

Impact of Velugu Project on Rural Poverty: A Study in Adilabad District, Andhra Pradesh

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By

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Abbreviations

ADP	Area Development Programmes
ANM	Auxiliary Nurse Midwives
APDPIP	Andhra Pradesh District Poverty Initiative Project
APERP	Andhra Pradesh Economic Restructuring Project
AP GENCO	Andhra Pradesh Generation Corporation
APM	Assistant Project Managers
APRLP	Andhra Pradesh Rural Livelihoods Project
APRPRP	Andhra Pradesh Rural Poverty Reduction Project
AP TRANSCO	Andhra Pradesh Transportation Corporation
AAY	Antyodaya Anna Yojana
APRPRP	Andhra Pradesh Rural Poverty Reduction Project
APSWERIES	Andhra Pradesh Social Welfare Residential Educational Institutions Society
AWW	Anganwadi Workers
BJP	Bharathiya Janatha Party
BCU	Bulk Cooling Units
BPL	Below Poverty Line
CC	Community coordinators
CBOs	Community Based organizations
CDP	Community Development Programme
CEO	Chief Executive Officer
CESS	Center for Economic and Social Science
CFM	Community Forest Management
CIF	Community Investment Fund
CIG	Community Interest Groups
CMEY	Chief Minister Employment Yojana
CPI	Communist Party of India
CPM	Communist Party of India (Marxist)
CPRC	Chronic Poverty Research Centre
CSR	Corporate Social Responsibility
DDP	Desert Development Programme
DFID	Department of Fund for International Development
DLCC	District Level Coordination Committees
DPAP	Drought Prone Area Programmes
DPMU	District Project Management Units

DRDA	District Rural Development Agency
DWACRA	Development of Women and Children in Rural Areas
EAS	Employment Assurance Scheme
FWP	Food for Work Programme
GB	General Body
GDP	Gross Domestic Product
GKY	Ganga Kalyan Yojana
GOI	Government of India
HADP	Hilly Area Development Programmes
HIPC	Highly Indebted Poor Countries
IADP	Intensive Agricultural District Programme
IAY	Indira Awas Yojana
ICDS	Integrated Child Development Service
IDRC	International Development Research Centre of Canada
IFPRI	International Food Policy Research Institute
IKP	Indira Kranthi Patham
IMF	International Monetary Fund
INCP	Indian National Congress Party
IRDP	Integrated Rural Development Programme,
ISLs	Individual Sanitary Latrines
IT	Information Technology
IWDP	Integrated Wastelands Development Programme
JGSY	Jawahar Gram Samridhhi Yojana
JRY	Jawahar Rozgar Yojana
LIC	Life Insurance Corporation of India
MACS	Mutually Aided Cooperative Societies
MBK	Mandal Book Keepers
MCH	Mother and Child Health
MCSC	Mandal Community Support Cell
M&E	Monitoring & Evaluation
MFALA	Marginal Farmers and Agricultural Laborers Agency
MFI	Microfinance Institutions
MLA	Member of Legislative Assembly
MNC	Multi National Corporations
MNP	Minimum Needs Programme
MP	Member of Parliament
MPDO	Mandal Parishad Development Office

MPP	Mandal Praja Parishads
MRO	Mandal Revenue Office
MS	Mandal Samakhya
MVTC	Mandal Vocational Training Centres
MWS	Million Wells Scheme
NABARD	National Bank for Agricultural Rural Development
NCAER	National Council for Applied Economic Research
NES	National Extension Service
NFBS	National Family Benefit Scheme
NGO	Non Governmental Organizations
NMBS	National Maternity Benefit Scheme
NOAPS	National Old Age Pension Scheme
NREGP	National Rural Employment Programme
NREP	National Rural Employment Programme
NSAP	National Social Assistance Programme
NSS	National Sample Survey
NTFP	Non-Timber Forest Produce
NWDPPRA	National Watershed Development Projects for Rain fed Areas
OBCs	Other Backward Classes
PDS	Public Distribution System
PHC	Primary Health Centers
PIP	Participatory Identification of poor
PMGSK	Pradhan Manthri Gram Sadak Yojana
PMGY	Pradhan Mantri Gramodaya Yojana
PMGSY	Pradhan Mantri Gram Sadak Yojana
PMEGP	Prime Minister's Employment Generation Programme
PPP	Public Private Partnership
PRI	Panchayati Raj Institutions
PUCL	People's Union of Civil Liberties
PWDs	People with disabilities
RCH	Reproductive Child Health
RCL	Rice Credit Line
RLEGP	Rural Landless Employment Guarantee Programme
RPD	Regional Project Directors
SAARC	South Asian Association of Regional Cooperation
SADP	Special Area Development Programmes

SAPAP	South Asia Poverty Alleviation Project
SC	Scheduled Castes
SERP	Society for Elimination of Rural Poverty
SFDA	Small Farmers Development Agency
SGRY	Sampoorna Grameena Rojgar Yojana
SGSY	Swarnajayanthi Grameen Swarojgar Yojana
SHG	Self Help Groups
SITRA	Supply of Improved Tool Kits to Rural Artisans
SPD	State Project Director
SPMU	State Project Management Unit
SRM	Social Risk Management
SSP	Social Security Programmes
ST	Scheduled Tribes
TADP	Tribal Area Development Programmes
TDP	Telugu Desam Party
TRS	Telangana Rashtra Samiti
TRYSEM	Training of Rural Youth for Self Employment Programme
TPMU	Tribal Project Management Unit
UNDP	United Nation Development Program
UTs	Union Territories
VOs	Village Organisations
VSS	Vana Samrakshana Samitis
WB	World Bank
WDP	Watershed Development Programme
WHO	World Health Organization
WTO	World Trade Organization
WUA	Water User's Associations
ZS	Zilla Samakhyas

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Dedicated

To

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Despite they are hardcore illiterates but made me as highly literate.....;

Chapter-1

Introduction

Anti-poverty Programmes have been a dominant feature of the government initiatives in the rural areas. Government states that the programmes have been reviewed and strengthened in the successive years in order to sharpen their focus on reduction of rural poverty. In India, poverty is mainly a rural problem. According to the latest report of the Planning Commission (2007), at the beginning of the new millennium, 260 million people in the country did not have income to access a consumption basket that defines the poverty line. Of these, seventy five per cent were in the rural areas¹. Such a high incidence of poverty is a matter of concern, in view of the fact that poverty eradication has been one of the major objectives of the development planning process. Indeed, poverty is a global issue. Its eradication is considered integral to humanity's quest for sustainable development. Reduction of poverty in India is, therefore, vital for the attainment of international goals². For more than 15 percent of the rural people, poverty is a chronic condition. Agriculture wage labourers, small and marginal farmers and casual workers engaged in non-agricultural activities constitutes the bulk of the rural poor.

This chapter delineates the basic knowledge in understanding poverty and the different dimensions in measuring rural poverty based on academic as well as policy studies in contemporary social research. Research methodology including research questions and objectives for primary understanding of this research work would also be detailed. An attempt would also be made to measure to rural poverty. Governments' policies and contemporary academic research is used to measure the extent of rural poverty. Contemporary discourses on various facets of poverty would also be focused.

Thus, the present study would focus on the impact of *Velugu*³ as a rural poverty reduction strategy in the state of Andhra Pradesh, India. This is administered by the Society for

¹ . Government of India, Planning Commission's Tenth Five Year Plan (2002-2007) Document, Poverty Alleviation in Rural India- Strategy and Programmes, p.293.

² .Ibid.

³ . It is a Telugu word and literally means 'light'.

Elimination of Rural Poverty (SERP) under the Andhra Pradesh District Poverty Initiative Project (APDPIP). With the objective of reducing rural poverty, states like Andhra Pradesh, Uttar Pradesh, Karnataka and Maharashtra have begun new initiatives which are funded by World Bank. With development commitment, the Government of Andhra Pradesh envisaged in Vision 2020 policy document that poverty reduction is also one of its important goals. The project design was drawn from several on-going and completed World Bank financed projects in India like the Uttar Pradesh (UP) Sodic Lands Project, Integrated Watershed Development Project (Karnataka) and UP Rural Water Supply and Sanitation Projects and the AP Forestry Project and the UNDP assisted (give the full form of the project) (SAPAP) programme in Andhra Pradesh.

Conceptual understanding of rural poverty is essential for any systematic research. The literature on poverty related studies, discussions of poverty and measurement of poverty should rightly attract a great deal of attention and debate in this context⁴. Measurement of the extent of poverty, trends over time and the role of economic policy and development strategy in reducing poverty have been at the centre of policy debate in India for many years. And the debate on issues in poverty has been greatly discussed by academic and policy circles.

The causes, nature and eradication of poverty in India have been subjects of long debate in academic research and policy making. Even, during the pre-independence period, the main concern on the research was in relation to poverty in India. After decolonization, the instruments of policy became national and the debate shifted to address poverty within India. This process of enquiry into the conditions of poverty has influenced the government policy for reduction of poverty and inequality. Poverty reduction is a prominent objective of social and economic development in the Indian constitution also, which finds expression in plans, policy statements and programmes.

Public policies have emerged as very important phenomena in contemporary power politics. As a welfare state, India has initiated an extensive programmes related to poverty reduction since its independence. Many of these programmes have been in

⁴ . Angus Deaton and Valerie Kozel (ed), 2005, "The Great India Poverty Debate", p.3.

operation for over 55 years. In spite of this, poverty continues to exist. A major chunk of the rural people is struggling with extreme poverty conditions. The problem of poverty is complex in India and rural poverty is more complex and multi dimensional. In this context, the Scheduled Castes and the Scheduled Tribes form the bulk of the poor population and within a family, the women are more vulnerable⁵.

Rural poverty alleviation programmes of India are envisaged with specific goals. Faster rate of economic growth and social justice, creating more employment opportunities for the ever growing surplus rural labourers, accelerating the rate of rural industrialization and agricultural development are among these. Further, developing rural infrastructure, reducing rural-urban disparities, providing opportunities for the socially disadvantaged sections (which are poverty stricken) like Scheduled Caste and Scheduled Tribes and women are the goals. The primary task of nation's policy on rural poverty as a strategy is to eradicate poverty of about 70 % of the rural population through providing adequate facilities such as safe drinking water, clothing, housing, health care, education, sanitation, transport, communication by creating of employment opportunities.

The Government of India, soon after independence, launched the Community Development Programme (1952) to rejuvenate economic and social life in rural areas. The emphasis was on infrastructural development in rural areas.

Targeted programmes of the rural poor such as Land Reform, Panchayati Raj Institutions, Public Distribution System (PDS), Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self Employment Programme (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Wage Employment Programme (Jawahar Rozgar Yojana), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Draught Prone Area, Minimum Needs Programme (MNP) and Employment Guarantee Scheme are some of the major programmes aimed at eradication of rural poverty. Even after the implementation of a

⁵ . K.C. Pant, 2003, India's Development Scenario, Next Decade and Beyond, New Delhi, Academic Foundation, p.33.

number of rural poverty alleviation programmes, still a major section of the society is in poverty conditions.

Understanding the Concept of Rural Poverty

The concept of poverty is central to the politics and policy makers all over the world. Especially, in the developing countries like India, China and Pakistan the concept dominates and sometimes determines the capturing of the political power. As an academic study, it is focal point to many social sciences like Politics, Public Administration, Sociology, Economics and Anthropology. A good deal of literature exposes on the issues of poverty in recent years. The earliest studies were made by Dadabhai Naoroji, Bardhan, Minhas, Ohja, Dandekar and Rath, Vaidyanathan. These studies, by and large, define poverty line as the cut-off level of annual income of the households having annual income lower than the cut off level of income are raised to be poor⁶. According to Dandekar and Rath (1971) the unviable and unprofitable farms with little capacity for capital accumulation have been responsible for rural poverty in India. Most recently, Amartya Sen and Jean Dreze (2001) contributed the most important literature to understand the poverty.

The concept of rural poverty was first used in India by the policy makers. Lawania (1992) says that it is a process of planning and implementation of rural development programmes through an appropriate strategy to achieve the targeted goals. It connotes a strategy for bringing about improvements in the economic and social life of the rural poor who seek a livelihood in rural areas⁷.

According to Bala Subramanian (2007), “poverty is the greatest curse on humanity and starvation is the most exasperation. A poor person does not live a wretched life, but is unable to enjoy the barest necessities of life as one is merely degraded. The population in the upper strata of the pyramid consists of the elites from industry, business, bureaucrats, and executives who have easy access to the resources, money and power. The population in the middle strata of the pyramid consists of people engaged in organized sector, trade,

⁶ . Ibid, p.340.

⁷ . Vinod Kumar Lawania, 1992, Rural Development in India, New Delhi, Ashish Publishing, p.2.

commerce and self-employed. With their bargaining power they manage to have access to most of the resources. The population in the bottom of the pyramid consists of labour in the unorganized sector, small and marginal farmers, and agricultural labourers, under-employed and unemployed”⁸. The upper stratum has access to resources; the middle stratum has the bargaining power to get access and the bottom stratum has neither bargaining power nor access. The bottom strata thus suffer from poverty.

According to Amartya Sen (2001), the concept of poverty is concerned with the condition of the poor⁹ or is a matter of deprivation¹⁰. He also speaks of the existing approaches to the concept of poverty such as the ‘biological approach’, the ‘inequality approach’, the ‘relative deprivation and a value judgment’, a policy definition and standards and aggregation. There is also ‘the Entitlement Approach’ based on starvation and famines which concentrates on the ability in the society, including the use of production possibilities, trade opportunities, entitlements vis-à-vis the state, and other methods of acquiring food¹¹. The biological approach is originally quoted by Seebom Rowntree in his famous study of poverty in York¹². In this approach, poverty is defined as the ‘starvation’.¹³ In the approach of the inequality, the concept of poverty is explained in terms of income distribution or ‘transfer of income’.¹⁴ The concept of ‘relative deprivation’ has been used in the analysis of poverty especially in sociological literature.¹⁵ The ‘relative deprivation’ illustrates the poverty as ‘an objective sense to describe situations where people possess less of some desired attribute, be it income, favourable employment conditions or power, than do others’.¹⁶ Poverty is also termed as ‘value judgement’ while taking up in to consideration of ‘commodities’ and ‘necessities’ for the support of life.¹⁷ This work is also discussed on ‘a policy definition’ which is

⁸ . R. Balasubramanian, 2007, An Economic Analysis of Status of Poverty and Poverty Alleviation Programmes in India in K.K. Bagchi (Ed), Employment and Poverty Alleviation Programmes in India – An Appraisal, New Delhi, Abhijit Publication (Vol-I), p.338.

⁹ . Amartya Sen, 2001, Poverty and Famines, New Delhi, Oxford University Press. P.10.

¹⁰ . Ibid. p.22

¹¹ . Ibid, p.45. (see for full details in chapter 5 – The Entitlement Approach)

¹² . Ibid. p.11.

¹³ . Ibid. p.12.

¹⁴ . Ibid, p.14.

¹⁵ . Ibid, p.15.

¹⁶ . Ibid, p.16.

¹⁷ . Ibid. p.18.

based on the measurement of poverty¹⁸. Another concept of ‘standards and aggregation’ for understanding the poverty is also cited to discuss. The first one is to compare the extent of deprivation and second, is an exercise of identification of the poor can be based on a standard of minimum needs¹⁹.

A Report of the International Bank for Reconstruction and Development states poverty as a situation of “pronounced deprivation in well being” and being poor as “to be hungry, to lack shelter and clothing, to be sick and not cared for, to be illiterate and not schooled. Poor people are particularly vulnerable to adverse events outside their control. They are often treated badly by institutions of the state and society and excluded from voice and power in those institutions²⁰”. Using income as a measure of poverty, the World Development Report (2000-01: 3) refers to “deep poverty amid plenty” in the world and states that a fifth of the world’s people live on less than \$ 1 a day, and 44% of them are in South Asia. Asset-less-ness or Lack of access to resources is a unifying characteristic of poverty in all its manifestations. The poor are lack ownership of (or access to) assets such as land, water, forest, dwelling units, credit, literacy, longevity, voice and capital-both physical and social²¹.

Asian Development Bank’s Report (2001) states that South Asia is home to the largest number of poor in the world, and India accounts for the largest percentage of the region’s share. The long-term performance of the Indian economy with respect to poverty reduction has been mixed, with poverty actually increasing in the first two decades after India became independent in 1947. However, there has been a sustained reduction in poverty since the 1970s. Rural poverty declined from 55.7 percent in 1974 to 37.4 percent in 1991, while urban poverty fell from almost 48 percent to 33.2 percent during the same period. Estimated poverty rates increased after the macroeconomic crisis in 1991. Using official poverty lines of the Planning Commission, Deaton (2001) says that poverty in India declined from 36.2 percent in 1993-94 to 28.8 percent in 1999-2000. The

¹⁸ . Ibid, p.19.

¹⁹ . Ibid, and chapter 3 – Poverty: Identification and Aggregation, P.21.

²⁰ . IBRD, 2000-2001, p.15.

²¹ . Kapur, Aasha M. Amit Shah, 2001, Chronic Poverty in India: Overview Study, Chronic Poverty Research Center, Working Paper No.7, p.6.

actual status on poverty in India as of date is ambiguous, with considerable skepticism attached to official figures.

Social scientists explained poverty in physical and ecological terms. Robert Chambers (2000) has explained poverty in relation to basic human problems in rural areas, in terms of 'political economy cluster'²² and 'physical economy cluster'²³. The 'political economy cluster' perceives, poverty, primarily as a social phenomenon; the 'physical ecology cluster' understands it primarily as a physical phenomenon²⁴. In the political economy cluster, rural poverty is understood as a consequence of processes, which are concentrated on wealth and power. The local elites - landowners, merchants, money lenders, and bureaucrats - consolidate their power and wealth. Low prices for rural produce and the ability of the local elite to concentrate wealth in few hands, especially by buying land and appropriating common resources, combine with low wages keep the poor as they are or make them poorer²⁵.

Robert Chambers (2000) interpreted the views of political economists on rural poverty based on the technological intervention in rural development. For political economists, technology and commercialization play a part in these processes. Capital-intensive technology (combines harvesters, tractors, modern mills, large irrigation pumps, and so on) subsidized through aid, through an overvalued exchange rate, and through direct government support – is available to those who already command resources, credit and land. Commercialization brings with it urban products (bread, shoes, plastic goods, steel utensils, and furniture, iron frames for building, ornaments and so on) which displace rural products. Capital-intensive technology destroys the livelihoods of labourers, and commercialization supports those already resourceful and enables them to become wealthier, to buy more land, to appropriate more of a larger surplus, and to expand their trade²⁶.

²² . Political economists like Kurien and Physical ecologists like Kanwar and Myers.

²³ . Robert Chambers, 2000, Rural Development: Putting the last First, p.35.

²⁴ . Ibid. p.35.

²⁵ . Ibid., p.37.

²⁶ . Ibid., p.38.

In physical ecology terms, rural poverty is interpreted more in terms of physical, visible, technical, and statistical aspects. The two most commonly cited causes of poverty are population growth and pressures on resources and the environment and under the pressure of population small farms are subdivided on inheritance and children then would turn poorer than the parents were. Labour supply exceeds demand and the wages go down. Population growth and exploitation of natural resources combine in a vicious circle. The more people there are, the more they destroy the long-term potential of fragile environments, and the poorer this makes them and their descendants²⁷. Physical ecologists also see the physical characteristics of poor people as explanations of their condition. Diseases, malnutrition, unhygienic conditions, poor housing, lack of amenities are follow. These are proximate causes. Physical weakness interacts with other disadvantages to perpetuate poverty. Poor people are locked into a syndrome of physical deprivation. Poverty is also explained by climate. The correlation between mean monthly temperature and poverty becomes truly astonishing²⁸. In brief, Chambers describes poverty as 'lack of physical necessities, assets and income'.

Aasha Kapur Mehta and Amita Shah's (2001) work classified the poor into two sub groups - those who are poor over an extended duration or chronically poor and those who are transiently poor. The Chronic Poverty Research Centre (CPRC) at Manchester in United Kingdom tries to focus on the chronically poor segment of those who are deprived so as to draw attention to those who find it hardest to emerge from poverty. The Chronic Poverty Research Centre defines chronic poverty in terms of – severe poverty, extended duration poverty and multidimensional poverty. Severe poverty is viewed in three ways: i) those who are chronically or severely below the poverty line or with incomes that are 75% of the poverty line or less; and ii) those suffering hunger or not getting even two square meals a day as an extreme form of deprivation and iii) those who are unable to absorb the impact of shocks which can lead to extreme poverty, starvation and suicides follow.

²⁷ . Ibid., p.39.

²⁸ . Ibid,

S. Subramanian's (2001) focuses on mass poverty as a concept of poverty in India. According to him, mass poverty can be understood as a condition in which very large numbers and a sizable proportion of the population persistently suffer from the lack of adequate food and other basic needs of personal and social consumption²⁹. Further, he states that poverty is an interlocking condition of lack of assets, under-employment, low wages and incomes, proneness to disease, illiteracy, economic vulnerability, social disadvantage, and political powerlessness³⁰.

Eradication of rural poverty in India is matter of social justice. Social justice is featured as primary objective of the Indian Constitution³¹ and Five Year Plans of India. The First Five Year Plan (1951-56) recognized that "the urge to economic and social change under present conditions comes from the fact of poverty and of inequalities in income, wealth, and opportunity. The Fifth Five Year Plan had also mentioned that under-development and inequality in incomes and wealth are the twin causes of poverty in India³².

Planning Commission Document in the Ninth Five Year Plan emphasizes that the main determinants of poverty are lack of income and purchasing power, lack of productive employment and considerable underemployment and not lack of employment per se; rather a continuous increase in the price of food, especially food grains which accounted for 70-80 per cent of the consumption basket; and inadequacy of social infrastructure, affecting the quality of life of the people and their employability.

Poverty is generally defined as the inability to secure a minimal level of economic welfare³³. Explaining the difference between rural and urban poverty, Kapur and other point out that rural poverty can be associated with isolation, lack of roads, poor infrastructure and limited institutional presence while urban poverty associated with poor quality of housing, over crowded and unsanitary slum settlements, ill-health related to

²⁹ . S. Subramanian, 2001, p.19.

³⁰ .Ibid., p.20.

³¹ . Subramanian, 2001, S. (ed), India's Development Experience, New Delhi, Oxford University Press, p.16.

³² . Navin Chandra Joshi, 1980, Indian Rural Economy, New Delhi, A young Asia Publications, p.121.

³³ . M.H. Suryanarayana, 1996, Poverty Estimates and Indicators – Importance of Data Base, Economic and Political Weekly, Special Number, September, p.2487.

spread of communicable diseases, the threat of exposure to environmental hazards and fear of eviction from illegal squatter settlements in precarious locations³⁴.

The World Bank is the largest single provider of loans for eradication of rural poverty. The Bank's revised rural strategy focuses on improving the well-being of rural people and reducing rural poverty in the widest possible sense. Accordingly, the World Bank's vision for the developing rural world is as follows: (a) rural people have to enjoy the standard of living, (b) rural community needs to get equal economic opportunities irrespective of status, gender, or ethnicity, (c) rural communities become vibrant, sustainable and attractive places to live and work, (d) rural areas have to adopt an on-going economic, social, cultural, environmental and technological change³⁵.

