	0.00						
5	BIHAR												0	0.00						
6	CHANDIGARH												0	0.00						
7	CHHATTISGARH												0	0.00						
8	DADRA&NAGAR HAVELI												0	0.00						
9	DAMAN & DIU												0	0.00						
10	DELHI												0	0.00						
11	GOA												0	0.00						
12	GUJARAT												0	0.00						
13	HARYANA												0	0.00						
14	HIMACHAL PRADESH												0	0.00						
15	JAMMU & KASHMIR												0	0.00						
16	JHARKHAND												0	0.00						
17	KARNATAKA												0	0.00						
18	KERALA												0	0.00						
19	LAKSHADWEEP												0	0.00						
20	MADHYA PRADESH												0	0.00						
21	MAHARASHTRA												0	0.00						
22	MANIPUR												0	0.00						
23	MEGHALAYA												0	0.00						
24	MIZORAM												0	0.00						
25	NAGALAND												0	0.00						
26	ORISSA												0	0.00						
27	PUDUCHERRY												0	0.00						
28	PUNJAB												0	0.00						
29	RAJASTHAN												0	0.00						
30	SIKKIM												0	0.00						
31	TAMIL NADU												0	0.00						
32	TELANGANA												0	0.00						
33	TRIPURA												0	0.00						
34	UTTARAKHAND												0	0.00						
35	UTTAR PRADESH												0	0.00						
36	WEST BENGAL												0	0.00						
<b>Grand Total</b>		0	0.00	0	0	0.00	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0

## Appendix

No.	Circular No.	Date	Subject
1.	<a href="#">RPCD.GSSD.CO.BC.NO.26/09.16.03/2014-15</a>	14.08.2014	2014 Restructuring of SJSRY as National Urban Livelihoods Mission (NULM)
2.	<a href="#">FIDD.GSSD.CO.BC.No.57/09.16.003/2014-15</a>	28.05.2015	National Urban Livelihoods Mission (NULM)-Reporting Format
3.	<a href="#">FIDD.GSSD.CO.BC.No.22/09.16.03/2015-16</a>	07.04.2016	Deendayal Antyodaya Yojana (DAY)-National Urban Livelihoods Mission (NULM)-renaming of NULM
4.	<a href="#">FIDD.GSSD.CO.BC.No.04/09.16.03/2016-17</a>	01.07.2016	Deendayal Antyodaya Yojana (DAY)-National Urban Livelihoods Mission (NULM)
5.	<a href="#">FIDD.GSSD.CO.BC.No.03/09.16.03/2017-18</a>	01.07.2017	Deendayal Antyodaya Yojana (DAY)-National Urban Livelihoods Mission (NULM)