

---

**CHAPTER - III**  
**POVERTY ALLEVIATION**  
**PROGRAMMES IN INDIA**

---

## CHAPTER-III

### POVERTY ALLEVIATION PROGRAMMES IN INDIA

The Government of India has been implementing a number of plans and programmes to eradicate poverty from the country since inception of our economic planning, especially from the Fifth Five Year Plan period (1974-78). However, prior to the Fifth Five Year Plan, efforts were also made to improve the living conditions of the weaker section of the society with the introduction of some specific programme . In the Fifth Plan, poverty alleviation was considered as one of the principal objectives of economic planning in our country. Considering the importance of the issue, an attempt has been made in this chapter to give a detail analysis of some major poverty alleviation plans and programmes implemented by the Government of India during its plan periods.

Since, majority of people in our country live in rural areas, so some rural development programmes have been launched in the plan periods. It is expected that with the participation of rural people in these programmes more additional employment as well as income will be generated which helps in removal of poverty. Accordingly, Community Development Programme was launched in the First Five Year Plan period (1951-56), which was a land mark in the history of

India as it started a new era of development with the participations of local people in the development programmes. It adopted a systematic integrated approach for rural development with active participation of village level and block level workers to improve the living conditions of the rural people.

In the Second Five Year Plan (1956-61), for effective participation of the rural people in the process of rural development, Panchayati Raj System was evolved by the Balwantray Mehta Committee in 1957 for decentralisation of power. Accordingly, 5000 National Extension Service (NES) Blocks were created under the Community Development Programme by the end of the Second Five Year Plan.

During the Third Five Year Plan (1961-66), effort was made to maintain the momentum through a series of development schemes. The strategy for removal of poverty through rural development and rural employment programme was also adopted in the Fourth Five Year Plan period (1969-74) with the introductions of some special programmes. These programmes were: Small Farmers' Development Agency (SFDA), Marginal farmers and Agricultural Labourers' Development Agency (MFAL), Drought Prone Areas Programme (DPAP), Crash Scheme for Rural Employment (CSRE),

Pilot Intensive Rural Employment Project (PIREP) and Food for Work Programme (FWP).

It was found that these programmes did not cover the whole country, and some of these programmes operated simultaneously for the same target groups. Apart from this territorial overlap, one of the major limitation of these programmes was that these programmes were mainly subsidy oriented programmes, and implemented without any planned approach for which the rural poor could not able to achieve a higher level of income. The element of adhocism in these programmes further reduced their effectiveness from the point of view of poverty alleviation.

In the Fifth Five Year Plan Period (1974-78), poverty alleviation has been accepted as one of the major issue for economic development of our country. Accordingly, a number of plans and programmes have been introduced in the succeeding plan periods. Some of the major poverty alleviation programmes are discussed below.

### **3.1 TWENTY POINT PROGRAMME**

It was the year of 1975, when the 20 point programme was launched with a view to ameliorate the living conditions of the rural

people in the country. On 1<sup>st</sup> July, 1975, Mrs. Indira Gandhi announced the first 20 point economic programme keeping in view the broad objectives of ensuring social justice, un-employment and eradicating poverty. However, this programme was withdrawn during Janata Government period (1977-79); but when Mrs. Indira Gandhi again came to power, the programme was revitalized. This revised 20 point programme was announced on January 14, 1982. The restructured 20-point programme was placed before the Parliament on 20<sup>th</sup> August, 1986, by the Government to fulfill the commitment made by the late Prime Minister Rajiv Gandhi to nation with the stated goal to remove poverty and create additional employment.

The 20- Point programme included:

- i) Increase irrigation potential, develop and disseminate technologies and inputs for dry land agriculture.
- ii) Make special efforts to increase production of pulses and oil seeds.
- iii) Strengthen and expand coverage of irrigated rural development and national rural employment programmes.



- iv) Implement agricultural ceilings, distribute surplus land and complete compilation of land records by removing all administrative and legal obstacles.
- v) Review and effectively enforce minimum wages for agricultural labour.
- vi) Rehabilitate bonded labour.
- vii) Accelerate programmes for development of Scheduled Castes and Scheduled Tribes.
- viii) Supply of drinking water to all villages.
- ix) Allot house sites to rural families who are houseless and expand programmes for construction assistance to them.
- x) Improve the environment of slums, implement programmes of house building for economically weaker sections and take measures to arrest unwarranted increase in land prices.
- xi) Maximise power generation, improve the functioning of electricity authorities and electrify all villages.
- xii) Pursue vigorously programmes of afforestation, social and farm forestry and the development of bio-gas and other alternative energy sources.

- xix) Continue strict action against smugglers, hoarders and tax evaders and check black money.
- xx) Improve the working of public enterprises by increasing efficiency, capacity utilisation and the generation of internal resources.