The World Bank's (2003) Country Study refers to the wide disparity in poverty across Indian states and their uneven progress in poverty reduction and points out that in most instances, better off states remain relatively affluent and reduced poverty; while poorer states remained poor and made less progress in poverty reduction. It notes that there are also cases where poorer states made major progress in poverty reduction and growth. For instance, Kerala's rural poverty declined at 2.4 per cent per annum between the early 1970s and early 1990s. However, some states like West Bengal, Andhra Pradesh, Orissa and Gujarat and Tamilnadu maintained poor performance in reducing poverty³⁶.

Ahluwalia opines that India's achievements in reducing poverty at national level during the period 1956-2000 have been significant. To him, trends in poverty reveal two distinct periods. The first period shows the years from the beginning of planning to the mid 1970s. This period was characterized by wide, year to year, variations without significant trend. In this phase large proportions of the population remained below the poverty line. The rural poor, who are accounted for 3/4 to fourth of the country's poor, had increased in number from 182 million in 1956-57 to 261 million in 1973-74. There was substantial increase in the poverty ratio in the drought years of 1965-66 and 1966-67. The percentage

³⁴. Kapur, Aasha M. Amit Shah, 2003, Chronic Poverty in India: Overview Study, Chronic Poverty Research Center, Working Paper No.7, p.14.

³⁵ The World Bank, 2003, Reaching the Rural Poor- A Renewed Strategy for Rural Development, p.17.

³⁶. IBRD Report, 2000.

of rural population living in poverty rose from 47 per cent in the preceeding year to 56 per cent in the drought years and the absolute number increased by 34 million. Agricultural wages and food price inflation were found to be the major factors underlying the variations in the percentage of rural poverty³⁷. Even then, the results achieved are worth noting. In terms of percentage, rural poverty has reduced from 56.44% of the country's population in 1973-74 to 37.27% in 1993-94. However, the cause of concern is that the estimated number of the rural poor is still about 244 million which has led to further review and restructuring of the anti-poverty Programmes.

Ahluwalia further notes that in the second distinct phase, of the last quarter of 20th century, during which period the country achieved substantial reduction in incidence of poverty, people living in poor conditions declined from a half to one fourth of population. Poverty level was lower in 1987-88, a year of draught, compared to the previous year of draught i.e., 1983. This is attributed to poverty alleviation programmes like Food for Work, Integrated Rural Development Programme (IRDP), and National Rural Employment Guarantee Programme (NREGP) and so on. In the second phase poverty increased during the early years of the 1990s and witnessed substantial decline in the later years, i.e., 1999-2000 and 2000-01.

According to Press Information Bureau, Government of India, poverty estimates for 1999-2000, almost half of India's poor and one third of India's population is concentrated in the three states of Uttar Pradesh (then including Uttaranchal), Bihar (then including Jharkand) and Madhya Pradesh (then including Chhatisgarh). The exact estimates are 48 per cent of India's poor and 35.6 per cent of India's population are in the above states. While every state has its own reasons for success or failure in poverty reduction, it is postulated that "higher growth rates in agricultural output per capita, lower rates inflation

³⁷ . Ahluwalia, Montek S., 1978, Rural Poverty and Agricultural Performance in India', Journal of Development Studies, 14 April, pp.298-323 in Radhakrishna, R. Shovan Ray (ed),

and higher growth in state development expenditure et al led to higher rates of poor in both raising average consumption and reducing absolute poverty³⁸.

It is argued in the World Bank's World Development Report 2000-2001, the goal of poverty eradication involves focusing on more than only income-poverty. It is clear that the latter remains an important dimension of an overall poverty alleviation strategy. There has been much controversial debate around the poverty estimates recently released by Government of India based on the most recent 55th round NSS Consumer Expenditure Survey in India.

A survey carried out by the National Council for Applied Economic Research (NCAER) along with the International Development Research Centre (IDRC) of Canada drew similar conclusions. Another study by the International Food Policy Research Institute (IFPRI) notes that while overall economic growth has been impressive since the start of reforms in the early 1990s, this has not had a positive impact on rural poverty. Most analysts attribute the failure to reduce rural poverty to declining public investment in agriculture, which provides a livelihood to 70% of Indians.

The Planning Commission has released the poverty estimates for 2004-05 based on the 61 round consumer expenditure survey of the National Sample Survey (NSS). It is noted that incidence of poverty is 28.3 per cent. The measurement of the survey is based on the headcount ratio. During 2004-05, poverty has declined by only 0.8 per cent per annum over this period. The incidence of poverty has declined since the mid-1990s, but the rate of poverty reduction has slowed down in this period, which has also been the period of reform and higher GDP growth³⁹.

The removal of poverty and raising the standards of living of the masses has been one of the main objectives of nation's successive five year plans. In the fifth Five Year Plan, the word poverty was specially introduced and also 'removal of poverty and attainment of

³⁸ . Datt and Ravillion, 2005, Farm Productivity and Rural Poverty in India, The Journal of Development Studies, Vol. 34, No.4, April 1998. Quoted by Radhakrishna, R. Shovan Ray (ed).

³⁹ . EPW Editorial, 2007, On the New Poverty Estimates, Economic and Political Weekly, March 31, p.1067.

economic self-reliance⁴⁰ was specifically stated as one of the two basic objectives of the five year plans. In fact, in a developing economy and, more so, in a welfare state like ours poverty eradication programme must be central to the plan objectives⁴¹.

So far, the nation's planned economy executed more than 80 welfare programmes of rural development, beginning with the community development programmes in 1952. Rural development has been important foci of government policies. The constant effort of the government has begun to develop the rural area where the majority of the population lives, but the pace of development has been very slow. Still many people are below the poverty line and out of these; 323 millions are in the rural areas.

As regards to the scenario of poverty among SCs and STs, these communities constitute about 25 per cent of the total rural population. But, both SCs and STs comprise more than 42 per cent of the poor compared to the other sections of the society⁴². This disparity has prompted a series of affirmative action intervention in favour of SCs and STs. Within the households; women are significantly more disadvantaged than men.

It is also observed in existing literature on rural poverty that the rural poor consists of agricultural labourers, small and marginal farmers (possessing small land holdings with low productivity) and casual workers engaged in non-agricultural activities. These are all also considered for causes of poverty among households dependent on land-based activities for their livelihood. Poor educational base and lack of other vocational skills also perpetuate poverty. The existence of poverty has to be decided on two bases – quality and quantity. It is not the quantity of intake only that should be the measuring stick. The food values which include nutritional value has to be examined whether a family is poor or not poor. A poor family used to be defined as one without sustainable livelihood, purchasing capacity to meet the basic needs relating to food shelter,

⁴⁰ . Singh, 2007, Poverty Alleviation Programmes in Operation-An Assessment, in K.K. Bagchi (Ed), Employment and Poverty Alleviation Programmes in India – An Appraisal, New Delhi, Abhijit Publication (Vol-I), p.338. p.9.

⁴¹ .Queted in V.S. Singh,

⁴² . Rao, Gopinath, P. (2006). Rural Development – Sustainable Livelihood and Security, Authors Press. p.130.

education, clothing and housing conditions and one and as one without psychological security. Physical and psychological insecurities are closely related.

Poverty in Andhra Pradesh

The Government of Andhra Pradesh has been giving much importance to the reduction of poverty in the state since the formation of the state in 1956. The Government of India has focused on welfare of the people. A recent report produced by the Rural Poverty Reduction Task Force of Andhra Pradesh has made an important contribution to understanding of the multiple dimensions of rural poverty in Andhra Pradesh and to the options and constraints that outline policy aimed at poverty reduction⁴³.

The revised poverty lines suggested, by the 55 round NSS Consumer Expenditure Survey, that AP is much less of an outlier with regards to its neighbours in two important respects -- i.e. -- i) the cost of reaching a minimum standard of living is now only slightly lower in AP than in Tamil Nadu, Karnataka or Kerala, and is now very close to the All-India average; and ii) the cost of living in urban AP relative to rural areas, while still higher, is now much less markedly so – the rural-urban price differential represented by these poverty lines is on the order of about 15%, compared to more than 70% implied by the official poverty lines (not clear to me). This revised rural-urban price differential is now also much closer to that observed in neighbouring states.

In the period leading up to the 1993-94 NSS survey, official Expert-Group estimates as well as estimates presented by Deaton and Tarozzi (2001) suggest that poverty declined at roughly the same rate in AP as across India as a whole. Based on the Expert-Group poverty lines, national level incidence of poverty in India fell from around 40 per cent in 1987-88 to 36 per cent in 1993-94, while the corresponding decline in Andhra Pradesh was from about 25 per cent to 22 per cent respectively. However, the pace of poverty

⁴³ . Government of Andhra Pradesh Strategy Paper, 2000.

reduction in the state may have slowed down somewhat compared to the rest of the country⁴⁴.

There is a controversy regarding the poverty ratios of Andhra Pradesh. The official estimates for rural poverty have been much lower than those of alternative estimates made by independent researchers. The alternative estimates show that the poverty ratios in A.P. were closer to the all India pattern i.e. 26 per cent in the rural areas and 12 per cent in the urban areas (Deaton, 2000 & 2001; Deaton and Dreze, 2002). The very low level of official rural poverty ratios in A.P. were due to its base year poverty line in 1973-74 being the lowest among all the major states in India.

Poverty and Caste

As regards caste and poverty in the Indian context, the Scheduled Caste and Scheduled Tribes, with exception, constitute the most affected population in respect of social, economic and political alienation. Hence removal of alienating gap is very much essential for social justice and just living. It suggests mobility in social and economic life. It expresses concern for the common man, for the poorest of the poor, those who suffered for centuries and have borne silently the brunt of social economic exploitation”⁴⁵. Socio-economic development of the backward communities such as Scheduled Castes and Scheduled Tribes has been considered to be an important issue by government and other public bodies both at the centre and the states.

The Department of Rural Development published the Rural Household Centered Strategy Paper in the year 2008. This paper explains the poverty in terms of deprivation like inadequate resources/ assets/ capital required for a minimum living / livelihood; lack of

⁴⁴ .Datt, G., Kozel, V. and Ravallion, M. (2003) ‘A Model-Based Assessment of India’s Progress in Reducing Poverty in the 1990s’ Economic and Political Weekly, January 25, 2003.

⁴⁵ . Quoted in Tamta, Bindeshwar Pathak (ed), 1997, Social Justice and Development of Weaker Sections, Inter India Publications, New Delhi. From B.R. “A Silver Lining among Dark Clouds”, Kurukshetra, Vol. XXXIX, No.1, October 1990. p.183.

access to skill development, education, and health and other facilities/ amenities⁴⁶. The publication also revealed that the marginal farmers, landless labourers and casual worker households are the worst sufferers of these deprivations. Even within the category of the poor, Scheduled Castes, Scheduled Tribes, woman-headed households, the elderly and female children are the worst affected⁴⁷. It is beyond doubt proved that there is strong relation between the poverty and caste.

India has implemented many developmental policies for the eradication of rural poverty with special focus on development of SCs and STs. Generally, welfare has been assessed in terms of one's income and command over other material resources. Accordingly, the term development was understood in the limited perspective of economic growth as measured by Gross Domestic Product (GDP)⁴⁸.

Economic growth and development have often led to widening of disparities even in income. The current measurements included social status along with income and material wealth in rural areas to substantiate the measurement of poverty incidence. This argument was also supported by National Sample Survey of 50th (1993-94) and 55th (1999-2000) Round Consumer Expenditure Surveys that social and economic backwardness from their perpetual habitation in geographically isolated areas with difficult terrain and from practicing cultivation. Lack of exposure to education and isolation from the mainstream society made the SCs and STs vulnerable to exploitation of communities with social and economic backwardness.

In Andhra Pradesh, there is sizeable population of Scheduled Castes and Scheduled Tribes. According to 2001 census, the total population of the state is 76,210,007. Of this, 12,339,496 (16.2 per cent) are Scheduled Castes (SCs). The SC population constitutes 7.4 per cent of the country's SC population. Of the total, 5,024,104 (6.6 per cent) are

⁴⁶ . Department of Rural Development, Poverty Eradication in India by 2015 - Rural Household Centered Strategy Paper Ministry of Rural Development Government of India, 15th November, 2008, P.2.

⁴⁷ . Ibid.

⁴⁸ .Chakraborty, G. 1999, SCs and STs in Rural Andhra Pradesh: Their Education, Health Status and Income, Journal of Rural Development, Vol.18(2), NIRD, Hyderabad, p.187.

Scheduled Tribes (STs). The ST population constitutes 6 per cent of the country's ST population. The Scheduled Castes population according to 1991 census is 105.29 lakhs constituting 15.93% and the Scheduled Tribes population is 41.99 lakhs constituting 6.31%. While Scheduled Castes population is distributed through out the State, the Scheduled Tribe population is concentrated in the hilly and forest areas of Srikakulam, Vizianagaram, Visakhapatnam, East Godavari, West Godavari, Khammam, Warangal and Adilabad districts and Nallamala forests. Especially, SCs and STs being most vulnerable to poverty have been identified by mainstream academics and policy makers because about one-fourth of the population in Andhra Pradesh belongs to Scheduled Castes and Tribes whose average standard of living was considerably below the rest of the population. Mean per capita consumption of the SC/ST population in Andhra Pradesh (1993-94) was less than three-fourths that of the non-SC/ST population. Similarly, closer examination of the distribution of assets such as education, landholding, etc. also reveals them to be skewed against this particular group. For example, in rural areas per capita landholdings amongst SC/ST households was about half that of the non-SC/ST population (0.12 hectares per person vs. 0.22 hectares per person)⁴⁹.

According to the 55th (1999-2000) NSS Survey, Scheduled Castes and Scheduled Tribes comprise 20.43 percent and 10.47 percent respectively of India's population, yet about 37.84 per cent of India's rural poor are concentrated by these two social groups. Poverty rates among Scheduled Caste and Tribe households are significantly higher than the rest of the population - in this survey. The proportion of SCs and STs households below the poverty line were 27.10 and 17.41 per cent respectively, as compared to a poverty rate of 55.49 per cent for other households.

The studies in poverty estimation by different scholars revealed that the official estimation is highly differed from the other independent research measurements. The criticism raised against the official estimation is that policies are made based on the official poverty data which are far distant from ground realities. Moreover, Government of India's high profile policy making institution i.e. Planning Commission is also encouraging official estimations, however, these all are myths rather realities. There is a

⁴⁹ . Sundaram, K. and Tendulkar, D. (2003). P.

need to revise the standards of the poverty measurement formulas and unification; also need to follow the measuring of poverty status to root out the poverty conditions. One of the major tasks in eradication of rural poverty is to reduce the gap in poverty ratios between Scheduled Castes and Tribes and the non-Scheduled caste groups.

Poverty Status in Adilabad District

The district is dominated with the population of SCs and STs, 4.61 lakhs and 4.16 lakhs constituting 18.5 cent and 16.7 per cent of total population respectively, as per the 2001 census⁵⁰. Among the Scheduled Tribes, still some of tribes are living in the forests (*Gond & Kolam*). They are mostly dependent on the forests for their livelihoods. The non-timber forest produces (NTFP) like honey, gum, leaves etc. are collected from the forest by these tribes and sold to the middlemen at a lower rate through barter system. Even, the district has rich natural resources like water, cultivable and fertile lands, due to lack of knowledge and bad practices, the tribes are unable to utilize these resources properly.

The district is backward in terms of percentage of households having access to basic services like drinking water, healthcare, housing and infrastructure when compared to India's average. The district shows the highest incidence of child labour of which the majority of the children hail from the rural areas which in turn is attributing to the poverty and low incomes of the rural households. The district is declared as one of the educationally and socially backward one in the State.

Recently, the Centre for Economic and Social Sciences (CESS) and Society for Elimination of Rural Poverty (SERP) conducted a combined study on actual poverty status in the state of Andhra Pradesh. The study is calculated based on food consumption in the state⁵¹. According to the survey of CESS and SERP, the district of Adilabad is positioned at the first place with 78.4 per cent in the list of poverty stricken districts in Andhra Pradesh. Even the district is given first preference to implement all

⁵⁰ . Directorate of Economics and Statistics, Glimpses of the District – Adilabad, 2005, Government of Andhra Pradesh, p.3.

⁵¹ . Andhra Jyothi, “Karma Bhumi Manadhi”, dated: November 11, 2007.

developmental programmes, though it is far from achieving the total alleviation of poverty.

Even after a number of rural development schemes and programmes being implemented from time to time as measures to attack rural poverty the district is lagging behind in alleviating poverty. However, it was realized that these programmes could not deliver the desired results and suffered from a number of defects⁵². There is also evidence to the fact that the poverty has declined due to the target oriented Poverty Alleviation Programmes in the late 1980s, despite deceleration in agriculture growth (Parthasarathy, 1995; Kannan, 1995). On the other hand, there is an argument that an exclusive focus on poverty eradication programmes in the absence of good macro-economic policies resulting in sustained growth is likely to have short-lived success at best (UNDP, 1999). Hence, it is felt that the poverty alleviation programmes should contribute for economic growth (Rao, 1992). The deficiencies in the existing policies have resulted in the more focused research by academic and policy researches.

Review of Literature

Data and analysis are essential for assessment of socio-economic and political realities. An extensive body of data, analysis, and debate is available on issues related to rural poverty, a field in which Indian academics have been particularly active⁵³. Rural Development and policy implementation as academic discipline has been studied by mainstream academicians, particularly those from the disciplines of economics and politics. Most of the studies point out the weaknesses such as inappropriateness in the policy-making and implementation are major problems in alleviating rural poverty. The following discussion would focus on examining two types of studies 1) studies on poverty alleviation programmes in India with special focus on Andhra Pradesh and 2) studies on politics and policies of governance.

52 .S. Mahendra Dev, P.Padmanabha Rao, Poverty alleviation programmes in Andhra Pradesh - an Assessment, Hyderabad, Centre for Economic and Social Studies, (2002), p.3.

53 .Subramanian .S (Ed) (2002), p.16.

I. Studies on Poverty Alleviation Programmes in India

India claims to have pursued a reformist path towards social justice under continued conditions of parliamentary democracy, a federal polity, and a mixed system comprising elements of public ownership and private enterprise in economic activity. Indian government has also stated from time to time that since independence, political leadership has shown remarkable resilience, stability, and continuity⁵⁴. These features have not been common in most developing countries, thus the Indian experience of developmental policies, especially welfare policies, is exceptional.

The Government of Andhra Pradesh has adopted a multi-fold strategy to eradicate multi-dimensional poverty. Along with economic growth, there is need for direct state intervention for poverty alleviation. Mahendra Dev and Padmanabha Rao's (2003) study on "Poverty Alleviation Programmes in Andhra Pradesh – An Assessment" attempted to evaluate both the central and state level programmes of poverty alleviation. Programmes like Integrated Rural Development Programme (IRDP), Swarnajayanthi Grameen Swarojgar Yojana (SGSY), Training for Rural Youth in Self Employment (TRYSEM), Jawahar Rojgar Yojana (JRY), Integrated Child Development Service (ICDS), Food and Nutritional Programme (FNP), Minimum Needs Programme (MNP), Social Security Schemes and Natural Resources Management, Watershed Development and Community Forest Management have been initiated. The Government of Andhra Pradesh has also initiated its own programmes for empowerment of poor people such as Janmabhumi, Adarana, Girl Child Protection, Roshini, Koti Varaalu, Free Power Scheme, Deepam, Velugu and Indira Kranthi Patham. The programmes of poverty alleviation are examined in terms of coverage, leakages and impact on beneficiaries and non beneficiaries along with perceptions of stakeholders. The details of these programmes would be given in the next chapter.

The study attempted to examine the planning and implementation, impact of socio-economic status of the beneficiaries in the state of Andhra Pradesh. An evaluation of the impact of anti-poverty programmes has been done at two levels viz; macro level and

⁵⁴ . Ibid, p.15.

micro level. Coverage of poor under different programmes has been assessed at the state level in the macro level evaluations. At the micro level, the issues taken for evaluation include retention of assets in case of self employment programmes (IRDP and DWCRA), participation in wage employment programmes (JRY) and coverage under Indira Awas Yozana, benefits flown from the assets in terms of income, employment and reduction in the deprivation of houseless; infrastructure development at the village level through JRY and the problems faced by the beneficiaries in obtaining the assets as well as maintaining the benefits. The study also focused on the indirect beneficiaries in terms of their empowerment through their participation in state promoted community based organizations⁵⁵.

The study also essayed the loopholes in selection of beneficiaries, up gradation of skills, financial assistance and lack of social infrastructure at grass root level. Involvement of grass root politics in functions and activities of poverty alleviation programmes are also touched. Moreover, the study has captured some of the ground realities of working of the programmes. It is found that “the decisions are imposed on them in the village meetings and they are forced to accept the scheme by the middle men/ sarpanch as they are not aware of these implementation modalities⁵⁶”.

A study on the impact assessment of wage employment programmes (JRY/EAS) in Andhra Pradesh was carried on by Mohanam. The aim of this study was to evaluate the impact of centrally sponsored wage employment programmes in terms of employment and income generation, creation of asset in selected regions in Andhra Pradesh. The study has also focused on caste based beneficiaries and it is revealed that the households of Scheduled Castes are benefited more than other castes. The scheme was recognized as the main source of income of house holds in the study area⁵⁷.

The above research has also raised some of the institutional hurdles such as lack of coordination between officials and non-officials and neglecting the local level institutions

⁵⁵ . Ibid, p.1.

⁵⁶ . Ibid,

⁵⁷ . Rajiv Theodore, 2007, Impact Assessment of Wage Employment programmes (JRY/EAS) in Andhra Pradesh, p.41.

like Panchayati Raj institutions and self-help groups in intervening development process. The study revealed that the programme of Employment Assurance Scheme also failed to develop community based assets, which needs to be given priority.

The Planning Commission's evaluation study on Anti-poverty Programmes in Uttar Pradesh⁵⁸ focused on the credit cum- subsidy based self-employment programmes, housing programmes, land distribution programmes and pension schemes for the old, the disabled and widows. According to the study, most of the rural poor have not been covered till date under any of the programmes. About 70 percent households in the lowest two quintiles in terms of per capita consumption had not received any coverage. On the other hand, a sizeable proportion of those who have received coverage are not poor. The self-employment programmes were the least well targeted. But in each case, a fairly large proportion of households covered were non-poor by any criterion.

The above study also found that the main problem is that from the limited funds available, any thing from a quarter to half or more than half of the funds were not spent on meeting either of the two main objectives and are 'leaked'. This leads to compromises in both the quality of public works and the employment created. On the whole, the impact on employment and wages was naturally much less than what would have been the case if funds had been well spent.

The above study has also noted that in the case of the housing programmes, the Indira Awaas Yojana dominates the phalanx of housing schemes and was the only one observed in the study villages. Although the programme was found to be reasonably well targeted among the SC/STs, by the income criteria, about 20 percent of the beneficiaries were ineligible. Under the Land Distribution programme, the problems of the programmes are that the land allotted was generally of poor quality and marginal government financial assistance was received in only 7.5 percent of the cases. The problems of Pension Schemes in this study are, according to field observations, lack of regularity and financial

⁵⁸ . Ravi S. Srivastava, Report of the Planning Commission Research Project on: Anti-poverty Programmes in Uttar Pradesh: An Evaluation, Institute of Human Development New Delhi, source: <http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN015022.pdf>, 12/2/2008.

resources are not available in the programmes to cover all the eligible beneficiaries which compound some of the above problems.

