

UNIT: IV
RURAL DEVELOPMENT
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Content:

1. Concept of rural development, white Scopes and Importance of Rural Development in India
2. Need and importance of rural development
3. Problems in rural development in India.
4. Panchayati Raj
5. Swarnjayanti Gram Swarozgar Yojana
6. NREGA
7. Pradhan Mantri Gram Sadak Yojana
8. Indira Awaas Yojana
9. CAPART
10. DRDA
11. NGO
12. Short questions with answers

INSTRUCTION FOR THE ASSIGNMENT TO BE SUBMITTED FOR THIS UNIT

- 1. Followings are the questions for assignment to be answered and submitted to the course teacher in the handwritten form compulsorily on or before 15th April, 2012.**

- Q.1 Define rural development, white Scopes and Importance of Rural Development in India.
- Q.2 Write need and importance of rural development and explain problems in rural development in India.
- Q.3. What is Panchayati Raj? Explain on the following aspects of the Panchayati Raj.
1. Specific objectives of the Panchayati Raj.
 2. Philosophy of Panchayat Raj.
 3. Three tiers (levels) of Panchayat Raj of the Panchayati Raj and their functions.
 4. Some special features of Democratic Decentralization of the Panchayati Raj.
- Q.4. Write one page matter on Swarnjayanti Gram Swarozgar Yojana (SGSY)
- Q.5. Write short note on NREGA
- Q.6. Write short note on Pradhan Mantri Gram Sadak Yojana
- Q.7. Write short note on Indira Awaas Yojana
- Q.8. Write short note on CAPART
- Q.9. Write short note on DRDA
- Q.10. Write short note on Non-Governmental Organizations
- Q.11. Write procedure to be followed in the establishment of NGO in India

- 2. At the end of this unit, objective types of questions with correct answers in multiple choice forms have been given for the semester end examination.**

RURAL DEVELOPMENT

INTRODUCTION

Rural development has always been an important issue in all discussions pertaining to economic development, especially of developing countries, throughout the world. In the developing countries and some formerly communist societies, rural mass comprise a substantial majority of the population. Over 3.5 billion people live in the Asia and Pacific region and some 63% of them in rural areas. Although millions of rural people have escaped poverty as a result of rural development in many Asian countries, a large majority of rural people continue to suffer from persistent poverty. The socio-economic disparities between rural and urban areas are widening and creating tremendous pressure on the social and economic fabric of many developing Asian economies. These factors, among many others, tend to highlight the importance of rural development. The policy makers in most of the developing economies recognize this importance and have been implementing a host of programs and measures to achieve rural development objectives. While some of these countries have achieved impressive results, others have failed to make a significant dent in the problem of persistent rural underdevelopment

Rural - Is an area, where the people are engaged in primary industry in the sense that they produce things directly for the first time in cooperation with nature as stated by Srivastava (1961).

Rural areas are sparsely settled places away from the influence of large cities and towns. Such areas are distinct from more intensively settled urban and suburban areas, and also from unsettled lands such as outback or wilderness. People live in village, on farms and in other isolated houses.

Rural areas can have an agricultural character, though many rural areas are characterized by an economy based on logging, mining, oil and gas exploration, or tourism.

Lifestyles in rural areas are different than those in urban areas, mainly because limited services are available. Governmental services like law enforcement, schools, fire departments, and libraries may be distant, limited in scope, or unavailable. Utilities like water, sewer, street lighting, and garbage collection may not be present. Public transport is sometimes absent or very limited; people use their own vehicles, walk or ride an animal.

A society or community can be classified as rural based on the criteria of lower population density, less social differentiation, less social and spatial mobility, slow rate of social change, etc. Agriculture would be the major occupation of rural area.

Development: It refers to growth, evolution, stage of inducement or progress. This progress or growth is gradual and had sequential phases. Always there is increasing differentiation. It also refers to the over all movement towards greater efficiency and complex situations.

Rural development designates the utilization of approaches and techniques under one single programme, which rally upon local communities as units of action. It provides a large umbrella under which all the people engaged in the work of community organizations, community progress and community relation.

Rural Development (RD) is a process, which aims at improving the well being and self realization of people living outside the urbanized areas through collective process.

According to Agarwal (1989), rural development is a strategy designed to improve the economic and social life of rural poor.

The United Nations defines Rural Development as:

Rural Development is a process of change, by which the efforts of the people themselves are united, those of government authorities to improve their economic, social and cultural conditions of communities in to the life of the nation and to enable them to contribute fully to national programme.

Rural Development is a process of bringing change among rural community from the traditional way of living to progressive way of living. It is also expressed as a movement for progress.

Scope and Importance of Rural Development

Rural development is a dynamic process, which is mainly concerned with the rural areas. These include agricultural growth, putting up of economic and social infrastructure, fair wages as also housing and house sites for the landless, village planning, public health, education and functional literacy, communication etc.

Rural development is a national necessity and has considerable importance in India because of the following reasons.

1. About three-fourth of India's population live in rural areas, thus rural development is needed to develop nation as whole.
2. Nearly half of the country's national income is derived from agriculture, which is major occupation of rural India.
3. Around seventy per cent of Indian population gets employment through agriculture.
4. Bulks of raw materials for industries come from agriculture and rural sector.
5. Increase in industrial population can be justified only in rural population's motivation and increasing the purchasing power to buy industrial goods.
6. Growing disparity between the urban elite and the rural poor can lead to political instability.

The main objective of the rural development programme is to raise the economic and social level of the rural people.

The specific objectives are:

1. To develop farm, home, public service and village community.
2. To bring improvement in producing of crops and animals living condition.
3. To improve health and education condition etc. improvement of the rural people.
4. To improve villagers with their own efforts.
5. To improve village communication.

Community:

1. A community is a group of people, who live in a geographical area and have an interest in each other for the purpose of making a living. It is a form of social organization existing between the family and state.
2. The people with common interests living in a particular area
3. An interacting population of various kinds of individuals (as species) in a common location
4. A group of people with a common characteristic or interest living together within a larger society

Development: The term development connotes growth or maturation. It implies gradual and sequential phase of change.

Community Development: Community development is encompassing any and every efforts towards the advance of community interests.

Need and Importance of rural development

Rural development is a national necessity and has considerable importance in India because of the following reasons.

1. To develop rural area as whole in terms of culture, society, economy, technology and health.
2. To develop living standard of rural mass.
3. To develop rural youths, children and women.
4. To develop and empower human resource of rural area in terms of their psychology, skill, knowledge, attitude and other abilities.
5. To develop infrastructure facility of rural area.
6. To provide minimum facility to rural mass in terms of drinking water, education, transport, electricity and communication.
7. To develop rural institutions like panchayat, cooperatives, post, banking and credit.
8. To provide financial assist to develop the artisans in the rural areas, farmers and agrarian unskilled labor, small and big rural entrepreneurs to improve their economy.
9. To develop rural industries through the development of handicrafts, small scaled industries, village industries, rural crafts, cottage industries and other related economic operations in the rural sector.
10. To develop agriculture, animal husbandry and other agricultural related areas.
11. To restore uncultivated land, provide irrigation facilities and motivate farmers to adopt improved seed, fertilizers, package of practices of crop cultivation and soil conservation methods.
12. To develop entertainment and recreational facility for rural mass.
13. To develop leadership quality of rural area.
14. To improve rural marketing facility.

15. To minimise gap between the urban and rural in terms of facilities availed.
16. To improve rural people's participation in the development of state and nation as whole.
17. To improve scopes of employment for rural mass.
18. For the sustainable development of rural area.
19. To eliminate rural poverty.
20. To solve the problems faced by the rural mass for their development.

Problems in Rural Development

1. People related:

1. Traditional way of thinking.
2. Poor understanding.
3. Low level of education to understand developmental efforts and new technology.
4. Deprived psychology and scientific orientation.
5. Lack of confidence.
6. Poor awareness.
7. Low level of education.
8. Existence of unfelt needs.
9. Personal ego.

