



Role of National Rural Livelihood Mission (NRLM) in the process of Micro Finance

(With special reference to Narmadapuram Division of Madhya Pradesh)

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It is a common fact that the poor have a strong will to eradicate their poverty and for this they also have immense capabilities. To highlight the innate capabilities of the poor, the creation of strong institution along with their social solidarity is essential. To bring social solidarity among the poor, build strong institutions and complete the process of their empowerment, a sensitive and dedicated support structure is required. If there is publicity of activities related to poverty alleviation program, they have access to skill development facilities, credit facilities, market information and other services related to livelihood and then sustainable livelihood can be achieved by the poor. National Rural Livelihood Mission (NRLM), under the Ministry of Rural Development, Govt. of India is one such program which aims to connect rural poor families with the mainstream of the country and help them in alleviating poverty through various activities.

Objectives –

The objective of the presented research paper is to study the possibility of employment opportunities with the help of micro finance in economic development activities through self-help groups while analyzing the role of National Rural Livelihood Mission (NRLM) in the micro finance process in Narmadapuram division.

Keywords –

Role of National Rural Livelihood Mission in the process of Micro Finance, Economic Development, Employment opportunities in field of rural poor.

Introduction –

Keeping in mind the objective of poverty alleviation, the Ministry of Rural Development had launched the National Rural Livelihood Mission in June 2011. The Ministry of Rural Development also receives financial

assistance from the World Bank to encourage the efforts being made by the Mission. Through the National Rural Livelihood Mission, through self-help groups and federal institutions, 7 crore rural poor families of 600 districts, 5000 development blocks, 2.5 lakh gram panchayats and 6 lakh villages of the country will be provided means for livelihood in a period of 8 to 10 years, a resolution was taken to raise.

Objective of National Rural Livelihood Mission –

The following of the objectives of National Rural Livelihood Mission (NRLM) -

1. To provide competent and responsive institutional platform to the rural poor.
2. To continuously increase the livelihood of the rural poor.
3. To provide better and easier access to financial services to the rural poor.
4. To increase the family income of the rural poor.
5. To make poverty alleviation a mission.

Aim of National Rural Livelihood Mission –

Keeping in mind the circumstances of the rural poor families, the aim of the mission is to enable them to get gainful self employment opportunities by creating strong and permanent institutions, so that their poverty can be eliminated and their lifestyle can be improved.

Functions of National Rural Livelihood Mission –

National Rural Livelihood Mission aims to motivate people's participation at the central level through various programs like institution building, capacity and skill development, financial inclusion and access to financial services, livelihood support and training to promote social harmony. Sensitive and dedicated units have been established at the state level, district level and development block level. Through the activities of these units the micro finance movement is moving towards its goals.

Structure of National Rural Livelihood Mission –

The Structure of the National Rural Livelihood Mission includes the following –

1. Consultative Committee -

To implement the objectives of the mission, a consultation committee has been formed at the national level, whose ex-officio chairman is the Union Rural Development Minister. This committee, as the policy making body of the Mission, sets the vision, direction and priorities of the Mission and evaluates and reviews the progress.

2. Coordination Committee –

To achieve the objectives of the Mission within the time limit, the Coordination Committee has also been formed. The Coordination Committee of the Mission is chaired by the Rural Development Secretary. This committee keeps an eye on the activities of the Mission.

3. Empowered Committee -

The Empowered Committee of the Mission reviews and approves the vision of the states and the schemes and annual plans implemented by the state. The empowered committee also gets the right to allocate funds to the states for this purpose.

4. National Mission Management Unit –

The National Mission Management Unit is headed by the joint secretary or Additional secretary of the Ministry of Rural Development, who leads the Mission as the Mission Director. The management unit comprises of a team of professional managers from various fields brought in from the open market along with a group of essential employees.

5. State Rural Livelihood Mission –

At the state level, the State Rural Livelihood Mission constituted by the State Government monitors the implementation of the activities of the Mission in the State. For this, a committee, trust or company is incorporated as an autonomous unit under the state government.

6. State Mission Management Unit –

State Rural Livelihood Mission implements the activities of the Mission in the State through this unit. This unit is headed by a full-time State Mission Director. The unit consists of a group of professionals from various fields like social, economic, management, livelihood etc., which provides support to the central leadership in achieving the objectives of the mission in the state.

