

### **2.13. Rural Development and Panchayat Raj**

In tune with the Eleventh Plan allocation of Rs.10241.28 crore for Rural Development Sector, it is proposed to provide to Rs.1926.27 crore for 2008-09. The major policy shifts enunciated in the Eleventh Plan document is reflected in the outlay to be provided for the year 2008-09.

The first year of the Eleventh Plan saw a utilization of Rs.1544.07 crore. Translated in physical numbers for the year 2007-08, 12164 number of infrastructure assets were created under the Member of Legislative Assembly Community Development Scheme (MLACDS), 73160 assets under Anaithu Grama Anna Marumalarchi Thittam (AGAMT) the prestigious state scheme with maximum outlay, 60523 new houses constructed and 13386 kutchha houses upgraded under the Indira Awaaz Yojana Scheme. Among the other shared schemes, the state created 22581 assets under Sampoonna Grameen Rojgar Yojana (SGRY), 11715 assets under the Tamil Nadu Rural Employment Guarantee Scheme and provided revolving fund to 19024 SHGs and economic assistance to 3528 SHGs under the Swarnajayanti Gram Swarajgar Yojana. (SGSY).

The strategies proposed for the Eleventh Plan revolve around (i) improving Panchayat Raj Institutions (ii) Strengthening the administrative machinery (iii) Convergence of resources (iv) alternative delivery mechanism and (v) removing bottlenecks in scheme guidelines. Monitoring indicators for the Eleventh Plan reflect on providing one electrified school building in each village panchayat, one library with books, one drinking water source in each village panchayat, linking up SHGs that have obtained revolving fund with credit assistance and increasing resources to the rural local bodies.

#### **Village Panchayats**

There are 12618 Village Panchayat in the state spread across 30 districts in 385 blocks. The average number of Village Panchayats per district is 435 and per Block is 32. The Nilgiris (35),

Kanniyakumari (99), Theni (130) and Karur (158) are some of the districts with fewer Village Panchayats while Villupuram (1104), Tiruvannamalai (860), Vellore (753), Cuddalore (681) and Kancheepuram (648) are some of the districts with a large number of Village Panchayats. Wide variations are also noticed in the income levels of the various Village Panchayats.

**Classifications based on Income**

Sl.No.	Income Range	No. of Village Panchayats
1.	< 1 lakh	188
2.	Rs.1 lakh to Rs.5 lakh	7422
3.	Rs.5 lakh to Rs.10 lakh	3181
4.	> 10 lakh	1827

It is therefore proposed to allocate a minimum of Rs.3 lakhs to each Village Panchayat, irrespective of its size and population to ensure that even the weaker Village Panchayats have sufficient income to enable them to discharge their functions effectively.

Village Panchayats have also been given administrative freedom to execute urgent works up to Rs.2,000 at a time and upto Rs.5,000 for a year without any technical approval. The President of the village panchayat can draw self cheque up to Rs.500 to meet contingent expenditures. The Village Panchayats have also been given necessary delegation of powers to enable them to attend to repairs and maintenance of hand pumps, power pumps and street lights promptly. They can spend Rs.600 per hand pump per year and upto Rs.7,500 per power pump per year without reference to engineers for preparation of estimates or passing of bills.

The Government had allocated Rs.1585.72 crore as the State Finance Commission grant for the rural local bodies in 2007-08 which is expected to be at the same level in 2008-09.

To make the development machinery dynamic the following efforts have been initiated by the state.

- Introduction of scale of pay for Panchayat Assistants who have been working only on consolidated wages.
- Phone Connections to be provided to all the Village Panchayats.
- Computers to be installed in all Village Panchayats with provision for internet connectivity.
- Providing manpower assistance through Makkal Nala Paniyalargal, technical assistants and computer assistants for better implementation of TNREGS.
- Vacancies in all categories to be filled up on war footing.
- Providing vehicles to all the Block Offices, with increased ceiling limit on fuel every month
- Photo Copiers and fax machines for all the block offices in the state.

It is anticipated that these measures will accelerate the pace of the development significantly by making the delivery mechanism more efficient and dynamic. During 2008-09 it is also proposed to provide computer and accessories additionally to the development wings of the Collectorates, Fax Machines to other offices and additional hostel/training accessories to the training institutions of rural local bodies.