The 20-Point Programme was the first systematic initiative of the plan for the poor. The programme was restructured in the light of the achievements and the objectives of the Seventh Plan. The restructured programme reviewed the commitment to:

- \* Eradicating poverty,
- \* Raising productivity,
- \* Reducing income inequalities.
- \* Removing social and economic disparities and improving the quality of life.

### **3.2 MINIMUM NEEDS PROGRAMME**

In the later part of Fifth Plan period, it was felt by the planners that the benefits achieved from the development was not conducive to tackle the problem of poverty. Realising this fact, a new programme i.e. "Minimum Needs Programme" was introduced in the Fifth Five Year Plan(1974-78), in place of 20 Point Economic Programme, with basic notions of "Garibi Hatao" and growth with

justice. It envisaged the provision of free and subsidized services through public agencies to improve the consumption levels of those living below the poverty line and raise productive efficiency of both rural and urban workers. Its basic components were elementary education, health, water supply, roads, electrification, housing facilities to landless labourers, improvement of slums and nutrition.

The Minimum Needs Programme was implemented with the under mentioned objectives :

- i) 100 per cent enrolment in the schools in the age-group of 6-14 by 1990. It would be supplemented with non-formal education.
- ii) 100 per cent coverage of adults in the age group of 15-36 by 1990 through non-formal education.
- iii) Establishment of one primary health sub-centre for a population of 5000 in plains and 3000 in tribal and hilly areas by 2000 A.D.
- iv) One Primary Health Centre (PHC) for a population of 30000 in plains and 20,000 in tribal and hilly areas by 2000 A.D.
- v) One Community Health Centre for a population of one lakh or one C.D Block by 2000 A.D.



- vi) Linking up all villages with a population of 1500 and above and 50 per cent of the villages with a population of 1000-1500 by 1990.
- vii) At least 60 per cent of the villages in each State and Union territory to be electrified by 1990.
- viii) Provision of house sites and construction assistance to all the landless labour households by 1990. It includes house site, construction materials, drinking water and approach roads.
- ix) 100 per cent coverage of urban slums population by 1990 which includes the facilities of water supply, sewerage, paving of streets, storm water drains, community latrines. Priority will be given to areas inhabited by Scheduled Castes.

Under this programme, Rs. 1038 crores were spent during the Fifth Plan period against the target of Rs. 2607 crores. The total expenditure during 1978-80 was Rs. 1147 crores. The outlay has been fixed to the tune of Rs. 5804 crores in the Sixth Five Year Plan period.

In the course of this period, 105 lakh children were enrolled against overall target of 180 lakh in the low literacy pockets,

especially in backward states like Assam, Bihar, Madhya Pradesh, Rajasthan, Uttar Pradesh and West Bengal. Regarding the rural health programme, 7688 sub-centres, 1,919 primary health centres and 723 subsidiary health centres were opened during the period 1982-83. Moreover, till the year 1981-82, water supply facility had been provided to 99,965, number of villages under rural water supply programme and a total of 11,270 number of villages with a population of 1000 were connected with rural link roads and 21,439 villages were electrified during the same period. In addition to that, 23.74 lakh rural house sites-cum-house construction were made available to landless people in the rural areas. Under this programme, the area of 3.77 million slum dwellers were covered in the period 1980-83.

However, the Sixth Plan (1980-85) document mentioned that the incidence of poverty was still significant and there was need to adopt necessary measures to combat poverty. Accordingly, two new programmes-National Rural Employment Programme (NREP) and Integrated Rural Development Programme (IRDP) were introduced in the Sixth Plan period with the objective of eradication of poverty.

### **3.3 NATIONAL RURAL EMPLOYMENT PROGRAMME (NREP)**

During the Fifth Five Year Plan period, seasonal unemployment and underemployment became a major problem in the country. It necessitated the introduction of a multi pronged strategy to generate resource of the vulnerable section of the society in one hand, and on the other, provides supplementary employment opportunities to rural masses, particularly during lean periods and contributes directly to the creation of durable community assets. In this regard, effort was made to tackle these problems through the Food for Work Programme; but the programme failed to achieve the targets. Accordingly, this programme was restructured and renamed as National Rural Employment Programme (NREP), which came in to effect from October, 1980. The NREP included all those programmes which were directed to provide supplementary employment to the people in rural areas during the lean periods.

National Rural Unemployment Programme (NREP) was a centrally sponsored scheme with 50:50 sharing basis between the Centre and the States. The 50 per cent central assistance was provided in the form of food grains and cash assistance as well. This programme was conceived as a wage employment programme.

## **Objectives :**

The main objectives of NREP were :

- a) Generating additional gainful employment opportunities to the extent of 300-400 million mandays per year for the unemployed and under employed persons in the rural areas.
- b) To create durable community assets for strengthening rural economic and social infrastructure which included drinking water wells, community irrigation wells, minor irrigation works, village tanks, rural roads, schools, panchayat houses etc.
- c) Bringing improvement in the overall quality of life in rural areas and to improve the nutritional standards of the rural poor through supply of food grains as a part of wage.

