

## **CHAPTER 4**

### **POVERTY ALLEVIATION PROGRAMMES**

#### **4.1 POVERTY ALLEVIATION IN RURAL INDIA - PROGRAMMES AND STRATEGIES**

Alleviation of poverty remains a major challenge before the Government. While there has been a steady decline in rural poverty over the last two decades, there were 244 million rural poor (37 per cent of the rural population) in the country in 1993-94, as per the latest available estimates. Acceleration of economic growth, with a focus on sectors which are employment-intensive, facilitates the removal of poverty in the long run. However, this strategy needs to be complemented with a focus laid on provision of basic services for improving the quality of life of the people and direct State intervention in the form of targeted anti-poverty programmes. While growth will continue to be the prime mover, anti-poverty programmes supplement the growth effort and protect the poor from destitution, sharp fluctuations in employment and incomes and social insecurity. The specifically designed anti-poverty programmes for generation of both self-employment and wage-employment in rural areas have been redesigned and restructured in 1999-2000 in order to enhance their efficacy/impact on the poor and improve their sustainability. These schemes along with Area Development Programmes, Rural Housing, Land Reforms and institutional mechanisms of delivery are briefly discussed below.

#### **SWARNJAYANTI GRAM SWAROZGAR YOJANA (SGSY)**

2. The single self-employment programme of Swarnjayanti Gram Swarozgar Yojana (SGSY), launched with effect from 1.4.1999, has been conceived keeping in view the strengths and weaknesses of the earlier schemes of Integrated Rural Development Programme (IRDP) and Allied Programmes along with Million Wells Scheme (MWS). The objective of restructuring was to make the programme more effective in providing sustainable incomes through micro enterprises. The SGSY lays emphasis on the following:

- Focussed approach to poverty alleviation.
- Capitalising advantages of group lending.
- Overcoming the problems associated with multiplicity of programmes.

3. SGSY is conceived as a holistic programme of micro enterprises covering all aspects of self employment viz. organisation of the rural poor into self help groups (SHGs) and their capacity building, planning of activity clusters, infrastructure build up, technology, credit and marketing. Micro enterprises in the rural areas are sought to be established by building on the potential of the rural poor. The objective of the programme is to bring the existing poor families above the poverty line.

4. Under the SGSY, the focus is on vulnerable sections among the rural poor with SCs/STs accounting for 50 per cent, women 40 per cent and the disabled 3 per cent of the beneficiaries. The list of BPL households, identified through BPL census, duly approved by the Gram Sabha forms the basis for assistance to families under SGSY. The beneficiaries (also called Swarozgaris) could be individuals or groups. While the identification of individual beneficiaries is made through a participatory approach, the programme lays

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emphasis on organisation of poor into SHGs and their capacity building. The SHG may consist of 10 to 20 persons. In case of minor irrigation, and in case of the disabled, the minimum is 5 persons. Under the scheme, progressively, majority of the funding would be for SHGs. Group activities stand a better chance of success because it is easier to provide back-up support and marketing linkages for group activities. Involvement of women members in each SHG is encouraged and at the block level it is stipulated that, at least half of the groups will be exclusively women's groups. For providing a revolving fund to the SHGs, the DRDAs could use 10 per cent of the allocation under SGSY.

5. Under SGSY micro enterprises in the rural areas are to be set up with an emphasis on the 'cluster' approach. Four to five key activities are to be identified in each block based on the resource endowments, occupational skills of the people and availability of markets and these activities may be implemented preferably in clusters so that backward and forward linkages can be effectively established. The key activities are to be selected with the approval of the Panchayat Samiti at the block level and DRDAs/Zila Parishad at the district level. SGSY adopts a project approach with project reports being prepared for each key activity in association with banks and financial institutions. It is envisaged that a major share of SGSY assistance would be in activity clusters.

6. The SGSY is a credit-cum-subsidy programme, with credit as the critical component and subsidy as a minor and enabling element. Accordingly, the SGSY envisages greater involvement of banks and promotion of multiple credit rather than a one-time credit injection. Subsidy under SGSY is provided at 30 per cent of the project cost, subject to a maximum of Rs.7500. In respect of SCs/STs, it is 50 per cent subject to a maximum of Rs.10000. For groups, the subsidy is 50 per cent subject to a ceiling of Rs.1.25 lakh. There is no monetary limit on subsidy for irrigation projects. Subsidy under SGSY is back ended to ensure proper utilisation of funds by the target group.

7. Since proper infrastructure is essential for the success of micro enterprises, 20 per cent (25 per cent in the case of North Eastern States) of SGSY allocation for each district will be set apart under SGSY Infrastructure Fund for this purpose.

