



**Ministry of Housing
and Urban Affairs**

Government of India

Operational Guidelines

Deendayal Jan Aajeevika Yojana-Shehari [D-JAY(S)]

PILOT INITIATIVE

List of Abbreviations

A&OE	Administrative and Overhead Expenses
AAP	Annual Action Plan
AAY	Antyodaya Anna Yojana
AFP	Advertisers Funded Programme
ALF	Area Level Federation
ANM	Auxiliary Nursing and Midwifery
ASHA	Accredited Social Health Activist
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
CB&T	Capacity Building and Training
CBO	Community Based Organisation
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
CIG	Common Interest Group
CISF	Community Investment Support Fund
C-LAP	City Livelihood Action Plan
CLC	Chief Labour Commissioner
CLC	City Livelihood Centre
CLF	City Level Federation
CLID	Community Led Institution Development
CMMU	City Mission Management Unit
CRP	Community Resource Persons
CS	Community Supervisors
DAY-NULM	Deendayal Antyodaya Yojana- National Urban Livelihoods Mission
DLC	District Level Committee
DMMU	District Mission Management Unit
EC	Executive Committee
EDP	Enterprise Development Programme
FI&ED	Financial Inclusion and Enterprise Development
GDP	Gross Domestic Product
GFR	General Financial Rules

HH	Household
HPC	High-powered committee
HR	Human Resource
I&SP	Innovative and Special Projects
ICT	Information and Communication Technology
IEC	Information, Education, and Communication
IT	Information Technology
MCP	Micro- Credit Planning
MIS	Management Information System
MoHUA	Ministry of Housing and Urban Affairs
MoLE	Ministry of Labour and Employment s
MoSDE	Ministry of Skills Development and Entrepreneurship
MoSJE	Ministry of Social Justice and Empowerment
MUDRA	Micro Units Development & Refinance Agency Limited
NAMASTE	National Action for Mechanised Sanitation Ecosystem
NARC	National Advisory and Review Committee
NCEUS	National Commission for Enterprises in the Unorganised Sector
NFSA	National Food Security Act
NGO	Non-Governmental Organisation
NGT	National Green Tribunal
NIPUN	National Initiative for Promoting Upskilling of Nirman Workers
NMD	National Mission Directorate
NMMU	National Mission Management Unit
NRO	National Resource Organisations
NSDC	National Skill Development Corporation
NSKFDC	National Safai Karamcharis Finance and Development Corporation
NSO	National Statistical Office
NSSO	National Sample Survey Office
O&M	Operation and Maintenance
PFMS	Public Finance Management System

PHC	Primary Health Centre
PLFS	Periodic Labour Force Survey
PM SVANidhi	Prime Minister Street Vendor's AtmaNirbhar Nidhi
PMEGP	Prime Minister's Employment Generation Programme
PPCP	Public Private Community Partnership
POSH	Prevention of Sexual Harassment
PR	Public Relations
RF	Revolving Fund
SBM	Swachh Bharat Mission
SC/ST	Scheduled Caste/ Scheduled Tribe
SDG	Sustainable Development Goals
SHG	Self Help Group
SMD	State Mission Director
SMMU	State Mission Management Unit
SNA	State Nodal Agency
SUH	Shelter for Urban Homeless
TNA	Training Need Assessment
UC	Utilisation Certificate
UDD	Urban Development Department
ULB	Urban Local Bodies
UT	Union Territory

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1 Introduction

1.1 Context & Background

Urbanisation presents a unique set of opportunities for poverty alleviation, as it can lead to the creation of more diverse and remunerative employment opportunities. As urban areas expand, they become hubs of economic activity, offering diverse employment opportunities and improved access to services and amenities. Urban areas already contribute significantly to India's Gross Domestic Product (GDP), estimated to be around 60% (NITI Aayog, 2022)¹. At the same time, increasing urbanisation, factored due to rural dwellers migrating into cities, or reclassification of rural areas into urban areas, has added to the challenge of creating livelihood opportunities for the poor.

The informal sector in India employs over 80% of the workforce, highlighting its pivotal role in the country's economic framework (NCEUS, 2011, Economic Survey 2023). The service sector has emerged as the engine of growth for the Indian economy, providing employment to more than 28% of the workforce (Economic Survey 2021-22). There is a growing emphasis on the rising prominence of the construction sector as a major job creator alongside the services sector (Economic Survey 2023-24). This sector has the potential to generate significant employment opportunities and drive infrastructure development. The gig economy is projected to expand rapidly in India, with the gig workforce estimated to reach 2.35 crore (23.5 million) by 2029-30. The survey also identifies green jobs and care work as promising areas for future employment generation. These sectors can potentially contribute to economic growth and social well-being.

Despite the vast size of the unorganised workforce, this group remains highly vulnerable, often lacking formal protections and benefits. The Periodic Labour Force Survey (PLFS) 2022 underscores this vulnerability, revealing that informal workers are more prone to job insecurity and economic instability compared to their formal sector counterparts. With the rise in the informal sector, this deprived group faces multi-pronged susceptibilities in terms of social, occupational, and residential vulnerability. Informal workers grapple with low wages, hazardous working conditions, and long working hours, making them highly susceptible to exploitation and poverty. Their lack of access to social security benefits, health insurance, and other forms of protection leaves them exposed to various risks and uncertainties. The nature of informal employment, coupled with the absence of social protection, creates a vicious cycle of poverty and vulnerability for the urban poor.

1.2 About the Pilot

The Pilot aims to address the multifaceted challenges faced by urban poor households, particularly within the informal sector, by adopting an inclusive approach that includes urban poor households, especially women, the elderly, the differently abled, migrants, and marginalised communities. The pilot brings focus to vulnerable

¹ https://www.niti.gov.in/sites/default/files/2022-05/Mod_CEOG_Executive_Summary_18052022.pdf

occupational groups, who are often marginalised within the broader labour market. This includes workers in sectors such as care, domestic, transportation, construction, gig and waste workers, who face disproportionate challenges and barriers.

The pilot encompasses a comprehensive strategy for addressing these challenges by providing financial assistance for micro-enterprises and promoting access to credit. The pilot is aligned to the Sustainable Development Goals (SDGs) and aims to alleviate urban poverty and foster economic independence. Special attention is given to women through support for self-employment and participation in Self-Help Groups (SHGs) or Common Interest Groups (CIGs), thereby advancing gender equality and enhancing their economic and social empowerment. Additionally, the pilot focuses on creating sustainable livelihoods and decent work opportunities while striving to reduce inequalities and promote social inclusion among marginalised urban populations. This holistic approach contributes to the development of sustainable cities and communities, ensuring that urban growth translates into improved quality of life and resilience for all residents.

1.3 Objective of the Pilot

The key objective of the Pilot is to address the occupational, social and residential vulnerabilities of the urban poor population by adopting holistic and multi-pronged strategies that critically assess the identified concerns and lead to an enhanced and improved overall quality of life for the beneficiaries. This will be undertaken by:

- strengthening grassroots-level community institutions,
- promoting employment opportunities,
- creating social infrastructure, and
- providing social security and entitlements,
- fostering innovation and collaboration

through an inclusive approach and focused attention on specific vulnerable groups *vis.* **construction workers, transportation workers, gig workers, care workers, waste workers and domestic workers.**

1.4 Pilot Strategy

The pilot will embrace a "whole-of-government" approach to address the vulnerabilities of the urban poor, with the active participation of various levels of government—National, State/Union Territories, (UTs), District, Urban Local Bodies (ULBs), and other stakeholders outside the Government. The key enablers of this approach will be capacity building, data and technology, branding and outreach, collaboration, and innovation.

The pilot will adopt a multi-pronged strategy to strengthen its community-led institutions and outreach through focused interventions in six identified vulnerable occupations; promote financial inclusion and enterprise development; bring special focus in urban areas of the Aspirational Districts; develop social infrastructure; build a social security coverage of welfare schemes through a convergence model; and promote innovation, thereby improving the overall well-being of the urban poor.

The six vulnerable occupational groups were identified through a systematic process of consultations. For this, the Ministry of Housing and Urban Affairs (MoHUA) constituted expert working groups for twelve vulnerable occupational groups. These groups comprised of government partners, industry experts, academicians, representatives from civil society organisations and workers' associations. The groups studied global best practices, key vulnerabilities of these vulnerable occupational groups, legal frameworks in the country, existing programmes/ schemes of the Central and State Governments. Based on the group's findings, six vulnerable occupational groups were selected. The selection was made based on the extent of their vulnerability and existing policies and regulations supporting them. These six groups are- construction workers, gig workers, waste workers, domestic workers, transport workers and care workers.

Strategic interventions will be undertaken for each of the vulnerable groups in areas including *inter-alia*, convergence, social security & entitlements, policy intervention, financial support, supporting infrastructure, learning ecosystem, marketing strategy, technology, monitoring & evaluation. The pilot will encourage cities to prepare a City Livelihood Action Plan (C-LAP) that will assess the existing livelihood landscape of the city, identify priority areas for livelihood creation, set goals, and draw an implementation roadmap.

The strategy includes a pilot implementation in 25 cities using a Test-Learn-Scale approach. The Test-Learn-Scale approach involves first piloting a new initiative on a small scale, learning from the results to strengthen the proposed Mission, and then expanding it to a larger base, drawing from the insights.

1.5 Funding Pattern

For the pilot, the fund would be disbursed centrally. This will be part of the total outlay of the proposed Mission and will be borne by the Central Government for the pilot, against which a matching share will be given by respective State governments during the proposed Mission period.

1.6 Pilot Components

- Community Led Institution Development (CLID)
- Financial Inclusion and Enterprise Development (FI&ED)
- Social Infrastructure (SI)
- Convergence
- Innovative and Special Projects (I&SP)



**COMMUNITY-LED
INSTITUTION DEVELOPMENT
(CLID)**

2 Community Led Institution Development (CLID)

2.1 Background

The Pilot intervention for poverty alleviation aims to address the multifaceted challenges faced by urban poor households, particularly within the informal sector, through an inclusive approach that prioritises vulnerable occupation groups. This targeted focus on vulnerable groups addresses the unique hardships faced by those in occupations such as care services, domestic work, transportation, construction, gig work, and waste management. Within this framework, there is a particular emphasis on supporting urban poor women.

Community Led Institution Development (CLID) is one of the major components of the Pilot intervention, which has an important role in strengthening the institution of the urban poor and is crucial for fostering inclusive and sustainable urban development. By mobilising urban poor households to form their institutions, such as Self-Help Groups (SHGs), Common Interest Groups (CIGs), and their federations, CLID component enables communities to collectively address their vulnerabilities. These institutions serve as platforms for financial inclusion, enabling urban poor households to access livelihood opportunities, access to credit, and essential social security entitlements. By promoting active participation and decision-making, these groups enhance resilience and build social capital, essential for poverty alleviation. Additionally, these groups work in collaboration with local governments, public service providers, banks, private enterprises, and other entities to ensure the efficient delivery of social and economic services to poor communities.

2.2 Community Led Institutions

The Pilot intervention helps universal social mobilisation of the urban poor into SHGs/CIGs and their federations by creating cohesion among them and bringing urban poor households under the SHG/CIG fold in a time-bound manner. These groups will serve as a support system for the urban poor and vulnerable groups to meet their financial and social needs. Urban poor will be mobilised into a three-tiered structure with SHGs/CIGs at the grass-root level, Area Level Federations (ALFs) at the ward level, and City-Level Federations (CLFs) at the city level.

Community institutions, i.e. SHGs and CIGs, will include members from the urban poor across all genders, with a particular emphasis on those engaged in vulnerable occupations such as care work, domestic work, transportation, construction, gig work, and waste management.

2.3 Self Help Groups (SHGs)

SHGs are small community-led groups of 10 to 20 persons who come together to improve their financial independence and collective well-being, leading to their social and economic empowerment. Within the Pilot intervention, special focus will be given to forming groups of individuals engaged in vulnerable occupations. SHG groups will

conduct regular meetings where the savings of the group will be pooled into a corpus fund, which will be used to provide short-term loans to the group members primarily for their livelihood activities and other needs, i.e. healthcare, education, emergencies, etc. SHGs often approach banks for the loan to meet their larger credit requirements. In addition to financial stability, SHGs foster leadership, decision-making skills, and social cohesion, driving transformative change in marginalised communities.

2.4 Common Interest Groups (CIGs)

Common Interest Groups (CIGs) are collectives of 5-20 individuals who share similar economic activities, occupations, or social interests such as those engaged in vulnerable occupations. These groups typically consist of people working in common occupations and having common interests, and they collaborate to address challenges, improve skills, access resources, and enhance their livelihoods. Regular meetings will be conducted by the CIGs for building of corpus funds and for providing short-term loans to group members for essential purposes like livelihood activities, accessing health and education facilities, etc. CIGs will play a vital role in community development by fostering mutual support, knowledge sharing, and collective growth.

2.5 Membership of SHGs/CIG

Under the Pilot intervention, SHGs and CIGs will be formed to support the economic well-being of the urban poor and to foster cohesive entrepreneurial development. The members of these groups will be identified through a process of enumeration and socio-economic profiling.

An Information Technology (IT)--enabled centralised portal will facilitate the process of enumeration and socio-economic profiling. For more details, refer to section 5.3 of the Convergence Operational Guidelines.

Under the Pilot intervention, 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 the Pilot intervention.

SHGs will generally consist of 10 to 20 members. However, in hilly tracts/regions and predominantly tribal-dominated areas where communities are dispersed, smaller groups of 5-10 members may also be formed.

SHGs with fewer than 10 members and a minimum of 5 members may be formed for special categories, such as differently-abled individuals, transgender persons, and elderly individuals. If the number of members within a specific category is less than 5, a mixed group can be formed by combining members from these various special categories.

A support of ₹20,000 per SHG/CIG will be provided to ULBs on their formation. This corpus fund will be utilised for strengthening, handholding, supervising, bank linkages, and other related activities.

ULBs may devise a strategy to incentivise Community Resource Persons (CRPs) based on their performance, focusing on the formation and sustainability of SHGs and CIGs.

Exclusivity of SHG/CIG groups will be maintained by ensuring that no individual is a member of both groups.

2.6 Rules and Regulations

- i. Each SHG/CIG will be encouraged to develop rules and regulations and amendments to help these groups and their members become self-sustainable. These should cover:
- ii. Norms for membership;
- iii. Norms for selection and tenure of office bearers;
- iv. Norms for group savings, including the amount and date of deposit with the group;
- v. Clear role of every office bearer in the SHG/CIG;
- vi. Norms for the conduct of group meetings, including the number of times the group meets and the convening of special meetings and following principles of Panchsutra;
- vii. Management of the SHG/CIG group bank account;
- viii. Promoting digital transactions among the members;
- ix. Maintenance of various records including minutes of meetings, member passbooks, savings and loan register, and group passbook;
- x. Withdrawal of membership, disqualification of membership, change in the rules and regulations, and dissolution of the SHG/CIG;
- xi. Norms for the imposition of fines/penalties on group members and the amount of penalties for [a] not attending the meetings, [b] irregular savings, and [c] non-repayment of loan on time, etc.

2.7 Panchsutra for SHG/CIG:

Adherence to the principles of Panchsutra is essential to ensure the effectiveness of SHGs/CIGs. This helps them to get larger loans from banks to support their financial requirements.

- Regular meetings
- Regular savings
- Regular internal lending
- Regular loan repayments
- Regular bookkeeping

To facilitate the process of development of rules and regulations of the SHGs/CIGs, Model Rules and Regulations are given in Annexure I. States/UTs may develop/adopt uniform bye-laws, grading & rating systems for all SHGs/CIGs.

2.8 Federations of SHGs/CIGs

Federations play a crucial role in empowering SHGs/CIGs by providing a structured platform for collective action and representation. By uniting the urban poor into SHGs/CIGs, federations enhance solidarity and amplify their collective voice; this collaborative approach increases development, and facilitates partnerships with social and government bodies, leading to improved access to markets and local institutions. Moreover, federations enable quicker dissemination of information and promote easier convergence of resources, ultimately enhancing the significance and impact of SHGs/CIGs in their communities.

2.9 Area Level Federation (ALF)

An Area Level Federation (ALF) is an association of SHGs/CIGs consisting of representatives from all members of SHGs/CIGs, intending to support member SHGs/CIGs (guiding and monitoring the functioning of SHGs/CIGs and forming and training new groups). The Federation of SHGs/CIGs is essential to deal with more significant issues like bank linkage, inter-group lending, negotiations with higher-level structures and to gain greater collective development over the rights and privileges of SHGs/CIGs.

2.10 Membership of Area Level Federation

An Area-Level Federation (ALF) may be formed with 10 to 20 SHGs/CIGs covering an area of a ward or slum or such other geographical unit, with a minimum of 2 members (nominated representatives) per SHG/CIG. However, the ULB may decide the number of SHGs/CIGs in a federation according to local conditions.

An ALF should be registered as a society/association under the relevant law of the State/UT. Model bye-laws for ALFs are in Annexure II.

2.11 Responsibilities of an ALF

- i. Facilitate bank linkages for member SHGs/CIGs, i.e. opening their accounts and helping them access to loans;
- ii. Providing handholding support in the development of loan proposals by member SHGs/CIGs;
- iii. Capacity Building of new SHGs/CIGs as well as existing member SHGs for their successful functioning;
- iv. Facilitate member SHGs/CIGs access to benefits under the Pilot intervention as well as access to social/financial assistance benefits under various Government programmes;
- v. Support SHGs/CIGs through lending from the Community Investment Support Fund (CISF) based on specific needs;
- vi. Support the formation of new SHGs/CIGs and monitor and evaluate the functioning of its member SHGs and CIGs (An indicative checklist for a functional SHG/CIGs is in Annexure III);
- vii. Resolve issues raised by member SHGs/CIGs in accessing credit from banks;

- viii. Raise issues of importance at the level of the City Level Federations (CLFs);
- ix. Regularly report to the ULB about the functioning of the SHGs/CIGs;
- x. Facilitate awareness creation of member SHGs/CIGs on various livelihoods opportunities;
- xi. Facilitate data collection and validation about urban poor households in and around their localities.

2.12 Sub-Committees of ALF

ALF may constitute sub-committees (e.g., sub-committees on Social Action, Monitoring, Livelihood, Credit Linkage and Repayment, Grievance Redress, etc.) to streamline operations and holistically develop SHGs/CIGs for self-sustained growth.

2.13 Federations of SHGs/CIGs at City Level

ALFs will come together to form a City Level Federation (CLF). ULBs should form at least one CLF in each city. All ALFs in a city should be represented at the CLF. Bigger Cities may have more than 1 CLF based on size and population. The CLF is expected to work with ALFs, member SHGs/CIGs, city administration, and financial institutions to ensure social and economic empowerment of the urban poor.

CLF should be registered as a society/association/Company under the relevant law of the State/UT. Model bye-laws for CLFs are given in Annexure IV.

2.14 Responsibilities of a CLF

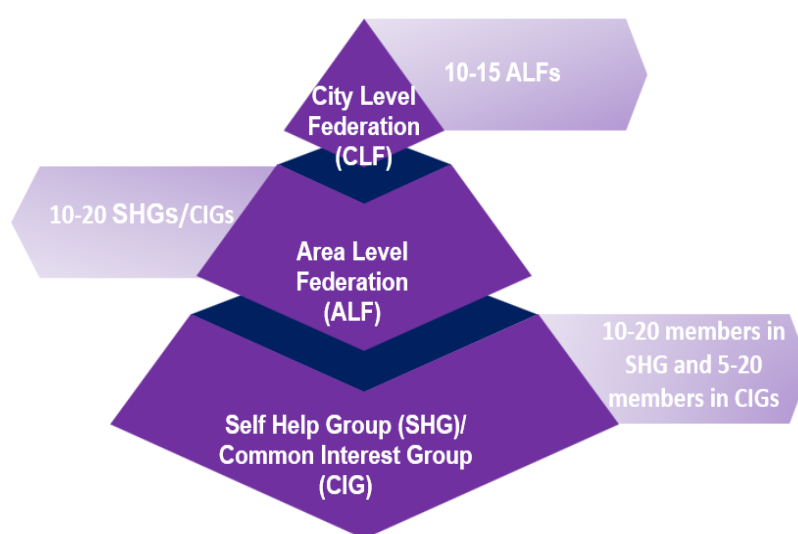
- i. To represent the needs of the urban poor and vulnerable groups at various levels;
- ii. Advocacy with the ULB and State Government for pro-poor planning, city livelihood action plan, vendor planning, etc;
- iii. To facilitate access of member ALFs and member SHGs/CIGs to banking services;
- iv. New group formation and support;
- v. To identify specific training and capacity-building needs of its member ALFs;
- vi. Support SHGs/CIGs through ALFs by providing lending from CISF, based on specific needs;
- vii. Work closely with the respective ULB to facilitate the identification of beneficiaries for various government programmes;
- viii. Facilitate awareness creation among the members of ALFs/SHGs/CIGs on various livelihood opportunities;
- ix. Facilitate marketing of SHG/CIG produce/products.

2.15 Sub-Committees of CLF

CLF may constitute sub-committees (e.g., sub-committees on Social Action, Monitoring, Livelihood, Credit Linkage & Repayment, Grievance Redressal, Marketing & Partnership, etc.) to streamline operations and holistically develop SHGs/CIGs for self-sustained growth.

2.16 Secretarial Support to CLF

To ensure the effective discharge of roles and responsibilities within CLF, a dedicated secretarial support system will be developed by engaging a team of a maximum of three Community Resource Persons (CRPs) per CLF. This team will consist of one Master bookkeeper, responsible for maintaining accurate financial records and ensuring transparency, and two CRPs for Institutional Building Support, tasked with strengthening the governance and management capacities of the CLF.



2.17 Universal Financial Inclusion

'Financial Inclusion' entails the delivery of banking services and credit at an affordable cost to the vast sections of disadvantaged and vulnerable occupation groups. The financial services include savings, loans, investments, insurance, payments, remittance facilities, and financial counselling/advisory services by the formal financial system. Further, leveraging technology for digital financial inclusion, simplifying the credit process, and fostering partnerships with financial institutions will be critical in creating a financially inclusive ecosystem. The Pilot intervention aims to achieve universal financial inclusion beyond basic banking services and cover all urban poor individuals/households.

2.18 Financial Literacy

The objectives of Universal Financial Inclusion cannot be achieved without a strong support mechanism for financial literacy. To bring all beneficiaries within the ambit of universal financial inclusion, the States/UTs/ULBs should take positive action to achieve financial literacy for individual beneficiaries and SHGs/CIGs as per their requirements.

States/UTs/ULBs will organise sessions on financial literacy for SHG/CIG members. In these sessions, the beneficiaries will be informed about savings, credit, remittance,

insurance, investment plan etc., along with the modalities and operational requirements for accessing them.

Banks, financial institutions, insurance agencies, and micro-finance agencies may be encouraged to promote ICT-based technologies and engage financial correspondents, including "Bank Mitras," to extend services to underserved areas.

ULBs will engage with the urban poor through federations of SHGs/CIGs for campaigns and various outreach efforts to ensure effective communication and access to vital information. These channels will be utilised to disseminate crucial materials related to financial literacy, empowering the community to make informed decisions about their financial well-being. Information, Education, and Communication (IEC) materials will be made readily available to ALFs/CLFs.

The Reserve Bank of India (RBI) has issued detailed guidelines² to all the banks for the opening of Financial Literacy Centres. As per these guidelines, all the lead banks are mandated to open at least one Financial Literacy Centre in the office of the Lead District Manager. Additional centres can be opened as per the area's requirements. The ULBs will do the necessary coordination in their respective jurisdiction through the Financial Literacy Centres (FLCs) of the banks to organise financial literacy sessions and camps.

ULBs will assign annual targets to Community Supervisors (CSs) and Community Resource Persons (CRPs) for organising financial literacy sessions and *shivirs*. These initiatives will focus on enhancing awareness and accessibility to both traditional and digital financial services among urban poor communities. CRPs, along with Banks and partners, will lead the training sessions, ensuring a comprehensive understanding of financial products, services, tools, and technologies. The CSs will extend support in implementing these training programmes, ensuring effective outreach and capacity building at the grassroots level.

2.19 Opening of Bank Accounts

Holding a bank account itself confers a sense of identity, status, and empowerment and provides access to the formal financial system. The Department of Financial Services (Ministry of Finance, Government of India) has issued directions to all the banks to open one account per family in all urban areas. In urban areas, the Lead District Manager is required to allocate each ward to a particular bank to ensure the opening of an account for each family. Efforts should be made so that all the potential target beneficiaries have the facility of an account as a bare minimum requirement for coverage under this component. The operational steps involved are as follows:

² RBI circular RPCD, FLC. No. 12452/12.01.018/2011-12 dated June 6, 2012, and RBI circular RPCD/FLC. No. 7641/12.01.018/2012-13 dated January 31, 2013

- i. Consensus on procedures/process for opening of accounts for the beneficiaries, including linkage with UID-Aadhaar (if required for KYC) at State Level Bankers Committee (SLBC) and its convenor bank's level.
- ii. The State, in coordination/ discussion with respective SLBC and its convenor banks, need to ensure the following:
 - Inclusion of opening Basic Savings Bank Deposit Accounts (BSBDAs) for Pilot intervention beneficiaries as a priority agenda in meetings of the State Level Banking Committee (SLBC).
 - Operational formalities include availability of forms at all the branches/ extension counters of the banks, City Livelihood Centres (CLCs), & ULBs office.
 - Organise camps within the jurisdiction of ULB in coordination with banks to open accounts with the support of CSs and CRPs.
 - Encourage banks to engage Business Correspondents (BC)/Business Facilitators as per the requirement of the city for effective outreach.
- iii. The targets for the opening BSBDA for potential beneficiaries will be decided on an annual basis by the State in discussion with respective SLBCs to cover up all the potential beneficiaries in a phased manner.

2.20 Social Security for SHG/CIG Members

Under the Convergence component of the Pilot intervention, the eligible urban poor and vulnerable occupational groups will be linked with social security schemes of the central and state governments to bring the beneficiaries of the Pilot intervention within the ambit of social insurance and provide coverage from risks/uncertainties such as death, accident, disability, hospitalisation etc. Efforts will be made to map the socio-economic profile of urban poor households, assess their eligibility for central welfare schemes and facilitate linkages. In addition, urban poor households will also be linked to the eligible schemes of State /UT.

2.21 Revolving Fund Support to SHGs/CIGs and their Federations

The Revolving Fund (RF) is provided to the SHGs/CIGs to inculcate the habit of thrift and credit. The revolving fund also builds the institutional capacity of the SHGs/CIGs in managing funds. The RF would form part of the corpus along with their savings. The RF can also be used for internal lending, and interest may be charged similarly to interest charged for lending outside their savings.

