CHAPTER I: District Rural Development Agency and Rural Development

1.1 The concept of rural development:

Rural development is a dynamic concept which contents have been of great variation. There is no universally acceptable definition of rural development. It is commonly accepted that it covers a wide range which is nothing less than the whole economic and social development of rural communities.\(^1\) The word 'rural' refers to all aspects of that area and of the activities and institutions within it, in which people live in villages, small towns or other relatively dispersed population.\(^2\) On the other hand, the word 'development' refers to quantitative as well as qualitative change, which applies only when seen against something at a particular time.\(^3\) Rural development, hence, means development of the rural areas in such a way that social, economic, technological, and natural components of rural life change in a desired direction within the framework

\(^3\) Bose, P.R. and Vasist., *Rural Development*, CSIR, New Delhi, 1980, p.15.
of the national goal and objectives and without prejudice to the country.\textsuperscript{4}

James H. Copp has defined rural development as a process of collective efforts, aiming at improving the wellbeing and self-realization of people living outside the urbanized areas. The ultimate target of rural development is people, and not infrastructure, and one of the objectives of rural development should be “to widen people’s ranges of choices”.\textsuperscript{5} The World Bank has come forward with a more comprehensive concept of rural development. It has defined rural development as a “strategy designed to improve the economic and social life of a specific group of people, i.e. the rural poor including small and marginal farmers, tenants and the landless.”\textsuperscript{6} A national program of rural development should include a mix of activities including projects to raise agricultural output, create new employment, improve health and education, expand communication and improve

\textsuperscript{6} World Bank, \textit{Rural Development Sector Policy Paper}, p.3.
housing, etc. It may also be noted that the nature and content of any development program or project will reflect the political, social and economic circumstances of the particular country or region. In many countries, rural development is understood simply as a process of bringing modernity to rural areas through the establishment of rural infrastructure such as good roads, schools, health care centers etc. Walter Ouma Oyugi contends: “The program of rural development involves the systematic introduction of the policy actions in the broad field of development aimed at improving the standard of living of the people by reducing especially rural unemployment and underemployment, poverty and inequalities in the national system.”

Keeping the above ideas in view, rural development refers to policies and attempts made for improving the socio-economic conditions of the rural poor. Moreover, it is equally concerned with rural poverty, unemployment, development of infrastructure like road transport, power,
insurance and banking, development of cottage industries, providing decent and affordable houses for the rural poor and the depressed classes. It is, thus, a broad concept concerned with the total development of the rural areas as a whole.

In the Indian context, the concept of what is known as rural development was born in the context of agriculture, and it remained, for a long time coterminous with agricultural development. The Royal Commission on Agriculture (1928), for instance, provided this kind of interpretation to ‘rural development’. To quote from the Report of the Commission: “We cannot too strongly state our conviction that the directorship of agriculture is one of the key posts in rural development and that agricultural advance must in a very great degree depend upon the suitability of the officer appointed.”

However, nowadays it is no longer concerned with agricultural development only. For instance, A.R. Patel

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defines rural development as an integrated development of the area and the people through optimum development and utilization (and conservation where necessary) of the local resources – physical, biological and human, and by bringing about necessary institutional, structural and agricultural changes by delivering a package of service to encompass not only the economic field but also establishment of social infrastructure and services in the area of health and nutrition, housing etc, with the ultimate objective of improving quality of life of the ‘rural poor’ and the rural weak. The Annual Report of the Ministry of Rural Development (MoRD) says: “Rural Development has came to mean a direct attack on rural poverty through special employment programs, land reforms, area development programs and measures to provide safe drinking water supply and rural housing and rural sanitation.”

With this background, rural development has been viewed in terms of economic growth, modernization, and increased agricultural production, availability of services to

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fulfill the basic needs like health, education, water supply etc. and employment. Thus, it is conceived as the process of improving living conditions, providing minimum needs, increasing productivity and employment opportunities and developing potential of rural resources through integration of spatial, functional and temporal aspects for making the rural masses self-sustained and self-sufficient.