8. Since SGSY lays emphasis on skill development through well designed training courses, the DRDAs are allowed to set apart 10 per cent of the SGSY allocation on training to be maintained as SGSY Training Fund to be utilised to provide both orientation and training programmes to Swarozgaris. For this purpose, training facilities of polytechnics, Krishi Vigyan Kendras, Khadi and Village Industries Boards, State Institutes of Rural Development are available. Extension Training Centres, reputed voluntary organisations and departmental training institutes could be utilised. The programme also seeks to ensure upgradation of the technology in the identified activity clusters and for promoting marketing of the goods.

9. 15 per cent of the funds under SGSY are set apart, at the national level, for projects having a far reaching significance to be taken up in conjunction with other Departments or semi-government or international organisations.

10. The SGSY is implemented by the District Rural Development Agencies (DRDAs) through the Panchayat Samitis. However, the process of planning, implementation and monitoring involves coordination with banks and other financial institutions, the PRIs, the NGOs as well as technical institutions in the district. Hence, the implementation of SGSY

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calls for integration of various agencies - DRDAs, banks, line departments, Panchayati Raj Institutions (PRIs), Non-Governmental Organisations (NGOs) and other semi-government organisations.

11. Funds under the SGSY are shared by the Centre and the States in the ratio of 75:25. The Central allocation is distributed in relation to the incidence of poverty in the States. However, additional parameters like absorption capacity and special requirements can also be considered.

12. The year 1999-2000 was the first year of the implementation of SGSY. As such, considerable detailed preparatory work and planning were carried out in order to ensure the successful implementation of the scheme. In order to finalise the guidelines of the programme, views were sought/consultations were held with State Governments, banks and NGOs.

13. Many State Governments have reported that formation of SHGs took considerable time and has been one of the prime reasons for less than expected performance under the scheme in 1999-2000. However, the establishment of SHGs would gather momentum in the coming years and significantly contribute to the success of micro enterprises as vehicles for economic empowerment of BPL families.

14. In 1999-2000 (up to February, 2000) an expenditure of Rs.804.23 crore was incurred under the scheme as against the total allocation of Rs.1467.73 crore. During this period, more than 3.40 lakh self help groups were assisted. A Central outlay of Rs.1000.00 crore has been provided for the scheme in 2000-01.

### **JAWAHAR GRAM SAMRIDHI YOJANA (JGSY)**

15. The Jawahar Rozgar Yojana (JRY) has been recast as the Jawahar Gram Samridhi Yojana (JGSY) with effect from 1.4.1999 to impart a thrust to creation of rural infrastructure. While the JRY resulted in creation of durable assets, the overriding priority of the programme was the creation of wage employment. It was felt that a stage had come when rural infrastructure needed to be taken up in a planned manner and given priority. The Gram Panchayats can effectively determine their infrastructure needs and the responsibility of implementing the programme has been entrusted to the Gram Panchayats. The funds are directly released to the Gram Panchayats by the DRDAs/Zilla Parishads. The JGSY is implemented as a CSS with funding in the ratio of 75:25 between the Centre and the States.

16. The primary objective of JGSY is creation of demand driven community village infrastructure including durable assets at the village level and assets to enable the rural poor to increase the opportunities for sustained employment. The secondary objective is generation of supplementary employment for the unemployed poor in the rural areas. The wage employment under the programme is given to Below Poverty Lines (BPL) families.

17. While there is no sectoral earmarking of resources under JGSY, 22.5 per cent of the annual allocation must be spent on individual beneficiary schemes for SCs/STs and 3 per cent is to be utilised for creation of barrier free infrastructure for the disabled. All works that result in the creation of durable productive community assets can be taken up under the programme as per the felt need of the area/people by the village panchayat. These include

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creation of infrastructure for SCs/STs habitations, infrastructure support for SGSY, infrastructure required for supporting agricultural activities in the village, community infrastructure for education and health, roads and other social, economic and physical infrastructure.

18. The wages under the programme are either the minimum wages notified by the States or higher wages as fixed by the States through the prescribed procedure. The wage material ratio of 60:40 can be suitably relaxed so as to enable the building up of demand driven rural infrastructure. However, efforts may be made to ensure that labour intensive works are taken up with sustainable low cost technology.