2.22 Revolving Fund Support to SHGs/CIGs

The RF will be disbursed into SHG/CIG in two tranches to strengthen their institutional and financial management capacity and build a good credit history within the group. The first tranche of ₹15,000/ will be released once the SHG/CIG has opened a savings bank account and a grading exercise is conducted based on adherence to the 'Panchsutra' principles viz., regular meetings, regular savings, regular internal lending,

regular recoveries and maintenance of proper books of accounts, and have not received any RF earlier. The second tranche, amounting to ₹10,000/ will be released after the SHG/CIG has availed its first bank linkage through a term loan/ a cash credit limit, or both, based on the requirements.

SHGs/CIGs can submit their applications for RF in the prescribed format (Annexure-V) through Community Resource Persons (CRPs) or Community Structures (CSs) to the Urban Local Body (ULB). The ULB will review the applications before sanctioning and releasing the RF to eligible SHGs/CIGs. Prior to releasing the first tranche, ULB will conduct a grading exercise of the SHGs/CIGs using the format given in Annexure-VI. Once the ALF is established, ALF will take on the responsibility of regularly grading SHGs/CIGs and forwarding their applications to the ULB. The ULB may also conduct random sample checks of RF applications at the field level for verification and due diligence, if necessary. The approved RF will be directly transferred into the bank accounts of the respective SHGs/CIGs by the ULB.

The ULB should ensure the timely release of the RF to the SHG/CIG within 15 days from the date of receipt of the application. The ULBs will also regularly report the progress in terms of the number of SHGs/CIGs having availed RFs on the MIS portal of the Pilot intervention.

Below are the eligibility criteria for SHG/CIG to access 1st and 2nd tranches of revolving fund:

A. Eligibility criteria for SHGs/CIGs to access RF (1st Tranche)- • Savings Bank Account in any Bank Branch; • 'Panchsutra' in Practice; • Members must attend at least 90% of group meetings; • Members trained on SHG/CIG concept and management; • A or B grade Panchsutra Practicing SHG/CIG;	B. Eligibility criteria for SHGs/CIGs to access RF (2nd Tranche)- • Updated books of records; • Must have received its first bank linkage through a term loan/ a cash credit limit, or both, based on the requirements.
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2.23 Revolving Fund Support to Registered Area Level Federations (ALFs)

- A one-time RF support of ₹2,00,000/ would be available to registered ALFs of SHGs/CIGs. This revolving fund may be used as seed capital for the ALF's smooth operation and will form part of its corpus. The ALFs may utilise the RF for onward lending to SHGs/CIGs, various support services, awareness creation/information dissemination, etc.

- The registered ALFs may apply to the concerned ULB for revolving fund support in a prescribed format (Annexure-VII) with the support of Community Supervisors (CS) and Community Resource Persons (CRPs). ULBs will examine the application of an ALF for sanction and release of RF broadly based on parameters like documentation about the registration of the ALF, management of finances/ accounts and source of funds, number of meetings with periodicity, office bearers' roles and responsibilities, training and capacity building of the SHGs/CIGs and any other parameter as decided by the ULBs. ULBs may take some random sample checks of applications for field verification if required for due diligence. The ULB will transfer the RF to the eligible ALFs directly into their bank accounts. The ALFs will record all the transactions in their books of account and will put it before the accounting committee at the time of monitoring and inspection.
- The ULBs will also regularly report progress in terms of the number of ALFs that have availed RF on the MIS of the Pilot intervention.

2.24 Establishment Fund to CLF

Each registered CLF will receive a one-time establishment support of ₹1,00,000/-. This financial assistance is intended to strengthen the institutional capacity of the CLF, helping them set up and manage their operations efficiently. The fund may be used for various purposes, such as office establishment, procurement of necessary equipment, administrative expenses, etc.

2.25 Community Investment Support Fund (CISF)

The Community Investment Support Fund (CISF) is a financial support provided to registered CLFs or registered ALFs (in the absence of a registered CLF), which is then utilised as an onward lending to Self-Help Groups (SHGs), Common Interest Groups (CIGs), based on specific needs. The structure is designed in such a way that the fund is extended to registered CLFs/ ALFs, who in turn lend to SHGs/CIGs to supplement the credit needs of the groups. 1/3rd of eligible SHG/CIG can access loans of up to ₹1 lakh per group to supplement their credit needs on a rotational basis. Funds will be routed through ALF/CLF to eligible SHGs/CIGs who fulfil the criteria of the grading framework in Annexure VI. The ALFs/CLFs and SGHs/CIGs have to record all the transactions in their books of account and will put it before the accounting committee at the time of monitoring and inspection.

2.26 Training for SHGs/CIGs and their Federation

- The primary objective of imparting the training and other capacity building inputs to the community members is to equip them with requisite skills to manage their community institutions.
- For continuous capacity building of community structures, viz., SHGs/CIGs and their federations, a multi-pronged strategy consisting of exposure visits to model institutions, developing master community resource persons, and using them to train community members should be adopted.

- The minimum training set for the community members should include functioning and managing SHGs/CIGs and their federations, financial literacy (bookkeeping and basic accounting), digital literacy, record keeping, group dynamics, leadership, market linkages, entrepreneurship, soft skills, etc.
- An average amount up to Rs. 5,000/ per member of SHGs/ CIGs can be utilised for training the members and building their capacity through exposure visits.
- Further, for the management of enterprises, Pilot intervention will actively conduct Entrepreneurship Development Programme (EDP) training on basic accounting, financial management, marketing, backward and forward linkages, legal procedures, etc., to nurture budding micro-entrepreneurs. Additionally, a dedicated fund named Enterprise Development Fund (EDF) will be created to empower and support vibrant micro entrepreneurs. This fund will play a pivotal role in fostering and sustaining a thriving entrepreneurial ecosystem. The details can be found in section 3.2 of the FI&ED operational guidelines.

2.27 Human Resources

Engagement of Community Supervisor (CS)

To oversee and guide the activities at the community level, the Urban Local Body (ULB) will engage Community Supervisors. The responsibilities of CS include planning and implementing initiatives such as mobilising urban poor households and vulnerable occupation groups into SHGs/CIGs, ensuring effective financial inclusion, and facilitating capacity-building programmes. In addition to these tasks, CS will be responsible for supervising the work of CRPs to ensure that SHGs/CIGs receive continuous support. They will empower SHGs/CIGs through various training programmes, such as training in group management, financial literacy, leadership development, etc. CS will work closely with CLFs and ALFs to strengthen community institutions. They will assess the performance of SHGs/CIGs and CRPs and provide handholding support.

Engagement of Community Resource Person (CRP)

ULB or CBO will employ CRPs, who have a deep understanding of local community-based activities to enhance the functioning and development of SHGs, CIGs, ALFs, and their associated activities. CRPs will be selected from within the community. Additionally, CRPs may be drawn from existing ALF and CLF committees, allowing them to leverage their experience and local knowledge effectively. The Pilot intervention will also encourage youth to take on the role of CRPs, thereby fostering their engagement and contribution to community development.

CRPs will play an important role in enhancing the effectiveness of SHGs and CIGs by facilitating access to financial services, such as helping SHG/CIG members open bank accounts. They will ensure that SHGs and CIGs adhere to the Panchsutra principles of self-governance, financial inclusion, and mutual support to foster a strong foundation for their growth. CRPs will actively collaborate with these groups to

strengthen their capacities, promote good governance, and facilitate training on key operational aspects. Furthermore, they will monitor the progress of SHGs and CIGs, collect feedback and assess performance to identify areas for improvement.

It is preferable for CRPs to have knowledge of using modern tools and to have access to devices such as smartphones. This enables them to utilise digital platforms, including Management Information Systems (MIS), Unified Payments Interface (UPI), and mobile applications, for real-time data collection, reporting, and communication. The Pilot intervention will engage well-trained and incentivised CRPs, to strengthen SHGs, CIGs, and their federations, improve their operational efficiency and contribute to sustainable community development.

CRPs, CSs, SHG/CIG members, representatives from ALFs, and CLFs may also support the socio-economic profiling of urban poor households in ULBs.

Capacity building of CSs and CRPs

Capacity building and training of CSs and CRPs are essential for enhancing their leadership skills, equipping them to effectively mentor and guide SHGs/CIGs and their federations. All CSs and CRPs will receive this training to empower them to provide continuous support, oversee the functioning of SHGs/CIGs and their federations, facilitate credit linkages, and strengthen livelihood activities. Additionally, they will play a key role in fostering convergence with various government schemes, ultimately driving the socio-economic empowerment of the urban poor.

2.28 National Resource Organisation

The Ministry will establish a centralised pool of organisations, empaneled as National Resource Organisations (NROs), to facilitate capacity building of SHGs, CIGs, ALFs, CLFs, CSs, and CRPs and undertake support activities like research, skill training, etc. These NROs will provide specialised expertise and support in enhancing the capacities of these groups, including the vulnerable occupation groups, ensuring effective implementation of the Pilot intervention.

The Ministry, States and Union Territories will have the flexibility to engage these NROs for specific, time-bound purposes that align with their unique requirements. To ensure the smooth functioning of this engagement, 2% of the Component budget will be earmarked for States/UTs to fund the engagement and services of the NROs.

Selection of NROs

- i. The Ministry will empanel National Resource Organisations (NROs) at the national level. States can recommend Resource Organisations (ROs) based on their specific needs and requirements, which will be empanelled as NROs after approval by the Ministry. Preference will be given to resource organisations already empanelled with the National Rural Livelihoods Mission (NRLM), NABARD, or any other government organisation with a proven track record of good performance.

- ii. Well-established community-based organisations (CBOs) and non-government organisations (NGOs) may be empanelled as NROs based on their domain knowledge and prior experience in livelihood and related activities.
- iii. Organisations with an excellent understanding of the development sector and having expertise in thematic areas of livelihood-related activity and expertise in fields like conducting research, providing training, organising workshops/seminars, developing concept papers including guidelines/manuals, etc. may be preferred for empanelment as NROs. A minimum of five years of experience in areas of livelihood and enterprise development, social mobilisation, financial inclusion, social infrastructure development, poverty alleviation, and related activities is desirable.
- iv. Organisations should take a pro-poor approach and strongly believe in the abilities of the poor and vulnerable communities.
- v. Organisations that can provide technical support to the Pilot intervention in implementing various thematic areas across the country as and when required.

The NROs will provide support in the following areas:

- i. Facilitation of State/UT/ULB specific operational strategies and planning process: NROs will assist in tailoring strategies and creating detailed operational plans including City livelihood action plans, that are suited to the unique needs and challenges of States, Union Territories, and urban local bodies, ensuring effective implementation of the Pilot intervention.
- ii. Conducting Research and Studies: NROs will conduct research and analysis on various issues related to urban livelihoods, poverty alleviation, and community development, providing data-driven insights to improve decision-making and policy formulation.
- iii. Conducting Training & Workshops: NROs will organise and facilitate training programmes and workshops aimed at building the capacity of stakeholders, including community leaders, CRPs, and ULB officials, ensuring they are equipped with the necessary skills and knowledge.
- iv. Preparation of Standard Operational Procedures, Training Modules, Manuals, Resource Materials etc: The NRO will develop and standardise operating procedures, training materials, and information, education, and communication (IEC) materials that serve as essential guides for field-level implementation and awareness generation.
- v. Documentation of Best Practices, Case Studies, Success Stories, and Process Documentation: NROs will document and disseminate best practices, success stories, and case studies that highlight effective interventions while also capturing the processes followed to achieve these results, ensuring learnings are shared widely.

- vi. Conducting Assessments, Process Monitoring, and Managing MIS: NROs will conduct regular assessments, monitor ongoing processes, and support the maintenance of a robust Management Information System (MIS) to track progress and ensure accountability.
- vii. Handholding and Capacity Building of SHGs, ALFs, and CLFs: Continuous support and mentorship will be provided to strengthen SHGs, CIGs, ALFs and CLFs to ensure their long-term sustainability and success.
- viii. Support in Initiating Institution Building, Financial Inclusion, Livelihoods, Social Inclusion, Gender, and Convergence Interventions: NROs will provide expertise in establishing community institutions, promoting financial inclusion, improving livelihoods, and addressing issues of social inclusion, gender equity, and convergence with other developmental initiatives.
- ix. Establishing Systems and Procedures: The Resource Organisation will assist in developing and institutionalising systems and procedures that streamline operations and ensure transparency, accountability, and efficiency in the successful execution of the Pilot intervention.
- x. Any other technical support requested by States/UTs/ULBs related to the Pilot intervention: NROs will be available to provide any additional technical assistance that States, UTs, or ULBs may require to address specific needs or challenges related to the Pilot intervention.

Empanelment process of NROs

The guiding principles issued by the Ministry will be followed for the empanelment process of NROs.

2.29 Support System

The following committees may be formed by the Urban Local Body (ULB) as per the guiding principles to support and ensure effective monitoring of the Pilot intervention:

Advisory Committee

A committee may be constituted chaired by the ULB Commissioner/Executive Officer and supported by nodal officers of line departments, CLF office bearers, members of the Mission Management Unit (MMU), and other relevant stakeholders. This committee will evaluate the activities carried out by the CLFs/ALFs and offer recommendations to enhance their performance. It will serve as a support mechanism for the community network, ensuring its efficient and effective functioning.

Accounting Committee

An accounting Committee may be formed with members from ALFs/CLFs to support SHGs/CIGs and train them in maintaining their accounts and bookkeeping. A group can be established at the district level, consisting of qualified individuals from within the community who have been trained by empaneled Chartered Accountants. This group would be involved in conducting audits of ALFs and CLFs. Any discrepancies or misappropriations of funds can be identified, along with issues requiring intervention and policy-level decisions based on the audit reports. The group can operate on an incentive-based model.

2.30 Monitoring & Evaluation

A new Management Information System (MIS) software tailored to the Pilot intervention's requirements will facilitate effective monitoring and evaluation. This system will enable users at the National, State/UT, District, and ULB levels to generate reports and review Key Performance Indicators (KPIs) related to the CLID component. These KPIs will include data on the number of SHGs, CIGs, ALFs, and CLFs formed, along with detailed assessments based on gender, age, geography, and group performance. The MIS will help track Pilot intervention progress at all levels and offer targeted support to ensure effective implementation. This tool will:

- i. Enable the ULB/CRPs/CS to form SHG/CIG of the individuals enumerated on the portal and store other related information;
- ii. Enable the ULBs to store SHG/CIG data related to Panchsutra, RFs, CISF, etc. that will allow ULB, District, State and National level users to monitor the progress of the Pilot intervention;
- iii. Record transaction-based data for financial transactions, including thrift and credit activities, internal loan repayments, linkage loans, and receipt of RF;
- iv. Monitor attendance during SHG/ CIG meetings and flag inactive SHGs/ CIGs that have not conducted meetings for three consecutive months;
- v. Enable the SMMU at the State level and CMMU/DMMU at the ULB level to closely monitor the progress of activities and targets under this component, undertaking regular reporting, monitoring, and evaluation;
- vi. In the future, the IT application tool will enable the ULBs to: Monitor the performance of CRPs for providing handholding support for the effective functioning of SHG/CIGs;
- vii. Rank SHGs/CIGs based on their performance, incentivising high achievers while providing targeted support to those needing improvement, driven by a data-based technical assistance system.
- viii. Provide real-time grading of SHGs/CIGs based on the data captured in the MIS.
- ix. Monitor details regarding training provided to SHGs/CIGs.

The SMMU at the State level and DMMU/CMMU at the District/ULB level will closely monitor the progress of activities/targets under this component and undertake monitoring & evaluation. To effectively monitor and evaluate the activities of SHGs/CIGs, ALFs, and CLFs, it is essential to train front-line staff to oversee their work and ensure adherence to the Pilot intervention objectives. The experts and officials at SMMU, DMMU, and CMMU will undertake regular field visits to monitor the performance of CRPs and CSs, assess the quality of community institutions, and provide handholding support for the effective functioning of SHGs/CIGs and their federations. The State/UT/ULB/executing agencies shall report timely progress in formats prescribed by the Mission Directorate from time to time, indicating the achievements and key issues in implementation.

Annexures

Annexure I: Model SHG/CIG Rules and Regulations

(These are for guidance only. The SHGs/CIGs should be encouraged to make their own Rules and Regulations)

The name of the group shall be _____ and hereinafter referred to as "The SHG/CIG".

The _____ SHG/CIG NAME _____ is located in _____ city, and the address of the group is as follows:

Pin-code: _____

Objectives: The objectives of the SHG/CIG are:

- To promote regular savings among members of the group
- To make available credit to members of the group to meet urgent domestic needs
- To form a group that would be eligible to receive benefits under the Pilot intervention and other schemes of the Government of India and State Governments and would be able to articulate a demand for the same.
- To build leadership skills of members so that they can manage the group in rotation.

Membership:

- Persons above 18 years of age at the time of joining
- Persons who are desirous of saving his/her money with the SHG/CIG
- Persons who are willing to take a loan from the SHG/CIG
- Persons who have been a resident of _____ name of a slum/area _____ since _____
enter year here
- Persons from families that have been identified as "poor" by the State Government
- Not more than one member per family shall be allowed to join a group
- The total number of members at any time should not exceed 20 persons or be less than 10 persons.

Savings:

- Every member shall save Rs. _____ (in figures and words) per month and on _____ (specify date here) all members will deposit their individual savings with the Treasurer of the SHG/CIG
- The SHG/CIG shall decide the savings amount on a regular basis from time to time. Any changes to this amount and the reason for the same will be reflected in the record of the meetings of the SHG/CIG

- If a member does not pay savings money on a decided date, s/he will be fined Rs. _____ (in figures and words) per _____ (specify per month, per week or per day)

Group Management:

- There shall be a management committee for the SHG/CIG responsible for its day-to-day and strategic management
- The Management Committee shall consist of three office bearers– Chairperson, Secretary and Treasurer – who shall each be elected by all members of the group from among the members for a period of 1 (one) year.
- These office bearers cannot remain in office continuously for more than 2 terms.
- In case the group elects to have more than one member per family as members of the group, then no two members of the same family should stand for elections as SHG/CIG office bearers at the same time.
- Responsibilities of the Chairperson:
 - Presides over the regular meetings and any other meetings of the SHG/CIG
 - Signs (or puts thumb impression) to approve the decision and resolutions of the SHG/CIG taken at various meetings
 - Call for or postpone a special meeting
 - Solve a complaint with the help of other office bearers and members, if required;
 - Check and coordinate the activities of the Secretary, Treasurer and other members
 - Maintain relationships within and outside the SHG/CIG, especially with the banks and Urban Local Body, to ensure credit to the group (and individual SHG/CIG members) as well as access of SHG/CIG members to benefits under all relevant components of the Pilot intervention.
 - Regularly report progress of the SHG/CIG to the ULB along with any other details requested in a timely manner.
- Responsibilities of the Secretary:
 - Call meetings with the prior permission of the Chairperson and prepare the agenda for every meeting
 - Maintain a record of the proceedings of all regular and special meetings and read them out at the next meeting.
 - Write resolutions made at each meeting and read them out at the same meeting.
 - The Secretary will maintain the membership register, attendance register, and activity and resolution register
 - Conduct all meetings and chair a meeting if the Chairperson is absent.
 - Verify the books of account of the SHG/CIG regularly and report to the members in every meeting.
 - Maintain relationships within and outside the SHG/CIG, especially with the banks and ULB to ensure credit to the group (and individual SHG/CIG members) as well as access of SHG/CIG members to benefits under the Pilot intervention.

- Regularly report progress of the SHG/CIG to the ULB along with any other details requested in a timely manner.
- Responsibilities of the Treasurer:
- Preserve all important papers and documents related to financial matters of the SHG/CIG
- Maintain all accounts of the SHG/CIG i.e. members' savings and loan register, member pass books, group bank pass book and loan book, cash transaction register
- Deposit all cash collected at meetings within two days of collection
- Pay loans approved by the SHG/CIG to members and receive savings, repayment, interest, fines, etc.
- Present all financial reports of the group
- the meetings are specify dates here.
- In case of an urgent and important issue, the group can hold special meetings at a shorter notice.
- A minimum of 80% of the group's members with at least 2 out of 3 of the office bearers must be present for decisions to be valid. Where decisions on group funds above Rs. _____ (in figures and words) or changes in the rules and regulations are to be made, all members must be present.
- The SHG/CIG will hold its Annual General Meeting on specify date here every year. This meeting will review the last year's activities and financial progress and plan the activities for the next year. (The group may use this meeting to conduct regular annual elections for the posts of office bearers of the Managing Committee).
- In case of special meetings or change in the conduct of regular meetings, the Secretary of the group is supposed to give _____ day's notice to the members about such meetings.
- If a member does not attend specify the number of meetings consecutive periodic meetings without any prior information, s/he will have to face a penalty of Rs. _____ (in figures and words) per meeting.

Meetings:

- The group will meet specify number here time/s every month. The dates of **Maintenance of Group Records**:
- Every member will be given a savings and loan passbook where savings and loan balances for each member are recorded and updated regularly. It is the responsibility of the Treasurer to make all entries.
- Membership, attendance, activity and resolution registers will be kept with the Secretary to register membership, proceedings, attendance and resolutions of all meetings.
- Savings and Loan register will be kept with the Treasurer at the group level to maintain all individual records of savings and loans

- Cash book and bank loan register will be maintained by the Treasurer who will update the position of all income and expenditure as well as bank loans received and repaid.
- The Group Bank Passbook is to be maintained by the Treasurer and updated regularly at each deposit and withdrawal.
- All group records are to be made available freely for examination by each individual member during the meetings and at other times, with reasonable notice to the relevant office-bearer of the Managing Committee. SHGs/CIGs may engage a non-member for book-keeping fixing a token payment for the service. However, members providing this service to their own SHG/CIG will do so on a volunteer basis without payment.

Managing the Group's funds:

- The loan limit for each individual member shall be decided by the SHG/CIG. The amount will not exceed Rs. _____ (in figures and words) at a time.
- The interest rate shall be Rs. _____ (in figures and words) per month per Rs. 100/ (Rupees Hundred Only).
- The loan repayment procedure shall be decided by all members of the SHG/CIG
- On sanction of the loan, the record of the loan, including agreed repayment schedule must be written in the applicant's saving and loan passbook and the group's saving and loan register. Thereafter, all repayments (and defaults, if any) must also be recorded in the applicant's savings and loan passbook and the group's savings and loan register.
- The loan shall be granted as long as:
 - The member has repaid any previous loan amount in full, along with the interest
 - The member has been depositing regular savings with the SHG/CIG for a period of at least 3 months
- All the income that accrues to the SHG/CIG from interest on savings and loans and returns from penalties and fees will be added to SHG/CIG corpus.

Managing the Group's Bank Account:

- The SHG/CIG account shall be kept in the nearest bank. The Treasurer, Chairperson and/or Secretary (any two) shall have joint signatory power. All withdrawals to be supported by a resolution of the SHG/CIG

Withdrawal of Membership: Group members should discuss in detail the procedure and terms of refund of money if a member proposes to leave the group. This should be recorded in the bye-laws of the group

Disqualification of Membership: A member may be disqualified by the SHG/CIG on the following criteria:

- Non-participation in regular group meetings for more than _____ times
- Not depositing regularly for more than _____ months
- Not repaying the loan received from the group
- Not following the rules of the group

Change in the rules and regulations: The rules of the SHG/CIG or any part thereof can be amended by all members present at a General Body Meeting convened for the purpose.

Dissolution of the group: In the event of group dissolution, members need to discuss the formalities and terms of group money distribution and group payables and receivable among themselves before the group can be dissolved. The agreed conditions of dissolution and re-distribution of funds should then be recorded in the bye-laws of the group. Members with a majority vote may decide to dissolve the group.

Annexure II: Model Bye-Laws for ALF

(These are only indicative, and ALF should be encouraged to make their bye-laws)

1. The name of the federation shall be _____ and hereinafter referred to as "The Federation".

The FEDERATION NAME shall accept as members SHGs/CIGs of _____ ward and the address of the group is as follows:

Pin code: _____

2. Objectives:

The objectives of the Federation are:

- To provide a forum for regular interaction and networking between member SHGs/CIGs and assist in the formation of new SHGs/CIGs wherever needed
- To take up activities that strengthen member SHGs/CIGs but cannot be taken up by individual SHGs/CIGs on their own, such as facilitating bank linkages for member SHGs/CIGs and providing handholding support for the development of member SHGs/CIGs loan proposals.
- To facilitate member SHGs'/CIG's access to benefits under the Pilot intervention and other Government of India and State Government schemes and to create linkages with institutions of relevance for their welfare e.g. facilitate insurance
- Work as an information dissemination body by facilitating member SHGs/CIGs' access to skill training and micro-enterprise formation support under the Pilot intervention as well as access to social assistance benefits under various government programmes, e.g. insurance, entitlements, convergence activities
- Handhold and build the capacity of new member SHGs/CIGs and regularly review the functioning and strengthen the capacity of existing member SHGs/CIGs, to continue to successfully function
- To successfully represent the Federation and member SHGs/CIGs at the City Level Federation
- To build members' leadership skills so that they can manage the member SHGs/CIGs and the Federation.

3. Membership:

- a. SHGs/CIGs in the area defined above which have:

- Been in existence for at least six months
- Been meeting and saving regularly (not less than 80% of the members)
- Been repaying any loans given (not less than 90% repayment)
- Paid the prescribed admission fee and the fixed yearly subscription fees

- b. Each member SHG/CIG will elect two of its members to represent the group in the Executive Committee (EC) of the Federation for a one-year term. One of these members shall be an SHG/CIG office bearer; the other one may be a general SHG/CIG member or an office bearer.