The study also focused on the functioning and the Role of the Panchayati Raj Institutions (PRIs) and the Development Bureaucracy. The democratic functioning of the PRIs, which is the fulcrum of their activity, is still quite weak in most of the study villages, although there are some variations from one panchayat to the other. In some of the study villages an initial list of beneficiaries was prepared in Grama Sabha meetings. In all other cases, lists were prepared by the Pradhan (president) and in almost all the study villages, the Pradhan, the village-level government functionaries and other bureaucrats, and various other middlemen were the ultimate arbiters of who the beneficiaries would be⁵⁹.

Venkatadri's (1998) study on "Income Generation Process in Dairy Scheme under IRDP" has attempted to understand income generation process in dairy scheme under Integrated Rural Development Programme. It was one of the major self employment programmes for poverty alleviation in India. It was operational till the end of March 1996. For the purpose of evaluation, the study selected the district of Ranga Reddy (Andhra Pradesh) for the field observations. According to the field level study, the impact of the programme in terms of production, consumption, and income and employment generation is far from satisfactory. In actual practice, milk production was two to three (2-3) litres per day as against the projected level of six to eight (6-8) litres for buffaloes and cows, respectively⁶⁰. The study also pointed out that the incentives for feed and fodder were not appropriate and financial assistance was inadequate. It essayed the need for adoption of technologies in the process of income and employment generations under the milk animal scheme of IRDP.

Galab and Chandra Sekhara Rao's (2003) work, on 'Women's Self-Help Groups, Poverty Alleviation and Empowerment' focused on SHGs and their impact on lives of rural women in the limelight of the government of Andhra Pradesh, has provided considerable space for women's Self-Help Groups (SHGs) for empowerment as a strategy of poverty

⁵⁹ . Ibid.

⁶⁰ . Venkatadri.S, 1998 "Income Generation Process in Dairy Scheme under IRDP, Journal of Rural Development, NIRD, Hyderabad, p.2.

alleviation. Mainly, the work is based on the promotion of women's groups under Development of Women and Children in Rural Areas (DWCRA) programme and adoption of the model of South Asia Poverty Alleviation Programme (SAPAP) with suitable improvements to develop and implement Andhra Pradesh District Poverty Initiatives Project (APDPIP) and the Andhra Pradesh Rural Poverty Reduction Project (APRPRP) stand as a testimony to this. The contribution of these groups, is reported to have spread in the length and breadth of the state, to poverty alleviation and women empowerment needs critical examination. But, the APDPIP and the APRPRP spread in the most backward mandals of the state are not amenable for assessment as they are still under implementation⁶¹.

The above study found some of the important changes in the lives of rural women through the SHGs movement. Women have improved access and /or control over power to survive, their labour/family, labour resources, freedom to move and interact, leadership positions, reproduction and body⁶². Moreover, highest achievements are made with respect to their mobility, breaking of gender decision of productive labour, access to their own savings, access to friendship out side their family and access to leadership positions in gram panchayat⁶³. The study also revealed that a considerable proportion of the poorest of the poor are not included at all in the process of poverty alleviation under the DWACRA and SAPAP models. According to this study, some of the poor are not taking loans from the SHGs with the apprehension that they may not be able to repay the loan⁶⁴. Moreover, most of the poor have failed to capture newly emerging livelihood opportunities, especially SCs and women headed families. For instance, the recent initiatives of the Government of Andhra Pradesh in the form of DWCRA bazaars and linking SHGs with the corporate sector to capture the non-local markets, besides local markets, are not adequate to absorb the products emanated as a result of widening the skill base of the poor⁶⁵.

⁶¹.S. Galab, N. Chandra Sekhara Rao, 2003, Women's Self-Help Groups, Poverty Alleviation and Empowerment, Economic and Political Weekly March 22-29, p. 1275.

⁶². Ibid, p.1281.

⁶³. Ibid,

⁶⁴. Ibid, p.1282.

⁶⁵. Ibid,

Tripathi, Mumthaz, Srivastava, Thyapilal, D.C. Reddy and Pradhan's (1985) study on 'IRDP in South India-An Evaluation, sponsored by the Department of Rural Development of the then Ministry of Agriculture and Rural Development (GOI) has come out with interesting findings with the focus on four states i.e. Andhra Pradesh, Tamil Nadu, Karnataka and Kerala. It is found that the programme introduced in selected blocks in 1978-79 and universalized from 2 October 1980 has provided assistance to rural poor in the form of subsidy and bank credit for productive employment opportunities through successive plan periods and the base year of evaluation of this study was taken in 1980-81.

Assessment of the effectiveness of the organizational arrangements at DRDA and block levels and the coordination between these two bodies on the one hand and other sectoral departments on the other for planning and implementation of the IRDP has also been one of the objectives of the study . Management of financial resources, role of financial institutions and their coordination with government organizations involved in the IRDP with relation to benefits of the selected respondents and the overall impact of the programme on the socio-economic conditions are assessed. Organizational aspects of the programme were found to be not proper. Organizational arrangements of DRDA and blocks, organizational set up and coordination with sectoral departments and block organizations, role of programme officials and role of financial institutions and functioning of PRIs is found to be near nil. The participation of PRIs is nil. Moreover, no specific role has been envisaged for these institutions in the IRDP except a corroborative role in the identification of beneficiaries through grama sabha and in some of the states, these institutions either do not exist or are defunct for many years.

In states like Andhra Pradesh and Kerala where these institutions are functioning, it is found that they have been associated with the IRDP particularly in the identification of beneficiaries and also in the credit camps. The study found some of the negative issues based on field observation that lack of arrangements affected the programme implementation in a variety of ways. The entire implementation of the schedule, as planned, got thwarted, it is noted.

In the matter of social impact, the above study's results indicated that there was an improvement in the standard of living, in terms of increase in food consumption, better clothing, better medical facilities, education of the children, acquisition of additional economic assets and social status. Even then, beneficiaries as well as non beneficiaries, have pinpointed certain lacunae in the programme which had reduced its impact. The major draw back, as identified by the field level study, was that the programme did not benefit all the rural poor⁶⁶.

Biradari's study on the performance of Sampoorna Grameen Rozgar Yozana in India attempted to examine the achievements of the SGSY across the states based on secondary data collected from the Annual Reports of Ministry of Rural Development of Government of India. The data has been collected in the terms availability and utilization of funds and man days of employment generated across social groups for the years 2001-02 and 2002-03. The data were collected for 16 major states⁶⁷. The study revealed that the overall performance of the previous wage employment programmes were not satisfactory. The total availability and utilization of the funds under the SGSY have come down in 2002-03 over 2001-02. A large segment of funds remained unutilized. A disquieting trend is that the total funds were made available under the programme to create man days of employment for the rural poor were not fully utilized. The main objective of the programme is to generate 100 crores of man days of employment every year is still remained far off to achieve⁶⁸. It is also found that the SCs are more benefitted from the programme than the STs who are in fact more likely to experience a greater incidence of poverty⁶⁹. Thus, this work highlighted the emerging issues and challenges in the context of employment assurance for rural poor.

⁶⁶ . R.N. Tripathi, Mumthaz Thaha, O.N. Srivastava, B.K.Thyapilal, D.C. Reddy and F.M. Pradhan (1985), IRDP in South India-An Evaluation, Hyderabad, National Institute of Rural Development, p.381.

⁶⁷ . Biradar,R.R. 'Performance of Sampoorna Grameen Rozgar Yozana in Rural India-Emerging Issues' in Rangachryulu (Ed), 'Guaranteed Employment for the Rural Poor (Vol-I), Hyderabad, NIRD, 2005, p.227.

⁶⁸ . Ibid, p. 240.

⁶⁹ . Ibid, p.240.

II. Studies on Politics and Policies of Governance for Poverty Alleviation

Successive governments in India have initiated a number of programmes to make the development process sustainable and prop-poor, yet to achieve more in poverty reduction strategies. The following discussion gives details of the impact of these programmes on alleviating poverty.

CH. Bala Ramulu's (2003) study on "Developmental Policies and Governance in India: From 1947 to 2003" highlighted several factors which have affected, collectively and severely, the policy formation, implementation and governance of policies in India. These include socio-economic and historical context; greater regional disparities; widening of the income across the castes and classes; rural unrest and mass movements; technological innovations; judicial intervention; Indian industrial/business houses; pressure groups like contractors, merchant organizations; Non Governmental Organizations's (NGOs); international organizations like World Bank, International Monetary Fund (IMF), Department of Fund for International Development (DFID), World Trade Organization (WTO) and World Health Organization (WHO); market economy intervention; MNC's; corporate sector; political parties and their personnel ends; general elections; threat to other power structures of ruling classes and others⁷⁰.

The above study reveals that the development policies are not formulated based on the ground realities and not aimed at fulfilling human needs for the present and future generations. It is noted that there is an inherent contradiction in our approach to development. But, the Indian society continues to be a feudal system where as people continue to desire to establish socialistic pattern of society. But the rulers adopt the capitalist path of society. These are all contradictory to each other⁷¹. Thus, the main objectives of developmental policies such as providing basic human needs and sustainable development have become distinct dream of the people, particularly of the poor.

⁷⁰ .CH. Bala Ramulu (2003), Developmental Policies and Governance in India: From 1947 to 2003, Indian Journal of Public Administration, Vol.L, No.1, January-March, p. 235.

⁷¹ . Ibid,

R. Radhakrishna and Shavon Ray focused on perspectives of poverty and policies and programmes to examine poverty as policy study. It covered wide ranging areas from income, poverty and human development to the basic causes and socio-economic strategies for poverty eradication in political economy settings. The work provided an account of the incidence trends and determinants of poverty in India and reviews the situation in the last decade of the 20th century with respect to the post reform period. The impact of poverty alleviation, importance of institutional intervention with relation to provide basic amenities, food security and employment security and credit programmes for rural areas have been assessed and trends in public expenditure on social and poverty reduction programmes have been identified. The relevant budgetary expenditures at the central and state levels can be broadly categorized into two parts: first, the social and economic expenditures which have the broader objective of expanding social opportunities and improving the social indicators of education, health, and nutritional standards of the population; and second, those expenditure programmes that directly target alleviation of poverty⁷². Most of the allotted expenditure is on salaries and less importance has been given to target oriented programmes and suggested that there is an obvious need for a better utilization of the allotted money⁷³. To substantiate this argument, it is reviewed at the mid-term approval of the Ninth Five Year Plan.

H.D. Dwarakanath opines that Rural Development has become an uphill task mainly because of the absence of a strong development administration, at the micro-level, and presence of an unfavourable power structure⁷⁴. The ineffective new government programmes for the rural poor is due to its centralized macro perspective. He again pointed out that the objectives of rural development are not very clear⁷⁵. Because the rural society is so complex and varied that it is impossible to implement centrally designed welfare schemes in all the villages ignoring their micro-variations.

⁷² . Ibid, p.89.

⁷³ . Ibid, p.102.

⁷⁴ . S H.D.Dwarakanath, 1995, Rural Development Policy and Programme Implementation: an Evaluation, p.452.

⁷⁵ . Ibid, p.453.

Dwarakanath further says that it has been the experience of five and half decades of planning in India under the bureaucratic influence without knowing the actual problems of rural people. It is observed that the scale of rural poverty is still large to be socially or politically acceptable. Focusing on the importance of human resources and agriculture, Dwarakanath says that no country can succeed in making real progress unless it first develops its human resources and agriculture. U.S.A., China, Japan, Vietnam, Korea and other European countries first developed their human resources on agriculture much before expanding industrial technology⁷⁶. But in India, these elements have been ignored by policy makers and programme implementation professionals.

Sarkar's study tries to find out the impact of feudal classes on rural development in making policies for eradication of poverty in rural areas. Poverty, inequality of income and unemployment has become so pervasive in rural areas that without a qualitative improvement of the majority of the rural people the objectives of national development are difficult to realize⁷⁷. In the process of achieving such objectives, state and machinery of programme implementation are facing stupendous problems from the social and political feudal forces from rural society. The nature of the state and the class structure are also identified as critical variables in analyzing the process of rural development. It is evident that the rural capitalist class, being economically dominant, accumulates political strength and makes the villagers act in favour of the former⁷⁸. The state depends upon these dominants for establishing support for social and political control in the country.

It has also been argued by Sarkar that the new technology and commercial strategy initiated by the state has powerful impacts on the socio-economic and political process of the rural society⁷⁹. While these constitute important sources of rural change, the implementations of the welfare and developmental programmes have certain societal and institutional constraints. Due to these reasons, efficient and ideologically committed bureaucracy is needed and expected to implement the programmes. A symbiotic relationship or corrupt nexus between local bureaucrats and rural elite is also observable,

⁷⁶ . H.D.Dwarakanath, 1995, p.453.

⁷⁷ . Abu Elias Sarkar, 1995, State, Class and Rural Development: Exploring Some Issues, p.457.

⁷⁸ .Ibid.

⁷⁹ . Ibid. p.463.

resulting in the misappropriation of public resources⁸⁰. It is evident from the available literature that the poor are treated as 'objects' rather than 'subjects' of development. (Hirsh, P. 1989).

Sethy's article is an attempt to analyze the issues in the context of decentralized multi-level planning and development. To him, even today, implementation of development programmes of the rural poor continues without even consulting the local people for whom those are intended. Moreover proper planning and effective control over execution of activities is also lacking in most of the programmes in India. To substantiate his argument, he had cited the report of Comptroller and Auditor General's statement in implementation of poverty alleviation programmes in different states. He would also argue that contractors/ middlemen have executed works under the Employment Assurance Scheme in Andhra Pradesh, Assam, Himachal Pradesh, Meghalaya, Pondicherry, Punjab, Orissa, Rajasthan, Sikkim, Karnataka, Maharashtra, West Bengal, Kerala, Haryana, Jammu & Kashmir, Tamilnadu, Madhya Pradesh and Uttar Pradesh⁸¹. It is also found that funds allocated for rural poverty alleviation hardly reach the vulnerable sections of the society.

Dr. Bhatt's article examines the problems of the Integrated Rural Development Programmes in implementation at field level. According to his study, the beneficiaries were not selected on the basis of the guidelines issued by the Department of Rural Development. The rural power structure, the exploitation of one class by another, the sectional politics and the value system of the rural society are also affecting the selection of the I.R.D.P beneficiaries⁸². It also found some other institutional problems such as the inadequacy of loans and lack of infrastructure to selected groups. Adequate arrangements for providing infrastructural support in terms of health care and marketing arrangements were neglected by the machinery of implementation. Lack of coordination between bureaucracy and rural people was another institutional problem explored by this study.

⁸⁰ . Ibid. p.465.

⁸¹ .Sitakanta Sethy, 2004, People's Participation in Decentralized Multilevel Planning and Development, p.54.

⁸² . Dr.G.D. Bhatt, 1970, Evaluation of the Integrated Rural Developmental Programme: A Study, p.37

It is noted in the above study that any programme for enlistment of rural poor requires coordination of actions by all those entrusted with the task. Coordination is still more necessary for the effective and successful implementation of the Integrated Rural Development Programme because it is a multi dimensional, multi-sectoral and multi-level effort. To substantiate his study, he had reviewed four important evaluation studies of the I.R.D.P with all India coverage - The Evaluation Organization of the Planning Commission, the study of the I.R.D.P by the National Bank for Agricultural Rural Development (NABARD) and the Economic Assessment of Poverty Eradication and Rural Unemployment Alleviation Programmes and their prospects by the Institute for Financial Management and Research. All these studies reveal that IRDP suffers from lack of conceptual clarity and lack of developmental attitude in the administrative machinery⁸³.

Rajiv Theodore explained the importance of planned economy in developing rural India in his paper on Rural Development. He pointed out that the strategy of rural development programmes has to be changed. The study also focused on people's participation along with local level institutions such as Panchayat Raj Institutions and self-help groups in developing rural areas. Developing village infrastructure such as roads and electricity, sanitation is inevitable for rural development. It emphasized that areas with poor infrastructure are those that reflect poor socio-economic indices⁸⁴.

Shahnaz Khan and Md. Asaduzzaman's study focused on the importance of people's participation in the process of rural development. People's participation integrates people's experiences, knowledge and commitment with the development process which leads the process towards effectiveness, maximizing its momentum. Philosophically, on the other hand, participation is necessary for upholding democratic values and practices in the modern polity which, in turn, creates an objective situation for the permanence of sustainable development⁸⁵.

⁸³ .Ibid, p.36.

⁸⁴ .Rajiv Theodore, 1994, Rural Development, p.32.

⁸⁵ . Shahnaz Khan and Md. Asaduzzaman, 1995, Politics of People's Participation: Focus on a Government Development Project, p.325.

The study found some of institutional constraints such as internal and external constraints. Internal constraints include lack of adequate degree of managerial ability and lack of skills. The above factors are influencing the poor, not in position to establish organizations of their own to promote development. This severely limits the emergence of the people's participation in the process of rural development. Constraints are inherent in the body of politics and the bureaucratic machinery. Bureaucrats believe that they alone have answers to all the problems of poor and that they are the only source of information. However, to be effective any programme implementation in rural areas requires that there be a sense of coordination between the administrators and the people. In order to reduce the chain of intermediaries between the government and the actual beneficiaries and to improve their bargaining power, poor should participate in the planning and implementation of anti-poverty programmes, the author suggest.

The study on "Women's Self Help Groups, Poverty Alleviation and Empowerment' examines the working of SHG's and their impact of lives of rural women. Here, it addresses the basic characteristics of women based group models of poverty alleviation and women empowerment that are being implemented in Andhra Pradesh. It also concentrated on explaining the different models of SHG's such as Community Development Foundation, South Asia Poverty Alleviation Programme (SAPAP) model and DWACRA model. The work has found that the women were empowered in terms of economical, political and social aspects through the self help movement in the state of Andhra Pradesh. The study highlighted the all round improvement of women in rural areas. Moreover, highest achievements are made with respect to their mobility, breaking of gender division of productive labour, access to their own savings, access to friendship outside their family and access to leadership positions in gram panchayat⁸⁶. It is also revealed that a considerable proportion of the poorest of the poor are not included at all in the process of poverty alleviation under the DWACRA and SAPAP models. On the other hand, there are indications that non-poor have entered the DWACRA and SAPAP groups.

⁸⁶ . Ibid,

It is pointed out that entry of non-poor it might have hindered the entry of the poorest of the poor⁸⁷.

The above studies more or less have dealt with the problems in programme implementation and the dynamics of rural development programmes such as dominant social classes and rural capitalist class and role in implementation process. Effective control over execution of rural development activities is also lacking and what ever funds allocated for rural people, hardly reaches the vulnerable sections of the society. Some of the institutional constraints such as wrong selection of beneficiary, inadequacy of loans, lack of coordination between bureaucracy and people, loopholes in implementation are weakening India's planned rural developmental strategy.

The other factors for poor performance of poverty reduction programmes include people's participation being low, irresponsiveness of administration, causes delay in the implementation process, lack of infrastructure facilities⁸⁸, lack of inter-sectoral linkages⁸⁹, lack of cooperation among aiding agencies⁹⁰ and wrong identification of beneficiaries⁹¹.

The unequal distributions of benefits of the growth oriented created programmes between the rich and poor and between prosperous and backward areas are officially acknowledged. The basic problem associated with the poverty reduction programmes is also due to wrong identification of beneficiaries and areas and lack of co-ordination

⁸⁷ . Ibid,

⁸⁸ . Mukul Sanwal., 1985, " Garibi Hatao : Improving Implementation", Economic and Political Weekly, vol.22, No.13, December.7, pp. 2176-2178

⁸⁹ . Government of India, Department of Rural Development, Ministry of Agriculture, Report of the committee of Review the existing Administrative arrangement for Rural Development and poverty Alleviation programmes, http://planningcommission.gov.in/reports/sereport/ser/wbm/wbm_ch5.pdf, access: 12/2/2007.

⁹⁰ .Krishna Raj., 1983, " Growth, Investment and Poverty in Sixth Plan", Economic and Political Weekly, vol.28, No.47, p-1976.

⁹¹ . Government of India, Annual Report, 1985'86, Department of Rural Development, Ministry of Agriculture, New Delhi.

among different administrative departments. Hence, the area and group specific programmes did not achieve desired ends.

Available literature suggests that the ongoing programmes did not contribute to significant improvement in the economic position of the rural people. The programmes of rural development only covered one or two aspects of rural people in selected areas. Thus, these implemented programmes provided only marginal impact on the rural life and could not lead to balanced and overall development of rural areas. This led to spatial and sectoral imbalances in the growth of rural economy. It is very clear that Government of India need to design a more effective programme to eradicate poverty in rural India. There are few studies that examined the relation between the poverty reduction policies and local political interventions as a process so that the contributing factors for poverty reduction can be identified.

Further, not many, studies undertaken by scholars dealt with relationship between local level politics, community based organizations and rural poverty in rural Andhra Pradesh. In this backdrop, it is proposed to assess the performance of *Velugu* project in the state of Andhra Pradesh. The study is a modest attempt discusses, mainly, the impact of *Velugu* project on the changing pattern of the life of rural people in the process of development.

Research Problem

The above reviewed literature made an important contribution towards understanding rural development and rural poverty. Yet certain questions remained unanswered. In the wake of these lacunae, an attempt is made to fill in these gaps. This research also recognizes the importance of understanding rural development programmes from the perspective of the grassroots. To understand the impact of on-going poverty alleviation programme popularly known as '*Velugu*', it is essential to undertake fieldwork. Nevertheless, the research addressed the following issues:

1. What are the developmental objectives of the ‘Velugu’ project taken up in Rural Andhra Pradesh?
2. What is the mode of people’s participation? Are rural people getting benefits from the project as has been framed in the programme objectives?
3. What are the parameters of changes in rural life, especially in selected field villages?

Scope of the Study

The basic purpose of the study, as mentioned, is to find out the impact of *Velugu* project of the government of Andhra Pradesh on the rural development. A detailed discussion of the *Velugu* project and its structure of implementation and planning strategy are proposed. It also discusses the achievements and failures of poverty reduction programme in selected rural area. The study not only focuses on the impact of the programme, but it also covers other aspects such as, organizational arrangements, conceptual framework of the programme, involvement of financial institutions, process of plan implementation and formulation, identification of the poor and selection of the schemes and other related aspects of the rural poor. Moreover, an attempt is made to understand the impact of this programme on development of rural social infrastructure and direct benefits of the target groups.

Area of the Study

The study has been conducted in the Adilabad district of Andhra Pradesh. The district is backwardness in educational, social and economic spheres. Lokeswaram, one of the mandals in the district, is selected because it is more backward than other Mandals. Lack of irrigation facilities, lack of natural resources, high level agricultural work, high prevalence of migration of labourers of the Mandal to gulf countries, low educational levels, higher percentage of SCs and STs have been the characteristics of the Mandal. Out of the 56 villages, four villages have been selected. These are Pipri, Gadchanda, Rajura and Nagar. From each village, 30 poor persons are identified with the help of *Velugu* project and the Grama Panchayat members. A total of 120 respondents have been

selected on random sampling basis. Again, the respondents were selected from SC and ST Communities in equal ratios (i.e., 60 from each community, including for case studies). And, 20 respondents are identified for case study from the main selected list of the research study.