Thus the principal objective of NREP was to make provision of wage employment for the rural poor and thereby reducing the level of poverty. The programme was implemented by the District Rural Development Agency (DRDA) at the district level. All types of works which result in creating durable community assets were allowed to be taken up under NREP. However, the works which benefited the

individuals of Scheduled Castes and Scheduled Tribes were also permitted to undertake under NREP. The work projects were prepared in the Gram Sabha meetings on the basis of the need of the society. On the basis of the work projects of the gram sabha, annual action plan for each year was prepared by DRDA subject to the availability of funds. It was decided that at the district level, 50 per cent of the expenditure under NREP would be incurred on wage component. Out of the total allocation, 25 per cent be incurred on social forestry and 10 per cent was earmarked for works directly benefitting the Scheduled Caste and Scheduled Tribes.

During the Sixth Plan period, a sum of Rs. 1834 crores were spent in this programme in both Central and States share, which created 17,751 lakh mandays work to the rural poor. Employment generated for SCs and STs during the period was around 45 per cent of the total employment generation. The assets created to strengthen the rural infrastructure included covering of 4.69 lakh hectares of land under social forestry, 4.80 lakh hectares under irrigation and group housing wells, 54,000 village tanks, 61,000 drinking water wells ponds, construction of 2.23 lakh schools/balwari centres and 4.45 lakh km. of rural roads were constructed and improved. The area brought under minor irrigation was 9.32 lakh hectares besides reclamation of soil conservation of 5.14 lakh hectares of land. The programme had also a substantial impact on

stabilising wages in the rural areas, containing prices of foodgrains and raising the standard of living of the rural population.

In the Seventh Five Year Plan, the priorities were given to food, work and productivity. An outlay of Rs. 2487.47 crore including states share of Rs. 1236.66 crore had been provided for the Seventh Plan period. It was envisaged to generate about 2900 lakh mandays per annum. During the first three years of the Seventh Plan, an investment of Rs. 2035 crores had been made in generating 108.15 crore mandays of employment. However, for effective implementation of the programme, NREP was merged with Jawahar Rozgar Yojana (JRY) in 1989.

### **3.4 INTEGRATED RURAL DEVELOPMENT PROGRAMME (IRDP)**

The concept of an Integrated Programme of Rural Development based on the local needs, resources, endowments and potentialities was initiated in 1976-77, in 20 selected districts. It was observed that the various sectoral development programmes and agencies could not make far flung effect on rural poverty, and thus the results achieved from these programmes were not satisfactory. Therefore, the Sixth Plan proposed to merge multiplicity of programmes such as Employment Guarantee Scheme, Small

Farmers' Development Agency (SFDA), Marginal Farmers' and Agricultural Labourers' Development Agency (MFAL), Drought Prone Areas Programme (DPAP), Command Area Development Programme (CADP), Desert Development Programme (DDP) and Hill Area Development Programme (HADP) etc. for their smooth implementation. Moreover, due to territorial overlap of these programmes, it became essential to integrate these programmes for effective monitoring and accounting.

Accordingly, the Integrated Rural Development Programme (IRDP) was launched in 1978 covering 2300 blocks in the country with the objectives of removal of poverty, generation of employment and above all to achieve a desired growth in the rural economy. This programme was initiated as multi-pronged attack on the problem of rural development and was designed as an antipoverty programme. IRDP was a credit cum subsidy programme under which productive assets and inputs were provided to the rural poor to generate additional income. IRDP was a centrally sponsored programme and the outlay was matched on equal basis by the states and the centre. It was implemented by District Rural Development Agency (DRDA) at the district level.

**Objectives:**

The main objectives of IRDP were :

- i) Creation of self employment avenues by providing productive assets so that income can be generated and level of poverty can be reduced.
- ii) Raising of the production and productivity in agriculture and allied sectors.
- iii) Development of resource and income of the vulnerable sections of the population in all the blocks of the country.
- iv) Creation of new productive assets for improving the lot of the rural poor people by creating scientific environment and changing the mind and old habits of thought and action.
- v) Improvement of the productivity of land by providing access to inputs like water, improved seeds and fertilizers to those categories of the rural poor, who have cultivated land.
- vi) Diversification of agriculture through animal husbandry, dairying, forestry, fishery, sericulture etc. and benefiting both the landless labourers as well as land holders.
- vii) Improvement of processing and manufacturing activities based on local resources for maintaining the minimum standards of performance of public agencies.
- viii) Setting up of agro industrial complexes so that unemployed or underemployed persons may get jobs in activities other than agriculture.



- ix) Improvement of post harvest technology so that both producers and consumers get more benefit from production.