2. Agricultural related problems:

1. Lack of expected awareness, knowledge, skill and attitude.
2. Unavailability of inputs.
3. Poor marketing facility.
4. Insufficient extension staff and services.
5. Multidimensional tasks to extension personnel.
6. Small size of land holding.
7. Division of land.
8. Unwillingness to work and stay in rural areas.

3. Infrastructure related problems:

1. Poor infrastructure facilities like water, electricity, transport, educational institutions, communication, health, storage facility etc.

4. Economic problems:

1. Unfavourable economic condition to adopt high cost technology.
2. High cost of inputs.
3. Underprivileged rural industries

5. Social and Cultural problems:

1. Cultural norms and traditions
2. Conflict within and between groups, castes, religions, regions, languages.

6. Leadership related problems:

1. Leadership among the hands of inactive and incompetent people.
2. Malafied interest of leaders.
3. Biased political will.

7. Administrative problems:

1. Earlier, majority of the programmes were planning based on top to bottom approach and were target oriented.
2. Political interference.
3. Lack of motivation and interest.
4. Unwillingness to work in rural area.
5. Improper utilization of budget.

RURAL DEVELOPMENT PROGRAMMES

Sr. No.	Name of the Programme	Started by	Year
Pre independence			
1	Sriniketan Project	Shri Rabindra Nath Tagore	1914
2	Marthandam Project	Dr.Spencer Hatch	1921
3	Gurgaon Experiment	F.L.Brayne	1928
4	Sarvoday Programme	Shri Vinoba Bhave	1948-49
Post early independence(1947-53)			
1	Firka Development	Madras Government	1948
2	Etawah Pilot Project	Albert Mayor	1948
3	Nilokheri Experiment	S.K.Dey	1948
4	Community Development Programme (CDP)	Government of India	1952
5	National Extension Service (NES)	Government of India	1953

RURAL DEVELOPMENT EFFORTS / PROGRAMMES AFTER INDEPENDENCE

No	Year	Name of the Programme after independence	
1	1948	GMFC	Grow More Food Campaign
2	1950	JMPC	Japanese Method of Paddy Cultivation
3	1952	CDP	Community Development Programme
4	1953	NES	National Extension Service
5	1961	IADP	Intensive Agriculture District Programme
6	1963	ANP	Applied Nutrition Programme
7	1964-65	IAAP	Integrated Agricultural Area Programme
8	1964	ICDP	Integrated Cattle Development Programme
9	1965	NDP	National Demonstration Project
10	1966	ODP	Oilseed Development Programme
11	1966-67	HYVP	High Yielding Varieties Programme
12	1966	FTEP	Farmers Training and Education Programme
13	1966	FTC	Farmers Training Centre

14	1966	MCP	Multiple Crop Programme
15	1970	DPAP	Draught Prone Area Programme
16	1970	DFAP	Dry Farming Area Programme
17	1971	ICDP	Integrated Cotton Development Programme
18	1971	WVDP	Whole Village Development Programme
19	1971	SFDA	Small Farmers Development Agency
20	1971	MFAL	Marginal Farmers and Agricultural Labour Agency
21	1971-72	TADP	Tribal Area Development Programme
22	1973	HADP	Hill Area Development Programme
23	1974	T&V	Training and Visit System
24	1974	KVK	Krushi Vigyan Kendra
25	1974	TDB	Tribal Development Block
26	1975	CADP	Command Area Development Programme
27	1976	IRDP	Intergraded Rural Development Programme
28	1976	ORP	Operational Research Project
29	1976	SF	Social Forestry
30	1977	DDP	Desert Development Programme
31	1978	LLP	Lab-to-Land Programme
32	1978	NARP	National Agricultural Research Project
33	1979	TRYSEM	Training of Rural Youth for Self Employment
34	1980	NREP	National Rural Employment Programme
35	1980	DRDA	District Rural Development Agency
36	1980-81	TUP	Tribal Upliftment Project
37	1981	RLEGP	Rural Landless Employment Guarantee Programme
38	1982	DWCRA	Development of Women and Children in Rural Areas
39	1984-85	NAEP	National Agricultural Extension Project
40	1986-87	NWDP	National Watershed Development Project
41	1989	JRY	Jawahar Rojgar Yojana
42	1990-91	NWDPRA	National Water Development Project for Rain fed Areas
43	1998	NATP	National Agricultural Technology Project
44	1998	ATMA	Agricultural Technology Management Agency
45	2005	NAIP	National Agricultural Innovation Project

PANCHAYAT RAJ SYATEM

The first organized effort to solve the problem of rural India was made through the Community Development Programme in the year 1952 and National Extension Service in 1953. On the completion of first five years of the CDP, the planning Commission appointed a high-ranking study committee headed by **Balwant Rai Mehta, Chief Minister of Gujarat**. This team pointed out both positive results and inadequacies in the implementation of the programme. This committee recommended Panchayati Raj.

The study team made a significant recommendation with implementation of a programme. According to it there should be effective administrative decentralization for the implementation of the programme. The decentralized administration was to be placed under the control of selected and integrated local self-government system ordinarily of 3 levels bodies from village level to block level and then to district level. This democratic decentralized system was named as “**Panchayat Raj**”. The state of Madras tried this as a pilot project as early as 1957. In 1958, Andhra Pradesh state had twenty such pilot projects. Based on the success in these it was the state of Rajasthan which became the pioneer to bring the whole state under democratic decentralization on October 2, 1959. It was implemented in Gujarat on April 1, 1963.

Some explanations:

1. **Panch:** An assembly of elders who settled the disputes within the limit of caste/customs.
2. **Panchayat:** An assembly of elected persons of the village. Village bodies were the lines of contact with higher authorities on matters affecting to the village.
3. **Democracy:** The word Democracy derived from Greek language **Democ** means the people and **Cracy** means rule of. It is leading of the people by the people, for the people.
4. **Decentralization:** Devolution of central authority among local units close to the area served.
5. **Democratic decentralization:** means where authority develops by the process on people's institution and act as local self-government.

Specific Objectives:

1. Assistance to the economically weaker sections of the community.
2. Cohesion and cooperative self help in the community.
3. Development of cooperative institutions.
4. Development of local resources including the utilization of manpower.
5. Production in agriculture as the highest priority in planning.
6. Progressive dispersal of authority and initiative both vertically and horizontally with special emphasis on the role of voluntary organizations.
7. Promotion of rural industries.
8. Understanding and harmony between the people's representatives and people servants through comprehensive training/education and a clear demarcation of duties and responsibilities.

Philosophy of Panchayat Raj

The philosophy of Panchayat Raj is deeply steeped in tradition and culture of rural India and is by no means a new concept. Panchayati Raj Provided a system of self-governance at the village level. Panchayati Raj Institutions is the grass-roots units of self-government – have been declared as the vehicles of socio-economic transformation in rural India. Effective and meaningful functioning of these bodies would depend on active involvement, contribution and participation of its citizens both male and female. The aim of every village being a republic and panchayats having powers has been translated into reality with the introduction of the three-tier Panchayati Raj system to enlist people's participation in rural reconstruction.

Three tiers (levels) of Panchayat Raj:

The Gram Panchayat: Gram Panchayat is the primary unit of Panchayati Raj Institutions or local self-government. In other words it can be said that the first formal democratic institution under the directive principle in the Indian constitution is the Gram Panchayat. It is a cabinet of the village elders, directly elected by the adult citizens of the village.

Gram Panchayats are constituted considering their income, population and area. There is a provision for reservation of seats for women and Scheduled Castes and Scheduled Tribes. The panchayat has tenure of five years and is directly elected. It has income through taxes to perform its functions.

The main functions of Village Panchayat are:

1. Preparation of Annual Plans for the development of the village Panchayat area.
2. Preparation Annual Budget of Village Panchayat.
3. Mobilization of relief in natural calamities.
4. Removal of encroachments on public properties.
5. Organizing voluntary labours and contribution for community works.
6. Maintenance of essential statistics of villages.
7. Such other development works as may be entrusted.
8. Service or developmental function, such as promotion of education, health, agriculture, etc.
9. Representative function, where the main role is to voice and represent the opinion;
10. Regulatory and administrative functions, which consists of regulating the conduct of individuals and institutions and also collection of taxes.