Objectives of the Study

The main objective of the study is to assess the impact of *Velugu* project. The related objectives are:

1. To gain a deeper understanding of the problem of rural poverty,
2. To assess the effectiveness and the efficacy of the *Velugu* project,
3. To identify the nature of politics in the selection of beneficiaries,
4. To estimate the extent of direct benefits to the target groups and
5. To explore the problems and challenges.

Methodology

The present study is based on empirical method involving comprehensive field study. A detailed schedule consisting of closed and open ended questions is prepared and face to face interviews have been conducted with the respondents. Informal discussions have been held with the staff of *Velugu* project, officials, plotical leaders, and caste leaders. The field research has been conducted in three stages – i.e., from the period of the month of April to July in 2005; second phase field from September 2005 to February 2006 and the third was taken place in the month of February 2009. Initially, a pilot study has been under take to identify the villages, establish rapport and selecting the beneficiaries. In the first two stages after extensive interviews, lasting for 2 to 3 hours, have been conducted with the respondents. The third stage facilitated for informal discussion is cross checking.

In addition to the data collected through interviews, a good deal of information is collected from the discussions with those associated with project implementation at Mandal and district levels. Field observation and informal talks with the target groups

have helped for enriching the study. Data has also been collected through secondary sources which include books, research papers and; national and international reports.

Outline of the Chapters

The present study has altogether eight chapters. The Introductory chapter provides an account on the concept of poverty and understanding the poverty from academic as well as policy perspectives. It also deals with various trends among the states and castes in India with special focus on Andhra Pradesh and selected Adilabad district. Along with understanding rural poverty, it also provides a review of literature policies and its implications, on rural community in India as well as in different states including Andhra Pradesh. This chapter also provides an overview of poverty reduction strategies based on Planning Commission reports and available literature and evaluation studies and impact studies for finding the research gaps to support the importance of the present research.

Chapter 2 presents the government policies for poverty eradication especially starting from the Community Development Programme which was started in 1952. An attempt is also made to review the implementation of developmental projects such as Subsidized Rice Scheme, Janmabhoomi, Adarana, Joint Forest Management, Andhra Pradesh Rural Livelihood Programme, Free Power Scheme and South Asia Poverty Alleviation Program and Velugu (at present the name was renamed as Indira Kranthi Patham under the Congress regime) in Andhra Pradesh.

Chapter 3 gives details of the operational strategy, objectives of the project, target groups, identification measurements of the poor in rural areas, implementation process, and process of financial assistance, planning, implementation and monitoring of the project. This chapter also gives a detailed account of the administrative structure at state, mandal and village levels. It focuses on government and NGO relations in the project implementation.

Chapter 4 explains the profile of the study area. This chapter was divided into 3 sections. The first section deals with the profile of the selected district i.e. Adilabad under the headlines of population and population density, occupational distribution, agriculture,

irrigation, literacy, education, health, infrastructure and livestock, cropping pattern of the district and political environment and finally poverty status also explained. The second section elaborates the profile of the studied villages which include Pipri, Gadchand, Rajura and Nagar and the third section deals with the profiles of selected respondents. Chapter 5 discusses the socio-economic profile of the respondents.

Chapter 6 details the impact of programme in terms of economic and social spheres. This chapter explains the issues relating to changes of lives of the respondents based on field data analysis. An attempt is made, in this chapter, to assess the extent of income generating activities; increase in income levels and increase in the purchasing power of the rural poor especially SCs and STs. Finally, this chapter also discusses respondents' perceptions about the project implementation, involvement of local bureaucracy and political leaders in selecting the beneficiaries.

Chapter 7 illustrates some cases provide which some insights into important issues in the status of families, living standards, income generation opportunities, their social and political position and other issues in relations to the development of the poor families. The concluding chapter is concerned with the findings, suggestions and scope for further research for effective implementation of *Velugu* project in particularly and poverty alleviation programmes in general.

Chapter-2

A Critique of Poverty Alleviation Programmes in Rural India

This chapter presents a critique of rural poverty alleviation programmes starting from the Community Development Programme (CDP) which was started in 1952 to National Rural Employment Guarantee Act (NREGA). Special attention is paid to give details of programmes and schemes in Andhra Pradesh. The schemes include Subsidized Rice Scheme, Janmabhoomi, Adarana, Joint Forest Management (JFM), Andhra Pradesh Rural Livelihood Programme (APRLP), Free Power Scheme and South Asia Poverty Alleviation Program (SAPAP), Andhra Pradesh Rural Poverty Reduction Programme popularly known as Velugu and renamed as Indira Kranthi Patham under the Congress regime is also discussed.

‘Eradicating rural poverty’ as an improvement process, rural society is aspiring to move from lower economic and lower social standard to higher standard in the lives of the rural people. ‘Rural poverty’ is an extremely difficult subject to deal with because of a huge variety of socio-economic and ecological situations in which it takes place. Thus, the policies for the eradication rural poverty have to be targeted at the rural poor, which have been at the receiving end of the ill effects of poverty over the ages.

The broad strategy of rural development in India is reflected in our constitution. This strategy is based on the progressive elimination of inequalities among the different sections of the society in the country. India has strong hierarchical social system with different social and economical inequalities in rural areas. Keeping this in view, the Government of India has taken initiatives for rural poverty alleviation. The initiations have been taken from the First Five Year Plan, it is envisaged that the successive five year plans would create a better, richer and fuller life for the thousands of rural communities in India¹.

¹ . Vinod Kumar Lawania, (1992), p.7.

Community Development Programme (CDP)

The first ever rural development programme in India was initiated by the Government of Uttar Pradesh in 1948. This was known as Etawah pilot project². With the same basic philosophy, the National Extension Service was started in 1952 with the establishment of 55 community development projects across the states of India. By the year 1963, the community development programme was extended to cover the entire country by a network of 5,265 community development blocks³.

In the Five Year Plan seeks to a process of transformation of the social and economic life of the village is envisaged⁴. The Community Development Programme is the method and Rural Extension is the agency. The community development programme was the process by which the efforts of the people are to be united with those of governmental authorities to improve the economic, social and cultural conditions to integrate these communities in to the life of the nation and to enable them to contribute fully to national progress⁵. The major focus of this programme was to induce people's participation in rural development and is aimed at utilization of local available natural resources⁶.

The Government of India's poverty alleviation programmes are broadly of five categories; they are Self Employment Programmes, Wage –employment programmes, Area Development Programmes, Social Security Programmes and other programmes such as Integrated Rural Development Programme, Jawahar Rozgar Yojana, Annapurna, Antyodaya Anna Yojana and Pradhan Manthri Gram Sadak Yojana and National Rural Employment Guarantee scheme⁷.

² . Kavoori, J.C. and Singh, B.N. 1967, History of Rural Development in Modern India, p.14.

³ . Chattopadhyay, B.C. Rural Development in India, 1985, p. 7.

⁴ . Government of India, 2007, Planning Commission, First Five Year Plan, Community Development and Rural Extension. New Delhi, Academic Foundation.

⁵ . Mukherji, B. 1967, Community Development in India, p. 13.

⁶ . Kartar Singh., 1986, Rural Development: Principles, Policies and Management, P. 25.

⁷ . Government of India, Planning Commission Report (2003).

As Katar Singh pointed out the Community Development Programme proved to be one of the under achievement programmes and the failure was more deplorable in the agricultural sector. This failure is due its diffused character, as it did not give sufficient and direct emphasis on agricultural production. The financial, material and administrative resources of Community Development Programme were spread too thinly all over the countryside to provide any tangible impact on agricultural production⁸.

The Community Development Programme⁹ is criticized on the ground that it has not been a poor people's programme, benefited the richer sections and it has employed a large army of untrained workers who lacked coordination among themselves. They were less a source of help to the villagers and more a source of confusion. Lack of fundamental responsibility at the block level led to a good deal of confusion and interdepartmental jealousy. It is in this regard, the Government of India has given considerable importance to rural development¹⁰.

Initially, India adopted a development strategy which was based on the trickle-down concept. When that development strategy failed to meet the basic needs of millions of rural poor, the need for direct intervention in favour of the poor was recognized. Consequently, the government embarked on the preparation and implementation of comprehensive antipoverty programmes.

Self-employment Programmes

Self-employment programmes were introduced at the national level in the late 1970s. Initially, the programmes were designed to provide skills, subsidized credit and infrastructure support to small farmers and agricultural laborers so that they could find

⁸ . Ibid.

⁹ . T.M. Dak, Social Inequalities and Rural Development, National Publishing House, New Delhi, 1982, from Programme Evaluation Organization, 1957, p.18., Dube, 1958, India's changing Villages; Human Factors in Community Development; Ront ledge and Kegan Pant, Ltd, Government of India, 1961, the Report of the study Group on the Welfare of the Study Group on the Village Community, Vol. I, New Delhi: Ministry of Community Development and Cooperation, Planning Commission, Third Five Year Plan, p.342.

¹⁰ . Ibid,

new sources of income. In the 1980s, the focus of self-employment programmes was extended to cover target groups such as Scheduled Castes and Tribes, women and rural artisans. The coverage also extended to specific areas such as animal husbandry, forestry and fishery.

The Integrated Rural Development Programme (IRDP)

As pointed out, Government of India has taken care to help the poor and empower them. And appropriate schemes are incorporated in evaluation studies found that the Five Year Plans have not been fully helpful to serve the purpose¹¹. It was also found that the needy sections of society could not enjoy the benefits of the development plans. The Government of India, especially under Prime Minister Mrs. Indira Gandhi announced the Twenty Point Programme to give a new orientation to growth by emphasizing the welfare of the common man in general and weaker sections of the society in particular. The programme stressed the core points of development like land reforms, irrigation and power. It was focused on every needy section of society like workers, land less, labourers, students, the unemployed and the middle class with an integrated approach development¹². Thus, the integrated poverty driven programme was initiated. The programme is popularly known as the Integrated Rural Development Programme.

The Integrated Rural Development Programme (IRDP) is a Centrally Sponsored Scheme which is in operation in all the blocks of the country since 1980. Under this scheme Central funds are allocated to States on the basis of the proportion of rural poor in a State to the total rural poor in the country. Subsequently, Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas

¹¹ . Quoted by Bhattacharya, Vivek Ranjan, 1983, *The New Strategies of Development in Village India – Progress under Revised 20 Point Programme*, Metropolitan Book Co. NewDelhi, from Myrdal, Gunnar 1968, *Asian Drama – an Enquiring into the Poverty of Nations* (3 Volumes) New York Pantheon., Dandekar, V.M. and Rath, N. 1970. *Poverty in India*, The Ford Foundation, New Delhi., Minhas, B.S. 1974, *Planning and the Poor*, S. Chand and Co, Pvt Ltd, New Delhi., Frankel, F.R. 1971, *India's Green Revolution - Economic Gains and Political Casts*, Princeton University Press, New Jersey., Vyas, V.S. 1974, *Strategy for Agricultural Growth and Equity: Repporteur's Report in Inidan Journal of Agricultural Economics*, 29, (July – September: 252-282), p.3.

¹² . Bhattacharya, Vivek Ranjan, 1983, *The New Strategies of Development in Village India – Progress under Revised 20 Point Programme*, New Delhi, Metropolitan Book Co. p.4.

(DWCRA), Supply of Improved Tool Kits to Rural Artisans (SITRA) and Ganga Kalyan Yojana (GKY) were introduced as sub-programmes of IRDP to take care of the specific needs of the rural population. These schemes were, however, implemented as 'stand alone programmes', an approach which substantially detracted from their effectiveness¹³.

The programme has been financed partly by government subsidies and partly by bank credit. The programme has been implemented by an autonomous agency, the District Rural Development Agency (DRDA) set up especially for the purpose. The management of the programme has been coordinated at the State level under the guidance of a High Power Coordination Committee. The responsibility for providing the policy frame and general guidelines for implementation has rested with the Ministry of Rural Areas and Employment at the national level.

There have been some modifications in the scheme as a result of feedback from the field as well as findings of the concurrent evaluations. There has been a shift in the programme strategy towards achieving qualitative results and investment in infrastructure. A new category of beneficiaries has been identified for assistance under the programme. This category comprises of educated unemployed rural youth living below the poverty line, who are eligible for subsidies of up to 50 per cent of project costs, subject to a ceiling of Rs 7,500. The IRDP suffered from several defects which include sub-critical investment, unviable projects, illiterate and unskilled beneficiaries with no experience in managing an enterprise, indifferent delivery of credit by banks, overcrowding of lending in certain projects such as dairy, underemphasize on activities like trading, service and even simple processing, poor targeting and selection of non-poor¹⁴.

As regards the performance of Integrated Rural Development Programme in Andhra Pradesh, leakages, retention of assets, employment and income gains have been noticed¹⁵. The leakages of the IRDP have been assessed through three parameters viz.,

¹³ . Planning Commission (GOI), Tenth Five Year Plan 2001-2007, p.294.

¹⁴ . Government of India, The Planning Commission, Mid-term appraisal of the Ninth Five Year Plan.

¹⁵ . S. Mahendra Dev P.Padmanabha Rao, 2002, Poverty Alleviation Programmes in Andhra Pradesh - An Assessment, (Sponsored by Planning Commission, Government of India), Centre for Economic and Social Studies, Hyderabad, August, p. 53.

entry of non-poor, non-retention of assets by the poor and the expenditure incurred in obtaining the scheme. Entry of non-poor into the programme is found. It is obvious from the empirical observation of the study that the retention of assets was very low among Scheduled Caste households¹⁶.

The programmes has brought substantial changes in the lives of rural poor in terms of improvement of the economic conditions of the rural poor, sufficient assistance in the form of productive assets under economically viable and technically feasible schemes¹⁷ and generation of additional employment¹⁸. But, the study explored the some of problems in the programme implementation such as selection of ineligible beneficiaries in a large proportion, lack of base line survey for the selection of beneficiaries and for appropriate scheme in selected villages.

Training of Rural Youth for Self-Employment (TRYSEM)

The Training of Rural Youth for Self-Employment¹⁹ (TRYSEM) was launched in 1979, aimed at providing basic technical and managerial skills to the rural youth from families of below the poverty line to enable them to take up self-employment in the broad fields of agriculture and allied sectors, industries, services and business activities²⁰. That objective was subsequently enlarged in 1983 to include wage employment for trained youth.

The TRYSEM programme was evaluated for the first time in a Quick Study by Planning Commission (June to August 1993) conducted through independent research institutes/organizations. The main findings of the evaluation study are area skill surveys were not carried out, of the total number of beneficiaries, who got training under TRYSEM, roughly 47.19 per cent were unemployed after the training and 32.54 per cent

¹⁶ . Ibid.

¹⁷ . Ibid, p.60

¹⁸ . Ibid., p. 60

¹⁹ . Ibid,

²⁰ . TRYSEM played an important role in facilitating the diversification of activities taken up under IRDP. It has been emphasized that the coverage of youth from SC and ST communities should be at least 50 per cent of the rural youth trained. Out of the total beneficiaries, at least 40 per cent should be women.

took up self-employment after training of whom 12.41 per cent took up employment in trades other than those in which they were trained, a majority of the beneficiaries were faced with lack of funds as a major reason for not taking up self-employment independently after the training, a major proportion of TRYSEM trainees did not apply for loan under IRDP, inadequate number of assistance and most of the beneficiaries felt no improvement in their socio-economic conditions as a result of TRYSEM training²¹. The report also speaks in terms of targeted goals that TRYSEM has been a weak link in the overall strategy for self-employment in rural areas.

The programme was targeted to improve the employability skills for the youth through trainings. But, the training imparted in several instances was not related to the capacity or aptitude of the trainees not to demand for the respective skills. According to the study of Ankita Gupta (2006), many TRYSEM beneficiaries viewed that the programme simply is a means of receiving a stipend during the training period and not as a way of developing genuine skills which would help in self employment²². A study of D.K. Ghosh (1993) in West Bengal noted that the programme resulted in limited success of the programme, lack of supportive actions to make viable to combat rural unemployment and poverty is noticed²³. In general the results have been mixed and there is large scope for improvement.

Supply of Improved Toolkits to Rural Artisans (SITRA)

Supply of Improved Toolkits to Rural Artisans (SITRA) is launched in July 1992, as a sub-scheme of IRDP in selected districts. The main aim of the project is to enable rural artisans to enhance the quality of their products, increase their production and income²⁴. The SITRA was evaluated by an independent research organization, i.e. Development

²¹ . Ninth Five Year Plan 1997-2002, Planning Commission (GOI) Report, p.14.

²² . Ankita Gupta, A critical Review of the Rural Unemployment Problem and Evaluation of Employment Generation Programmes in India, from, K.K. Bagchi (Ed), 2006. p.133.

²³ . D.K. Ghosh, TRYSEM : Performance Analysis, Journal of Rural Development, Vol. 12 (3), National Institute of Rural Development, Hyderabad, 1993. p.298.

²⁴ . Under the scheme, artisans from different crafts and who were living below the poverty line were to be given improved tools to enable them to enhance the quality/quantity/market potential of their products; the aim was also to prevent migration to the urban areas and to enhance the living standards in rural areas of the poor.

Alternatives, New Delhi, in two Districts of Uttar Pradesh, namely Agra and Aligarh. The finding of this study reaffirms the positive impact of SITRA. It also indicates that the income level of rural artisans have increased substantially with the use of improved tools²⁵. Thus, the study on SITRA reported that the scheme is well received by the beneficiaries.

Development of Women and Children in Rural Areas (DWCRA)

Development of Women and Children in Rural Areas (DWCRA) was launched in 1982 as a third sub-programme of IRDP. Initially, it was implemented in only 50 districts as a pilot scheme. Later, it was extended to all districts of the country. The basic objective is to provide income generating skills and activities to poor women in rural areas, thereby improving their social and economic status.

The Document of Ninth Five Year Plan found several shortcomings which has hindered its successful and effective execution in some States. Several Self-Help Groups (SHGs) have become defunct over time. The reasons include improper selection of groups; lack of homogeneity among the group members; and selection of non-viable economic activities which are mostly traditional and yield low income. The linkages for supply of raw material and marketing of production are either deficient or not properly planned. The result is DWCRA groups have become vulnerable to competition²⁶.

In Andhra Pradesh also, the DWCRA programme is intended to improve the survival of young children and women and the quality of lives of women and children, and to achieve a significant growth in the income of poor women through appropriate interventions and to organize women in groups to create a demand pool on the existing delivery system along with creation of awareness to strengthen their bargaining capabilities. Available research found that there has been slight improvement in the levels of household income of most of the beneficiaries studied. However, in majority of cases, the improvement does not seem sufficient to enable them to cross the poverty line. Even

²⁵ . Ninth Five Year Plan, 1997-2002, Planning Commission (GOI) Report, p.15.

²⁶ . Ibid,

though a majority of the beneficiaries could not derive much income from the activities, a few of them have made marked improvement in their asset position²⁷.

Swarnajayanti Gram Swarajgar Yojana (SGSY)

The Government of India has introduced SGSY merging several self-employment programmes in 1999 to rectify the situation of lack of proper social intermediation, absence of desired linkages which were targeted earlier on self-employment programmes such as Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self Employment (TRYSEM), Development of Women & Children in Rural Areas (DWCRA), Supply of Improved Toolkits to Rural Artisans (SITRA), and Ganga Kalyan Yojana (GKY).

The scheme of SGSY is funded by the Center and the States in the ratio of 75:25. The SGSY is conceived as a holistic programme of micro enterprise development in rural areas with emphasis on organising the rural poor into self-help groups. Capacity-building, planning of activity clusters, infrastructure support, technology, credit and marketing linkages are also emphasized the programme to promote a network of agencies, namely, the District Rural Development Agencies (DRDAs), line departments of state governments, banks, NGOs and Panchayati Raj Institutions (PRIs) for the implementation of the programme.

The SGSY recognizes the need to focus on key activities and the importance of activity clusters. The programme has in-built safeguards for the weaker sections. It insists that 50 per cent of the Self-Help Groups must be formed exclusively by women and that 50 per cent of the benefits should flow to SCs and STs. There is also a provision for disabled beneficiaries. The programme is credit driven and subsidy is back-ended. The key feature of the SGSY is that it does not seek to promote individual economic activities. It seeks to promote self-help groups that are trained in specific skills so that they can formulate micro enterprise proposals. Such projects are based on activities that are identified for

²⁷ . S. Mahendra Dev P. Padmanabha Rao, 2002. p. 86.

each block on the basis of local resources, skills and markets. The projects are supported by bank credits and government subsidies.

Under the programme, the families of Below Poverty Line (BPL) are identified through BPL census duly approved by the Grama Sabha for assistance. The objective of the programme is to bring every assisted family, especially women above the poverty line within three years, by providing them income generating assets through mix of bank credit and government subsidy. Another important objective was that the identified and assisted family should be able to earn Rs. 200 per month in a period of 2 to 3 years. The programme envisages promotion and marketing of goods produced by the SHGs through institutional arrangements, consultancy services and development of markets. Until the end of 2004, more than nine million SHGs have been formed in India²⁸.

Evaluation studies, mainly of Karmakar (1999), Gurumurthy (2000), Ojha (2001), Vijayanthi (2002), Chatukalam (2003) and Sen (2003) highlighted the prospects, programmes and impact of the programme with focus on the formation of SHGs. They emphasized that the formation of SHGs have helped poor women to develop both economic and social strength. It's also demonstrated that the SHGs have enhanced the status of women as participants, decision makers and beneficiaries in democratic, economic and social spheres of life. There have been problems in marketing of products. Funding pattern is not transparent and it was also obvious that the income generated by the programmes is only supplementary but not a substantial for the households' consumption.

National Rural Livelihood Mission (NRLM)

The ongoing scheme of Swarna Jayanthi Gram Swarozgar Yojana is planned to restructure in the 2009-10 interim budget as the National Rural Livelihood Mission (NRLM) to make it universal application, focused in approach and time-bound for poverty by 2014-2015²⁹. It is also observed in restructured plan of the scheme that the

²⁸ . Anil Bhumali, Poverty and Human Rights of Women, Serials Publications, New Delhi, 2005, p.35.

²⁹ . The Hindu (Daily News Paper), Women Empowerment Schemes to take more time, July 7, 2009. p.11.

stress also will be given on formation of women Self Help Groups, interest subsidy to poor house holds for bank loans up to Rs.1 lakh.

Wage Employment Programmes

Rapid increase in population and the consequent demand of food grains and the retention of productive capacity of the land and human resources have necessitated the initiation of new programmes by the Government. Programmes to provide employment opportunities during lean agricultural seasons and also in times of natural calamities have become imperative. Improvement in productivity and increase in employment in rural areas is very essential. Hence the wage employment programmes have been initiated. One of the main objectives of these programmes is to create rural infrastructure which supports further economic activity.

In 1961, the Rural Manpower Programme was initiated as a Wage Employment programme to provide seasonal employment for 100 days to the needy target groups. Another scheme of a similar nature but offering wider coverage, the Crash Scheme for Rural Employment was launched in 1971. Before the major wage employment programmes, there are some important Wage Employment Programmes such as Food for Work and National Rural Employment Programmes.