Thus IRDP was a new approach which aimed at integrating field programmes and reflecting the economic activity of the rural poor families whose employment and further development was the basic objective of the programme. This was possible by developing the primary, secondary and tertiary sectors. In the primary sectors, programmes for agriculture, animal husbandry, fisheries and forestry development would be indentified. In the secondary sector, programmes for village and cottage industries, skill formation and supporting services would be developed. Tertiary sector would be developed by creating facilities for organised marketing, processing and allied activities so as to absorb increasing number of rural people.

With a view to diversifying the occupational structure, it had been stipulated that 33 per cent of the beneficiary coverage should, as far as possible, be in the secondary and tertiary sectors. The assets provided to selected households were financed through a mix of Government subsidies and institutional credit on an average subsidy credit ratio of 1:2. The capital cost of the assets was to be subsidised to the extent of 25 per cent for small farmers, 33 per cent

for marginal farmers, agricultural labourers and rural artisans and 50 per cent for the scheduled tribes. Under IRDP, a family could receive upto Rs. 3,000 by way of subsidy. In drought prone areas, the limit of subsidy ceiling was Rs. 4000 while for SC/ST beneficiaries it was Rs. 5000.

However, the IRDP was not able to achieve its desired targets for which it was launched. Accordingly, the programme has been restructured and renamed as Swarnajayanti Gram Swarozgar Yojana (SGSY) in 1999.

### **Sub-schemes of IRDP:**

In the recent past, two special sub-schemes of IRDP were also introduced. These were: (i) Training of Rural Youth for Self-Employment (TRYSEM) (ii) Development of Women and Children in Rural Areas (DWCRA)

#### **3.4.1 Training of Rural Youth for Self Employment (TRYSEM)**

The skill endorsement aspect of IRDP was covered under the programme of Training of Rural Youth for Self-Employment which was introduced on 15th August, 1979. The main objective behind the introduction of TRYSEM was to provide training to the rural youths of

the target group of families for acquiring skill so as to enable them to take up self employment activities. It has been laid down in this programme that the coverage of youth from SC/ST communities should be at least 50 per cent of the beneficiaries. Out of the total beneficiaries, at least 40 per cent should be women. With the motto of greater involvement of unemployed rural youths in the production sectors as well as creation of an entrepreneurial environment in the rural areas, TRYSEM aimed at providing technical and entrepreneurial training to the rural youths of the poor families of the age group of 18-35. The criteria adopted for selecting the beneficiaries was that only those unemployed rural youths were considered eligible who passed HSLC and above, and age was not above 35 years. After providing training, they were considered eligible for getting bank loan to take up entrepreneurial activity, and a subsidy of Rs. 6250 was provided by the Govt. under the programme. Under TRYSEM, during 1992-93 and 1998-99, the total number of rural youths trained was 0.28 million and 0.17 million respectively as against the target of 0.30 million and 0.29 million during the same period. Since 1991-92, TRYSEM was separated from IRDP and accordingly fund was provided separately for both the programmes. But, both the programmes were merged with SGSY in 1999.

### **3.4.2. Development of Women and Children in Rural Areas**

#### **(DWCRA):**

In the mid part of the implementation of IRDP, the planners had realized that the benefits of IRDP was not reached to the women of the society as it was expected. Because, women have some unique problems in taking up of self-employment activities. Besides, women are being illiterate and lack of entrepreneurial capabilities which required to organize them into group to overcome the above problems of the poor women and children in rural areas so that they may perform better. Accordingly, a programme known as Development of Women and Children in Rural Areas (DWCRA) was introduced in 50 districts of the country on a pilot basis in the year 1983. In 1990-91, its coverage was extended to all the districts in the country.

The programme of Development of Women and Children in Rural Areas (DWCRA) aimed to improve the socio-economic status of the poor women in the rural areas through formation of group of women for income generating activities on a self-sustaining basis. Under this programme, group activity was preferred rather than the individual activity; and necessary training and support was provided to the poor women of the rural areas so as to enable them to take up some income generating activities. In 1992-93 about 9000

groups were formed under DWCRA which went up to about 50,000 during 1998-99. But due to restructure of the poverty alleviation programmes, DWCRA was also merged with SGSY in 1999.

### **3.5. RURAL LANDLESS EMPLOYMENT GUARANTEE PROGRAMME (RLEGP)**

Rural Landless Employment Gurantee Programme (RLEGP) was launched on 15th August, 1983, to generate additional employment in rural areas particularly for the rural landless workers.

The programme had three basic objectives :

- i) Improvement and expansion employment opportunities particularly for the rural landless.
- ii) Creation of productive and durable assets for strengthening rural infrastructure which would lead to rapid growth of rural economy and steady rise in the employment opportunities for the rural poor.
- iii) Improvement of the overall quality of life in rural areas.