1.2 Evolution of Rural Development in India:

The history of rural development in India can be divided into three well-marked phases. The first covers the period from 1860-1920. During this period, the old feudal India was dissolving and a new India under the impact of Western education and ideas was gradually emerging. During this period, when the basic ideas of community development were in a fluid state, the most active role in rural development was played by the Christian missionaries who aimed at the all round development of their Christian converts. This period was a landmark period in the history

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of rural development in India. It witnessed several rural development efforts made by the British Government as well as voluntary organizations. The British Government did not totally neglect the villages. In fact, it identified several problems of the country for the first time and various measures were taken up to solve it. Moreover, a large number of development programs were also implemented for development of Indian villages.\textsuperscript{16}

In addition to this, the rural development functions were also assumed, for the first time, by the British administration in India in the context of the occurrence of simultaneous famines.\textsuperscript{17} In order to control the famine in India, the British Government appointed a Famine Commission in India which suggested that the government should constitute a commission of experts to comprehend the agricultural problems. It also suggested formulating a Co-operative Societies Act. The suggestions led to the establishment of co-operative societies in 1904 and 1905. In addition, as per the advices of the Commission, there were

\textsuperscript{17} Ibid. p. 268.
expansions of irrigation system in the next few years.\textsuperscript{18} Consequently, the government appointed a Royal Commission on Agriculture in India in 1928 in order to ensure the improvement in agriculture and the promotion of the welfare and prosperity of rural population.\textsuperscript{19} The suggestion made by the Commission contended that the real problem in India was to improve the Indian village life. However, the efforts of improvement made by the British Government were hardly taken seriously by the peasantry.\textsuperscript{20}

By the first quarter of 20\textsuperscript{th} century, the freedom movement had reached to the villages. The Non-Cooperation movement which was started by Mahatma Gandhi in 1920 was the first political attempt in India to mobilize the villagers and take politics to the rural areas. The Non-Cooperation resolution passed by the Indian National Congress in its Calcutta Session of September 1920, articulated the approach to rural development by recommending 'hand-spinning in every house and hand-weaving on the part of the millions of weavers who have

\textsuperscript{18} Ibid.
\textsuperscript{19} Ibid., 269.
\textsuperscript{20} Ibid.
abandoned their ancient and honorable calling for want of encouragement. Subsequently, the spinning wheel economy, adopted at this time by Gandhi, was the first voluntary exercise in rural development in India. It has ensured the emergence of the 2nd phase in the history of rural development in our country.

The 2nd phase in the history of rural development is the period from 1920-47. The period also marked the adulthood of Indian nationalism and the end of foreign rule. During this period, the enlightened officials and quasi-missionary societies and even some enlightened princes realized the importance of rural development and started working towards this goal. It was at this time that Rabindranath Tagore set up Sriniketan Institute of Rural Reconstruction in 1921 with the aim of making the rural population self-reliant and self-respectful. In the same year the Martandam experiment was started in Madras under the leadership of D.S. Hatch of the Young Men's

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23. Ibid., p. 28.
Christian Association 'to bring about a complete upward development towards a more abundant life for rural people, spiritually, mentally, physically, socially and economically'. Besides these voluntary efforts, the government also began to turn towards the villages for the development of the rural masses during this period. A most notable name in this respect is F.L. Brayne, the District Collector of Gurgoon, who started in 1927 a program of rural reconstruction based on the ancient virtues of hard work, thrift, self-respect, self-control, self-help, mutual help and mutual respect. Similarly, in 1932 the princely state of Baroda launched a broad base program of rural amelioration to promote the will to live better and a capacity for self-help and self-reliance.

The 3rd phase starting from 1947 onwards witnessed the efforts of the Government of India to find suitable solutions to rural ills. From the point of view of rural development, the period since independence can conveniently be further divided into three distinct phases.

26 Mutheshwar, S.R., Rural Development in India, op. cit. p.28.
The first phase after independence started with the introduction of a new scheme for village development known as Firka Development Scheme in the former Madras state in 1947. The scheme emphasized a perfect coordination of different state departments that were engaged in rural development like that of agriculture, village industries, irrigation, and veterinary departments. Later, when the Community Development Project (CDP) which was started in 1952, the Firka scheme was merged into it. The experience of Firka proved to be very useful while taking up the CDP. Another important project known as the Nilokheri Project was launched in Karnal district of Panjab (now in Haryana) in 1947 for the settlement of refugees who migrated to Panjab during the riots that took place soon after independence. S.K. Dey who was then the Minister of Community Development initiated the project. The Nilokheri project was unlike any other village development project in that it was exclusively concerned with the

29 Ibid.
30 Ibid.
refugees. Its objective was to rehabilitate the refugees in a properly planned settlement area.

In addition to these two projects, the Etawah Project was introduced in the district of Etawah of UP in 1948 for the overall development of the rural areas inside the state. The project was conceived by Albert Mayer who was an American town planner and remained in India during the 2nd World War. It aimed at developing villages in the field of Agriculture Cooperation and Public Health. The Etawah Project was the forerunner to the community development programs, which was later on started in 1952.