### **Anaithu Grama Anna Marumalarchi Thittam (AGAMT)**

The AGAMT will continue to be the single major scheme providing for convergence of resources of many field departments. This scheme provides untied funds of Rs.5.00 lakh to be used for filling infrastructural gaps and another Rs.15.00 lakh for stipulated items to the identified village panchayats. It is anticipated that 73160 works will be completed in AGAMT in 2534 village panchayats. For the year 2008-09, it is proposed to take up another 2550 village panchayats and provide assistance to the value of Rs. 510.00 crore converging various scheme resources.

### **Tamil Nadu Rural Employment Guarantee Scheme (TNREGS)**

Removing bottlenecks in scheme guidelines have resulted in better utilization of scheme funds. In TNREGS, the modification of the guidelines relating to rural schedule of rates, prescription of minimum registration in every village panchayats, providing additional fuel to the vehicles of Panchayat Unions and providing technical assistance for data maintenance, banning of works less than Rs.3 lakh value have resulted in utilization of Rs.75.44 crore in 2007-08 against the budgeted outlay of Rs.41.60 crore.

During 2008-09, it is expected to expand further to all the districts with an outlay of Rs.200 crore.

The other schemes which will be continued in 2008-09 with certain modifications of guidelines are detailed below.

### **Swarnajayanti Gram Swarozgar Yojana (SGSY)**

SGSY is a major anti-poverty scheme for the rural poor, by organizing them into Self Help Group (SHGs), providing them with skill development, training and helping them to get credit linkage with financial institutions and providing infrastructure/marketing support for the products produced by them.

10% of the scheme fund is allocated for the training component, 20 % for the infrastructure component and 70% for revolving fund-cum-subsidy component. The rural poor being organized into SHGs, after the first grading, are provided with a revolving fund of Rs.25,000 (bank loan of Rs.15,000 and Rs.10,000 as subsidy). After the second grading, the successful groups are provided with economic assistance, the maximum eligible subsidy being 50 % of the project cost with a ceiling of Rs.1.25 lakh.

In 2007-08, a sum of Rs.69.39 crore is expected to be utilized for the implementation of this scheme. In 2008-09, an amount of Rs. 70 crore will be provided with a credit target of Rs.140.00 crore. The following initiatives are expected to improve the quality of utilization of funds and increase credit assistance in 2008-09.

- (i) Availability of directory of reputed Training Institutions for facilitating the conduct of useful training programmes under SGSY.
- (ii) Identification of two leading activity clusters in each block through an elaborate Activity Mapping exercise.

### **Total Sanitation Campaign (TSC)**

The Total Sanitation Campaign (TSC) project envisages a demand-driven approach with focus on awareness building and meeting the demand with alternate delivery mechanisms. The funding is shared between the Centre and State in the ratio of 80:20 for information, education and communication (IEC) activities, 60:20:20 for individual house hold latrines and community complexes and 70:30 for school and anganwadi toilets.

With the launch of the state level multi media campaign in 2007-08 to create awareness and change the mind-set of rural public, the state has utilised Rs. 20.00 crore which is a significant increase over previous year. It is expected that Rs. 20.00 crore will be provided in 2008-09 also to meet the demand generation.

Giving filip to the Total Sanitation Programme, 480 Village Panchayats and 8 Panchayat unions were awarded the Nirmal Gram Puraskar Award for 2007-08, vieing closely with each other in promoting clean hygiene/good sanitary practices among the rural public. This will continue in the year 2008-09 with the selection process for 2007-08 underway to be awarded in 2008-09. The incentive proposed will continue to be (i) upto Rs.5 lakh per Village Panchayat depending on the population of the Village Panchayat (ii) upto Rs.20 lakh per Panchayat Union depending on the population of Panchayat Union and upto Rs.50 lakh per district depending upon the population of the district.

### **Member of Parliament Local Area Development Scheme (MPLADS)**

The focused area development scheme of the Centre will continue in the year 2008-09 with same allocation of Rs. 2.00 crore

per year per MP constituency. The utilization for 2007-08 is around Rs. 80.00 crore which will be substantially increased in the year 2008-09. It is anticipated that Rs.114 crore will be allotted for works under MPLADS for 2008-09.