19. Under the programme, village panchayats have the sole authority for the preparation of the Annual Action Plan and its implementation, which needs to be accepted by the Gram Sabha. Thus, the Gram Sabha is empowered to approve schemes/works. The completion of the incomplete works is to be given priority over new works and works which cannot be completed within two financial years are not to be included. At the village level, the entire work relating to coordination, review, supervision and monitoring of the programme is the responsibility of the village panchayat. The village panchayats have the power to execute works/schemes upto Rs.50,000 with the approval of the Gram Sabha. In addition, Gram Sabha would also undertake Social Audit. At the village level monitoring and vigilance committees are also set up to oversee and supervise the works/schemes undertaken. At the district level, the DRDAs/Zilla Parishads and at the intermediate level the Panchayat Samitis have the overall responsibility for guidance, coordination, supervision, periodical reporting and monitoring the implementation of the programme.

20. Village Panchayats may spend up to a maximum of 7.5 per cent of the funds or Rs.7500/- whichever is less during a year on the administrative contingencies and for technical consultancy. The village panchayat is permitted to spend up to a maximum of 15 per cent on maintenance of the public assets created within its geographical boundary. Since the entire funds will be utilised by the village panchayats under JGSY the Innovative JRY has been discontinued.

21. The primary objective of the JGSY has undergone a change from employment generation to rural infrastructure. As such, the States have taken time to adjust their monitoring mechanism as per the new monitoring parameters from employment generation to number of works undertaken/completed. During 1999-2000, 5.84 lakh works were completed as against a target of 8.57 lakh works. An expenditure of Rs.1841.80 crore was incurred during 1999-2000 as against a total allocation of Rs.2209.24 crore. A Central outlay of Rs.1650.00 crore has been earmarked for JGSY for the year 2000-01.

### **EMPLOYMENT ASSURANCE SCHEME (EAS)**

22. The Employment Assurance Scheme (EAS) was launched on 2<sup>nd</sup> October, 1993 in 1772 identified backward blocks of 257 districts situated in drought prone, desert, tribal and hill areas where the Revamped Public Distribution System (RPDS) was in operation. The programme was subsequently extended to more blocks and thereafter was universalised. It is, presently, being implemented in all the 5448 rural blocks of the country. The EAS was restructured w.e.f. 1999-2000 to make it the single wage employment programme. While the basic parameters have been retained, the scheme has become allocative scheme instead of

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demand driven and a fixed annual outlay is to be provided to the States. The programme is implemented as a CSS on a cost sharing ratio of 75:25 between the Centre and States.

23. The primary objective of the EAS is creation of additional wage employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line. The secondary objective is the creation of durable community, social and economic assets for sustained employment and development. EAS is open to all the needy rural poor living below the poverty line. A maximum of two adults per family are provided wage employment. While providing employment, preference is given to SCs/STs and parents of child labour withdrawn from hazardous occupations who are below the poverty line.

24. The programme is implemented through the Zilla Parishads (DRDAs in those States where Zilla Parishads do not exist). The list of works is finalised by the Zilla Parishads in consultation with the Members of Parliament. In areas where Zilla Parishads are not in existence, a Committee consisting of MLAs, MPs and other public representatives is constituted for selecting the works. Gram Sabhas are informed about the details of works taken up under the scheme. The EAS is in operation at district/Panchayat samiti level throughout the country, but works are to be taken up in only those Panchayat samitis/districts where there is a need for creating additional wage employment. Seventy per cent of the funds allocated for each district are allocated to the Panchayat Samitis and thirty per cent of the funds are reserved at the district level and are to be utilised in the areas suffering from endemic labour exodus/areas of distress. Diversion of funds from one district to another and from Panchayat to another is not permitted. Work would not be taken up under EAS if the demand for wage employment can be fulfilled through other plan or non-plan works. Only labour intensive works of productive nature which create durable assets would be taken up under the scheme. Eighty per cent of the funds are released to the district as per normal procedure and the remaining twenty per cent are to be released as an incentive only if the States have put in place elected and empowered Panchayati Raj Institutions (PRIs).

25. Priority would be given to the works of soil and moisture conservation, minor irrigation, rejuvenation of drinking water sources and augmentation of ground water, traditional water harvesting structures, works related to watershed schemes (not watershed development), formation of rural roads linking villages with other villages/block headquarters and roads linking the villages with agricultural fields, drainage works and forestry.

26. Zilla Parishads/Panchayat Samitis are permitted to spend up to a maximum of 15 per cent on maintenance of assets created under this scheme.

27. Funds available from other sources like cooperatives, market committees or other institutions/departments could be dovetailed with EAS funds for similar purposes.

28. The wage material ratio of 60:40 is to be strictly implemented and for this purpose, the block would be the unit of consideration. Payment of wages is at the minimum wage rate fixed by the States and higher wages to the extent of 10 per cent of the total wage component could be paid to the skilled persons.

