Chapter - I
Introduction
Today rural development is recognized as the 'Sine qua non' to the faster economic growth and welfare of the masses. Rural development is not development of rural areas but also the development of quality of life of the rural masses into self reliant and self-sustaining modern little communities. India lives in villages and rural community is the essence of India, as 72.20 percent population lives in the rural areas. Thus villages and villagers play crucial role in Indian economy. The Indian economy in the pre-British period consisted of isolated and self-sustained villages. The village community was based on a simple division of labour. There were different type of classes of people viz-a-viz farmers who cultivate land and tanded cattles, weavers, goldsmiths, carpenters, potters, oilpersons, washermen, cobblers, barbers surgeons etc. These occupations were hereditary and passed by norms, traditions and customs from parents to son. Thus villages of India were isolated and self-sufficient units which created an enduring organisation.¹

With the attainment of independence in 1947, India found itself in a pathetic condition with a shattered socio-economic and cultural structure. The country was backward and undeveloped. Poverty, unemployment, weak industrial base, poor and inadequate infrastructure facilities, low level of saving and investment were the major characteristics of our economy. Government of India faced a gigantic task of re-building the shattered economy so as to provide employment and better standard of living to the people. Naturally there was need to re-construct and further develop the state of affairs of the country at faster rate and for this purpose government intervention was very essential. As Indian economy needed a big push, therefore, at that time government entered into many sectors for all types of good and bad reasons and in many cases for no reasons at all.

In India majority of the population lives in rural areas therefore after independence the government of India paid attention on the development of rural community and thus rural development acquired a higher level of priority in the hands of the new leaders. Development of rural areas have been the abiding concern of the successive five year plans. A number of programmes have been introduced for upliftment of rural population starting with the country wide community development programme in the year 1952. This programme was started with the aim to bring a change in the mental outlook of the people and to develop a spirit
to strive for better living among people. Moreover after independence alleviation of rural poverty has been one of the primary objective of planned development in India. Ever since the inception of planning, the policies and programmes have been designed and redesigned with this aim. The problem of rural poverty was brought in to a sharper focus during the sixth plan. The seventh plan too emphasised on growth with social justice. It was released that a sustainable strategy of poverty alleviation has to be based on increasing the productive employment opportunities in the process of growth itself.

Rural poverty is inextricably linked with low rural productivity and unemployment, including under employment. Hence it is imperative to improve productivity and increase employment in rural areas. It was estimated that in 1987-88, the rate of unemployment was only 3 percent and it was around 5 percent including the rate of under employment. As per the currently used methodology in the planning commission, poverty was estimated at 30 percent. It is true that there has been a considerable decline in the incidence of rural poverty over the time. The fact remains that after forty years of planned development about 200 millions are still poor in rural India. The decline in rural poverty is attributed both to the growth factor and to the special employment programmes launched by the government in order to generate more income in rural areas. Hence in its more limited interpretation, rural development has been confined to a direct attack on poverty through special employment programmes, area development programmes and land reforms.¹

A number of significant changes have overtaken in Indian villages and have contributed to its transformation. These changes are not always visible, and they have also not maintained an even pace over time and space. While their impact on the rural society have been generally slow and imperceptible, at times the pace of these changes has been quite rapid. The forces which have brought about qualitative changes in the character and organization of village life may have been brought to bear upon the rural societies from without by agencies like the government or they may have been intrinsic to the process of societal change itself.³

Development implies structural changes. There are many approaches to development being evolved and tried and a number of alternative theories or models
have been postulated. Since the main objective of planning has been conceived to be increase of national product, the main attention has been given to ‘modeling’ the production structure of the economy and to identifying the factors limiting its expansion. The development of long run planning models has focused on factors assumed to be the main limitations to growth, capital stocks and foreign exchange. Planning for integrated rural development has assumed great significance as a means to achieve a “balanced” development of rural communities. The central concept of rural development in the opinion of world bank is to generate a process through which rural poverty is alleviated by sustained increase in productivity income of low income rural workers and households. The emphasis is on raising output and income of individual households rather than simply redistributing current incomes and existing assets, although the later may be desirable or even essential in an overall rural development strategy which links production with distributive or equity objectives.

According to World Bank, about 30 percent of the India's population lives on less than one dollar a day income. The national sample survey (NSS -55 round) revealed that nearly 40 percent of all rural workers reported casual work as their usual employment status. Total wages received by these workers was only about 5 percent of GNP and the incidence of poverty in rural households with casual labour as the main source of livelihood was more than 40 percent. Low income of rural casual employees was both because of low wage rates and due to inadequate opportunity even at these low wage rates. Productive absorption of surplus, under employed labour force in the rural economy has been a major focus of our planning process right from inception. The NSS - 55th round conducted in 1999-2000 revealed that unemployment rates are as high as 7.2 percent for males and 7 percent for females in the rural labour force. Against this scenario the United Progressive Alliance (UPA) government in their National Common Minimum Programme (NCMP) had given a solemn commitment to enact a legislation to provide legal guarantee to ensure atleast 100 days of employment on asset creating public works. In order to fulfill this mandate of the NCMP, the National Rural Employment Guarantee Bill was introduced in the Lok Sabha on December 21, 2004. The primary objective of this bill is to enhance the livelihood security of the poor households living in the rural areas by providing atleast 100 days of guaranteed
wage employment in unskilled manual work to their adult members. The act upon
the bill being passed by parliament would come into force in such areas as would be
notified by the central government from time to time. Further it is revealed that
assuming 60: 40 wage material ratio and average daily rate of Rs. 60, the cost of
generating one person per day under EGS will be Rs. 100. Further as per the
estimate of the planning commission in 1999-2000, there were 3.86 crore BPL
households in the rural areas who avail their entitlement in full i.e. for 100 days of
work, the cost of the programme is estimated Rs. 38,600 crore and in addition to
this administrative expensive estimated at 2 percent of the programme cost. Thus
the total cost of implementation of EGS to the entire country is estimated at Rs.
39,372 crore. The National Rural Employment Guarantee Bill 2004 (NREGB) is
currently under examination of the standing committee of rural development of the
Lok Sabha. It is hoped that the bill, after being passed by the parliament will
constitute a momentous step towards operationalising the concept of right to work
enshrined in the constitution under the Directive Principles of State Policy.⁷

1.1 RURAL DEVELOPMENT: BACKGROUND AND CONCEPTUAL
FRAMEWORK

Presently rural development is recognized as a ‘sine qua non’ to faster
economic development and welfare of the masses. Rural development is not merely
development of rural areas but also the development of quality of life of the rural
masses into self reliant and self-sustaining modern little communities. Rural
development is, therefore, development of the rural areas in such a way that each
compartment of rural life changes in a desired direction and in sympathy with the
other compartments. Besides, rural development also encompasses structural changes
in the socio-economic situation in the rural areas in order to look after human
welfare, which is the primary goal of all development works. Rural development
thus should embrace all the objectives of enrichment and betterment of the overall
quality of rural life through appropriate development of man power resources,
infrastructure facilities and provision of minimum needs and livelihood.⁸

Rural development, as such, is nothing new to the third world countries.
Many developing countries have been ‘practising’ or promoting rural development
for number of years and many of them have achieved significant success in this
direction. However, rural development has been in and out of focus of political decision taking many times, but again it is “in” and this time it is expected to be integrated. Rural development is an elastic concept and everyone interprets it in his own way. Rural development as concept is not a new one. It had received the attention of people like Gandhiji, Tagore and many others much before independence. Tagore’s Shantiniketan was perhaps the first systematic attempt in this direction. The idea of integrated rural development is the result of our experiences gained through various programmes designed for rural development. Even as a concept our thinking on rural reconstruction has undergone a lot of changes. Rural development earlier was taken as synonymous with agriculture development. It may thus be said that agriculture development is a major part of rural development, but it is not the total plan. Rural development is a broader concept and is concerned with the total development of rural economy as a whole. Rural development is a holistic concept rather than a sequential one. Thus it is equally concerned with the development of infrastructure like roads, transport, power, insurance and banking, development of cottage industries, modern education, health facilities and providing cheap but decent houses for the rural poor and the deprived.9

Rural development and poverty alleviation has been the major area of interest and thrust for India since independence. In present time approximately 72 percent of the Indian population is living in rural areas. The term ‘rural development’ refers to the development of rural community as a whole. The concept “Rural” indicates to an area which is characterised by poor infrastructural facilities, lower level of education, occupational structure, non-urban life style, social organisation and settlement pattern. The term development is defined in the form of overall development i.e. technological, socio-economic, attitudinal and industrial development. It comprises of all areas of activities which facilitate full employment, higher standard of living, economic and social growth, higher per capita income and developed attitude of people. Further rural development means to raise the standard of living of specific group of persons through the development of infrastructural facilities, extension of irrigation facilities, improvement in the technology / techniques of agriculture, promotion of education facilities,
development of health care facilities, extension of electricity and development of information and communication system.

