

gramheen BHARAT'



A monthly Newsletter of the
Ministry of Rural Development
Vol. 8 Issue 55: January 2009

Happy New Year



January 2009

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
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A story of achievement: The Indira Awaas Yojana
exceeds Bharat Nirman targets...



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2009 – A year to watch out for.....

The New Year has begun on a high note, and as the adage goes, a good beginning is always a task more than half done. The outlook also appears to be very bright in the coming days, as a lasting foundation has been built during the past five years with emphasis on addressing some of the basic and core issues affecting the prospects of a sustainable rural development. Besides progressively enhancing the budgetary support; legally guaranteeing wage employment - to launch a frontal attack on poverty in rural areas, broad-basing the SHG movement, strengthening rural infrastructure, and insulating the weak and the frail with a proactive social safety network have given a new impetus to the development of our rural areas unprecedented hither before.

The 16th General Session of the 30 member Afro-Asian Rural Development Organisation (AARDO) held here from 4-9 January provided a unique opportunity to many member countries to benefit from India's experience in their effort to grapple the problems of rural poverty and development. Countries were also particularly appreciative of the paradigm shift in our approach to rural development by making schemes and programmes more and more demand-driven, our efforts at putting in place a transparent and accountable delivery mechanism and governance and overall our approach to include the millions of people living in the rural areas as part and parcel of our growth saga.

While the next issue of the newsletter shall feature details of deliberations and outcomes of the AARDO conference, suffice is to say that it has set the right tone and tenor for all of us at the stroke of New Year.

The third anniversary of the NREGA is also round the corner. Notwithstanding the cynicism of few and motley, in its short span of existence NREGA has ushered in a new revolution in our rural areas to be aptly called the 'Magnum opus' of rural employment.

An appraisal of the progress, till the third quarter of the current financial year, though is generally indicative of right prognosis; there are few areas of concern too. Some States need to really tighten their belts and log that extra effort immediately so that the impressive record of achievements in the last four years is not frittered away.

2009 is also the last year of the Bharat Nirman initiative; while during the remaining period of the year the residual tasks need to be completed, some time needs to be devoted to assess its impact to enable us to draw up a new road map for the future. Let us resolve to make 2009 historic, and yet another year of high achievement.

Nilam Sawhney
Editor-in-Chief

Indira Awaas Yojana Housing - Health, Security and Development



Centuries ago Lord Buddha said that a person's emotional, mental and spiritual development cannot be fully obtained without proper housing. Thus, housing is integral to an individual's health, security, development and stability.

A resolve to provide 'pucca' houses to the poor within a set time-frame was expressed in the National Common Minimum Programme of the UPA government. In compliance, "Rural Housing" is one of the six components of the "Bharat Nirman" Programme - an ambitious and time bound programme for the development and strengthening of rural infrastructure. A target of building 60 lakh additional housing units for the rural homeless has been set for the four year period from 2005-09 under the Bharat Nirman programme. It gives me great pleasure to

mention that the Government has not only provided the means to achieve these targets but has, in fact, provided manifold extra resources to build such houses for the homeless. Consequently, against the set target of 60 lakh houses, 60.50 lakh housing units have already been completed and 16.77 lakh more units are under construction.

Graph - 1 shows the comparative data of annual allocation under Indira Awaas Yojana during 2000-2008. A study of this graph shows that a sum of Rs. 6,758.59 crores was allocated during the period 2000-04 whereas Rs. 12,133.30 crores were allocated for the period 2004-08 indicating an increase of 79.52 percent.

The details of the physical progress for the period 2000-2008 are also noteworthy. 52,51,878

houses were constructed during the years 2000-2004 whereas in the next four years of 2004-08, 65,63,944 houses have been built, an indication of the commitment to provide housing to the rural homeless.

Apart from the enhanced allocation of resources and setting up of house-building targets, special attention was also paid towards effective implementation of the programme under the Indira Awaas Yojana. Keeping this in view with effect from 1 April 2008, the Government has revised the rates for construction cost from Rs. 25,000/- to Rs. 35,000/- in plains and from Rs. 27,500/- to Rs. 38,500/- in hilly/difficult areas. In addition, a mandatory provision of latrines in houses made under the Indira Awaas Yojana is being provided for by an amount of Rs. 2200/- given under Total Sanitation Campaign in addition to the estimated cost. This increase in rates has made it easier to complete the construction of housing units for the beneficiaries.

Electrification of IAY-houses is being coordinated by the Ministry of Rural Development along with the Ministry of Energy. A decision to provide free electric connection under the Rajiv Gandhi Rural Electrification Scheme has been taken.

With a view to providing housing to the rural homeless, a



The Minister's View-Point

special measure under the scheme has also been taken to make budget allocations for providing land to those who do not have a plot of land for making a house.

To ensure transparency and openness in the selection process of beneficiaries under the Indira Awaas Yojana, arrangements have been made to prepare a Permanent Waiting List for the scheme under which it has been made mandatory that such a list of eligible beneficiaries under IAY be prepared in each Panchayat area. The Permanent Waiting List will have the poorest person at number one and names of other eligible persons in the order of decreasing poverty are to be included. It is also mandatory to paint the IAY Permanent Waiting List on the notice board of gram panchayats, prepare a booklet of the same and post the names on the website of the district. With the provision of Indira Awaas Yojana Permanent Waiting List, each poor person now knows in which year he/she will get a house. This has significantly helped in checking irregularities in the process of selecting the beneficiaries.

People's participation has been ensured in the implementation of the scheme. Indira Awaas Yojana Permanent Waiting List is prepared after approval from the gram sabha.

While allocating IAY-funds to the States and Union Territories, 75 % weightage is given for housing deficit, and 25 % for poverty ratio. Districts' allocation is made on the basis of 75% housing deficit and 25% to scheduled castes/scheduled tribes. The IAY allocation is 60% for scheduled caste/scheduled tribe families and 3% to physically handicapped and 15% to minority beneficiaries.