4. Contributions:

- a. At the time of admission, each SHG/CIG shall pay an admission fee of Rs. _____ (in figures and words)
- b. Each member SHG/CIG shall pay a subscription fee of Rs. _____ (in figures and words) per year.
- c. If a member SHG/CIG does not pay the yearly subscription fee on the decided date, it will be fined Rs. _____ (in figures and words) per _____ (e.g. per month/week / day)

5. Group Management:

- a. An Executive Committee (EC) shall comprise two representatives per member SHG/CIG
- b. From the EC, five members shall be selected as the Management Committee who shall be responsible for strategic and day-to-day management of the Federation.
- c. The Management Committee shall consist of 3 office bearers– Chairperson, Secretary, Treasurer, and some members as volunteers/committee members (such as Social Action Volunteer, Livelihood Volunteer, Social Security Volunteer and Financial Inclusion Volunteer)
- d. These office bearers can remain in office continuously for only 2 terms.
- e. All three office bearers must be from three different SHGs/CIGs.
- f. Responsibilities of the Chairperson:
 - Presides over the regular meetings and any other meetings of the Federation
 - Signs (or puts thumb impression) to approve the decisions and resolutions of the Federation taken at various meetings
 - Call for or postpone a special meeting
 - Check and coordinate the activities of the Secretary, Treasurer and other members
 - Maintain relationships within and outside the Federation, especially with the banks and Urban Local Body of _____ (name of the city) to ensure credit to the group (and individual SHG/CIG members) as well as access of SHG/CIG members to benefits under all relevant components of the Pilot intervention.
 - Regularly report the progress of the Federation to the Urban Local Body of _____ (name of the city) along with any other details requested in a timely manner.

g. Responsibilities of the Secretary:

- Call meetings with the prior permission of the Chairperson and prepare the agenda for every meeting
- Maintain a record of the proceedings of all regular and special meetings and read them out at the next meeting.
- Write resolutions made at each meeting and read them out at the same meeting.
- The Secretary will maintain the membership register, attendance register, and activity and resolution register
- Conduct all meetings and chair a meeting if the Chairperson is absent.
- Verify the books of account of the Federation regularly and report to the members in every meeting.
- Maintain relationships within and outside the Federation, especially with the banks and Urban Local Body of _____ (name of the city) to ensure credit to the group (and individual SHG/CIG members) as well as access of SHG/CIG members to benefits under all relevant components of the Pilot intervention.
- Regularly report the progress of the Federation to the Urban Local Body of _____ (name of the city) along with any other details requested in a timely manner.

h. Responsibilities of the Treasurer:

- Preserve all important papers and documents related to financial matters of the Federation
- Maintain all accounts of the Federation i.e. cash book, loan ledger, and receipt and payment vouchers.
- Deposit all cash collected at meetings within two days of collection
- Pay loans approved by the Federation to members and receive savings, repayment, interest, fines, etc.
- Present all financial reports of the group

i. Responsibilities of the Social Action Volunteer:

- Raising awareness about the Pilot intervention and its benefits
- Identify and include targeted households into SHGs/CIGs
- Provide support to SHGs/CIGs for their membership to the ALF

j. Responsibilities of the Livelihood Volunteer:

- Identify employment sectors which would increase income for SHG/CIG members
- Provide support for setting up new enterprise ventures under the Pilot intervention linking the members to credit and advisory services;
- Provide linkage with skill training opportunities under the Pilot intervention;

k. Responsibilities of the Social Security Volunteer:

- Evaluate the social security needs of member SHGs/CIGs;
- Liaise with ward officials in charge of health, education and other social security such that member SHGs/CIGs are linked with benefits available in the city.
- Compile and update a list of schemes in the city whose benefits member SHGs/CIGs can access and disseminate this information through the ALF.

l. Responsibilities of the Financial Inclusion Volunteer:

- Ensure that member SHGs/CIGs are linked with banks;
- Ensure that member SHGs/CIGs are linked with financial institutions for insurance and money remittances;
- Ensure that individuals from member SHGs/CIGs have Basic Savings Bank Accounts;
- Ensure that all member SHGs/CIGs undergo financial literacy training

6. Meetings:

- The Executive Committee (EC) of ALF will meet specify number here time/s every month. The dates of the meetings are specify dates here .
- In case of an urgent and important issue, the group can hold special meetings at a shorter notice.
- A minimum of 80% of the group's members with at least 2 out of 3 of the office bearers must be present for decisions to be valid. Where decisions on group funds above Rs. (in figures and words) or changes in the bye-laws are to be made, all members must be present.
- The Federation will hold its Annual General Meeting on specify date here every year. This meeting will review the last year's activities and financial progress and plan the activities for the next year. (The group may use this meeting to conduct regular annual elections for the posts of office bearers of the Managing Committee).
- In case of special meetings or change in the conduct of regular meetings, the Secretary is supposed to give days' notice to the members about such meetings.
- If an SHG/CIG representative does not attend specify number of meetings consecutive periodic meetings without any prior information, the SHG/CIG will have to face a penalty of Rs. (in figures and words) per meeting.

7. Maintenance of Group Records:

- Membership, attendance, activity and resolution registers will be kept with the Secretary to register membership, proceedings, attendance and resolutions of all meetings.
- Cash book and bank loan register will be maintained by the Treasurer who will update the position of all income and expenditure as well as bank loans received and repaid.
- The Group Bank Passbook is to be maintained by the Treasurer and updated regularly at each deposit and withdrawal.
- All group records are to be made available freely for examination by each member SHG/CIG during the meetings and at other times, with reasonable notice to the relevant office-bearer of the Managing Committee.

8. Managing the Group's funds:

- a. Loans will be considered during periodic meetings of the Federation based on a written application from any member SHG/CIG addressed to the Chairperson of the Managing Committee of the Federation. While representatives of the member SHG/CIG applying for the loan may take part in the discussions, they will not be allowed to vote at the time of taking a decision on the loan.
- b. The loan limit for each individual member SHG/CIG shall be decided by the full Executive Committee (EC) considering the financial position of the Federation and its obligations to meet the credit needs of a number of member SHGs/CIGs
- c. The interest rate shall be Rs. _____ (in figures and words) per month per Rs. 100/ (Rupees Hundred Only).
- d. The loan repayment procedure shall be decided by the Executive Committee (EC) of the Federation.
- e. On sanction of the loan, the record of the loan, including agreed repayment schedule must be recorded in the Activity, Resolution, Saving and Loan registers. Thereafter, all repayments (and defaults, if any) must also be so recorded.
- f. The loan shall be granted as long as:
 - The member SHG/CIG has paid all federation membership fees due and has repaid any previous loan amount in full, along with the interest
 - The proposed loan purpose is viable
 - The member SHG/CIG is meeting and saving on a regular basis, is following its bye-laws and takes an active interest in the Federation
- g. All the income that accrues to the Federation from interest on savings and loans and returns from penalties and fees will be re-invested in the Federation fund. ,

9. Managing the Group's Bank Account:

The Federation account shall be kept in the nearest bank. The Treasurer, Chairperson and/or Secretary (any two) shall have joint signatory power. All withdrawals to be supported by a resolution of the Executive Committee (EC) of the Federation.

10. Withdrawal of Membership: The Executive Committee (EC) should discuss in detail the procedure and terms of refund of money if a member SHG/CIG proposes to leave the group. This should be recorded in the Bye-Laws of the group.

11. Disqualification of Membership: A member SHG/CIG may be disqualified by the Federation on the following criteria:

- Non-participation in regular federation meetings for more than _____ times
- Not paying the subscription fee
- Not repaying the loan received from the Federation
- Not following the rules of the group

12. Change in the bye-laws: The rules of the Federation or any part thereof can be amended by all members present at a General Body Meeting convened for the purpose.

Dissolution of the Federation: In the event of group dissolution, members need to discuss the formalities and terms of group money distribution and group payables and receivables among themselves before the group can be dissolved. The agreed conditions of dissolution and re-distribution of funds should then be recorded in the bye-laws of the group. Members with a majority vote may decide to dissolve the group.

Annexure III: Checklist for a functional SHG/CIG

This is to be applied monthly:

S. No.	The factor to be checked	Checklist
1.	Group Size	Number of members in a group
2.	Types of Members	70% urban poor to ensure Revolving Fund access
3.	meetings	▪ Minimum once in a week ▪ Members are sitting in a circle. ▪ The chairperson is selected in each meeting to conduct the proceedings of the meeting. ▪ Minutes of meeting are recorded in the meeting itself and are read out loudly by book-keeper/office bearers. ▪ The social agenda is included in the SHG/CIG meeting. ▪ Meeting- to be held in the house of each member on a rotation basis. ▪ The agenda of the meeting will be decided by SHGs/CIGs. This may include- attendance, saving, internal lending, loan repayment, information on income & expenditure, benefits under different components of the Pilot intervention, rights & entitlements, benefits under government programmes, social issues, etc.
4.	Rules of SHGs/CIGs	▪ The rules of SHGs/CIGs should be framed, and rules followed in every meeting.
5.	Attendance of members per meeting	Minimum 90% attendance per meeting
6.	Savings collection within the group	Savings deposited by all members in each regular scheduled meeting held
7.	Internal Loan repayment from members	All internal loans repaid on time by SHG/CIG members as per the loan repayment schedule

8.	Maintenance of records	▪ Bookkeeper is identified for SHGs/CIGs ▪ 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 is to be updated once a month
9.	Management Committee	▪ All three office bearers (Chairperson, Secretary and Treasurer or their equivalents) have been elected ▪ Elections have been carried out once a year ▪ All three office bearers have attended at least 90% of meetings each ▪ No two members of the same family are office bearers in the SHG/CIG
10.	Bank linkages	▪ The SHG/CIG should have a bank account ▪ The SHG.CIG should have been successful in grading by a bank for credit access
11.	Capacity Building	▪ Every SHG/CIG member has gone through basic SHG/CIG training at least once ▪ Every SHG/CIG member has gone through basic financial literacy training at least once ▪ SHG/CIG office bearers have undergone leadership and SHG/CIG management training

Annexure IV: Model Bye-Laws for CLF

(These are only indicative, and CLF should be encouraged to make their own bye-laws)

- The name of the federation shall be _____ and hereinafter referred to as “The Federation”.
- The FEDERATION NAME shall accept as members ALFs of _____ ward and the address of the group is as follows:

Pin code: _____

- **Objectives:** The objectives of the Federation are:
 - To provide a forum for regular interaction and networking between member ALFs and assist in the formation of new ALFs wherever needed.
 - To take up activities that strengthen member ALFs/SHGs/CIGs but cannot be taken up by individual SHGs/CIGs on their own, such as facilitating bank linkages for member SHGs/CIGs, providing handholding support for the development of member ALFs/SHG's/CIGs loan proposals.
 - To facilitate member ALFs/SHGs'/CIG's access to benefits under the Pilot intervention and other Government of India and State Government schemes and to create linkages with institutions of relevance for their welfare.
 - To identify and address training and capacity-building needs for ALFs and their member SHGs/CIGs to enhance skills and operational efficiency.
 - Work as an information dissemination body by facilitating member ALFs/SHGs/CIGs' access to skill training and micro-enterprise formation support under the Pilot intervention as well as access to social assistance benefits under various government programmes, e.g. insurance, entitlements, convergence activities.
 - Handhold and build the capacity of new member ALFs, regularly review the functioning and strengthen the capacity of existing member ALFs to continue to function successfully.
 - To successfully represent the federation and member ALFs at the City Level Federation.
 - To build leadership skills of members so that they can manage the member ALFs and the Federation.

- **Membership:**
 - ALFs in the area defined above which have:
 - Been in existence for at least 6 months
 - Been meeting and saving regularly (not less than 80% of the members)
 - Been repaying any loans given (not less than 90% repayment)
 - Paid the prescribed admission fee and the fixed yearly subscription fees
 - Each member of ALF will elect two of its members to represent the group in the Executive Committee (EC) of the Federation for a one-year term. One of these members shall be an ALF office bearer; the other one may be a general ALF member or an office bearer.

- **Contributions:**
 - At the time of admission, each ALF shall pay an admission fee of Rs. _____ (in figures and words)
 - Each member ALF shall pay a subscription fee of Rs. _____ (in figures and words) per year.
 - If a member ALF does not pay the yearly subscription fee on the decided date, it will be fined Rs. _____ (in figures and words) per _____ (e.g. per month/week / day)

- **Group Management:**
 - An Executive Committee (EC) shall comprise two representatives per member ALF
 - From the EC, five members shall be selected as the Management Committee who shall be responsible for strategic and day-to-day management of the Federation.
 - The Management Committee shall consist of 3 office bearers– Chairperson, Secretary, Treasurer, and some members as volunteers/committee members (such as Social Action Volunteer, Livelihood Volunteer, Social Security Volunteer and Financial Inclusion Volunteer)
 - These office bearers can remain in office continuously for only 2 terms.
 - All three office bearers must be from three different ALFs.
 - Responsibilities of the Chairperson:
 - Presides over the regular meetings and any other meetings of the Federation
 - Signs (or puts thumb impression) to approve the decisions and resolutions of the Federation taken at various meetings
 - Call for or postpone a special meeting
 - Check and coordinate the activities of the Secretary, Treasurer and other members
 - Maintain relationships within and outside the federation, especially with the banks and Urban Local Body of _____ (name of the city) to ensure credit to the group (and individual ALF members) as well as

access of SHG/CIG members to benefits under all relevant components of the Pilot intervention.

- Regularly report the progress of the federation to the Urban Local Body of _____ (name of the city) along with any other details requested in a timely manner.
- Responsibilities of the Secretary:
 - Call meetings with the prior permission of the Chairperson and prepare the agenda for every meeting
 - Maintain a record of the proceedings of all regular and special meetings and read them out at the next meeting.
 - Write resolutions made at each meeting and read them out at the same meeting.
 - The Secretary will maintain the membership register, attendance register, and activity and resolution register
 - Conduct all meetings and chair a meeting if the Chairperson is absent.
 - Verify the books of account of the Federation regularly and report to the members in every meeting.
 - Maintain relationships within and outside the Federation, especially with the banks and Urban Local Body of _____ (name of the city) to ensure credit to the group (and individual ALF members) as well as access of SHG/CIG members to benefits under all relevant components of the Pilot intervention.
 - Regularly report the progress of the Federation to the Urban Local Body of _____ (name of the city) along with any other details requested in a timely manner.
- Responsibilities of the Treasurer:
 - Preserve all important papers and documents related to financial matters of the Federation
 - Maintain all accounts of the Federation i.e. cash book, loan ledger, and receipt and payment vouchers.
 - Deposit all cash collected at meetings within two days of collection
 - Pay loans approved by the Federation to members and receive savings, repayment, interest, fines, etc.
 - Present all financial reports of the group
- Responsibilities of the Social Action Volunteer:
 - Raising awareness about the Pilot intervention and its benefits
 - Identify special social issues/challenges of member ALFs
 - Provide support to ALFs for their membership to the CLF.

- Responsibilities of the Livelihood Volunteer:
 - Identify employment sectors that would increase income for ALF/SHG/CIG members
 - Provide support for setting up new enterprise ventures under the Pilot intervention, linking the members to credit and advisory services;
 - Provide linkage with skill training opportunities under the Pilot intervention;
- Responsibilities of the Social Security Volunteer:
 - Evaluate the social security needs of member SHGs/CIGs;
 - Liaise with ward officials in charge of health, education and other social security such that member SHGs/CIGs are linked with benefits available in the city
 - Compile and update a list of schemes in the city whose benefits member SHGs/CIGs can access and disseminate this information through the ALF.
- Responsibilities of the Financial Inclusion Volunteer:
 - Ensure that member ALF/SHGs/CIGs are linked with banks;
 - Ensure that member ALF/SHGs/CIGs are linked with financial institutions for insurance and money remittances;
 - Ensure that individuals from member ALF/SHGs/CIGs have Basic Savings Bank Accounts;
 - Ensure that all member ALFs/SHGs/CIGs undergo financial literacy training
- **Meetings:**
 - The Executive Committee (EC) of CLF will meet ___specify number here-___ time/s every month. The dates of the meetings are ___specify dates here___.
 - In case of an urgent and important issue, the group can hold special meetings at a shorter notice.
 - A minimum of 80% of the group's members, with at least 2 out of 3 of the office bearers, must be present for decisions to be valid. Where decisions on group funds above Rs. _____ (in figures and words) or changes in the bye-laws are to be made, all members must be present.
 - The federation will hold its Annual General Meeting on ___specify date here___ every year. This meeting will review the last year's activities and financial progress and plan the activities for the next year. (The group may use this meeting to conduct regular annual elections for the posts of office bearers of the Managing Committee).

- In case of special meetings or change in the conduct of regular meetings, the Secretary is supposed to give _____ days' notice to the members about such meetings.
 - If an ALF representative does not attend _____ specify number of meetings _____ consecutive periodic meetings without any prior information, the ALF will have to face a penalty of Rs. _____ (in figures and words) per meeting.
- **Maintenance of Group Records:**
 - Membership, attendance, activity and resolution registers will be kept with the Secretary to register membership, proceedings, attendance and resolutions of all meetings.
 - Cash book and bank loan register will be maintained by the Treasurer who will update the position of all income and expenditure as well as bank loans received and repaid.
 - The Group Bank Pass Book is to be maintained by the Treasurer and updated regularly at each deposit and withdrawal.
 - All group records are to be made available freely for examination by each member ALF during the meetings and at other times, with reasonable notice to the relevant office-bearer of the Managing Committee.
- **Managing the Group's funds:**
 - Loans will be considered during periodic meetings of the Federation based on a written application from any member ALF addressed to the Chairperson of the Managing Committee of the Federation. While representatives of the member ALF applying for the loan may take part in the discussions, they will not be allowed to vote at the time of taking a decision on the loan.
 - The loan limit for each individual member ALF shall be decided by the full Executive Committee (EC) considering the financial position of the federation and its obligations to meet the credit needs of a number of member ALFs
 - The interest rate shall be Rs. _____ (in figures and words) per month per Rs. 100/ (Rupees Hundred Only).
 - The loan repayment procedure shall be decided by the Executive Committee (EC) of the Federation.
 - On sanction of the loan, the record of the loan, including agreed repayment schedule must be recorded in the Activity, Resolution, Saving and Loan registers. Thereafter, all repayments (and defaults, if any) must also be so recorded.
 - The loan shall be granted as long as:
 - The member ALF has paid all federation membership fees due and has repaid any previous loan amount in full, along with the interest
 - The proposed loan purpose is viable

- The member ALF is meeting and saving on a regular basis, following its bye-laws and takes an active interest in the federation
 - All the income that accrues to the federation from interest on savings and loans and returns from penalties and fees will be re-invested in the Federation fund.
- **Managing the Group's Bank Account:**
 - The Federation account shall be kept in the nearest bank. The Treasurer, Chairperson and/or Secretary (any two) shall have joint signatory power. All withdrawals are to be supported by a resolution of the Executive Committee (EC) of the Federation.
- **Withdrawal of Membership:** The Executive Committee (EC) should discuss in detail the procedure and terms of refund of money if a member ALF proposes to leave the group. This should be recorded in the Bye-Laws of the group
- **Disqualification of Membership:** A member ALF may be disqualified by the Federation on the following criteria:
 - Non-participation in regular federation meetings for more than _____ times
 - Not paying the subscription fee
 - Not repaying the loan received from the federation
 - Not following the rules of the group
- **Change in the bye-laws:** The rules of the federation or any part thereof can be amended by all members present at a General Body Meeting convened for the purpose.
- **Dissolution of the Federation:** In the event of group dissolution, members need to discuss the formalities and terms of group money distribution and group payables and receivables among themselves before the group can be dissolved. The agreed conditions of dissolution and re-distribution of funds should then be recorded in the bye-laws of the group. Members with a majority vote may decide to dissolve the group.

Annexure V: Application for Revolving Fund Support to SHGs/CIGs

Application for Revolving Fund (RF) Support to SHGs/CIGs under the Pilot intervention (Attach Requisite Documents)												
Application No	Date of Application	Name of SHG/CIG	Complete Address with Pin code/ Ph No	Landmark	Date of formation of SHG/CIG	Date of opening of bank Account	Bank Account number	Bank Name	Branch Name	Branch Address	Tick appropriately	
Details of Office Bearers of the SHG/CIG				Remarks by		Remarks by		Overall Remarks By		Approved		Date of Transfer of RF to SHG
President	Name	Signature	Ph No	CS/ CRP/field coordinator		CMMU representative		ULB Competent Authority		Rejected		
				Name		Name		Name				
Secretary	Name	Signature	Ph No	Signature		Signature		Signature				
				Ph No		Ph No		Ph No				
Treasurer	Name	Signature	Ph No	Date		Date		Date				

Annexure VI: Format: SHG/CIG Grading format for Fresh Credit Linkage**A: Basic Information**

Name of the SHG/CIG.....

Area..... Ward ULB.....District.....

Date of formation of the SHG/CIG.....Date of opening of Bank S/B

A/C:.....

The period considered for Grading: From.....to..... (Usually last 3 months)

B: Details of Grading /Evaluation Exercise:

S.N	Indicator	Allotted Marks	The formula for determining Marks	Marks obtained
1	Regularity of Meetings:			
(a)	Regularity of holding meetings by SHG/CIG	10	$\frac{\text{No. of meetings held} \times 10}{\text{No. of meetings required to be held as per rule of SHG}}$	
(b)	Regularity of Attendance of members in the meetings	10	$\frac{\text{Average no. of members attended the meetings} \times 10}{\text{Total no. of members of the SHG}}$	
2	Regularity of Savings by members	10	$\frac{\text{Amount of savings deposited by the members}}{\text{Amount of savings required to be deposited as per the rule of SHG}} \times 10$	
3	*Velocity of Lending to members from Group Corpus	20	More than 1.5 :- 20 More than 1.0 up to 1.5:- 15 More than 0.5 up to 1.0:- 10 More than 0.2 up to 0.5:- 5 Up to 0.2:- 0	
4	Regularity in Repayment of loans by members	20	$\frac{\text{Amount of recovery against Demand} \times 20}{\text{Amount of Demand (required to be paid as per repayment schedule)}}$	
5				
a)	Resolution Book	4	Maintained up to date:- Full marks Maintained, but not up to date: - Half Marks Not maintained:- 0 (no Mark)	
b)	Cash Book	8		
c)	Savings Ledger	4		
d)	Loan Ledger	4		
e)	General Ledger	6		
f)	Individual Pass Book	4		
	Total	100		

*Velocity of lending from Group Corpus = $\frac{\text{Amount lent to members from Group Corpus}}{\text{Average amount of Group Corpus}}$

A Grade: 80 or more marks | B Grade: 70-79 marks | C Grade: 60-69 marks | D Grade: less than 60 marks | Only A & B graded SHGs are to be considered for the RF

Annexure VII: Application for Revolving Fund Support to ALFs under the Pilot intervention

Application for Revolving Fund (RF) Support to Area Level Federation (ALF) under the Pilot intervention (Attach Requisite Documents)													
Application No	Date of Application	Name of ALF	Complete Address with Pin code/ Ph No	Landmark	Date of formation of ALF	Date of opening of bank Account	Bank Account number	Bank Name	Branch Name	Branch Address	Date of Registration		
Details of Office Bearers of the ALF				Remarks by		Remarks by		Overall Remarks By		Approved			Date of Transfer of RF to ALF
President	Name	Signature	Ph No	CS/CRP/ field coordinator		CMMU representative		ULB Competent Authority		Rejected			
				Name		Name		Name					
Secretary	Name	Signature	Ph No	Signature		Signature		Signature					
				Ph No		Ph No		Ph No					
Treasurer	Name	Signature	Ph No	Date		Date		Date					



FINANCIAL INCLUSION AND ENTERPRISE DEVELOPMENT (FI&ED)

3 Financial Inclusion and Enterprise Development (FI&ED)

The FI&ED component under the Mission focusses on the provision of financial support to individuals and groups from the urban poor, with a special focus on the persons engaged in Vulnerable Occupations to set up their self-employment venture/ micro-enterprises based on their skills, training, aptitude, and local conditions. The under-employed and unemployed urban poor, especially youth, are encouraged to set up small enterprises relating to manufacturing, servicing, and petty businesses that have considerable local demand. Local skills and local crafts are particularly encouraged. Further, the component supports Common Interest Groups (CIGs)³ of members from the Vulnerable Occupation Groups (VOGs) hereinafter **referred to as Joint Liability Groups (JLG⁴) for the purpose of loan**, by facilitating easy access to bank credit and benefiting from interest subsidies on **JLG** loans. This component also provides support to Self-Help Groups (SHGs) of the urban poor.

Additionally, the component emphasises on providing technology, marketing, and other support services for individuals, group entrepreneurs, SHG and JLG members, and urban poor in vulnerable occupational groups who are involved in micro-enterprises for their livelihoods.

The various sub-components strengthening the FI&ED component are as follows:

A) Financial Support through

- (i) Bank loan for individual and group/ collective enterprises
- (ii) Bank credit to SHGs for livelihood activities
- (iii) Interest subvention
- (iv) Credit Guarantee
- (v) Promoting Digital Financial Inclusion

B) Non-financial support through

- (i) Entrepreneurship Development Programme (EDP)
- (ii) Technical Support for Enterprise Promotion: Enterprise Challenge
- (iii) SHG Mela/Exhibition and Sanjha Bazaar

³ **CIGs:** CIGs are collectives of 3-5 individuals who share similar economic activities, occupations, or social interests such as those engaged in vulnerable occupations. These groups typically consist of people working in common occupations and having common interests, and they collaborate to address challenges, improve skills, access resources, and enhance their livelihoods. **For the purpose of the loan, they shall hereinafter be referred to as Joint Liability Groups (JLG).**

⁴ **A Joint Liability Group (JLG)** is an informal association typically comprising 3-5 individuals who share similar economic activities, occupations, or social interests such as those engaged in vulnerable occupations. These groups typically consist of people working in common occupations and having common interests, and they collaborate to address challenges, improve skills, access resources, and enhance their livelihoods.

3.A Financial support under FI&ED Component

Bank loan for individual and group/ collective enterprises

Financial assistance will be made available to the urban poor with special focus on six vulnerable groups, to set up individual and collective/ group enterprises in the form of subsidised loans by the banks. The loan for an individual enterprise has a cost ceiling of ₹4 Lakh, while collective/group enterprises are eligible for loans up to ₹20 Lakh. A group will be eligible for a loan of up to ₹4 lakh per member, subject to a maximum of ₹20 lakh per group, whichever is lower. A Micro-Credit Plan (MCP) must be prepared when applying for the loan⁵.

Such credit lines shall be made discoverable on UPI using credit line on UPI framework as approved by RBI. The banks shall ensure that the beneficiaries link such credit lines to a UPI app of beneficiaries' choice.

VOG members will primarily be provided loans for **specific purposes**. The specific purposes and corresponding loan amounts are detailed in this guideline.

3.1.1 Key Features of the Individual and JLG Loan

3.1.1.1 Nature of Loan

Need-based, collateral-free Term Loans (TL), Cash Credit (CC), Composite Loans, or Working Capital Demand Loans will be provided to eligible borrowers for the purpose of meeting working capital or marketing-related requirements.

3.1.1.2 Eligibility for availing loan

- The Minimum age of the beneficiaries should be **18 years** and maximum **60 years** on the date of Registration.
- The beneficiary should be engaged in the above six VOGs.
- The beneficiary **should not be defaulter** to any bank or financial institutions. (Based on CIBIL report).
- The beneficiary should not have availed the loans under similar credit-based schemes of Central/State Government for setting up their own enterprise, viz. PM Vishwakarma, MUDRA, etc. However, the beneficiaries of PM Vishwakarma and MUDRA who have fully repaid their loan, will be eligible under the New Mission.

3.1.1.3 Margin and Promoter Contribution

No margin money required for loans up to ₹50,000. For loan amount above ₹50,000, Margin/ promoter's contribution should not exceed 10% of the project cost, whether for individual or group (JLG) loans.

⁵ The MCP formats for individual enterprise loans, group/JLG loans, and SHG bank loans are presented in the **Annexures**.