Rural development is a strategy which enables a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of rural development. The group includes small scale farmers, tenants and landless.

According to Tripathi, rural development is a comprehensive programme of activities which includes agriculture growth, development of economic and social infrastructure, village planning, public health, education, functional literacy and communication etc.

Moreover, Harriss revealed that rural development is concerned with the modernisation and monetisation of rural society and with its transition from traditional isolation to integration with the national economy. The objective encompasses improved productivity, increased employment and thus higher income for target groups as well as minimum acceptable level of food, shelter, education and health.

Finally in Indian context rural development may be defined as the maximum production in agriculture and allied activities in the rural areas including development of rural industries with emphasis on village and cottage industries, providing certain basic amenities like drinking water, electricity especially for productive purposes like roads connecting villages to market centre. Thus, in nutshell, rural development is a specific strategy to improve and upgrade the socio-economic life of rural people as a whole. The rural poor includes those persons who are small and marginal farmers, tenants, landless and who are living below the poverty line. To develop rural areas various development programmes have been started. The main objectives of the rural development programmes are generation of employment, alleviation of poverty, providing higher standard of living and to implement other development programmes in rural areas who facilitate the above mentioned issues.
1.2 **NEED AND SIGNIFICANCE OF RURAL DEVELOPMENT:**

The revival of the village is possible only when it is exploited more. According to the world bank, rural development is a strategy designed to improve the economic and social life of a specific group of people (the rural poor). It involves extending the benefits of development to the poorest among those who seek a livelihood in rural areas.¹⁴ The world bank and other international agencies and institutions emphasised mainly on increasing productivity, increasing employment and mobilising land, labour and capital which is available.

Gandhiji had diagnosed that Indian poverty and unemployment were not due to the British rule but modern civilization nourished by the British rule. Gandhiji had a firm conviction that “if the British rules were replaced tomorrow by the Indian rule based on modern methods, India would be no better.” Gandhi Ji mission was to build Indian society based on the village system and “he” in fact believed that if the village perish India too. Gandhi ji gave such a great importance to the village development due to following reasons.¹⁵

- Real Indian civilization was in the village,
- It was a condition for a new social order because villages were exploited by cities and this was violence,
- He believed that we can realize the truth and non-violence only in the simplicity of the village life,
- Village life promotes “Swadeshi” in natural ways and
- The land-based economy of the village is more amenable to institutionalize the principles of trusteeship.

For the growth of social justice and maintenance of social order, a public policy is framed in accordance with the needs and basic requirements of the people and area. As such public policy may be regarded as a cumbersome process or a net result of the institutionalization of general will be of the masses. After independence plans were drafted with the objective to reconstruct the country economically and socially. In order to have a desired change and to have
transformation in the socio-economic life of the villages, the relevant schemes of socio-economic development and rural employment are initiated with planned process of development for eradication of poverty. The formulation and implementation of any programme is closely associated with the role of bureaucratic and political executives. In the initial stage of the programme, the major task of the political leader is to generate consciousness about the need and specific problems of the area.\textsuperscript{16}

Therefore, the need for a new emphasis on rural development became clear for four main reasons. First of all it is factual matter that about 70 percent population of the developing countries lives in rural areas. The population of these areas is increasing rapidly. But these people are backward and underdeveloped in all respects. Therefore, it becomes essential to develop rural community for the overall development of the country. When there is absence of any rapid expansion in the urban and industrial sectors, income and employment opportunities have to be generated in rural areas to exploit labour, to generate development and to halt rural urban migration.

Secondly, the continuous population growth had created serious social and economic problems viz-a-viz increase in unemployment, under employment and poverty. It has increased the burden of scarce resources and landless rural labourer in majority of rural areas. Thus to remove these deficiencies it becomes essential to devote attention on rural development.

Thirdly, however we have achieved self dependency in terms of foodgrain, but the share of landless labourers and marginal farmers have not been improved significantly. The self dependency of food grain has been achieved through the use of yield raising inputs and improved technology. Thus there is great need to concentrate on land reform programmes in rural areas to make balance between landless labourers, marginal farmers, large farmers and land owners.

Finally the success of some of the developing countries in elimination destitution and unemployment through a system of communes attached the attention of policy makers around the world. Therefore, keeping in view the above mentioned reasons the National Government, State Governments and International
agencies have increasingly emphasised the need to develop rural community. Thus in each country several policies, programmes and projects have been introduced to increase agriculture productivity, raise incomes and living standards of the rural people to provide employment opportunities to facilitate the participation of the people in local decision-making and to increase access of the rural poor to government facilities and programmes.17

1.3 ADMINISTRATIVE MACHINERY OF RURAL DEVELOPMENT DEPARTMENT

Rural development department has been established for the implementation and monitoring of different rural development programmes. It is responsible for the successful implementation and monitoring of different development programmes which are launched by the Government to develop rural areas. The department has the following administrative structure at various levels.

State level

The department is functioning under the overall control of the Secretary (RD) at the Government level assisted by the Special Secretary (RD), Additional Director-Cum-Additional Secretary (RD), Deputy Director—cum-Deputy Secretary (RD), Deputy Director (RD), Deputy Director (State), Administrative Officer and Statistical Officer (RD).

District Level

DRDA (District Rural Development Agencies) is responsible for the implementation and monitoring of all Rural Development Programmes at district level. The Deputy Commissioner-Cum-Chief Executive Officer of the DRDA is assisted by the Project Director, Project Officer, APO (SE), APO (Women), APO (Watershed), Project Economist, Superintendent, Statistical investigator, Senior Assistant, Clerks and Peon. DRDA is a governing body under the Chairmanship of Zila Parishad for the implementation of various development activities. This body is responsible for monitoring various Rural Development Programmes.
Block Level

At the block level, the Block Development Officer is the main catalyst with the administrative set up viz. Superintendent, Junior Engineers, Lady Social Education Organizers (Mukhiya Sevika), Social Education and Block Planning Officer, Senior Assistant, Clerk / Steno – Typist, Gram Panchayat Avam Vikas Adhikaris, Lady Village Development Co-ordinator, Driver, Peons, Frash / Chowkidar.

Besides the above departmental staff, the following staff from other departments is also functioning under the administrative control of the BDO with regard to ACRs, tour programmes and casual leave i.e. Agriculture Development Officer (Agriculture), Horticulture Development Officer (Horticulture), Extension Officer (Co-operative), Extension Officer (Industries), Panachayat Inspector, Assistant Development Officer / Junior Engineers (Soil conservation).

Engineering Services of the Department

In order to provide technical guidance for construction works under rural development programmes, additional three posts of Executive Engineers, twenty four posts of Assistant Engineers and one hundred sixty seven posts of Junior Engineers, three posts of head Draftsmen and twenty one posts of Drafts-men have been created from 1996-97. Engineering cell consisting of Executive Engineer, Assistant Engineer and two Junior Engineers and other ministerial staff have been functioning at state level. As per the norms of government, one Junior Engineer has been posted for every 15 panchayats and one assistant engineer has been provided over 6 junior engineers.  

1.4 POLICIES AND PROGRAMMES OF GOVERNMENT ON RURAL DEVELOPMENT

There has always been a difference of opinion among the Indian economists and planners in whether “growth per se” can solve the poverty problem or whether a specific redistribute policy is also needed to meet the objectives. In the first three five year plans, the dominant thinking in the policy planning was that poverty could be effectively tackled through general growth process and benefits of growth will
automatically “trickle down” to general poor masses. But there was no change in the incidence of poverty. It was during the fourth five year plan that the focus has been shifted from growth oriented strategy to direct intervention to attack poverty. In order to reduce disparities between big and small farmers certain programmes were taken up during the fourth five year plan. With changing needs of time, the poverty alleviation efforts have been revamped and restructured to make them more effective and people oriented.

Keeping in view the vastness of the country and other aspects like growing population, poor infrastructure facilities, growing need for employment and shelter, old schemes have been reviewed and new strategies are being evolved to accelerate growth with social justice and reduce poverty. At present there are several programmes and schemes to reduce urban as well as rural poverty to provide shelter and to develop infrastructure facilities in the country which leads to the over all development of the nation. As majority of population lives in rural areas therefore, poverty alleviation programmes have acquired renewed and apex importance in rural areas and for these schemes alone the government of India spends a huge amount of money. Different kind of programmes have been started by the government of India to develop the overall rural community. These schemes are subject to change depending upon the requirement of time.

The Government of India decided to change the meaning of the concept of “Rural Development” after mid-sixties. Rural development earlier implied agriculture development and community development enveloping the entire population of rural areas, as a part of modernisation of the underdeveloped, backward, third world society. In the context of modernisation of the whole society, it means development which affects the entire population of rural areas and enveloping all facets of transformation of rural India as a part of economic growth and modernisation of the whole society. This was the dominant view of rural development till late fifties but has undergone a sea change since then.