In spite of these various efforts, the real and organized effort of rural development in the country, after independence, began with the launching of the community development programs on 2 October 1952 on the recommendations of the Grow More Food Enquiry Committee. The CDP is an American concept sponsored by the Food Foundation of India. The Committee had recommended that “the economic aspects of village cannot

31 Ibid.
be detached from the broader social aspects and the agricultural development is linked up with the whole set of social problems".\(^{33}\) It aimed at establishing a network of basic extension and development services in the villages to create the necessary infrastructure needed for development in the rural areas. It also aimed at making the villagers aware of technological advancement in the productive fields like agriculture and allied activities. Accordingly, programs covering agricultural and rural industries, education, housing, health recreation etc., were launched to tackle the problems of rural areas in a co-oriented manner.\(^{34}\)

The Planning Commission in the Sixth Plan observed that "The CDP helped to establish a network of basic extension and development services in the villages, thereby creating awareness in the rural community of the potential and means of development which made quickest adoption of major technological advances...."\(^{35}\) However, many observers of the Indian economic scene have pointed out that the CDP failed to fulfill its assigned role, and that it

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\(^{33}\) George, P.T., *How was Nehru Approach Wholesome*, Kurukshetra, Vol. XXXVII, Oct., 1989, p. 54

\(^{34}\) *Third Concept*, op. cit., p. 19.

\(^{35}\) Planning Commission: *Sixth Five Year Plan*, New-Delhi, 1980, p. 4.
could not bring about the expected progress in the conditions of rural masses.\textsuperscript{36} There was also a lack of coordination among the different agencies involved in implementing the programs meant for the same area resulting in a heavy wastage of organizational efforts and financial resources. At the Abu Conference, both the then Prime Minister Nehru and the then Union Minister of Community Development, S.K. Dey, admitted that much of this criticism might be justified.\textsuperscript{37}

The CDP was followed by National Extension Services (NES) in 1953. This marked the division of the country into Community Development Blocks (CD Blocks). This movement also failed to create much impact in the rural areas. The next important step towards rural development was the establishment of Panchayati Raj in 1959 as a three-tier structure of local self-government at the village, block

\textsuperscript{36} Kanchana Ratanam, S., \textit{Strategies of Rural Development: Planning and Performance}, Dominant Publishers and Distributors, New Delhi, 2000, p.15.

and district levels as per the recommendations of the Balwant Rai Mehta Committee.  

During the early 1960s, it was considered necessary to go in first for a program directed mainly at agriculture and secondly, to attempt the process of development in selected areas. This resulted in the introduction of Rural Industries Projects (RIPs) in 1962 and Intensive Agricultural Area Program in 1964. This marked the emergence of development programs which aimed at boosting agricultural production in India.

The 2nd phase starting from 1966 focused on increasing agricultural production by adopting a new agricultural strategy known as High Yielding Variety Program or Package program in 1966. The introduction of this program represented a drastic change in the strategy orientation and attitudes hitherto pursued. The idea of all round development of community as a whole envisaged in the CDP was deliberately substituted by achievement of a

38 Third Concept, op. cit., p.20.
39 Ibid.
single goal of increasing the agricultural production.\[^40\] However, various reports revealed that the benefits of higher production had not accrued to all equally. The gains of intensive development efforts followed more towards large and resourceful farmers to the neglect of small farmers, landless labors, etc.\[^41\]

Consequently, on the recommendations of the Rural Credit Review Committee, two new agencies were initiated in order to help the small and marginal farmers and agricultural laborers. These two agencies - Small Farmers' Development Agency (SFDA) and Marginal Farmers' and Agricultural Laborers Agency (MFAL) were set up as corporate and autonomous bodies registered under the Societies Registration Act, 1860 to work at the district level. They enjoyed a certain amount of autonomy in their functioning. The head of the district administration was the Chairman of SFDA and MFAL. District officers of the concerned development departments as well as representatives of the institutional agencies were also

involved as members of the SFDA and MFAL committee.\footnote{Ibid.} The two agencies were merged during the Fifth Plan and designated as Small Farmers' Development Agency (SFDA). The principal objective of the SFDA was to enable potentially viable small farmers to adopt improved techniques of production and to make them surplus producers.\footnote{Ibid.} However, unfortunately, the two agencies failed to make much headway. The evaluation study conducted by the Program Evaluation Organization (PEO) had pointed out the weakness of the programs mainly in respect of wrong identification of beneficiaries.\footnote{Planning Commission: \textit{PEO: Report on Evaluation study of SFs}, p. 15.}