The Government has made provisions to construct pucca houses for those families who are rendered homeless under special circumstances. To provide immediate assistance for building houses for those who are rendered homeless in natural calamities, a district can spend up to 10 % of the allocated funds. Also, a provision has been made to construct additional housing units on priority basis for the families of flood-affected areas, border areas

and terrorism- affected areas.

Homeless families live in temporary huts which are highly disease prone. Kala-ajar cases have been noticed in a large proportion among such homeless families. On the recommendation of the Health Ministry, an amount of Rs. 24 crores was sanctioned last year for converting 1,29,060 kaccha houses into pucca houses in 216 villages of 7 Kala-ajar-affected districts of Bihar as a means of countering the disease. A similar provision has been made this year also.

I have a great pleasure in conveying through this article that the Ministry of Rural Development is implementing Indira Awaas Yojana in a very efficient and effective manner. Consequently, the Government of India has made additional provision of Rs. 3,050 crores for constructing an additional 22 lakh housing units. The first installment has been received by the Ministry and is being sent to the respective States. The Government of India has made this additional allocation on the basis of efficient implementations and progress in the work which has been made possible with the active participation and cooperation of all State Governments, Panchayati Raj Institutions and District Administrations. I firmly believe that we shall continue to get everybody's cooperation in future and we shall be able to provide basic housing facilities to all the rural homeless poor.



Rural Housing Under Bharat Nirman

The Indira Awaas Yojana of the Ministry of Rural Development is alleviating the plight of the homeless and poor all over rural India. *Smt. S. H. Khurana, Director Rural Housing* gives us an overview.



Proud owner of a house constructed under Indira Awaas Yojana

Rural Housing

Shelter is a basic need of every citizen and is critical in determining the quality of human life. Hence, fulfilling the need for rural housing and tackling housing shortage, particularly for the poorest, is an important task to be undertaken, as part of the poverty alleviation efforts of the government. The Indira Awaas Yojana (IAY) is a flagship scheme of the Ministry of Rural

Development, to provide houses to Below-the Poverty Line (BPL) families in rural areas. It has been in operation since 1985-86.

The popularity of IAY can be attributed to the fact that the scheme enables beneficiaries to participate and involve themselves in the construction of their homes. The role of the State Government is limited to releases and to facilitating use of appropriate technology. In spite of criticism from certain quarters about IAY being a full subsidy scheme, experience reveals that houses get completed more or less on time, which may not have been the case if credit was

part of the assistance. Not surprisingly, evaluation studies reveal high levels of occupancy and satisfaction.

Providing houses to the poorest also has a positive impact on people's physical and mental health. Once the basic need of housing is fulfilled, citizens develop a sense of opportunity for livelihood, for improving living conditions and for continuing children's education. Undoubtedly, there is a direct link between safe and secure housing and better standards of living and reduction in vulnerability.

Funding

Funding of IAY is shared between the Centre and States in the ratio of 75:25. In the case of Union Territories, the entire funds of IAY are provided by



Financial Performance during 2007-08	
(as on 22/1/08)	
Central budget for IAY	Rs. 4040.00 crore
Central Releases	Rs. 3882.37 crore
Total Available Funds (including OB & State share)	Rs. 6527.17 crore
Utilisation of Funds (upto Feb., 2008)	Rs. 5464.54 crore
Percentage of Utilisation	83.72 %

Physical Performance during 2007-2008	
(as on 22/1/08)	
Physical Target for the year	21.27 lakh houses
Houses Constructed (upto Feb., 2008)	19.92 lakh houses
Houses under Construction (upto Feb., 2008)	6.64 lakh houses
Percentage of Physical Achievement	93.66 %

Physical Performance during 2008-2009	
(as on 19/12/08)	
Physical Target for the year	21.27 lakh houses
Houses Constructed (upto Sept. 2008)	9.62 lakh houses
Houses under Construction (upto Sept., 2008)	16.56 lakh houses
Percentage of Physical Achievement	45.23 %

Financial Performance during 2008-09	
(as on 19/12/08)	
Central budget for IAY	Rs. 5645.77 crore
Central Releases	Rs. 3908.61 crore
Total Available Funds (including OB & State share)	Rs. 6892.57 crore
Utilisation of Funds (upto Sept., 2008)	Rs. 4305.10 crore
Percentage of Utilisation	62.46 %

the Centre while for the NE States, the funding pattern is in the ratio of 90:10 . The ceiling on construction assistance under IAY has been enhanced from Rs. 25,000 to Rs. 35,000 per unit in the plain areas and from Rs. 27,500 to Rs. 38,500 in hilly/difficult areas w.e.f 1.4.2008. The financial assistance has also been enhanced from Rs. 12,500 to Rs. 15,000 per unit w.e.f. 1.4.2008 for upgradation of kutchha houses.

In addition, the Reserve Bank of India has been advised by the Ministry of Finance to include IAY houses under the Differential Rate of Interest (DRI) scheme for lending up to Rs. 20,000/- per housing unit, at an interest rate of 4%.

Allocation of IAY Houses

The criteria for allocation

of IAY funds to the States & UTs involves assigning 75% weightage to housing shortage and 25% to poverty ratio. The allocation amongst districts is based on 75% weightage to housing shortage and 25% weightage to the SC/ST component. Further, 60% of the IAY allocation is meant for benefitting SC/ST families, 3% for physically handicapped and 15% for minorities. IAY houses are primarily allotted in the name of a woman member of the household. In addition, 5% of the Central allocation can be utilized for meeting exigencies arising out of natural calamities and other emergent situations like riot, arson, fire, rehabilitation etc.

Ensuring Transparency

In order to introduce transparency in selection of beneficiaries, permanent IAY waitlists have to be prepared Gram Panchayat-wise by the States/UTs. These lists contain the name of deserving BPL families who need IAY houses in order of their poverty status based on the BPL list 2002.

Construction of IAY Houses

Construction of an IAY house is the sole responsibility of the beneficiary. Engagement of contractors is prohibited and no specific type design has been stipulated for an IAY house. However, a sanitary latrine and a smokeless chullah are required to be constructed alongwith each IAY house. For construction of



the sanitary latrine, the beneficiary can avail of the existing assistance from the Total Sanitation Campaign (TSC).