Now the rural development is viewed narrowly as a strategy specifically designed to improve the economic and social life of a specific group of rural people i.e. rural poor who are living below the poverty line. The full implication of the changed rural development process involves both the economic and socio-
political development of rural areas as a part of the modernisation of the entire society. India's planned development efforts are aimed at improving the social and economic conditions of its vast rural population. The first step towards rural development was taken up in 1952 with the starting of Community Development Programme and the National Extension Service. The introduction of several programmes and the shift on the emphasis from community development programme to integrated rural development programme indicate the concern of planners with the objective of employment generation and removal of poverty among rural people. It generated the hope among rural masses and laid down the basic infrastructure for rural development. However, the programmes initiated by the Government have failed to achieve the desired targets and could not fulfil the higher hopes of the people to come up to their expectations. The failure of these programmes was attributed to faulty selection of beneficiaries, inadequate supply of instructions by the government, multiplicity of agencies, procedures and lack of proper co-ordination between institutions. It is not possible to analyse in detail the merits and demerits of different programmes and policies of rural development initiated by the Government of India and State governments due to large number of programmes and schemes. Therefore, the same is presented in tabular form. A brief description of plan period, programmes and policies on rural development is presented in Table No. 1.1. 

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<tr>
<th>Plan Period</th>
<th>Programmes</th>
<th>Policies on Rural Development</th>
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</table>
| 1st Five Year Plan (1951-56) | • Community Development Programme  
• National Extension Service | Community Development as method and National Extension Service as the agency. |
| 2nd Five Year Plan (1956-61) | • Khadi and Village Industries Programme  
• Village Housing Project Scheme  
• Multipurpose Tribal Development Block Programme  
• Package Programme | Co-operative farming; later, local participation. |
| 3rd Five Year Plan (1961-66) | • Applied National Programme  
• Rural Industries Project  
• Intensive Agricultural Area Programme  
• High yielding Seed Variety Programme | Panchayati Raj, three-tier model of domestic decentralisation. |
| Annual Plan 1966-67 | • Farmer Training and Education Programme  
• Well construction Programme | Special clientele based and area based programme. |
| Annual Plan 1967-68 | • Rural Works Programme  
• Tribal Development Blocks | |
| Annual Plan 1968-69 | • Rural Manpower Programme  
• Composite Programme for women and pre-school children | |
| 4th Five Year Plan 1969-74 | • Drought Prone Area Programme  
• Crash Scheme for Rural Employment  
• Small Farmers Development Agency  
• Tribal Area Development Programme  
• Pilot Projects for Tribal Development  
• Pilot Intensive Rural Employment Programme  
• Minimum Needs Programme  
• Command Area Development Programme | Special clientele based and area based programme. |
| 5th Five Year Plan 1974-79 | • Hill Area Development Programme  
• Special Live Stock Production Programme  
• Food-for-work Programme  
• Desert Development Programme  
• Whole village Development Programme  
• Integrated Rural Development Programme (IRDP)  
• Training of Rural Youth for self Employment | Introduces the concept of basic minimum needs. |
| 6th Five Year Plan 1980-85 | • National Rural Employment Programme  
• PM's New Twenty Point programme  
• Development of Women and Children in Rural Areas  
• Smokeless Chullah Programme  
• Rural Housing  
• Rural Landless Employment Guarantee Programme | Emphasis on strengthening the socio-economic infrastructure in rural areas, alleviating rural poverty and reducing regional disparities. |
| 7th Five Year Plan 1985-90 | • Jawahar Rozgar Yojna or  
• wage Employment programme | Introduces a major Programme for Rural poor in merging two programmes i.e. NREP and RLEGP into one viz JRY. |
| 8th Five Year Plan 1992-97 | • Prime Minister Rozgar Yojana  
• National Social Assistance Programme  
• Rural Group Life Insurance Scheme  
• Mahila Samriddhi Yojana | Focus on human development through special employment programmes, integration of poverty alleviation programme for rural development. |
### Employment Assurance Scheme

<table>
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<tr>
<th>9th Five Year Plan 1997-2002</th>
<th>• Employment Assurance Scheme</th>
<th>Emphasis on growth with equity, cluster approach, generate adequate productive employment and eradication of poverty.</th>
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<tr>
<td>1997-2002</td>
<td>• Jawahar Gram Samridhi Yojana</td>
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<td></td>
<td>• Swarajyanti Gram Swarozgar</td>
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<td>Yojana (SGSY)</td>
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<td></td>
<td>• Sampoorna Grammen Rozgar</td>
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<td>Yojana (SGSY)</td>
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<td></td>
<td>• Pradhan Mantri Gramodaya</td>
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<td></td>
<td>Yojana (PMGY)</td>
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<tr>
<td></td>
<td>• Food for work programme</td>
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<td></td>
<td>• Annapurna</td>
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<td>• Mahila Mandal Protsahan</td>
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<td></td>
<td>Yojana (MMPY)</td>
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The adverse economic situation in the country occasioned largely by severe drought of 1966 and 1967 forced the government to declare ‘Plan Holiday’ and in place of five year plan, India had three annual plans for 1966-67, 1967-68 and 1968-69. Similarly, the sixties witnessed the Green Revolution consequent to the introduction of new chemical fertilizers and high yielding and varieties. Rural violence also emerged in many parts of India.

### 1.5 RURAL DEVELOPMENT SCHEMES/PROGRAMMES – AN OVERVIEW

#### 1. Community Development Programme (CDP)

The present set up of the schemes under community development programme (CDP) is based on old community concept, which aimed at the development of community with the initiative and participation of the community itself. The grant-in-aid is being provided to the Panchayat Samities under the head social education and general education for development activities in the social educational fields. Funds are provided to the blocks for the construction/completion of staff residential buildings and Gram Sewak huts. Besides, the funds are also provided for the completion of on going office buildings. The provisions of the funds is made for providing salary of the employees posted at various levels. Grants are also provided for promotion/ strengthening of Mahila Mandals, incentive awards to Mahila Mandals and organisation of awareness camps for non-official etc.. During the year 2003-2004, an amount of Rs. 205.81 lac was spent on the above set of schemes up to 31st March, 2004.

#### Objectives

The main objective of CDP is to ensure full utilization and development of all types of resources whether they are related to material or human resources of
the area, to raise the rural community to higher levels of livings. The objectives of the CDP comprises the promotion of the following.

(i) Agriculture

It comprises the promotion of natural resources, improved techniques of cultivation, development of marketing facilities concerning to agricultural products and promotion of fruits and vegetables.

(ii) Irrigation

It comprises the task of development of water system for agriculture through developing tubewells, hand pumps, tanks, canals and small dams etc.

(iii) Infrastructure

The infrastructure development includes the task of promotion of roads, electricity and communication facilities etc..

(iv) Education System

Education is the essence of all developing efforts. Without education full development can’t be achieved. The rural areas were suffering from poor education. Therefore, CDP has focused on primary and secondary education in rural areas to raise their level of knowledge.

(V) Health

It includes the task of establishment and development of medical facilities viz hospitals, dispensaries etc. So that rural people may be protected from diseases like malaria, cholera etc.

(vi) Housing

To develop villages, opening of village parks and play grounds and assistance in the supplying of building material which is so essential.
(vii) Social Welfare

In order to improve the standard of living of rural people, it was necessary to undertake some social welfare tasks. It includes the activities like sports activities, crashes for worker women, cinema, parks, play grounds etc. In nutshell the objective of CDP is to develop the overall community in all respect. Therefore, the government has tried to achieve their objectives by focussing on the following points.²⁴

- Elimination of the three fold enemy of rural India i.e. poverty, disease and ignorance.

- Removing a mountain of inertia and infusing a spirit of brother line and co-operation.

- Seeking self help and self reliance and

- Making available sufficient knowledge at the very doorsteps of the people in distant villages.

2. Integrated Rural Development Programme (IRDP)

From the past experience regarding different rural development programmes, it was realised that mere project approach or sectoral approach was not adequate to achieve overall development of rural areas. Thus it was necessary to integrate the different rural development programmes. Therefore, this concept was first of all introduced by the finance Minister of Govt. of India, in his budget speech in 1975. The programme was initially started in 20 selected districts of the country. Further it was reviewed in 1978-79 to integrate the three major on going special programmes of Small Farmer Development Agency (SFDA), Community Areas Development (CAD) and Drought Prone Area Programme (DPAP). All the principle contents of these three programmes were integrated in to a new programme called IRDP. Initially IRDP was started in 29 selected blocks of Himachal Pradesh in 1978-79. Later it was extended to 69 blocks in 1980 and in 1981-82 it had covered all Himachal Pradesh. It was Central sector scheme uptill 1978-79 and 100 percent funds were provided by Central Government. During 1979-80 it was made a
Centrally sponsored scheme in which funding was shared on 50:50 basis between Centre and State Governments.