With a view to improve the plight of the people living in special areas, more programs like Drought Prone Area Program (DPAP) 1971 and Command Area Development Program (CADP) 1974, were taken up as area development programs. Nevertheless, the area approach also did not benefit the poor for obvious reasons of limited resources such as land that was sought to be developed.\footnote{Ibid.}
Accordingly, a national program of Minimum Needs was launched during the Fifth Plan for providing a minimum level of social consumption for selected segments of the community. The major objective of the program was to raise substantially the per capita consumption of the rural households living below the poverty line. It was also expected that the program would create substantial employment for unskilled laborers. However, the program did not help rural poor much. The implementation of the program was tardy due to the lack of coordination between the centre and states. It was also hampered by the paucity of funds.\textsuperscript{46}

Wage employment program like Food for Work Program was introduced in 1977 for the creation of additional gainful employment and the creation of durable community assets with the use of surplus food grains for the payment of wages. However, the overall review of the program revealed that it failed to generate permanent avenues of employment. It, was, therefore, suitably modified later and reconstructed

\textsuperscript{46} Ibid.
as the National Rural Employment Program (NREP) in July, 1980.  

The Planning Commission in its Draft Five Year Plan (1978-83) reviewed the progress of the various special programs implemented for the welfare of the weaker sections of the society. The review confirmed that the rural people have not benefited enough in terms of increased income, employment and asset formation. The fruits of the earlier programs have been reaped only by the well-to-do sections of the rural society. Therefore, the planners and the policy makers sought a new strategy for rural development. Accordingly, efforts were made to remove these shortcomings in time of the Sixth Plan that marked the beginning of the second phase.

The third phase, starting from 1978 onwards saw the beginning of the Integrated Rural Development Program (IRDP) and its sub-schemes. The IRDP was launched in 1978 and it was proposed to end the diverse development

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programs and replace them with a single integrated program operating throughout the country.

1.3 **District Rural Development Agency:**

In the 1950s, when the Community Development Program (CDP) was launched in the country, a nation-wide organizational network was created in the form of Community Development Blocks integrating various sectoral departments at the sub-district level. The CDP, over the years, lost its identity because of rapid changes in the rural development strategy.\(^{48}\) However, the Community Development Blocks (CDBs) as an agency for rural development administration at the grass roots level continued to function though its original structure has changed considerably.\(^ {49}\) It was against this background that several attempts were made for the development of a number of rural development agencies for the effective implementation of different rural development programs. Some of these important agencies were Small Farmers Development Agency (SFDA), Hill Area Development Agency


\(^{49}\) Ibid.
(HADA), Command Area Development Agency (CADA), Tribal Area Development Agency (TADA) and the District Rural Development Agency (DRDA).

The emergence of DRDA in India took place in the context of the introduction of Integrated Rural Development Programme (IRDP), a multi-disciplinary program which was launched and extended from 2 October 1980. All other agencies such as Small Farmers’ Development Agency (SFDA), Draught Prone Areas Program (DPAP) wherever in existence were merged with the DRDA on the recommendations of the Ministry of Rural Reconstruction, Govt. of India.\(^50\) As a part of the national policy, DRDAs were created in 1980 in every district of the country to act as nodal agencies for funding and carrying out of all rural development programs being implemented in the districts.\(^51\)

Thus, the DRDAs have become the hub of all rural development activities at the district level. They were mainly created for the purpose of allowing flexibility and initiative in planning, decision-making, guiding, funding,

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\(^50\) Ibid.
implementation, monitoring etc., which are much needed for carrying out all rural development programs effectively and efficiently.

1.4 Nature of the DRDA:

DRDAs have been curved out as an adjunct to the district administration yet keeping it slightly away from the direct line of control passing through the district administration. The DRDAs are entrusted to perform the tasks that are distinctly different from the routine works of other institutions/departments of the district. After the Etawah experiment which resulted in the creation of 'block' as a unit of rural development administration, perhaps creation of DRDAs as part of the national policy in the field of development administration was a landmark achievement in bringing about structural and functional changes in hitherto stagnant district administration. By giving the DRDA the status of a Registered Society, it was made somewhat autonomous like a Company, with a Board of Management to oversee the overall the rural development