Food for Work Programme (FWP)

The Food for Work Programme (FWP) was introduced by the Government of India in 1977 as a non-plan scheme to augment the funds of the state governments for the maintenance of public works. The programme was aimed at to generate additional employment and building up of durable community assets such as irrigation tanks, school buildings, panchayat buildings, drinking water wells, laying of village streets, drainage with the use of surplus food grains available for part payment of wages³⁰. Thus, the programme was designed to provide employment opportunities for the rural poor in the slack periods of the year.

³⁰. Narsaiah, M.L. 2003, Approach to Rural Development, Discovery Publishing House, New Delhi, p.11. for more details, see in, Verma, S.C. Millions in Poverty Grip (India's Rural Works Programme), Kunj Publishing House, New Delhi, 1984.

The workers were paid in food grains for the job done by them because by the time the programme was conceived, there was huge stock of food grains (over 15 million tonnes) with the government. The FWP met with success in the first three years. Certain shortcomings were pointed by the Project Evaluation Organization of Planning Commission like steep decline in employment generation, delay in supply of food grains, under payment of wages, supply of inferior quality of food grains³¹. An independent study³² explores that most of the state governments did not create effective administrative machinery for proper implementation of the programme.

National Rural Employment Programme (NREP)

The Food for Work Programme, which was later renamed as the National Rural Employment Programme (NREP, 1977) aimed at to create rural infrastructure by utilizing available surplus stocks of food grains and to improve the nutritional status and living standards of the people. It became an integral part of the Sixth Five-Year Plan and remained operational until March 1989 as a centrally sponsored programme. In 1983, a new scheme called the Rural Landless Employment Guarantee Programme (RLEGP) was launched. The NREP achieved results to some extent as it generated the employment in rural areas as specified in its objectives. But, the programme lacked direct focus on the target-group people for whom it was meant³³.

Rural Landless Employment Guarantee Programme (RLEGP)

Most of the objectives and stipulations under RLEGP were similar to those of NREP. But it was limited only to the landless, with guaranteed employment of 100 days in a year to at least one household member of every rural landless labourer family. Under the programme, the activities such as rural sanitary, rural roads, construction of school building, social forestry, benefiting the Scheduled Castes/Scheduled Tribes and housing under Indira Awaas Yojana were taken up. According to the Planning Commission's

³¹ . Sundaram, I.S., Anti-Poverty Rural Development in India, p.121.

³² . Narsaiah, M.L. 2003, p.12.

³³ . Planning Commission, 7th Five Year Plan, Government of India.

review on RLEGP, it lacked specified objectives. For instance, the target for employment generation in 1983-84 and 1984-85 was fixed at 360 million mandays against which 260.18 million mandays of employment was actually generated³⁴.

Million Wells Scheme (MWS)

The Million Wells Scheme (MWS) was launched as a sub-scheme of the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP) during the year of 1988-89. After the merger of the two programmes in April 1989 into the Jawahar Rozgar Yojana (JRY), the MWS continued as a sub-scheme of JRY till December 1995. The MWS was delinked from JRY and made into an independent scheme with effect from the year of 1996³⁵. The objective of Million Wells Schemes (MWS) was to provide assistance free of cost to poor, small and marginal farmers belonging to Scheduled Castes/ Scheduled Tribes and freed bonded labourers for construction of irrigation sources and land development.

Jawahar Rozgar Yojana(JRY)

Jawahar Rozgar Yojana as a rural wage employment scheme was initiated by merging the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP) in 1989. The main feature of the JRY was that the implementation functions were devolved to the Grama Panchayats to ensure better utilization of funds. According to a mid-term appraisal of the Ninth Plan done by the Planning Commission, the JRY suffered with providing the adequate employment, lack of resources and violation of material –labour norms and corruption³⁶ and could not provide adequate employment.

The second stream of JRY was merged with Employment Assurance Scheme at the end of 1995. Under the third stream, special and innovative projects such as those aimed at

³⁴ . Planning Commission, 7th Five Year Plan Document, Government of India.

³⁵ .Planning Commission (1997-2002), Ninth Five Year Plan Document of Poverty Alleviation in Rural India: Programmes and Strategy, p.21.

³⁶ . Government of India, Planning Commission Report on Jawahar Rozgar Yojana, 2000.

the prevention of labour migration, the enhancement of women's employment, special programmes through voluntary organizations for drought-proofing and watershed development. A review of the programme after 1992-93 revealed that the employment of the person was inadequate in terms of requirement and did not provide enough income to the poor³⁷. The programme gave preference to communities of SCs and STs and free bonded labourers in Andhra Pradesh. The types of works undertaken under JRY are building construction, laying of roads and side drains³⁸. The study found that JRY has benefited the poor sections of the society. It is also observed that there is substantial increase in the family income of the SCs beneficiaries. But, in case of STs, and BCs, there is not much increase of the family income in this study³⁹.

The Employment Assurance Scheme (EAS)

The Employment Assurance Scheme (EAS) launched in 1993 was initially limited to 1,778 economically identified backward blocks situated in drought prone, desert and tribal and hill areas, and in which the revamped public distribution system was in operation. The EAS was extended to all the blocks of the country in 1997. Under the EAS assured employment for 100 days of unskilled manual work is provided to those who seek it during the lean agricultural season with an objective of the creation of rural infrastructure and community assets such as water and soil conservation works, minor irrigation works, rural roads, the construction of primary school buildings and anganwaadi centers⁴⁰. A comprehensive evaluation of the EAS by the Programme Evaluation Organization of the Planning Commission has discovered some of major issues in the process of implementation such as improper wage norms; genuine muster rolls and type of assets to be created have not been followed. There has been a tendency

³⁷ . Planning Commission, 9th Five Year Plan Document, Government of India.

³⁸ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 87.

³⁹ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 87.

⁴⁰ . Gupta, Ankita, a Critical Review of the Rural Unemployment Problem and Evaluation of Employment Generation Programmes in India, Bagchi, K.K. (Ed), Employment and Poverty Alleviation Programmes in India – An Appraisal, New Delhi, Abhijit Publications, p.122.

to prefer assets such as school buildings and buildings for anagawadi which are not in the most labour intensive⁴¹.

A study, of Mahendra Dev and S. P. Padmanabha Rao's in Andhra Pradesh found that there was lack of sustainable income generation employment. For instance, once the road and building works completed, the villagers were not getting any regular wage works other than agriculture works. The study explored problem of the EAS was lack of sustainable income. The programme was targeted to provide sustainable income generation activities to improve the living standards of the poor. But in practice, once these works were completed they were forced to stop any sustained income through wage components in addition to the agriculture wages⁴².

Another study⁴³ in Andhra Pradesh revealed that the rural unskilled labour, both male and female, are fast moving towards construction, transport and service sub sectors and accelerated labour-intensive development in these sectors would depend on greater public and private investment in improving infrastructure. The long-term employment and income multiplier effects of public works programmes have been often ignored⁴⁴.

The Jawahar Gram Samridhi Yojana (JGSY)

The first major wage-employment programme was introduced in the 1960s to provide employment to the rural unemployed particularly during the lean agricultural season. Subsequently, several wage-employment programmes were launched by the central and state governments. The largest of these was the Jawahar Rozgar Yojana (JRY), which was redesigned in 1999 as the Jawahar Gram Samridhi Yojana (JGSY). The main objective of the programme was to create additional employment through creation of productive assets. However, this depends upon the rural works being well designed and implemented. There is evidence of improvement as a result of these initiatives especially

⁴¹ . Ibid, p.123.

⁴² . S. Mahendra Dev P. Padmanabha Rao, 2002. p. 100.

⁴³ . Namboodiri, Reorienting Rural Wage Employment Schemes: Few Options, Rangacharyulu, S.V. (Ed), Guaranteed Employment for the Rural Poor (Vol. I), Hyderabad, National Institute of Rural Development, 2005, p.197.

⁴⁴ . Ibid, p.199.

in the selection of projects based on local needs and also ensuring that local workers get work⁴⁵.

Under the JGSY, the coverage of the area was extended to the entire village panchayats of the country except Delhi and Chandigarh⁴⁶. A study⁴⁷ conducted to identify the impact of the schemes on social infrastructure development and wage employment generation in Jammu and Kashmir revealed that the JGSY programme played a very significant role in the creation of social infrastructure across the districts over the period⁴⁸.

Sampoorna Grameen Rojgar Yojana (SGRY)

The Sampoorna Grameen Rojgar Yojana (SGRY) was launched on September 25th 2001 by merging two major employment creation programmes such as Jawahar Gram Samridhi Yojana (JGSY) and Employment Assurance Scheme (EAS). The objective of the scheme is to provide additional wage employment along with food security and creation of durable community, social and economic assets and infrastructure development in rural areas. Beneficiaries are temporarily employed to build community assets and infrastructure. It envisaged to generate 100 crore mandays of employment.

The cost of the scheme, which includes the distribution of food grain, is shared by the central and state governments. The programme is self-targeting in nature and with special emphasis on women, Schedule Castes, Schedule Tribes and parents of children withdrawn from hazardous occupation. Some of the recent studies have revealed that the major problem afflicting the well-coordinated employment generation programmes is the leakages and administrative malfunctioning⁴⁹.

⁴⁵ . Gupta, Ankita, 2007, a Critical Review of the Rural Unemployment Problem and Evaluation of Employment Generation Programmes in India, Bagchi, K.K. (Ed), p.128.

⁴⁶ . Prakash C. Antahal, 2007, Development of Social Infrastructure and Wage Employment Generation under EAS and JGSY: A Study of Differentials in Jammu and Kashmir, Bagchi, K.K. (Ed), Employment and Poverty Alleviation Programmes in India – An Appraisal, New Delhi, Abhijit Publications, p.651.

⁴⁷ . Ibid.

⁴⁸ . Ibid, p.637.

⁴⁹ . Gupta, Ankita, 2007, a Critical Review of the Rural Unemployment Problem and Evaluation of Employment Generation Programmes in India, Bagchi, K.K. (Ed), p.134.

National Food for Work Programme

The national Food for Work programme was launched on November 14, 2004 in 150 most backward districts of the country. The main objective of the programme was to intensify the generation of supplementary wage employment. The programme aims to benefit the unskilled rural poor who are already to take up manual work. It is a 100 per cent centrally sponsored scheme with a provision of Rs. 2020 crores and 20 lakh tones of food grains for 2004-2005.

National Rural Employment Guarantee (NREG) Act

Employment guarantee scheme was experimentally started in 1965 and was subsequently expanded as part of an Integrated Rural Development Programme (IRDP)⁵⁰. To implement a basic set of social and an economic objective, the Common Minimum Programmes (CMP) was announced in 2004 to address the hunger and food security in rural areas. In August 2005, the Indian Parliament passed the National Rural Employment Guarantee (NREG) Act. This is hailed as one of independent India's most ambitious interventions to address rural poverty and empower poor people. The NREGA follows a set of legally enforceable employment norms. Its aim is to end food insecurity, empower village communities, and create useful assets in rural areas. It is based on the assumption that every adult has a right to basic employment opportunities at the statutory minimum wage. Under the scheme, one member of every rural poor family is guaranteed 100 days of work at the minimum wage of Rs 60 a day. All rural poor are eligible, not just those designated below the poverty line (BPL). One-third of the beneficiaries must be women. If five or more children accompany their mothers to any site, the implementing authority must appoint a woman to look after them on the site.

Panchayats at district, intermediate and village levels are entrusted with the work of identifying and monitoring the project, together with a programme officer. Social audits of the work are expected to be done at gram sabhas. Work will, as far as possible, is to be

⁵⁰. Hema Arora, 2005, *Guaranteed Employment as a Means to Fulfilling Basic Needs*, Rangacharyulu, S.V. (Ed), *Guaranteed Employment for the Rural Poor* (Vol. I), Hyderabad, National Institute of Rural Development, p.48.

provided within a radius of 5 km. The work includes water harvesting, drought-proofing, and micro and macro irrigation works, renovation of traditional water bodies, flood control barriers and rural connectivity⁵¹.

But, The World Bank (2009) has described the National Rural Employment Guarantee (NREGA) scheme as a policy barrier hurting economic development and poverty alleviation. It is also noted that various schemes of the Indian government like NREGA, watershed programmes and schemes for development of small and medium towns are acting as "policy barriers to internal mobility". The internal mobility, the report argued, is necessary as "lifting people out of poverty requires shifting populations from villages to cities". The World Bank has also insisted that the process of migration should be encouraged⁵². It is clear from the Report of World Bank that the process of urbanization from rural areas is also a development. It is obvious, based on Report of World Bank 2009 that the NREGA and other programmes of rural development and eradication of poverty are highly focusing on rural settlements.

Area Development Programmes

The target group oriented programmes introduced for the benefit of the poor, did not solve the problem of poverty and bring expected results. There are backward areas like drought prone areas, desert areas, and tribal areas which require special efforts for the development of such special areas. The government of India has taken special initiatives to tackle the problems for those areas. The area development programmes mainly are Drought Prone Area Programmes (DPAP), Desert Development Programmes (DDP), Hilly Area Development Programmes and Tribal Area Development Programmes. They were introduced in the 1970s to prevent environmental degradation and provide employment to the poor in these regions. During the year of 1990, the environmental

⁵¹. National Rural Employment Guarantee Act website <http://www.empowerpoor.com/backgrounder.asp>: access date: 5/11/2007.

⁵². 'World Bank sees NREGA as a barrier to development', <http://www.zeenews.com/Business/Economy/2009-03-15/514985news.html>, access date 21/4/2009.

management aspect of the programmes was strengthened by the introduction of watershed development programmes in India.

Intensive Agricultural District Programme (IADP)

The performance of Community Development Programme and National Extension Service in improving the conditions of rural mass could not realize much success in the area of agricultural in relation to rural development. This led to the adoption of IADP based on the advice of Ford Foundation sponsored team on food crisis, launched an Intensive Agricultural District Programme (IADP) popularly known as "Package Programme" which went into action in 1960⁵³. This programme was to be taken up in one district in each state, the district selected for the purpose should have assured water supply and it should be free from floods, drainage problems and soil conservation.

The immediate objective of the IADP was to achieve rapid increase in agricultural production through the concentration of financial, technical extension and administrative resources. Its aim, in the long run, was to achieve a self-generating breakthrough in productivity and raise the production potential by stimulating human and physical process of change. The programme was also intended to provide lessons for extending such intensified agricultural production programmes to other areas. One of the major drawbacks of the IADP was its neglect of the equity aspect of development. It has been criticized for having aggravated the inter district intra-district inequalities in income distribution. It was also realized that new strategy of IADP led to the concentration of wealth in the hands of rich and progressive peasants. Once again the landless and agricultural laborers were neglected.

The Report of the Expert Committee on IADP in the early 70s has brought some of implications in the programme implementation. Focusing on institutional arrangements and personnel of the programme implementation, it is found that there was lack of continuity of personnel at the district level and to an extent, even at the block level, which

⁵³ . Maheshwari Sriram, 1984, Rural Development in India: A Public Policy Approach, New Delhi: Sage Publications, p.73.

inevitably implied the implementation of the programme⁵⁴. The report also brought the constraints of administration. The programme implementation personnel and their vehicles were frequently diverted to non-agricultural work like food procurement, dehoarding family planning and small savings. The village level workers were to look after other activities. It was also found that insufficient financial and administrative powers were delegated to officials at the lower levels. The infrastructural facilities were also inadequate⁵⁵.

Intensive Agricultural Areas Programme

The Intensive Agricultural Areas Programme (IAAP) was an extension of Intensive Agricultural District Programme (IADP). The programme was initiated in 1964 to extend its operational area to other districts of the country. The IAAP basically followed the same concept of IADP. But, there were minor changes in implementing staff for the programme. Mainly, in the case of IAAP, the strength of the staff (numerically) was reduced and the failure was also due to the lack of technicians such as soils testing personnel and laboratories⁵⁶.

The programme, however, has brought the technology closer to the Indian farmers. Thus, the introduction of the programme changed the image of the farmers' community. The programme did bring substantial changes in the agriculture sector, it has also problems and challenges in the process of implementation and achievements. An Expert Committee of Planning Commission on IADP brought some of implications problems in the programme implementation. Mainly, the study focused on institutional arrangements and personnel of the programme implementation. According to the Report "there was a

⁵⁴ . For more details see in, Maheshwari, Sriram, 1984, Rural Development in India: A Public Policy Approach, New Delhi: Sage Publications, p.81. From: Expert Committee on Assessment and Evaluation: Fourth Report on Intensive Agricultural District Programme, Vol. IV, New Delhi: Ministry of Food, Agriculture, Community and Cooperation, 1971, p.498.

⁵⁵ . Ibid., p.82.

⁵⁶ . Maheshwari Sriram, 1984, p.74.

singular lack of continuity of personnel at the district level and to an extent, even at the block level, which inevitably implied the implementation of the programme⁵⁷.

Special Area Development Programmes

The unequal distribution of the benefits of the growth oriented programme between the prosperous and backward areas was officially acknowledged and corrective measures in the form of specific area programmes and these were introduced for the development of backward areas, which include Drought Prone Area Programme, Desert Development programme, Hill Area Development Programme, Tribal Area Development Programme etc The major premise of these area specific programmes was that their benefits would flow to the backward areas because of the specificity of the target areas.

Drought Prone Area Programme (DPAP)

The feed back from the rural works programme revealed its inadequacy, especially in terms of employment generation on a regular basis. This led to the realization that the programme needed to be modified. On the basis of an area development approach the Rural Works Programme was redesigned as Drought Prone Area Programme (DPAP) at the time of mid-term appraisal of the fourth five year plan in 1970-71. The main thrust of the programme was to eliminate or reduce considerably the incidence of drought which may result in famine, and also help the small and marginal farmers and agricultural laborers in raising their income levels. The strategy aimed at improving the economy of drought prone areas through the optimum utilization of land, water, human and livestock resources of the area. A number of studies conducted on the functioning of DPAP reveals that the fruits of DPAP have been by and large cornered by minority big farmers and availed by better endowed areas as they easily adopted the modern agricultural practices.

Unfortunately, the fruits of DPAP assistance have been by and large minority of big farmers and availed by better endowed areas, as they easily adopt the modern agricultural

⁵⁷ . Maheshwari, Shriram, 1984, p. 81. Taken from "Expert Committee on Assessment and Evaluation: Fourth Report on Intensive Agricultural District Programme, Vol. IV. New Delhi, Ministry of Food and Agriculture, Community Development and Cooperation, 1971, p.498.

practices, conversely the small and marginal farmers who are capital deficient and generally illiterate; adopt it at later stage because of demonstration effect⁵⁸. Thus, the programme's main focus was derailed by ignoring the small and marginal farmers and agricultural laborers.

Desert Development Programme (DDP)

The desert areas of the country had remained backward in many respects due to difficult physiographic varying agro-climatic conditions and distinct socio cultural features. Since the people living in these areas were facing hardships owing to geo-climatic conditions, the desert development programme was introduced as a centrally sponsored scheme in 1977- 78. The objective of the programme is to control the desertification and restoration of ecological balance in the desert areas for development. The programme covers both hot and cold desert areas of the country like Rajasthan, Haryana, Gujarat, Jammu & Kashmir and Himachal Pradesh. The allocation of funds in the Sixth Plan was Rs. 100 crores. The major activities under this programme were afforestation, grass-land, creation of irrigation potential, rural electrification for tub wells and pump wells and development of horticulture and animal husbandry⁵⁹. An Evaluation study on Desert Development Programme was taken up by the Programme Evaluation Organization at the instance of Planning Commission in 1988. It was observed that there was lack of visits by senior officers, weak monitoring of the programme and lack of involvement of voluntary agencies and people's involvement. It was also obvious that the progress of integrated micro-watershed approach to area development planning in the desert areas was limited. However, there was some improvement in rainfall on account of the afforestation programme taken up under DDP, by the Spiti Desert Development Agency⁶⁰.

Hill Area Development Programme (HADP)

The Hill Area Development Programme was introduced in 1972-73 during Fourth Five Year Plan and it was specific area programme particularly targeting the hill areas of the

⁵⁸ . Upadhyaya, Rakesh (1989). Integrated Rural Development – Basic Approach and Policy, Bombay: Publishing House. p.26.

⁵⁹ . Bandopadhyaya, Rakesh, 1989. p. 25.

⁶⁰ . Government of India, Programme Evaluation Organization, The Desert Development Programme, Planning Commission, Government of India, 1988.

country and more specifically, the Himalayan and the Western Ghats region. The region constitutes about 21 per cent of the total area and contains 9 per cent of the total population of the country. The major objective of the programme is to reduce inter regional differences in the distribution of the benefits from agricultural development. The programme has emphasized the partial utilization of the resources of the hill areas through the specially designed programme for the development of horticulture, plantation, agriculture, animal husbandry, forestry, soil conservation and sustainable village industries⁶¹. Along with this, the Government of India has also launched a special programme for the development of tribal areas, namely Tribal Area Development Programme in 1974.

Integrated Tribal Development Agency

Independent India has formulated several policies and programmes and established institutions to develop the tribal areas. The Renuka Ray Report of 1959 pointedly referred to the need for an integrated approach to tribal development and the similar approach was also proposed by the Scheduled Castes and Scheduled Tribes Commission under the chairmanship of Debar in 1960. Again, the S.C. Dube Commission was constituted in 1972 to advise on tribal development. These were all stimulated to make an intention of promoting the tribal areas in more integrated way. Thus, an Integrated Tribal Development Agency was launched in 1974 during the Fifth Five Year Plan period (1974-79)⁶².

The basic objectives of the programme are to narrow down the gap between the backwardness of tribal areas, with a view to improve the quality of these long depressed people⁶³. Further, elimination of exploitation in all forms, speeding up the process of socio-economic development and improving their organizational capacity are the major objectives of the agency⁶⁴.

⁶¹ . Narsaiah, M.L. 2003, p.17.

⁶² . Ibid, p.16.

⁶³ . Ibid, quoted from, Harsad, R. Trivedi, "Salient Features of Tribal Administration in the States", Indian Journal of Public Administration, Vo. XXII (3), 1976, P.515.

⁶⁴ . Ibid, quoted from, Sharma, B.D. "Administration of Tribal Development", Indian Journal of Public Administration, Vo. XXIII (3), 1977, P.515.

Special-Group Development Programmes

The benefits of growth oriented programmes have occurred only to the better off farming class by passing the disadvantaged sections of the rural community which comprises small and marginal farmers and agricultural laborers. Therefore, the corrective measures in the form of group specific programmers were initiated in early 70's. These include Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Laborers Agency (MFALA).

Small Farmers Development Agency (SFDA)

Keeping in view the role of small farmers in the economic development, the All India Rural Credit Review Committee (1969) warned that “If the fruits of development continued to be denied to the rural community while prosperity occurs to some, the resulting tensions, social and economic may not only upset the process of orderly and peaceful change in the rural economy, but even frustrate the national effort to step up agricultural production⁶⁵. The major objective of the programme was to create appropriate economic opportunities for small farmers, who are considered as the weaker and more vulnerable sections of the rural community.

The programme based on land and animal husbandry was included in the project. The SFDA provided subsidy to the extent of 25 per cent to the identified small farmers on capital investments and inputs. Besides, loans were also made available from cooperatives and commercial banks.