The major objective of this programme was to enable selected families in rural areas to cross the poverty line. A family with an annual income of Rs 11,000 or less was considered to be below poverty line (BPL). The objective of the programme was achieved by providing productive assets and inputs to the target group. The assets were provided through financial assistance in the form of subsidy by the government and term credit advanced by the financial institutions.

**Target Group**

a) The approach under IRDP was to assist the poorest of the poor first. The assistance was given to the rural families of target group having annual income below the cut-off line. The cut-off line was decided at Rs. 11,000 in 1991-92 and was subject to change from time to time, particularly with the commencement of a new plan period.

b) The target group consists of small and marginal farmers, agricultural labourers and rural artisans etc. whose annual family income was below the "cut-off line". The small and marginal farmers and agriculture labourers have been defined as:

I. **Small Farmer:** A cultivator with a land holding of 2 hectares or below is known as small farmer. Further, a farmer with class - I irrigated land up to 1 hectare or less than one hectare also be considered small farmer.

II. **Marginal Farmer:** A person with a land holding of 1 hectare or below is a marginal farmer. In case of class - I irrigated land, the ceiling is .5 hectare.

III. **Agriculture Labourer:** A person without any land other than homestead and deriving more than 50 percent of his income from agricultural wages is termed as agricultural labourer.
IV. **Rural Artisan:** The families which have been engaged in traditional trades and whose more than 50 percent income comes from these occupations.

V. **Others:** The families which are not covered under the above categories, but are below the poverty line.

**Special Safe guards for Certain Sections**

- At least 50 percent of the assisted families should be from the SC/ST’s at the district level as well as state level. The target shall be 50 percent for the blocks, whenever percentage of SC/ST’s population to the total population is less than 50. Where percentage of SC/ST’s population to the total is 50 or more, the target for SC/ST’s families shall be equal to that percentage.

- 40 percent of the total beneficiaries should be women

- 3 percent of the beneficiaries should be from the physical handicap category.

**Identification of Beneficiary Families**

The identification of the families is done as per the cut-off line to be decided by the government and planning commission respectively. The following procedure is adopted for the selection of beneficiaries;

i. The priority list of the poorest of poor families is prepared by the BDO giving special emphasis to outlying hamlets, women headed households and nomadic families. The pradhans, VLW’s and other functionaries are associated with identification of beneficiaries.

ii. This said list then is placed for approval in the meeting of the village assembly (Gram Sabha). It is attended by local people, non-officials, block officers and bank officers.

iii. The list of selected beneficiaries is then displayed on the notice board of village Panchayat and block office and sufficient time is given for filling objections.
iv. In case of any dispute regarding any name in the list is decided by the Project Director, DRDA in consultant with the BDO.

v. The list of final beneficiaries is then prepared and got printed block wise by the DRDA and copies are made available to the field staff, block officials, bankers and all other concerned agencies.

3. Training of Rural Youth for Self Employment (TRYSEM)

It was launched by the Government of India under the Department of Rural Development on 15th August, 1979. Training of Rural Youth for self Employment was a facilitating component of the IRDP.

Objective

The objective of TRYSEM is to provide technical and entrepreneurial skills to rural youth from families below poverty line to enable them to take up self employment in the broad fields of agriculture and allied activities, service and business activities. The objective of TRYSEM had been enlarged to include wage employment. The target group comprises of rural youth between the age of 18-25 years from BPL families.

Safe guards for Certain Sections

According to the guidelines of this programme 50 percent of trained youth should be SC /ST’s and 40 percent of such youth should be women. Moreover, atleast 3 percent of the benefits are earmarked for physically handicapped persons who are capable for taking up training under TRYSEM scheme and subsequently of being self /wage employed.

Strategy:

The identified youth is to be put for training either with a training institution or a master craftsman to provide necessary technical and entrepreneurial skills. On the successful completion of training, they receive a combination of subsidy and institutional credit under IRDP for acquisition of income generating assets, if they so desire.
Identification of Beneficiaries:

The BDO invites applications from the youth belonging to the target group from his area. A preliminary scrutiny is then carried out to find out how many can be provided assistance under TRYSEM. Such an assessment can also be done at the time of household survey, so that a wide base of potential beneficiaries is available.

4. Development of Women and Children in Rural Areas (DWCRA)

Development of Women and Children in Rural Areas (DWCRA), a sub-scheme of IRDP was started in 1982-83 with the primary objective to focus attention on the women members of rural families below poverty line with a view to provide them opportunities for self employment on a sustained basis. However, IRDP and DWCRA were not mutually exclusive. The target group for DWCRA is same as for IRDP.

STRATEGY

The women members of DWCRA from groups of 10-15 women each are taken for economic activities which suits to their skill, aptitude and the local conditions. The revolving fund upto Rs. 25,000 was given per group to start economic activities and the revolving fund was shared by Centre and State Government on 50:50 sharing basis.

The revolving fund amount is meant for the use by the group for purposes like:

i. Purchase of raw materials and marketing

ii. Honorarium to group organizer @ Rs. 50/- per month for a period of one year.

iii. Infrastructure support for income generating and other group activities.

iv. One time expenditure on child care activities.

v. One time expenditure not exceeding Rs. 500/- to meet travel allowance of group members for visits to banks etc.
In addition, the group organizer is entitled to Rs. 200/- towards traveling allowance for a period of one year. This is shared equally by government of India and state government.

5. **National Rural Employment Programme (NREP)**

The Food for Work Programme was restructured and renamed as NREP. This programme was launched in October, 1980 and became a regular plan programme from April 1981. NREP was a Centrally sponsored scheme implemented with 50:50 sharing basis between the Centre and the State Governments. The programme was expected to generate additional gainful employment in the rural areas to the extent of 300-400 million mendays per annum to create durable community assets and improve nutritional status and living standards of the poor. The progress of NREP during the first four years of seventh plan reveals that Rs. 2,940 crores was spent during 1985-89 and the employment of 1,477 million mendays was generated.

6. **Rural landless Employment Guarantee programme (RLEGP)**

The RLEGP was totally Centrally financed programme introduced in 1983-84. The major objectives of this programme were (i) to generate gainful employment opportunities for the rural landless with a view to provide guarantee of employment to at least one member of every landless household up to 100 days in a year. (ii) creating durable assets for strengthening the infrastructure so as to meet the growing requirements of the rural economy. Moreover, this was earmarking of funds specifically for certain activities viz 25 percent for social forestry, 10 percent for works benefiting the SC/ST’s and 20 percent for housing under IAY. In the seventh plan Rs. 2, 412 crores were spent and 115 crore mandays were generated. Further only 16 percent had been spent on social foresting but 22 percent had been spent on housing and rural roads accounted.

7. **Jawahar Rozgar Yojana (JRY) or Wage Employment Programme**

JRY was launched on 28th April, 1989 by merging all existing rural wage employment programmes. Thus the NREP and RLEGP were merged with in the single umbrella. The primary objective of this programme was generation of additional employment in productive works which would either be of sustained
benefit to the poor or contribute to the creation of rural infrastructure. Under this programme Centre’s contribution was 80 percent and 20 percent was the State Governments share. The JRY was implemented in all villages in the country. This Yojana was being implemented through the panchayats with funds going to every village panchayat for taking small works according to the needs of the area. Based on the experience gained in the implementation of the JRY, it was first modified in 1993-94 and secondly on 1st April, 1999. The JRY was renamed as Jawahar Gram Samridhi Yojana (JGSY). Now the programme is implemented as a Centrally sponsored scheme on cost sharing basis between Centre and the State Governments in the ratio of 75:25. The wage employment under the programme shall be given to BPL families and 22.5 percent annual allocation shall be earmarked for SC/ST’s individual beneficiary scheme.

8. Jawahar Gram Samridhi Yojana:

This programme has been implemented from 1-4-1999 by modifying JRY. The primary objective of this programme is to create 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 of this programme is to generate the supplementary employment for the unemployed poor in the rural areas. According to the guidelines of this programme 22.5 percent of annual allocation shall be earmarked for SC/ST’s individual beneficiaries and the wage employment under the programme shall be given to BPL families.

9. Million Wells Scheme (MWS)

The Million wells scheme was launched as a sub scheme of NREP and RLEG during 1988-89 to provide open irrigation wells free of cost to poor, small and marginal farmers belonging to SC/ST’s and free bounded labourers from 1st April, 1989. The scheme has been brought under JRY by earmarking 30 percent of the funds for this purpose. The scheme has been extended in the year 1993-94 to include poor, small and marginal farmers belonging to non-SC/ST’s categories. A total 11 lakh wells have been constructed with an expenditure of Rs. 4,021 crores by 1996-97.
10. **National Social Assistance Programme (NSAP)**

This programme was started on August 15, 1995. The NSAP is a Centrally sponsored programme with 100 percent Central funding. The NSAP consists of the following three components:

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

Under this scheme a pension of Rs. 75 per month is provided to destitute and above 65 years of age. Besides it, the State Government is providing additional Rs. 25 per month by making it at per with the State Scheme of old Age Pension.