29. During 1999-2000, a total allocation of Rs.2431.46 crore was made under EAS and an expenditure of Rs.1998.26 crore was incurred. As against the target of 4091.63 lakh

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mandays, 2566.39 lakh mandays were generated. A Central outlay of Rs.1300.00 crore has been provided for EAS for 2000-01.

### **NATIONAL SOCIAL ASSISTANCE PROGRAMME (NSAP)**

30. The NSAP was launched with effect from 15<sup>th</sup> August, 1995 as a 100 per cent Centrally Sponsored Scheme with the aim to provide social assistance benefit to poor households in the case of old age, death of primary breadwinner and maternity. This represents a significant step towards the fulfilment of the Directive Principles in Articles 41 & 42 of the Constitution. The programme supplements the efforts of the State Governments with the objective of ensuring minimum national levels of well being and the Central assistance is an addition to the benefit that the States are already providing on Social Protection Schemes or may provide in future. The provision of Central assistance seeks to ensure that social protection to beneficiaries is uniformly available.

31. The main features of the three components of the NSAP namely; (i) National Old Age Pension Scheme (NOAPS), (ii) National Family Benefit Scheme (NFBS) and (iii) National Maternity Benefit Scheme (NMBS) are given below:

#### **National Old Age Pension Scheme (NOAPS)**

32. Old age pension of Rs.75 per month, per beneficiary is provided to person of 65 years and above who is a destitute in the sense of having little or no regular means of subsistence from his/her own sources of income or through support from family members or other sources. In order to determine destitution, the criteria, if any, currently in force in the States/UTs may also be followed.

#### **National Family Benefit Scheme (NFBS)**

33. A sum of Rs.10,000 is provided in the case death of primary breadwinner due to natural or accidental causes. The family benefit is paid to such surviving member of the household of deceased who, after local enquiry, is determined to be the Head of the household. The primary breadwinner is defined as a member, whose earnings contribute substantially to the household income and who is more than 18 years and less than 65 years of age. The bereaved household should qualify as a BPL according to the criteria prescribed by the Government of India.

#### **National Maternity Benefit Scheme (NMBS)**

34. A lump sum cash assistance of Rs.500 is provided to pregnant women of households below the poverty line up to the first two live births provided they are of 19 years of age and above. The maternity benefit is to be disbursed in one instalment, 12-8 weeks prior to the delivery. In case of delay it can be disbursed to the beneficiary even after the birth of the child.

35. The NSAP is implemented by the State/UT Governments with assistance from Panchayats and municipal functionaries. Each State/UT has a nodal department identified for implementing the scheme. In the districts, there are District Level Committees on NSAP.

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36. The Gram Panchayats/Municipalities have an active role in the identification of beneficiaries under NSAP. The State Governments communicate targets for the three components of NSAP to Panchayats/municipalities so that identification of beneficiaries can suitably be made by Gram Panchayats/Neighbourhood/Mohalla Committees in line with these targets. In case of cash disbursement, the payments are to be made in public meetings preferably of Gram Sabha meetings in villages, and of neighbourhood/mohalla committees in urban areas. The Panchayats/Municipalities are responsible for disseminating information about NSAP and the procedures for obtaining benefits under it. In this task, the Panchayats and Municipalities are encouraged to seek the involvement/cooperation of voluntary agencies to the extent possible for identifying beneficiaries and persuading them to avail of the benefits intended for them.

37. The NSAP also provides opportunities for linking social assistance packages to anti-poverty programmes and schemes for provision of basic needs e.g. the old age pension can be linked to medical care and other benefits for the old and poor, family benefit beneficiaries can be assisted under SGSY while maternity assistance could be linked with maternal and child care programmes.

38. As against an allocation of Rs.767.05 crore made under NSAP during 1999-2000, an expenditure of Rs.596.99 crore was incurred up to December, 1999. A Central allocation of Rs.715.00 crore has been earmarked for the scheme in 2000-01.

### **ANNAPURNA**

39. In 1999-2000, the Government had announced the launching of a new scheme 'Annapurna' to provide food security to those indigent senior citizens who are not covered under the Targeted Public Distribution System (TPDS) and who have no income of their own and none to take care of them in the village. 'Annapurna' will provide 10 kg. of food grains per month free of cost to all such persons who are eligible for old age pensions but are presently not receiving it and whose children are not residing in the same village. The Gram Panchayats would be required to identify, prepare and display a list of such persons after giving wide publicity. A Central allocation of Rs.100.00 crore has been earmarked for the scheme in 2000-01.