Bharat Nirman Programme

The Bharat Nirman Programme which aims at augmenting the rural infrastructure also includes Rural Housing as one of its six components. Under the 'Bharat Nirman' Programme, 60 lakh houses are envisaged to be constructed in rural areas in a period of 4 years starting from 2005-06.

For 2008-09, a Rs. 5400 crore budget provision has been made by the Planning Commission. In addition, Rs. 350 crore are likely to be provided at the supplementary stage which would then be sufficient for a target of 21.27 lakh houses. As a result, the goals of Bharat Nirman would be met and exceeded.

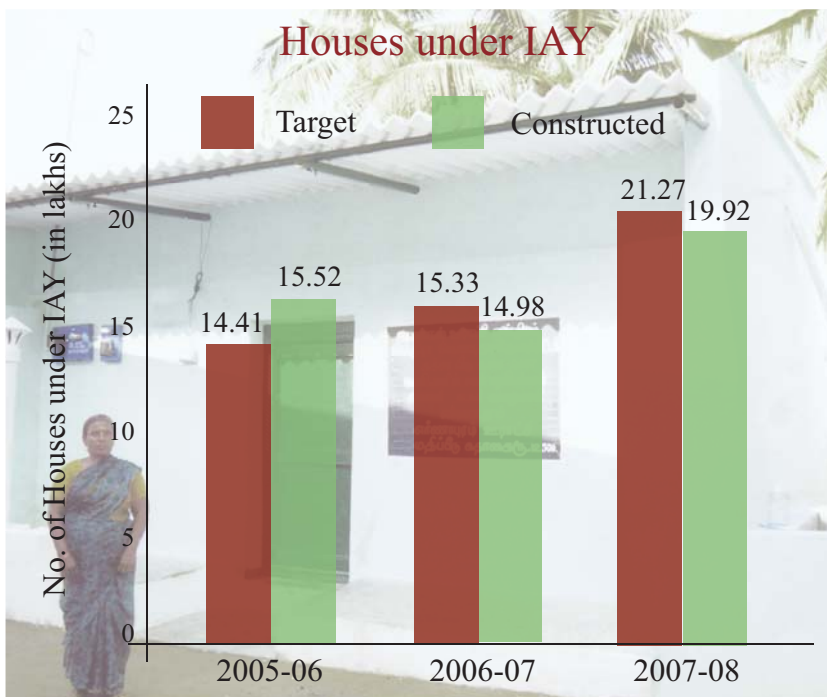


An IAY house in Tamil Nadu

Monitoring Mechanism

The Indira Awaas Yojana is being continuously reviewed through Monthly and Annual Reports received from the States/UTs. Senior officers at the level of Deputy Secretaries and above

in the Ministry are appointed as Area Officers for different States/UTs. These Area Officers visit the allotted States/UTs from time to time and inspect the actual implementation of the programme in the field. They also participate in the State Level Coordination Committee Meetings providing, thereby, a source of effective linkage between the policy makers, i.e., Government of India and the implementing agencies (States/UT Governments). The programme is also reviewed at the meetings with the State Secretaries of Rural Development and with the Project Directors of DRDAs in the workshops held every year. From April 2007 onwards, an online monitoring mechanism has been put in place to enable DRDAs to upload their monthly progress reports into the website of the Ministry.



Landmarks of the Month

SGSY at International Craft Selling Exhibition



The Ministry of Rural Development participated in the 10 day International Craft Selling Exhibition in Fiera, Milan, Italy from **29th November – 8th December 2008**. The fair was organized by the India Trade Promotion Organization (ITPO) to showcase rural India's artisan wares products. The Ministry's five stalls at the exhibition's Asian pavilion showcased products from Andhra Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal. The Indian delegation to the international fair was led by Shri. V. Venkatachalam, Director General of CAPART, and Smt. V. R. Sharma,

the Director of Marketing, Ministry of Rural Development along with nine rural artisans and five State officials. Countries from Europe, Asia, Africa, and America also showcased and sold their products at the fair. The popularity of the international fair attracted hordes of visitors during the 10 day period, who were admitted free of charge.

India's stalls received overwhelming approbation from visitors who appreciated the colorful projection of India's rural culture, the traditional dresses of the artisans and the live demonstrations of their skills. The artisans also directly sold their products to foreign customers and generated business worth Rs. 9.20 lakhs and Rs. 2.40 crores of trade enquiries. Orissa, in particular received orders worth Rs. 2 lakhs.



CLCC meeting on RUDSETI

A special meeting of CLCC on RUDSETI type institutions was held on **5 December 2008** at the NASC complex New Delhi under the chairpersonship of Smt. Rita Sharma, Secretary, Rural Development.

The meeting highlighted the importance of institutional intervention for capacity building. Recently finalized guidelines for setting up RUDSETI type institutions were circulated to the participants during the meeting. Till date 133 such institutes have been set up and 157 more have been identified. It was decided that RUDSETIs can start functioning from rented premises if there is delay in allocation of land. Secretary also urged strong efforts to ensure the establishment of one RUDSETI in each district. She also stated that Rs. 1000 crores has been earmarked for the corpus of the National Skill Development Mission with plans to raise it to Rs.15,000 crores through leverage of private funds and informed that the SGSY programme is being restructured so as to be implemented in mission mode in the future.

The progress made and funds required by banks in setting up RUDSETI institutions was assessed. The RBI representative supported the initiative of establishing these institutes for mass skill development which would lead to increased employment potential in the country. NABARD reported the setting up 3 RUDSETIs in West Bengal, Andhra Pradesh and Tamil Nadu. The meeting set the direction for future action for RUDSETIs.