Under this programme, the guarantee part has not been operationalised due to lack of funds. In this programme again, preference in employment was given to landless labourers, women, Scheduled Castes and Scheduled Tribes. RLEGP was totally funded

by the Central Government. The State Governments were required to prepare specific work projects for their implementation through various developmental agencies. While allocating resources to the States and Union Territories, 50 per cent weightage had been given on the number of agricultural labourers, marginal farmers and marginal workers, and the remaining 50 per cent weightage to the incidence of poverty. The programme also envisaged that wage component of a project should not be less than 50 per cent of the total expenditure on the programme and 10 per cent of the total allocation should be earmarked exclusively for SC and STs.

During 1988-89, a new scheme known as "Million Wells Scheme" as a sub-scheme of RLEGP was launched for construction of open irrigation wells for small and marginal farmers belonging to Scheduled Castes and Scheduled Tribes, who were below the poverty line. Later on, in April, 1989, the RLEGP was merged with single rural employment programme- Jawahar Rozgar Yojana (JRY).

### **3.6. Jawahar Rozgar Yojana (JRY)**

As a wage employment programme JRY was first introduced on 1st April, 1989 by merging two on-going rural employment programmes viz. NREP and RLEGP. During the Eighth Five Year Plan, this was the single largest rural employment programme in the

country in terms of financial involvement. The primary objective of the programme was to generate additional gainful employment for the unemployed and underemployed persons both men and women in rural areas.

**The other objectives of the programme were :**

- i) Creation of sustained employment by strengthening rural economic infrastructure.
- ii) Creation of community and social assets.
- iii) Creation of assets in favour of the rural poor, particularly the Scheduled Castes and Scheduled Tribes for their direct and continuing benefits.
- iv) Improvement in the overall quality of life in the rural areas.

The target group of the programme was the people living below the poverty line. Preference was given to the SCs, STs and erstwhile bonded labourers. It was found that 30 per cent of the employment opportunities created under JRY were reserved for women. In respect of the implementation of the programme, District Rural Development Agency (DRDA) / Zila Parishad (ZP) was mainly

responsible at the district level for the entire works relating to co-ordination, review, supervision and monitoring of the programme. At the village level, the gram panchayat was solely responsible for planning and execution of the yojana. There was a provision for the appointment of committee for each village by the gram panchayat under its jurisdiction to supervise and monitor the implementation of the works under the programme.

JRY was a centrally sponsored programme and the expenditure was shared between the centre and the states on 80:20 basis. Based on the incidence of poverty, the central assistance was allocated to the states and Union Territories. At the district level, the allocation of fund was made on the basis of equal weightage to the proportion of rural SC/ST population in a district to total SC/ST population in the state and inverse of per capita production of the agricultural workers in that district.

Out of the total fund received by the district, atleast 80 per cent was distributed to the village panchayats in the district. The balance of 20 per cent was set aside to utilise at the district level for inter-block/village works. The funds were to be allocated to the village panchayats by giving 60 per cent weightage to the SC /ST population and 40 per cent to the total population of the panchayats. Central assistance to the States/ UTs was provided in instalments as prescribed from time to time.



## **Achievements and Evaluation:**

During the period 1989-90 and 1990-91, the total employment generated under JRY were 864 and 875 million mandays respectively. In 1992-93, the achievement was 782 million mandays as against the target of 776 million mandays of employment and in 1999-2000, the achievement was 194 million mandays as against of 375.2 million mandays of employment generated during 1998-1999. The budget of 1999-2000, provided an allocation of Rs. 1,665 crores and the employment generation had been targeted at 396 million mandays. The total mandays of employment generated under JRY during 1999-2000 (up to Feb.2000) was to the extent of 194.5 million mandays. Again in respect of JRY, total number of mandays of employment generated during the Eighth Plan was 4,037.4 million as against the target of 4,040.8 million. With the objective of providing more job opportunities to the rural poor and to make the programme more effective, JRY was restructured in 1999 and it was renamed as Jawahar Gram Samridhi Yojana (JGSY).

## **Sub-schemes of JRY:**

Indira Awas Yojana (IAY) and Million Wells Scheme (MWS) were the two important sub-schemes of JRY since its inception. Ten

per cent of the total resources under the JRY were earmarked for the IAY and 30 per cent for the MWS. The funds meant for the IAY and MWS were operated at the district level by the DRDAs/ZPs.

### **3.6.1 Indira Awas Yojana (IAY):**

The Indira Awas Yojana was first launched during 1985-86 as a sub-scheme of RLEGP. From 1989-90, the scheme was continued under JRY. The main objective of IAY is to provide dwelling units to the members of SCs/STs and erstwhile bonded labourers living below the poverty line in rural areas. From the year 1993-94, its scope has been extended to cover non SC/ST rural poor, subject to the condition that the expenditure on such people should not exceed four per cent of the total allocation under JRY. Ten (10) per cent of the total JRY funds were earmarked for the implementation of IAY. The permissible construction assistance per house under IAY which was fixed at Rs. 14,000 had been enhanced to Rs. 20,000 with effect from 1st August 1996 in view of the rise in the cost of building materials. At present, the amount of permissible assistance has been further raised to Rs. 38,500 due to the same reason. The houses should have a kitchen, smokeless chullah and the sanitary latrine units.