### **DRDA ADMINISTRATION**

40. The District Rural Development Agencies (DRDAs) have traditionally been the principal organ at the district level to oversee the implementation of different anti-poverty programmes. Since its inception in 1980, the administrative costs of the DRDAs were met by way of setting apart a share of the allocation for each programme. However, over the years, while new poverty alleviation programmes were introduced, there was no uniformity amongst the programmes with reference to administrative costs and it was found that the provisions available for DRDAs were not sufficient even to meet the minimum costs.

41. On the basis of recommendations of the Inter-Ministerial Committee constituted to review the support for administrative costs permitted under various programmes and keeping in view the need for an effective agency at the district level to co-ordinate the anti-poverty efforts, a new CSS for 'Strengthening of DRDA Administration' was launched with effect from April 1, 1999 with funding on a 75:25 basis between the Centre and States. Under

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the programme, administrative cost per district applicable from 1999-2000 has been fixed as given below:

Category A District (less than 6 blocks)	Rs.46.00 lakhs
Category B District (6-10 blocks)	Rs.57.00 lakhs
Category C District (11-15 blocks)	Rs.65.00 lakhs
Category D District (more than 15 blocks)	Rs.67.00 lakhs

42. However, the ceiling can be raised every year up to 5 per cent to meet cost increases due to inflation etc.

43. Under the programme, the DRDAs have been conceived to emerge as a specialised agency for managing the anti-poverty programmes of the Ministry of Rural Development aiming towards poverty eradication in the district. While the actual execution of the various programmes lies outside the purview of the DRDAs, its role is to facilitate the implementation of the programmes, to supervise/oversee and monitor the progress, receive and send progress reports and account for the funds. The DRDAs are also entrusted the task of developing the capacity to build synergies among different agencies involved to bring about effective results.

44. It has been envisaged that each district should have its own DRDA and in States where DRDAs do not have a separate identity, a separate cell would be created in the Zilla Parishads for maintaining accounts. However, it has been stipulated that the chairman of the Zilla Parishad would be the chairman of the Governing Body of the DRDA. During the year 2000-01, an outlay of Rs.220.00 crore has been allocated for the Strengthening of DRDA Administration.

### **RURAL HOUSING – INDIRA AWAAS YOJANA (IAY)**

45. In the Ninth Plan, the Special Action Plan for Social Infrastructure has identified 'Housing' as one of the priority areas. It aims at providing 'Housing for All' and facilitates construction of 20 lakh additional dwelling units, of which 13 lakh dwelling units are to be constructed in rural areas. The composite housing strategy for the Ninth Plan is a multi-pronged strategy which has been operationalised w.e.f. 1999-2000. The salient features of the strategy under Action Plan are given below.

46. The Indira Awaas Yojana (IAY) will continue to be major scheme for construction of houses to be given to the poor, free of cost. However, an additional component has been added, namely, conversion of unserviceable kutcha houses to semi pucca houses. From 1999-2000, the criteria for allocation of funds to States/UTs under IAY has been changed to 50 per cent poverty ratio and 50 per cent housing shortage in the State. Similarly, the criteria for allocation of funds to a district in a State has been changed to the SC/ST population and housing shortage, with equal weightage to each of them.

47. A Credit-cum-Subsidy Scheme for rural housing has been launched from 1.4.1999 which will target a rural family having annual income up to Rs.32,000. The subsidy portion will be restricted to Rs.10,000/- and loan amount to Rs.40,000/-. The loan portion will be disbursed by the commercial banks, housing finance institutions etc.



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48. Equity support by the Ministry of Rural Development (MORD) to Housing and Urban Development Corporation (HUDCO) has been increased to improve the outreach of housing finance in rural areas. In addition, an Innovative Scheme for Rural Housing and Habitat Development and Rural Building Centres (RBCs) has been introduced to encourage innovative, cost effective and environment friendly solutions in building/housing sectors in rural areas.

49. A National Mission for Rural Housing and Habitat has been set up to address the critical issues of 'housing gap' and induction of science and technology inputs into the housing/construction sector in rural areas.

50. Samagra Awaas Yojana, a comprehensive housing scheme, was launched in 1999-2000 on pilot project basis in one block in each of 25 districts of 24 States and in one Union Territory with a view to ensuring integrated provision of shelter, sanitation and drinking water. The underlying philosophy is to provide for convergence of the existing rural housing, sanitation and water supply schemes with special emphasis on technology transfer, human resource development and habitat improvement with people's participation. The existing schemes of housing, drinking water and sanitation will follow the normal funding pattern. However, a Special Central Assistance of Rs 25.00 lakh would be provided for each block for undertaking overall habitat development and IEC works with 10 per cent contribution coming from the people.