Landmarks of the Month

Foundation Stone Laying Ceremony of Saras Haat at Jasola



The Hon'ble Minister for Rural Development, Dr. Raghuvansh Prasad Singh laid the foundation stone for the Saras Haat at Jasola on **16th December 2008** in the presence of 600 people including rural artisans from different states and officials from the Ministry and CAPART. The Saras Haat is being built on two acres of

land purchased by the Ministry from the DDA at a cost of Rs. 18.22 crores. Rural products will be sold throughout the year at the haat through 90 stalls. There will also be 9 food stalls, one bank, an amphitheatre for cultural programmes, a warehouse, a dormitory and a training centre for visiting artisans. The Saras Haat project is being constructed by the National Building Construction Corporation (NBCC) at a cost of Rs. 10 crores and will be ready by 2010.

Round Table Conference on NREGA

Union Minister of Rural Development, Dr. Raghuvansh Prasad Singh, inaugurated the Round Table on the Role of Media in strengthening NREGA on **2nd December 2008** at NASC Complex, PUSA. Detailing NREGA Dr. Singh stated that from inception of the scheme to end October 2008, Rs 26,489 crores have been spent on wages and altogether Rs 36,832 crores have been utilized. Impact on minimum wages has been significant and the bargaining capacity of workers has strengthened. Minimum wages have gone up from Rs 65 in 2006 to Rs 85 per day in 2008. Approximately 4.92 crore bank and post office accounts have been opened, marking a major step towards transparency in payment of wages to the workers and financial inclusion of the weaker sections of the society. Life and medical insurance of workers is also being promoted through Jan Shree Bima Yojana and Rashtriya Swasthya Bima Yojana.

Hailing National Rural Employment Guarantee Act as the Magna Carta of rural unemployment, Dr. Rita Sharma, Secretary, Department of Rural Development, Government of India said that NREGA has played a critical role in providing supplementary employment opportunities to the rural households mostly belonging to the Scheduled Castes and Scheduled Tribes. Water conservation, irrigation and land development projects constitute the majority of the projects taken up under NREGA and have greatly contributed to the strengthening of the natural resources base of the country. NREGA has the potential to be an effective instrument of adaptation to climate change. The Secretary also highlighted important issues that may be focused on by the media. The importance of Prasar Bharti, for outreach communication in an interactive manner, so that information is disseminated and villagers can be invited to share their experiences, was highlighted.



Indira Awaas Yojana (IAY) exemplified in Tamil Nadu

Tamil Nadu has had exceptional success in implementing IAY. *Sbri. Gagandeep Singh, Director MoRD, from Tamil Nadu* gives us an account of how the State has taken the IAY programme to greater heights.

Launched as an independent scheme from 1997-98, the objective of IAY is construction of free houses to members of the SC/STs and to rural people below the poverty line. It is funded by the Central and State Governments in the ratio of 75:25. Tamil Nadu is in the forefront in the construction of IAY housing. The State has completed the entire housing for the previous years. In the current year also, the State aims to complete the entire housing IAY Scheme by March 2009.

A comparative picture:

General IAY

1. Beneficiaries selected from the IAY permanent wait list, and preference is given to houseless category who have land deed, but do not have a house.
2. Central Government raised the unit cost for each house from Rs.25,000/- to Rs.35,000/- for 2008-09. From 1.4.2008, the unit cost of new houses has been fixed at Rs.35,000/- for ordinary soil and Rs.38 500/- for difficult soil.
3. Construction is done by the beneficiaries themselves and they are permitted to design and construct their houses according to their own need, as long as the plinth area of the house is not less than 20 sq.meters.
4. All new IAY houses are provided with toilets, with a subsidy of Rs.2, 200/- per house, from the Total Sanitation Campaign fund. The main thrust is to ensure conservation of water, hence 'Rural Sanitation Pans' which have a slope of 60-70% are used in order to ensure that the toilets get cleaned with a minimal usage of water.
5. For upgradation of houses, preference is given to Kutcha houses and those which come under the IAY permanent wait list. Generally the thatched roof is replaced by a tiled roof using Mangalore tiles.

Tamil Nadu IAY

1. Land deed (Patta) is provided by the Department for SC & ST Welfare (Adi Dravidar Welfare Department) or by the Backward Classes Welfare Department or by the Revenue Department. Houses are allotted in the name of the female member of the family or jointly in the names of the wife and husband.
2. The State Government provides an additional amount for RCC roofing cost, the extra amount for RCC roofing cost in Tamil Nadu was Rs.12,000 till 2007-08. The TN Government has further raised the RCC roofing cost to Rs.20,000 for 2008-09. The cost of construction per unit is Rs.55,000/- for ordinary soil and Rs. 58, 500/- for difficult soil in Tamil Nadu.
3. Houses are built with either flat or sloping roof. It is mandatory to put weathering course tiles and have rain water harvesting facility. Partition wall provided to ensure privacy and windows with window mesh put up to ensure ventilation. Smokeless chullahs provided for cooking. Bench slab is generally put outside to facilitate seating. Use of low cost technology such as cement hollow blocks, fly ash bricks, stabilized mud blocks, ferro cement doors, filler slabs and rat trap bond construction methods are also encouraged and used by the beneficiaries to construct houses.
4. Women Self Help Groups (SHGs) are encouraged to produce the Rural Sanitary pans used in the toilets in rural households by providing them with Revolving fund and Economic assistance. Generally IAY houses have leach pits toilets. In many households, bathrooms are also constructed by the beneficiaries along with the toilets.
5. Even the upgradation of houses should incorporate toilets if the houses do not have it originally.

Strengthening our Grassroots

Socio-Economic Aspect of PMGSY

Pradhan Mantri Gram Sadak Yojana has not only provided road connectivity to previously poorly connected areas but has also had a socio-economic impact on rural populations. **Sbri. S. K. Rakesh, Director, PMGSY** shares the findings of a study conducted in Rajasthan.

Pradhan Mantri Gram Sadak Yojana's (PMGSY) Roads have played a vital role in the development of modern India, and this is especially so in rural India where rural as well as city markets can now avail of express access to agricultural produces of all varieties; in fact owing to the network of roads, the prices of agricultural commodities have been substantially reduced leading to good profit margins for small and middle level farmers. The research indicated that 87% of the of the respondents (users) are aware of the roads constructed by PMGSY.



