



Ministry of Rural Development  
Government of India

# SHYAMA PRASAD MUKHERJI RURBAN MISSION

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National Rurban Mission (NRuM)

## FAQs





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## 1. **What is the vision statement of SPMRM?**

The vision statement of SPMRM is “Development of a cluster of villages that preserve and nurture the essence of rural community life with focus on equity and inclusiveness without compromising with the facilities perceived to be essentially urban in nature, thus creating a cluster of “Rurban villages”.

## 2. **What is the aim of SPMRM?**

The aim of SPMRM is to create 300 rural growth clusters across the country. In the first phase, 100 clusters will be taken up, thereafter more clusters will be identified based on the progress of the scheme.

### **3. What are the Mission Outcomes?**

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The Mission Outcomes are:

- i. Bridge the rural urban divide- economic, technological and those related to facilities and services.
- ii. Spreading development in the region.
- iii. Attracting investments in the rural areas.
- iv. Stimulating local economic development with emphasis on reduction of poverty and unemployment in rural areas.

### **4. What is Rurban and what is the justification for the Mission?**

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Statistics prove that India is predominantly rural (as per Census of India statistics, the rural population in India, stands at 833 million, constituting almost 68% of the total population).

Large parts of rural areas in the country are not stand-alone settlements but part of a cluster of settlements, which are relatively proximate to each other. These clusters typically illustrate potential for growth, have economic drivers and

derive locational and competitive advantages. Hence, making a case for concerted policy directives for such clusters. These clusters once developed can then be classified as 'Rurban'.

Hence taking cognizance of this, the Union Cabinet, has approved the Shyama Prasad Mukherji Rurban Mission (SPMRM), in September 2015, aimed at strengthening rural areas by provisioning of economic, social and physical infrastructure facilities.

Taking also into view, the advantages of clusters, both from an economic view point as well as to optimize benefits of infrastructure provision, the Mission aims at development of 300 Rurban clusters, in the next 5 years.

#### **5. What would the Mission be coined as?**

The Mission would be coined as National Rurban Mission (NRuM) hereinafter.

#### **6. What is a Rurban Cluster?**

A 'Rurban cluster', would be a cluster of geographically contiguous villages with a population of about 25000 to 50000 in plain and coastal areas and a population of 5000

to 15000 in desert, hilly or tribal areas. As far as practicable, clusters of village would follow administrative convergence units of Gram Panchayats and shall be within a single block/ tehsil for administrative convenience.

## **7. How will the Rurban Clusters be developed?**

Rurban clusters would be developed by provisioning of training linked to economic activities, developing skills & local entrepreneurship and by providing necessary infrastructure amenities. The Mission recommends fourteen desirable components for an ideal Rurban cluster.

## **8. What are the 14 desirable components recommended under the Mission?**

The following components are envisaged as desirable components in each cluster: (i) Skill development training linked to economic activities (ii) Agro Processing, Agri Services, Storage and Warehousing. (iii) Fully equipped mobile health unit. (iv) Upgrading school/higher education facilities. (v) Sanitation (vi) Provision of piped water supply. (vii) Solid and liquid waste management. (viii) Village streets and drains. (ix) Street lights (x) Inter-village road connectivity. (xi) Public transport. (xii) LPG

gas connections (xiii) Digital Literacy. (xiv) Citizen Service Centres- for electronic delivery of citizen centric services/e-gram connectivity. Components pertaining to agriculture and allied activities would be required to be given special emphasis while developing these clusters.

### **9. What would be the resource mobilisation pattern for this Mission?**

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In order to achieve the envisaged outcomes, under NRuM, the State Government shall identify existing Central Sector, Centrally Sponsored and State Government Schemes relevant for the development of the cluster and converge their implementation in an integrated and time bound manner.

Under the NRuM framework, Government of India shall provide Critical Gap Funding (CGF) to the clusters to supplement the shortfall in funding available through various Government schemes in achieving the outcomes desired for the cluster.

### **10. What is Critical Gap Funding?**

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The project is envisaged to be funded through convergence of various Centrally Sponsored, Central Sector and State

Government Schemes pertaining to the chosen components under the Mission. Critical Gap Funding (CGF) is proposed to be provided through this Mission to the clusters to bridge the gap posed by availability of scheme funds and fulfilling the development aspirations of the 'Rurban Cluster'. The CGF would be capped at 30% of the capital cost or Rs. 30 crores whichever is lesser for plain areas and Rs. 15 crores or 30% of the capital cost for desert, hilly and tribal areas. The operations and maintenance expenses of the project will be recovered through user charges as per the user charges policy in the state with shortfall supported by the state budget.

**11. What is the total Mission budget?**

The total funding requirement estimated for the scheme is Rs. 5142.08 crore from 2015-16 to 2019- 20.