Sources of income of village panchayat

1. Share in land revenue.
2. Local tax.
3. Revenue earned from the settlement of shops, fisheries, etc
4. House taxes & other taxes as specified in Panchayati Raj Act.
5. Fees for providing amenities, cess, tolls.
6. Contribution and grants.
7. Fine and penalties.

Taluka/block Panchayat: It is also known as Panchayat Samiti or Panchayat Union: This is the second tier of the administration at Taluka or Block level. It is headed by Taluka President. Block Development Officer is appointed by the Government. He functions as the leader of the Block.

The main functions of the Panchayat Samitis are planning, execution and supervision of all developmental programmes in the Block. It also supervises the works of Gram Panchayats within its Jurisdiction. It has to instill among people within its jurisdiction a spirit of self-help and initiative and work for raising the standard of living. It has to support for the implementation of development programmes. It has the welfare and development activities in the fields of agriculture, animal

husbandry, health, sanitation, elementary education, cottage industries and social. It has to use the village housing project funds and loans.

Zilla Panchayat: It is also known as District Development Council or Zilla Parishad. This is the third tier of Panchayat Raj functioning at district level. It is headed by Panchayat Union Chairman. District Collector leads the work with the help of District Development Officers.

Functions:

1. It works as advisory body for blocks.
2. It approves budget and plan of blocks.
3. It allots funds to the blocks.
4. It approves budget and plan of blocks. It allots funds to the blocks.
5. Secondary education is the responsibility of this council.
6. It should advise Government in all matters relating to rural development in the district.
7. It has to review the results achieved under various items in all the blocks.

Some special features of Democratic Decentralization:

1. The sanctioning powers of most of the works and schemes are with panchayat Samitis and standing committees.
2. Most of the functions are implemented and performed by administrative control of the Panchayat Samitis. Thus, there is a single agency at Block level for all development programmes.
3. The power and functions of the District Boards are allocated among the parishads and the samitis, which are within the reach of rural people.
4. Panchayat samitis have all the technical assistance required at the block level itself.
5. Elementary education is the sole responsibility of the panchayat samitis.
6. Rural medical institutions in the Block are under the administrative control of the panchayat samitis.
7. Members of the panchayat samitis have the right to inspect institutions or works in the Block with a view to ensure efficient working and execution and draw the attention of the executive to any defects.
8. Personnel functioning within the Block are pooled together so that they function in a coordinated way under the samitis.
9. The responsibility for maintenance of minor irrigation works.
10. Panchayat samitis provide financial and technical assistance and supervision to panchayats.
11. Block plans are made based on village plans, district plans based on block plans and state are made based on district plans. This way plans are made truly based on needs of the people.
12. The panchayat samitis are given power to levy surcharges on taxes levied by the panchayats. This will help the panchayat samitis to build up their resources.

13. The main functions of the popular institutions are planning and execution of all schemes of rural development on the twin principles of self-help and mutual cooperation.

Panchayat Raj system gave significant progress in the fields of primary and secondary education, communication, agricultural extension, cooperation, health, etc. People could get drinking water. In some places people had protected water supply, Village streets, electric light provision, village sanitation, etc., had enough resources. Rural awakening was brought up among rural people; as a result villagers became conscious of their rights and improved their standard of living.

SWARNJAYANTI GRAM SWAROZGAR YOJANA (SGSY)

- Swarnjayanti Gram Swarozgar Yojana is centrally sponsored which came into effect from 01/04/1999
- Scheme basically emphasizes on self-employment.
- Scheme covers all aspect of self-employment like capacity building, subsidy, and infrastructure facility, and credit, skill upgradation, insurance and marketing.

Introduction: Programme for self-employment of the poor has been an important component of the antipoverty programmes implemented through government initiatives in the rural areas of India. At present the Swarnjayanti Gram Swarozgar Yojana (SGSY) is the major on-going programme for self-employment of the rural poor. The programme was started with effect from 01.04.1999 after review and restructuring of the erstwhile IRDP and its allied programmes namely TRYSEM, DWCRA, SITRA and GKY, besides MWS. The earlier programmes are no longer in operation with the launching of the SGSY.

The basic objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the Poverty Line by providing them income-generating assets through a mix of Bank Credit and Governmental Subsidy. The programme aims at establishing a large number of micro enterprises in rural areas based on the ability of the poor and potential of each area. The brief details of the programme are indicated in the following paragraphs.

Strategy: The SGSY is different from earlier Programmes, in terms of the strategy envisaged for its implementation. It has been conceived as a holistic Programme of self-employment. It covers all aspects of self-employment of the rural poor viz. organisation of the poor into Self Help Groups (SHGs) and their capacity building, training, selection of key activities and planning of activity clusters, infrastructure build up, technology and marketing support.

Social Mobilisation of the poor: A major shift of the SGSY, from the erstwhile programmes, is its emphasis on the social mobilisation of the poor. The programme focuses on organisation of the poor at grassroots level through a process of social mobilisation for poverty eradication. Social mobilisation enables the poor to build their own organisations {Self-Help Groups (SHGs)} in which they fully and directly participate and take decisions on all issues that will help them in coming above the poverty line. A SHG may consist of 10-20 persons belonging to families below the

Poverty Line and a person should not be a member of more than one group. In the case of minor irrigation schemes and in the case of disabled persons, this number may be a minimum of five.

Efforts have to be made to involve women members in each SHG and 50% of Self-Help Groups in each block should be exclusively of women. Group activities are to be given preference and progressively, majority of the funding should be for Self-Help Groups.

Activity Clusters - Planning and Selection: The SGSY also emphasizes assistance to the Swarozgaris only for those activities which have been identified and selected as key activity in terms of their economic viability in the area. Each Block has to concentrate on 4-5 Key Activities based on local resources, occupational skills of the people and availability of markets so that the Swarozgaris can draw sustainable incomes from their investments. The SGSY adopts a Project approach for each Key Activity and Project Reports are to be prepared in respect of each identified Key Activity. The Banks and other financial institutions have to be closely associated and involved in preparing these Project Reports, so as to avoid delays in sanctioning of loans and ensure adequacy of financing. Selection of the activities has to be done with the approval of the Panchayat Samitis at the Block level and District Rural Development Agency/Zilla Parishad at the District level. These Key Activities should preferably be taken up in Activity Clusters so that the backward and forward linkages can be effectively established and economies of large scale production can be reaped. A major share of the assistance to be provided under the SGSY should also be for Activity Clusters.

Target Group: Families Below the Poverty Line (BPL) in rural areas constitute the target group of the SGSY. Within the target group, special safeguards have been provided to vulnerable sections, by way of reserving 50% benefits for SCs/STs, 40% for women and 3% for disabled persons.

Financial Assistance: Assistance under the SGSY, to individual Swarozgaris or Self Help Groups, is given in the form of subsidy by the Government and credit by the Banks. Credit is the critical component of the SGSY, subsidy being a minor and enabling element. Accordingly, the SGSY envisages greater involvement of the Banks. They are to be closely involved in the Planning and preparation of Project Reports, identification of activity clusters, infrastructure planning as well as capacity building and choice of activity of the SHGs, selection of individual Swarozgaris, preceded activities and post-credit monitoring including loan recovery.

SGSY also seeks to promote multiple credits rather than a one-time credit 'injection'. The credit requirements of the Swarozgaris need to be carefully assessed and the Swarozgaris are allowed, in fact encouraged, to increase credit intake, over the years.

Subsidy under the SGSY to individuals is uniform at 30% of the Project Cost subject to a maximum of Rs. 7500/-. In respect of SCs/STs, the subsidy is 50% of the Project Cost, subject to a maximum of Rs. 10,000/-. For groups of Swarozgaris, the subsidy is 50% of the cost of the scheme, subject to a ceiling of Rs. 1.25 lakh.