Marginal Farmers and Agricultural Labourers Agency (MFALA)

This scheme was launched in 1970-71 following the recommendations of All India rural Credit Review Committee (1969)⁶⁶. The main objectives of the programme is to assist the

⁶⁵ .Mohonder Singh, 1988, Rural Development Administration and Anti-Poverty Programmes, Deep and Deep Publication, New Delhi, p.?.

⁶⁶ . Report of All India Credit Review Committee, Reserve Bank of India, Bombay.

marginal farmers who owned land holdings below 2.5 acres and agriculture labourers those having only a homestead and deriving more than 50 percent of the income from agricultural wages to improve their productivity and income through a variety of activities like crop husbandry, including multiple cropping, increased use of new inputs, water harvesting techniques, minor irrigation, livestock, poultry fishery and others.

Since the inception (1971-72) of the above agencies to its end (1979-80) when it was merged with IRDP only 16.5 million persons were identified and about half of them received some assistance from the agencies. Among the beneficiaries 1.3 million belonged to Scheduled Castes and Scheduled Tribes. In a study conducted by the Planning Commission, it was found that proper care was not exercised in selection of the project area and that very little attention had been paid to the identification of agricultural labourers. On the whole, slow in the most of the project areas there has been improper identification of beneficiaries.

Crash Scheme for Rural Employment (CSRE)

The Crash Scheme for Rural Employment (CSRE) was introduced as non-plan programme with effect from 1971-72 and it was up graded as a central plan programme in 1973. The main focus of the programme was where other special programmes such as SFDA and MFALA were not in operation; where the percentage of landless labour and the incidence of unemployment were relatively high and those which were relatively less developed. The basic objective of the CSRE was to generate employment in productive works for 1000 persons in each district on an average 2.50 lakh man days of employment should be generated in every district⁶⁷.

The main drawback of the programme was that it over stressed the importance of job creation and neglected the more important objective creation of appropriate assets. In implementation aspects, the administration failed to prepare a suitable work for the

⁶⁷ . Sundaram, I.S., 2003, Anti Poverty Rural Development in India, New Delhi, D.K. Publications. P.181-182.

productive assets. There was undue delay in the selection and implementation of scheme⁶⁸.

Minimum Needs Programme (MNP)

Provision of minimum needs to the rural people forms an important part of rural development programmes. It is particularly in respect of these facilities and civic amenities that rural people are at a great disadvantage. Duly recognizing the need for provision of these facilities and services in rural areas, Government of India in Fifth Plan developed and launched the Minimum Needs Programme (MNP)⁶⁹. The programme is essentially an investment in human resource development. The provision of free or subsidized services through public agencies is expected improve the consumption level of those living below the poverty line and thus improve the productive efficiency of both the rural and urban workers. This integration of social consumption programmes with economic development programmes is necessary to ensure the achievement of plan objectives.

The MNP emphasizes the urgency for providing social services according to nationally accepted norms within a time bound programme. Its allocations are earmarked and it seeks to ensure the necessary provision of the resources. However, the implementation of the programme has also posed some of constraints such as lack of coordination between the centre and the states and between the district authorities and the block agencies. It has also been hampered by the scarcity of funds⁷⁰.

Watershed Development Programme

The environmental based land up gradation programmes are intended to strengthen by the introduction of watershed development programmes during the 1990s. Currently, several

⁶⁸ . Ibid., p.183.

⁶⁹ . Vasant Desai, 1988, Rural Development Programmes and Strategies, (Vo1.2.), Bombay, Himalayan Publishing House, p.23.

⁷⁰ . Ibid.

central government, state government and non-government watershed development programmes are being implemented by the Government of India's support. The Government of India has mooted a "single national initiative" under the National Watershed Development Projects for Rain fed Areas (NWDPA)⁷¹ programme. A new Department of Land Resources has been created by merging all area development programmes with the Department of Wasteland Development.

The study⁷² attempted to assess the impact of watershed development programme in Andhra Pradesh. The study revealed that the impact of watershed development has clearly shown an improvement of rural livelihoods, employment, agricultural income and households' income, drinking water situation and ground water for irrigation.

Integrated Wastelands Development Programme (IWDP)

The Integrated Wastelands Development Programme (IWDP) introduced in 1989-90 throughout the country so as to improve the productivity of these lands and thereby improve the living standards of the rural poor who own these lands. But preference will be given to the areas which are not covered by DDP and DPAP. The development of wastelands is taken up on watershed⁷³ basis. The greater importance has also been given to Panchayati Raj Institutions (PRIs), Self-Help Groups (SHGs) and user-groups particularly the landless belonging to the Scheduled Castes (SCs) and Scheduled Tribes (STs) and Other Backward Classes (OBCs) in watershed programmes.

Thus, wastelands are sought to be developed through the area development programmes in an integrated manner based on village micro watershed plans. These plans are prepared after taking into consideration the land capability and site conditions and in consultation with the local people in regard to their needs. The watershed projects are executed by the local people using low cost technologies locally available. One study⁷⁴ was made an

⁷¹ . See detailed in <http://agricoop.nic.in/faq/rfsFaq.htm> date:5/12/2007.

⁷² . S. Mahendra Dev P. Padmanabha Rao, 2002. p. 102.

⁷³ . Watershed is a geographical unit where rain falling in the area drains through a common point.

⁷⁴ . B.K. Panda, R.K. Panda and P. Sarangi, 2007, Impact of Watershed Development on Dryland farming in KBK Districts of Orissa, Journal of Rural Development, Vol: 26 Issue: 2 pp: 189-206

attempt to examine the impact of watershed promoted under Integrated Wasteland Development Programme (IWDP) on cropping pattern and its intensity, food security and level of deprivation in Kashipur block in Orissa. The study was based on primary data collected from 200 households selected from villages of Rayagad district. Some positive changes on cropping pattern by means of crop shifting from traditional crops to more valuable cash crops are found. But, much of the impact is not seen on reducing poverty and food security⁷⁵. Thus, the planners and public policy makers of the state have to face challenge of reducing poverty.

Another evaluation study⁷⁶ was conducted on the role of project implementing agency in participatory watershed development. The study has explored some positive changes in irrigation. It is observed that the proportion of area under irrigation increased marginally in all the selected sample villages. It has also brought about shift in cropping pattern, land productivity and improvement in ground water sources. But, people's participation, awareness on the watershed associations and implementing agency are weak. These all are hindering the sustainability of the programme.

Other Social Security Programmes for Rural Poor

Article 43 of the Constitution speaks of state's responsibility to provide social security to the citizens of this country. In India, there are different types of social security schemes available as preventive, promotional and protective schemes for the poor.

Public Distribution System (PDS)

The Public Distribution System as welfare programme is also a social security intervention. The Public Distribution System (PDS) is a major instrument of government's economic policy for ensuring availability of food grains to the poor at an affordable price as well as for ensuring food security of the poor. Initially, the programme was introduced during the Second World War to address food security and check the

⁷⁵ . Ibid,

⁷⁶ . Ratna Reddy, V. Hemantha Kumar, and D. Mohan Rao, 2006, Participatory Watershed Development and the Role of Project Implementing Agency (PIA): The Experience of Andhra Pradesh. Journal of Rural Development, Vol. 25 (3), National Institute of Rural Development, Hyderabad, p.377.

dishonest practices in private trade. PDS is an important constituent of the strategy for poverty eradication and is intended to serve as safety net for the poor who are nutritionally at risk⁷⁷. The PDS is operated under the joint responsibility of the Government of India and state governments. The responsibility of the GOI relates to procurement, storage, transportation and the bulk allocation of food grains to state governments. It is the responsibility of state government to sub-allocate the food grains within a state, and deliver commodities to fair price shops for issue to consumers holding family cards. However, the PDS is involving in some 450000 retail outlets nation wide⁷⁸. Some micro level observations pointed out that the programme is adversely affected by the electoral politics and has not benefited the poor. The food grains were diverted, and misappropriated and more so hijacked and used as hammock by unscrupulous elements⁷⁹. Benefits to non-poor are clearly seen.

Rural Housing (Indira Awaas Yojana)

The IAY programme, initiated in 1985-86, is the core programme for providing free housing to BPL families in rural areas and targets SC/ST households and freed bonded labourers. It was first merged with the JRY in 1989 and then spun off into a separate housing scheme for the rural poor in 1996. The Ninth Plan Housing Programme under IAY was framed in the light of the National Housing and Habitat Policy 1998, which set an ambitious target of providing shelter for all in the rural areas by the end of the Plan period. The allocations by the central and state governments for the programme during the Ninth Plan were substantially higher than that of the Eighth Plan⁸⁰. Since the launch of the programme till February 2003, over 9 million houses were constructed at a cost of over Rs 16,000 crore. However, in any given village/block/district a large number of eligible families have not yet been covered by the IAY. According to the mid-term

⁷⁷ . Report of the Standing Committee on Food, Consumer Affairs and Public Distribution (2004-05), p.267 (para.2.71).

⁷⁸ . Gopinath Rao, P. Rural Development – Sustainable Livelihood and Security, New Delhi, Authors Press, p. 143.

⁷⁹ Vikram K. Chand (ed), 2006, Re-inventing Public Service Delivery in India – Selected Case Studies, New Delhi: Sage Publications, p. 292-292.

⁸⁰ . Planning Commission (2002-2007), Tenth Five Year Plan Document of Poverty Alleviation in Rural India: Strategy and Programmes, p.299.

appraisal of the Ninth Plan by the Planning Commission, "This is dividing the poor instead of helping them to organize into groups".

A study conducted in some selected villages⁸¹ of Andhra Pradesh found that under this programmes, the facilities relating to the housing viz., side drains, individual sanitation, electricity and protected water supply have been provided⁸². The study revealed that the SC households have received protected water supply system and toilets. It is discovered that a substantial number of SCs, STs, and BC's are using the open space for toilet even after the implementation of the scheme. Because of the scheme, households belonging to all caste categories have got electricity⁸³. Under this programme, a three fold strategy was designed to strengthen supply lines for technologies, materials, awareness creation among the rural populace and improvement in skills of rural sector professionals was its centerpiece. However, it failed in achieving the targeted goals i.e. in number of construction of houses⁸⁴.

National Social Assistance Programmes (NSAP)

Social protection forms an important component of a comprehensive social security policy in a welfare state. The Government of India has taken initiatives for vulnerable social sections of the society. Thus, India's national social pension schemes were aimed to alleviate chronic poverty through regular cash transfers to destitute elderly, widows and disabled people who have no regular means of subsistence from their own sources of income or through financial support from family members or other sources.

The National Social Assistance Programme (NSAP) came into effect from 15th August, 1995. The programme represents a significant step towards the fulfillment of the Directive Principles in Articles 41 and 42 of the Constitution through the enunciation of a National Policy for social assistance benefits to poor households in the case of old age, death of the primary breadwinner and maternity. It is a Centrally Sponsored Scheme with

⁸¹. S. Mahendra Dev P.Padmanabha Rao, 2002. p. 90.

⁸². Ibid.

⁸³. Ibid.

⁸⁴. Pandey, B.K. (Ed). 2005, Rural Development – Towards Sustainability (Vol. –I), Delhi, Isha Books, p.13.

100 per cent Central assistance provided to States and Union Territories (UTs)⁸⁵. Thus, the NSAPs have come into existence to support the poor families.

Under the NSAP, there are three different schemes, which are implemented as special components such as National Old Age Pension Scheme (NOAPS); National Family Benefit Scheme (NFBS); and National Maternity Benefit Scheme (NMBS) which are targeted at people living below the poverty line. Moreover, the NSAP provides opportunities for linking social assistance package to schemes for poverty alleviation and provision of basic minimum services

National Old Age Pension Scheme (NOAPS)

Under the National Old Age Pension Scheme (NOAPS), old age pension of Rs.75 per month is provided to persons of 65 years and above who are destitute. Very recently, The National Old Age Pension Scheme (NOAPS) has been modified and renamed as Indira Gandhi National Old Age Pension Scheme. The modification is mainly intended to expand the coverage of beneficiaries. According to the modified scheme, pension under NOAPS will be granted to a person who is 65 years or higher and belonging to a household below poverty line as per the criteria prescribed by the government of India. It may be noted that under the existing criteria, pension under NOAPS is granted to persons aged 65 years or above and to destitute.

The National Family Benefit Scheme (NFBS)

The National Family Benefit Scheme (NFBS) provides a lump sum family benefit of Rs. 10,000 to the bereaved household in case of the death of the primary bread winner irrespective of the cause of death. This scheme is applicable to all the eligible persons in the age group 18 to 64.

The National Maternity Benefit Scheme (NMBS)

Under the National Maternity Benefit Scheme (NMBS) there is a provision for payment of Rs.500 per pregnancy to women belonging to poor households for pre-natal and post-

⁸⁵ . Planning Commission's Report of Ninth Five Year (2002-2007), p.22.

natal maternity care up to the first two live births. This benefit is provided to eligible women of 19 years and above. Rural Group Insurance Scheme, which provides a maximum life insurance of Rs 5,000 covering the main earning members of families living below the poverty line on a group insurance basis; the government pays half the premium of Rs 50-Rs 70.

There is no doubt that the schemes are well received among the poor. It was also obvious from empirical study that the schemes have provided some succour in the form of social protection to the old, disabled and the widowed poor and it has enhanced the self esteem and economic status. But some of the academic and individual researches found the problems in the policy implementation.

Dutta, Puja and Vasudeva's (2008) study evaluated the functioning of the social assistance schemes of national government and the study focused specifically in the state of Gujarat. The study found that the programme has shown positive indications and satisfaction levels with the social pension scheme are high – with both beneficiaries and officials rating social pensions as better or at least as good as other anti-poverty programs on various aspects including regularity and level of benefits, targeting and transfers in cash rather than food. Though there is high transaction costs associated with the application process, the majority of pensioners reported no problems once the pension is sanctioned. Disbursements are largely as per schedule and leakages in the form of shortfalls in the pension amount are low⁸⁶. It also obvious from a comparable study of social pensions in Karnataka and other independent studies in Himachal Pradesh suggest that this is well performing scheme that could be scaled up effectively⁸⁷.

Another study (Mahendra Dev, S., P.Padmanabha Rao, 2002) evaluated the efficiency of the social security schemes in the Nalgonda, Anantapur, Vizianagaram and West Godavari districts of Andhra Pradesh. The main social security schemes are the old age pensions, widow pensions and maternity benefits. The study was explored that the

⁸⁶ . Dutta, Puja Vasudeva, The Performance of Social Pensions in India: The Case of Rajasthan, The World Bank, July 2008, SP Discussion Paper No. 0834. p.46

⁸⁷ . Ibid, p. 48.

substantial proportion of beneficiaries were received mainly by agricultural labourers in rural areas⁸⁸. It is also found by an empirical study that in the process of selection or the beneficiaries of these programmes the malpractices were involved in terms of bribe and involvement of middlemen to get their applications processed or to get their names included in the schemes⁸⁹. The evidences also show that in some rural areas, the charitable organizations like the Lions Club had helped in securing disability pension and equipment to some villagers.

Rural Group Life Insurance Scheme (RGLI)

Government of India has introduced RGLIs in 1995 to insure one main earning member of Below Poverty Line families. The scheme is meant for people between 20 and 50 years. The premium of Rs. 50-70 is shared by the government (50 per cent). The maximum amount of insurance is Rs. 5000. The main objective of the social security schemes is to protect the unorganized workers. The coverage and content (amount) of the schemes are too small to make impact at the macro level. These schemes have a long way to go to provide any meaningful social security to the poor⁹⁰. There are two types of policies available under this scheme such General and Subsidized Schemes. Under the general scheme, it's available to all people in rural areas. The premium for the general scheme is fully payable by the applicant and in Subsidized Scheme. It's applicable only to households below poverty line and is restricted to only one policy per household. Premium is subsidized by 50% to be shared equally by state and central government⁹¹.

Pradhan Mantri Gramodaya Yojana

Pradhan Mantri Gramodaya Yojana, launched in 2000-01, was targeted to provide additional funds to states so that they can provide basic minimum services such as

⁸⁸ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 92.

⁸⁹ . Ravi, S. Srivastava, Anti-Poverty Programmes in Uttar Pradesh – An Evaluation, New Delhi, Institute of Human Development (Supported by the Planning Commission of India), p.117.

⁹⁰ . Hirway, Indira, 2002, How far can Poverty Alleviation Programme Go? Assessment of PAPs in Gujarat, Center for Development Alternative (CFDA), Ahmedabad, http://planningcommission.gov.in/reports/sereport/ser/stdy_papguj.pdf, access on 12/4/2008.

⁹¹ . Rural Group Life Insurance Scheme (RGLI)<http://www.shimoga.nic.in/zpshimoga/rglis.htm>, access date: 10/2/ 2009.

primary health, primary education, drinking water, housing and roads. There are at present five major schemes under the Pradhan Mantri Gramodaya Yojana namely Gramin Awas for rural shelter, Gram Sadak and the Rural Drinking Water Project for water conservation in DPAP and DDP programme areas.

Pradhan Mantri Gram Sadak Yojana

Pradhan Mantri Gram Sadak Yojana was launched in December 2000, to provide road connectivity to 1.6 lakh remote habitations with a population of over 500 by the end of the Tenth Plan period. Till December 2002, connectivity was provided to over 12,000 habitations at the cost of around Rs 3,300 crore. The Hindu's editorial notes that 'the PMGSY which is part of the Bharat Nirman programme aimed at improving rural infrastructure between 2005 and 2009. It initially proposed to give road connections to 66,802 eligible habitations and subsequently scaled down the target to 59,536 habitations. The achievement, however, has fallen short of the target, with the coverage limited to 35 per cent (up to 2008)'⁹². Again, it is also noted in the editorial of The Hindu that 'A study by the World Bank makes the point that retail prices of low value/bulk commodities are generally 10 per cent higher in unconnected villages than in those with road access. The most important benefit, however, relates to poverty reduction and a 2007 – study by the International Food Policy Research Institute found that investing in roads had the greatest impact on reducing rural poverty, performing research and development, and education'⁹³.

Antyodaya Anna Yojana

Antyodaya Anna Yojana was launched in December 2001, to provide 25 kg of food grain at highly subsidised rates to 100 million of India's poorest families living below the poverty line. In 2002, around 24 lakh tonnes of food grain were provided by the central government under this scheme. Some of the individual research works has examined the functioning of the Antyodaya Anna Yojana. Of these, the paper is critically examined the functioning of the scheme based on the People's Union of Civil Liberties' (PUCL)

⁹² . The Hindu, (2009). Strengthening Rural Road Connectivity (Editorial), July 1, 2009. p.8.

⁹³ . Ibid.

observations and its findings at grass root levels in 2001. The paper points out that the scheme, in fact, has to be provided 25 kg of grain to each identified family at the rate of Rs.2 a kg for wheat and Rs.3 a kg for rice. States such as Manipur and Sikkim have not even begun the work. Assam, Tamil Nadu and West Bengal and the Union Territory of Chandigarh are yet to complete the identification process⁹⁴.

The Annapurna

Under this scheme helpless aged people above 65 years who have no one to support them and are eligible for National Old Age Pension but should not receive any scheme except NOAPS. The programme has separate administrative wing at every district head quarters and distinct Ration Card has been provided to the beneficiaries free of cost. The distributed rice under this scheme is provided directly from the Government Food grain Godowns to avoid any mal practices.

The study of the People's Union of Civil Liberties (PUCL) on the Annapurna Scheme explored flaws that the guidelines of the programme are not following in the process of the programme implementation⁹⁵. In fact, the programme aims to help destitute persons over 65 years of age. Under the scheme, such persons without an assured pension or a regular source of income or those with a family that earns less than Rs.24,200 a year are entitled to a free monthly ration of 10 kg of food grains. The study of PUCL commented that the Indian states are nowhere near implementing it.

Farmers' Debt Relief Scheme

Debt relief was intended to contribute to poverty reduction. The World Bank has also suggested that the debt relief is essential in 21 poor countries especially in Highly Indebted Poor Countries (HIPC)⁹⁶. But, in India, the debts were highly in the agriculture sector. Thus, The Government of India has recently (i.e, in February 2008) announced the

⁹⁴ . Naunidhi Kaur, Welfare Claims, Frontline, volume 18 (issue 24) November 24 – December 07, 2001.

⁹⁵ . Ibid.

⁹⁶ . Independent Evaluation Group (IEG), Debt Relief for the Poorest - An Evaluation Update of the HIPC Initiative, Washington D.C.: The World Bank, 2006. p.13.

scheme of Debt Relief for the small and marginal farmers. The scheme is targeted to benefit nearly 3 crores of small and marginal farmers and 1 crore 'other farmers'⁹⁷. The cost of the scheme of the Government of India is about Rs. 60,000 crore. Under the scheme, credit facilitated are provided by banks to the farmers for their operational cost of agriculture. The banks of credit facilitated are commercial banks, the regional rural banks and the cooperative credit societies. Marginal farmer is defined as one cultivating agricultural land up to 1 hectare or 2.5 acres. Small farmer is defined as cultivating between 1 hectare and 2 hectares i.e. less than 5 acres will get full debt waiver of their short term crop loans as well as all the overdue installments on the investment credit. The other farmers, i.e. owning more than 5 acres or more than 2.5 acres or more than 2 hectares, will get OTS relief. In the state of Andhra Pradesh, the worth of debt relief is Rs. 12000 crores.

Pradhan Manthri Adarsh Gram Yojana

The Government of India has also announced launching of new scheme in the 2009-10 interim Budget called the Pradhan Manthri Adarsh Gram Yojana (PMAGY) for “integrated development of 1,000 villages in which the population of Scheduled Castes is above 50 per cent. There are 44,000 such villages in India. The scheme is being launched on a pilot basis with an allocation of Rs. 100 crore. Under the scheme, each village would be able to avail gap funding of Rs. 10 lakh over and above the allocations under Rural Development and poverty alleviation schemes”⁹⁸.

There are also other developmental programmes for the poor such as Land Reforms and other community oriented programmes in India. Therefore, poverty alleviation strategy constitutes an important dimension of the welfare state of India under the constitutional norms. Apart from the centrally sponsored schemes, there are also state and central share of the programmes in India. But, in the recent phenomena of the economic reforms, the state governments are also implementing the developmental programmes from the assistance of international developmental organizations. It is also inevitable to remember

⁹⁷ . Press Information Bureau, Government of India, Farmers' Debt Waiver Scheme, May 28, 2008. website: <http://pib.nic.in> , dated on October 15, 2008.

⁹⁸ . The Hindu (Daily News Paper), Higher Allocation for Flagship Programmes, July 7, 2009. p.11.

that the state owned programmes have started during the 1970s for the political manipulations of the regional politics. Maharashtra and Tamila Nadu were the first states to have such types of programmes in India. Andhra Pradesh is the first state to implement number of welfare and developmental programmes. The following section focuses on the state's owned programmes of the poverty alleviation and development in Andhra Pradesh.