**12. Does the Mission choose backward rural areas or fast moving rural areas?**

The Mission focuses on creation of Rurban clusters in rural areas which have latent potential for growth, in all States and UTs, including the Tribal districts, over the next 5 years.



### **13. What are the categories of clusters in NRuM?**

There are two types of clusters in NRuM (i) Non-Tribal Cluster (ii) Tribal Cluster.

### **14. What is the methodology for selection of Non-Tribal clusters?**

For selection of Non-Tribal clusters, the Ministry would provide a list of leading sub districts to each State, within which the clusters could be identified. The selection of these sub districts by the Ministry would be based on parameters such as (i) Decadal Growth in Rural Population (ii) Decadal Growth in Non-Farm work participation (iii) Presence of Economic Clusters (iv) Presence of places of Tourism and Religious significance and (v) Proximity to Transport Corridors. Appropriate weightages have been given for each parameter.

Thereafter, within these sub districts, so identified by the Ministry, the State Governments could select the clusters and while doing so, could include the following performance parameters:

- i. Decadal growth in Rural Population.

- ii. Rise in Land Values.
- iii. Decadal growth in Non-Farm Work force participation.
- iv. Percentage Enrollment of girls in secondary schools.
- v. Percentage Households with Bank accounts under Pradhan Mantri Jan Dhan Yojana.
- vi. Performance in Swacch Bharat Mission (Grameen).
- vii. Good Governance Initiatives by Gram Panchayats.

Any other factor which the States may consider relevant may also be included. However, a total weightage of 80% would be given for the first 4 parameters and the States will have the flexibility to choose the last three parameters, subject to a total of 20%.

While selecting the Rurban cluster the State may identify a large village/gram panchayat that are growth centers with resources available in the area and could potentially lead the economic transformation of the region. These growth centers could be block headquarter villages/census towns (under the administration of Gram panchayats). The clusters could then be formed by identifying geographically

contiguous villages/gram panchayats within a radius of 5–10 km (or radius appropriate to the population density and geography of the region) around the identified growth center.

### **15. What is the methodology for selection of Non-Tribal clusters?**

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For identification of the tribal clusters, the Ministry would select the leading sub districts falling within the top 100 tribal districts of the country, based on the Scheduled Tribes population. The selection of these sub districts would be based on parameters such as (i) Decadal growth in Tribal Population (ii) Current Tribal Literacy Rate (iii) Decadal growth in Non-Farm Work force participation (iv) Decadal growth in Rural Population and (v) Presence of Economic Clusters. Appropriate weightages would be given respectively for each of these parameters while selecting the sub-districts.

Thereafter, within these sub districts so identified by the Ministry, the State Governments could select the clusters and while doing so, could include the following performance parameters:

- i. Decadal growth in Tribal Population
- ii. Growth in Tribal Literacy rates
- iii. Decadal growth in Non-Farm Work force participation.

Any other factor which the States may consider relevant may be included in addition to the above three parameters, provided the weightage for the above three parameters is not reduced below 80%.

## **16. What is an Integrated Cluster Action Plan (ICAP)?**

Integrated Cluster Action Plan (ICAP) shall be a key document covering baseline studies outlining the requirements of the cluster and the key interventions needed to address these needs and to leverage its potential.

The ICAP prepared for the cluster will enunciate: (1) A strategy for the cluster integrating the vision for each Gram Panchayat, identified in the cluster (2) The desired components for the cluster under the National Rurban Mission (NRuM) (3) The resources to be converged under various Central Sector, Centrally Sponsored and State Sector

schemes (4) The Critical Gap Funding (CGF) required for the cluster (5) Most importantly, the ICAP would delineate the cluster as a planning area for further notification.

The State Governments shall prepare an Integrated Cluster Action Plan (ICAP) that would lay down the development aspirations of the cluster in a consultative manner and detail the interventions being envisaged as a part of SPMRM, the schemes being converged, implementation framework, the envisaged Mission outcomes in the cluster expected as a result of implementation of SPMRM.

The ICAP will also provide the tentative project cost and the estimated resource plan to meet the project cost through convergence of various Central Sector, Centrally Sponsored, and State Government Schemes.

#### **17. Will there be spatial plans prepared for these ICAPs?**

The ICAPs would delineate the cluster areas as well planned layouts following the planning norms (as laid down in the State Town and Country Planning Acts/similar Central or State statutes as may be applicable), which would be duly notified by the State/UTs.

While submitting the ICAPs the draft notification for declaration of the cluster as a planning area under the relevant State Act for the cluster shall also be submitted to the Ministry.

#### **18. Who will approve the ICAPs**

The ICAPs will be recommended by the State level Empowered Committee (SLEC) and submitted to the Ministry for approval.