There is no monetary limit on subsidy for Irrigation Projects. Subsidy is back ended i.e. it is released as part of the loan to be adjusted against last installment on satisfactory utilization of the loan for the micro enterprise. No interest is charged on the subsidy amount.

Training of Swarozgaris: The SGSY seeks to lay emphasis on skill development through well-designed training courses. Those, who have been sanctioned loans, are to be assessed and given necessary training. The design, duration and the training curriculum is tailored to meet the needs of the identified Key Activities. DRDAs are allowed to set apart up to 10% of the SGSY allocation on training. This may be maintained as 'SGSY – Training Fund'.

Infrastructure Development: SGSY provides for review of existing infrastructure for the cluster of activities and identification of gaps. Under SGSY, critical gaps in investments have to be made up, subject to a ceiling of 20% (25% in the case of North Eastern States) of the total allocation made under the SGSY for each District. This amount is maintained by the DRDAs as 'SGSY – Infrastructure Fund'.

Marketing and Technology Support: SGSY attempts to ensure upgradation of technology in the identified key activity. The technology intervention seeks to add value to the local resources, including processing of the locally available material from natural and other resources for the local and non-local market. SGSY also provides for promotion of marketing of the goods produced by the Swarozgaris, which involves organization and participation in exhibitions/ melas at District/State/National/International levels to display and sell goods produced by the Swarozgaris, provision of market intelligence, development of markets and consultancy services, as well as institutional arrangements for marketing of the goods including exports.

Implementing Agencies: SGSY is being implemented by the District Rural Development Agencies (DRDAs), with the active involvement of Panchayati Raj Institutions (PRIs), the Banks, the Line Departments and the Non-Government Organisations (NGOs).

Funding Pattern: The Swarnjayanti Gram Swarozgar Yojana (SGSY) is financed on 75:25 cost sharing base between Centre and State Governments.

Monitoring: A comprehensive system of monitoring has been adopted under SGSY. The programme is monitored from the Central level down to the grass root level. At the Central level, the Central Level Co-ordination Committee (CLCC) monitors and reviews the implementation of the Programme and lays down Policy Guidelines for all aspects related to credit linkages for the SGSY. The Performance Review Committee of the Department of Rural Development also reviews the implementation of SGSY. At the State level, a State Level Coordination Committee (SLCC) monitors the Programme. In addition, the progress under SGSY is periodically monitored through Reports and Returns submitted by DRDAs/States. Detailed monitoring formats for reporting progress of the Programme have been circulated to all the DRDAs. Implementation of the Programme is monitored and reviewed through the Project Directors Workshops and periodic Meetings with the State Secretaries. At the Block/DRDA level, monitoring is done through field visits and physical verification of assets. Efforts are underway to bring all the DRDAs of the country within online networks for smooth flow of information from the Districts to the Centre and the States/UTs

Special Projects under SGSY: To try out new initiatives and for coordinated efforts of different Departments in poverty reduction, 15% of the funds under SGSY are set aside by the Ministry for special projects. The projects can be in any individual district or across the districts. The objective

of each special project is to ensure a time bound programme for bringing a specific number of BPL families above the Poverty Line through self-employment programmes. The Projects may involve different strategies to provide long term sustainable self-employment opportunities either in terms of organisation of the rural poor, provision of support infrastructure, technology, marketing, training etc. or a combination of these.

MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) “THE NATIONAL RURAL EMPLOYMENT GUARANTEES ACT- 2005” It is also known as **NREGA**
To read more see: <http://rural.nic.in/rajaswa.pdf>

NREGA Launched on 2nd February 2006 as a momentous initiative towards pro-poor growth. For the first time, rural communities have been given not just a development programme but also a regime of rights. The National Rural Employment Guarantee Act, 2005 (NREGA) guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work.

This work guarantee also serve other objectives: generating productive assets and skills thereby boosting the rural economy, protecting the environment, empowering rural women, reducing rural urban migration and fostering social equity, among others. The Act offers an opportunity to strengthen our democratic processes by entrusting principle role to Panchayats at all levels in its implementation and promises transparency through involvement of community at planning and monitoring stages.

PRADHAN MANTRI GRAM SADAK YOJANA: read more <http://www.rural.nic.in/PMGSY.htm>

Introduction: Rural Road Connectivity is not only a key component of Rural Development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction. Notwithstanding the efforts made, over the years, at the State and Central levels, through different Programmes, about 40% of the Habitations in the country are still not connected by All-weather roads. It is well known that even where connectivity has been provided, the roads constructed are of such quality (due to poor construction or maintenance) that they cannot always be categorized as All-weather roads.

With a view to redressing the situation, Government has launched the Pradhan Mantri Gram Sadak Yojana on 25th December, 2000 to provide all-weather access to unconnected habitations. The Pradhan Mantri Gram Sadak Yojana (PMGSY) is a 100% Centrally Sponsored Scheme. 50% of the Cess on High Speed Diesel (HSD) is earmarked for this Programme.

Objectives: The primary objective of the PMGSY is to provide Connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected Habitations in the rural areas, in such a way that all Unconnected Habitations with a population of 1000 persons and above are covered in three years (2000-2003) and all Unconnected Habitations with a population of 500 persons and above by

the end of the Tenth Plan Period (2007). In respect of the Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttaranchal) and the Desert Areas (as identified in the Desert Development Programme) as well as the Tribal (Schedule V) areas, the objective would be to connect Habitations with a population of 250 persons and above.

The PMGSY will permit the Upgradation (to prescribed standards) of the existing roads in those Districts where all the eligible Habitations of the designated population size (refer Para 2.1 above) have been provided all-weather road connectivity. However, it must be noted that Upgradation is not central to the Programme and cannot exceed 20% of the State's allocation as long as eligible Unconnected Habitations in the State still exist. In Upgradation works, priority should be given to Through Routes of the Rural Core Network, which carry more traffic (see Para 3.7 below)

INDIRA AWAAS YOJANA: To read more see <http://zpraichur.kar.nic.in/iay.htm>

Introduction: Housing is one of the basic requirements for human survival. For a normal citizen owning a house provides significant economic security and status in society. For a shelter less person, a house brings about a profound social change in his existence, endowing him with an identity, thus integrating him with his immediate social milieu.

For the first 25 years after independence, the problem of rural housing did not receive any serious attention from the Government. A housing programme for the rehabilitation of refugees was taken up immediately after partition by the Ministry of Refugee Rehabilitation and lasted till around 1960 under which approximately 5 lakh families were housed in various centres mainly located in Northern India. A Village Housing Scheme was also launched as part of the Community Development Movement in 1957, in which loans to individuals and cooperative were provided up to a maximum of Rs.5000/- per house, however only 67000 houses were built under this scheme by the end of the Fifth plan (1980). In 1972-73, the Estimates

Committee of the Lok Sabha in its 37th Report pointed out that " the Committee are distressed to note that although 83% of India's population live in villages and about 73% of the rural population reside in unsatisfactory kutcha structure, the problem of rural housing has not received the close attention of the Government." Following this, certain initiatives were undertaken by Government including the launching of the House Sites cum Construction

The genesis of the Indira Awas Yojana can be traced to the programmes of rural employment which began in the early 1980s. Construction of houses was one of the major activities under the National Rural Employment Programme (NREP) which began in 1980 and the Rural Landless Employment Guarantee Programme (RLEGP) which began in 1983. There was, however, no uniform policy for rural housing in the states. For instance some states permitted only part of the construction cost to be borne from NREP/ RLEGP funds and the balance was to be met by beneficiaries from their savings or loans obtained by them. On the other hand others permitted the entire expenditure to be borne from NREP/ RLEGP funds. While some states allowed construction of only new dwelling others permitted renovation of existing houses of beneficiaries.