3.1.1.4 Quantum and purpose of Individual and JLG loans to the VOG members

The loan may be disbursed in **two tranches**, with the total amount not exceeding the sanctioned loan limit. Joint Liability Groups (JLG) are only entitled to group loans, under the specified interest subvention scheme, and are not eligible for individual loans. The specific purposes and corresponding loan amounts are detailed as follows-

Table 1: Loan Purposes and Corresponding Amounts for VOGs

Financial Support for Enterprise Promotion to the Vulnerable Occupation Groups					
S.No.	VOGs	Individual loan Amount	Purpose of loan	Joint Liability Group (JLG) Loan Amount	Purpose of loan
I	Domestic Workers	Up to ₹50,000	Tiffin or Home-Cooked Meal Service, Laundry & Ironing Service, Homemade Cleaning Product Business, Home-Based Tailoring or Alteration Services, Purchase of tools such as vacuum cleaner, steam irons etc.	Up to ₹10 Lakh	Community Kitchen, Catering services, Operation and Maintenance of office/school canteens, Security services etc.
II.	Care Workers	Upto ₹50,000	Household Management services, Mental Health and Counselling, purchase of medical supplies or assistive devices (wheelchairs, walkers, etc.)	Upto ₹20 lakh	Childcare services, Healthcare support services, elderly care, Disability Care services, Wellness and Holistic Care centre, Multigenerational care centre etc.
III.	Gig Workers	Upto ₹2 lakh	Purchase of Two-Wheeler and requisite equipment etc.	NA	
IV.	Construction Workers	Upto ₹4 lakh	Accessories for masonry or Tile Laying Services, Welding and Fabrication Shop, Construction Tools & Equipment like electric drills and mixers, hammers, and safety gear (helmets, gloves, boots) etc.	NA	

V.	Waste Managers	Upto ₹4 lakh	Battery-operated vehicles, mechanised cleaning equipment, safety gear etc.	Upto ₹20 Lakh	Waste Collection and segregation, Recycling units, etc.
VI.	Transport Workers	Upto ₹4 lakh	Buy or upgrade vehicles such as e-rickshaws, e-autos, and battery-operated vehicles etc.	NA	

3.2 SHG- Bank credit linkage

Bank credit linkage plays a crucial role in improving the economic status of low-income households, fostering entrepreneurship, and enhancing the overall well-being of communities. The SHGs will be facilitated in accessing bank credit to undertake various livelihood activities. The amount of bank credit available to each SHG is determined based on the savings corpus of its members. Depending on their needs, they are eligible to avail collateral free Term Loan (TL) /Cash Credit (CC) loan/Composite Loan/ Working Capital Demand Loan. SHGs are required to submit a Micro-credit Plan when applying for the bank loan.

Such credit lines shall be made discoverable on UPI using credit line on UPI framework as approved by RBI. The banks shall ensure that the beneficiaries link such credit lines to a UPI app of beneficiaries' choice.

The suggestive tranches of Bank Credit have been specified as follows-

Table 2: Loan eligibility criteria for SHGs

Loan type	Eligibility	Loan amount (Applicable for TL or CCL or both)		
		Tranche	CC Loan	Term Loan
SHG bank loan	- SHGs should be in active existence for at least 6 months as per their books of accounts (and not from the date of opening of S/B account). - SHGs should be practicing 'Panchasutras'	1 st tranche	6 times of the existing corpus or minimum of ₹1.5 lakh, whichever is higher	6 times of the existing corpus or minimum of ₹1.5 lakh, whichever is higher.
		2 nd tranche	8 times of the corpus at the time of review/ enhancement or minimum of ₹3 lakh, whichever is higher.	8 times of the existing corpus or minimum of ₹3 lakh, whichever is higher.

	i.e., regular meetings, regular savings, regular inter-lending, timely repayment and up-to-date books of accounts. • SHGs should qualify as per grading norms fixed by the Mission • For any subsequent tranche of the loan, the previous loan amount must be fully repaid.	3rd tranche	Minimum of ₹6 lakh based on the Micro Credit Plan (MCP) prepared by SHG and appraised by the federations/support agency and the previous credit history.	Minimum of ₹6 lakh, based on the MCP prepared by the SHGs and appraised by the federations/support agency and the previous credit history.
		4th tranche	Above ₹6 lakh, based on the MCP prepared by SHG and appraised by the federations/support agency and the previous credit history.	Above ₹6 lakh, based on the MCP prepared by the SHGs and appraised by the federations/support agency and the previous credit history.

3.2.1 Bank Mitra

Bank Mitras in urban areas can enhance financial inclusion by providing banking services to underserved communities. Acting as a catalyst, they facilitate deposits, withdrawals, and account openings in slums and remote wards while also educating the members of SHGs about financial products and promoting digital solutions. By bridging the gap between banks and urban poor population, Bank Mitras will empower individuals and groups to access essential financial services, fostering economic growth and improving livelihoods in urban environments.

Bank Mitras may be engaged by ULBs to support the SHG members and beneficiaries of the programme in day-to-day banking services like account opening, documentation, loan facilitation, recovery etc.

Bank Mitra

Who?

Community Resource Persons (CRPs), especially the youth, who possess basic knowledge of banking transactions may be identified, trained, and placed as *Bank Mitras* (bank facilitators) at bank branches having more penetration of programme beneficiaries. Ideally, they should be 10th standard pass, SHG member and/ or SHG bookkeeper, with 3R* Skills (*reading, writing and arithmetic*), bookkeeping and communication skills, having familiarity with banking, at least 1-year experience with SHGs and willingness to travel and interact with SHGs, ALFs, CLF and bankers.

Responsibilities

- Facilitate SHGs and members accessing banking services and linkages, including opening accounts, documentation.
- Provide documentation support to institutions and liaison/ coordinate with banks
- Participate in branch-level and District level Coordination committee meetings
- Support in extending financial literacy to SHG members
- Monitor loan/ CCL sanction, disbursement, utilisation and repayment
- Share progress report to the CLF

Training

Bank Mitra should be provided 10-15 days training on financial management, financial literacy and banking along with immersion, exposure and apprenticeship training.

***3R Skills**

3.2.2 Loan Repayment Period

The loan repayment schedule for all three bank loans (individual, JLG and SHG Bank Loan) may range from 3 to 7 years after initial moratorium of 3-6 months for all types of loans as decided by banks/ financial institutions.

The following norms will be followed for loan tenure:

- Loan Amount of up to ₹50,000: up to 3 years
- Loan Amount above ₹50,000: up to 7 years

The lending institutions will have the discretion to determine the repayment period based on the quantum of loan, nature of the project, projected cash flows, and technical viability as outlined in the Detailed Project Report (DPR).

No prepayment penalty will be charged from the beneficiaries for repayment before the scheduled date.

3.2.3 Margin Money/ Promoter's contribution

Margin money/ promoter's contribution is as per the policy framework of the bank, based on overall guidelines of RBI in this regard. Banks may not insist for margin for SHG bank loans.

3.3 Credit Guarantee

The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) will provide a graded guarantee covering all individual, JLG and SHG loans sanctioned by the lending institutions. It will be operated on a portfolio basis. The portfolio will be created on an annual basis ending with the financial year, subject to the following conditions:

a. For Individual Loans

- First Loss Default Guarantee (FLDG) (0 to 7.5%): 100%
- Second Loss Default Guarantee (SLDG) (more than 7.5% to up to 25%: 75% coverage of default portfolio

Maximum guarantee coverage will be **25%** of the year portfolio.

b. For SHG/ JLG Bank linkage

- First Loss Default Guarantee (FLDG) (0 to 3%): 100%
- Second Loss Default Guarantee (SLDG) (more than 3% to up to 6%: 75% coverage of default portfolio

Maximum guarantee coverage will be **6%** of the year portfolio.

Details of the coverage is furnished in the table below:

Table 3: Coverage under CGTMSE

Particulars	Individual loan		SHG/JLG Bank linkage	
	Portfolio	Coverage	Portfolio	Coverage
First Loss	0 to 7.5 %	100%	0-3%	100%
Second Loss	Above 7.5% to 25%	75%	up to 6%	75%
Maximum Guarantee Cover	25%		6%	
Effective Guarantee Cover	20.7%		5.25%	

3.4 Interest Subvention

Beneficiaries availing loans under the Mission will be eligible for an interest subvention. The interest subvention by the GoI will be payable over and above 5% rate of interest for male beneficiaries and 4% for female/transgender/PWD beneficiaries subject to the upper cap of 8% and 9% for male and female/ transgender/PWD respectively.

Further, for mixed groups under JLGs/SHGs, interest subvention eligibility will be determined by the gender with the highest representation.

During the pilot phase, the interest subvention will be implemented through the existing process on the Paisa Portal.

In order to avail the interest subvention on credit extended to the SHGs and JLGs, banks may ensure that the accounts of SHGs (both savings and loans) and JLGs under the new Urban Livelihoods Mission are appropriately identified in their CBS with unique codes assigned by the Mission.

All banks participating in the interest subvention scheme are required to upload information on the SHG savings and loan account, etc. on the respective Nodal Bank/ Nodal Agency Portal as per the required technical specifications provided.

3.5 Promotion of Digital Transactions

To promote digital transactions among the urban poor, particularly individuals/group engaged in six identified vulnerable groups, an instant cashback facility has been provisioned. It is strongly felt that instant cashback will serve as a strong incentive to motivate early adopters, especially micro-entrepreneurs, to use UPI. The proposed incentive structure is furnished below:

- i. For individual micro-enterprises:** ₹5 per transaction on the first 20 eligible transactions* in a month, capped at ₹100 per month.
- ii. For group (JLG/SHG) enterprises:** ₹10 per transaction on the first 10 eligible transactions* in a month, capped at ₹100 per month.

**Eligible transactions refer to digital pay-outs or receipts with a minimum value of ₹500.*

3.B Non-Financial Support through the Entrepreneurship Development Programme

I. Technical Support for Enterprise Promotion: Enterprise Challenge

To foster innovation and sustainable growth among urban poor entrepreneurs, the Enterprise Challenge aims to identify, support, and scale promising micro-enterprises through structured technical assistance and performance-based incentives. As part of this initiative, the Entrepreneurship Development Programme (EDP) will equip entrepreneurs from SHGs and JLGs with critical business skills, while the Enterprise Development Fund (EDF) will offer catalytic funding to scale viable business ideas among the urban poor entrepreneurs. Together, EDP and EDF form a comprehensive support framework to identify, nurture, and grow competitive urban enterprises, thereby promoting sustainable livelihoods and inclusive economic development.

II. Entrepreneurship Development Programme (EDP)

Non-Financial Support will be facilitated through the **Entrepreneurship Development Programme (EDP)**, which is designed to equip aspiring entrepreneurs with the skills, knowledge, and resources needed to start and grow successful businesses. For supporting enterprise management, Urban Local Bodies (ULBs) may arrange to conduct EDP training for individual entrepreneurs, group entrepreneurs, and SHGs/JLGs. An amount of **₹5,000 per beneficiary** will be provided for EDP training.

This programme focusses on fostering entrepreneurial mindsets, enhancing business acumen, and providing practical training in various aspects of entrepreneurship. The training will cover key areas such as basic accounting, financial management, marketing, backward and forward linkages, legal procedures, etc., to nurture budding micro entrepreneurs.

The EDP should be closely aligned with the types of enterprises that participants are involved in or plan to start. To ensure this, the training must be based on market research that identifies local demand, customer preferences, and potential competition. This approach helps participants develop practical, demand-driven business plans that reflect real opportunities in their local markets.

By the end of the training, participants will be equipped to provide relevant metrics based on their understanding of local markets, enabling them to prepare a **Detailed Project Report (DPR) or business plan** with realistic figures.

The EDP modular training for the beneficiaries will cover, but not be limited to, the following topics:

Table 4: Suggested modules for the EDP training

Basic Accounting	Understanding financial records and bookkeeping to ensure effective management of business finances.
Financial Management	Analysing financial statements, managing cash flow, and making informed financial decisions for sustainable growth.
Marketing Strategies	Developing marketing strategies to promote products and services, identify target audiences, expand market reach, and enhance product quality through improved packaging and branding.
Legal Procedures	Familiarising participants with necessary legal requirements, compliance issues, and documentation for starting and running a business.
Backward and Forward Linkages	Exploring supply chain management by establishing connections with suppliers (backward) and customers (forward) to enhance operational efficiency and market access

States are encouraged to identify suitable institutions such as Rural Self Employment Training Institutes (RSETI), Rural Development & Self Employment Training Institute (RUDSETI), Industrial Training Institutes (ITIs), reputed institutions engaged in entrepreneurship development/ training, management/ educational institutes, reputed NGOs engaged in entrepreneurship development/ training etc. that are capable and willing to provide training to the beneficiaries.

III. Enterprise Development Fund (EDF)

Enterprise Development Fund (EDF): A dedicated fund has been provisioned to strengthen vibrant SHG enterprises. This fund aims to support mature SHGs through incubation and acceleration support, assistance in obtaining licenses and certifications, industry exposure/exposure visits, upgrading SHG products to export standards, and facilitating SHG participation in international trade fairs, among other activities. These SHGs will be selected through a systematic challenge process.

To be eligible for the Enterprise Development Fund (EDF), certain criteria must be met to ensure that the microenterprise has a stable foundation and potential for growth. The key eligibility requirements are as follows:

- a) **Business age:** The microenterprise should be at least two years old, demonstrating its sustainability and ability to operate effectively over time.
- b) **Annual turnover:** Annual turnover: The enterprise must demonstrate a reasonable scale of operations and financial activity, with an annual turnover of at least ₹5 lakh.

- c) **Operational stability:** These requirements ensure that only businesses with a proven track record and capacity for growth are considered for funding, thereby supporting those who are positioned to expand further with the help of the EDF.

These criteria are designed to prioritise businesses that have already established themselves in the market and show the potential for further development with the support of financial assistance.

The funds are intended to cover expenses related to incubation and acceleration support through enterprise challenges, sponsorship for participation in various national and State/ UT -level events, capacity building initiatives, exposure visits, and other related activities.

IV. SHG Mela/ Exhibition and Sanjha Bazaar

SHG Mela/Exhibition: The SHG Mela/Fair is envisioned to empower urban poor entrepreneurs by providing a platform for SHGs and JLGs to showcase and sell their products. An amount of **₹25 lakh** per mela will be provided to the State to organize a Seller-Buyer Meet once a year.

A dedicated portal will be developed under the component will also capture essential data such as visitor footfall, sales transactions, and calendar-based event schedules to monitor and evaluate exhibition performance in real time.

In addition, the new mission proposes to establish Sanjha Bazaars to provide a platform for SHG product sale on a rotational basis. A financial provision of up to **₹40 lakh** per Bazaar has been made.

3.6 Beneficiary Identification and Selection

The identification of beneficiaries will be carried out by the Urban Local Bodies (ULBs) through e-KYC, utilizing IT-enabled enumeration and socio-economic profiling of urban poor households and also through API integration of data already available with various line ministries.

Community Supervisors (CSs), Community Resource Persons (CRPs), and professionals from the ULB will shortlist prospective beneficiaries from among the urban poor and vulnerable occupational groups. This selection will be based on their needs and the Micro-Credit Planning (MCP) process, under the Financial Inclusion & Enterprise Development (FI&ED) interventions.

Community structures⁶ formed under the Community-Led Institution Development component of the Mission- such as Self-Help Groups (SHGs), Common Interest Groups (CIGs) or Joint Liability Groups (JLGs), Area Level Federations (ALFs), and City Level

⁶ **Community structures could be –**

1. Women SHGs/ JLGs: All female members coming together to form SHGs or JLGs
2. Mixed SHGs/ JLGs: Both Male and female members coming together to form SHGs or JLGs
3. SHGs of PwD: SHGs with all members from PwD category
4. SHGs of Transgenders: SHGs with all members from the transgender community

Eligible members who could be part of SHGs/ CIGs: Urban Poor identified through the NFSA data/ state data, Members from the Vulnerable Occupational Group, Any other identified urban poor.

Federations (CLFs)- may also refer individual or group entrepreneurs to the ULB for financial support under this component.

Identification of VOG members

The ULB will conduct socio-economic profiling of urban poor households to identify individuals engaged in vulnerable occupations. Subsequently, each individual VOG member and their family will receive a unique identification number. The unique identification number will also act as an identifier for lending institutions to facilitate recognition and ease of lending.

3.7 Funding Pattern

Funding is shared between the Centre and the States in the ratio of 60:40. This ratio is 90:10 for North-eastern and Hilly States (HP, Uttarakhand and Jammu & Kashmir). The Mission is fully funded by the Central Government for UTs with and without legislature.

The Ministry will allocate funds to the States/ UTs on an annual basis based on the targets assigned to them. The States/ UTs, in consultation with the respective SLBCs and ULBs, will finalise 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.

3.8 Loan Application Process

3.8.1 Online Loan Application

Direct applications for financial assistance (Bank Loan for Enterprise, and SHG/ JLG Loan) can be submitted through an online portal developed for the sponsoring loan application under FI&ED. The beneficiaries may directly approach to ULBs or its representatives for assistance. Banks may also identify prospective beneficiaries at their end and forward such cases directly to ULBs. The banks may also use their empanelled business correspondents (BCs)/ bank mediators or business facilitators (BFs) to increase outreach. Due diligence will be undertaken as per the Banks' policy, in this regard.

3.8.2 Loan Application Form (LAF)

A common Loan Application Form (LAF) for enterprise loans will be accessible to individuals or collectives/ groups seeking financial assistance to start an enterprise. Applicants can fill out the digital form and receive a unique ID for tracking. Completed forms will be reviewed by a Task Force Committee⁷ at the ULB level, which may conduct interviews and decide whether to approve or reject applications within three to five days.

⁷ The Task Force Committee is constituted at the ULB level with members from the ULB, Lead Banks, District Industries Centre, Banks and Area Level Federations. The Chief Executive Officer (CEO)/ Municipal Commissioner of ULB shall be responsible for constituting the Task Force Committee and will also chair the Task force. There could be more than 1 Task Force Committee at the ULB level depending upon the population of the ULB. See the composition of the Task Force Committee in the **Annexures**.

Suitable applications may be forwarded to the relevant banks for processing within 5 working days. Applicants will receive SMS/email alerts at each stage of the process. If an application is deemed unsuitable, the Task Force may request additional information for re-examination.

The application, duly recommended by the Task Force Committee, will be forwarded to the concerned banks on the platform for further processing within **five working days** of the application being received at the ULB. The system will automatically send SMS/email alerts to the applicant at each of the above stages.

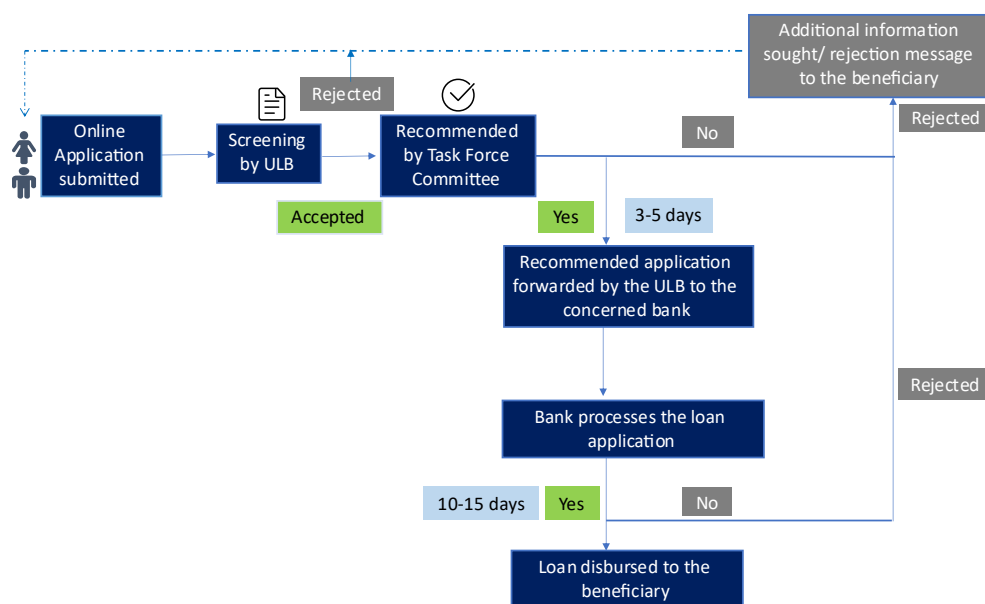


Figure 2: Loan Application Process Flow

The banks should specify the reasons for rejecting applications and send back an alert to the ULB. The banks will also send a periodic report to the ULB on the status of the applications received. For online applications, the banks shall be required to update the status of the application on portal.

A similar process will be implemented for the SHG-Bank credit linkage. All participating banks are encouraged to utilise the Common Loan Application Forms (LAFs) developed by the Indian Bank's Association (IBA) in consultation with all banks for processing credit facilities to SHGs. To streamline the application process, banks will actively encourage SHGs to submit their loan applications online through the dedicated system created by the programme. This approach aims to enhance efficiency, reduce paperwork, and ensure a transparent and timely processing of loan requests for SHGs seeking financial support.

3.8.3 Loan Processing Time

Banks must process and disburse loan applications within **15 working days** of receiving the loan application to ensure timely access to credit. Any delays must be promptly communicated to the applicant, including the reasons for the delay and an expected timeline for resolution. Furthermore, loan applications should be evaluated fairly and transparently, and must not be rejected on insubstantial or arbitrary grounds.

3.8.4 Documentation requirement for loan

The documentation required for the loan is listed in the **Annexure**.

3.9 Micro-credit planning (MCP)

The SHG/ JLG members shall prepare an MCP for availing funds such as an Enterprise loan, Bank Loan, or CISF. A microcredit plan is a financial proposal to provide small loans to individuals/groups who lack access to traditional banking services. It is typically aimed at low-income entrepreneurs and small businesses. These loans, often issued without collateral and through group lending models, help recipients start or expand their enterprises, thereby promoting economic empowerment, poverty alleviation, and financial inclusion.

Micro Credit Plans are usually characterised by small loan amounts and short repayment periods compared to conventional loans. They often include additional support services such as financial education and business training to enhance borrowers' success. The process builds their confidence and helps them improve their quality of life.

SHGs/ JLGs, which are six months old and have been graded on five good principles/ *Panchasutras*⁸ can prepare their MCP to avail the financial benefits. The following are the pre-requisites for MCP preparation-

- i. All SHG/ JLG profiles, along with the socio-economic details of their members, must be complete.
- ii. An income-expenditure statement for the members of SHGs/JLGs must be prepared.
- iii. A situation analysis involving all members of the eligible SHGs/JLGs and key stakeholders in the ward/ULB must be completed.

⁸ Panchasutra refers to five good principles of SHG governance viz. regular meeting, regular savings, inter-lending, regular repayment and book-keeping

To facilitate the MCP preparation, a trained MCP facilitator will undertake the following processes

(i) Member level plan

Individual household level plans will be prepared based on situation analysis and member-wise income-expenditure analysis. This should be done in a participatory manner with the inputs from the SHG/JLG members.

(ii) Finalisation of individual level plans and consolidation of SHG/JLG plan

Individual plans should be finalised including repayment terms as per the convenience and consensus of the SHG/ JLG members. At the end of this exercise, the consolidated plan for the SHG/ JLG with prioritised order ranking of providing loans to the members should be ready.

(iii) Appraisal

The SHG/ JLG plan needs to be discussed with the leaders of the community institutions. After the appraisal and revision based on the appraisal, the SHG/JLG leaders will approve the MCP. This revised plan is signed by the members, appraised leaders and facilitators. It is also entered in the SHG/JLG minutes book. This revised plan is submitted for sanction of loan. A copy of the approved MCP is kept with the SHG/JLG for records.

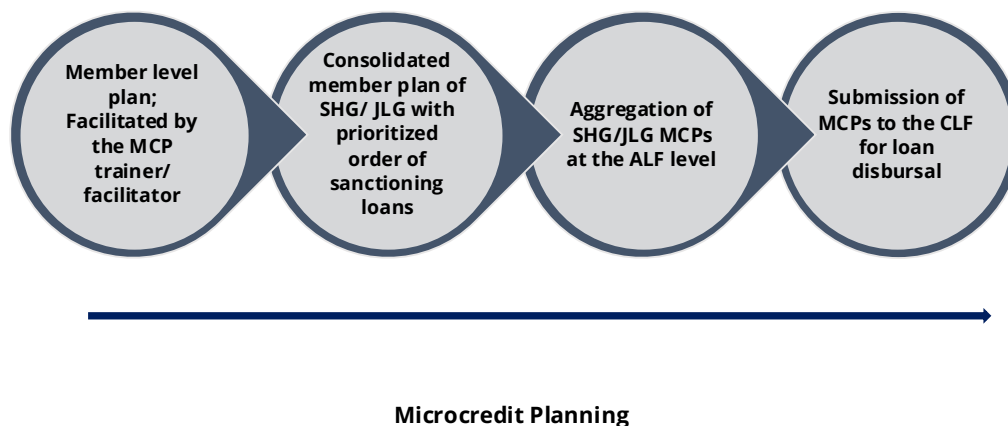


Figure 3: Process Flow of Micro-credit Planning exercise

This process should be completed in two days. The aggregated MCP of all SHGs/CIGs in a particular ALF should be submitted to the CLF for consideration and sanction of loans as per the requirement. In cases where a CLF is not in existence, the MCPs may be aggregated at the ALF level.

A suggestive format for MCP preparation is furnished in the ***Annexure***.

<u>MCP Facilitator</u>
Who? Ideally, a trained Senior CRP/ Master Trainer, Bank Mitra, Bookkeeper or ALF/ CLF leader with experience, with 3R skills (Reading, Writing and Arithmetic), communication/ articulation skills and participatory facilitating/ training skills and flair, and ready to travel for training SHG/CIG members on MCP preparation. Responsibilities • Facilitate MCP preparation • Train/ sensitise SHG/CIG members, leaders and cadres on various aspects of institutions, funds/fund management, Financial Inclusion (Bank linkage and insurance), etc.; • Plan and manage MCP training; • Handhold ALF and CLF in building the capacity of SHG/CIGs members, leaders, cadres etc.

3.10 Technology and Marketing

The Mission recognises that micro-entrepreneurs often require various forms of support to grow and sustain their businesses effectively. This support can span a wide range of needs, including assistance with business establishment, access to appropriate technology, effective marketing strategies, and other essential services.

Micro-entrepreneurs, particularly those running nano businesses, frequently need a deeper understanding of market dynamics to succeed. They need insights into market needs, demand for their products, competitive pricing, and the best avenues for selling their goods. Without this critical knowledge, they may struggle to reach their full potential.

