

## **2.10. Rural Development**

In this section, the performance of the state with respect to specific programmes of the department of Rural Development and the efforts taken to provide decentralised administration through strengthening the rural local bodies - the village panchayats, has been analysed within the perspective of the strategies outlined in the Eleventh Five Year Plan.

In tune with the Eleventh Plan allocation of Rs.10241.28 crore for Rural Development Sector, it is proposed to provide Rs.1981.65 crore for 2009-10. The major policy shifts enunciated in the Eleventh Plan document is reflected in the outlay to be provided for the year 2009-10.

The second year of the Eleventh Five Year Plan saw a utilization of Rs.1943.51 crore. Translated in physical numbers for the year 2008-09, 31600 number of infrastructure assets were created under the Member of Legislative Assembly Community Development Scheme (MLACDS), 30505 assets under Anaithu Grama Anna Marumalarchi Thittam (AGAMT) the prestigious state scheme with maximum outlay, 68509 new houses constructed and 17951 kutcha houses upgraded under the Indira Awaaz Yojana Scheme. Among the other shared schemes, the state provided revolving fund to 1.50 lakh SHGs and economic assistance to 4772 SHGs under the Swarnajayanti Gram Swarojgar 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

A minimum of Rs.3 lakh has been provided 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.

The Government had allocated Rs.1615.00 crore as the State Finance Commission grant for the rural local bodies in 2008-09 which is expected to be at the same level in 2009-10 out of which Rs.960 crore are expected to be provided to Village Panchayat, Rs.517 crore to Panchayat Union and Rs.120 crore to District Panchayat Union.

To make the development machinery dynamic the following efforts have been initiated by the state in the year 2008-09.

- Introduction of scale of pay for Panchayat Assistants who have been working only on consolidated wages.
- Phone Connections has been provided to all the Village Panchayats.
- Computers have been installed in all Village Panchayats with provision for Internet connectivity.

- Manpower assistance has been given through Makkal Nala Paniyalargal, technical assistants and computer assistants for better implementation of TNREGS.
- Vacancies in all categories filled up.
- Additional vehicles have been provided to all the Block Offices, with increased ceiling limit on fuel every month.
- Photo Copiers and fax machines has been given 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.

### **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 infrastructure gaps and another Rs.15.00 lakh for stipulated items to the identified village panchayats. Rs.471.60 crore has been spent in the implementation of the scheme during the year 2008-09 with creation of nearly 30,505 assets. For the year 2009-10, nearly 34,520 works are expected to be taken up in 2,511 village panchayats at an outlay of Rs.507 crore. For the 2009-10, Rs.94 crore has been proposed under the SCSP component.

### **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.172.19 crore in 2008-09 against the budgeted outlay of Rs.292 crore. About 82% of the works force comprises of women and 56% from scheduled Castes. During 2009-10, an outlay of Rs.210 crore has been proposed under the scheme. The other centrally sponsored schemes that will be continued in 2009-10 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.25000 (bank loan of Rs.15000 and Rs.10000 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 2008-09, a sum of Rs.42.12 crore has been utilized for the implementation of this scheme with 4772 no. of SHGs provided with economic assistance. In 2009-10, an amount of Rs.50 crore will be provided with a credit target of Rs.140 crore. The following initiatives are expected to improve the quality of utilization of funds and increase credit assistance in 2009-10.

- a. Availability of directory of reputed Training Institutions for facilitating the conduct of useful training programmes under SGSY.
- b. 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, 60:28:12 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 2008-09 to create awareness and change the mind-set of rural public, the state has utilised Rs. 20.07 crore which is a significant increase over previous year. It is expected

that Rs. 20.07 crore will be provided in 2009-10 also to meet the demand generation.

Giving fillip to the Total Sanitation Programme, 2000 Village Panchayats and 7 Blocks were selected for award under the Nirmal Gram Puraskar Award for 2008-09 also vying closely with each other in promoting clean hygiene/good sanitary practices among the rural public. This will continue in the year 2009-10 also. 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 2009-10 with same allocation of Rs.2 crore per year per MP constituency. The utilization for 2008-09 is around Rs.72 crore. It is anticipated that Rs.114 crore will be allotted for works under MPLADS for 2009-10. There is no state share involved in this scheme.

#### **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. 296.48 kms of road have been completed under this scheme in 2008-09 and a cost of Rs.67.81 crore. This scheme is likely to be replaced with the same objective under Bharat Nirman Program for 2009-10 of the Plan period.

#### **Bharat Nirman Programme**

The Centrally Sponsored Bharat Nirman Scheme is programmed to take up to provide connecting to unconnected habitations population having more than 1000 and upgradation works targeted to provide all weather road connectivity to all habitations.

Under Bharat Nirman Programme 805 kms of upgradation work has been completed at a cost of Rs.196 crore and will continue in 2009-10 with an anticipated outlay of nearly Rs.734 crore.

### **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 has been replaced by the Tamil Nadu Rural Employment Guarantee Scheme (TNREGS) in all the districts from 2009-10.

During 2008-09, the residual portion of the SGRY scheme alone was implemented and Rs.388.16 crore is expected to be utilized under this scheme creating nearly 8200 assets in rural areas.

### **Indira Awaaz Yojana**

The Indira Awaaz Yojana will continue in 2009-10 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 up.

### **New Houses**

The unit cost of new house with the minimum plinth area of 20 sq.metres has been fixed at Rs.35000 for ordinary soil and Rs.37500 for difficult soil by Government of India. The State Government provides an additional amount of Rs.20000 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.

Therefore, the total cost of an IAY house would continue to be Rs.55000 and Rs.58500 for ordinary soil and difficult soil respectively during 2009-10. A

further subsidy of Rs.1200 out of Total Sanitation Funds is dovetailed to enable each beneficiary to construct a toilet in the IAY house.

During 2008-09, 68509 new houses has been constructed including spillover of previous year and 17951 kutchra houses upgraded. For 2009-10 it is anticipated that 70000 new houses will be constructed and atleast 16000 kutchra houses upgraded. The State Government will continue to provide an additional Rs.20000 per unit towards RCC roofing for new houses.

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 2008-09 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 2009-10 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 2009-10 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 focused in 2009-10 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 2009-10**

An outlay of Rs.1523.67 crore is approved for Rural Development sector in the Annual Plan 2009-10. It is anticipated that there will be a flow of atleast Rs.515.00 crore to SCs and Rs.0.90 crore for STs contributing to the Scheduled Caste Sub Plan and Tribal Sub Plan.