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

This scheme provides Rs. 5,000 in case of death due to natural casuses and Rs. 10,000 in case of accidental death of the primary bread-winner to the bereaved household.

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

Under this scheme Rs. 300 per pregnancy up to the first two live births is provided to eligible beneficiaries.

11. **Rural Group Life Insurance Scheme (RGLIS)**

This scheme was launched on 15th August, 1995 to provide life insurance coverage to the rural people of the country. The main objective of the scheme is to promote social insurance in the rural areas with the active involvement of the panchayats and to partly alleviate the distress caused by the death of the bread-winner among the rural poor. This scheme is implemented by the panchayats and administered by life insurance corporation (LIC) of India in the rural areas for the age group between 20-60 years. This scheme provides a life cover of Rs. 5,000 to the rural people against an annual premium of Rs. 60 to 70 depending upon the age of entry in the scheme.
12. **Gandhi Kutir Yojana and Indira Awas Yojana (Rural Housing Scheme)**

This scheme was launched by the State Government during the year 1994-95. The main objective of this scheme was to construct 72,000 houses under Indira Awas Yojana and Gandhi Kutir Yojana over a period of 5 years. Under this scheme the following criteria was laid down for the selection of beneficiaries. First of all, the priority will be given to the totally houseless families and divorced women. Secondly, priority will be given to those families who have lost their houses in fire, flood or any other natural calamities. Third priority would be given to such families whose houses are fully damaged and are unsafe for living. Finally it comprises of those families who do not have adequate living space for their family members.

13. **Mahila Samridhi Yojana (MSY)**

This yojana was launched on October 2, 1993. The objective of MSY is to empower rural women with greater control over household resources and savings. This scheme entitles every adult women who opens an MSY account with Rs. 300 to get an incentive of Rs. 75 for a year.

14. **Employment Assurance Scheme (EAS)**

This scheme was introduced on October 2, 1993 in 1,778 blocks of 261 districts. The major objective of this scheme was to provided assured employment of 100 days of unskilled manual work to the rural poor. This scheme is also implemented in all the blocks of the State. The Government of India has structured the EAS from 2000-2001. This scheme was being financed by the Central and State Governments on 80:20 sharing basis in the beginning, whereas the funding pattern in restructured scheme has been changed to 75:25 between Centre and State Governments. The programme is implemented through the DRDS's / Zila Parishads and the list of works is finalized by the Zila Parishads in consultation with the MP's as per prescribed procedure in the guidelines.

15. **State Rural Sanitation Programme (SRSP)**

This programme was initiated by the State Government during 1991-92. The major objective of this programme is to promote the environment in the rural areas
and to provide better sanitation facilities to every rural household. This programme provides financial assistance to all the rural families for the construction of rural latrines. From the year 1996-97, the amount of assistance under this scheme has been enhanced from Rs. 1,200 to Rs. 1,700 in case of general category and from Rs 1,500 to Rs. 2,000 to SC / ST’s beneficiaries.

16. Chief Minister Gratuity Scheme (CMGS)

This scheme was launched by Himachal Pradesh Government during 1996-97. The main objective of the scheme was to provide financial assistance to the breaved families belonging to IRDP. Under this scheme an assistance of Rs. 10,000 is being provided to a breaved family in case of death of any family member in the age group of 18 to 60 years. The financial assistance provided under this scheme is in addition to the assistance under NSAP, insurance cover under any insurance scheme such as Group Insurance Scheme of LIC, Rural Group Insurance Scheme, gratuitous relief under Relief Manual etc.

17 National Programme on Improved Chullah (NPIC)

This programme was totally sponsored by the Union Government. The main objectives of this programme were to save fuel, to reduce pollution and reducing deforestation. To achieve these objectives, smokeless chullahs were installed in rural households under this scheme. Despite this, training and development camps were also organised in rural areas to make rural women aware about the importance and utility of the scheme.

18. Pradhan Mantri Gramodaya Yojana (PMGY)

PMGY was launched in 2000-01. The major objective of this programme is to improve the quality of life of rural people. For this purpose, the scheme is focused on village level development in five important areas viz. education, drinking water, health, roads and housing. This scheme comprises of the following programmes with in its fold.
(a) **Pradhan Mantri Gram Sadak Yojana (PMSY)**

This scheme was introduced in 2000-01 with the objective of providing facilities to all rural areas with population of more than 1000 persons by the year 2003 and more than 500 persons by the year 2007.

(b) **Rural Drinking Water Project (RDWP)**

According to this programme, 25 percent of the total allocation is to be utilized by the respective State/UTs on specific projects / schemes viz. water conservation and sustainability of drinking water sources in respect of areas under Desert Development Programme (DDP) and Drought Prone Areas Programme (DPAP).

(c) **Gramin Awas Yojana (GAY)**

This scheme is to be implemented on the pattern of IAY with the objective to meet the growing housing needs of rural poor.

19. **Food for Work Programme**

This programme was launched in February 2001 for five months only and was further extended. This programme was started in eight states including Himachal Pradesh. The main objective of this programme was to provide food security through wage employment in the drought affected rural areas. Under this programme State Government paid wages to workers partly in kind of food grains upto 5 kgs per manday and partly in cash.

20. **Annapurana**

This is 100 percent Centrally sponsored scheme and it was launched in April, 2000. The major objective of this scheme is to provide food security to those senior citizens who are eligible for pension under the National Old Age Pension Scheme, but are not getting the same. Under this scheme food grains are provided to beneficiaries at subsidised rates i.e. wheat at Rs. 2 per kg. and rice at Rs. 3 per kg.
21. **Swarnjaynati Gram Swarozgar Yojana (SGSY).**

The SGSY has been launched from 1.4.1999 by merging IRDP (Integrated Rural Development Programme), TRYSEM (Training of rural youth for self employment), DWCRA (Development of Women and Children in Rural Areas), SITRA (Supply of Improved Toolkits to Rural Artisans) and Ganga Kalian Youjana (GKY). The main objective of SGSY is to bring every assisted family above the poverty line in three years. This yojana is a holistic package covering all aspects of self employment such as organisation of poor into self help groups, training, credit, technology, infrastructure and marketing. This is a credit-cum-subsidy programme. Subsidy under SGSY is uniform at 30 percent of the project cost subject to a maximum limit of Rs. 7500. In case of SC /ST’s and disabled persons the maximum limit is 50 percent and Rs 10,000 respectively. For groups of swarozgariis (SHG’s), the subsidy is 50 percent of the project cost subject to per capita subsidy of Rs. 10,000 or Rs 1.25 lac whichever is less. The focus of SGSY is on the vulnerable groups among the rural poor. Accordingly, the SC /ST’s account for the 50 percent of swarozgariis , women for 40 percent and the disable for 3 percent. The scheme is being implemented on 75:25 cost sharing basis between Central and State Governments.

**Swarozgaries:**

Under SGSY the beneficiaries are known as Swarozgaries. The swarozgaries can be either individuals or groups. This scheme lays emphasis on the group approach, under which the rural poor are organized into SHG’s. In either case, the list of BPL households identified through BPL census duly approved by the Gram Sabha will form the basis for identification of families for assistance under SGSY. The SHG’s also be drawn from the BPL list approved by Gram Sabha.

**Formation of SHG’s:**

SHG is a group of rural poor who have volunteered to organize themselves into a group for eradication of poverty of the members. They agree to saving and convert their saving into a “common fund”. The members of the group agree to use this common fund and such other funds that may receive as a group through a common management.
Under SGSY, a self help group may consist of 10 to 20 persons, in case of minor irrigation and in case of disabled persons, the number may be a minimum of five. Further, 50 percent of the groups formed in each block should be exclusively for the women and all members of the group should belong to families below poverty line.

**Individual Swarozgaries:**

The individual swarozgaries are to be selected in the Gram Sabha. It is possible that the gram sabha held at the Panchayat head quarters may not have the participation of all the BPL families. Therefore, in order to have the maximum participation of the poor, a three members team consisting of the BDO or his representative, the banker and the Sarpanch should visit each of the habitations in the Panchayat according to a schedule drawn up for this purpose and duly publicised. In each habitation, the team must then ascertain from the BPL families the persons who can be covered under the designated key activity. The process of identification of the potential swarozgaris should be done carefully.

22. **SGSY Special Projects**

The objective of each special project is to ensure a time-bond programme for bringing a specific number of BPL (below poverty line) families above the poverty line through self employment programmes. As per the programme guidelines every assisted family must be brought above the poverty line in 3 years. The project may involve different strategies to provide long term sustainable self employment opportunities either in terms of organisation of rural poor, provision of supporting infrastructure, technology, marketing, training etc. or combination of these. The various special projects under SGSY are as under.