#### **19. What is Detailed Project Report (DPR)?**

Detailed Project Report (DPR) contains the detailed design and costing of the project components in line with the state government norms. DPRs are detailed 'good for execution' documents prepared for the components proposed to be included by the States as Mission Outcomes for the clusters.

#### **20. Who will approve the DPRs?**

The DPRs will be approved by the State Level Empowered Committee constituted in the State, headed by the Chief Secretary.

## **21. What is CGF application?**

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Critical Gap Funding (CGF) application is the submission by the State Government for the CGF estimated for the Rurban cluster. The CGF application is submitted by the State Nodal Agency (SNA) to the State Level Empowered Committee (SLEC) for appraisal and approval. The approved CGF application is then submitted by the SNA to the Ministry for appraisal and taking necessary approvals from the Empowered Committee (EC).

## **22. What are State Technical Support Agencies (STSA) and what is their role in the Mission?**

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The Mission proposes to provide State Technical Support Agencies (STSAs)- Institutions of repute, empaneled by the Ministry and engaged by the States, to support in selection of clusters, preparation of ICAPs and spatial plans and to hand hold the States in these processes.

## **23. What will be the implementation framework for the Mission at National level?**

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The project is to be implemented in a Mission mode. The NRuM will be run at the Centre, by the National Mission

Directorate headed by the Joint Secretary, in-charge of the National Rurban Mission (NRuM), Ministry of Rural Development (Ministry). This Mission Directorate would be supported by a National Mission Management Unit (NMMU).

An Empowered Committed (EC) headed by Secretary, MoRD, will be constituted at Ministry, which will approve the ICAPs submitted by the States and approve the CGF for the cluster and take other necessary decisions and steps to ensure coordination with other Central Ministries and State Governments, to facilitate successful implementation of the Scheme.

An Expert Group will be constituted at Ministry which will comprise representatives of relevant institutions and departments and eminent persons in the related sectors of the Mission. The mandate of the Expert Group will be to evaluate the ICAPs before it is sent to the Empowered Committee for final approval. Ministry may also seek guidance from the Expert Group on matters related to SPMRM from time to time during the Mission period.



## **24. What will be the implementation framework for the Mission at State level?**

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At the State level, Department of Rural Development or an Agency or any Department nominated by the State Government will be designated as the State Nodal Agency (SNA) for purposes of the National Rural Mission (NRuM). The Department/SNA will be supported by a State Project Management Unit (SPMU) to be set up in the Department/SNA. Preferably, the selected agency should be under the administrative domain of the State Government's Rural Development and/or Panchayati Raj Department, as the case may be.

A State Level Empowered Committed (SLEC) headed by the Chief Secretary will recommend/approve the ICAPs before submission to the Mission Directorate and will also be responsible for other key decisions for effective coordination and implementation of the scheme.

## **25. What will be the implementation framework for the Mission at District level?**

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A District Project Management Unit (DPMU) may be set up at the District Collector's office with upto

three professionals, (i) Regional Planning Specialist; (ii) Convergence Specialist and (iii) Rural Development and Management Specialist. The District Project Management Unit will report to the District Collector. This unit shall be responsible for coordinating with implementing departments/agencies for ensuring notification of planning areas and related spatial planning matters, convergence of schemes planned in the ICAP in an integrated and time-bound manner. These DPMUs shall also work in close coordination with the SPMU.

## **26. What will be the implementation framework for the Mission at Cluster level?**

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A Cluster Development and Management Unit (CDMU) will be set up for each Rurban cluster comprising at least two professionals, (i) Spatial planning professional and (ii) Rural management/development professional. This unit will closely monitor the spatial planning aspects and the ICAP preparation for the cluster and will also closely monitor the progress of the activities in the cluster and provide regular updates to the DPMU/SPMU.

## **27. How are the PRIs/Gram Panchayat/Gram Sabhas involved in the project?**

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The State Nodal Agency will consult the Panchayati Raj institutions at the Zilla, Panchayat Samiti and the Gram Panchayat on the NRuM activities to be undertaken in the Clusters.

The Mission should be adopted by the Gram Sabhas of all the participating Gram Panchayats through Gram Sabha and Panchayat Samiti resolutions.