51. In 1999-2000 (up to February, 2000), Rs.1438.39 crore has been spent and 7.98 lakh dwelling units have been built under the IAY. In the Annual Plan 2000-01, the Central outlay of Rs.1710.00 crore has been provided for Rural Housing.

### **AREA DEVELOPMENT PROGRAMMES: DROUGHT PRONE AREA PROGRAMME (DPAP), DESERT DEVELOPMENT PROGRAMME (DDP) AND INTEGRATED WASTELANDS DEVELOPMENT PROGRAMME (IWDP)**

52. The Drought Prone Area Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP) are being implemented with effect from 1.4.1995 on a watershed basis, as per the recommendations of the Technical Committee on DPAP and DDP headed by Dr. C.H. Hanumantha Rao. The common guidelines for Watershed Development provide for a uniform strategy in the implementation of all area development programmes. The main features of this strategy are:

- Area development programmes to be implemented exclusively on watershed basis.
- Programmes and activities to be confined to the identified watershed of about 500 hectares and are to be executed on a project basis spanning over a period of four to five years.
- Watershed project to cover a village, as far as possible.
- Elaborate institutional mechanism at various levels clearly defined for effective participation of the local people and the PRIs in all stages of project management.
- DRDA/ZP to be the nodal Government agency at the district level to act as a facilitator and provider of finances and technical assistance to the people's organisations executing the watershed projects.

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### **Drought Prone Area Programme (DPAP)**

53. DPAP aims at to minimise the adverse effects of drought on production of crops and livestock and productivity of land, water and human resources ultimately leading to the drought proofing of the affected areas. It also aims at promoting overall economic development and improving the socio-economic conditions of the resource poor and disadvantaged sections inhabiting the programme areas. The DPAP is in operation in 947 blocks of 161 districts in 13 States. Under DPAP, Rs.89.44 crore has been spent during 1999-2000. For 2000-01, the Central outlay of Rs.190.00 crore has been provided for DPAP as against Rs.95.00 crore in 1999-2000.

### **Desert Development Programme (DDP)**

54. DDP has been envisaged as an essentially land based activity and conceived as a long term measure for restoration of ecological balance by conserving, developing and harnessing land, water, livestock and human resources. The main objectives of this programme are: (i) combating drought and desertification; (ii) encouraging restoration of ecological balance; (iii) mitigating the adverse effects of drought and adverse edapho-climatic conditions on crops and livestock and productivity of land, water and human resources; (iv) promoting economic development of village community; and (v) improving socio economic conditions of the resource poor and disadvantaged sections of village community viz; assetless and women.

55. Under DDP, Rs.49.22 crore has been spent during 1999-2000. In the Annual Plan 2000-01, the Central outlay of Rs.135.00 crore has been provided for DDP vis-à-vis Rs.85.00 crore in 1999-2000.

56. Under DPAP and DDP, funds are directly released to DRDAs/Zilla Parishads for implementation of the programme. From 1999-2000, the funding pattern under these programmes have been changed to 75:25 cost sharing basis between the Centre and the States.

### **Integrated Wastelands Development Programme (IWDP)**

57. IWDP has been under implementation since 1989-90 wherein wastelands are being developed with the active participation of stakeholders i.e. user groups, self help groups and PRIs. Here, the projects are sanctioned in favour of DRDAs/ZPs for the period of five years. The projects are implemented through the Project Implementing Agencies (PIAs) which can be a Line Department or a reputed NGO having sufficient experience in the field of watershed development. The programme is implemented all over the country.

58. IWDP is a 100 per cent Central Sector scheme. The cost norm is Rs.4000 per hectare. The basic objective of this scheme is to take up integrated wastelands development based on village/micro watershed plans. The stakeholders prepare these plans after taking into consideration land capability, site conditions and local needs. The scheme also helps in generation of employment in rural areas besides enhancing people's participation in the wastelands development programmes at all stages. This leads to equitable sharing of benefits and sustainable development.

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59. The major activities taken up under the scheme are: (i) soil and moisture conservation measures like terracing, bunding, trenching, vegetative barriers etc; (ii) planting and sowing of multi-purpose trees, shrubs, grasses, legumes and pasture land development; (iii) encouraging natural regeneration; (iv) promotion of agro-forestry and horticulture; (v) wood substitution and fuel wood conservation measures; (vi) measures needed to disseminate technology; training, extension and creation of greater degree of awareness among the participants; and (vii) encouraging people's participation.

60. About 247 IWDP projects in 25 States with a total outlay of Rs.778.12 crore to treat total project area of 15.98 lakh hectare were sanctioned before March 31, 1999. These projects are at various stages of implementation. Out of these, the projects taken up before March 31, 1995 have more or less been completed. Consequently, projects totalling 11 lakh hectares are under implementation under the common guidelines.