As per announcement made by Government in June 1985, a part of RLEGP fund was earmarked for the construction of SCs/ STs and freed bonded labourers. As a result, Indira Awaas Yojana

(IAY) was launched during 1985-96 as a sub-scheme of RLEGP. IAY thereafter continued as a sub-scheme of Jawahar Rozgar Yojana (JRY) since its launching in April, 1989. 6% 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 Scheduled Castes/ Scheduled Tribes below the poverty line families in the rural areas. Simultaneously, the allocation of funds for implementing the scheme was raised from 6% to 10% of the total resources available under JRY at national level, subject to the condition that the benefits to Non-Scheduled Castes/ Scheduled Tribes poor should not exceed 4% of the total JRY allocation. IAY has now been de-linked from JRY and has been made an independent scheme with effect from 1st January 1996.

Objective: The objective of Indira Awaas Yojana is primarily to help construction of dwelling units by members of Scheduled Castes/ Schedule Tribes, freed bonded labourers and also non- SC/ST rural poor below the poverty line by providing them with grant-in-aid.

Target Group: The target group for houses under Indira Awaas Yojana is people below poverty line living in rural areas belonging to Scheduled Castes/ Scheduled Tribes, freed bonded labourers and non- SC/ST Categories. A maximum of 40% of the total IAY allocation during a financial year can be utilised for construction of dwelling units for non-SC/ST BPL categories.

From 1995-96, the IAY benefits have been extended to widows or next-of-kin of defense personnel and Para military forces killed in action irrespective of the income criteria subject to the condition that (i) they reside in rural areas; (ii) they have not been covered under any other scheme of shelter rehabilitation; and (iii) they are houseless or in need of shelter or shelter upgradation. Benefits have also been extended to ex-servicemen and retired members of the paramilitary forces as long as they fulfill the normal eligibility conditions of the Indira Awaas Yojana and have not been covered under any other shelter rehabilitation scheme. The priority in the matter of allotment of houses to the ex-serviceman and paramilitary forces and their dependents will be out of 40% of the houses set apart for allotment among the non-SC/ST categories of beneficiaries.

A fund to the tune of 3% is earmarked for the benefit of disabled persons below poverty line. This reservation of 3% under IAY for disabled persons below the poverty line would be horizontal reservation i.e., disabled persons belonging to sections like SCs, STs and Others would fall in their respective categories.

Identification of Beneficiaries: District Rural Development Agencies (DRDAs) / Zilla Parishads on the basis of allocations made and targets fixed shall decide the number of houses to be constructed Panchayat wise under IAY during a particular financial year. The same shall be intimated to the Gram Panchayat. Thereafter, the Gram Sabha will select the beneficiaries from the list of eligible households according to IAY guidelines and as per priorities fixed, restricting this number to the target allotted. No approval of the Panchayat Samiti is required. The Panchayat Samiti should however, be sent a list of selected beneficiaries for their information.

COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION & RURAL TECHNOLOGY (CAPART)

Recognizing the need for an organisation that would coordinate and catalyse the development work of voluntary agencies in the country, particularly to ensure smooth flow of benefits to the

underprivileged and socio-economically weaker sections of society, Government of India, in September, 1986 set up the Council for Advancement of People's Action and Rural Technology (CAPART), a registered society under the aegis of the Department of Rural Development, by merging two autonomous bodies, namely, People's Action for Development of India (PADI) and Council for Advancement of Rural Technology (CAPART).

The main objectives of the CAPART are:-

- To encourage, promote and assist voluntary action for the implementation of projects intending enhancement of rural prosperity.
- To Strengthen and promote voluntary efforts in rural development with focus on injecting new technological inputs;
- To act as a catalyst for the development of technology appropriate for rural areas.
- To promote, plan, undertake, develop, maintain and support projects/schemes aimed at all-round development, creation of employment opportunities, promotion of self-reliance, generation of awareness, organisation and improvement in the quality of life of the people in rural areas through voluntary action.

CAPART made useful contribution towards the implementation of the following programmes or schemes:

1. Jawahar Rozgar Yojana (Now renamed as Gram Samridhi Yojana (JGSY)
2. Development of Women & Children in Rural Areas (DWCRA)
3. The Schemes DWCRA, IRDP, MWS have been merged in single scheme renamed as Swarnjayanti Gram Swarozgar Yojana (SGSY)
4. Integrated Rural Development Programme (IRDP)
5. Million Well Scheme (MWS)
6. Accelerated Rural Water Supply Programme (ARWSP)
7. Central Rural Sanitation Programme (CRSP)
8. Indira Awas Yojana (IAY)
9. Panchayati Raj (PR)
10. Promotion of Voluntary Action in Rural Development (PC)
11. Organisation of Beneficiaries (OB) and Social Animators Training (SAT)
12. Advancement of Rural Technology Scheme (ARTS)
13. Watershed Development
14. Assistance to NGOs

Regional Centres: With a view to bringing CAPART nearer to the people and to ensure closer inter action between CAPART and voluntary agencies at the grass-root level, functioning of CAPART has been decentralized by setting up of nine Regional Committees/Regional Centres at Jaipur, Lucknow, Ahmedabad, Bhubaneswar, Patna, Chandigarh, Hyderabad, Guwahati and Dharwad. The Regional Committee is empowered to sanction project proposals to voluntary agencies up to an outlay of Rs. 10.00 lakh in their respective regions.

Funding Pattern: The quantum of assistance is normally decided on the basis of the nature of the project and the capability of the organisation to take up the project /to handle requested funds. On

acceptance of the terms and conditions, CAPART releases sanctioned funds in suitable installments depending upon the nature of the project, quantum of assistance involved and the proportion of assistance to be mobilized from other sources including beneficiaries' contribution.

Implementing Agency: NGOs are provided financial assistance through CAPART

Monitoring & Evaluation: CAPART has fairly well developed monitoring system. CAPART projects are monitored with the help of its own officers and external monitors. CAPART has a system of empanelling project Evaluators on different subjects. CAPART projects are monitored at three different stages; Pre funding appraisal, mid terms appraisal and Post Evaluation

THE DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)

The District Rural Development Agency (DRDA) has traditionally been the principal organ at the District level to oversee the implementation of different anti-poverty programmes. Since its inception, the administrative costs of the DRDAs were met by way of setting apart a share of the allocations for each programme.

However, of late, the number of the programmes had increased and while some of the programmes provided for administrative costs of the DRDAs, others did not. There was no uniformity among the different programmes with reference to administrative costs. Keeping in view the need for an effective agency at the district level to coordinate the anti-poverty effort, a new Centrally Sponsored Scheme for strengthening the DRDAs has been introduced with effect from 1st April, 1999. Accordingly, the administrative costs are met by providing a separate budget provisions. This scheme which is funded on a 75:25 basis between Centre and States, aims at strengthening and professionalising the DRDAs.

Role and Functions of the DRDA

- 1 If effective programme design is critical to successful implementation of rural development programmes, so is an effective delivery agency. None of the anti-poverty programmes can have impact unless they are implemented with clarity of purpose and a commitment to the task. It is here that the DRDAs play a critical role. The DRDAs are not the implementation through overseeing the implementation of different programmes and ensuring that necessary linkages are provided. To this extent the DRDA is a supporting and facilitation organization and needs to play a very effective role as a catalyst in development process.
- 2 The district Rural Development Agency is visualized as specialized and a professional agency capable of managing the anti-poverty programmes of the Ministry of Rural Development on the one hand and to effectively relate these to the overall effort of poverty eradication in the District. In other words, while the DRDA will continue to watch over and ensure effective utilization of the funds intended for anti-poverty programmes, it will need to develop a far greater understanding of the processes necessary for poverty alleviation/eradication. It will also need to develop the capacity to build synergies among different agencies involved for the most effective results. It will therefore need to develop distinctive capabilities rather than perform tasks that are legitimately in the domain of the PRIs or the line departments. The role of the DRDA will therefore be distinct from all the other agencies, including the Zilla Parishad.