Roads have also played an equally vital role in various kinds of businesses owing to good access from cities to rural regions and vice versa. It has been estimated that rural employment has been boosted by 30%. Roads have also directly and indirectly impacted employment by affording people jobs in both these regions. Another very important area of progress is in the medical field; vital medicine and life saving drugs can be quickly transported to remote rural areas through the network of main and arterial roads and consequently rural people can now avail of much improved health services at affordable prices within a short time period.

Prior to the construction of PMGSY roads it has been noted that only 22.5% of the respondents benefitted from services such as Primary Health Centres (PHCs); however, this figure has dramatically increased to 44.5%. Again, in contrast to pre-PMGSY's road development, only 15% of the respondents were able to access the PHC's within an hour as compared to 35% today; additionally, where 30% of the respondents took more than 3 hours to reach PHC's, today the figure has dropped to just 7%. On the flip side, however, 46% of the respondents say that their overall expenses have increased and this is because many more rural people are now traveling to PHCs and sub-centres which they were not doing earlier and 28.9% of them say that the cost of transport has decreased.

Other advantages of PMGSY roads include such vital benefits as safe and easier child deliveries; dramatically improved immunization and vaccination programs (93% of the respondents), much improved health and nutritional items; a marked increase in student attendance in schools – 83% for boys and girls, and the travel time for students doing higher education has also reduced according to 73% of the respondents. 100% of the respondents say that today college going students spend less time on travel than before; rural inhabitants find it convenient to travel to banks, post offices, State institutions, governments, etc.



Already in use - a road being constructed under PMGSY



This is Part 4 of a Series on NREGA - Every month we focus on a significant aspect of the Ministry of Rural Development's flagship programme, NREGA. We have already featured articles on 'Job Cards', 'Social Audits' and 'Muster Roll'. We hope you find these articles useful in increasing your understanding of the programme.

Financial Inclusion of Rural Poor through NREGA

by *Shri S.K. Singh, Director (NREGA)*

Conceived as a legally backed intervention for enhancing wage security widening the natural resource base of the processes of NREGA infuse transparency and accountability and strengthen the grass root process of democracy. The programme which started on 1 April 2008, is beginning to get broad-based as systems are evolving at the State and district levels. Hailing Financial Inclusion, Dr. Raghuvansh Prasad Singh, Union Minister for Rural Development, says the opening up of the bank and post office accounts of the NREGA workers is one of the finest and most far-reaching achievements of the employment guarantee law.

How NREGA can achieve Financial Inclusion:

NREGA facilitates the goal of financial inclusion as it brings the poorest households to work; therefore their identification is easy. Allocation of a unique number given to each household, as well as the Job Card, which is a basic legal document that records and tracks work done and wages paid, facilitate monitoring and reporting on funds that move through the institutional accounts. Since NREGA is a Law, its operation is not limited to annual targets or plan periods. The volume of wages paid may fluctuate from year to year, but in absolute terms it is expected to transact an amount of nearly Rs 20,000 crores annually as wages to be disbursed through the institutional account network. NREGA enables the financial institutions utilizing government's development funds to expand their base in rural areas, as well as to providing financial security to the poorest in the country.

The economic potential of NREGA can be optimized if supplementary wage earnings are harnessed as saving and investment through instruments of Financial Inclusion. The Ministry has accorded the highest priority to Financial Inclusion through NREGA

Indicators of enhanced wage security

- Transfer of 70% of the annual financial resources for NREGA in the form of wages, thereby increasing the wage level of the households. In 2007-2008, Rs 10,738 crores (68%) was disbursed as wages in 330 districts. In 2008-2009(till August), Rs 7642.49 crores (73%) has been disbursed as wages.
- Reduction in distress migration
- Wage negotiation capacity of wage earners developing *vis a vis* private employment.

a) Opening wage earners' accounts in banks/post offices:

Ministry directed that wages under NREGA be paid through their institutional accounts opened either in banks or post offices. Andhra Pradesh, Karnataka, Kerala and Pondicherry have achieved above 95% level in the wage payments to NREGA workers. Gujarat, Manipur, Jharkhand, Himachal Pradesh, Orissa and Uttarakhand have more than 50%. Rajasthan, Jammu & Kashmir and Haryana are between 40-50%. Rs. 2,809 crore (36.8% of total unskilled wages) has been disbursed through 3.75 crore post office and bank accounts. Ministry of Finance has issued a waiver of initial deposit of Rs. 50/- for opening of accounts for NREGA workers.

b) Advantages of wage payment through institutional accounts *inter alia*:

- (i) Absence of mediation in payment process encouraging integrity in fund transfer
- (ii) Transparency in fund use.
- (iii) Fostering thrift habits and so creating choices in the use of incremental income
- (iv) Empowerment through inclusion in the financial institutional network, especially of women.

c) Early impact:

- (i) Field reports indicate individual accounts of women under NREGA empower them, as it creates a sense of ownership and control.
- (ii) Instances of savings reported from districts where NREGA institutional savings have prompted expenditure on consumables otherwise not affordable by the household.

The Financial Express of 1 August 2008 proclaims that "to ensure timely payment and avoid the involvement of middlemen in wage payment to workers under NREGA, more than two crore savings bank accounts... opened in banks and post offices across the country and these form the largest number of bank accounts linked to a development programme across the globe..."



NREGS Providing Livelihood... and Water!



Before Execution



After Execution

Name of the work	Desilting of Anjur Lower Bhavani Project (LBP) channel
Name of the block	K.Paramathi
Location	Anjur
Estimate	Rs. 8.50 Lakhs
Year	2007-2008

Karur, a district of historical and archaeological importance in Tamil Nadu, has 8 Blocks Panchayats, and 158 Panchayats with a rural population of 6, 24,430.

The National Rural Employment Guarantee Scheme (NREGS) has received enthusiastic support from the people living in villages here, as not merely an income-generating proposition but as a boon and blessing for creating assets.

An example of asset building through NREGS is seen in the turn-around of the Anjur Lower Bhavani Project channel.