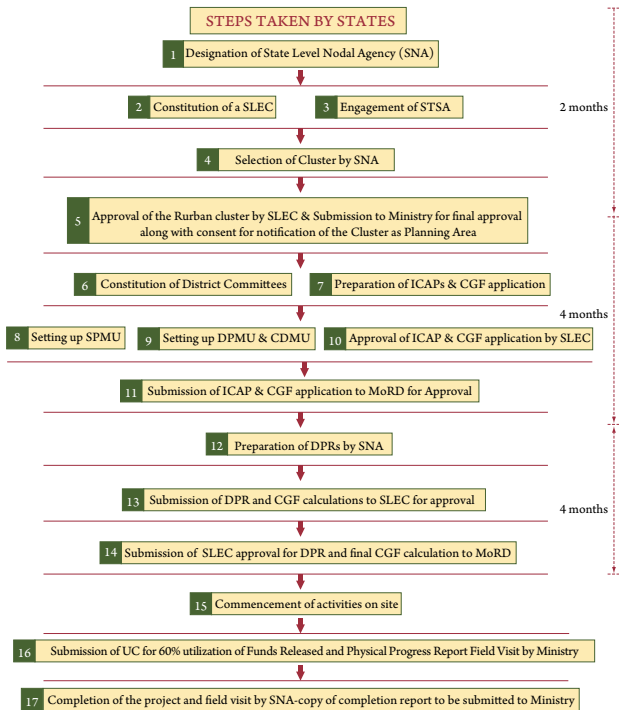
PRI members are to be included at all stages of the project cycle from planning, implementation, monitoring and evaluation and maintenance of assets created during the project period.

## **28. What is the role of Elected Representatives?**

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State Government are requested to ensure the participation of local elected representatives comprising Members of Parliament (MPs), Members of Legislative Assemblies (MLAs) etc, whenever 'Rurban' Projects are inaugurated/launched.

## 29. What are the Steps to be followed by the States to kick start the Mission?



### **30. What is the Fund Flow Mechanism?**

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The Critical Gap Funding (CGF) approved for the Rurban Cluster will be transferred from Ministry to the State Government, which in turn will ensure that it will be credited into a dedicated bank account maintained by the SNA. The CGF for each cluster will be divided into three instalments, over a period of three years, in accordance with the project schedule finalized during the approval of the SPMRM project.

The SNA would then transfer the funds for the development of the clusters to a dedicated bank account at the District Level. The District Collector shall utilize the funds from this account for the components of the ICAP proposed to be funded by CGF. The State Governments/Gram Panchayats may utilize these dedicated bank accounts for channelizing any additional funding for the Rurban cluster.

For Central Sector, Centrally Sponsored and State Sector schemes converged under the National Rurban Mission (NRuM) for a cluster, the fund flow arrangement shall be in accordance with the relevant Scheme Guidelines and these funds will not be routed through the dedicated bank accounts at the State and the district level.

### 31. **What is the Fund release pattern under this Mission?**

The Ministry shall release Rs. 35 lakhs (Rupees thirty five lakhs only) per Rurban cluster approved in the State for preparation of ICAPs. This will be adjusted against the 2% administrative budget for each State.

The funds would be released in three instalments at appropriate stages of the project cycle as illustrated below:

- ▶ *The first instalment* – 30% of CGF will be released after the approval of the ICAP by the Ministry.
- ▶ *The second instalment* – 30% of CGF will be released after submission of DPR approvals by SLEC, approval of the final CGF for the project by the Ministry, which will be followed with commencement of construction activities at the site.
- ▶ *The third instalment* – 40% of CGF will be released after submission of Utilization Certificate in accordance with GFR rules and a field visit by Ministry.
- ▶ The SNA shall transfer 35% of the CGF received as third instalment to the Project and the balance 5% of the CGF shall be transferred by the SNA after completion of construction of all project components. The SNA shall verify the completion of the project through site visits. A copy of the completion report will have to be sent to the Ministry for information and record.

### STEP TAKEN BY STATES

1 Designation of State Level Nodal Agency (SNA)

2 Constitution of a SLEC 3 Engagement of STSA

4 Selection of Clusters by SNA

5 Approval of the Rurban cluster by SLEC with consent for notification & Submission to Ministry for final approval

6 Constitution of District Committees 7 Preparation of ICAPs & CGF application

8 Setting up SPMU 9 Setting up DPMU & CDMU 10 Approval of ICAP & CGF application by SLEC

11 Submission of ICAP & CGF application to Ministry for Approval

12 Preparation of DPRs by SNA

13 Submission of DPR and CGF calculations to SLEC for approval

14 Submission of SLEC approval for DPR and final CGF calculation to Ministry

15 Commencement of activities on site

16 Submission of UC for 60% utilization of Funds Released and Physical Progress Report Field Visit by Ministry

17 Completion of the project and field visit by SNA - copy of completion report to be submitted to Ministry

### FUND RELEASE BY MoRD

2 months

Release of Rs. 35 lacs towards ICAP preparation

4 months

Release of installment I - 30% of CGF after approval of ICAP and CGF by EC, MoRD

4 months

Release of installment II - 30% of CGF

12 months

Release of installment III - 40% of CGF

12 months

Release of - 5% of the above installment



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