Andhra Pradesh - State Run Poverty Alleviation Programmes

The Government of Andhra Pradesh has adopted a multifold strategy to eradicate poverty, which is multi dimensional⁹⁹. The state has been implementing the poverty alleviation programmes which is supported and financed by the center since India's independence. Andhra Pradesh has also been implementing its own projects to eradicate poverty and develop infrastructure through creating employment in rural areas. The state is also one of the main advocates of the Indian reform process which is a part of global politics along with the developmental programmes. The previous government under the Telugu Desam Party regime (1994-2004), economic reforms process was tried to induct in all the sectors. And also TDP government encouraged the Public Private Partnership (PPP) in all the sectors including welfare sector. For instance, part of the economic reforms in Andhra Pradesh, the State Electricity Department was divided into two separate wings such as AP GENCO and AP TRANSCO.

The process of reforms in Andhra Pradesh has attracted the international developmental agencies like World Bank, DFID and UNDP and they came forward to provide loans, credits for development. The welfare sector is also dragged in to borrowed funds from international developmental agencies in Andhra Pradesh. Thus, Community Forest Management Programme, South Asia Poverty Alleviation Programme, Velugu are implementing in the state with the help of development agencies under the borrowing¹⁰⁰ terminology. In this back drop, Eradication of poverty is aimed at overall economic and

⁹⁹ . S. Mahendra Dev and P. Padmanabha Rao, Poverty Alleviation Programmes in Andhra Pradesh – An Evaluation, Hyderabad, Center for Economic and Social Science Research, August 2002, p.3.

¹⁰⁰ . Document of the World Bank report no: 24771-in Project Appraisal Document on a Proposed Credit in the amount of SDR 114 million (us\$150 million equivalent) to India for the Andhra Pradesh rural poverty reduction project January 3, 2003

social development by ensuring equitable access in resources and skills, as well as by widening the opportunities for gainful employment to the deprived sections of the society, is enunciated as the principal objectives of all the rural development programmes initiated by the government¹⁰¹.

The government of Andhra Pradesh has its own developmental programmes along with the central assisted programmes such as IRDP, JRY, DWCRA, SGSY, SJRY, RLEGP, NREP, TRYSEM, EAS and NREGA. The state of Andhra Pradesh has started its own welfare schemes in 1980s under the N.T.Rama Rao headship. He came into power with the political agenda of Subsidized Rice Scheme to attract the masses in rural as well as urban areas. This was the dare step in Indian political system to frame out state's owned scheme along with central scheme. Since then, the state has followed its own projects especially to gain the political power in the state.

Poverty alleviation programmes are generally designed and supported by the centre and implemented by the central government guidelines by the state governments. The State Government of Andhra Pradesh has been formulating its own programmes and also availing assistance from External Donor Agencies along with the central governments assistance since last two decades for the developmental projects. In course of time such assistance has become an important in developmental and political aspects. The World Bank, UNDP and DFID are some of the major Donor Agencies who have been extending financial assistance to the State through Government of India.

The state's own poverty alleviation and development programmes are Subsidized Rice Scheme, Jnmabhoomi, Aadarana, Chaitanyam, Cheyutha, Mundadugu, Roshini (Girl Child Protection), Deepam, Chief Minister Employment Yojana (CMEY), Harithandra Pradesh, Rajeev Abhyudaya Yojana, Indiramma Programme, Swayasidha, Indiramma and Free Power Scheme. The externally aided projects are South Asia Poverty Alleviation Project (SAPAP), Andhra Pradesh Rural Livelihoods Project (APRLP), Community Forest Management, Andhra Pradesh District Poverty Initiative Project (ADPIP), Andhra Pradesh Rural Poverty Reduction Project (APRPRP) and Indira

¹⁰¹ . S. Mahendra Dev and P. Padmanabha Rao, 2002, p.3.

Kranthi Patham. These programmes are broadly grouped as (a) Consumption support; (b) Wage employment; (c) Credit for self-employment; (d) Asset provision; (e) Land reforms; and (f) Natural Resource Management Programmes.¹⁰² For the welfare of farmers, the State of Andhra Pradesh has created *Rythu Bazaars* under the Telugu Desam Party Regime to ensure remunerative price to farm products. The state was constructed of one Rythu Bazaar complex for every one lakh population. The state also developed the Cold Storage Plants to ensure milk production and utilization in the state.

The state is also encouraging to motivate young, utility based service associations like Self-Help Groups popularly known as DWCRA, youth associations to undertake innovative developmental activities in rural as well as urban areas. Moreover, there are associations including '*Vana Samrakshana Samitis*' (VSS) to find sustainable solutions for managing forests, Water User's Associations (WUA), Watershed Development Committees, Village Education Committees, etc. In substance, the Naidu regime was able to gather diverse segments of society such as women, youth, and farmers to organize their interests with active support from the state. While promoting diverse developmental objectives the Naidu regime took care to keep people of Andhra Pradesh well informed about its major achievements. The government of Andhra Pradesh under the Congress ruling is trying to promote holistic development approach to strengthen the rural areas through the programmes like Indiramma, Indira Prabha, and Indira Kranthi Patham and so on.

Subsidized Rice Scheme¹⁰³

In Andhra Pradesh, the PDS is providing subsidized food grain and other essential commodities to the poor people in both rural and urban areas. At present, the PDS schemes have been devising for poor people living at different levels of poverty. Hence

¹⁰² . Joseph L. Plakkottam, M. P. Madhusoodhanan Priti Ranjan Dash, Priorities of the Poor and Appropriateness of Poverty Alleviation Programmes, Sponsored by Planning Commission of India (Socio-Economic Research Unit) Government of India, October 2003, p.1.

¹⁰³ . Initially, the Subsidized Rice Scheme was politicized in the general elections of the state of Tamilnadu in 1967. The Dravida Munnetra Kajagham (DMK) promised in its election manifesto to supply three measures of rice per rupee (one measure of rice is roughly equivalent to 1.5 kg). For more details, Vikram K. Chand (ed), 2006, Re-inventing Public Service Delivery in India – Selected Case Studies, New Delhi: Sage Publications, p. 272.

the origin of (a) BPL ration scheme for people below poverty line; (b) Antyodaya Anna Yojana for the extremely poor; and (c) the provision of free rice to the few poorest of the poor.

The Government of Andhra Pradesh has introduced the scheme in 1980s to improve the consumption levels of the weaker sections of the society. The scheme was introduced by N.T. Rama Rao and he projected himself as the elder brother who gives rice and sarees to women – a benefactor doing well to ‘his people’. The most important one was the so-called ‘Rs. 2 per kg’ rice scheme, which involved the distribution of 25kg of rice at a subsidized rate to about 70–80% of households. These populist schemes have remained important in AP’s political history¹⁰⁴. Again, the Congress government under the chief minister ship of Dr. Y.S. Rajasekhara Reddy, the scheme was reintroduced in April 2008. The TDP government reduced the price of rice at fair price shops from Rs 3.25 to Rs 2 per kg in 1983 and The scheme was later modified by the government of Chandrababu Naidu in the mid-1990s. The Congress government had increased the price to Rs 5.25 per kg after it came to power, and the same is being set to be offered now for Rs 2 per kg.

This discourse can be characterized as ‘donative’, since it stresses hand-outs, charity and welfare provided by a benevolent ruler¹⁰⁵. The scheme succeeded in bringing and brought power to Chandrababu Naidu as a great welfarist along with his political career. A micro level study conducted at village level revealed that the scheme has provided access to food to most of the poor. But large percentages of beneficiaries are non-poor households. Moreover, large sizes of the poor house holds were excluded from the scheme in the backward areas of villages¹⁰⁶. Some of the explored observations are that the scheme has enabled food availability at the local level at affordable rates; it has contributed to a large extent in ensuring food security to the poor and there are a substantial number of non-poor people benefiting from the PDS. Out of the total PDS beneficiaries nearly 60% are reported to be ‘non-poor’ according to the poverty line criteria. However, since the

¹⁰⁴ . Jos Mooij, Smart Governance? Politics in the Policy Process in Andhra Pradesh, India, Overseas Development Institute, London, Working Paper 228, October 2003, p.1.

¹⁰⁵ . Ibid, p.13.

¹⁰⁶ . Quoted by S.Mahendra Dev and Padmanabha Rao from Indrakant,S. (1996), “Food Security and Public Distribution in Andhra Pradesh - A Case Study” Center for Economic and Social Studies, Hyderabad, p.20.

poverty line has been defined at a bare minimum subsistence level, many of these non-poor could also be safely treated as poor. At the same time, a major part of these non-poor is not eligible for subsidized food schemes. Any kind of misappropriation of programmes meant for the poor people, by the non-poor/non-eligible must be eliminated. This can be achieved only by inculcating elements of transparency in the selection process. The Panchayati Raj institutions at the local level are suitably placed to check whether there is any malpractice in this process. The selection and review of the beneficiaries under PDS must be done in a Gram Sabha where everybody in the village is present. And more importantly, the decision of the Gram Sabha must be legally binding¹⁰⁷.

Janmabhoomi

Janmabhoomi (literally, land of one's birth) is one of the Telugu Desam Party regime's flagship programmes and initiated by the former Chief Minister of Andhra Pradesh. It is based on a South Korean concept and was launched in January 1997. It was primarily relates to *Shramadan* (Gift of Labour) on the part of the people and changed as significant movement with economic, social, cultural and psychological ingredients educating, appealing, inviting and encouraging people to plan, organize and develop in order to accomplish community needs and infrastructure on their own.

The above is a rural development programme that a) aims to bring government to the people, b) is based on voluntary labour contributions, and c) involves micro planning at grassroots level. It is implemented in rounds; initially there were four rounds every year; later this was brought down to two. Each round has a particular theme, such as health, women, water conservation, etc. During each round, officials go to the villages and conduct *Janmabhoomi* meetings, in which local people can come forward with their complaints and/or demands and in which necessary community works are identified. Some problems are sorted out on the spot. Public works are carried out later. The programme was also meant to take the administration nearer to the people

¹⁰⁷ . Joseph L. Plakkootam, M. P. Madhusoodhanan Mr. Priti Ranjan Dash Priorities of the Poor and Appropriateness of Poverty Alleviation Programmes – A Study of Mahbubnagar and Prakasam Districts in Andhra Pradesh, (Sponsored by Planning Commission, Government of Andhra Pradesh) October 2003., Development Management Network, Pune and Hyderabad, p.2.

(*Prajalavaddaku Palana*) and evolve micro-plans by identifying their needs, assessing the availability and requirements of resources¹⁰⁸.

Janmabhoomi is linked to a great many other government schemes, since the official distribution of funds or sanctioning of groups (e.g. DWCRA groups) happens at the time of the *Janmabhoomi* meetings. For instance, pensions are distributed, revolving DWCRA funds are sanctioned, gas connections and house sites are distributed at the time of *Janmabhoomi*. Community works, coming under schemes like the Employment Assurance Scheme, rural road maintenance, rural water supply, education and others also come to the village as part of *Janmabhoomi*¹⁰⁹. In effect, *Janmabhoomi* has dominated on the functioning of Gram Panchayats which are guaranteed by the constitution and highly enforced by the 73rd Amendment of the Constitution, which lays down procedures for the decentralization of governance to village-level bodies. According to a World Bank Report, the *panchayat* institutions are ignored, marginalised and starved of funds due to the effectiveness of Janmabhumi Programme.¹¹⁰

Aadarana (Rajiv Abhyudaya Yojana)

The *Adarana* scheme aimed at to supply improved tool-kits to the rural artisans to improve the performance of the poor people engaged in traditional occupations. This was a highly popular programme that helped many poor people in enhancing their livelihood. *Adarana* is a loan-cum-grant scheme. However, there has not been any report of people repaying this loan. All of them thought it to be a grant from the government. The major criticism against this scheme is about the poor quality of equipment purchased on a large scale by the government for the beneficiaries, as well as the relevance of that equipment for the work of the concerned artisan. This scheme was highly target oriented and hence these important considerations were not taken care of. *Adarana* also seems to have been wrongly inspired by the IRDP experiment. The scheme, however, has been discontinued recently.

¹⁰⁸ . Srinivasulu, K. Political Articulation and Policy Discourse in the 2004 Election in Andhra Pradesh, GAPS Series Working Paper : 1 August 2004, Hyderabad, Centre for Economic and Social Studies, p.9.

¹⁰⁹ . World Bank Report of 2000, p.29.

¹¹⁰ . Ibid.

According to the Audit Report of Andhra Pradesh “the scheme suffered from inadequate and inefficient utilization of funds and complex categorization of beneficiaries coupled with equally complex funding pattern. The procurement procedure lacked transparency. There were large-scale irregularities in selection of beneficiaries, supply of tools, prices paid and distribution of tools”. The report also criticized that the scheme was failed to cover all the identified artisans in¹¹¹ December 1998, even the guidelines recommended to provide the benefits to all identified artisans in the state¹¹².

The Rajiv Abhyudaya Yojana is replaced with Adarana, the scheme was implemented by the Telugu Desam government. Rajiv Abhyudaya Yojana is a programme for improving the living conditions of the weaker sections, particularly the Backward Classes. This scheme is aimed at to empower the artisans. The new programme is outlined with an annual outlay of Rs.1, 300 crores. The scheme is expected to transform the lives of artisans who come under below the poverty line. The goal was to benefit 10 lakh families in the next four years.

Mundadugu

The Government of Andhra Pradesh has been implemented the programme called *Mundadugu*, for the development and upliftment of the Scheduled Castes. The programme was initially launched in the year 1999-2000 by then the government. Under this programme, various schemes have been taken up including infrastructure development in the SC localities and economic development schemes for S.C. beneficiaries¹¹³.

¹¹¹ . Mundadugu, <http://bbs.witip.cn/html/manifesto-1999.htm> , Access date 28/1/2008.

¹¹² . Government of Andhra Pradesh, Audit Report (Civil), 31 March 2002, p..xxi.

¹¹³ . Government of Andhra Pradesh, 2000, Strategy Paper on Welfare of Scheduled Caste and Scheduled Tribe Population, p. 2

Chaitanyam

The programme of *Chaitanyam* was designed to target exclusively Scheduled Tribes and launched during the year 1999-2000. Since the beginning of the programme, 25,484 house sites have been distributed, 29,415 houses have been constructed, 2,667 persons trained in Human Resource Development, 5,736 DWCRA groups have been formed, 8,438 Community Health Workers have been engaged and 9, 667 Village Tribal Development Associations have been formed¹¹⁴. During the year 1999-2000, Government has embarked upon a programme for development of Scheduled Tribes known as “CHAITANYAM”. Since the beginning of the programme, 25,484 house sites have been distributed, 29,415 houses have been constructed, 2,667 persons trained in Human Resource Development, 5,736 DWCRA groups have been formed, 8,438 Community Health Workers have been engaged and 9, 667 Village Tribal Development Associations have been formed.

Cheyutha

The programme of Cheyutha is designed to give special economic package for the physically handicapped in the state of Andhra Pradesh under Janmabhumi programme and started in eleventh round in 2000¹¹⁵. It was considered as a unique programme in Andhra Pradesh and succeeded in benefiting the disabled persons to an extent. But the politically targeted programme was terminated after defeating the TDP ruling government in 2004 assembly elections.

Roshini

The scheme was implemented under the TDP regime to empower the community of Muslims in terms of economically and socially¹¹⁶. Most of the programmes were aimed

¹¹⁴ . Government of Andhra Pradesh, Strategy Paper on Welfare of Scheduled Caste and Scheduled Tribe Population, p. 2. Source:<http://www.aponline.gov.in/>, Access date: 23/6/2007.

¹¹⁵ . Janmabhumi (Cheyutha), <http://www.andhranews.net/state/general/janmabhoomi.asp>, date : 28/1/2008.

¹¹⁶ . Roshini, <http://bbs.witip.cn/html/manifesto-1999.htm> Access date 28/1/2008.

at the vote bank from different caste and class communities in the state. The programme was put off from the mainstream development policies after the power change in the state.

CMEY Programme

The Government of Andhra Pradesh has implemented the scheme for the youth in the name of CMEY programme. This programme has been aimed at generating self-employment for the youth who were expected, in turn, to secure sustainable livelihoods and acquire some noble human values. The programme was designed to be a group activity by a team of five young men or women in the village. The group was expected to be highly co-ordinated and cohesive in nature so that they would be able to run the enterprise successfully.

The programme resources consisted of grants as well as subsidies. The implementation of the programme showed that hardly any lessons were learnt from the experience of the erstwhile IRDP, which was a huge failure. Many assumptions of the programme proved to be wrong and the government ultimately suffered huge financial losses. The beneficiaries who had chipped in their resources also incurred financial losses. The programme was also used as an instrument of political patronage and many groups were formed just to swindle the programme resources. The rate of recovery of the loans given under the programme was extremely low in most of the cases. The programme is also changed into other programmes.

Deepam Scheme

Energy for cooking gas a basic for living as one has to cook to eat, and one has to eat to live. In the context of global environmental governance with issues like forest shrinking, population exploding and degradation of environment, the government in Andhra Pradesh has implemented the *Deepam* scheme to supply LPG connections through the SHGs. The objective of the scheme is to reduce the dependency on the forest for cooking fuel in rural areas. But, in practice, it became popular programme for the vote bank politics to catch women from rural Andhra Pradesh under the TDP rule. This scheme aimed at providing

subsidized LPG connections to the members of the SHGs. This is expected to reduce the drudgery of women in collecting firewood and also to reduce the toxic gases that women are exposed to, from kitchen smoke.

The DWCRA groups and DWCUA groups in rural and urban areas respectively are the poor controlled institutions through which the scheme is implemented at the cutting edge level. The rural development Department, the oil companies, and AP state civil supplies corporation/Girijan Cooperative Corporations are the agencies involved in the implementation of scheme¹¹⁷. The process of beneficiary identification is at the group meetings of SHGs. The DWCRA in rural and DWCUA in urban areas of the groups themselves select the eligible households from each group through their group meetings. The poor, white ration cardholders are eligible for the scheme. Though the Government have waived off the LPG connection fee, the upfront costs have to be born by the beneficiary themselves¹¹⁸.

In principle, it is felt that this would also lead to environmental regeneration by reducing the cutting of trees for firewood purposes. Many rural women who are members of the SHGs have received LPG connections through this scheme. The report of AP Audit (Civic, 2003) stated that “the poor families hardly use the LPG as it is very costly to refill the gas cylinder. They would rather use the traditional chulah that uses firewood. Firewood is available in the village or at a distance free of cost”. Further, most of the LPG connections were sold due to inability refill and some were with lack of awareness that the refill is need to do for their continuation¹¹⁹. The scheme is mixed with the Indira Kranthi Patham under the Congress regime since 2004.

A study¹²⁰ reveals that most of the DWCRA members were aware of Deepam Scheme. As regards the utilization of the gas connection, both evidences were drawn by the empirical investigation such as using gas connections and using firewood for cooking and

¹¹⁷ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 93-94.

¹¹⁸ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 93-94.

¹¹⁹ . This is field based observation from Adilabad and Nizamabad districts in Andhra Pradesh during my field visit in February, 2005.

¹²⁰ . S. Mahendra Dev P.Padmanabha Rao, 2002.p.93-94.

other purposes. 'High price for refilling' and lack of the transportation for the supply of gas have been the reasons for this. It is also drawn the observation regarding the utilization of firewood is that the fear of fire accident. The study is also stated for further study on the impact of provision of gas connection, on income generation, health, education, environmental aspects¹²¹.

Community Forest Management

The state of Andhra Pradesh has a remarkable forest area with 6.38 million hectares in the state and 23 percent of its geographical area. A large section the rural society depends (directly or indirectly) on forests for their livelihoods. However, due to increasing pressures, forests are already a depleted resource. The Community Forest Management as a participatory people's management scheme is aimed at to reduce rural poverty through improved forest management with community participation.

At present nearly 5,000 villages are covered under the project in 14 districts of the state such as Adilabad, Nizamabad, Mahbubnagar, Medak, Khammam, Warangal, Karimnagar, East Godavari, Visakhapatnam, Vizianagaram, Srikakulam, Chittoor, Cuddapah and Nellore. All the 5,000 villages under the Project have active Forest Protection Committees or Vana Samarakshana Samithi (VSS). These VSS' have been given greater autonomy and financial powers to manage Project funds and 4,247 VSS have begun implementing their micro-plans for treatment of forest lands¹²².

A research study¹²³ indicates that the policy provisions regarding JFM should be clear and the procedures are to be simplified, so that the user groups could benefit the maximum. It also found that the village institutions need greater autonomy because there was more dominant role of forest department in JFM. Field research suggests that in the JFM model, social reorientation and training are necessary. The forest department and

¹²¹ . S. Mahendra Dev P.Padmanabha Rao, 2002. p. 96-97.

¹²² . Andhra Pradesh Community Forest Management, <http://www.worldbank.org.in>, accessed date: 3/2/2008.

¹²³ . R. M. Mallik, Making JFM Work Towards Forest Conservation in Orissa: Some Conceptual, Institutional and Participatory Issues, Nabakrushna Choudhury Centre For Development Studies, Bhubaneswar, 2006.

allied departments should direct attention on more the challenging issues of human values, perceptions, cooperation, mutual respect, trust, behaviour etc. rather than on traditional emphasis on technical skills and methods of upgradation. Similarly, documentation of field learning concerning social and ecological issues not only need to be carefully documented, but also, be shared as well as utilized in evolving programme planning and management. The study insisted that, in the long term perspective of JFM programme, the JFM philosophy must be underpinned to generate faith in the capability/skill of the local people to manage local forest resources very effectively on sustainable and equitable basis, the study concludes¹²⁴.

Swayam Sidha

The programme was launched in 1996. The main objectives of the program are establishment of Self-Reliant Women's Self Help Groups (which are full swing in the state), creation of confidence and awareness among members of SHGs regarding women's status, health, nutrition, education, sanction and hygiene, legal rights, economic upliftment and other social, economic and political issues, strengthening and institutionalizing the savings habit in rural women and their control economic resources, improving access of women to micro credit, involvement of women in local level planning and convergence of services of DWCW and other Departments.

Indira Prabha Programme

The State government has launched Indira Prabha scheme. This programme popularly known as Samagra Bhu Abhivruddhi Karyakramam, aims to facilitate immediate and effective cultivation 3.23 lakhs of acres assigned to the poor. The beneficiaries will get financial assistance from Indira Prabha to make their land cultivable. The programme is implemented at grass root level by the land unit of Indira Kranthi Patham and Revenue Department in convergence with NREGS-AP.

¹²⁴ . R. M. Mallik, Making JFM Work Towards Forest Conservation in Orissa: Some Conceptual, Institutional and Participatory Issues, Nabakrushna Choudhury Centre For Development Studies, Bhubaneswar, 2006.

Pavala Vaddi Scheme

The Government of Andhra Pradesh has introduced a scheme called Pavala Vaddi (loan with subsidized interest rate at 0.25 %) in 2005. Under the scheme, bank would provide loans especially for the SHGs women. The main objective of the scheme is to reduce the financial burden for the SHGs women. The scheme is being implemented under SHG Bank Linkage Programme.

Self Help movement of women with thrift as entry point has grown as a mass movement in Andhra Pradesh. There are about 6.99 lakh women Self Help Groups covering nearly 89 lakh rural poor women. The Government adopted micro credit as a tool to attain the economic empowerment of women and facilitated SHG bank linkage programme in a big way since 1998-99 onwards in the State. The SHG women have taken up various income generating activities by availing themselves of the facility under the SHG - Bank Linkage programme and created a path for their economic empowerment. The Nationalized banks, Regional Rural Banks & Co-operative Banks are coming forward to issue loans to Self Help Groups¹²⁵.