This is a branch canal from lower Bhavani dam and also the main source of water for cultivation covering 2257.11 acres of land. The channel was formed in the year, 1954. No maintenance work had been carried out in this channel for more than 50 years until it was taken up under NREGS.

Scarcity of water had forced many farmers to leave several acres of land without cultivation. At this juncture, the NREGS came as a boon to the farmers. Widening of the channel under NREGS channelized surplus water released from the Lower Bhavani Project. The desilting operation helped in the raising of the water table and in reducing the saline content of the water in the surrounding areas. Habitations situated at the tail end of the channel have also benefited from the desilting and today receive adequate water. Farmers have benefitted greatly from this and are considering the NREGS as a blessing for their agricultural activities.

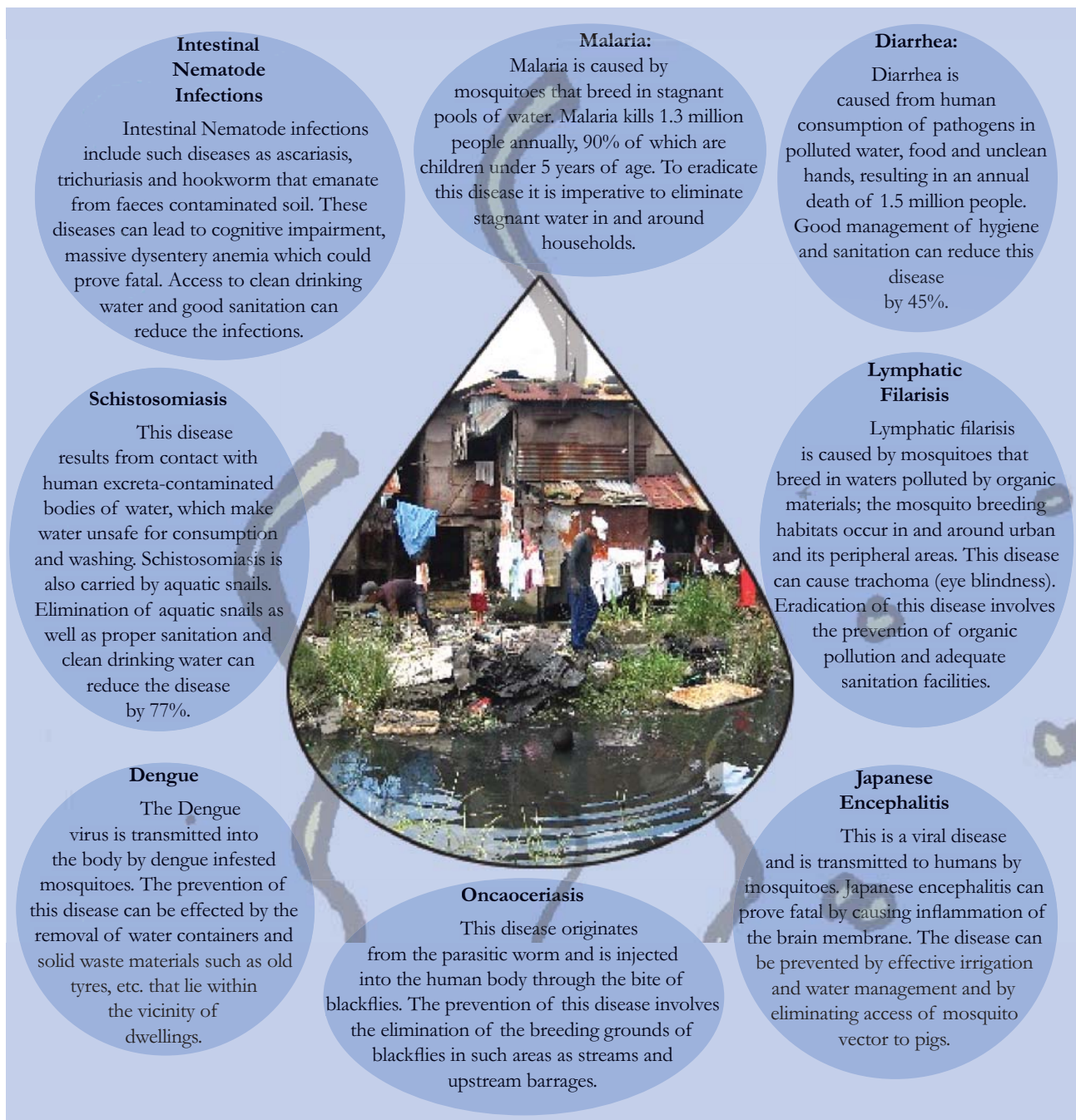
Not only has NREGS provided wage employment to the villagers but has enabled the creation of a valuable long lasting asset for the community.



WATER AND SANITATION – Primary drive to Public Health

Ms. Jasmine Shah, Consultant, DWS talks about how water and sanitation are closely linked to various diseases.

Water is one of the basic building blocks of life and hence the most important ingredient in human sustainability. However, over 1.1 billion people, mainly in Asia and Africa, suffer from various kinds of water-borne diseases owing to poor sanitation and low levels of hygiene, which result in early deaths or debilitating illnesses. Human faeces constitute one of the main water pollutants that affect poorer sections of communities, both in rural as well as urban regions of India. The consequences of the diseases arising there from negatively impact the country socially as well as economically. For instance, adult workers become incapacitated when diseased and consequently affect the growth of the nation's economy as well as impoverishing themselves due to lack of income. Children, too, are badly affected leading to their incapacity to attend school.



In this context, it becomes imperative that effective management and control of water resources, good sanitation, maintenance of hygiene and community education on awareness are prerequisites to ensuring a healthy living and sustainable environment.