### **Pradhan Mantri Gram Sadak Yojana (PMGSY)**

The PMGSY programme will continue to provide all weather roads to rural habitation with population of more than 1000 and between 500 – 1000 population. 1204 habitations have been covered under this scheme in 2007-08 and it is proposed to cover additional 1636 habitations through upgradation under Bharat Nirman Program corresponding to 2008-09 of the Plan period.

### **Bharat Nirman Programme**

The Centrally Sponsored Bharat Nirman Scheme is programmed to take up upgradation works targeted to provide all weather road connectivity to all habitations having population of 500 and above in hilly, desert & tribal areas.

It is proposed to take up 1989 kilometres for upgradation at a cost of Rs.345 crore in 2007-08 and 2008-09.

### **Sampoorna Grameen Rozgar Yojana (SGRY)**

The Sampoorna Grameen Rozgar Yojana (SGRY) scheme with the primary objective of providing supplementary wage employment to rural labour, and secondary objective of creating durable community assets will be replaced by the Tamil Nadu Rural Employment Guarantee Scheme (TNREGS) in all the districts from 2008-09.

During 2007-08, the SGRY scheme was implemented in 19 districts and Rs 6892.49 lakh is expected to be fully utilized under this scheme creating 22581 assets in rural areas.

### **Indira Awaaz Yojana**

The Indira Awaaz Yojana will continue in 2008-09 with the same objective of construction of free houses to SC/ST members, free

bonded labours and non SC/ST rural poor living below poverty. 3% is earmarked for physically handicapped persons. This scheme is funded by the Centre and State in the ratio of 75:25. Under this scheme both new houses and upgradation of old kutcha houses are taken houses.

### **New Houses**

The unit cost of new house with the minimum plinth area of 20 sq.metres has been fixed at Rs.25,000 for ordinary soil and Rs. 27,500 for difficult soil. The State Government provides an additional amount of Rs.12,000 for RCC roofing in addition to its state share. Additionally Rs.1200 will be provided for the beneficiary to construct toilet using the total sanitation funds.

During 2007-08, 68523 new houses will be constructed including spillover of previous year and 15386 kutcha houses upgraded. For 2008-09 it is anticipated that 60000 new houses will be constructed and atleast 15000 kutcha houses upgraded. The State Government will continue to provide an additional Rs.12000 per unit towards RCC roofing for new houses at an anticipated additionality of Rs.60.00 crore.

During the Eleventh Five Year Plan it has been proposed to introduce an alternative delivery system through the medium of SHGs/Community based institutions. In tune with the avowed objectives of the Eleventh Plan during 2007-08, 24030 SHGs have been formed and provided with training for improving service delivery. These SHGs have taken up activities like running of canteens, garbage collection and segregation of waste in rural areas, undertaking minor hand pump repairs and construction activities for public as well as private buildings. Panchayat level federations (PLF) have been formed in 12618 village panchayats with the membership of 273255 SHGs.

These efforts will continue in 2008-09 with capacity building exercises provided to all PLF office bearers on governance inputs. New

livelihood schemes will be entrusted to the PLFs and PLFs certification made mandatory for processing SHG claims (of voluntary agencies).

An amount of Rs.125 lakh has been utilized for giving EDP training to the office bearers of SHGs to take up new livelihood activities through reputed institutions. In 2008-09 this exercise will continue with an anticipated allocation of Rs.1.50 crore through the Mahalir Thittam project.

Youth Self Help Groups will continue to be focussed in 2008-09 in tune with the Eleventh Plan objective to harness the youth power in rural villages under the aegis of SGSY scheme. In addition to SGSY the Mahalir Thittam will also focus on Youth Self Help Groups for which separate allocation is provided.

#### **Plan Outlay for 2008-09**

An outlay of Rs.1943.52 crore is approved for Rural Development sector in the Annual Plan 2008-09. It is anticipated that there will be a flow of atleast Rs. 202.66 crore to SCs and Rs. 0.71 crore for STs contributing to the Scheduled Caste Sub Plan and Tribal Sub Plan.