To address these challenges, the Mission provides tailored support services aimed at creating a nurturing environment for the development of micro-enterprises.

i. **Government Platforms**

SHG/ JLG products will be promoted through government initiatives and platforms like the Government e-Marketplace (GeM), Open Network for Digital Commerce (ONDC), etc. These platforms provide a dedicated space for showcasing and selling these products to a wider audience.

ii. Alliance with e-commerce platforms

Collaborations with major e-commerce platforms like Amazon, Flipkart, and Meesho etc. will enable SHGs to access the broader market by listing their products online and taking advantage of digital sales channels. States/ UTs may forge partnerships with local e-commerce dealers and platforms to further extend market reach.

iii. Dedicated e-Commerce Platform for SHG products

A specialised e-commerce platform will be established to promote and sell products made by SHGs. By focusing exclusively on these products, the platform will ensure they receive the attention they deserve, providing a targeted space to market to a niche audience effectively. It also offers a streamlined purchasing experience, helping to drive sales and increase the visibility of SHG/JLG products in the competitive e-commerce space.

iv. Facilitate Udyam registration of individual and group enterprises

Efforts will be made to facilitate Udyam Registration for individual and group enterprises. This registration recognises micro-enterprises under the Micro, Small, and Medium Enterprises (MSME) Act, enabling entrepreneurs to access financial support, subsidies, and various government schemes designed to foster growth and sustainability. By obtaining Udyam registration, both individual and group micro-entrepreneurs can enhance their credibility, improve access to credit, and create opportunities for skill development and market expansion, ultimately contributing to their economic empowerment and the overall growth of the economy.

v. Local and national fairs

Participation in events such as SHG Melas and Buyer-Seller meets provide SHGs and JLGs with opportunities to showcase their products, interact with potential buyers, and gain visibility in both local and national markets. The SHG Mela/ Fair is envisioned to empower urban poor entrepreneurs by providing a platform for SHGs and JLGs to showcase and sell their products. This initiative will facilitate market access, foster collaborations, and create opportunities for additional income by eliminating intermediaries and enabling direct interaction between artisans and buyers. The event will feature a wide range of products, including handicrafts and textiles, and will be a regular event in all States /UTs.

vi. City Livelihood Centres (CLC)

City Livelihood Centres will be established in urban areas to provide SHG members with a space to display their products. These centres will also assist these groups by offering accurate information about the Mission and its components, including entrepreneurship resources.

Through these above-mentioned comprehensive support services, the Mission aims to create an encouraging and supportive environment that enables micro-entrepreneurs to develop sustainable and thriving businesses. This not only helps individual entrepreneurs but also contributes to broader economic development and employment generation within urban communities.



Figure4: Technology and Marketing for FI&ED

In addition, support for business establishment, including setup, registration, compliance, training on market needs and strategies, and continued mentorship and networking for growth will be provided for enterprise development.

3.11 Role and responsibilities of key stakeholders

Stakeholder	Role
Urban Local Bodies (ULBs)/District Administration	• Identification of urban poor and Issuance of colour coded ID card to six VOGs • Mobilization and sourcing of loan applications. • Provide support in the documentation of loan applications, first-level due diligence, and preparation of Detailed Project Reports (DPRs) with assistance from Resource Organizations/Bank Sakhis. • Constitution and conduct of Task Force meetings. • Formation of Community-Level Loan Recovery Committees to monitor credit utilisation and regular repayment. • Facilitation of EDP training programmes.

	• Streamlining of the interest subvention and cashback facilities.
State Government	• Facilitate bankers' meetings and training sessions under the guidance of the State Level Bankers' Committee (SLBC) or the designated nodal bank. • Review the progress of the Financial Inclusion and Enterprise Development component with banks and ULBs, in coordination with the SLBC/Nodal bank. • Assess the periodic progress of interest subvention and cashback incentive disbursements.
Banks	• Process loan application forms in a timely manner. • Claim interest subvention benefits promptly. • Facilitate the onboarding of individuals and groups onto digital transactions with the support of digital payment aggregators. • Actively participate in ULB-level Task Force Committees and Loan Recovery Committees. • Support urban micro-entrepreneurs in EDP training programmes through their respective RSETI/RUDSETI institutions. • Lending institutions may engage their BCs/BFs to expedite the loan process under the Mission.

3.12 Monitoring and Reporting

The monitoring and reporting of FI&ED is enabled through a digital platform (web and app based), fully integrated with the Udyami Mitra Portal. The platform will serve as a 'one-stop digital solution' for this component.

Integration with Udyami Mitra will enable individual and group loans to be registered on the portal and track their progress. The portal functions as a virtual marketplace where SHGs/JLGs can interact with potential lenders, submit applications, and monitor progress. This transparent system allows banks to review and process loan applications, ensuring accountability through real-time data visible to all stakeholders, including banks, applicants, and government agencies.

1. Beneficiary Assessment

Community Supervisors, Banking CRPs and project officers/ staff are tasked with conducting periodic visits to beneficiaries. These visits are essential for assessing the implementation status of the programme components and addressing any issues that may arise. Socio-economic background data of beneficiaries is collected and compared with loan application data to ensure effective implementation of the Mission.

2. Data Tracking

An IT-enabled Management Information System (MIS) is implemented for FI&ED to track targets and achievements effectively. This system will be integrated with the Udyami Mitra Portal. It allows States/ UTs and ULBs to submit online progress reports, essential for maintaining transparency. Key information generated through the MIS is made publicly accessible, fostering trust and accountability among stakeholders and beneficiaries.

3. Monitoring

The State Mission Management Unit (SMMU), District Mission Management Unit (DMMU) and City Mission Management Unit (CMMU) play crucial roles in overseeing the monitoring and evaluation of activities within the component. They ensure that progress is systematically tracked and assessed. To facilitate this, the SMMU and ULBs are responsible for providing timely progress updates in prescribed formats. This structured approach allows for consistent oversight and accountability.

Usage Monitoring: Banks shall ensure that the beneficiary is utilizing the funds for the same person as listed in their application. The same can be controlled/ restricted with credit line on UPI.

4. Bank Reporting

As part of the monitoring framework, banks are required to submit quarterly progress reports using a provided proforma. These reports are essential for maintaining a clear line of communication and accountability. Banks must email their reports to the Director of the Mission by the end of the month following each quarter. This systematic reporting ensures that financial institutions remain engaged and contribute to the overall success of the Mission.

Further, to sensitise bankers and address unresolved issues regarding loan disbursement, payment, and loan closure, meetings at various levels, viz. Indian Bank's Association (IBA), State Level Banker's Committee (SLBC), District Level Bankers Committee (DLBC), etc., may be organised under the guidance of the Department of Financial Services (DFS).

5. Risk Mitigation

A Community-Based Loan Recovery Committee will be constituted at the area level, comprising representatives from banks, ALF/CLF members, Bank Sakhi, Federation bookkeeper, and Community Supervisor (CS).

This committee will be responsible for monitoring credit utilization and ensuring timely repayment by individuals or groups through the enforcement of rules and social accountability. The Committee's meetings should be conducted at least once a month, preferably on a predetermined date, at the bank premises or another location as agreed upon by the committee members.

IT-enabled MIS for FI&ED, integrated with the Udyami Mitra Portal



Figure 5: IT enabled MIS for processing loan applications under FI&ED component

Annexures

I. Task Force Committee: Composition

S. No.	Task Force at ULB level	Role
1.	Chief Executive Officer (CEO) ULB/ Municipal Commissioner of ULB/ or any representative authorised by them	Chairperson
2.	Lead District Manager (LDM)	Member
3.	City Project Officer (CPO), ULB/ or any authorised 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 or SHG/JLG (where ALFs and CLFs are not in existence currently)	Member

The Task Force Committee will review the applications received under FI&ED, assessing them against specific eligibility criteria, and will either recommend approval or reject the applications accordingly.

II. Loan Documentation Requirement

Loan Amount	Documents Required
Loan upto ₹50,000	- Aadhaar - Three months Bank ac statement
Individual loan upto ₹4 Lakh	- Aadhar card - PAN card - Bank A/C linked Aadhar - Identification through socio economic profiling - Business Plan/project Report - Recommendation of Task Force <i>Additional documents such as Project Report, Fixed Cost Bills to make vendor payments, Experience/Training Certificate, DPR, Driving License, Earnings statements etc. may be demanded as per the VOG.</i>
JLG loan Upto ₹20 Lakh	- Aadhar card for all members - UDYAM Registration Number - PAN card - Group Bank Account - Micro Business Plan/Detailed Project Report (DPR) - Recommendation of Task Force <i>Individual loans under JLG will not be permitted.</i>
SHG Bank Linkage	- SHG Resolution (Authorizing loan application and signatories) - Loan Application Form (Common IBA-recommended form) - KYC of Office Bearers (Aadhaar, Voter ID, etc.) - Inter-se Agreement (Among all members) - Basic SHG Records (General ledger, minutes, attendance, pass book, loan ledger) - Grading Sheet (From sponsor/State Mission/NGO, if available) - Sponsor Letter (If applicable) - Photographs of authorized signatories - Micro Credit Plan (For higher loan doses, appraised by federations)

III. Micro Credit Plan Format for SHG

SHG Micro Credit Planning							
SHG Name					ULB Name		
ALF Name					City Name		
Ward Name					MCP prepared on (date)		
S.No.	SHG Member Name	Purpose of Loan	Total Loan Amount requirement (in ₹)	Expected Loan Amount requirement (Individual/ Group loan/ Bank Loan/CISF) (in ₹)	Priority/ Rotation	No. of instalments	Signature of the members
1							
2							
3							
4							
5		c					
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
Details of group level activities							
1							
2							
3							
4							
Any other needs: (Training etc.)							
a.							
b.							

President/Leader-1
Name

Secretary/Leader-2
Name

IV. Micro Credit Plan format for Individual Enterprise Loan

Micro plan for individual enterprise loans	
ULB	
Ward	
City	
District	
Name of ALF	
Micro plan preparation date	
Name of the Applicant:	
Are you a member of SHG/JLG	Yes / No
If Yes, Name of SHG/JLG:	
Individual Enterprise details	<u>Beneficiary: VOG Member/Urban Poor</u> - Loan required for Enterprise: Yes/ No If yes, provide details of the enterprise as follows- - Name, type, and nature of the business - Location of the business - Date of Establishment - Business Activities: A brief description of the products or services offered. - Name and details of the owner - Financial Information: Annual turnover, profit and loss statements, and balance sheets (for existing businesses). - Purpose* of Loan: - Loan required for Equipment/Tool Purchase: Yes/ No - Specify the equipment required: <u>Other Vulnerable Occupation Group members</u> Specify the purpose of loan <i>*Loan purpose for the VOGs has been specified in Section 2.1.1</i>
Total Loan Amount Required (in ₹)	
Member contribution amount (in ₹)	
No of instalments (in months)	
Any other requirements (Training etc.)	

Signature of the Member



SOCIAL INFRASTRUCTURE

4 Social Infrastructure

4.0 Introduction

Cities are increasingly becoming hubs of economic opportunity, innovation, and cultural exchange, driving India's growth. However, for millions of urban poor, this urban growth presents significant challenges. The lack of adequate social infrastructure disproportionately affects vulnerable populations, limiting their access to basic necessities. Addressing these gaps is crucial to fostering inclusive growth and reducing urban poverty. Without targeted investments in social infrastructure, urban centres risk deepening inequalities, exacerbating poverty, particularly among the urban poor who remain on the fringes of development.

For instance, a critical issue within this dynamic is the plight of urban homeless persons. Despite contributing significantly to the economy of cities, particularly as labourers in the informal sector, they remain vulnerable without access to shelter or social security. These are compounded by the lack of access to services such as healthcare, education, food, water, and sanitation. This situation underscores the urgent need to create comprehensive social infrastructure that addresses their basic needs and secures their rights as contributors to the urban economy.

Similarly, India's labour market is predominantly characterised by informal employment. A large segment of the workforce relies on casual and unregulated work to earn their livelihood. These informal workers congregate in unregulated in search of daily wage employment and are frequently subjected to harsh conditions, such as exposure to extreme weather, exploitation, and health hazards, as they operate in areas without proper infrastructure. The absence of a formal social infrastructure for these workers amplifies their vulnerability.

Recognising these challenges and others, this pilot seeks **to improve the lives of the urban poor by creating social infrastructures with a focus on persons engaged in vulnerable occupations to address their occupational, social and residential vulnerabilities**. Social infrastructure under the pilot will include, *inter alia*, building Shelters for Urban Homeless (SUH), City Livelihoods Centres (CLCs), well-equipped Labour Chowks for daily wage workers (especially construction workers), and care infrastructure (as day care centres and multi-generational care centres).

By addressing these critical aspects of social infrastructure, the pilot aims to provide the urban poor with the essential support and entitled services they need to navigate the challenges of city life. This approach ensures that vulnerable populations may have access to the necessary cushion of services, fostering social equity and improving their quality of life, even amidst rapid urbanisations. By prioritising the needs of the urban poor, the pilot aims to bridge gaps in access and create a more inclusive urban environment for all.

The Key objectives of the Social Infrastructure component of the pilot are to:

- Support the livelihoods of vulnerable groups within urban population by providing inclusive social infrastructure.
- Strengthen market access and economic networks for urban poor communities by creating platforms where they can market and sell their goods and services, ensuring equitable access to economic opportunities.
- Ensure adequate shelter and access to basic infrastructure for vulnerable urban populations, especially the homeless to address their residential, social and occupational vulnerabilities.
- The subsequent sections provide detailed operational guidelines for the implementation of the various social infrastructure as envisaged under the pilot.

4.1 Shelter for Urban Homeless

Introduction

The pilot seeks to establish Shelters for Urban Homeless (SUH) with a particular emphasis on Million Plus Cities. These shelters, equipped with essential services, aim to support homeless migrants and other vulnerable occupational groups, providing them with dignified living conditions.

Homeless persons include persons who do not have a house, either self-owned or rented, but instead live and sleep on pavements, at parks, railway stations, bus stations and places of worship, outside shops and factories, at construction sites, under bridges, in hume pipes and other places under the open sky or places unfit for human habitation.

It is understood that many occupants of shelters are engaged in work during the night (e.g. as head-loaders), and thus need shelters to sleep in, during the day. Casual workers also often do not get employment on a daily basis, and so they may need shelter during the day and not just at night. Therefore, the pilot envisages providing shelters accessible to these homeless persons at all times of the day.

Norms And Types of Shelters

The shelters should be permanent, i.e., all-weather shelters for the urban homeless. In each shelter, provisions should be made for a minimum of 100 persons. However, depending upon local conditions, provisions to cater to 50 or more persons may also be made. In exceptional situations (vis., required land is not available, low number of homeless populations in the city, etc), shelters with lesser capacity may also be approved through Ministry of Housing and Urban Affairs (MoHUA).

Apart from the homeless, some of these shelters may also cater to the most vulnerable groups within the homeless populations such as (a) single women and their dependent minor children, (b) elderly, (c) persons with mental illness, (d) persons with disabilities, (e) non-local poor visitors like patients and their attendants, (f) persons in vulnerable occupations, and (g) beggars, etc. An actual break-up would depend on local

particularities, and size of the city, and the total number of shelters. States/ULBs may consider setting up separate shelters to cater the special needs such as:

- **Shelters for men:** Since the proportion of men among the homeless is higher⁹, separate shelters for men could be built to primarily cater to them.
- **Shelters for women:** Shelters for the exclusive use of women in terms of its location, design, services, and support systems, may be designed to cater to the needs of women and their dependent children.
- **Shelters for family:** For families living on the streets, family shelters may be provided with a special design for privacy, with shared common spaces.
- **Special Shelters:** Considering special needs for segments of homeless persons, such as aged/ elderly without care /persons with disabilities without care/persons with mental illness without care, recovering patients and their caretakers, attendants of non-local patients, non-local visiting students etc, special shelters may be provided. Special shelters for homeless transgenders who are abandoned by their families, or involved in begging may be established separately conforming to the social stigma.

However, depending on the need, a shelter may cater to men, women, transgenders and families with appropriate spaces demarcated for each of the categories.

Facilities at the Shelters

The shelters will be permanent, running throughout the year, and open every day for 24 hours. The following key services and facilities should be provided at the shelters for dignified living:

- First aid kit
- Pest and vector (mosquito) control
- Comfortable beds with clean linen and laundry (blankets, mattresses, and sheets, etc) and premises.
- Mosquito Nets
- Clean toilets, bathrooms, and any other sanitary provisions
- Common kitchen/ cooking space, necessary utensils for cooking and serving, cooking gas connections, etc
- Personal lockers/ cupboards for personal storage space
- CCTV cameras for security
- Adequate fire protection measures, as per the norms

⁹ The Sex Ratio of houseless population of India is just 694 females per 1000 Males (Census 2011).

Other amenities/ services:

- Common recreation space
- Availability of care/ first aid room
- Child Care facilities for children by linking the shelter to the nearest Anganwadi Centres
- Availability of space for lactating mothers
- Facilitation for convergence with other services/entitlements as detailed in 2.4.
- Linkages with community kitchens, livelihood centres, and skilling development centres should be encouraged.

Incorporation of universal accessibility¹⁰ Inclusive design principles and safety and security provisions should be ensured.

4.1.1 Linkages With Entitlements

- i. Shelters will also serve as a space for convergence and provision of various entitlements of social security, food, education, and health care services. All homeless persons in shelters should be considered for linkage with various central/ state government schemes, and programmes, as per their eligibility. An illustrative list of schemes/benefits where such convergence is desirable is placed at Annexure-I.
- ii. The Shelter Management Committees (SMC) (see 4.1.4) or Shelter Management Agencies (SMA) (see 4.1.4) would be responsible to ensure the availability of various entitlements and benefits to the homeless.
- iii. Data of shelter residents, especially those who are engaged in vulnerable occupations¹¹ either part-time/full-time, etc., may be shared with ULBs for enumeration and socio-economic profiling under the Convergence initiatives of the pilot.
- iv. District Magistrate/District Collector play a crucial role in linking the urban homeless of the district with various welfare schemes and programmes. The District Level Committee (DLC) formed under the pilot should be leveraged to review and monitor the implementation of the scheme at least once every three months. The DLC should ensure the entitlements/ scheme linkages to eligible beneficiaries happen in a timely manner.
- v. The SMC and SMA should also focus on supporting the urban homeless in the shelter transition to secure and long-term accommodation vis., working

¹⁰ In accordance with Harmonised Guidelines and Standards for Universal Accessibility in India, 2021

¹¹ Vulnerable groups under the pilot include domestic workers, transportation workers, construction workers, waste managers, care workers and gig workers.

men/women's hostels, migrant labour hostels, housing. These may be promoted by the states/ULBs for addressing homeless with a progressive outlook.

4.1.2 Identification of homeless and Location of Shelters

- i. The location of the shelter should be as close to homeless concentrations and work sites as possible. They may preferably be located close to the areas with high demand like railway stations, interstate bus depots/terminals, wholesale markets/ mandis (market yards), popular religious places, etc. The location may be decided after mapping the concentration areas where homeless persons reside and work.
- ii. Systematic third-party surveys would be undertaken in cities/towns by the local/municipal bodies to assess accurately the need for shelters at suitable locations. As far as possible, the sites that offer maximum convenience to the beneficiaries may be identified. While undertaking the survey and identifying beneficiaries, the ULB may involve civil society representatives to support the third-party surveys. An outline of the process for conducting surveys is placed in Annexure-II.
- iii. The shelters may be permitted in residential, commercial, industrial, transportation and public and semi-public use zones and in other use zones on special permission by the planning authority/urban local body. If need be, the master plans may be suitably amended to permit construction of such shelters or special permission may be sought from the competent authority.
- iv. The ULBs may plan the shelters along with City Livelihoods Centres (CLCs) under the pilot, at one place to efficiently utilise the land/building and to integrate the services/ scheme benefits.
- v. In case of non-availability of suitable land for construction of shelters near to the places of congregation of homeless, suitable buildings can be taken on rent for operating as an interim arrangement.
 - Efforts need to be made by the States/ UTs to provide permanent shelters to homeless.
 - The cost of refurbishment of buildings taken on rent may be borne from funds available under social infrastructure component of the pilot after review by Project Review Committee (PRC) (see section 4.6) of the respective State/UT and with approval from MoHUA.
 - The PRC will estimate the suitable rent by taking into account the Public Works Department (PWD) rates/ prevailing market rate.
- vi. The location of shelters should be mapped and geo-tagged. Efforts should be made to make this information available to the public using digital platforms/ mobile applications, city maps, pamphlets, hoardings etc.

4.1.3 Design of Shelters

For all the shelters, a space of 50 square feet per person will be taken as the minimum space to be provided. Under the component, construction of new shelters as well as refurbishing of existing buildings as homeless shelters will be allowed.

Where existing infrastructure/ public buildings are being used, suitable refurbishment may be done to meet requisite services/ space requirements.

- If the land is available, then rooms may be added on the same floor and if required, additional floor/ floors can be constructed.
- Old/ dilapidated structures may be removed to make space for new shelters to ensure efficient use of land resources.
- For refurbishment and utilisation of existing buildings as shelters, the required Building Fitness Certificate should be obtained from competent authorities.

Permanent shelters may be built of concrete or durable and weather-proof alternate structures, incorporating environmentally friendly designs, rainwater harvesting, solar heating/ lighting facilities, etc. For constructing new shelters, the State Governments should explore the use of innovative technologies and designs for low-cos and energy efficient buildings as far as possible. These structures should be designed to be disaster-resilient, capable of withstanding natural disasters and minimizing their impact on communities, while also being climate-resilient, ensuring they can endure and recover from the effects of climate change.

Adequate supply of electricity and water should be arranged at the time of formulation of the proposal.

Effort should be made at the State/ULB level to include shelters for urban homeless while preparing the Master Plan and other development plans for the city.

Newly constructed shelters or refurbished and operated with O&M support of the pilot should incorporate universal accessibility features.

4.1.4 Operation & Management of Shelters

- i. The operations and management of the shelters can be undertaken by ULBs or any other Shelter Management Agencies (SMAs) identified/ empanelled by the State/ULBs such as:
 - Homeless persons' collectives
 - Youth and Women's community-based groups
 - Unorganised workers' trade unions
 - NGOs and CSOs registered under the Societies Registration Act, 1860, and Trust Acts or other similar laws of the State Governments
 - SHGs/ ALFs/ City Level Federations (CLFs) / CIGs and other CBOs recognised by the State Govt/ Urban Self Governments
 - Resident Welfare Associations
 - Public/Private Sector Companies through Corporate Social Responsibility (CSR) or Associations

- ii. These agencies may also facilitate orientation, training and identification of shelter staff.
- iii. A Shelter Management Committee (SMC) will comprise of a local ward member, ULB representative, caretakers of the shelter, and a few nominated residents of the shelter as members. One or two active CLF/ALF/SHG/CIG members may be included in the committee. The SMC should supervise the day-to-day functioning of the Shelter. The SMC should meet at least once a month.
- iv. Each shelter should have the following minimum full-time staff for looking after daily management, upkeep, cleanliness, and discipline at the shelter:
 - One full-time Manager
 - Caretakers i.e. one caretaker for one shift of 8 hours.
 - Shelters with women residents should have at least one woman caregiver.
- v. The staff may be engaged by the ULB or through agencies/institutions responsible for operating the shelters.
- vi. The cost of salary for the above positions can be included in O&M cost of the shelter, however, if more staff is required, then the ULB/State Government may arrange for the funds from other sources.
- vii. Operations and management (O&M) support will be continued for those functional shelters which have not completed first 5 years of operation under the DAY-NULM. O&M support will be provided to the shelters for the period of first 5 years of their operation or till the mission period, whichever is earlier.
- viii. The following registers will be maintained at all the Shelters –
 - Shelter asset inventory book
 - Accounts register/cash book to monitor day to day expenditure & receipts
 - Attendance register
 - Shelter management committee meeting register
 - Personnel register with salary payment details
 - Housekeeping & maintenance register
 - Complaints and suggestion register
- ix. Regular capacity building programme of the managing staff of the shelter should be carried out to sensitise them towards the needs of the homeless.
- x. Additionally, to ensure the deliverance of quality services, regular workshops (6 months or less) may be held among the staff of different shelters in the city.

Orientation workshop can be planned for staff starting their roles in managing the shelter.

- xi. Each shelter should prominently display the rights and responsibilities of the residents.

4.1.5 Guidelines for Shelter Proposal

- i. The shelters under the pilot would be established by the State/ULBs and operated either by them or through agencies identified by the State or ULBs. Convergence 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 the pilot.
- ii. The agencies as mentioned in para 4.1.4 may be involved in project formulation, execution, and/or operations & management of the shelters as per the local requirements. Such institutions may be encouraged to contribute to the capital cost and operations & management cost of the shelters. However, the capital assets so created should be under the ownership of the State Government/ULB.
- iii. ULB will be required to submit the proposal for the construction and management of shelters with the Proposed Date of Completion (PDCs), other timelines and costing details. The proposal should be forwarded by the ULB to State Mission Directorate, the nodal agency for implementation of the pilot in the State.
- iv. For the construction of new shelters, the state government is responsible for ensuring the availability of the land.
 - In cases where unused land may be available with railways, roadways, Port Trusts, Hospitals, NGOs, Charitable Trusts, or any other such organisations; States/ULBs may enter into an arrangement with the concerned organisation for the use of land for the 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.
- v. For construction of new shelters, the current Central PWD rates applicable to the region/ State Schedule of Rates (SOR) where construction is proposed will be applicable.
- vi. The proposals should be accompanied by a Detailed Project Report (DPR) with all administrative and regulatory clearances.

- vii. For refurbishment of existing structures, the necessary approvals, lease agreement, ownership deed, and such necessary documents need to be submitted with the project proposal. A proposal for a grant of funds for the operation and maintenance of the existing shelter will also require approval of the PRC and MoHUA.
- viii. If required, prefab structures, porta cabins, or other durable materials could be considered for sanctioning temporary shelter proposals as interim arrangements to provide shelters for the urban homeless. Proposals could be sanctioned considering durability, cost-effectiveness, and use of materials to quickly build temporary shelters. When considering the durable materials for temporary shelters, it is important to ensure that the structures meet safety standards and are suitable for the local climate and environmental conditions. Proper planning, design, and construction supervision are essential to ensure that these temporary shelters are safe and provide adequate living conditions for the homeless.
- ix. The proposal should also contain shelter management mechanism including details of the staff, constitution, roles, and responsibilities of SMC, facilities/amenities being provided at the shelter, operational mechanism, code of conduct for the staff and the residents, responsibilities of the shelter residents, delegation of power to manage/operate the shelter, etc.
 - The proposal should also clearly state the process to be adopted for sustaining the shelter after five years or mission period, whichever is earlier of operation with the indicative revenue generation model for the operation and management of the shelter.
- x. Mechanism for handing over assets created and its operations and maintenance should be delineated before the submission of a proposal by the ULB.

4.1.6 Ensuring Financial Sustainability

- i. ULBs can explore different urban planning models to ensure financial sustainability of shelters.
 - Shelters may bifurcate the facility into different sections where in one section caters to the urban destitutes with basic facilities for shelter and in the other sections, offer enhanced amenities with higher user fees to generate revenue for the financial sustenance of the facility.
 - Collaborating with private entities can further enhance this model, allowing them to invest in shelter development and maintenance in exchange for commercial space and branding opportunities.
- ii. Construction of an integrated facility that combines shelter with a market or business area can enhance sustainability by generating revenue from commercial activities, such as retail spaces and food courts, thereby compensating the operational and management costs. The space created in shelters may be given on priority basis to the SHGs/CIGs for showcase and sell their products on charge basis.