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52. Ibid.
programs in a district. Moreover, the DRDA is expected to coordinate with the line departments, the Panchayati Raj institutions, the bank and other financial institutions, the NGOs as well as technical institutions, with a view to gathering the support and resources required for effective implementation of the rural development programs in the district.53

1.5 Organizational Structure of the DRDAs:

The organizational structure of the DRDA as recommended under the national policy is very pragmatic and purposive. In order to be effective, the DRDA must have an appropriate staffing pattern/structure as well as a suitable personal policy. The state may modify the structure suitably, but without altering the basic design, to take care of the needs of individual districts keeping in view their size as well as specificity. However, this will also be subjected to overall ceiling of administrative costs admissible to the DRDA in the district. By and large, the staff appointed is to be dedicated to the DRDA related works and should be

frequently transferred. The National Guidelines of the DRDA of Government of India have suggested the following staffing pattern/structure of administrative organization of the DRDAs.

1.5.1 The Project Director:

Each DRDA is to be headed by a Project Director (PD), who should be of the rank of an Additional District Magistrate (ADM). The Project Director should preferably be a senior scale officer of the All India Service or a senior officer of the State Service, eligible for appointment to the All India Services.

The PD should be in overall charge of the activities of the DRDA and responsible for interaction with district/state administration as well as the Government of India. The PD shall be exclusively for the DRDA works. In some states, such as Maharashtra, the Chief Executive Officer (CEO) of Zilla Parishad (ZP) is the Chairperson of the Zilla Parishad. The Government of India has suggested to all state governments that the chairperson of Zilla Parishad should

54 Ibid., p.5.
be the Chairperson of the governing body of the DRDA. In the light of this, in such states, the CEO of the ZP could also be designated as the Project Director of the DRDA.\textsuperscript{55}

Below the Project Director, each DRDA are to have the following wings:

\textbf{1.5.2 Self-employment Wing:}

This wing shall be headed by a Project Officer (PO) and should have Assistant Project Officers (APOs) in the field of Planning, Social Mobilization, Credit and Technology. The APO (Planning) would look after the activity clusters, district/block/village group plans, guiding the Block Development Officers and others in plan preparation and planning for infrastructure. He would coordinate with district officers, the bank as well as other institutions in the district. Like the APO (Planning), the APOs of Social Mobilization, Credit and Technology would also look after the activities related to their respected fields. On certain occasions, the DRDAs may take outside experts on a consultancy basis with the approval of the Secretary of

\textsuperscript{55} Ibid., p.6.
Rural Development of the state. Such experts are to be engaged on project specific basis and will function under the overall control and supervision of the concerned project officers.

1.5.3 Women Wing:

In order to ensure the adequate attention to all rural development programs concerning women, a Women Wing is also to be set up in each DRDA. This wing is to establish necessary synergy with departments such as Women and Child Development, Education and Health departments to ensure the women their due share in programs like anti-poverty programs and that they receive benefits of other rural development programs. This wing is to be headed by an Assistant Project Officer, who will function under the overall co-ordination of the Project Officer of the concerned program.

1.5.4 Wage-employment Wing:

The DRDA is not to concern itself with the actual implementation and execution of works which can be done

56. Ibid. p. 7.
by the line departments/Panchayati Raj Institutions. At the same time, the magnitude of the wage-employment programs being large, there is a great deal of coordination required. Therefore, the DRDA is to have a Wage-employment Wing, with a project officer assisted by a small component of staff. This wing will carry out planning, monitoring and vigilance of the wage-employment programs with the help of a technical wing.

1.5.5 Engineering Wing:

Each DRDA is also to have an Engineering Wing which will be responsible for innovations in design or use of materials as well as training of the engineering personnel of the line departments or the Panchayati Raj Institutions. This wing will be manned by an Executive Engineer assisted by one or two Assistant/ Junior Engineers.

1.5.6 Accounts Wing:

The Accounts Wing of the DRDA is to be headed by a Senior Accounts Officer, either on deputation or by engaging the service of a Chartered Accountant. He should be supported by an Account Officer each for self-employment.
and wage-employment programs duly assisted by Accountants. The National Guidelines on DRDA Administration has further suggested that wherever the watershed programs like IWDP, DPAP and DDP are under implementation, an additional post of an Accounts Officer may be sanctioned. For Indira Awas Yojana (IAY), an Accountant at the district level should be available to monitor the progress of the program as well as the accounts. One of the Accounts Officers should perform the role of internal audit as well.