### **3.6.2 Million Wells Scheme (MWS)**

The Million Wells Scheme was launched as a sub-scheme of NREP/RLEGP in 1988-89. This scheme was also continued as a sub-scheme of JRY with effect from 1st April, 1989. The main objective of the scheme was to provide open irrigation wells free of cost to poor, small and marginal farmers belonging to the SCs/STs and erstwhile bonded labourers. Thirty (30) per cent of the JRY funds were earmarked for the implementation of MWS. From the year 1993-94, the scheme had also been extended to non- SC/ST categories subject to the condition that not more than one third of MWS allocation might be spent for such people.

IAY and MWS were continued as sub-schemes of JRY up to 31<sup>st</sup> December, 1995. However, from 1st January, 1996, these schemes were separated from JRY and continued as independent programmes.

### **3.7. EMPLOYMENT ASSURANCE SCHEME (EAS)**

Employment Assurance Scheme (EAS) was introduced in 1993-94 keeping in view the objectives of poverty eradication and reduction of social imbalance. The scheme aimed at providing 100 days of wage employment to two adult members of a poor family in

2001, and it was integrated with Sampoorna Grameen Rozgar Yojana (SGRY) in September, 2001.

### **3.8 NATIONAL SOCIAL ASSISTANCE PROGRAMME**

#### **(NSAP):**

On 15th August, 1995, a social welfare programme, namely, National Social Assistance Programme (NSAP) was announced with the objective of providing financial support to the poor families in some specific cases. This multi-dimensional NSAP for the poor encompasses old age pension, family benefit in case of death of the bread earner and maternity benefit. The NSAP was a centrally sponsored programme with 100 per cent central funding and it was intended to ensure that social protection to the beneficiaries throughout the country is uniformly available without interruption. The NSAP was consisted of three components :

a) **National Old Age Pension Scheme (NOAPS)**- Under this programme, a pension of Rs. 75 was provided per month to destitutes and above 65 years of age.

b) **National Family Benefit Scheme (NFBS)**- Under this programme, Rs 5000 in case of death due to natural causes and

social insurance in the rural poor with the active involvement of the Panchayats and to partly alleviate the distress caused by the death of the bread-earner among the rural poor. The scheme was being administered by the Life Insurance Corporation (LIC) of India and implemented by the panchayats in the rural areas for the age group of 20-60 years. Under this scheme, a life cover of Rs. 5000 was provided to the rural people for an annual premium of Rs.60 to Rs.70 depending upon the age of entry in the scheme. As on December 31, 1995, the scheme had been implemented in 12 states and Union Territories, and 50,312 persons under 897 panchayats had been covered under the same.

### **3.10 SWARNA JAYANTI SHAHARI ROZGAR YOJANA (SJSRY)**

The Swarna Jayanti Shahari Rozgar Yojana (SJSRY) was introduced in the country from 1st December, 1997, amalgamating the earlier urban poverty alleviation programmes viz. Nehru Rozgar Yojana (NRY), Urban Basic Service Programme (UBSP), and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP). The scheme aimed at providing gainful employment to the unemployed or underemployed poor by encouraging them for the setting up of self-employment ventures or provision of wage

employment. It was a centrally sponsored programme and was funded by the Centre and the States on 75:25 basis. It comprised two special schemes: Urban Self Employment Programme (USEP) and the Urban Wage Employment Programme (UWEP). The scheme laid a special impetus in empowering and uplifting the poor women and launched a special programme, namely, Development of Women and Children in Urban Areas, under which, groups of urban poor women setting up self employment ventures were considered eligible for subsidy up to 50 per cent of the project cost.

During the year 1997-98, a sum of Rs. 98.63 crores was released to the States and Union Territories under SJSRY. A sum of Rs. 189 crores had been provided in 1998-99, out of which Rs. 64.59 crores had been released in 12 states till 30th November, 1998.

Regarding the achievements of SJSRY, it was found that total number of beneficiaries and persons trained under USEP was 0.08 million and 0.11 million respectively in 2001-02 as compared to that of 0.04 million and 0.05 million respectively in 1998-99. Again total mandays of employment generated under UWEP was to the extent of 3.62 million in 2001-02 which was 6.60 million in 1998-99.

The basic objective of SGSY is to bring the existing poor families above the poverty line by providing them income generating assets through a mix of bank credit cum Government subsidy and to ensure that the assisted family has a monthly need income of at least Rs. 2000. Subsidy under SGSY is uniform at 30 per cent of the project cost subject to a maximum of Rs. 7500. In respect of SCs and STs, it is 50 per cent subject to a maximum of Rs. 10,000. For groups, the subsidy is 50 percent subject to a ceiling of Rs. 1.25 lakh. There is no monetary limit on subsidy for irrigation projects. The SGSY is funded by the Centre and the States in the ratio of 75:25 basis.