- iii. Not more than 25% of shelter beds may be allocated for revenue generation through nominal rental fees aimed at temporary migrants to the city including youth, job seekers, migrant workers, and hospital visitors. Additionally, a designated section could cater to working individuals or students under a pay-and-stay model, ensuring sufficient space remains available for the homeless.

4.1.7 Sanction of Project

The PRC (see section 4.6) will be responsible for consideration and screening of proposals submitted by ULBs under this component of this pilot. Proposals screened by PRC should be then forwarded to MoHUA for approval.

4.1.8 Funding

- i. One time shelter establishment cost will be provided (see details in section 4.5).
- ii. Where existing infrastructure/ public buildings are to be used, financial support for suitable refurbishment and augmentation to meet requisite services/space requirements would also be provided as per funding pattern mentioned in section 4.5.
- iii. In case of agencies as mentioned in section 4.1.4 above want to contribute funds to the capital cost and/or annual O&M cost, the balance requirement of funds will be shared between the centre and the state in accordance with the funding pattern mentioned in section 4.5, as applicable.
- iv. For the sanctioned projects, State Mission Directorate would release the funds to ULBs in instalments based on the status of construction/refurbishment. The State Mission Directorate may consider releasing funds to the ULBs subject to utilisation of funds released earlier and satisfactory progress of the construction/refurbishment of the shelter.
- v. Any cost escalations beyond the original PDC of the project at the time of sanction would be borne by the respective State Government/ULB.
- vi. Central Government would also provide the O&M cost as per the funding pattern mentioned in section 4.6 below. The appropriate O&M cost will be approved by the MoHUA. The following expenditure heads are permissible under the O&M cost for shelters:

Sr. No.	Expenditure Heads	Details
1	Annual Maintenance cost/shelter	Includes expenditure for electricity and other miscellaneous expenses.
2	Annual Servicing Cost	Includes cost of upkeep, maintenance, replenishment of bedding and kitchen equipment etc.
3	Annual Cost of providing free food	Fully subsidised meals for old, infirm, persons with disability, children, and persons with chronic disease.
4	Staff Salary	Includes 3 caregivers in 8-hour shifts and 1 full-time manager. For Special Shelters, a trained caretaker shall be assigned to support persons with disabilities, mental illness, etc.
5	Rescue and mobilisation drives	Includes the cost of mobilisation drives for urban homeless

- vii. To ensure safety and security of residents, ULBs may take measures to deploy security guards in the shelter homes from their own resources.
- viii. The funds for the O&M of the shelters should be released to the ULBs post-completion of the construction/refurbishment, preferably in instalments.
 - The instalments of O&M funds should be released well in advance to ensure smooth operation and maintenance of the shelters. The necessary procedures for verification of utilisation of funds released for O&M may be finalised by the State Mission Directorate.
 - ULBs to ensure timely payment of O&M costs to the SMAs running the shelter homes.
- ix. States/UTs/ ULBs will provide funding support for O&M of the shelters from their own source/CSR support or any other source which have completed five years of its operation under the pilot.

4.1.9 User Fees

User fees, if any, will be levied to improve the participation of the residents in the operations of the shelter and will be modestly priced. The fund so collected could be utilised for the maintenance of the facilities. The following will determine the norms and application of user fees by any implementing authority:

- Nominal charges could be collected depending on the income levels of the urban homeless at rates ranging from 1/10 to 1/20 of their income. For those with no payment capacities, total exemption should be granted.
- Meals provided at the shelter must be fully subsidised for old, persons with disabilities, children and persons with chronic disease. For other shelter residents, meals may be provided at subsidised costs by the State/ULB.
- Effort may also be made to tie up with such charitable, religious or any other organisation that could provide free food for residents.
- All residents will be encouraged to offer voluntary services for maintenance of shelter homes including mess facilities, cleanliness, etc. on a rotation basis (e.g. half day service per person/week). These norms are to be evolved by the shelter manager together with the shelter management committee.
- Nominal rental fees might be collected from temporary migrants/inhabitants including youth/ job seekers, migrant workers, hospital visitors, and patient attendants. Nominal charges might be collected on the pay-and-stay sections, as detailed in 4.1.6.

4.1.10 Monitoring and Evaluation

- i. Under this pilot, an Executive Committee (EC) under the chairpersonship of the Municipal Commissioner/Executive Officer is required to be constituted as per the proposed administrative and monitoring structure, to manage the affairs of this pilot. This EC at the city level will be responsible for review and supervision of the working of shelters with the participation of community representatives, civil society organisations, line departments and elected representatives, etc. The EC should meet at least once in a quarter.
- ii. To address the grievances of urban homeless, a dedicated cell should be established at the ULB level, where any complaints can be lodged. The cell will resolve the received grievances in a time-bound manner and work closely with other stakeholders such as NGOs, SMAs, and local authorities to ensure that the needs of the urban homeless are addressed. The EC will monitor the activities of cell. States/ULBs to start a helpline number for the urban homeless.
- iii. The State Mission Directorate and the ULBs/ executing agencies should report quarterly progress of the respective projects in prescribed form, indicating the cumulative achievement up to the end of the quarter under report and key issues in implementation.
- iv. The State Mission Directorate, District Mission Management Unit (DMMU) at the district level and City Mission Management Unit (CMMU) at the ULB level will closely monitor the progress of activities/targets under this component and undertake reporting and evaluation. The State Mission Directorate and the ULB/ executing agencies should report timely progress in formats prescribed by the National Mission Directorate from time to time, indicating the cumulative

achievement monthly and up to the end of the quarter and key issues in implementation.

- v. In addition, under this pilot, a comprehensive and robust IT-enabled 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 the pilot activities, key progress reports under SUH and other Social Infrastructures will also be made available in the public domain in a timely manner. The Ministry will develop an integrated mobile app to administer and monitor the Shelter for Urban Homeless scheme. This app will include features such as geo-tagging to enhance monitoring and help users find a wide variety of location-specific information from a device.
- vi. The State/ULB would undertake independent quality evaluation for quality checks on projects being implemented. In addition, quality audits of operational shelters will be conducted at the shelter level on a quarterly basis. The audits are expected to be conducted by third-party external reviewers such as universities, independent institutes, and civil society organisations appointed for the purpose. These audits should be conducted unannounced by using methods of observation and interview. Separate interviews should be held with staff and residents of the shelters.
- vii. Apart from that, a social audit to assess the quality of shelter homes of each shelter should be organised at least once a year.
- viii. The State/ULBs should prescribe norms and guidelines on the Grievance redressal mechanism. Some indicative guidelines in this regard are as follows:
 - All shelters need to maintain a complaint register at the shelter itself where residents can record complaints. There needs to be a locked box for those who choose to use it for complaints.
 - The Shelter Manager will be responsible for ensuring that complaints are redressed within a maximum of 15 days of being recorded. However, complaints that require immediate redressal, such as clogged toilets, inadequate bedding, and no drinking water, should be addressed within 24 hours.
 - Registers must be examined at periodic intervals by the SMC, which will ensure the timely redressal of complaints. If the grievance at this level is not redressed then the EC at the city level which is responsible for the review and supervision of the working of shelters, may be approached.
 - The complaints received through other means like telephone calls, e-mails, and text messages should also be entered in the complaint register and should be redressed within 15 days.

- Efforts should be made to develop a suitable portal for online registration of complaints in addition to manual compliant Register.
- Shelters may be linked with a high school or college, so that the students can engage with the inhabitants of the shelters, ensuring the quality of the shelters, and learning community service.
- To address security issues and ensure monitoring of shelters for vulnerable groups, CCTV cameras may be installed at entry and exit points of shelters.

4.1.11 Identification and Rescue

- ULBs may take efforts to ensure maximum outreach to identify homeless persons. The agency running the shelter should have the responsibility of identifying the homeless persons, counselling, and persuading them to come to the shelter.
- CBOs, NGOs, and any other organisation working for the cause of the urban homeless should be sensitised, trained, and motivated to bring the homeless to the shelter.
- Persons with disabilities, sick, victims of crime, destitute, minor children, and other vulnerable groups should be handled with extreme sensitivity. They should be rescued from the streets and brought into the shelter.
- The agency should take the rescued sick person to the nearby hospital for medical treatment if required.
- During the process of rescue of urban homeless people, local police should be informed. Simultaneously, the social welfare department; women and child welfare department; or any other concerned department should be contacted to facilitate their stay and recovery in their specific homes which are equipped to deal with their specific needs.
- Action Plans and Standard Operating Procedures (SOPs) should be developed for taking care of urban homeless during situations like extreme cold/hot seasons, pandemics, disasters, etc.

4.1.12 Admission and Reintegration

- The socio-demographic particulars of the individuals should be collected by the shelter coordinator in the prescribed form (Annexure III) at the time of admission to the shelter.
- Counselling support to the residents should be provided by the Shelter Coordinator/ Manager.
- Local police should be actively involved in tracing the family of the homeless whenever required.
- If the homeless individual is deserted from the family, then enquiry/counselling session with the family should be arranged to explore the possibilities of immediate

reintegration; after careful verification of documents available with the family. This should be done with the involvement of concerned Welfare Departments/ Police/ NGOs /CBOs closely working with the homeless.

4.1.13 Publicity of Information

- i. Effective branding and publicity are essential to ensure that information about shelters for the urban homeless reaches those who need it most. States/UTs/ULBs should implement a comprehensive communication strategy to create widespread awareness and branding of shelters. Posters, banners, and hoardings should be placed at all vantage points like railway stations, bus stands, hospitals, parks, important market areas, etc for wide publication of the location and facilities available in the shelter. Leaflets and the local newsletter should carry news about the shelters for wider dissemination. Public service announcements on local radio and television, along with social media campaigns, can amplify the message.
- ii. Regular updates and visibility on government websites, along with easy access to helplines, will also enhance the outreach and ensure that the shelters serve their purpose effectively. Handholding of the homeless should also be done with the involvement of CBOs, NGOs, NSS, Student Volunteers etc. on a regular basis so the homeless people could be sensitised and encouraged to use the shelters.
- iii. Efforts to develop a strong identity among the shelters should be made. States may be directed to formulate branding guidelines. This may include, but is not limited to, assigned colour, uniform design and size of the signages and hoarding and uniform façade and design of the building.

4.2 City Livelihood Centres (CLCs)

The informal sector has traditionally provided essential services such as security, carpentry, gardening, construction, plumbing, electrical work, healthcare support, and housekeeping to middle- and higher-income urban groups. However, these services are often unorganised and unreliable in many urban areas.

Despite producing marketable goods and services, the urban poor often struggle to find viable markets for them. They also lack awareness of opportunities and benefits offered by various government and other programs, such as skill training, bank credit, and social security schemes. In addition, they need support to access various market opportunities. For example, to access a micro-enterprise loan, which require project plans, documentation, and other formalities. Further assistance may be needed for tasks like registration, accounting, awareness about various social security schemes and legal support.

To address these challenges, the pilot proposes the creation of City Livelihoods Centres (CLCs) at the city level. These centres will serve as platforms for the urban poor to organise their goods and services, access critical business support services, and benefit from training and market opportunities. CLCs will also provide the necessary information and development support to help workers and small entrepreneurs thrive in urban economies. The CLCs will be established with a special focus on all million-plus/ most populous cities.

The core objectives of the CLCs are to:

- Provide an organised platform where the urban poor can market their goods and services, bridging the gap between demand and supply.
- Offer access to essential information and business support services that would otherwise be out of reach.
- Facilitate access to opportunities such as skill training, entrepreneurship development, bank linkages, and social security schemes.

4.2.1 Establishment of CLCs

- i. The primary responsibility of establishing and running the CLC will rest with the ULB. The ULB will be required to allocate space/ premises for establishing the CLC. ULBs may also identify unutilised spaces to establish CLCs. It is essential that the CLC is located at a central and convenient location which the urban poor can access easily. Further, CLCs may be geo-tagged and its information be made available for the public on open-source platforms. If such a space is not available with the ULB, they should acquire/ rent space for establishing the CLC. ULBs may also outsource the functioning of CLCs to a Community-Based Organisation (CBO) (e.g. CLF) or any other organisation/agency, if needed.

- ii. Preparation of CLC proposal (including action plan) – The ULB is required to prepare a proposal for establishing a CLC which will be submitted to PRC for review which will then be forwarded to MoHUA for approval by the competent authority. A letter of allotment of building premises (own/ rental) from ULB should be attached with the proposal submitted to PRC. The proposal must list out the services that the CLC intends to offer and the business model of the CLC. (Include proposal details as given in Annexure IV).
- iii. CMMU/ DMMU and SMMU should facilitate the ULB in planning, establishment and operationalising of the CLCs, preferably in Million plus cities.
- iv. The SMMU should facilitate identification and linkages with organisations for promotion of CLCs and the implementation through PPP or other suitable modes.

4.2.2 Approval of proposals for establishment of CLCs

The ULBs should furnish the detailed proposal/ project report containing key information such as the location of the CLC and services intend to offer and business model of the CLC along with the details of location, population, no. of wards., slums, coverage of urban poor, major services offered etc., to the PRC (see section 4.6). The PRC will scrutinise the proposal and forward the same to MoHUA for approval by the competent authority.

4.2.3 Infrastructure Establishment

The CLC should have sufficient space and amenities as per the services offered by the CLC. The requisite infrastructure vis., chairs, computers, phones, tables, racks etc., should be placed at the CLC. The suggested built-up area for establishing CLC is at least 1,000 sq. ft with at least two rooms and two washrooms (one for males and one for females), a drinking water space and a waiting space. ULBs to ensure that the CLC infrastructure established is disaster and climate resilient.

4.2.4 Operations and Management

- i. Initially, 1-2 persons may be recruited to run the CLC. In addition, ULBs may hire 1 person for maintaining cleanliness and hygiene of the CLC. In case any agency (CBO or Agency) has been given the responsibility of managing the CLC, the agency will need to hire the requisite staff.
- ii. CLC staff should have requisite knowledge on business planning, strategy, marketing, finance and operations management to be able to provide appropriate support and information to beneficiaries.
- iii. Each CLC should hire human resources which may be suitably augmented as per services offered and the actual requirement at the CLC (this may include facility manager, Bank Mitras, business development managers and facilitators who enable linkages to social security schemes, etc).
- iv. ULBs may engage interns from reputed business schools for short-term assignments with the primary objective of transforming CLCs into profit-making entities. These interns will analyse the operational models of the CLCs, identify

revenue-generating opportunities, and propose sustainable business strategies for achieving their long-term sustainability.

4.2.5 Publicity and Awareness Campaigns

Once the sanction order is received by the ULB, a publicity campaign should be organised in the CLC operational area to create awareness among the urban poor as well as the city residents. Publicity campaign may use pamphlets, local TV/radio/ newspaper ads, announcements, posters, banners, wall writings, etc., to have a wider coverage and information to the citizens. ULBs may also consider using push messages on mobile phones. Branding guidelines, for the IEC material and the building/ space, as approved for the pilot should be utilised for all activities to create a uniform identity under the pilot.

4.2.6 Funding for CLCs

- i. Each CLC will be provided a one-time fund for its establishment.
- ii. Non permissible activities for usage of CLC funds - Central share released for CLCs should not be used for construction of physical infrastructure. However, funds could be utilised for renovation of existing infrastructure provided it does not adversely affect the funds required for other activities of the CLC.

4.2.7 Services Offered by CLCs

- i. The urban poor will be provided information and necessary support for opening of bank accounts, information on training/ employment opportunities under the pilot and other schemes, information on social welfare schemes, enrolment for UID/Aadhar Card etc.
- ii. The CLCs will provide support for marketing of goods and services of the urban poor who are registered with the CLCs. The CLCs may charge a registration fee from those urban poor who are offering their services and products. The registration may be renewed every year on charge of renewal fee. The registration and renewal fee will be fixed by the ULB after consultation with the urban poor in the area.
- iii. Fee based services: The CLCs will also offer certain fee-based service which the urban poor may avail by paying a nominal fee. The fee for each of these services will be fixed by the ULB after consultation with the urban poor in the area. The list of fee-based services along-with their prices will be displayed at the CLC. An indicative list of these services is as under:
 - **Information on market demand and market strategy:** Urban poor who run small businesses may be given support to gain a better understanding of what the market needs, demand of the products produced by them, prices, where to sell, etc.
 - **Sales/ Marketing outlets:** CLCs can provide marketing/sales outlets for the products manufactured by urban poor.

- **Registration, licensing, accounting and legal services for micro-enterprises:** CLCs can facilitate the registration of micro-enterprises and obtaining of necessary licences required, accounting and other legal services for establishing and running of micro-enterprises.
- **Placement services:** CLC may facilitate finding suitable jobs for the urban poor matching their skills by having linkages with industries and their associations in the area.

4.2.8 Other services

- i. Bidding/contracts for citizen services - CLCs may obtain direct work orders or bid for Annual Maintenance Contracts, municipality contracts/ housing associations service needs vis., plumbing, electricity, carpentry, dispatch of electricity bills, property bills etc. and service the contracts through the registered urban poor offering such services. However, care should be taken that CLC should take up activities relevant for urban poor only to avoid possibility of interest of urban poor pushed into background by other commercial interests.
- ii. CLCs may charge placement fee from industries/companies, industry associations, etc. for placing the urban poor as per their requirement (e.g. CLCs may tie up with malls or retail outlets for placing basic housekeeping staff or data-entry operators in companies, etc.).
- iii. Training venue: If sufficient space and infrastructure is available at the CLC, the premises may be used as training venue also.
- iv. Access to social welfare schemes: CLCs may provide knowledge and information about various social welfare schemes to the urban poor. They may further facilitate access to such schemes and services including linkages/updates to Aadhar for those who require it. CLCs may also facilitate access to various government departments, banks, insurance agencies and other organisations to communicate with the urban poor.
- v. CLCs may undertake activities to create awareness on various initiatives under the pilot, including employment opportunities facilitated through various mission components.
- vi. CLCs may also promote/strengthen community outreach and encourage participation in municipal affairs.
- vii. CLCs can also serve as a preliminary grievance redressal mechanism and act as a link for effective service delivery between the ULB and the community.
- viii. CLCs may also facilitate primary healthcare consultations in consultation with PHC/CHCs.

The above lists are only suggestive in nature. However, the ULBs may decide the services (fee based or otherwise) to be offered to by the CLCs based on local needs and after due consultation with the urban poor.

4.2.9 Management and functioning of CLCs

- i. CLCs may be functional when the services are rolled out. Each CLC should develop its business plan and identify the services and their fee structure as per market requirement, affordability and viability.
- ii. To manage the day-to-day operations at CLCs, staff should be hired depending on the nature and type of the services provided by the CLCs.
- iii. In case of contracts/ bids, CLCs will assign tasks among the members and pay them as per the standard rates applicable. In case of individual service calls attended by members (e.g. plumbers, electricians, carpenters, etc.), these will be noted, consolidated and accounted for no later than the end of every month.
- iv. A separate bank account should be opened in the name of CLC and should be operated as joint signatory (with one representative from ULB or organisation/agency and manager of CLC). All the required books of accounts vis., membership details, share capital, business transactions etc., should be maintained properly at the CLC level.
- v. Any annual registration fee from the service providers and any income/fee received from the service provider and/or from any organisation will be deposited in the CLC account and the amount will be utilised by the CLC for administration and recurring expenses.

4.2.10 Registration and review of CLCs

CLCs may be registered under any suitable act applicable in the state. CMMU or Agency (if entrusted) may take up the responsibility of registering the CLCs at the city level.

The performance of CLCs will be quarterly reviewed by the ULB and status report of the same should be submitted to MoHUA half yearly.

4.2.11 Collaboration and linkages

CLCs are expected to collaborate with a variety of government departments and industry associations to provide needed services to its members such as property tax collection, electricity bills distribution, birth certificates, care facilities, etc.

4.2.12 Sustainability Plan

Sustainability of CLCs is crucial for their long-term viability and success in supporting urban livelihoods. ULBs should actively explore diverse revenue-generating opportunities that align with market demands, ensuring the financial stability of CLCs. By establishing robust business models that generate sufficient income, CLCs can manage operational costs effectively, including timely remuneration of staff and maintaining essential facilities. Building strong linkages with local markets, businesses, and government programs can create steady income streams for the CLCs. A governance system should be placed by the EC of the ULB with nominated representatives from ULBs, CMMU/DMMU, and CLF/ALF should oversee the operations, ensuring regular monitoring, financial management, and strategic decision-making.

4.3 Labour Chowk

The pilot envisages to create a social infrastructure of Labour Chowk which is rooted in the traditional practice of labour chowks or *Nakas*—a colloquial term to refer to informal labour markets or points where daily-wage workers, such as construction labourers, gather in search of work.

Labour Chowks will serve as physical touchpoints where construction workers and employers can interact in an organised manner. While *nakas* are often spontaneous and lack any formal organisation or facilities, Labour Chowks can be seen as an attempt to integrate this labour market into the urban landscape in a more organised way, potentially offering better infrastructure and visibility.

These Labour Chowks will not only offer a designated space where workers can find work opportunities but also provide access to vital services and information, in addition to government welfare schemes designed to protect them. It will also provide facilities of registration, advertisements, work related grievance redressal, POSH queries, etc.

The key objective of Labour Chowks is to create one stop space:

- To link workers and their services to potential employers in an organised manner.
- To create a space equipped with basic amenities such as clean drinking water, shed, and seating to ensure dignified working conditions.
- To support workers' access information about the sector, receive support on queries, necessary registrations, and linkages to welfare schemes.

State Labour Welfare Boards should take responsibility for managing labour chowks and establish kiosks to address grievances, facilitate BoCW registrations, and provide other information services.

4.3.1 Operationalising Labour chowks

- i. These labour chowks may be situated near existing labour chowks or *nakas* or at new locations that the ULBs deem fit after a careful feasibility assessment of the location based on existing such markets and ease of access to labourers and potential employers.
- ii. A thorough mapping and assessment of traditional *Nakas* should be done. Alongside, the ULBs could also conduct a demand-side analysis to understand where employers typically seek labourers, ensuring that Labour Chowks are set up in areas that not only have a significant footfall of workers but also potential employers.
- iii. Based on the above analysis, adequate space and facilities may be dedicated for the establishment of labour chowks. The space may be identified as per the estimated footfall of workers in the area.

- iv. The labour chowks established should be geo-tagged to enhance monitoring for the ULBs and also help users find a wide variety of location-specific information from a device.

4.3.2 Responsibility of ULBs

- i. The primary responsibility for establishing and managing labour chowks will rest with ULBs in close coordination with the Labour Welfare Boards. ULBs will allocate space for the Chowk, set systems for basic amenities, toilet facilities, proper shade, seating arrangements, help desks and advertisement space for employers.
- ii. Social Security Integration: ULBs should work closely with Labour Welfare Boards to set up necessary desks to facilitate linkages of workers for registration under BoCW, e-Shram etc. They may also ensure that workers using the Labour Chowks are linked to various social security schemes, including health insurance, pensions, accident cover, etc.
- iii. Regular Monitoring and Evaluation: ULBs should establish monitoring systems to evaluate the use and effectiveness of labour chowks on a regular basis. This could involve feedback mechanisms from both workers and employers, as well as periodic reviews to identify areas for improvement.
- iv. Health check-up camps, including eye care, general health, and dental care, may be organised in coordination with local health departments or NGOs at least once in every quarter.
- v. Relevant help-line numbers and schemes awareness to be disseminated at the labour chowks using IEC material vis, pamphlets, hoardings, etc.

4.3.3 Facilities at the labour chowk

The following facilities/amenities may be provided at the labour chowks:

- Facilities for potable drinking water
- Sanitation facilities including separate female toilets
- Shaded seating
- Adequate lighting
- First aid kit
- Adequate fire protection measures, as per the norms
- Inclusive design or universal accessibility features
- Facilitation desk for convergence with other services/entitlements
- Electrical points (for mobile charging)
- **Gender-Sensitive Infrastructure:** Ensure the provision of separate seating, sanitation facilities, breastfeeding rooms, and safety measures for women. Labour Chowks should be designed to accommodate the unique needs of female workers, promoting their participation in the labour force.

- The labour chowk constructed should be designed to be disaster-resilient, capable of withstanding natural disasters and minimizing their impact on communities, while also being climate-resilient, ensuring they can endure and recover from the effects of climate change.

4.3.4 Maintenance by SHGs

- i. ULBs are encouraged to engage SHGs/ CIGs/ ALFs/ CLFs/ for general maintenance and upkeep of these Chowks.
- ii. Revenue Generation for SHGs/CIGs: ULBs should incentivise SHGs/CIGs on priority basis by allowing them to operate small stalls or kiosks at Labour Chowks (selling tea, snacks, or basic tools), thus creating an income source for SHGs/CIGs members and enhancing the service offering at the Chowk.

4.4 Care Infrastructure

The pilot intends to invest in quality physical infrastructure, diverse service models, training and certification of care workers, and behaviour change campaigns for operationalising care ecosystems in low-resource or poor urban communities. The intent is to (i) reduce the unpaid care burden on women caregivers and thus free up their time to access paid work (improving female labour force participation), (ii) to provide quality care to young children and the elderly, and (iii) employ NULM SHG members to as care workers with sufficient training and certification. The following terminologies may be noted:

- Caregivers (mothers, priority to SHG members)
- Care recipients (Children and elderly)
- Care Workers (creche workers and helpers)

Care infrastructure and program envisions the creation of:

- Multi-generational care clusters with creches for young children (0-6 years), afterschool programs for children (6-14 years), day care for elderly, and persons with special needs or disabilities. These will be set up in urban poor communities either co-located within a single structure/premise (co-location model) or maybe in walking distance within the same community (proximity model).
- Daycare/creches for children in residential communities, formal workplaces (government offices, industries, commercial markets, etc), and hazardous workplaces like construction sites, with innovative models for co-financing and operations, including through schemes like Palna Scheme under Ministry of Women and Child Development.

4.4.1 Multi-generational care clusters

Multi-generational care clusters will serve different generations of vulnerable members in the community such that infrastructure and facilities can be shared between them. The cluster may be located within low-resourced or urban poor or slum communities.

To build the cluster in co-location model, an existing underutilized or abandoned building or spaces may be repurposed, like abandoned school, government property, etc. A new facility may be built on available plot of land, preferably government land. In the proximity model, different available spaces may be used to house different functions such that they are at 5-10 mins walking distance from each other and the community. Individual components of the cluster are defined below along with roles, responsibilities and number of care workers for each.

Creche for 0-6 years: The objective is to provide early childhood stimulation and promote physical and cognitive development. Existing Anganwadi can be used as creches or new spaces can be created at 500m from community residences. Unlike Anganwadis that are open only till afternoon, creches will be open 10-12 hours to accommodate working parents and have two shifts, with flexibility in hours, depending on local needs. Minimum space of 10-12 sq. ft per child (as per National Minimum Guidelines for Setting up and Running Creches under Maternity Benefit Act, 2017), with separate spaces for sleeping, eating and play, kitchen, child-friendly toilets, regular water supply, etc. Staff requirements for 0-3 yrs is 1:10 ratio for care workers to children and additional helper for diaper changes and feeding and for 3-6 years is 1:20-25 ratio for care workers to children with additional helper for activities. For nutritional needs, provide two hot meals and snacks, with a focus on locally available nutritious food and regularly monitor growth and nutrition intake. Conduct health and growth monitoring on monthly basis for 0-3 yrs, and quarterly for 3-6 yrs with a paediatric on call. Make adequate provisions for safety and security, record keeping, and have frequent meetings with parents.