1.5.7 Watershed Wing:

The national guidelines of DRDA have suggested the setting up of a Watershed Wing in the DRDA in all such districts where IWDP, DPAP and DDP are in operation. This wing should also consist of a Project Officer, assisted by a small component of administrative staff. This staff would be independent of the program support in the form of Program Implementing Agencies (PIAs) or Watershed Committees.\footnote{Ibid., p. 7}
1.5.8. Monitoring Wing:

The DRDA should have a separate Monitoring and Evaluation Wing headed by a Project Economist and functioning directly under the supervision of the PD to monitor the progress of all the programs and to evaluate regularly with the help of independent institutions/experts including NGOs. The cost of such studies will be made from the respective program funds. The Project Economist shall be responsible to the PD for the performance of his duties.

1.5.9. General Administrative Wing:

Apart from the above technical wings, the DRDA should have a wing of general administration. This wing should be responsible for the maintenance of the day-to-day activities of the Agency. This wing should have a Superintendent and assistants, stenos, drivers, and attendants. The numbers of the subordinate staffs like assistants, stenos, drivers etc. was to vary from district to district depending on the number of blocks in the district.
1.6 Administration of DRDAs:

In order to regulate the administration of the DRDAs under the National Guidelines, the DRDAs have been registered as societies under the Registration of Societies Act, 1860. In accordance with the provisions of the said Act, the DRDAs have their own byelaws and Memorandum of Association relating to their functions.\textsuperscript{58} It has a Governing Body and an Executive Committee to look after its administration. The Governing Body of the DRDA will provide policy direction, approve annual plan and also review and monitor the implementation of the plan including the different programs.\textsuperscript{59}

1.6.1 Composition of the Governing Body:

The Governing Body of a DRDA shall have the following members:

1. Chairman of Zilla Parishad - Chairman.
2. All MPs and MLAs and MLCs of the district.
3. 1/3\textsuperscript{rd} Panchayat Samiti Chairpersons to be nominated by rotation in alphabetical order for a tenure of one year. One of them must belong to SC/ST and another must be a woman.

\textsuperscript{58} Kurukshetra, op.cit. p.30
\textsuperscript{59} Guidelines of DRDA, op. cit.
4. CEO of Zilla Parishad/District Collector-Chief Executive Officer/Executive Director.

5. Head of the Central Cooperative Bank of the District.

6. Chairman Regional Rural Bank.

7. District Lead Bank Officer.

8. Representative of the RBI at district level.

9. Representative of NABARD.

10. General Manager, DIC.

11. Representative of KVIB.

12. District Officer, in charge of SC/ST welfare.


14. District officer dealing with welfare of the disabled.

15. One representative from technical institutions.

16. Two representatives of NGOs.

17. Two representatives of weaker sections, one of whom may be drawn from SCs and STs.

18. One representative of rural women.

19. Project Director, DRDA - Member Secretary.

Wherever the Zilla Parishads are not in existence, the State Governments may nominate elected members of the State Legislature from the concerned districts to act as Chairpersons of the governing bodies of the DRDAs.
1.7 Executive Committee:

The DRDAs are also to have their own Executive Committee (EC). This Committee is to exercise all the executive and financial powers of the DRDA as per a scheme of delegation of financial and executive powers to be determined by each State/UT Government. The Committee shall be fully accountable in all matters of DRDA to the Governing Body as well as to the government. It is to be headed by the Chief Executive Officer/Executive Director and shall consist of all the District Level Officers and any other officers deemed necessary for planning and implementation of the anti-poverty programs. The Project Director of the DRDA will be the Member Secretary of the EC and it will meet at least once in a month.

1.8 Functions of the DRDAs:

The DRDAs are overall in charge of the planning, implementation, monitoring and evaluation of the rural development programs in the district. With this end in view, the function of the DRDAs includes:
a) To keep the district level agencies and block level agencies informed to the basic parameters, the requirement of the program and the tasks to be performed by these agencies;
b) To coordinate the preparation of perspective plans and Annual Action Plans of the blocks, and finally prepare the action plan;
c) To evaluate and monitor the program to ensure its effectiveness;
d) To secure inter sectoral and interdepartmental coordination and co-operation;
e) To give publicity of the achievements made under the programs and to disseminate knowledge and build up awareness about the program; and
f) To send periodical reports to the state1government in prescribed forms.

1.9 Personnel policy of the DRDAs:

There is no uniform pattern for recruiting the staff by the DRDA. In many states, there are staffs both directly recruited as DRDA staffs and staffs on deputation from
other departments. However, as a matter of policy, the DRDAs should not have any permanent staff. The DRDAs are not allowed to make any direct recruitment. However, as suggested in the new guidelines, the State Rural Development Department is to draw up a 3 to 5 years plan for the adsorption of the staff that is correctly born on the DRDA into the line departments.