- 3 DRDAs must themselves be more professional and should be able to interact effectively with various other agencies. They are expected to coordinate with the line department, the Panchayati Raj Institutions, the banks and other financial institutions, resources required for poverty reduction effort in the district. It shall be their endeavor and objective to secure inter-sectoral and inter-departmental coordination and cooperation for reducing poverty in the district. It is their ability to coordinate and bring about a convergence of approach among different agencies for poverty alleviation and would set them apart.
- 4 The DRDAs are expected to coordinate effectively with the Panchayati Raj Instructions. Under no circumstances will they perform functions of PRIs.
- 5 The DRDAs will maintain their separate identity but will function under the chairmanship of the Chairman of Zilla Parishad. They are expected to be a facilitating and supporting organization to Zilla Parishad, providing necessary executive and technical support in respect of poverty reduction efforts. Wherever the Zilla Parishads are not in existence or are not functional, the DRDAs would function under the Collector/District Magistrate/Deputy Commissioner, as the case may be.
- 6 The DRDAs are expected to oversee the implementation of different anti-poverty programmes of the Ministry of Rural Development in the district. This is not to be confused with actual implementation, which will be by the Panchayati Raj and other Institutions. The DRDAs will monitor closely the implementation through obtaining of periodic reports as well as frequent field visits. The purpose of the visit should be to facilitate the implementing agencies in improving implementation process, besides ensuring that the quality of implementation of programmes is high. This would include overseeing whether the intended beneficiaries are receiving the benefits under the different programmes.
- 7 The DRDAs shall keep the Zilla Parishad, the State and Central Government duly informed of the progress of the implementation of the programmes through periodic reports in the prescribed formats. Special report, as and when called for, shall be provided.
- 8 It shall be the duty of the DRDAs to oversee and ensure that the benefits specifically earmarked for certain target groups (SC/ST, women and disabled) reach them. They shall take all necessary steps to achieve the prescribed norms.
- 9 The DRDAs shall take necessary steps to improve the awareness regarding rural development and poverty alleviation particularly among the rural poor. This would involve issues of poverty, the opportunities available to the rural poor and generally infusing a sense of confidence in their ability to overcome poverty. It would also involve sensitizing the different functionaries in the district to the different aspects of poverty and poverty alleviation programmes.
- 10 The DRDAs will strive to promote transparency in the implementation of different anti-poverty programmes. Towards this end, they shall publish periodically, the details of the different programmes and their implementation.
- 11 Keeping in view, the substantial investment that are being made in poverty alleviation programmes, the DRDAs shall ensure financial discipline in respect of the funds received by them, whether from Central or State Governments. They shall also ensure that the accounts are properly maintained including in respect of the funds allocated to banks or implementing agencies in accordance with the guidelines of different programmes.
- 12 Thus the role of the DRDA is in terms of planning for effective implementation of anti-poverty programmes; coordinating with other agencies-Governmental, non-Governmental, technical and financial for successful programme implementation; enabling the community and the rural poor to participate in the decision making process, overseeing the implementation to ensure

adherence to guidelines, quality, equity and efficiency; reporting to the prescribed authorities on the implementation; and promoting transparency in decision making and implementation.

- 13 In addition the DRDAs shall coordinate and oversee the conduct of the BPL Census and such other surveys that are required from time to time.
- 14 The DRDAs shall also carry out / aid in carrying out action research/ or evaluation studies that are initiated by the Central/State Governments.
- 15 The DRDAs should deal only with the anti-poverty programmes of the Ministry of Rural Development. If DRDAs are to be entrusted with programmes of other ministries or those of the State Governments, it should be ensured that these have a definite antipoverty focus. Entrusting of any programme to the DRDAs, other than anti-poverty programmes of the Ministry, be it of any other Ministry of Government of India or the respective State Government will have to be done with the approval of the Secretary, Rural Development of the respective State (s), who should examine such request in consultation with the Ministry of Rural Development, Government of India. In such cases, it must be ensured that adequate provision is made for requisite staffing needed for proper implementation of the programme.

The composition of the governing body is as follows.

- 1 Chairman of Zilla Parishad Chairman
- 2 All MPs and MLAs and MLCs of the District
- 3 1/3rd of Panchayat Samiti Chairpersons to be nominated by rotation in alphabetical order for a tenure of one year, one of whom must belong to SC/ST and another woman.
- 4 CEO of Zilla Parishad / District Collector – Chief Executive Officer / Executive Director
- 5 Head of the Central Cooperative Bank of the District
- 6 Chairman Regional Rural Bank
- 7 District Lead Bank Officer
- 8 Representative of the Reserve Bank of India at district level
- 9 NABARD representative at district level
- 10 General Manager, DIC
- 11 Representative of KVIB
- 12 District Officer in charge of Scheduled Caste / Scheduled Tribe Welfare
- 13 District women & Child welfare officer
- 14 District officer dealing with welfare of the disabled
- 15 One representative from technical institutions
- 16 Two representatives of NGOs
- 17 Two representatives of the weaker sections, one of whom may be drawn from SCs and STs
- 18 One representative of rural women
- 19 Project Director, DRDA- Member Secretary

Wherever the Zilla Parishads are not in existence, the State Governments may nominate elected members of the State Legislature from the concerned districts to act as Chairman of the Governing Bodies of the DRDAs.

NABARD (National Bank for Agriculture and Rural Development)

NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. It also has the mandate to support all other allied economic activities in rural areas, promote integrated and sustainable rural development and secure prosperity of rural areas. In discharging its role as a facilitator for rural prosperity NABARD is entrusted with

1. Providing refinance to lending institutions in rural areas
2. Bringing about or promoting institutional development and
3. Evaluating, monitoring and inspecting the client banks
4. Besides this pivotal role, NABARD also:
 - Acts as a coordinator in the operations of rural credit institutions
 - Extends assistance to the government, the Reserve Bank of India and other organizations in matters relating to rural development
 - Offers training and research facilities for banks, cooperatives and organizations working in the field of rural development
 - Helps the state governments in reaching their targets of providing assistance to eligible institutions in agriculture and rural development
 - Acts as regulator for cooperative banks

NON – GOVERNMENTAL ORGANIZATIONS (NGOs)

The NGOs became prominent after independence, especially after 1970s. Development parishioners, government officials and foreign donors consider that NGOs by virtue of being small scale, flexible, innovative and participatory, are more successful in reaching the poor and in poverty alleviation, NGOs involved in initiating and implementing rural development programme. At present 30,000 NGOs working in India.

Definition of NGOs: The term NGOs is used to denote / specify those organizations which undertake voluntary action and social movements.

A **non-governmental organization (NGO)** is a legally constituted organization created by legal persons that operates independently from any government and a term usually used by governments to refer to entities that have no government status. In the cases in which NGOs are funded totally or partially by governments, the NGO maintains its non-governmental status by excluding government representatives from membership in the organization. The term is usually applied only to organizations that pursue some wider social aim that has political aspects, but that are not overtly political organizations such as political parties.

TYPES OF NGOS:

1. **Operational or Grassroots NGOs:** Grassroots NGOs directly with the oppressed sections of society. Some NGOs are big, while some are small. These NGOs could be either local based, working in a single and small project location or be working in multiple project areas in different districts, states and regions covering a larger population.

The approach and orientation of grassroots NGOs are also differ.

- Charity and Welfare NGOs focus on providing charity and welfare to the poor.
 - Development NGOs focus on implementation of concrete development activities.
 - Social action groups focus on mobilizing marginalized section around specific issues which challenge the distribution of power and resources in society.
 - Empowerment NGOs combine development activities with issue based struggles.
2. **Support NGOs:** Support NGOs provide services that would strengthen the capacities of grassroots NGOs, Panchayati Raj Institutions, co-operatives and others to function more effectively.
 3. **Umbrella or Network NGOs:** Network NGOs are formal associations or informal groups of grassroots and / or support NGOs which meet periodically on particular concerns. E.g. FEVORD-K (Federation of Voluntary Organizations in Karnataka). They act as a forum to share experiences, carry out joint development endeavors as well as engage in lobbying and advocacy.
 4. **Funding NGOs:** The primary activity of these NGOs is funding grassroots NGOs, Support NGOs or people's organizations. Most funding NGOs in India generate a major part of their resources from foreign sources; through there is an effort by some to raise funds from within India.