Daycare and afterschool support for 6-14 years: The objective is to provide school support, health, and extracurricular activities for overall development. Centers should ideally be located near schools for easy access after classes. The program can be run in two shifts of 3-4 hours, and total 6-8 hours for academic, extracurricular support and especially sports. Adequate space and infrastructure and equipment will be provided for these. 1:20 ratio for care workers to students with additional staff for specific academic or sports support will be provided. Make adequate provisions for safety and security, record keeping, and have frequent meetings with parents. Engage local sports clubs, arts organizations, and NGOs to create community programs.

Daycare and activity centre for elderly: The objective is to provide care for elderly during the day and an opportunity for them to socialise and engage in activities for their mental and physical well-being. The centre can be open for 6-8 hours during the day. The facility should include ramps, accessible washrooms, library, kitchen, physiotherapy room, and recreation areas. Care workers should include a centre coordinator, an assistant and a

physiotherapist to support mobility exercises. The centre can run programs for digital literacy, awareness on relevant schemes like pension, and group activities in gardening, storytelling, arts and crafts, occasional picnics etc – many with young children and teens within the cluster. Elderly can also volunteer in the creche and day care for children after adequate verification. Morning and evening snacks may be provided. Medical consultation may be organized bi-monthly with daily physiotherapy, distribution of free medicines, eye care and support for dementia/ Alzheimer's patients.

These clusters will be carefully planned, developed, operated, and managed with the active involvement and leadership of women-led SHGs/CIGs.

In addition to above, care clusters can also accommodate other community needs like a laundry, medical store, seva kendra, city livelihood centre, etc.

4.4.2 Daycare/creches for Children

Stand-alone daycare/creches for children 0-6 yrs or 0-14 yrs, without the elderly care component can be operationalised by upgrading an Anganwadi to a creche or creating a new creche in proximity to a school (primary or secondary). Requirements can be referenced from sections 4.4.1 in conjunction with Palna Scheme or other relevant schemes.

4.4.3 Implementing Agencies

Implementing agencies to support the cities in conceptualising and/or operationalising various aspects of care clusters and/or daycare/creches will be empanelled centrally through central NRO (National Resource Organisation) and cost norms will be finalised for such agencies by MoHUA in consultation with ULBs. The implementing party will be engaged through tripartite agreements (Ministry/ ULB/ Agency).

4.4.4 Funding

- i. Each multigenerational care cluster or daycare/creche for children will be provided funds to cover the initial capital cost i.e. infrastructure (excluding cost of land) and operational expenditure required to set up the childcare centres. The ULB will provide the space for centre. However, in the unlikely scenario of no free space being available for establishment of new infrastructure, the ULB may consider rental properties for the same.
- ii. It is recommended that State/ULBs may actively pursue partnerships with funding organisations and private entities to enhance financial support for the development and operation of care infrastructure. By leveraging these collaborations, ULBs can secure the necessary resources to ensure the establishment and sustainability of effective care services within their communities.
- iii. The multigenerational care cluster or daycare/creche for children may collect nominal user fee to help in developing ownership amongst the parent about the functioning of centre, promote participation of the community, while helping the centre move towards self-sustainable.

4.4.5 Equipment and Play Material, Curriculum Development

- i. The facilities should include sleeping and rest materials, play/pre-school activity materials, cooking and feeding materials, storage materials audio-visual equipment etc.
- ii. The centre may have an age-appropriate child-centric curriculum in line with national childcare and education policies that exist such as The National Early Childhood Care and Education (ECCE) Policy and latest State guidelines.
- iii. ULB may onboard an agency to streamline curriculum in local languages. In the context of curriculum for children learning outcomes, listing should be done of relevant and nationally accepted curriculum and books such as Pratham, NCERT, Eklavya, National Book Trust etc.

4.4.6 Records and Registers

The enrolment forms for children duly filled in by the parents/ caregivers should be available with the care worker/helper after the child is registered at the daycare/crèche. In addition, the care worker & helper is required to maintain the following basic records and registers, which should be available for inspection at any time during the working hours of the crèche centres:

- Admission/ enrolment register for recording profile of children/elderly and their parents/caregivers including profession/income of both parents.
- Attendance registers of children/elderly
- Health check-ups records including immunisation
- Register for consumable and non-consumable items
- Supplementary nutrition registers for recording the food provided
- The medical record to be shared with doctor
- Parents/caregiver meeting register
- Visitors register
- Inspection register

All records and registers should be kept in digital form for proper monitoring and reporting.

4.4.7 Staff or Human Resource requirements and responsibilities

Prerequisites for hiring care worker and helper are as follows:

- Educational Qualification as prescribed: The minimum qualification should be Class X (Matriculation) for care workers and Class VIII (Matriculation) for helpers. In case any suitable person with these qualifications is not available, relaxation may be given by the ULB.
- The State/ULB may establish hiring mechanisms as deemed fit for engaging human resources.
- Trained caregivers and educators who understand child development and can provide age-appropriate activities should be hired.

- The caregivers may interact closely and regularly with parents through parent group meetings, home visits and community events etc. to discuss children's individual needs and abilities, enhance knowledge of childcare and parenting skills of the parents and support parents in their efforts to address their children's issues as need be.
- Minimum wages to be ensured to all care workers as per the Government of India and State Government Mandate.
- ULB is strongly encouraged to hire care workers, helpers, centre managers, assistants from SHGs/ CIGs.

4.4.8 Training of Functionaries

- As outlined in Palna Scheme, training module prepared by NIPCCD may be used for providing training to every crèche worker and helper after their appointment to orient them to provide better day care services and to build up child friendly environment in the Crèche Centre. Regular re fresher training once in every two years is mandatory for both worker and helper which the State Government will undertake from its own resources. Training of Trainers (TOT) may be conducted by NIPCCD on request from State Government.
- Specialised training and certification may be availed under National Skills Development Corporation (NSDC) under the Ministry of Skill Development & Entrepreneurship. In particular, relevant and specialised courses developed under Domestic Workers Sector Skill Council as well as under Home Management and Care Givers Sector Skill Council (HMCGSSC) may be availed.

4.4.9 Convergence & Awareness Generation

- Convergence with relevant government schemes and resources (e.g. funds, services) to enhance the sustainability of piloted childcare/ elderly care service centres may be explored. ULB may try to find linkages with the local PHCs, primary schools and other institutions.
- Collaboration with the Women and Child Development Department for leveraging the benefits of the POSHAN Abhiyan, along with partnering with the health department for monthly medical check-ups (in line with Saksham Anganwadi guidelines and Poshan 2.0) and the Rashtriya Bal Swasthya Karyakram (RBSK), will ensure a coordinated effort towards community well-being. Additionally, convergence with entities such as the Integrated Child Development Services (ICDS) will further enhance the reach and effectiveness of creche provision. Relevant collaborations can be undertaken with Ministry of Social Justice and Ministry of Health and Family Welfare for needs of elderly or specially abled.
- ULB may emphasise collaboration with local stakeholders & support from local administrations for effective implementation and long-term impacts after end of project period.
- Caregivers from local communities/SHGs/CIGs may be identified and trained.

- ULB may conduct effective awareness campaigns, including community surveys and door to-door visits. Additionally, ULB is encouraged to leverage local networks to identify and educate new beneficiaries about the creche services, thereby fostering community engagement and enrolment.
- ULB may conduct sensitisation on gender norms in the clusters and daycare/creches, and also with community members, especially men to involve them in caregiving work in households.

4.5 Funding Pattern

Under the pilot, social infrastructure proposals that obtain approvals from MoHUA during the pilot period will be fully funded by Government of India, i.e., the central share will be 100%.

S no	Social Infrastructure	Amount allocated*
1	Shelter for Urban Homeless	One time shelter establishment cost up to INR 2.5 Cr. for 100 bedded shelters will be provided. Further, up to INR 10 lakh/annum would be provided for O&M for initial 5 years of operation or mission period whichever is earlier. The cost may proportionally vary depending on capacity created.
2	City Livelihoods Centre	Up to INR 25 lakh one time fund for its establishment
3	Labour Chowk	A one-time construction and/or operational fund of maximum of up to INR 15 lakhs, will be provided by MoHUA during the mission period.
4	Care Infrastructure	Up to INR 15 lakh for establishment of each Daycare Centre or Creche (for infrastructure and O&M) Up to INR 2.5 Cr for the establishment of each multi-generational care cluster.
* This is subject to approval of the competent authority and approval of the scheme		

4.6 Sanction and Approval

Project Review Committee (PRC):

A PRC should be constituted at the State level under the Chairpersonship of State Mission Director with representatives of all concerned departments in the State for consideration and screening of proposals submitted by ULBs under this component of the pilot. The PRC should meet at least once a quarter for monitoring and implementation of the scheme.

Review of proposals: All social infrastructure project may be screened by PRC for determining the feasibility of the project. The screened proposals are to be sent by PRC to the MoHUA for sanctioning by competent authority.

Fund release: For the approved projects, PRC should determine milestones for the release of allocated funds.

MoHUA shall periodically issue advisories on various aspects of Social Infrastructure guidelines to ensure their effective implementation and alignment with evolving needs. These advisories will provide clarity on key operational matters, promote best practices, and address challenges at different levels. By offering detailed guidance on the establishment, maintenance, and governance of social infrastructure facilities, MoHUA aims to enhance inclusivity, sustainability, and the impact of interventions on urban communities.

4.7 Branding

To enhance awareness and accessibility of Social Infrastructure Projects/Centres among stakeholders, refer to the Branding and Communication guidelines by MoHUA. These guidelines will serve as a framework for the consistent and recognizable branding of such projects. The standardised branding will create a cohesive visual identity, and greater awareness of the infrastructure's purpose along with its benefits. Additionally, branding materials, including signages, promotional content, and public communication, must adhere to the prescribed design elements, ensuring effective outreach to target groups.

Apart from the social infrastructure mentioned in the previous sections admissible under the pilot, States/ ULBs may establish other social infrastructure for the vulnerable occupational groups in the city based on identified local needs (vis a vis, construction of street shelters, resting space for workers, etc) through a collaborative approach with private agencies.

Annexures

ANNEXURE-I List of schemes /benefits for Convergence at Shelters

- i. Identity Proof & Postal Address Elector's Photo Identity Card (EPIC), Aadhaar Card etc.
- ii. Old age, widows, and disability pensions,
- iii. BPL cards, PDS ration cards etc.
- iv. Bank, Post Office, Jan Dhan Yojana Accounts
- v. Nutritional support for women, lactating mothers, and children through ICDS services
- vi. Free secondary and tertiary care under Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (PMJAY)
- vii. Link shelters with nearest UPHC for routine check-ups, immunizations, and mental health support.
- viii. Admission to government schools
- ix. Admission to public hospitals for health care
- x. Free Legal Aid
- xi. Rashtriya Swasthya Bima Yojana
- xii. Pradhan Mantri Suraksha Bima Yojana
- xiii. Pradhan Mantri Jeevan Jyoti BimaYojana
- xiv. Pradhan Mantri Awas Yojana-Housing for All
- xv. Skill Trainings
- xvi. Mudra Yojana, FI&ED component of
- xvii. Identity cards/vending certificates to homeless street vendors and extend benefits under PM SVANidhi
- xviii. Rehabilitation of disabled schemes of Ministry of Social Justice and Empowerment
- xix. Linkage to various Schemes of the Ministry of Women and Child Development (MoWCD).
- xx. Free ration under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)
- xxi. Direct Benefit Transfer under various Govt schemes
- xxii. Linkage to other schemes, services, and entitlements of the Ministry

ANNEXURE-II Survey of Urban Homeless Population

Primary Objectives:

Survey would ensure four objectives. It would:

- a. provide planners a detailed mapping of concentration areas of homeless populations in each city/ town;
- b. establish the demographic profile of homeless populations in each city/town;
- c. identify official resources such as land and vacant buildings that can be deployed to provide the required infrastructure for shelters in appropriate locations in each city/town; and
- d. establish the location and type of shelters needed in each city/town by gauging the specific needs of the beneficiaries.

Survey may be divided into three phases:

a. Planning Phase

The city may be divided into smaller, more compact zones/regions, in line within the administrative set-up of the city and teams may be deployed depending on size and population of the zones. Each team may comprise of around four persons for the field survey. These persons should be a combination of state and local government officials, NGO representatives, homeless youth volunteers, and student and youth volunteers (such as from the National Service Scheme-NSS and Nehru Yuva Kendra-NYK). In addition, a team of two data entry and analysis specialists should be attached to each team, totaling up to six people per team. Additional student volunteers can be added to each team to assist and learn from the process.

A Plan for survey of homeless population will be prepared by the concerned ULB, which will include the following details:

- 1. Identification of areas with concentration of homeless based on earlier surveys or any other source of information;
- 2. Division of city into zones/regions in which data would be collected;
- 3. Methodology for conducting the survey;
- 4. Questionnaire for collecting the demographic profile;

5. List of interview questions for guiding the focus group discussions;
6. Content and format of report to be submitted;
7. Timeline within which survey would be completed;
8. List of partners who would be assisting in the qualitative as well as quantitative collection of data.

Prior to the survey, the teams should be trained and oriented on:

1. purpose of the survey;
2. the profiles and problems of the homeless;
3. expected outcomes;
4. participatory research methods;
5. ethical responsibilities

Orientation material can be provided a couple of days prior to starting the survey, as material to be read before the training sessions. The training should include the data entry and analysis team, plus volunteers, if any.

b. Field Survey: Mapping and Need assessment

The field survey will commence only after the trained survey teams are in place. The field survey should begin from 8 pm onwards, because homeless people can usually be identified and contacted at this time. In addition, to cover homeless persons who work during the night, surveys should also be planned for a couple of days during the daytime, i.e. 10 am to 4 pm. The steps to be followed during the survey:

1. Identifying the areas with concentration of homeless population;
2. Profiling the homeless populations in these areas in terms of gender, age, education, occupation, marital status, number of children, history of illness etc. Persons with disability should be categorised separately;
3. Identifying the aspirations of the homeless for a shelter and also the deterrents preventing the homeless from using the existing shelters, if any;
4. Broadly identifying the possible buildings and locations that might be used, as it is or upgraded to be used as shelters and locations where new shelters can be built.

Need assessment of the homeless persons should be done using Focus Group Discussion (FGD) method so as to elicit the best possible responses from them.

In FGD, questions should be asked based on an indicative list/format focussing on the following core areas:

- i. What is roughly the total population of the homeless cluster including women and children?
- ii. What is the predominant age and gender profile of the homeless population in that cluster?
- iii. What are the predominant occupations undertaken by this homeless cluster?
- iv. Do they have any special needs and challenges, such as disability, leprosy, TB, high drug use etc?
- v. Have the majority of homeless residents been at this location for more than one year, or less?
- vi. Do they have access to any shelter? If so, the experience of using such shelters by the homeless?
- vii. If the government sets up a shelter for them, would they welcome it, oppose it, or be indifferent? Ask for reasons.
- viii. if they were to have a shelter, what would they seek from it in terms of location, facilities and management?
- ix. Are there any resources available in the vicinity where these shelters could be built? The resources could be in the form of land or building.

This information should be recorded and collated by each team. To ensure faster survey results, data entry should preferably be done in parallel with the survey.

The following deliverables are expected out of this process at this stage:

1. Map should indicate the locations of all the scattered as well as clusters of homeless people;
2. Collated survey results;
3. Determination of shelter locations, types, number of shelters required in an area, plus available resources in terms of land and building;
4. Finalised resource mapping questionnaire for the next stage of resource mapping.

c. Resource Mapping

The next step is to conduct a resource mapping exercise. The resources that this phase of the survey seeks to identify are a) existing shelters; b) unutilised or under-utilised government buildings that can be possibly redeployed as shelters after suitable refurbishing; and c) vacant lands that are suitable potential sites for new shelter buildings.

At the end of this process, the following deliverables are expected:

1. Field resource mapping survey of all the identified potential buildings and shelter locations;
2. Determination of the feasibility of the identified buildings and locations for building/upgrading shelters, along with government agencies;
3. Collating results and submitting to concerned urban bodies at the city level;
4. Discussions on recommendations to be put forth in the report.

d. Reporting and Sharing

Once the results of locations are established, the next step is development and finalisation of a comprehensive city plan for homeless shelters. This should include sites for homeless shelters and services, types of shelters, converging on homeless concentration areas and aspirations with available resources, buildings and land. This should be done in a participatory manner, with the involvement of municipal authorities, homeless communities and collectives, schools of social work and architecture, CBOs, NSS and college students etc.

At the end of this stage, the following deliverables are expected:

1. Analysis and inferences including homeless concentration areas, profiles, needs and aspirations of homeless populations in each concentration area;
2. Preparation of Report with the following minimum arenas:
 - a. Location of shelters;
 - b. Types of shelters (working single men; single women and their dependents; special needs shelters such as for drug users, those recovering from grave illnesses, the aged, disabled and infirm);
 - c. Capacity of each shelter;
 - d. Facilities and services to be provided at the shelters;
 - e. Resource mapping of needs against existing resources;
 - f. Submission of the data set for the project.

ANNEXURE- III Registration of Homeless Person

Name

Name of Father/Mother/Husband

Age

Male/Female

Education Qualification

Married/Unmarried

No. of Children Personal

Identification Marks

Location/Whereabouts

Occupation/Activity

Place of Occupation/Activity Native

Place with address Reference person

& Phone No Health Status

Habits

Reasons for stay in the ULB

Stay

Permanent/Temporary

Remarks/Special Attention

Identity Proof if any (Optional)

Signature/Thumb impression

Signature of the surveyor

Office Use

Name of the Shelter: _____

Location: _____

Ward No: _____

Name of the ULB: _____

Person in charge of the Shelter

ANNEXURE-IV Proposal Details for Establishment of CLCs

The proposal submitted by ULB to State Mission Directorate should have the following details:

Name of the Municipality:

Total wards in the municipality:

Total slums in the municipality:

Name of Official:

Name (s) of the ward(s) covered by CLC:

Total population in the area:

Total Urban Poor covered in the area:

Potential no. of members expected to be covered by CLC:

Major services possible through CLC in the area:

Scope for growth of CLC in the area:

Details of the premises given for CLC by ULB:

Area:

Location:

Is the location nearby to ULB office:

Plan for facilitation of CLC – Resource Agency/ ULB:

Proposal Prepared by:

Proposal Assessed by:

Name and designation of the forwarding authority:

Business Plan of CLC – to include break-even and viability:



CONVERGENCE

5 Convergence

5.0 Introduction

India, being a welfare state, implements various welfare programmes and schemes at both the Central and State levels. These schemes /programmes are designed as a key instrument for poverty alleviation and to protect the poor from insecurities of life and livelihoods. In urban areas, access to such welfare programmes, social security benefits and safety nets is vital to address the social, occupational and residential vulnerabilities faced by the urban poor communities.

Despite the presence of these large-scale schemes and programmes, there is a need to integrate these initiatives to enable improved access for urban poor households. The full potential of these welfare-led efforts often remains untapped due to various reasons; one of them being the absence of a clear, uniform and integrated database of urban poor. Some of the States /Union Territories (UTs) have taken initiatives to build their own databases. However, these efforts remain siloed, hindering the effectiveness of welfare delivery. Additionally, there is a need to adopt a convergence led approach among different Central Ministries, and between the Centre and the States /UTs for streamlining the efforts of effectively using welfare programmes as an instrument for urban poverty alleviation. The pilot intervention aims to foster collaboration through such a convergence led approach to unify these initiatives and align the efforts and resources. This integrated strategy will also help to reduce administrative bottlenecks and deliver more impactful solutions to the challenges faced by the urban poor.

Recognising this, under the component of Convergence, the pilot plans to address the challenges with two key strategies:

- **Create a comprehensive, integrated database of the urban poor** that facilitates seamless access to information, enabling an improved delivery of welfare schemes/ programmes; and
- **Establish a convergence-led approach** that fosters collaboration across Central Ministries, Centre /State /UTs, and inter-state levels, ensuring easy access to welfare programmes.

The component objectives are aligned with pilot outcomes of enhanced access to safety nets provided by Central and State /UT welfare schemes for the urban poor and strengthened collaboration with Central Ministries and State and UT Governments to unify their efforts and resources through a convergence led approach that benefit the urban poor.

The component is divided into two sub-components:

- Socio economic profiling and linkages to welfare schemes
- Other convergence led initiatives

Socio economic profiling and linkages to welfare schemes

The welfare schemes and programmes introduced by the Government of India for poor households include linkages to insurance schemes, pensions, maternity benefits and labour welfare, etc. Similarly, States and UTs have also introduced similar initiatives. Under this component, socio-economic profiling of urban poor households will be done to assess their eligibility for the various welfare schemes and facilitate linkages to the same. The indicative list of schemes is at Annexure I and can be expanded to include other schemes of Central / State Governments.

This approach has been successfully implemented by the Ministry of Housing and Urban Affairs (MoHUA) under the 'SVANidhi se Samridhi' component of PM SVANidhi scheme.

5.1 Socio economic profiling

Socio-economic profiling of urban poor households is to be conducted through an IT-enabled questionnaire provided by MoHUA. The survey questionnaire is designed in consultation with States /UTs. Its coverage includes data on parameters *inter alia*- basic socio-economic and demographic profile such as details of housing and other assets, health coverage and disability status, education, skills and employment, women and child welfare, banking and insurance, out-migration status etc.

The questionnaire also includes data on the parameters of occupational category of urban poor with special focus on persons engaged in the six identified vulnerable occupations *vis.* Construction workers, Gig workers, Transport workers, Care workers, Domestic workers, and Waste workers.

The socio-economic profiling of the urban poor households is initiated with the Aadhar-led e-KYC.

The survey will result in three key outputs:

- **Output 1:** Assess the eligibility of urban poor respondents for select welfare schemes. The eligibility data will be informed to the respondents and the various line departments to facilitate scheme applications and linkages to eligible schemes.
- **Output 2:** Creation of an individual and family ID as a unique identifier, to be used to deliver benefits under the other components of the pilot intervention.
- **Output 3:** The survey will also help ULBs to identify the number of persons engaged in six identified vulnerable occupational groups. Such a database can be used by ULBs and States /UTs for future interventions for them.

5.2 Methods for Socio-economic Profiling

The ULBs will have the primary responsibility for developing and implementing strategies for data collection. These strategies may include -

- Door to door surveys,
- Organising camps at strategic locations,

- Setting up a ULB level help desk,
- Leveraging Common Service Centres (CSCs)
- Establishing temporary enrolment centres: Facilities can be set up closer to, or within, the neighbourhoods of informal /urban poor settlements,
- Leveraging Self-Help Groups (SHGs) /Common Interest Groups (CIGs) /Area Level Federations (ALFs) /City Level Federations (CLFs) /local melas and shivirs etc.
- Any other method deemed suitable by the ULB.

States /UTs are encouraged to devise an incentive driven model to involve SHGs /CIGs /ALFs /CLFs /CSs and CRPs or any other relevant agency to support the ULBs in conducting the socio-economic profiling of urban poor households, eligible migrant population and persons engaged in vulnerable occupations.

5.3 Database for socio-economic profiling

The following databases of urban poor will be used for socio economic profiling. This list is indicative and includes:

- National Food Security Act (NFSA) beneficiary database—uploaded by MoHUA through the centralised IT portal.
- Urban poor database maintained at the States/ UTs, Districts or ULBs.
- Any other reliable data sources of the six vulnerable groups such as Building and other Construction Workers (BoCW), e-Shram, Swachh Bharat Mission-Urban (SBM-U), National Action for Mechanised Sanitation Ecosystem (NAMASTE) programme, database of gig workers with employers /aggregators, etc.

Further, fresh enumeration and socio-economic profiling of urban poor households may be conducted for those who have not been included in such existing databases. States /UTs and ULBs should also develop strategies for fresh enumeration and targeted outreach in urban slum settlements, which are home to marginalised groups such as low-income families, migrant workers, and persons engaged in vulnerable occupations. This intends to ensure that no urban poor household is left out from the enumeration processes.

5.4 Training and support for IT tool handling

MoHUA will engage a third-party agency to provide training support for handling the IT tool. States /UTs, District and ULB teams are encouraged to design their own capacity building plan in one year, to set up trained master trainers who will take over the task of regular capacity building for on-ground staff.

5.5 Schemes to be covered

An indicative list of centrally sponsored schemes focusing on social security, social assistance, and social insurance has been identified for the programme (List of schemes is at Annexure I). In addition to these, States may also supplement this list with their own schemes. These additional schemes will be integrated in the IT portal.

5.6 Facilitating scheme linkages

The ULB level Executive Committee formed under the pilot will be responsible for overseeing the process of scheme applications and linkages. This committee, comprising city-level representatives of in-line departments, will be supported by the City Mission Management Unit (CMMU) formed under the pilot intervention. The detailed composition of the Committee is at Annexure II(a). The scheme applications would be undertaken at the ULB level, and the responsibility of sanctioning these applications will lie with the city-level representatives of the various departments of the ULB level Executive Committee. The in-line department representatives can view the respondents' eligibility data through the IT portal. The status of the scheme application and linkages would be updated on the IT portal. The committee will be in-charge of regularly reviewing the progress of scheme applications and linkages.

5.7 SUYOG Centres—Permanent ULB level single window system

ULBs should set up Suraksha Yojana Guarantee (SUYOG) centres as a permanent single-window system for effective coordination with various departments and facilitate scheme linkages for the urban poor. SUYOG centres may be positioned within the premises of the ULB office to serve as an approachable, user-friendly space for urban poor individuals to access social security entitlements. Suggested functions and services available at such a single window help desk may include:

- **Access to documentation:** Provide easy registration for identity documents, such as Aadhaar, and ensure necessary further documentation to access various schemes.
- **Support for various scheme applications:** Representatives of various in-line departments should assist beneficiaries to complete the application procedures, inform them about their status of scheme linkages, and undertake renewal processes if applicable.
- **Provide awareness on entitlements:** Create awareness among the urban poor about various entitlements and how to access them, thereby empowering them with the knowledge to utilise available resources effectively.
- **Inter-departmental coordination** for sanction of scheme benefits to eligible individual.

5.8 Monitoring by District Level Committee

The District Level Committee (DLC), formed under the pilot and chaired by the District Collector /District Magistrate, with participation from relevant departments, will be the key committee that oversees the entire process of facilitating linkages to eligible beneficiaries. This committee includes district level officers from line departments. Detailed composition of the Committee is at Annexure II(b). City level eligibility data of respondents will also be available to the DLC. It will be the responsibility of DLC to oversee the implementation of scheme linkages to eligible urban poor households in the district.