(i) **Installation of HYDRAMS**

The Government of India has approved a project for installation of 400 Hydrams under SGSY special project component with a total project cost of Rs. 1047.20 lac which includes subsidy of Rs 770.48 lac, Rs 161.40 lac as loan component and Rs 115.32 lac as beneficiaries share. The subsidy component is being shared by Centre and State Government on 75:25 sharing basis.
(ii) **Gold Mines Projects**

The Government of India has approved a project entitled “Gold Mines in Bilaspur” district under SGSY special project component with a total project cost of Rs 840.35 lac. It includes subsidy of Rs 327.76 lac and Rs 512.59 lac as loan component. Centre and State Government is sharing the subsidy component on 75:25 sharing basis. Under this project three activities viz. floriculture, sericulture and mushroom cultivation are being taken.

(iii) **Marketing of Rural Goods**

Marketing of rural goods project is also approved by Government of India under SGSY special project component with a total cost of Rs 914.52 lac subject to subsidy of Rs 769.52 lac and Rs 145.00 lac as loan component on 75:25 basis. Under this project 50 Himachal Bhandars and one Central Gramin Bhandar are being constructed in the State.

(iv) **Milch live Stock Improvement**

This project has been approved for district Solan under SGSY special project component. The project cost is Rs 886.95 lac which includes subsidy of Rs 715.15 lac and Rs. 1771.80 lac as loan component. Subsidy component is shared by Centre and State Governments on 75:25 basis. This project undertakes the activities for the development of dairy farm.

(v) **Rural Development Through Diversification in Agriculture**

The cost of this project is Rs 1385.32 lac. It includes subsidy of Rs 1086.25 lac and Rs 299.07 lac as component. Subsidy is shared by Centre and State Government on 75:25 basis. This project undertakes the activities like Cultivation of medicinal plants, aromatic plants, flowers and orchids, sericulture and Innovative practices in animal husbandry.

(vi) **Self Reliance Through Sericulture and Dairy Development**

This project is approved for district Hamirpur under SGSY special project component with total cost of Rs 1499.981 lac. It includes subsidy of Rs. 993.371
lacs and Rs 506.61 lac as loan component subject to sharing subsidy on the basis of 75:25 by the centre and state government. Under this project sericulture and dairy development is being taken up.

(vii) **Green Gold**

It is approved for Chamba district under SGSY special project component with a total project cost of Rs 1488.73 lac. It includes subsidy of Rs 1361.23 and Rs 127.50 lac as loan component. The subsidy is shared by the Centre and State Governments on the basis of 75:25 ratio. This project comprises of the cultivation of medicinal plants, aromatic plants, flowers, orchids, cultivation of off season vegetables, cultivation of mushroom and improved dairy management.

**23. Installation of Hydrams under Waste lands development Programme**

The Government of India has approved a project for installation of 200 Hydrams under wasteland and marginal lands through application of appropriate technology, extension and training in district Kullu and Shimla with a total project cost of Rs. 564.94 lac. It is a 100 percent Centrally sponsored project to be financed by Government of India. Further 175 sites have been selected and 185 Hydrams have been procured uptill December 2003. Out of this 92 Hydrams have been installed and Rs 274.25 lac have been spent.

**24. Sampoorn Grameen Rozgar Yojana (SGRY)**

The Hon’ble Prime Minister of India announced a new scheme on 15th August 2001 to provide greater thrust to additional wage employment, infrastructural development and food security in the rural areas with an annual outlay of Rs 10,000 crores known as SGRY. Accordingly the ministry of rural development reviewed the hitherto on going schemes of the Employment Assurance Scheme (EAS) and the Jawahar Gram Samridhi Yojana (JGSY) and by merging them into one scheme, launched the new scheme of the SGRY w.e.f. September 2001.

The primary objective of the scheme is to provide additional wage employment in all rural areas and therby to provide food security and improved
nutrition level. The secondary objective is the creation of durable community, social and economic assets and infrastructure development in rural areas. The programme is self-targeting in nature and is available for all the rural poor (BPL/APL) who are in need of wage employment and are willing to take up manual work. Priority would be given towards provision for wage employment to the poorest amongst the poor, women, SC/STs and parents of child labour withdrawn from hazardous occupations. The scheme is being implemented under two streams. Out of the total allocation, 50 percent of funds are allocated under 1st stream and 50 percent under the 2nd stream. The funds realized under 1st stream are distributed between the Zila P raisad and the Panchayat Samitis in the ratio of 40:60.

**Special safeguards for the weaker sections and women of the community**

The following are the special safeguards for weaker section and women under the scheme:

i. According to the guideline of this scheme 22.5 percent of the annual allocation (inclusive of food grains) under the 1st stream of the SGRY both at the district and block levels shall be earmarked for individual beneficiaries under this scheme for SC/ST's families living below the poverty line.

ii. Minimum 50 percent of the allocation to the Village Panchayat (inclusive of food grains) shall be earmarked for the creation of need based village infrastructure in SC/STs habitations/wards under the second stream of the SGRY.

iii. 30 percent of employment opportunities shall be reserved for women.

**Wages under the Programme:**

The wages under the SGRY is paid partly in the form of food grains and partly in cash. Minimum wages fixed by the state authority is to be paid both for skilled and unskilled labourers. Moreover, payment of wages is to be made on a fixed day in a week preferably a day before the local market day, in the presence of village Pradhan or Panchas. Equal wages are paid to both men and women workers under SGRY.
25. Watershed Development Programme

(i) Drought Prone Area Programme (DPAP)

This is basically an area development programme and aims at integrated development of natural resources like land, water, vegetation etc. by taking up watershed development projects. This programme is being implemented in 10 blocks of the State. The programme was being funded by Central and State Government on 50:50 sharing basis uptill 1998-99 but from 1.4.1999 the Government of India has changed the funding pattern from 50:50 to 75:25. Under this programme 238 watersheds have been taken up for development in district Bilaspur, Solan and Una for a period of 5 years. During the year 2003-2004, 40 new watersheds have been sanctioned by the Government of India under this programme.

(ii) Desert Development Programme (DDP)

The basic objective of this programme is to minimise the drought effects in the deserts and to increase the land productivity. Under DDP, 298 watersheds have been taken up for development in the district of Lahaul - Spiti and Kinnaur. The Government of India has sanctioned 49 new watershed projects under this programme during the current financial year. (34 watersheds for Lahaul-Spiti and 15 watersheds for Kinnaur district.)

(iii) Integrated Wastelands Development Programme (IWDP)

Integrated wastelands development programme is implemented in all the Districts of the Himachal Pradesh except Bilaspur, Una and Lahul-Spiti. The watershed project programme is being 100 percent funded by the Central Government uptill 1.4.2000. The projects sanctioned after 1.4.2000 are being funded for Rs. 5,500 per hectare by the Government of India and Rs 5,000 per hectare by the State Government. During the year 2003-2004, 8 new IWDP projects have been sanctioned. An amount of Rs. 1,446.53 lac has been released to the districts for ongoing as well as newly sanctioned projects.
26. **Innovative Rural Housing Project (IRHP)**

Presently the following 3 IRHP are being implemented in the State (Table 1.2).

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Year of Sanction</td>
<td>15.3.2002</td>
<td>19.3.2001</td>
<td>24.9.2002</td>
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<tr>
<td>Project Period</td>
<td>2 Years</td>
<td>2 Years</td>
<td>2 Years</td>
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<tr>
<td>Total Project Cost</td>
<td>37.41 lac</td>
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<td>35 lac</td>
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<td>Fund released by</td>
<td></td>
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<td></td>
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<tr>
<td>Government of India</td>
<td></td>
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<tr>
<td>1\textsuperscript{st} Installment</td>
<td>18.70 lac</td>
<td>21.25 lac</td>
<td>17.50 lac</td>
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<tr>
<td>2\textsuperscript{nd} Installment</td>
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<td>Total funds received</td>
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<td>Expenditure</td>
<td>16.28 lac</td>
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27. **Total Sanitation Campaign Projects (TSCP)**

Total sanitation campaign is another milestone for the Rural Development Department. The district wise details of the projects are given in Table No. 1.3.