Characteristics of a good NGO:

1. A good NGO is one which has capable, balanced (especially in terms of gender) and matured board of directors/members. The NGO aims at good governance in the sense that the programme needs to be developed by involving the people, staff and board. This ensures that everyone in the organization would know about the activities to be implemented, the funds availed of each of the activity, how the activities are to be implemented and monitoring of the activities.
2. The NGOs need to begin their work after analyzing the situation and needs of the community. This enables them to have clarity with regard to the actual needs to the community. The NGOs should seek to enable participation of members not as recipients of benefit but as those who control and monitor the programme.
3. NGO needs to comply with all the statutory requirements and follow good systems and procedures regarding activities, accounts, progress etc.
4. A good NGO should be accountable to all the parties concerned. It needs to be committed to the objectives that it has set for itself. Hence, there is need to report the progress made with reference to objective fulfillment to the board, people, government, donors and to the media.
5. NGO need to adopt less bureaucratic, participatory and cost effective approach to the development.
6. A good NGO enable the poor to have access to qualitative and cost-effective service.
7. Enabling the people to develop capacity to approach the government departments and banks and access the resources on their own and influence government policy making and implementation is one of the characteristic of a good NGO. The capacity building should include:
 - Provision of information on relevant government programmes.

- Enabling the people to approach government officials.
 - Enabling the people to access the programmes without resorting to corrupt practices and within the rights framework.
 - Enabling the people in productive and effective utilization of resources
 - Motivating the people to repay loans, if borrowed from banks etc.
8. A good NGO respond to the emerging the challenges at appropriate time.
 9. Enables the poor to enter into panchayats and gain access to, and control the decision making at the grassroots level.
 10. A good NGO enables the organization of the poor to come together in a network and enable such a network to influence the policies of the state through lobbying and advocacy.

Registration of Society or a Trust for running NGO for public welfare activities in India

<http://www.legalhelplineindia.com/blog/?p=29>

The commonly used word NGO stands for Non-Governmental Organization which is formed by a group of private persons, registered under the Society Registration Act of 1860 and recognized by government for performing some of the functions or allocated work on behalf of government. This is a very unique and informal type of arrangement made by the government wherein the government extents the help, support and authority to a private body to perform some of the work of the government on behalf of it. The activities being assigned to NGOs are mainly welfare activities which may be of various types. In some cases the activities assigned to the NGO are also administrative also. The NGO is widely used for the registered trusts as well as societies in India which perform such work. The government is more concerned about the compliance of the various norms related to the grants to be given to the society and the utilization of the funds by the NGO.

Establishing a NGO in India

A NGO can be established either through a registered Society or through a Trust. Both these options are explained in details hereunder:- Society under The Society Registration Act, 1860 The establishment of a NGO in India is through the registration of a Society under the Society Registration Act of 1860 for which at least seven persons are required as the desirous persons to establish the said society. The identification and residential proof of the said persons is essential. The application for registration of the society is submitted before the registrar of Society who confirms all the documents and then on the basis of which the Registrar of Society grants the registration of society.

STEPS INVOLVED WITH THE REGISTRATION OF A SOCIETY

1. Forming a group of minimum seven desirous persons to form the said society.
2. Clearance of the name of the society from the Registrar concerned where the office of the society is proposed to be located.
3. Drafting of the deed of society as per the Society Registration Act 1860 and all other standing orders issued from time to time which contains the rules and regulations for running the society and the bye laws. (The format is available on our website www.legalhelplineindia.com in the legal format section).

4. Obtaining a NOC from the owner of the premises where the office of the society is proposed to be located.
5. Filing the proof of residence and identification of all the desiring persons.
6. Submitting the society documents along with all the relevant documents and the drafted deed before the registrar for registration.
7. Issuance of the Registration Certificate by the Registrar of Society.
8. Obtaining a PAN card for the society from the Income Tax Department.
9. Opening a bank account for the society for the regulation of funds of the society.
10. Getting the exemption under Section 80 (G) of the Income Tax Act for exempting the donations from taxation.
11. Getting clearances from RBI for receipt of foreign funds in the society.
12. Filing of ITR for the society after the end of the financial year.

STEPS INVOLVED WITH THE A REGISTERED TRUST AS NGO

Any legal entity can establish a Trust in India through a registered Trust Deed which becomes a legal entity. All activities of a NGO can be done through the aims and objectives of the said trust. The registration of Trust in India involves the following simple steps:

1. Selecting the name of the trust.
2. Drafting the Trust Deed which should contain all the important aims and objectives of the trust.
3. One pioneer or trustee can also run the said trust however a board of trustees can be also named and several persons can be involved in the running of the trust.
4. Getting the PAN card for the trust after its registration.
5. Opening a bank account for the trust after its registration.
6. Getting the exemption under Section 80 (G) of the Income Tax Act for exempting the donations from taxation.
7. Getting clearances from RBI for entitling the trust for receipt of foreign funds.
8. Filing of ITR of the trust.

The management of NGO:

The management of NGO is mainly in the hands of the persons who have formed it as per the bye laws and regulations prescribed by the government. Since most of the NGOs are run on government donated funds, some measures to ensure the appropriate expenditure of the funds given by the government are taken at the management level. Government also seeks the audit of the funds and the way in which the funds have been spent. This all is done in a transparent manner which provides a lot of operational freedom to the NGO to operate and achieve its goals. In most of such cases there is a provision in the bye laws that all the income, earning, movable & immovable properties of the NGO shall be solely utilized and applied towards of the promotion of its aims and objects as set for in the memorandum of association. No profit on there of shall be paid or

transferred directly by way of dividends, bonus, profits or in any manner whatsoever to the present or future members of the society or any person, through any one or more of the present of the future members. No member of the society shall have any personal claim on any movable or immovable properties of the society or make any profit whatsoever by virtue of this membership.

There is a large amount of freedom to run and operate the NGO; the government seeks the compliance of the spending of money by the NGO as per the terms of the grants.

Short Questions with correct answers

1	It is a strategy designed to improve the economic and social life of rural poor. A. Rural Education B. Rural Sociology C. Rural Development D. None of these	C
2	It is a process, which aims at improving the well being and self realization of people living outside the urbanized areas through collective process. A. Rural Education B. Rural Sociology C. Rural Development D. None of these	C
3.	It is a process of bringing change among rural community from the traditional way of living to progressive way of living. It is also expressed as a movement for progress. A. Rural Education B. Rural Sociology C. Rural Development D. None of these	C
4.	The main objective of the rural development programme is A. To raise economic condition rural people B. To raise social condition of rural people. C. A and B D. None of above	C
5.	The specific objective of rural development includes A. To develop farm, home, public service and village community. B. To bring improvement in producing of crops and animals living condition. C. To improve health and education condition of rural people. D. Above all	D
6.	It is a group of people, who live in a geographical area and have an interest in each other for the purpose of making a living. It is a form of social organization existing between the family and state. A. Community B. Crowd C. Mass D. Gathering	A
7.	It is known as the people with common interests living in a particular area A. Meeting B. Crowd C. Mass D. Community	D
8.	An interacting population of various kinds of individuals (as species) lives in a common location is known as A. Community B. Crowd C. Mass D. Gathering	A
9.	A group of people with a common characteristic or interest living together within a larger society is known as A. Community B. Crowd C. Convention D. Gathering	A
10.	It is encompassing any and every efforts towards the advance of community interests.	A