### **3.12 JAWAHAR GRAM SAMRIDHI YOJANA (JGSY):**

In April, 1999, Jawahar Rozgar Yojana (JRY) was restructured and renamed as Jawahar Gram Samridhi Yojana (JGSY). The JGSY was basically a wage employment programme launched with the objective of providing job opportunities to the rural poor so that they can maintain the minimum standard of living. The primary objective of JGSY was creation of demand driven village infrastructure including durable community assets at the village level to enable the rural poor to increase the job opportunities for

sustained employment. Another objective of JGSY was generation of supplementary employment opportunities for the unemployed poor in the rural areas.

It was a centrally sponsored scheme on a cost sharing ratio of 75:25 between the Centre and the States. Under this programme, the wage employment was provided to those families who were living below the poverty line. While there was no sectoral earmarking of resources under JGSY, 22.5 per cent of the annual allocation was to be spent on beneficiary schemes for Scheduled Castes and Scheduled Tribes; and 3 per cent of annual allocation was to be utilised for creation of barrier free infrastructure for the disabled persons. Under this programme, during 2000-01, with a central allocation of Rs. 1,650 crores, 88.5 million mandays of employment were generated. The JGSY was in existence only during the 9<sup>th</sup> Plan period, and in the year 2002, it was merged with SGRY.

### **3.13 SAMPOORNA GRAMEEN ROZGAR YOJANA (SGRY):**

Sampoorna Grameen Rozgar Yojana (SGRY) was launched in September, 2001, with the objective of providing wage employment in rural areas for providing food security along with the creation of



durable community, social and economic assets in the rural areas. The programme is being implemented as a centrally sponsored programme on a cost sharing ratio of 75:25 between the Centre and the States. From 1st April , 2002, two on going rural employment programmes- Employment Assurance Scheme (EAS) and Jawahar Gram Samridhi Yojana (JGSY) were merged with SGRY for effective implementation of the programme.

Regarding the achievement of SGRY, it was found that in 2003-04, total employment generated under SGRY-I and SGRY-II were 372.83 million and 391.65 million respectively. On the otherhand, in 2004-05, under SGRY, 82.23 crore mandays were generated which came down to 48.75 crores during 2005-06.

### **3.14 FOOD FOR WORK PROGRAMME**

Food for Work Programme was initially launched only for five months with effect from February, 2001, and later on, it was further extended. The programme aimed at augmenting food security through wage employment in the drought affected rural areas in eight states, i, e., Gujarat, Chatishgarh, Himachal Pradesh, Madhya Pradesh, Maharastra, Orissa, Rajasthan and Uttaranchal. Under this

programmes, the Centre provided required quantity of food grains at free of cost to each of the drought affected states as an additional assistance. Under this programme, the State Govts. could make the payment to the workers partly in kind (upto 5 kgs. of foodgrains per manday) and partly in cash so that they were assured of getting the notified Minimum Wages. The programme was further extended upto March, 31, 2002 to cover all 'natural calamity affected districts'.

### **3.15 ANNAPURNA**

The Annapurna programme was introduced on 1st April, 2000, as a 100 per cent centrally sponsored programme. The main objective of this programme was to provide food security to meet the requirements of those senior citizens who though eligible for pensions under the National Old Age Pension Scheme, are not getting the same. Under Annapurna scheme, foodgrains are provided to the beneficiaries at subsidised rates of Rs. 2 per kg of wheat, and Rs. 3 per kg of rice. The scheme is functioning in 25 States and 5 Union Territories. Under this scheme more than 6.08 lakh families had been identified and benefited till the year 2006.

### **3.16 NATIONAL FOOD FOR WORK PROGRAMME**

With the objective of generating additional supplementary wage employment with food security in the rural areas, in November, 2004, the Government of India introduced an another new programme known as National Food For Work Programme (NFFWP). Initially the programme was implemented in 150 most backward districts of the country. The foodgrains received from the Centre by the States under NFFWP at free of cost. The focus area indentified by this programme was mostly related to work relating to water conservation, drought proofing (including afforestation and tree plantation), land development, flood control/ protection (including drainage in water logged areas) and rural connectivity in terms of all-weather roads.

During the period 2004-05, with the allocation of Rs. 2,020 crore and 20 lakh tonnes of food grains, 7.85 crore mandays of employment were generated. An amount of Rs. 219 crores and food grains of 11.58 lakh metric tones had been released in 2005-06, and about 17.03 lakh mandays were generated.

### 3.17 FOOD SUBSIDY PROGRAMMES

With the objective of providing essential food items to the poor in the country, the Government has been introducing many food subsidy programmes to meet the required minimum calorie intake by the poor families. One important subsidy programme adopted by the Government of India is the Public Distribution System. The main objective of this programme is to distribute certain necessary items of daily consumption level of the rural poor through fair price shops. Rice, wheat, cereal, sugar and kerosene are the main items that are supplied to the poor through these shops at subsidized price. Under this system the Government procures rice, wheat etc. through some Government agencies like the Food Corporation of India and distributes these through the fair price shops.