The selection of the DRDA staff (including the Project Director) should be done by a specific Selection Committee. The Project Directors should be selected by a committee headed by a Chief Secretary/Development Commissioner/Additional Chief Secretary of the state with the Secretary (Rural Development) being the member convener. The Secretary (Rural Development) is to actively associate himself/herself in the training requirements of the Project Directors and other DRDA staff.

In order to make the DRDA a professional body, the officials and the staff of the DRDA are to be constantly trained in the general field of management of rural areas

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62 Ibid.
63 Ibid.
and poverty. The personnel to be posted to the DRDA are also to be given pre-service training to orient them suitably to their tasks. There should also be a system of an annual in-service training where the officers could be given the updates about the relevant fields and which would afford them an opportunity of exchanging of their experiences.

For the said training, suitable training programs will be designated by the Ministry of Rural Development in consultation with a professional institute of national importance. On the other hand, the state government may also identify suitable state-level institutions in consultation with the Ministry of Rural Development.

1.10 Financial procedures of the DRDAs:

Since its inception, the administrative costs of the DRDAs were made by way of setting apart a share of the allocation for each program. However, of late, the number of the programs had increased and while some of the programs provided for administrative costs of the DRDAs, others did not. There was no uniformity among the different

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64. Ibid.
programs with reference to the administrative costs. Keeping in view the need for an effective agency at the district level to coordinate the rural development efforts, a new centrally sponsored scheme known as the "DRDA Administration" has been introduced for strengthening the DRDAs on 1 April 1999. This scheme will be funded on 75:25 by the Center and the state governments. The central government is to release funds directly to the DRDAs in two installments every year.

1.10.1 Release of the first installment:

The release of the first installment can be made without any formal request if the second installment of the previous year had been released without any formal condition. If the later installment was not released at all or was released with some conditions, formal requests for release of first installment are required from the DRDAs after the conditions have been fulfilled/reasons for non-release of the second installment have met. The release of the first installment should ordinarily be completed by the end of the second month of the financial year.
1.10.2 Release of the second installment:

The second installment of central funds shall be released on the request of the DRDAs in the prescribed Performa on fulfillment of the following conditions:

1. Budget provision for the current year may be indicated by the state governments.

2. The state government should have released its contribution during the previous year. Deficiency in release of this share will be deducted from the second installment. In addition, the contribution of the state government for the first installment of the current year should have been released.

3. Available funds including carry forward funds should have been utilized at least 60%.

4. The opening balance of the DRDAs should not exceed 15% of the allocation of the year in which funds are being released. In case, the opening balance exceeds this limit, the central share of the amount by which it exceeds this limit will be
deducted at the time of release of second installment.

5. Audit reports and utilization certificates for the previous year should be furnished.

6. Any other term and conditions imposed at the time of the last release should have been met.

The DRDA shall maintain the fund under the head of DRDA Administration in a separate bank account in any of the nationalized banks. The interest earned on the funds will necessarily be used for admissible items of expenditure under DRDA Administration. The DRDAs should not be used for any program funding or non-admissible items of expenditure such as construction of building and purchase of vehicles.66

1.10.3 Maintenance of Accounts:

1.10.3 (i) Principles:

Separate accounts shall be maintained of this scheme (DRDA Administration) and each other schemes under which the DRDA receives funds. Such maintenance of accounts is governed by the principles that the expenditure

66 Ibid. n.15
incurred is not repugnant to the objective of the scheme and is made, in accordance with the prescribed procedures. The DRDA accounts are to be maintained on double entry system.\textsuperscript{67} The accounting procedures for DRDAs have been described in detail in the Government of India; Ministry of Rural Development publication entitled "Revised Accounting Procedures of DRDA".\textsuperscript{68} Internal audit cells are to be specifically charged with the responsibility of overseeing and the observance of these principles. One of the Account Officers should perform the role of internal audit.