	A. Community Development B. Crowd management C. Rural Development	
11.	This programme was started by Shri Rabindra Nath Tagore in 1914. A. Sriniketan Project B. Marthandam Project C. Gurgaon Experiment D. Sarvoday Programme	A
12.	This programme was started by Dr.Spencer Hatch in 1921. A. Sriniketan Project B. Marthandam Project C. Gurgaon Experiment D. Sarvoday Programme	B
13.	This programme was started by F.L.Brayne in 1928. A. Sriniketan Project B. Marthandam Project C. Gurgaon Experiment D. Sarvoday Programme	C
14.	This programme was started by Shri Vinoba Bhave 1948-49.. A. Sriniketan Project B. Marthandam Project C. Gurgaon Experiment D. Sarvoday Programme	D
15.	This programme was started by GOI in 1952. A. Community Development Programme B. National Extension Service C. Etawah Pilot Project D. Firka Development	A
16.	This programme was started by GOI in 1953. A. Community Development Programme B. National Extension Service C. Etawah Pilot Project D. Firka Development	B
17.	Panchayati Raj system was recommend by committee headed by A. Balwant Rai Mehta B. Mohansinh Mehta C. Baldevsinh Mehata D. Balanatsinh Mehata	A
18.	Panchayati Raj system is having A. Two levels B. Three Level C. Four Level D. None of these	B
19.	Panchayat Raj” was tried 1 st time by The State of Madras as a pilot project as early as A. 1957 B. 1963 C. 1959 D. 1948	A
20.	Panchayat Raj” was implemented in Gujarat in this year. A. 1957 B. 1963 C. 1959 D. 1948	B
21.	It is the primary unit of Panchayati Raj Institutions. A. Gram Panchayat: B. Village Sabha C. Sarpanch D. Village Officer	A
22.	It is the 1 st formal democratic institution under the directive principle in the Indian constitution. A. Village Sabha B. Gram Panchayat C. Sarpanch D. Panchayat Building	B
23.	Gram Panchayats are constituted considering	D

	A. Population B. Income C. Area. D. All above	
24.	In Gram panchayat there is a provision for reservation of seats for A. Women B. Scheduled Castes C. Physically Handicapped D. Answer A and B	D
25.	Gram panchayat has tenure of A. 5 Years B. 3 Years C. Based on Village Population D. 6 Years	A
26.	The word Democracy derived from A. Greek language B. Word "Democ" C. Word "Cracy" D. All above	D
27.	Specific objective of Gram Panchayat includes A. Assistance to the economically weaker sections of the community. B. Cohesion and cooperative self help in the community. C. Development of cooperative institutions. D. All above	D
28.	Specific objective of Gram Panchayat includes A. Development of local resources including the utilization of manpower B. Production in agriculture as the highest priority in planning C. Promotion of rural industries D. All above	D
29.	Major levels or tiers of Panchayat Raj includes A. Gram Panchayat B. Block Panchayat C. Distract Panchayat D. All above	D
30.	Sources of income of village panchayat includes A. Share in land revenue B. Local tax C. Revenue earned from the settlement of shops D. All above	D
31.	Sources of income of village panchayat includes A. Fine and penalties B. Fees for providing amenities, cess, tolls C. House taxes D. All above	D
32.	Taluka Panchayat is also known as A. Panchayat Samiti B. Panchayat Union C. Block panchayat D. All above	D
33.	2 nd tier Panchayat System is A. Panchayat Samiti B. Panchayat Union C. Block panchayat D. All above	D
34.	3 rd tier Panchayat System is A. District panchayat B. Block panchayat C. Panchayat Union	A

	D. None of above	
35.	Second tier of the administration of Panchayat system is headed by A. Taluka President B. Panchayat Samiti C. District President D. None of above	A
36.	Which is not true for "Block Development Officer" A. Appointed by the Government B. Working at Taluka or Block level C. He functions as the leader of the Block D. Elected person by people	D
37.	3 rd tier of the administration of Panchayat system is known as A. District Development Council B. Zilla Panchayat C. Answer A and B D. None of above	C
38.	Third tier of the administration of Panchayat system is headed by A. Panchayat Union Chairman B. Taluka President C. District Collector D. District Development Officers	A
39.	Swarnjayanti Gram Swarojagar Yojana is centrally sponsored which came into effect from this year. A. 1999 B. 1989 C. 2004 D. 2008	A
40.	Swarnjayanti Gram Swarojagar Yojana basically emphasizes on A. Women Health B. Self-employment C. Child Health D. All above	B
41.	This programme is related with cattle development work A. CDP B. ICDP C. CADP D. None of above	B
42.	This programme is related with farmers' training A. FTEP B. FTC C. KVK D. All above	D
43.	HYVP is A. High Yielding Varieties Programme B. High Yielding Valuable Programme C. High Yielding Value-added Programme D. None of above	A
44.	Training of Rural Youth for Self Employment is known as A. TRYSE B. TRYSEM C. TRUYSEM D. None	B
45.	IRDP is A. Intergraded Rural Development Programme B. Indian Rural Development Programme C. International Rural Development Programme D. Innovative Rural Development Programme	A
46.	NARP is A. Nutritional and Agricultural Research Project B. National Agricultural Renovation Project C. National Agricultural Research Programme	D

	D. None of above	
47.	ATMA A. Agricultural Technology Management Agency B. Agricultural Technology Manpower Agency C. Agricultural Technology Manufacturing Agency D. Agricultural Technology Monopoly Agency	A
48.	NREGA is A. National Rural Educational Guarantees Act 2005 B. National Rural Enterprise Guarantees Act 2005 C. National Rural Empowerment Guarantees Act 2005 D. National Rural Employment Guarantees Act 2005	D
49.	NREGA was lunched in India in this year. A. 2005 B. 2006 C. 2008 D. 2009	B
50.	For Rural Road Connectivity, this Yojana is functioning in India A. Pradhan Mantri Gram Sadak Yojana B. Bharatiya Gram Sadak Yojana C. Mahatma Gandhi Gram Sadak Yojana D. Rajiv Gandhi Gram Sadak Yojana	A
51.	It is name of programme to help construction of dwelling units to rural poors. A. Indira Awas Yojana B. Rajiv Gandhi Awas Yojana C. Jawahar Awas Yojana D. Prime Minister Awas Yojana	A
52.	Meaning of BPL in the context of rural development in India is A. Bellow Poverty Line B. Bellow Passing Level C. Backward & Poor Level D. Backward & Poverty Line	A
53.	CAPART is A. Committee for Advancement of Rural Technology B. Council for Agricultural Rural Technology C. Commission for Advancement of Rural Technology D. Council for Advancement of Rural Technology	D
54.	The main objective of the CAPART includes A. To promote and assist voluntary action for the implementation of projects intending enhancement of rural prosperity. B. To act as a catalyst for the development of technology appropriate for rural areas. C. To promote, projects aimed at all-round development of rural people by voluntary action. D. Above all	D
55.	DRDA is A. Dedicated Rural Development Agency B. Dynamic Rural Development Agency C. District & Regional Development Agency D. District Rural Development Agency	D
56.	NABARD is A. Monetary backer to small-scale industries and rural handicrafts B. Financial supporter to agriculture C. National Bank for Agriculture and Rural Development	D

	D. All above	
57.	The numbers of NGOs working in India are around A. 30,000 B. 40000 C. 50000 D. 60000	A
58.	Which is true for NGOs from the following A. Organizations that undertake voluntary action B. Organizations that undertake social movements C. They are legally constituted organizations D. All above	D
59	Which of the following are type of NGOs A. Operational B. Grassroots C. Support D. All above	D
59	Which of the following are type of NGOs A. Umbrella B. Network C. Funding D. All above	D
60	Good NGO is such that A. Adopts high bureaucratic approach B. Less participatory C. High cost oriented approach adopter D. None of above	D
61	Federation of Voluntary Organizations is situated in this state of India A. Karnataka B. Gujarat C. Maharashtra D. Bihar	A
62	NGO can run by A. One pioneer B. Single trustee C. A board of trustees D. All above	D
63.	Jawahar Rozgar Yojana is renamed as A. Gram Samridhi Yojana B. Gandhi Gram Samridhi Yojana C. Swarnim Gram Samridhi Yojana D. Samridhi Gram Swaraj Yojana	A