61. 39 projects covering an area of 3.83 lakh hectare have already been approved by the Project Sanctioning Committee. It is expected that projects covering another 8 lakh hectare would be sanctioned during 1999-2000 and Rs.40.72 crore has been spent (up to January, 2000). For Annual Plan 2000-01, the Central outlay has been enhanced to Rs.480.00 crore vis-à-vis Rs.82.00 crore in 1999-2000.

62. In pursuance to the Government decision to bring the unification of multiplicity of Wasteland Development Programmes of different Ministries/Departments, within a framework of 'Single National Initiative', the common guidelines for implementation of watershed projects/programmes by the Ministry of Rural Development and Ministry of Agriculture have been evolved and an effort is being made to bring them under one umbrella/Ministry.

### LAND REFORMS

63. Land reforms have been viewed both as a means for achieving redistributive justice and as means for attaining higher levels of agricultural production and income in the rural areas. Access to land is still a major source of employment and income in rural areas. Therefore, the issue of agrarian restructuring continues to receive the priority. The major components of the Land Reforms Policy include among others, detection and distribution of ceiling surplus lands, tenancy reforms, consolidation of land holdings, providing access to poor on common lands and wastelands, preventing the alienation of tribal lands and providing land rights to women. Further, for the successful implementation of land reforms, updating of land records by traditional methods as well as through computerisation is an essential pre-requisite.

64. Since land is a State subject, the responsibility of implementing land reforms rests with the State Governments. However, two Centrally Sponsored Schemes (CSS) viz; 'Strengthening of Revenue Administration and Updating of Land Records' (SRA & ULR) and 'Computerisation of Land Records' (CLR) are being implemented by the Ministry of Rural Development.

65. The CSS of 'Strengthening of Revenue Administration and Updating of Land Records' is designed to provide support to the ongoing programmes of tenancy reforms. The

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scheme places emphasis on modernisation of cadastral survey procedures through photogrammetric check methods, further strengthening of training infrastructure facilities for revenue, survey and settlement staff, to enable them to handle modern survey equipments effectively, construction of Record Rooms and office cum Residence of Patwarais/Talathis in remote and tribal areas, purchase of survey equipments for offices of revenue administration particularly at grassroots level, etc. From 1987-88 to 1999-2000, funds to the tune of Rs.162.74 crore have been provided to the States/UTs as Central share under the Scheme, out of which Rs.132.30 crore have been utilised (i.e. 81.30 per cent utilisation). Equal amount towards State share has also been utilised by the States. During 1999-2000, against the budget provision of Rs.10 crore, funds to the tune of Rs.8.08 crore have been released to the States up to January, 2000. In the Annual Plan 2000-01, the Central outlay of Rs.25.00 crore has been provided for SRA & ULR.

66. The Centrally Sponsored Scheme on Computerisation of Land Records was started in 1988-89 as a pilot project in eight States. It was started with the sole objective of ensuring issue of timely and accurate copies of record of right to the land owners by the Tehsildar. At present, the scheme is being implemented in 528 districts of the country leaving only those districts where there are no land records. Also 1557 tehsils/talukas have been covered under programme till 31.3.2000. Since inception of the scheme, the Ministry of Rural Development has released Rs.141.61 crore as on 31.3.2000. The utilisation of funds reported by the States/UTs is Rs.70.63 crore, (49.88 per cent utilisation). During 1999-2000, budget provision under the scheme is Rs.33.0 crore, out of which Rs.28.19 crore have already been released to various States. The Central outlay of Rs.50.00 crore has been provided for CLR for 2000-01.

67. The process of alienation of tribal land has continued since independence because of an influx of non-tribals into tribal areas as a result of various developmental projects, exploitation of natural resources and industrial activities. It is an irony that on one side outsiders/non tribals infiltrate into the Schedule areas in the name of development while on the other hand local tribal population migrate to urban areas in search of employment/job opportunities. This has given rise to severe discontent in the tribal areas. It is therefore necessary that the land issue which forms the crux of problem, must be effectively addressed. All the concerned State Governments have accepted the policy to prohibit transfer of land from tribals to non tribals and restore the alienated lands to the tribals, and have enacted laws to this effect. These States include Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Madhya Pradesh, Orissa, Rajasthan and West Bengal.

68. As per the latest information available with the Ministry of Rural Development, till December 1999, total number of 3.75 lakh cases covering an area of 8.55 lakh acres were registered under laws pertaining to prevention of alienation of tribal lands. Out of this, 1.63 lakh cases had been disposed of in favour of tribals and in 1.58 lakh cases, they had been given possession of land covering an area of 4.33 lakh acres. Some existing land legislations pertaining to alienation and restoration may probably require further improvement in as much as that the conditionalities attached to restoration were restrictive and in real sense, no restoration could take place.