Functions of DLC for this component may include:

- Review the progress of facilitating scheme application and sanction to eligible households.
- Provide directions/ instructions to concerned in-line departments
- Review the process of updating the portal.
- Undertake regular quality checks.
- Review pendency and reasons thereof.

5.9 Incentive Structure

The incentive structure to be given by ULBs to enumerators/ SHGs /CIGs /ALFs /CLFs /CSs/ CRPs/ volunteers or any other relevant agency would be INR 70 per household. ULBs will be provided with a one-time grant of INR 5,00,000 to set up the permanent SUYOG centres for facilitating scheme linkages.

5.10 Other Convergence led interventions

The pilot encourages collaborative efforts at all levels—National, State /UT, District, and ULBs—to adopt new strategies and programmes as needed to support urban poor households. States /UTs and District /ULBs may identify such convergence led avenues and programmes where benefits can be extended to the urban poor households. Some of the broad activities of such initiatives are suggested below. However, Districts /ULBs may adopt a need-based approach for deciding the interventions.

5.10.1 Skilling

MoHUA aims to collaborate with the Ministry of Skills Development and Entrepreneurship (MoSDE) to provide skill training to the urban poor especially those engaged in vulnerable occupations. The aim is to fill the gap between the demand and availability of local skills by providing access to skill training programmes as required in their respective occupations or enterprises. Under the skill development programmes, three types of training may be provided:

- a. Training of fresh entrants to the job market,
- b. Reskilling or skill up-gradation of persons already engaged in an occupation or enterprise development,
- c. Formal recognition and certification of persons who have acquired skills through informal or experiential training in any vocational trade or craft, if necessary.

Training will be provided under various Central Government or State Government /UTs' skilling programmes as per the requirements of the occupations and as per the curriculum recognised nationally. The occupational requirement for skills may be assessed through a comprehensive Training Need Assessment (TNA) at the ULB level. TNA will be conducted by the National Skill Development Corporation (NSDC) along with the Sector Skill Councils and other expert stakeholders. Based on the recommendations of the TNA, NSDC will develop customised course curriculums in consultation with MoHUA for the six vulnerable occupational groups.

5.10.2 Access to other available credit schemes

The pilot intervention provides access to credit through a separate component of Financial Inclusion and Enterprise Development (FI&ED). In addition, the pilot aims to facilitate linkages of urban poor households to other eligible credit schemes *vis.*

- Prime Minister Employment Generation Programme (PMEGP)
- Micro Units Development and Refinance Agency (MUDRA).
- Swachhta Udyami Yojana of National Safai Karamcharis Finance & Development Corporation (NSKFDC)
- Credit linked up-front capital subsidy under NAMASTE.
- PM Vishwakarma scheme
- Other such eligible programmes.

5.10.3 Social Infrastructure

The pilot promotes development of social infrastructure through a separate component. However, the pilot encourages linkages to other schemes promoting establishment of social infrastructure for urban poor households. For instance, for promoting Care infrastructure, MoHUA collaborates with the Palna scheme of Department of Women and Child Development (DWCD). Similarly, collaborative efforts will be taken with Atal Vayo Abhyuday Yojana (AVYAY), Department of Social Justice and Empowerment (MoSJE) to improve the quality of life for senior citizens.

States/ UTs and Cities are encouraged to develop multi-lateral/ bi-lateral and other such partnerships with national and international organisations.

5.10.4 Community Engagement

ULBs are encouraged to adopt a community-driven systems where scheme linkages and convergence led initiatives is a regular agenda point in SHG /CIG and ALF meetings. This will help track progress of access to scheme benefits among the eligible urban poor households, adopt a participatory approach to identify vulnerable groups, and nudge the ULBs to resolve any pending issues etc. Information gathered from these community meetings can be considered at ULB and District level meetings for further action.

Annexures

Annexure I: Centrally Sponsored Schemes

S.N	Scheme Name	Ministry	Description
1	Pradhan Mantri Suraksha Bima Yojana	Department of Financial Services	An accidental insurance scheme (age 18-70) offering coverage for accidental death and disability for a nominal annual premium (₹ 12 /year).
2	Pradhan Mantri Jeevan Jyoti Bima Yojana	Department of Financial Services	A life insurance scheme (age 18-50) providing coverage for death due to any reason, with an affordable annual premium (₹ 436 /year).
3	Pradhan Mantri Jan Dhan Yojana	Department of Financial Services	A financial inclusion initiative aimed at ensuring access to financial services like banking and savings for all citizens.
4	Pradhan Mantri Shram Yogi Mandhan Yojana	Ministry of Labour and Employment	A pension scheme for unorganised workers (age 18-40), providing a monthly pension to individuals after they reach the age of 60. Subscribers would receive a minimum assured pension of ₹ 3000/- per month after attaining the age of 60 years
5	Portability feature of One Nation One Ration Card	Ministry of Consumer Affairs and Public Distribution	An initiative to ensure food security by enabling portability of ration cards across the country for accessing subsidised food grains.
6	Registration under BoCW	Ministry of Labour and Employment	A registration scheme under the Building and Other Construction Workers (BoCW) Act to provide social security and welfare benefits to construction workers (aged 18-60, who were engaged in construction work for at least 90 days of the year).
7	Janani Suraksha Yojana	Ministry of Health and Family Welfare	A safe motherhood intervention under the aimed at reducing maternal and neonatal mortality by promoting institutional delivery among poor pregnant women. Cash incentives amount is determined by the State and is based on the State's infrastructure and topography.
8	Pradhan Mantri Matru Vandana Scheme	Ministry of Women and Child Development	A maternity benefit programme providing financial assistance to pregnant women and lactating mothers for the first live birth to improve health and nutrition outcomes. Cash incentive of ₹ 5000, given in 3 instalments.
9	Ayushman Bharat-PMJAY	Ministry of Health and Family Welfare	A scheme that aims to achieve universal health coverage. It is a health assurance scheme providing a health cover of ₹ 5 lakhs per family per year for secondary and tertiary care hospitalisation

Annexure II: Institutional Structure Under the Pilot at City and District level

(a) ULB Level Executive Committee

S. N	Designation	Role
1	Municipal Commissioner/ Executive Officer	Chairperson
2	Officials of line departments responsible for Departments of Health and Family Welfare, Labour and Employment, Food and Public Distribution, Women and Child Development, Lead Bankers etc.	Members
3	Any other member(s) co-opted by the Chairperson	Members

(b) District Level Committee (DLC)

S. No	Designation	Role
1	District Magistrate/ District Collector	Chairperson
2	Add. Collector/ Chief Development Officer/ Joint Collector	Member
3	Municipal Commissioners/ Dy. Municipal Commissioner of all ULBs within the District	Member
4	District Civil Supplies officer	Member
5	Chief Medical/ Health Officer	Member
6	Social Welfare Officer	Member
7	Lead District Manager, Banking	Member
8	Any other member(s) co-opted by the Chairperson	Members



INNOVATIVE AND SPECIAL PROJECTS (I&SP)

6 Innovative and Special Projects (I&SP)

6.0 Introduction

- i. Realising the need to promote innovations and learn from these initiatives, the new mission for urban poverty alleviation will promote novel approaches in the form of innovative and special projects. The objective of projects under this component is to implement a time-bound programme to demonstrate an approach that is likely to have wide implications for sustaining urban poverty alleviation efforts.
- ii. A project taken up under this component may include pioneering efforts aimed at catalysing sustainable approaches to urban livelihoods through Public, Private, and Community partnerships (P-P-C-P), demonstrating a promising methodology, or making a distinct impact on the alleviation of urban poverty through innovative and scalable initiatives. These projects may also include activities not possible to address through the normal course of the implementation of the Mission.
- iii. The component will encourage and give special focus to projects that address the vulnerabilities, especially occupational vulnerabilities of the urban poor. In addition to the most marginalised sections such as differently abled, women, transgender, the component will focus on youth along with persons engaged in vulnerable occupations- domestic workers, transport workers, waste workers, gig workers, construction workers and care workers.
- iv. Innovative / special projects may be undertaken on a partnership mode involving community-based organisations (CBOs), non-government organisations (NGOs), semi-government organisations, private sector, industry associations, government departments/ agencies, urban local bodies, national/state/city resource centres or international organisations.
- v. The proposals for Innovative & Special Projects must be situated in the districts and cities covered by the Mission.
- vi. Funds allocated under this component may not be used for construction of infrastructure.

6.1 Project proposal

- i. State/ UT Governments, urban local bodies (ULBs) and registered bodies such as CBOs, NGOs, semi-government organisations, the private sector, industry associations, educational and/or research institutions, and national / state/district/ city resource centres may propose projects to the National Mission Directorate in the prescribed format at Annexure I with an advance copy of the proposal.
- ii. The proposal should include detailed and critical information pertaining to, but not limited to- profile and experience of the agency proposing the project, justification

and feasibility of the project, funding details, modalities for implementation, time schedule for completion etc.

- iii. The consent of the State Government / ULB or any other agency who will be required to sustain the project, after the project period is over, is required to be produced at the time of submitting the proposal.
- iv. For projects requiring professional appraisal, the National Mission Directorate, may engage an agency for this purpose, and the cost of appraisal will be paid to such agency out of the A&OE funds under the Mission.

6.2 Sanction of projects

- i. The project proposals recommended by the State/UT/ ULBs will be considered by the Project Approval Committee (PAC), constituted by the Ministry of Housing and Urban Affairs (MoHUA) for approval of the projects. The PAC will scrutinise the proposal based on the submitted critical information as mentioned earlier along with any other parameters deemed pertinent.
- ii. The PAC, at the time of sanction of the project, will also prescribe the time schedule within which the project will be completed. However, this may be revised by the National Mission Directorate, considering unforeseen factors or other such circumstances.

The composition of the PAC will be as follows.

S.N	Member	Designation
1	Secretary, MoHUA	Chairperson
2	Joint Secretary of the Mission	Member
3	Joint Secretary & Financial Advisor, MoHUA	Member
4	State Mission Directors under the Mission who have submitted proposals under I&SP	Member
5	Any other persons invited by the Chairperson	Member
6	Director/ Deputy Secretary under the Mission at MoHUA	Member Convener

- iii. Representatives of the agencies proposing projects may be called to make presentations or provide clarifications at the meetings of the PAC, if considered necessary.
- iv. The PAC may also invite technical experts and the appraisal agency as attendees to the meetings to provide inputs on the proposals received under this component.

6.3 Funding pattern

- i. Under the Mission, funds upto 12% of the total yearly Central Funds will be used for Innovative & Special Projects. This component will be centrally administered, and no State share will be required for the projects sanctioned under this component. The funding support for a project under this component will depend on the nature of projects and will not be subject to the funding norms under other existing components of the Mission.
- ii. Additionally, the Government of India has identified backward districts as Aspirational districts for focused development. An intensive approach is proposed for the urban areas in these aspirational districts. Focus will be given to initiatives that enable poverty alleviation and livelihood enhancement of urban poor, including persons engaged in vulnerable occupations. A dedicated fund of ₹2.5 Cr will be earmarked for Aspirational Districts for innovative projects focusing on sustainable livelihoods that could be initiated in these districts. Focused interventions for all the pilot components will be made in these districts, and existing Prabhari Officers will be leveraged for monitoring and sustainable development.
- iii. On approval of the project by the PAC, the National Mission Directorate, will release the funds to the State/UT Government for onward. The Funds will be released in appropriate number of instalments as approved by the PAC. Second and subsequent instalments will be released only after submission of Utilisation Certificate (UC) for at least 75% of the funds already released.
- iv. A bi-partite agreement will be signed for the implementation of the project between the concerned State Government and the agency undertaking the project. This agreement must have clear project outputs and deliverables and must clearly indicate payment milestones. A sample agreement is given at Annexure II; this may be modified to suit the context of the project approved.
- v. The State will be required to maintain a separate account for funds released under this component. As funds released to the State/UT Governments under this component are meant for projects, therefore the release of Grants-in-Aid to States for implementation of other components of the pilot will not depend on the utilisation of funds released for projects under the I&SP component.
- vi. Audit of the approved I&SP project is required to be carried by an Auditor (Chartered Accountant) appointed for the purpose. The audit may preferably be done through a Chartered Accountant empanelled by the CAG or the Income Tax Department.
- vii. The interest amount accrued on the deposits of the I&SP Project funds in Banks at State and Implementing Agency levels shall be treated as part of the Project funds and shall be utilised on project activities only. Accordingly, the interest

earned on funds should be shown separately and should be added to the available funds while claiming subsequent instalments.

6.4 Monitoring and Evaluation

- i. The implementing agencies shall report quarterly progress in formats prescribed from time-to-time, indicating achievements and any key issues in implementation. Whenever the outcome of the projects is in terms of coverage of beneficiaries, the number of women beneficiaries and persons from vulnerable occupations should be separately reflected in the project proposal and progress reports.
- ii. On completion of the project, the implementing agency shall submit a report on the implementation, learning and suggestions for scaling-up and incorporation of the learning to State and National Mission Directorate.
- iii. Normally, project proposals will have a provision of evaluation by a professional agency on completion of the project. The cost of evaluation will be incorporated in the project cost itself. However, for the purpose of evaluation of these projects, the National Mission Directorate of the Mission may also engage a separate agency if needed and the cost of evaluation will be paid to the selected agency from out of A&OE funds under the Pilot.

Annexures

Annexure I - Format for submission of proposals

Part I: Project Summary

1. Name of the Project:
2. Name of the District, City and State in which this project will be implemented:
3. Project Objectives:
4. Project Period:
5. Background of the project & features which make it special / innovative: [*include here the justification for why the project is being proposed as innovative or special project*]
6. Details of the target beneficiaries to be covered by this project:
 - a. Total number of beneficiaries to be covered:
 - b. Profile of the beneficiaries:

Part II: Implementing Agency Details*

7. Name of the Implementing Agency:
8. Name & Contact details of the Representative, Implementing Agency
9. Legal status of the Implementing Agency: [*e.g. registration status and details*]
10. Last 3 years audited financial statements (in annexure):
11. Bank details of the Implementing Agency to which funds are to be released:
12. Experience of the agency in implementation of similar projects: [**include a detailed profile of the implementing agency in annexure to the proposal*]

Part III: Project Implementation & Monitoring Details

13. Project Strategy: *[Specify here the manner in which the project will achieve the goals and key outcomes proposed]*
14. Key outcomes of the project: *[specify here the expected benefits/impact of the project in terms of indicators such as increased reach of social mobilisation, increase in income of the target group, increased retention in jobs of the target group, sustainability of enterprise of the target group, increased reach of credit facilities to the target group, increase in efficiency (time and cost) etc.]*
15. Role of partner agencies (if any): *[this could include line departments, NGOs and any other stakeholder institution – clearly indicate their responsibilities and their impact on the project]*
16. Modalities for implementation of the project: *[describe here how various inputs, such as technical inputs, raw materials, machinery/resources , marketing, training, etc., will be secured and managed]*
17. Benchmark survey for indicators based on which the project would be implemented, monitored and evaluated
18. Quarter-wise Action Plan / Milestones for implementation:
19. Consent of the State Government / ULB / Other relevant agency who will be required to sustain the project after completion of the project.

Part IV: Funding details

20. Estimated total project cost: *[Please include in an annexure to this, a detailed budget statement indicating all (sub-) components of the project.*
21. Per capita cost for beneficiaries being covered:
22. Economic viability of the project (where applicable): *[include the report in annexure to the proposal where applicable]*
23. Whether partial funding for this proposal is being sought from other sources? If yes, kindly provide details:
24. Whether the project, or part thereof, has been submitted to any other agency? If yes, the results thereof. If the project or its part has/had been rejected, the reasons should be indicated clearly. *[If the project is partially being funded by another agency, then a*

letter certifying that funding has been received / is likely to be received. If not, then a self-attestation by the agency that additional funds are not being sought and will not be sought for the project].

25. Funding milestones proposed:

Instalment No.	Instalment %	Instalment Amount	Milestones against which the instalment is to be released	Expected date of completion of the milestone

Part V: Project learnings

26. Expected project learnings : *[include here key lessons that the project would like to demonstrate to the Mission and features from the project that can be recommended for inclusion after the project completion]*

27. Likely issues in scaling-up the project to the rest of the country and how the project seeks to overcome this.

28. Describe how the project will be taken-up on a longer-term basis by the District/ City and State: *[include here details of the partnership with District/ ULB and State Governments and expected commitments including funding support required to sustain the project in the long-run].*

Annexure II - Sample Bi-Partite Agreement for Projects Under I&SP Component

Memorandum of Agreement (MoA) Between The State Government of

_____ And _____ (Implementing Agency)

This agreement is signed on the ____th day of _____(month), of the Year Two Thousand and _____, between the following parties:

State Government of _____, (which expression shall, unless repugnant to the context of its meaning thereof, include its successors, nominees and assignees), located at _____(address), which has the mandate of implementing and expediting Central, State and local sector schemes pertaining to urban development, local self-government, housing and urban poverty alleviation, including the < DJAY> in the state of _____, hereafter referred to as the **First Party**;

AND

_____, (which expression shall, unless repugnant to the context of its meaning thereof, include its successors, nominees and assignees), located at _____(address). *<include one brief paragraph giving a description of the implementing agency>*, hereafter referred to as the **Second Party**; The First Party and Second Party shall collectively be known as “**Parties**” to this agreement.

WHEREAS the **First Party** is responsible for the implementation of the <DJAY> in the state of _____, in accordance with the requirements of the National Mission Directorate, <DJAY on urban poverty alleviation>, Ministry of Housing & Urban Affairs, Government of India;

AND WHEREAS the Second Party with expertise in the areas of _____ and _____ proposes the project to be implemented under the Innovative & Special Projects Component of the <DJAY> in the city (ies) of _____ in the state of _____;

AND WHEREAS the **Parties** agree that the activities shall be undertaken without discrimination – direct or indirect, because of, but not limited to, caste, race, ethnicity, religion or creed, status of nationality, political belief, gender, or handicapped status.

NOW THEREFORE, on the basis of mutual trust and in the spirit of mutual cooperation the parties have entered into this present Agreement.

1. **Definitions:** For the purpose of this Agreement, the following definitions shall apply:

1.1 “National Mission Directorate” shall mean the implementation unit at of the Government of India located within the Ministry of Housing and Urban Affairs (MoHUA).

1.2 “Project Approval Committee” or “PAC” shall refer to the committee constituted under the Innovative & Special Projects (I&SP) component of the Mission with the mandate to approve I&SP projects and recommend their sanction to National Mission Directorate.

1.3 “State Mission Directorate, _____” shall mean the nodal office for implementation of <new mission on urban poverty alleviation> by the State Government of _____ located within the _____, Government of _____.

1.4 “Implementing Agency” shall refer to the institution/agency responsible for implementing the project under the Innovative & Special Projects component of the Pilot and within the terms of this agreement, also referred to as the Second Party.

1.5 “Project” shall refer to the proposal approved by the PAC under the Innovative & Special Projects component of the Pilot.

1.6 “Expenditure” shall mean the sum of disbursements made and valid outstanding obligations incurred in respect of goods and services rendered.

1.7 “Assets” shall mean cash, supplies including physical assets such as machinery and equipment purchased by the Second Party in the course of and with the funds of this Project.

1.8 “To advance” shall mean a transfer of Assets, the accounting of which must be rendered by the Second Party at a later date, as herein agreed upon between the Parties.

1.9 “Income” shall mean the interest on Project funds and all revenue desired from the use or sale of capital equipment, and from items purchased with funds provided by the First Party, or from revenues generated from Project outputs.

1.10 “Site” or “Sites” shall mean the city or cities where the project will be implemented and agreed upon in the context of this Agreement.

1.11 “Reporting Quarter” shall mean a period of three (3) Reporting months for which progress has to be reported through quarterly progress reports.

1.12 “Fiscal Year” shall refer to the period between 1st April of the first year and 31st March of the year immediately thereafter.

1.13 Any other definitions pertinent to the context of the proposal.

2 Project:

2.1 The Second Party shall develop a detailed results-based framework for the Project subject to the terms and conditions mentioned in this agreement and Terms of Reference (ToR) attached as Annexure I.

2.2 The result-based framework shall be developed within ____ days of signing of this Agreement and approved by the State Mission Directorate, _____, within _____ calendar month(s) of submission. This framework shall be used to implement and monitor the project.

2.3 The Project will be implemented in the following sites:

2.3.1 (list the city / cities where the project will be implemented here.)

2.4 The Project will be implemented by the Second Party in the sites mentioned in this Agreement.

2.5 The Second Party shall undertake, as per the conditions of this Agreement, the complete responsibility for the successful commissioning and implementation of the Project.

2.6 The Second Party shall designate its representative to act as a Focal Point of the Project, in consultation with the State Mission Directorate, _____, who shall act as the overall coordinator of the Project and assume primary responsibility for all aspects of it.

2.7 The Second Party may be called upon by the State Mission Directorate _____ for meetings at their respective Headquarters to discuss the progress of the Project and make presentations thereon.

3 Duration:

3.1 This Agreement shall come into effect on _____ (OR the date of signature of this agreement by all Parties) and shall be valid for a period of _____ month(s).

3.2 This Agreement may be extended by mutual consent of all Parties in writing.

4 Payments:

4.1 A total of Rs. _____ (Rupees _____ only) shall be paid to the Second Party by the First Party.

4.2 The payment will be made as per the following schedule:

Instalment no.	Milestones	% Payment	Amount
1			
2			

4.3 The First Party shall ensure that payment of second and subsequent instalments will be made subject to utilisation of at least 75% of the payment released earlier and achievement of the milestones as explained in above table. The Second Party shall provide all necessary documentation, including Utilisation Certificates, in the formats specified by the First Party as supporting proof of this fact.

4.4 The Second Party shall ensure that the funds provided are used for the purpose for which they were given and should not be mixed with other funds.

4.5 In the event of a breach regarding Agreement, the First Party shall be instalments; the terms and conditions of this entitled to withhold subsequent instalments.

5 General Provisions

5.1 The Second Party shall implement the Project under this Agreement with due diligence and efficacy and with due regard to the judicious use of funds.

5.2 The Second Party shall always act so as to protect and not be in conflict with the interests of the First Party.

5.3 The First Party undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage which may be necessary or desirable for the purpose of this Agreement or personnel performing services under this Agreement.

5.4 The Second Party shall be solely liable for the claims by the other parties arising from the negligent acts of the Second Party to admission in the course of implementing this Agreement and under no circumstances shall the First Party be held liable for such claims by other parties.

5.5 In the event that the Second Party defaults on the deliverables, the First Party shall be entitled to recover the funds advanced to the Second Party as per extant rules.

6 Record, information and reports:

6.1 The Second Party shall keep accurate and up-to-date records and documents in respect of all expenditures incurred with the funds made available to it under this Agreement.

6.2 The Second Party shall ensure that all expenditure made is in conformity with the provisions of this Agreement and for each disbursement, adequate supporting documentation shall be maintained, including original invoices, bills, and receipts pertinent to the transaction.

6.3 The Second Party shall maintain a record of all Income and Assets generated under the project and make this record available to the other Parties of this Agreement on a demand basis.

6.4 The Second Party shall compile, furnish and make available to the First Party, any reasonable request in respect of the information and reports of services undertaken in the course of implementation of the Project by the Second Party.

6.5 Upon completion of the Project or Termination of the Agreement, the Second Party shall maintain all Project-related records for a period of at least four (4) years from the termination of the Agreement or completion of the Project, unless otherwise agreed upon between the Parties.

6.6 The Project will be monitored at the state level by the State Mission Directorate, _____. The Second Party will be required to submit duly filled quarterly progress reports to the State Mission Directorate in formats prescribed by the State Mission Directorate, ____ no later than ____ calendar days after the end of the Reporting Quarter.

6.7 On completion of the Project, the Second Party will be expected to submit a Project Completion Report no later than ____ calendar month after termination of the project. Inter alia, this report will cover:

6.7.1 Achievements against the result-based framework of the Project.

6.7.2 Impact assessment of the Project on the lives of the intended beneficiaries, including, where applicable, details of the improvement of their livelihood opportunities.

6.7.3 Key learnings from implementation of the Project.

6.7.4 Suggestions for sustainability of the Project in the Site(s) mentioned in this Agreement.

6.7.5 Suggestions for scaling-up the initiative.

6.7.6 Recommendations for inclusion of the initiative within the wider policy and programme implementation of the Pilot.

6.7.7 Audited statement of funds released for the project.

6.8 The Project will be monitored at the national level by the National Mission Directorate. The First Party will be required to submit duly filled quarterly progress reports to the Mission Directorate in the prescribed format no later than 15 calendar days after the end of the Reporting Quarter.

6.9 The Parties agree that all records, information and reports generated by the Second Party in the course of implementing this Agreement will be the Intellectual Property of the National Mission Directorate and the permission to use any such material generated must be confirmed in writing by the National Mission Directorate.

6.10 The Second Party agrees to indemnify the National Mission Directorate and the First Party against all claims and damages for any infringement of any Intellectual Property Rights while providing their services under the activities covered under this Agreement.

7 Termination of this Agreement

7.1 This Agreement shall be deemed to be duration “Terminated” of the if Agreement has ended without further extension of the period of the Agreement or if any of the Parties have terminated the agreement by mutual consent in writing subject to paragraph 7.2 of this Agreement.

7.2 If the Second Party terminates the Agreement in writing prior to the completion of the duration of the Agreement, the Agreement will be deemed to be “Terminated” only upon subsequent written confirmation by the First Party.

7.3 Upon such termination, the Second Party shall submit to the First Party all records, information and reports specified in Section 6 of this Agreement.

7.4 None of the Parties to this Agreement shall be held responsible for non-fulfilment of their obligations under this Agreement due to the exigencies of one or more of Force Majure events such as, but not limited to Floods, Earthquakes, Strikes, Lockouts, Epidemics, and Riots, provided that on the occurrence and cessation of such an event(s), the affected Parties shall give notice in writing to the other Parties within ____

calendar days of the occurrence and cessation of such an event(s). In such an event(s), the Parties will be expected to re-negotiate the timelines of this Agreement and agree upon the revised timelines in writing.

8 **Dispute:**

This Agreement shall be governed by the Laws of the _____. In respect of all matters arising out of or relating to this Agreement, the courts at _____ shall have exclusive jurisdiction.

IN WITNESS THEREOF the representatives of the Parties to this Agreement being fully authorised have hereunto signed in their respective names and have executed these, present this _____th day of _____(month), _____(year).

Authorised signatories

For an on behalf of the State Government of _____

Through _____ (State Mission Directorate), as the First Party

Name: _____

Designation: _____

For an on behalf of _____ (The Implementing Agency), as the Second Party

Name: _____

Designation: _____

In the presence of the following two witnesses

Witness 1 signature:

Name: _____

Designation: _____

Witness 2 signature:

Name: _____

Designation: _____

ANNEXURE 1: Include here the Terms of Reference of the Project