<table>
<thead>
<tr>
<th>Particular</th>
<th>District Sirmour</th>
<th>District Hamirpur</th>
<th>District Kangra</th>
<th>District Kullu</th>
<th>District Solan</th>
<th>District Una</th>
<th>District Una</th>
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<tr>
<td>Project Period</td>
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<tr>
<td>Total Project cost</td>
<td>133.13 lac</td>
<td>199.00 lac</td>
<td>467.99 lac</td>
<td>90 lac</td>
<td>147.31 lac</td>
<td>41.75 lac</td>
<td>55.13 lac</td>
<td>3.77 lac</td>
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<td>Total Fund released</td>
<td>(53.52+16.36)</td>
<td>(28.6+15.54)</td>
<td>(28.47+11.55)</td>
<td>(5.66+2.36)</td>
<td>(9.74+3.34)</td>
<td>(3.00+.795)</td>
<td>(3.77+000)</td>
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<td>.03 lac</td>
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<tr>
<td>Centre + State</td>
<td>69.88 lac</td>
<td>44.19 lac</td>
<td>40.02 lac</td>
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<td>13.08 lac</td>
<td>-</td>
<td>-</td>
<td>3.795 lac</td>
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<tr>
<td>Other receipts</td>
<td>5.60 lac</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<td>Total Funds</td>
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<td>51.94 lac</td>
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<td>.50 lac</td>
<td>-</td>
<td>-</td>
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</table>


28. **Mahila Mandal Protsahan Yojana (MMPY)**

The departments introduced MMPY during 1998-99 in order to strengthen the Mahila Mandals and to ensure that they are involved in the process of development. A sum of Rs 65.00 lac has been provided during 2003-04 to give incentives to Mahila Mandals. The incentives provided to Mahila Mandals are based upon their
performance in various fields, such as, family planning and child welfare, promotion of small savings, eradication of social evils and participation in literacy campaigns.

29. NORAD Aided Project Titled "Environmental Conservation Through Mahila Mandals".

A project entitled "Environmental Conservation through Mahila Mandals" is being implemented in 3 districts viz. Hamirpur, Kullu and Solan in collaboration with NOARD. The total project cost is Rs 162.17 lac.

Objectives of the projects:

The main objectives of this project are as under:

i. To create awareness among the Mahila Mandals selected, in the field of environment conservation and Concept of Self Help Groups.

ii. Conservation of the environment to be undertaken by the Mahila Mandals in the following respects:
   - Afforestation and protection of forests
   - Conservation of traditional water sources.
   - Social waste management and promotion of organic farming.
   - Alternate fuel and fodder.

iii. To activate and empower Mahila Mandals to form SHG's and with the help of Micro-credit indulge them in income generation activities.

All the Mahila Mandals to be incorporated in the project would have to fulfill the following basic criteria:

- Mahila Mandals should be registered under the societies registration act.
- Mahila Mandals should have a good track record of at least two years.
- Mahila Mandals should not be involved in any anti national and anti social activities.

30. Rajiv Gandhi Awas Yojana (RGAY)

This scheme was introduced with a view to provide housing facilities to more and more people in the state. Under this scheme about 2,700 houses will be
constructed in the state during the year. For this purpose a budget provision of Rs 6.00 crore has been made. Earlier an assistance of Rs 22,000 was provided to each beneficiary for the construction of a house, but now it is Rs. 27,500. The process of identification of beneficiaries by the Gram Sabhas is in progress. Up to March 2004 against the target of construction of 2,727 houses, 975 houses have been constructed and 1,407 houses are in progress. An amount of Rs. 375.54 lac has been spent under this scheme.

31. Indira Awas Yojana (IAY)

Indira Awas Yojana (IAY) was launched during 1985-86 as a sub scheme of Rural Landless Employment Gaurantee Programme (RLEGP). IAY therefore, continued as a sub scheme of Jawahar Rozgar Yojana (JRY) since its introduction in April 1989. 6 percent of the total JRY funds were allocated for implementation of IAY. From the year 1993-94, the scope of IAY was extended to cover non schedule castes/schedule tribe families in the rural areas who are below the poverty line. Simultaneously, the allocation of funds for implementing the scheme was raised from 6 percent to 10 percent of the total resources available under JRY at the national level, subject to the condition that the benefits of non schedule castes/schedule tribes poor should not exceed 4 percent of the total JRY allocation. IAY was de-linked from JRY and made an independent scheme with effect from 1st January 1996.

Since 1999-2000, various initiatives have been taken to improve the rural housing programme by making provision for upgradation of unserviceable kaccha houses and by providing credit with subsidy for certain sections of the poor.

Objectives:

The main objectives of the IAY is primarily to help in construction/upgradation of dwelling units of members of SC/ST's, free bonded labourers and other below the poverty line non SC/ST's rural households by providing them a lump sum financial assistance.
**Funding Pattern:**

The IAY is a centrally sponsored scheme funded on cost-sharing basis between the Govt. of India and the state governments in the ratio of 75:25. In case of union territories, the entire funds under this scheme are provided by the govt. of India.

**Target Group:**

The target groups for houses under the IAY are below poverty line households living in the rural areas belonging to SC/ST’s, free bonded labourers and non SC/ST BPL rural households, widows and next of kin to defense personnel/paramilitary forces killed in action residing in rural areas, ex-servicemen and retired member of paramilitary forces fulfilling the other conditions.

**Earmarking of Funds for SC/ST Beneficiaries:**

Funds available under the scheme in a district are earmarked for various categories as under:

i. At least 60 percent of the total IAY allocation during a financial year should be utilized for construction/up gradation of dwelling units for SC/ST BPL house holds.

ii. A maximum 40 percent for no SC/ST BPL rural households.

iii. 3 percent of the above categories for physically and mentally challenged persons.

If any particular category is exhausted or not available in a district, allocation can be utilized for other categories as per priorities given after. It has been certified to this effect by the Zila Prishad/DRDA concerned.

**Strategy for the Implementation of the Programme:**

The programme will be implemented through the Zila Parishad/DRDA’s and houses will be constructed by the beneficiaries themselves.
Identification of Beneficiaries:

The district Panchayat/ Zila Panchayat/ District rural development agencies (DRDA) on the basis of allocations made and targets fixed shall decide the number of houses to be constructed/upgraded panchayat wise under IAY, during a particular financial year. The same shall be intimated to the Gram Panchayat concerned. Thereafter, the Gram Sabha will select the beneficiaries from the list of eligible BPL households, restricting this number to the target allotted as per the programme guidelines. Selection by the Gram Sabha is final. No approval by a higher body is required. Zila parishads /DRDA’s and BDO should however, be sent a list of selected beneficiaries for their information.

Unit Cost for Construction of IAY House and Up gradation

The ceiling on the grant of assistance per unit cost under the IAY for construction of new houses and upgradation of un serviceable Kaccha houses is given below:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particular</th>
<th>Plain Areas</th>
<th>Hilly/Difficult Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Construction of house including sanitary latrine and smokeless chulha</td>
<td>Rs. 25,000</td>
<td>Rs. 27,500</td>
</tr>
<tr>
<td>(b)</td>
<td>Up gradation of un-serviceable house holds</td>
<td>Rs. 12,500</td>
<td>Rs. 12,500</td>
</tr>
</tbody>
</table>

According to the guidelines of IAY credit cum subsidy is provided subject to the following conditions;

i. Rural households having an annual income up to Rs. 32,000 only.

ii. Ceiling of subsidy under the scheme Rs. 12,500 per house hold.
iii. The upper limit of construction loan under this scheme will be Rs. 50,000 only.

1.6 RURAL DEVELOPMENT IN HIMACHAL PRADESH

Himachal Pradesh is a hilly State. It is enriched with natural wealth, which comprises of forest and horticulture resources. Majority of the population of the state lives in villages. Agriculture is the mainstay of the state economy and a large number of people are directly or indirectly engaged in the agriculture. This beautiful and charming state is situated in the northern part of India and is covered by the ranges of the Himalayas and the Shivaliks. Himachal Pradesh is extended between 30°22' to 33°12' North latitude and 75°47' to 79°04' East longitude. In the east, Himachal Pradesh form India's border with Tibet, to its North lies the State of Jammu and Kashmir, to the South-East it is Uttar Pradesh, to the West it is Punjab and to its South Haryana is situated.

Administrative History:

The Himalayan region, now known as Himachal Pradesh came into existence on 15th April, 1948 with the merger of 26 Shimla hill states and 4 Punjab hill states into a centrally administered area. At that time, there were four districts viz. Chamba, Mahasu, Mandi and Sirmaur with an area of 27,169 sq. km. In 1951, it was made part "C" state. On July 1st, 1954 the part of "C" state of Bilaspur was also merged with Himachal Pradesh. On 1st November, 1956 Kangra, Kullu, Lahaul Spiti, Shimla and some districts of Punjab were integrated with it. Later, full statehood was granted to Himachal Pradesh on 25th January, 1971, and it emerged as the 18th full fledged state of the Indian Union.

At present, for the purpose of administration, the state has been divided into 3 divisions namely Mandi, Kangra and Shimla. These three divisions are further divided into 12 districts i.e. Bilaspur, Mandi, Kullu, Lahaul –Spiti, Una, Hamirpur, Kangra, Chamba, Shimla, Solan, Sirmaur and Kinnaur. These districts are further divided into sub divisions, tehsils and sub tehsils. As on 31st March, 2004 there were 51 sub divisions, 74 tehsils and 34 sub tehsils. From the development point of view, the Pradesh is divided in to 75 Blocks. The smallest unit for development
come administration is the panchayat which are 3, 037 as on 31st March, 2004. (Statistical outline H.P. 2003-04).