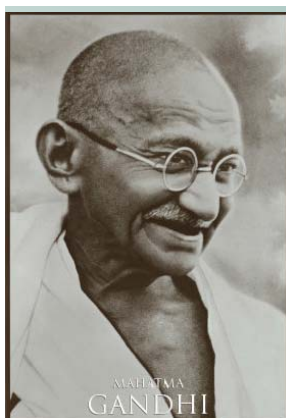


Progress Report

The National Land Records Modernization Programme was approved by the Cabinet on 21st August, 2008. This Programme was rolled out on 24th and 25th September 2008 through a workshop of various stakeholders organized in the Indian Habitat Centre at New Delhi. The workshop was inaugurated by the Honourable Minister of Rural Development, Government of India. The amount released to various States and UTs as per the attachment is for the implementation of the above programme only.

(Rs. in lakh)

Serial Number	States/UTs	Sanctioned amount towards Central share
1	Andhra Pradesh	4475.465
2	Bihar	997.965
3	Gujarat	953.925
4	Haryana	380.075
5	Madhya Pradesh	1688.445
6	Maharashtra	4924.025
7	Nagaland	78.63
8	Orissa	1232.363
9	Punjab	1085.5505
10	Sikkim	12.48
11	Uttar Pradesh	1795.33
12	A & Nicobar Islands	72.13
13	D & N Haveli	44.90
14	Jammu & Kashmir	87.50
15	Meghalaya	575.238
16	West Bengal	5322.0595
	Total	23726.081



“Just as the whole universe is contained in the self, so is India contained in villages”

Mahatma Gandhi



'We will make social audit compulsory for NREGA scheme'

9913

THE amendments to the Land Acquisition Act, 1894, along with the new Rehabilitation and Resettlement Bill, 2008 (R&R Bill) was supposed to rid state governments of the role of acquiring land for private industrial projects and come up with a non-exploitative resettlement policy. That was not to be, as the amendment and bills got referred to a Group of Ministers (GoM) for the second time. Minister for rural development Raghuvansh Prasad Singh speaks to Nistula Hebbar on the way forward.

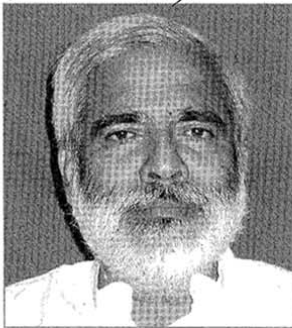
The amendments to the Land Acquisition Act, 1894 and the R&R Bill have been extensively examined by a GoM and the standing committee of Parliament, but now the whole issue has been referred to another GoM. What exactly is the reason for this?

Well, the standing committee report and the bills and amendments proposed by the ministry differed on very significant points. We agreed on several points but we also disagreed on many. For example, we proposed that when a private company proposes an industrial project, it would acquire 70% of the land required on its own before asking for the state's help in the remaining acquisition and that too if issues of contiguity are involved.

The standing committee, on the other hand, felt that the state governments should have the discretion to acquire all the land required, if they feel the project merits it. All these differences were weighed and the Cabinet in its wisdom felt that the bills should be revisited.

The Parliament session concluded last week was in fact the penultimate session of the 14th Lok Sabha. Don't you think the Bills will now never make it as legislation, at least in the life of this government?

Of course not, I have every hope that the bills will be cleared. We are yet to constitute a GoM but I feel that it will take no more than a couple of meetings for it to arrive at a conclusion on the Bills. We have already held the widest possible consultation for this and I have personally met Medha Patkar twice over the bills. All this is not in vain. We will take time, but will come up with a set of policies that will have the widest consensus. After



Almost 50% NREGA is oriented towards water conservation, which leads to creation of permanent assets. Even urban areas benefit from the scheme that has reduced migration (to urban India) significantly.

all it took two years to bring the NREGA to Parliament.

Talking of the NREGA, one has seen that a charge that has been levelled against the Act is that there has been hardly any creation of permanent assets. As a dole programme, do you think this is incidental to the Act?

Only the anti-rural, anti-poor people can level

such charges against a truly welfare oriented programme. Almost 50% of the programme is oriented towards water conservation. Do you know that we have figures to prove that water tables across the countryside have risen significantly? In the urban areas this may not appear to be important. But there is all-round benefit because migration to urban areas has also come down significantly.

In Assam, for example, nearly 50 villages were saved from floods because the NREGA helped build a series of dams for a bargain basement price of Rs 9.5 lakh. As there are two and a half lakh panchayats across the country, how can each one's performance be the same? There will always be some smart people and also some not-so-smart ones. One should note that even agricultural minimum wages have increased across the board in states, thanks to NREGA.

Since the increase in agricultural wages seems to have angered the powerful farmers lobby, do you expect a political backlash against the UPA government?

The NREGA is only for providing work in the lean season of agriculture. Therefore the farmers cannot blame NREGA for luring workers away from agricultural work. There is also a clause in the NREGA, referring to the state minimum wages Act of 1943 that the wages for NREGA have to be the same as the states minimum wages.

What has happened is what happens when there is a wider variety of employment available—that is, workers have a choice. Farmers should also look at the flipside, they may have to pay more but migration has been slowed because of NREGA and therefore there is agricultural labour available in the countryside.

The CAG report was quite scathing over the implementation of NREGA. Are you taking any steps to counter that impression?

We are making social audits compulsory, and have almost finalised procedures to ensure that gram sabha meetings be videographed. What this will do is ensure that there is a working gram sabha in place, and the NREGA fund is spent after adequate debate and preparation.

The Economic Times, Delhi
Tuesday, 30th December 2008,

NREGA scheme inaugurated at Hafoluting

1919

CORRESPONDENT

AMGURI, Dec 2- Implementation of schemes under the National Rural Employment Guarantee Act-2005 (NREGA-2005) in Hafoluting gaon panchayat area under Amguri LAC was formally inaugurated at the premises of Hafoluting Barnamghar—the religious heritage of greater Charing Region on November 26 last. With the sapling planting programme under social forestry scheme, ex-chairperson of Asom Lekhika Santha, Dr Ambedkar Awardee and a girl born and brought up in Charing region Annada Lekha-

ru Saikia inaugurated the NREGA scheme by planting a pine tree sapling in the compound of the Bornamghar BDO, Gaurisagar Utpal Dole, Sivagang District Council's (Parishad) president Hema Gogoi, retired vice-principal Kamala Nath, Sivagang District Journalists' Association's president Pradeep Dutta, Member, Anchalik Panchayat Asim Buragohain, lecturer Gopinand Saikia and others participated in the programme by planting a sapling each.