1.10.4 Audit of the Accounts:

The PD should cause the annual accounts of the DRDA to be prepared by a date not later than 30 June comprising Receipt and Repayment Account, Income and Expenditure Account and Balance Sheet. After approval by the Governing Body, he shall have the accounts audited by the Chartered Accountant or any other auditor appointed for this purpose.\textsuperscript{69} A copy of such Audit Report (duly signed by Auditor) along with the annual statement of accounts

\textsuperscript{67} Ibid.
\textsuperscript{68} Ibid.
\textsuperscript{69} Ibid.
certified by the Auditor and the Chairman of the DRDA thereon should be furnished simultaneously to Government of India and the State Government not later than 30 September.\textsuperscript{70} The Comptroller and Auditor General (CAG) has the right to conduct the audit of the accounts of the DRDA and for this purpose shall also have the right to access to books of accounts and other relevant records of the DRDA. Similarly, the accounts of the DRDA shall also be open to inspection by such individual or parties as are nominated to carry out such inspections by Ministry of Rural Development at the state level or at the level of Government of India. All officers of and above the level of Under Secretary in the Ministry of Rural Development, Government of India and such officers as may be authorized by the State Government may also inspect the accounts.\textsuperscript{71}

1.10.5 Administrative cost of the DRDAs:

The administrative costs of the DRDAs were earlier admissible under different programs. Till 31 March 1999,
the administrative cost of the DRDAs was met by using a part of the program funds of different programs like Integrated Rural Development Program (IRDP), Jawahar Rozgar Yozna (JRY), Employment Assurance Scheme (EAS), Drought Prone Areas Program (DPAP), etc. With the introduction of the scheme of ‘DRDA Administration’ the administrative costs earlier available under different programs were withdrawn from 1 April 1999 and provision of the administrative support to the DRDAs were provided under the scheme of ‘DRDA Administration’.72

Since the salary structure in different states is different, the states may follow their own salary structure. However, the administrative costs ceiling fixed should be strictly adhered to. Any increase over and above the ceiling should be met entirely by the state government.73 A maximum of 30% of the salary costs may be allocated towards the contingencies inclusive of rents, office expenses, etc. as per National Guidelines of the DRDA

72. Ibid. p.9.
73. Ibid.
Administration. The administrative cost per district is fixed as follows:

Category A districts (<6 blocks)  Rs. 46 lakh per year.
Category B districts (6-10 blocks)  Rs. 57 lakh per year.
Category C districts (11-15 blocks)  Rs. 65 lakh per year.
Category D districts (>15 blocks)  Rs. 67 lakh per year.

These limits were to be applicable from the year 1999-2000. The ceiling was to be raised every year on a compounding basis, up to 5% to set off the increases due to inflation etc. The state governments are allowed a sum up to 10% of the above costs, to be calculated at 10% of the total admissible cost to all districts in the state.

1.11 Summing up:

Rural development is a specific context of development. It is basically a strategy which is aimed at improving the economic and social life of specific groups of the rural poor, viz, men, women and children, rural artisans and traditional craftsmen, subsistence tillers, landless labors and socio-economically deprived and disadvantaged rural poor. Thus,

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74 Ibid., p. 9.
75 Ibid.
rural development as a concept and as a practice, is not only confined merely to economic growth, but also includes the issues of equality in the process of distribution of and accessibility to goods and services.

Changes in the emphasis in the process of rural development programmes confirm that rural development is a dynamic concept. In India, the 1950s laid emphasis on agricultural innovations and extension. In the 1970s the emphasis shifted to action against poverty. Later, endeavours to instil equity in rural development finally gave way to the concern for structural adjustments in 1980s.

Changing emphasis in the process of rural development is well elucidated by the Indian experience. The CDP launched in 1952 was primarily designated to increase agricultural production with improvement in health, hygiene, education and communication. Later, different other programmes were also introduced from time-to-time with the changing of forms and contents of the programmes. All these show the expanding frontiers of rural development activities within these frontiers. The process of the actual
implementation of the programmes of rural development may vary in terms of their formation, funding, monitoring, evaluation, etc. But, in other to keep them on a uniform pattern, the Government of India has established a number of different agencies for the effective implementation of various programmes. The DRDA is one of the important agencies established in India for this purpose. It now exists as an important agency of rural development in every district of our country.

The DRDA is an autonomous and a registered body under the Societies Registration Act, 1960. It was created in 1980 as a part of the national policy in every districts of our country. It was mainly created to act as a nodal agency for funding and carrying out all rural development programmes being implemented in the districts. Besides, the DRDA is responsible for allowing flexibility and initiative in planning, decision-making, guiding, funding, implementation, monitoring etc. which are needed for carrying out various rural development programmes effectively and efficiently.
Thus, the DRDA was visualised as a specialised and professional agency capable of managing the rural development programmes in general and the anti-poverty programmes in particular. None of these programmes can have impact unless they are implemented with clarity of purpose and a commitment to the task by this agency.