PDS has been implemented as a socio economic policy with the following objectives:

- (i) To provide food grains and other essential goods to the weaker section of the society at a reasonable price so that they can maintain the required minimum nutritional standard.

- (ii) To have a moderating influence on the open market prices of cereals.
- (iii) To attempt socialisation in the matter of distribution of essential commodities.

Several State Governments have established Civil Supplies or Essential Commodities Corporations to buy such items directly and made the arrangement for distribution at lower rate than the market price. It is to be noted that the Government has been providing 35kgs of rice per month to each BPL family at Rs. 3 under Antudaya Scheme and 32.946 kgs of rice at Rs.7 to those BPL families who are not getting rice at subsidized rates under Antudaya Scheme. In addition to these, 2 kgs. of wheat is provided to each family in a month at Rs. 8.00 per kg. and kerosene per litre at Rs. 12 to the weaker section of the society through the fair price shops.

During the last decades, the system has been reviewed for several times and necessary amendments are supplemented. Accordingly, in 1997, it has been amended and renamed as the Targeted Public Distribution System (TPDS). At present, the policy has been framed in such a way that it reaches the needy people only.

### 3.18 NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME (NREGS)

In order to reduce the level of poverty by providing job opportunities to the rural poor, the National Rural Employment Guarantee Scheme (NREGS) was introduced in 2005 under National Rural Employment Guarantee Act, 2005, which provides 100 days of guaranteed employment opportunities in a financial year to any rural household whose adult members are willing to do unskilled manual work. The Act was initially implemented in 200 selected districts in India, and later on, it was extended to all the districts of the country. NREGA is an important step towards the realisation of the right to work. It is also expected to enhance people's livelihoods on a sustainable basis by developing the economic and social infrastructure in rural areas. The choice of works seeks to address the causes of chronic poverty such as drought, deforestation and soil erosion.

#### **Objectives of NREGS :**

The basic objective of the NREGS is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult

members are willing to do unskilled manual work. This work guarantee can also serve some other objectives like generation of productive assets, protecting the environment, empowering rural women, reducing rural urban migration and fostering social equity.

### **Permissible Works :**

The main intention of the NREGS is to provide a basic employment guarantee in the rural areas and simultaneously development of rural infrastructure by creation of durable community assets. The kinds of works that may be taken up under Rural Employment Guarantee Scheme are water conservation and water harvesting, drought proofing including afforestation and tree plantation, irrigation canals including micro and minor irrigation works, provision of irrigation facility to land owned by households belonging to the SC/ST or to land of the beneficiaries of land reforms and under the Indira Awas Yojana, renovation of traditional water bodies including de-silting of tanks, land development, flood control and protection works including drainage in waterlogged areas, rural connectivity to provide all weather access etc. The Act authorizes the Gram Sabha to recommend the works to be taken up under NREGS.

### **Implementing Agencies:**

At least 50 per cent of the works in terms of costs are allotted to the Gram Panchayat (G.P.) for execution. The Programme Officer or the District Programme Co-ordinator may allot more works to the GPs if found to be feasible.

The other implementing agencies of the scheme are District Panchayats, line departments of Government, public sector of the Central and State Governments, Co-operative Societies with a majority shareholding by the Central and State Govts. , and reputed NGOs having a good track record of performance. Self-Help Groups may also be considered as possible implementing agency of NREGS.

Every person working under the scheme shall be entitled to wages at the minimum wage rate fixed by the State Government or the competent authority for agricultural labourers under the Minimum Wages Act, 1948. Earlier under NREGS, the per day wage was fixed at Rs. 80.00, which is recently raised to Rs. 100.00 per day.

It is however mention worthy that if a worker who has applied for work under NREGS is not provided employment within 15 days



from the date on which work is requested, an unemployment allowance shall be payable by the State Govt. at the rate prescribed in the Act. Equal wages are paid to both men and women workers. The wages may be paid on a daily basis or weekly basis.

As a centrally sponsored scheme, the scheme is implemented on a cost sharing basis between the Centre and the States as determined by the Act. Recently, on 2nd October, 2009, the Central Government renamed the name of NREGS as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Till March, 2008, NREGS was operative in 330 districts in the country, and from April, 2008, the scheme has been extended to all the remaining 274 districts in the country.

Regarding the achievement of the programme, it is found that during 2007-08, more than 3 crore households were provided employment opportunities in 330 districts in the country under the same, out of which, 57 per cent were SC/STs and 42 per cent were women. In the year 2007-08, 15 lakh work programmes were taken up, of which 63 per cent were water related, and 15 per cent were for improving farmlands.