69. Consolidation of fragmented agricultural land holdings forms an integral part of the Land Reform Policy and the Five Year Plans have accordingly been laying stress on its implementation. This operation is considered necessary for the planned development of the

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villages and achieving efficiency and economy in agriculture. In pursuance of this, many States had enacted legislations but not much progress could be made except in the States of Uttar Pradesh, Haryana and Punjab. In other States, work was continued for some years and lost momentum thereafter. In the State of Uttar Pradesh, even now annually about 900 to 1000 villages are being covered under this activity. So far an area of 1615.30 lakh acres have been consolidated all over the country.

### **PANCHAYATI RAJ INSTITUTIONS**

70. The Seventy Third Constitutional Amendment Act, 1992 has given impetus to democratic decentralisation in the country by conferring Constitutional status on the Panchayati Raj Institutions (PRIs). Consequent upon the enactment of the Act, almost all the States/UTs except Jammu and Kashmir, Arunachal Pradesh, and NCT of Delhi have enacted their legislation. With passing of appropriate legislations by the State Governments and conduct of elections to the PRIs, Panchayati Raj Bodies have been set up in almost all the States with a few exceptions.

71. The Provisions of the Panchayats (Extension to the Scheduled Areas) Act 1996 has come into force with effect from 24<sup>th</sup> December, 1996 and extend Panchayats to the tribal areas of eight States, viz; Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Orissa and Rajasthan. It intends to enable tribal society to assume control over its own destiny, preserve its cultural ethos and conserve its traditional rights over natural resources.

72. Article 243 (I) of the Constitution provides for the constitution of State Finance Commission (SFC) to review the financial position of Panchayats and to make recommendations regarding principles governing distribution of net taxes between State Governments and the Panchayats, assignment of taxes and grant-in-aid to Panchayats. All the States barring Arunachal Pradesh and Bihar have constituted their respective SFCs. The SFCs in these States except in Sikkim and Goa have submitted their reports to their respective State Governments. Some of the States have accepted the recommendations of the SFCs in toto, while in other States, the SFC report have either been partially accepted or are under scrutiny. In some States like Kerala, the second SFC has also been constituted.

73. Article 243 (G) of the 73rd Constitutional Amendment Act endows the PRIs with the requisite financial and administrative powers to enable them to function as effective institutions of local self-government. It envisages the establishment of a democratic decentralised development process through people's participation in decision-making, in implementation and in the delivery process. In order to achieve this objective, the Constitution provides for devolution of powers and responsibilities upon Panchayats at appropriate levels for economic development and social justice in respect of 29 Subjects as listed in the Eleventh Schedule of the Constitution. These are under various stages of operationalisation in different States. In fact, in some States like Kerala, Madhya Pradesh, Uttar Pradesh and Tamil Nadu the process of devolution has been carried out effectively with the transfer of funds, functions and functionaries to the PRIs in respect of selected items.

74. The State Governments are required to constitute District Planning Committees (DPCs) as envisaged under Article 243 (Z) and (D) of the 74th Constitutional amendment Act to facilitate the process of decentralised planning. DPCs are to be set up in each district to

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prepare composite plans covering both urban and rural areas. However, only nine States viz Haryana (only in 3 Districts), Karnataka (in 10 out of 27 districts), Kerala, Madhya Pradesh, Rajasthan, Sikkim, Tamil Nadu, Tripura and West Bengal and two Union Territories, viz, Andaman & Nicobar Islands and Daman & Diu have taken action to constitute DPCs. The formation of DPCs must receive top priority by the State Governments, as it is only then that planning would genuinely begin from the grassroots.

75. The Year of 1999-2000 was declared as 'Year of the Gram Sabha' by the Government of India in recognition that the Gram Sabha is potentially the most significant institution for participatory democracy and decentralisation. The State Governments have been requested to initiate measures to energise Gram Sabhas. To ensure greater transparency and accountability, attention of State Governments have also been drawn to the importance of social audit in implementation of development programmes especially rural development programmes through Gram Sabha.

76. In the light of 73<sup>rd</sup> Constitutional Amendment Act, the District Rural Development Agencies (DRDAs) are also being restructured to suit the changed scenario. DRDAs would have to work under the overall control and supervision of the Zilla Parishads.

77. In order to make decentralised development a success, a time bound training programme, in phases, has been initiated for the new entrants into the PRIs so as to make them familiar with the implementation of various programmes, technologies and other requisite information.