The inaugural function was presided over by Hema Gogoi, president Zila Parishad. The objective of the meeting

was explained by Ranjit Nath, Secretary, Hafoluting GP writer Annada Lekharu Saikia as a special guest delivering a speech said that she was overwhelmed by the reception given and honour shown to her by the people of her birth place. She also recited two self-composed poems commemorating her childhood, school days and the religious heritage Bornamghar.

Other special guests Kamala Nath, Pradeep Dutta, Utpal Dole, Gopinand Saikia and others expressed their views on the NREGA-scheme and called for create a proper work-culture.

The Assam Tribune, Guwahati
Wednesday, 3rd December 2008

Prog on rural development

1219

GUWAHATI, Dec 22- The Directorate of Field Publicity, Union Ministry of I & B, Assam Region, Guwahati along with field units of Nagaon, Dibrugarh and Jorhat in association with Zeal Thrill Friendship Group, National Youth awaidee NGO, Dhing, Nagaon organised a special publicity programme on rural development for Botodroba Development Block, at Ratna Bhawan, Dhing recently, an official release said.

Public rallies, meetings were organised by the Directorate of

Field Publicity for good response from public for the publicity programme on rural development. During the seminar on rural development schemes like National Rural Employment Guarantee Act, Rural Housing, Old Age Pension, Self-Help Group, Rural Electrification, Rural Telephony, participants were provided information on the schemes.

Dr. K. Asiah, Director DFP, Guwahati and resource persons like Central and State government officers, principals, headmasters and social workers at-

tended the programme. Officers and resource persons delivered their lectures on various rural development schemes under the Central Government. Gauri Sankar Das, Circle Officer, Dhing said NREGA is under implementation in Dhing circle. Assets were distributed to about 100 women's SHG's through local banks under rural development activities. Rural roads were built in several villages under the programme and some are in progress in other villages, he said.

The Assam Tribune, Guwahati
Tuesday, 23rd December 2008

PMGSY works to boost rural economy in Udalguri district

1918

CORRESPONDENT

UDALGURI, Dec 12- The ongoing construction of village roads in Udalguri district under the Central Government's rural development scheme, Pradhan Mantri Gram Sadak Yojana is expected to boost the rural economy of the district in near future. The PMGSY roads construction which was started this year in this agriculture based rural district is hailed by the rural population 'as a landmark change after independence'.

The villagers in particular neighbouring Bhutan and Arunachal Pradesh are of the view that the black pitched roads throughout their villages would not only comfort them in road communication facilities but it would also be instrumental in all developmental sectors like health-hazards, marketing of agricultural products to outside world, education and security of the concerned villages. It is expected that the network of

PMGSY roads which covers almost all corners of the Udalguri district started with phase V for 2005-06 from Bengbari in the west to Shivpur to Medhijaru under phase VII for 2007-08 to be completed within 2010-11 would benefit the rural area to a great extent. Of course, some of the works could not be completed in estimated period due to various reasons like continuous rains and death of concerned contractor and some of the works were thus reallocated.

In phase V for 2005-06, there were seven roads of 31 kilometer of length out of which Bengbari to Ghagra under package No. AS-1617 with a length of 6.6 km against Rs 237.53 lakh was already completed while the Dhansiright-Goroimari road under package No. AS-1621 with a length of 3.600 km against Rs 76.03 lakh and Kahibari-Jhargson via Ekbarari road with a length of 3 km against 84.8 km were reallocated and restarted as the concerned contractor expired in an

accident while the construction of road from UT road to Tojabari (JGT) under the package No. AS-1622 with a length of 4.600 against Rs. 198.44 lakh had to be stopped due to the problem in collection of JGT.

Meanwhile, it is learnt that the PWD (roads division) of Udalguri district informed that in the phase VII of the undertaken construction of PMGSY for 2007-08 roads in the district, there are 14 roads with 101.740 km in length against estimated cost of Rs 7173.93 lakh are to be completed within five years while there are two PMGSY roads under phase AS-1611 (ADB) with length of 15.400 km and 5.800 km respectively for Jamuhuri-Ambagaon and Pathagaon No. 1 to Bhergaon TE against estimated cost of Rs 735.12 lakh and Rs 377.16 lakh respectively are under progress now.

A list of roads under PMGSY schemes in Udalguri rural road division under phase V for 2005-06 showed that there are seven roads

under the PMGSY scheme to be completed with a total length of 31 km against estimated cost of Rs 1024.15 lakh, the progress of construction were affected due to various reasons like accidental death of concerned contractor and continuous rains are supposed to be completed within five years. One other such road under phase V (ADB) with a length of 4.32 km against estimated cost of Rs 231.85 was reported to be affected due to continuous rains while two other roads under phase V (ADB) AS-1615 (ADB) against estimated cost of Rs 578.63 lakh have been completed. In the same way, there are 13 roads under phase VI for 2006-07 (ADB) in the district the works of which are in progress.

As the BTC authority too showed its keen interest to develop Udalguri and Baksa districts with the central fund of Rs 200 crore in the 2010-11 out of total Rs 250 crore from the union government, it is thought that

this one of the most backward districts of Assam in general would be a prosperous one on all fronts.

It is to be noted that BTC chief Hagrama Mohilary laid the foundation stone of Kahibari-Bandarguri PMGSY road on November 25 last under the package No. AS-26-13 with a length of 9 km including three RCC bridges against Rs 727.68 lakh, the construction is under progress and would be completed within 2010 and declared on the occasion that top priority would be given for the development of Udalguri and Baksa districts to make the BTC as a model council in the country.

People of Udalguri villages are of the opinion that the BTC authority should take special initiatives to complete the much awaited Dhansiri irrigation project which is now ready to be completed within 2010 as the Dhansiri river has been considered as the lifeline of the farmers of rural Udalguri region.

The Assam Tribune, Guwahati
Saturday, 13th December 2008