**Area and Population:**

According to 2001 census, the state of Himachal Pradesh occupies 16th position in the state wise ranking of population in the country, of the total population of India about 0.61 percent lives in H.P. Himachal Pradesh is extended over an area of 55,673 sq. km. and its total population is 60,77,248. Out of total population, the urban population is only 5.9 lac and rural population is 54.8 lac. The total rural population which is 90.17 percent of the total population is residing in 16,997 inhabited villages and 2,391 uninhabited villages (1991 census villages).

Moreover, the total population of the state is distributed into 30.8 lac males and 29.9 lac females. The sex ratio is 970, it shows that the number of females per thousand males is 970. The density of population for the state is 109 persons per sq. km as against 933 for the country as a whole. There is wide variation in the area and population figures in the state. The density of population in Lahaul Spiti which is the lowest for any district in the state, stands at 2 persons per sq. km whereas it is as high as 369 persons per sq. km for Hamirpur which is the highest density in the state.

As far as SC's population is concerned, its total population in the state is 13,10,296, out of which 6,66,055 are males and 6,44,245 are females. The ST's population which is concentrated in the districts of Kinnaur, Lahaul Spiti, some parts of Chamba district and also scattered in other districts of the state is 2,18,349, out of which 1,10,240 are males and 1,08,109 are females. (census 1991).

**Agriculture and Allied Activities:**

Agriculture is the main occupation of the people of Himachal Pradesh and has an important place in the economy of the state. It provides direct employment to 69 percent of the total workers of the state. About 20.1 percent of the Total Gross State Domestic Product (GSDP) comes from agriculture and its allied sectors. Out of the total geographical area of 55.67 lakh hectare, the area of operational
holdings is about 9.99 lakh hectares and is operated by 8.63 lakh farmers. The average holding size comes to 1.2 hectares. According to 1995–96 agriculture census, 84.5 percent holdings are owned by small and marginal farmers and only 14.9 percent holdings are owned by semi medium and medium farmers and only 0.6 percent by large farmers. About 80 percent of the total cultivated area in the state is rainfed. Rice, Wheat and Maize are important cereal crops of the state. Groundnut, Soya bean and Sunflower in 'Kharif' and Rapeseed/Mustard and Toria are important oilseed crops in the 'Rabi' season.25

**Industrial Development:**

Himachal is still backward from industrial development point of view. It remained a neglected region, from the view point of industrial development for a very long time. The natural and human resources of the state are only the foundation of its economic development. As nature is to the best in Himachal, tourism plays important role in the state and there are huge potentials for the development of this industry. Tourism is the major industry in the Himachal Pradesh. However, the tourism industry is at apex in the state, but it is also suffering with number of weaknesses. The state is unable to draw the full benefits from tourism industry. Nevertheless, in the last two decades the state has achieved a great deal of industrial advancement due to improved infrastructure facilities and abundance of natural wealth. The prominent industrial estates are Parwanoo in district Solan, Mehatpur in district Una, Ponta Sahib in district Sirmaur, Bilaspur, Nalagarh and Baddi in district Solan, Jawali and Dehra Gopipur in district Kangra and Samshi in district Kullu. The other areas where state government has made big progress are Chamba, Mandi, Shimla etc.26 Besides, there is huge potential for electronic industries, wood based industries, mineral based industries and agriculture and horticulture based industries. Moreover, the state has vast potentials for exploiting the hydro-electric power.

A conservative estimate of the total potential in Himachal Pradesh could well be put up at 25,000 MW or even more. The huge Hydel potential of the state can play a major role in power development programmes in the northern region, which will provide an economic base for the overall development of Himachal Pradesh. Roads and road transportation plays a very vital role in the economy of the Pradesh.
as it is the only mean of transportation. By the end of 2002 there were 2,336 kms long double lane motorable roads, 20,427 kms single lane motorable roads, 781 kms Jeepable roads and 3,959 kms pedestrian roads in the state.

Horticulture:

Horticulture is playing a vital role in the economy of the state. The total area under fruit cultivation is about 2.23 lac hectares (2001-02) and total production was 5.60 lac tones by the end of 2003-04. During 2003-04 it was envisaged to bring 6,000 hectares of additional area under fruit plants against which 8,904 hectares of area was brought under plantation and 26.71 lakh fruit plants of different spices were distributed upto 31.03.2004. (Economic survey 2003-04). Among fruits apple comes at the top which has covered 92,820 hectare land and its production is subject to 180.53 thousand tones as against 263.45 thousand total fruit production.

Employment:

According to 2001 census, there are 19.64 lac main workers, 10.27 lac marginal workers and 30.78 lac non workers. The percentage of main workers to total population is 32.32.) Further out of main and marginal workers i.e. 29.91 lac, 19.60 lac are cultivtors, 0.92 lac are agricultural labourers, 0.50 lac are engaged with household industries and 8.89 lac are concerned with other occupations. In other words out of total main and marginal workers 65.55 percent are cultivator, 3.10 percent are agricultural laboureres, 29.67 percent are other workers and only 1.68 percent are engaged with household industry. It reveals that majority of workers are cultivators and a small percentage of workers are concerned with household industries. Moreover, as on 31st March, 2003, there were 1.47 lac regular government employees and 0.12 lac were part time employees. Besides this, 0.26 lac were work charged employees and 0.35 lac were daily paid employees. (Economic survey 2003-04).

The Table No. 1.4 shows the poverty position in the state. It is observed that out of total families i.e. 10.37 lac, 2.86 lac families are living below the poverty line. This position is more worst in district Chamba where 61.72 percent families are living below the poverty line.
### Table No. 1.4

**POSITION OF POVERTY IN HIMACHAL PRADESH**  
District wise number of total families and BPL families  
As per survey on poor families (1998-99)

<table>
<thead>
<tr>
<th>S. No</th>
<th>District</th>
<th>Total Families</th>
<th>No of Families below poverty line</th>
<th>%age of families below poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bilaspur</td>
<td>65,532</td>
<td>17,448</td>
<td>26.63</td>
</tr>
<tr>
<td>2.</td>
<td>Chamba</td>
<td>76,418</td>
<td>47,165</td>
<td>61.72</td>
</tr>
<tr>
<td>3.</td>
<td>Hamirpur</td>
<td>83,505</td>
<td>20,179</td>
<td>24.17</td>
</tr>
<tr>
<td>4.</td>
<td>Kangra</td>
<td>2,65,740</td>
<td>63,972</td>
<td>24.07</td>
</tr>
<tr>
<td>5.</td>
<td>Kinnaur</td>
<td>10,899</td>
<td>2,896</td>
<td>26.57</td>
</tr>
<tr>
<td>7.</td>
<td>Lahaul Spiti</td>
<td>6,446</td>
<td>2,445</td>
<td>37.93</td>
</tr>
<tr>
<td>8.</td>
<td>Mandi</td>
<td>1,69,863</td>
<td>42,012</td>
<td>24.73</td>
</tr>
<tr>
<td>9.</td>
<td>Shimla</td>
<td>94,316</td>
<td>31,755</td>
<td>33.67</td>
</tr>
<tr>
<td>10.</td>
<td>Sirmaur</td>
<td>58,618</td>
<td>13,753</td>
<td>23.46</td>
</tr>
<tr>
<td>11.</td>
<td>Solan</td>
<td>65,418</td>
<td>17,951</td>
<td>27.44</td>
</tr>
<tr>
<td>12.</td>
<td>Una</td>
<td>81,014</td>
<td>15,439</td>
<td>19.06</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,36,996</td>
<td>2,86,447</td>
<td></td>
<td>27.62</td>
</tr>
</tbody>
</table>

Source: Rural Development Deptt. Himachal Pradesh

The above analysis shows that even after 57 years of independence, the state has not achieved desirable progress infront of poverty alleviation. Because even today 27.62 percent Himachali families are still living below the poverty line. It reveals that poverty alleviation programmes are much away from their real objective.

#### Literacy:

The state of Himachal Pradesh, though a small state with a backward society, is not behind others in the field of education. The literacy rate in the state is 77.13 percent. The highest literacy rate i.e. 83.16 percent is in district Hamirpur and lowest rate is in district Chamba i.e. 63.73 percent. Moreover, 86.02 percent males and 68.08 percent females are literate in the state (census 2001). This analysis shows that state is almost sound from literacy point of view. The percentage of literacy in the state has increased considerably, particularly after the merger of new areas in 1966. This tremendous increase in the literacy rate reveals the committed efforts of the state government to remove illiteracy from the state. Though the female’s literacy rate i.e. 68.08 percent is much below the literacy rate of males, the state is making progress in this field and today the overall literacy in Himachal Pradesh is much higher than the national average. By the end of 2001-02, there were 10, 877 primary schools, 1,768 middle schools, 1954 high schools, 65 colleges and 4 universities including one private university.
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