7. District Mission Management Unit –

The District Mission Management Unit works under the State Rural Livelihood Mission. This unit is responsible for achieving the objectives of the Mission and implementing the activities in the district. The work of the unit is to provide support to the structures of the concerned area while coordinating with the District Rural Development Agency. The head of this unit is the District Mission Manager, who can be appointed on contract or through deputation.

8. Block Mission Management Unit –

To support the District Mission Management Unit, the Block Mission Management Unit works under the leadership of a Block Mission Manager, which consists of 3 to 5 teams or a team of individuals works to facilitate the project at the sub-block (cluster) level. The members of this unit are appointed on contract or through deputation.

Achievements of NRLM in the process of micro finance –

According to the annual report of NABARD, till March 31, 2017, about 10 crore families deprived of banking facilities of the country had been brought under the ambit of micro finance through 85.77 lakh savings based self-help groups of the country. Of these groups, 73.22 lakh groups belonged only to women.

As on March 31, 2017, the number of credit linked self-help groups was 18.98 lakh, out of which 17.16 lakh groups were of women only. According to the report of National Rural Livelihood Mission, as on 31 March 2017, the number of savings based self-help groups in Madhya Pradesh was 2.38 lakh and the number of credit linked self-help groups was 0.97 lakh.

For the implementation of micro finance system, the Government of India has placed 13 states including Madhya Pradesh in the category of priority states.

According to the annual report of National Rural Livelihood Mission, as on 31 March 2017, there was 2,15,187 self-help groups in Madhya Pradesh, out of which 1,78,802 was new groups, 18,239 was revived groups and 18,146 was old groups. A total of 23,70,878 individuals was members of these groups. The total number of self-help groups in Madhya Pradesh (2,15,187) was about 9.57% of the number of self-help groups in the whole of India (22,47,500). The total number of members in self-help groups of Madhya Pradesh (23,70,878) was about 4.37% of the total number of self-help group members of entire India (5,42,45,751).

At Present, the number of self-help groups in Narmadapuram Division is 22,289. There are 52,50,401 members involved in these self-help groups. Betul district of Narmadapuram Division has the highest number of 11,806 self-help groups, 7,184 self-help groups are established in Narmadapuram district and 3,299 self-help groups are established in Harda district.

As of March 31, 2023, there are 134 lakh self-help groups operating under the Self-Help Group-Bank Linkage Program of NABARD, which includes 16.2 crore poor families. In these societies, 84.3% are women of prestige group.

Number of Self-Help Groups in Narmadapuram Division –

The process of formation of self-help groups in Narmadapuram Division has gained some momentum in the last few years. According to the report of mission, before August 2016, only about 500 self-help groups were formed in the entire division. Of these, about 200 groups were in Narmadapuram district alone. As of March 31, 2023, there are a total of 22,289 self-help groups in Narmadapuram division, while 4,44,465 self-help groups have been formed in the entire Madhya Pradesh. As of March 31, 2023, the

number of self-help groups in Narmadapuram district is 7,184, in Betul district 11,806 and in Harda district 3,299.

Table - 1

Number of Self-Help Groups in Narmadapuram Division & Madhya Pradesh

Self-Help Groups in Narmadapuram Division			Total no. of Self-Help Groups	
Narmadapuram district	Betul district	Harda district	Narmadapuram Division	Madhya Pradesh
7,184	11,807	3,299	22,290	4,44,465

Source - Annual Report, NRLM, 2022-23, Table G-4

Observation and analysis of the above table shows that out of the total self-help groups of Madhya Pradesh, 5.01% groups are formed in Narmadapuram division. Betul district has the highest number of groups (11,807) in Narmadapuram division. This number is about 52.97% of the total number of groups in Narmadapuram division and about 2.65% of the total number of groups in Madhya Pradesh. The lowest number of groups in Narmadapuram division is in Harda district (3,299). This number is about 14.80% of the total number of groups in Narmadapuram division and about 0.74% of the total number of groups in Madhya Pradesh. The number of groups in Narmadapuram district is 7,184. This number is about 32.23% of the total number of groups in Narmadapuram division and about 1.62% of the total number of groups in Madhya Pradesh.

References –

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