Andhra Pradesh Rural Livelihoods Project (APRLP)

The Andhra Pradesh Rural Livelihoods Project (APRLP) was an external funded project and assisted by the Department for International Development (DFID), UK in 1999 with a proposed total budget of £45.543 million based on pro-poor watershed-based sustainable rural livelihoods approaches. The project has been implemented in five semi-arid and drought prone districts of Andhra Pradesh. viz. Anantpur, Kurnool, Mahaboobnagar, Nalgonda and Praksham. Under the project, 500 micro watersheds were proposed to construct and 100 micro watersheds each in the aforesaid five districts having an area of 500 hectares of the districts land. Funds for this project were provided to the State Government as grants-in-aid through the Department of Land Resources. The State

¹²⁵ . See for more details in Rural Development website on Pavala Vaddi Scheme, it is accessible at, http://www.rd.ap.gov.in/PV_Doc.htm date 18/2/2008.

Government has created necessary administrative structure for implementation of the project. The project was formally completed in 2006¹²⁶.

South Asia Poverty Alleviation Programme (SAPAP)

The South Asia Poverty Alleviation Programme (SAPAP) was initiated in 1995 in Andhra Pradesh. The programme was assisted by UNDP with response to Dhaka declaration of the SAARC Summit held in 1993 on eradication of poverty by 2002 in all SAARC countries¹²⁷. The programme is implemented in the three poverty stricken drought prone-districts, namely, Anantapur, Kurnool, and Mahaboobnagar. Within the three districts, SAPAP concentrated itself on twenty of the poorer mandals.

The SAPAP reported that it has contemplated the process of social mobilization as an institutional mechanism to mobilize the poor into SHGs for their collective empowerment at the grassroots level. The collective body facilitates interaction between the poor and the government machinery for better access to public resources and services and also acts as a pressure group to keep the state more accountable to the institutional power of the socially mobilized poor. The empowerment model of SAPAP includes the components, social mobilization, institutional building, and capacity building to remove the obstacles that perpetuate poverty and enable the poor to overcome their vulnerable condition. The SAPAP was implemented in collaboration with local NGOs and the state government. SHGs of poor women are promoted with the underlying principles of physical proximity, homogeneity, and affinity¹²⁸. The SAPAP has been replicated with suitable modification in the most backward mandals of Andhra Pradesh in the form of Andhra Pradesh Rural Poverty Reduction Project (APRPRP).

¹²⁶ . Andhra Pradesh Rural Livelihoods Project, Mid Term Review: 10-14 November 2003. from <http://rd.ap.gov.in/aprlp/EvaluationReports/MTRtor031stdraft.doc> date 3/2/2008.

¹²⁷ . See for more details, Radhakrishna, R. and Shavon Ray, 2005, p.43.

¹²⁸ . Ibid.

Andhra Pradesh District Poverty Initiatives Project (Velugu 1st Phase)

The Project, called the Andhra Pradesh District Poverty Initiatives Project (APDPIP)¹²⁹, is being implemented in 180 backward mandals of the six districts of Adilabad, Mahbubnagar, Anantapur, Chittoor, Srikakulam and Vizianagaram. Its objective is to improve opportunities for the rural poor to meet their priority social and economic needs and reduce the incidence of child labour and school drop out of girls. The project proposes to achieve its objectives through social mobilization and empowerment of the poor, especially women, improvement of their livelihood skills, and providing access to productive assets, infrastructure and social services.

The project also aims at improving the concern for the poor in all existing institutions. The total project cost is Rs 593.12 crores for the first time slice of five years ending December 2005. The Project is expected to benefit 6.30 lakh families directly and indirectly impact on all the poor in the Project areas through increased participation of the poor in other ongoing poverty alleviation and development programmes. Out of the target, 1.09 lakh families have been covered ending December 2001.

Andhra Pradesh Rural Poverty Reduction Project (Velugu 2nd Phase)

The First phase of Velugu project i.e. (commenced in June, 2000), Andhra Pradesh District Poverty Initiatives Project (APDPIP) is reported to have been a successful programme in empowerment through social mobilization in 180 backward mandals of the six districts of Adilabad, Mahbubnagar, Anantapur, Chittoor, Srikakulam and Vizianagaram. Then the Government of Andhra Pradesh has rolled out the second phase of Velugu project called Andhra Pradesh Rural Poverty Reduction Project –APRPRP in the rest of 16 districts of the state. The Velugu project thus covers 861 rural mandals across the state.

¹²⁹ . Government of Andhra Pradesh, APDPIP Mid Term Report, SERP, October 2003, p.4.

Indira Kranthi Padham (Velugu 3rd Phase)

The activities of DWCRA and Velugu were integrated under a programme called Indira Kranti Padham¹³⁰. The basic objective of this integration is to implement various programmes for strengthening of Self-Help Groups with similar implementation strategy. The new scheme Indira Kranti Padham had been designed by clubbing Women Empowerment with Poverty Alleviation. Activities with the DWCRA groups are main objective in this project. Even it is a central scheme; the Government of Andhra Pradesh has been showing more importance to the Self-Help Groups which have given realistic hopes for the poor people to organize, and through their collective strength prove that they are bankable and can enhance their social and economic position by operating in the mainstream market systems.

The performance of Self Help Groups has been good in terms of the number of poor people getting organized, the activities they undertake, and presenting themselves as a viable model to make many other ailing welfare delivery systems efficient and it is effective. There are many instances of SHGs of women growing at a fast pace in Andhra Pradesh. The SHGs at the Mandal level get organized into Mandal Samakhyas, which have substantial amount of money as savings. Recently, the government of Andhra Pradesh has registered 5,313 village organization and 211 Mandal Samkhyas as primary cooperatives under Andhra Pradesh Mutually Aided Cooperative Societies Act under the velugu project (Indira Kranthi Patham) project¹³¹.

Indiramma Programme

Indiramma programme (Integrated Development in Rural Areas and Model Municipal Areas) is launched by Dr. Y.S. Rajashekar Reddy, Chief Minister of Andhra Pradesh in 2006. It is aimed at to achieve integrated development in rural areas by developing the roads, construct houses and school infrastructure, and take up other development

¹³⁰ . Government of Andhra Pradesh, G.O. Ms. No.83. Merger of Swarnajayanthi Gram Swarozgar Yojana (SGSY) and Velugu into Indira Kranthi Patham – Common guidelines – Orders – Issued. Dated.21.03.2005.

¹³¹ . Department of Rural Development, Annual Report 2005, Government of Andhra Pradesh, p.10.

programmes. This programme is estimated to benefit rural economy by improving the existing infrastructure and it is targeted to build 7 million houses for the rural poor by the year 2009. Under this scheme, there are 8 identified components to provide the needy people in the state such as housing for all, roads, sanitation (especially encouraging individual sanitary latrines (ISLs)), drinking water, electricity to every household, primary education, Integrated Child Development scheme and health for all.

Summing up

Poverty alleviation programmes constitutes an important dimension of the public policy thrust to bring about rapid reduction in rural poverty. In recent poverty eradication phenomena, two major changes have occurred. Wage employment and credit-cum-subsidy self employment have been formulated and notified. Further, these programmes are now targeted to enhance the income generation opportunities for poor families. A review of various developmental programmes taken up since independence indicated the need for a new comprehensive programme for the eradication of poverty in rural areas. Though a number of programmes have been in operation for the uplift of rural poor, yet, achievement of the objectives is not upto the mark. The programmes did not cover the target groups i.e., poorest of the poor families. The studies also indicated that much of the programmes have been corrupted by administrative mal practices. It was, therefore, proposed that such target oriented, especially with pro-poor concept, and community based organization's involvement for the self-sufficiency and economically vibrant schemes has to come up.

The Government of Andhra Pradesh has been implementing the welfare programmes and developmental projects mainly to empower the rural poor through creating additional income resources. Even the governing power is changing through the elections in democratic form from the one political party to another; the programme implementation is highly focused by these political parties. The programmes are mostly formulated to acquire the electoral victory more than the development of the people. There is also a tendency in the state to capture the power and domination over state governance. In the context of development, state government has promoted developmental activities mainly

with the assistance of World Bank. Some of the programmes are financed by the state itself and some other are supported by external developmental agencies including World Bank, UNDP and DFID.

Some of the field level evaluation studies on poverty alleviation programmes explored the loopholes in implementation in terms of negligible assistance, lack of supervisory staff at field, absence of coordination with different authorities and communication problems, insufficiency of supervisory staff, wrong selection of beneficiaries, lack in timely funds released, lack of education and skill development initiatives among the poor families and lack of awareness on different schemes among people. The selection procedure of the beneficiaries is mostly biased and wrong. There are malpractices in the programmes have emerged from the evaluation studies.

The above programmes are being implemented all over the country to empower and provide basic amenities such as employment, housing, education, rural infrastructure and health. But, according to various evaluation reports of the Planning Commission, and academic and independent researches most of the programmes were not up to the mark in achieving the structured objectives.

Chapter-3

Velugu Project in Andhra Pradesh

Rural poverty in Andhra Pradesh, as everywhere in India, is a multidimensional and complex issue. It also continues to be one of the serious problems even after the major central government programmes have intervened in curbing the rural poverty in the state. Poverty in Indian states generally is involving the inability to gain basic needs, lack of resources, lack of education and skills; poor health and malnutrition; lack of shelter; lack of access to clean drinking water and sanitation and lack of political participation and inability of access to political power.

The composition of the rural poor is mainly from the agricultural labour with high prevalence, low skilled artisans and self-employed households. In general in India, poverty is highly concentrated among agricultural labour¹. In Andhra Pradesh, agricultural labour constitutes more than 60 per cent of the rural poor according to 1999-2000² estimates. According to the NSS 50th and 55th rounds survey data on household consumer expenditure, the incidence of rural poverty among SCs was 15.6 per cent and STs was 35 per cent in rural Andhra Pradesh. The other backward classes constituted 41.3 per cent. Keeping in view, the incidence of rural poverty in the state, the Government of Andhra Pradesh has prepared the Andhra Pradesh: Vision 2020 in 1999 as a long-term development strategy for the state.

Background of the Project

The state of Andhra Pradesh is one of the first states to frame a comprehensive vision for human and economic development. For the extensive development of the state, the Government has formulated the vision above. In this document the state has articulated a growth-oriented strategy to eradicate poverty. The government took strategic steps to operationalize the vision. A number of sub-committees were constituted to deal with a

¹. Radhakrishna, R. Shovan Ray, (Ed). 2005, Handbook of Poverty in India: Perspectives, Policies and Programmes, Oxford University Press, p.6.

². Ibid.

wide range of issues, including an overarching strategy for poverty reduction. The administration encouraged to take necessary activities regarding issues like limited success of anti-poverty programmes, limited financial resources and poor administration.

Most of the programmes are targeted to provide only wage employment opportunities for agricultural labourers and some programmes provided self-employment opportunities, which were, in most cases, only used to get financial assistance. But they failed to provide sustainable livelihood opportunities. In addition, women related schemes also proved that the programmes were only for capturing the vote bank rather than bringing real empowerment. Mechanisms to ensure accountability to deliver the benefits of government are not functioning in a proper way. Poverty is still prevailing at a high rate. A majority of the agricultural labourers are struggling for minimum wages in rural areas. Even, the Public Distribution System has been working since last five decades to improve the consumption levels of the weaker sections. Major section of society is lacking with proper meal a day. A micro level study³ conducted at village level revealed that in the developed villages, the scheme has provided access to food to most of the poor. Ironically, a large percentage of beneficiaries are from non-poor households. In the backward villages, too, a large percentage of poor households are excluded from the scheme while a sizeable percentage of the beneficiaries belong to the non-poor category⁴.

In the rural areas, the households are divided based on main source of income or livelihood. According to one NSS household survey, there are five household types such as self-employed in agriculture, self-employed in non-agriculture, rural agricultural labour, other rural labour and others⁵. Households that are rural poor depend primarily on agriculture and allied activities for their livelihood. The poor have limited access to economic activities, in part because of limited ownership of land and also because of lack

³ . Mahendra Dev, S. Padmanabha Rao, 2003, Poverty Alleviation Programmes in Andhra Pradesh – Assessment, Hyderabad, Centre for Economic and Social Studies, p. 19.

⁴ . Ibid, p.20.

⁵ .Deaton, Angus and Valerie Kozel. 2005, *The Great Indian Poverty Debate*, p. 123.

of access to formal credit. A majority of the households below the poverty line are landless. Marginal farmers often own land only in degraded areas in respect of fertility.

Uncertain tenancy relations and rigid leasing regulations have also effected the livelihood options that are accessible to the poorest. Despite the introduction of land reforms that to reduce inequalities in land holdings, targets have not been achieved. Fragmentation of land holdings continues on a large scale and only a few states like Goa, Karnataka, Tamilnadu, Gujarat, Madhya Pradesh, Orissa, West Bengal, Andhra Pradesh, Maharashtra, Uttar Pradesh and Haryana⁶ have could undertake a programme of consolidation of holdings⁷. The Ninth Five Year Plan Document has also envisaged that the land reforms have not been implemented in a systematic way. The failure of the land reform as an anti poverty programme has led to the landless being dependent on low agricultural wage rates.

Even after six decades of planning experience with an objective of integrated human capital development, the result is not visible. Human capital is critical for the rural poor; because deprivation of health, nutrition, or education limits the capacity to fully utilize one's own assets (e.g., labor) and access and utilize available services. The inability to tap either or both prevents people from escaping vicious poverty traps. Health, nutrition, and education indicators for Andhra Pradesh rural areas show severe deprivation among the poor.

The Government of Andhra Pradesh's APDPIP also noted precarious living conditions of the rural poor. The consequences of unanticipated losses from death, hospitalization, disability, droughts and floods often are devastating and can prevent households from escaping poverty and related debt traps. The poor rarely access public and private insurance instruments. The so far implemented anti-poverty programmes are also challenged with different issues such as lack of proper implementation, lack of financial assistance, corruption and failure to provide sustainable livelihood opportunities. Thus,

⁶ . Government of India, Annual Report 2006-2007, Ministry of Rural Development, www.rural.nic.in, access date: 4/3/2008. p.137.

⁷ . Planning Commission, Ninth Five Year Plan, Government of India, Poverty Alleviation Programmes, p.24.

the gaps in the initiated programmes are shown to frame a new scheme for eradication of poverty in rural areas. In addition, some of the programmes have given their successful formulas to implement effective programmes for the rural poverty reduction.

The report of the Rural Poverty Task Force was released in May 2000 and provided the basic framework for the preparation of the strategy on poverty reduction and the government has formulated the rural poverty reduction programme. At the same time, the government has also set up a poverty eradication mission composed of eminent persons possessing a wide range of expertise in the rural sector from around the country. The mission is to be an advisory body to government and to comment on Government of Andhra Pradesh's initiatives for poverty reduction by offering independent advice.

Thus, the government of Andhra Pradesh Rural Poverty Reduction Programme has the dual objective of promoting economic mobility and enhancing social protection by reducing vulnerability. The focus is on measures to improve rural livelihoods for marginal and small farmers, widen access to non-farm employment opportunities, and improve the access of communities to financial resources. Vulnerability will be addressed in two ways; first, by improving poor people's access to existing anti-poverty programmes and key services such as food security and basic education, health and nutrition, and second by developing new insurance mechanisms and safety nets to protect against downside risks.

Rural poverty reduction strategy as a core issue, is highlighted in the vision 2020 and it served as guiding framework for World Bank assistance to Andhra Pradesh. The state of Andhra Pradesh has developed a strong partnership to establish a sustainable fiscal framework and undertake key administrative reforms. Actually, the partnership was initiated through the Andhra Pradesh Economic Restructuring Project (APERP) approved by the World Bank in 1998. Subsequently, the Andhra Pradesh Economic Restructuring Loan/Credit was supported by the Bank in March 2002. In addition to economic restructuring project, the World Bank has also accepted to provide assistance on enhancing human capital, accelerating rural growth, and supporting key pro-poor

interventions. This assistance was taken in the form of the Andhra Pradesh District Poverty Initiatives Project (APDPIP); AP Community Forestry Management Project (APCFM); and AP Irrigation III Project emphasizing participatory Irrigation Management. Moreover, the bank also financed several other sub projects under the economic restructuring project supporting the health, nutrition and education sectors.

The DPIP is primarily targeted to integrate participatory, demand driven development of low-income households especially poorest of the poor and transparent delivery of public services at the local level which were derailed in previously implemented poverty alleviation projects. The project is also concentrated on strengthening the self-managed groups to empower the poor.

Origin of the Project

Under the South Asia Poverty Alleviation Project (SAPAP), the experience in Mahabubnagar, Ananthapur and Kurnool is reported to be appreciable in its success in reducing the poverty during 1995-2000. The UNDP assisted SAPAP (1996-2000) implemented in 20 mandals of three districts shown that the poor have tremendous potential to help themselves and that this potential can be harnessed by organizing them and building their capacities⁸. Subsequently, a revised proposal for poverty reduction was drafted in 1999-2000 and was appraised in March 2000. The project was finally sanctioned in May and formally launched in June 2000.

The poverty reduction project learned the lessons from the World Bank which assisted rural development projects in India. The ongoing and completed projects have shown the importance of community participation, group mobilization and ownership in achieving efficiency and sustainability. Since decades of planning experience in India, the community participation was highly negligible and most of the poverty alleviation programmes have been neglected and some of them have utterly failed. In this backdrop,

⁸ . Government of Andhra Pradesh, Society for Elimination of Rural Poverty, Andhra Pradesh Rural Poverty Reduction Project, 12 December 2002, Department of Panchayati Raj and Rural Development, p.17.

the participation of people and group mobilization are given much more importance in the on going poverty alleviation projects.

Community participation is a process of people's involvement with development agencies in deciding the programme priorities, taking initiative and carrying out the projects as partners by the contribution of their ideas, interest, material, labour and time. In recent ongoing and completed World Bank financed projects, the concept of community participation is considered highly critical for the efficient working and results of the developmental projects. Community participation as concept and reality has demonstrated how community can contribute towards involvement.

In the context of successful results of the development project, the UP Sodic Land Projects has shown how the poor can establish their own organizations and engage in multiple activities in order to mitigate risks and participate more in the development process. In the same way, the Integrated Watershed Development Projects (Karnataka) and UP Rural Water Supply and Sanitation projects and AP Forestry Project have all demonstrated the viability of user groups and their potential to manage project activities as well as to mobilize community contributions. These projects have also demonstrated the potential value of successful partnerships between community organizations, NGOs and the government.

For instance, the AP Community Forest Management has some of the negative implications in that the project has not achieved its objectives in terms of empowering the local communities to take autonomous decisions regarding the management of forest resources assigned to them. The project has succeeded in mobilizing the communities for the development of natural resources especially in forest lands. Especially, tribal people joined in large numbers in Vana Samrkhana Samithi's (Village Forest Protection Committees, VSS), and they are encouraged assuming full responsibility for the development and maintenance of forest areas formally placed under their stewardship. They were economically empowered with legal entitlement from both non-timber and timber forest products especially in tribal development plan areas.

The project also improved the village infrastructure and livelihood opportunities through forest as well as non-forest based income generation activities. It also supported and developed group-based economic activities targeting poor in project area villages. Thus, the APCFM has shown positive results in community mobilization and economic development.

An important lesson was learnt from the UNDP-assisted SAPAP project, that it is not enough to mobilize communities for social action but that they also need investment opportunities⁹. The SAPAP has contemplated the process of social mobilization as an institutional mechanism to mobilize the poor into SHGs for their collective empowerment at the grass root level¹⁰. The SAPAP model of development has incorporated the newly developed elements such as project components, social mobilization, institutional building, and capacity building to eradicate the poverty and empower the poor through eliminating the vulnerable condition.

The SAPAP also experienced with the concept of collaboration with local NGOs and the state government. Moreover, the project succeeded in promoting the poor women into SHGs. SHGs of poor women are promoted with the underlying principles of physical proximity, homogeneity and affinity¹¹. 'One of the most important successes of the project' is that the members are relieved from the clutches of money lenders who they had to approach earlier even for small consumption loan of Rs. 100¹². Thus, the proven positive impact of SAPAP has been replicated with suitable modifications in the form of Velugu project in the state of Andhra Pradesh.

The origins of Velugu project could be traced to 1994-95 when the proposals have been formulated and drafted in 1997-98 for the purpose of formulation of the project, by the government of Andhra Pradesh drafted. In 1997-98, the state has done extensive social assessment and capacity assessment in all the districts'. The survey took place in the

⁹ . APDPIP Mid Term Report, Andhra Pradesh, p.4.

¹⁰ . Radhakrishna. A. Shovan Ray (Ed), Handbook of Poverty in India: Perspectives, Policies and Programmes, Oxford University Press, New Delhi, p.58.

¹¹ . Ibid. p.58.

¹² . Ibid. p.59.

first round of the Janmabhumi Programme¹³, which was started in 1998. The programme has been officially started in 2000 in six districts and was later extended to remaining 16 districts. This is a World Bank financed project and is being implemented in all the districts by SERP which works under the guidelines of Government of Andhra Pradesh.

Objective of the Project

The main objective of the Velugu project is to enable the rural poor so as to improve their livelihoods and quality of life¹⁴, to eradicate rural poverty, promote human capital development, focus on the welfare of children particularly girls, women, the old, and the infirm; and build an equitable society in which people participate in making decisions which effect their lives and livelihoods¹⁵.

In addition, it is targeted to achieve by empowering the rural poor through development of self-managed grass-roots institutions, building the capacities of established local institutions, especially the Gram Sabha/Panchayats and line departments, to operate in a more inclusive manner in addressing the needs of the poor, support investment in sub-projects proposed by grass-root institutions of the poor to accelerate their entry and expand their investment in social and economic activities, and improve access to education for girls to reduce the incidence of child labour among the poor¹⁶.

The project's institutional model focus is on formation and strengthening of self-managed organizations of the poor. It is designed to strengthen and form self-managed grassroots organization, including Self Help Groups (SHGs), Village Organizations (VOs) and Mandal Samakhyas (MS) and such other federations. An important outcome of the project would be developing grassroots social and human capital and empower the poor. The CBOs are project's key instrument for identifying priority needs of the target groups at the habitation / village level. They have developed financial stability and money

¹³ . Janmabhumi is one of the TDP regime's flagship programmes. It is based on South Korean concept and was launched in January 1997.

¹⁴ . The World Bank, Velugu Project Appraisal, January 2003, p.3.

¹⁵ . Ibid,

¹⁶ . Andhra Pradesh District Poverty Initiative Project, Mid-term Report, Society for Elimination of Rural Poverty, October 2003. p.5.

management capacity through internal loaning of their own savings before becoming eligible for assistance under the Community Investment Fund (CIF) of the project. The project proposes to have partnership with all stakeholders – PRIs, government line departments, NGOs, private corporate sector etc in facilitating the project interventions to the target poor.

It would be also pursuing a rural livelihood approach to eradicate poverty. Especially, under the project, it is highly concentrating on the non-farm employment opportunities such as rural marketing, rural food production, and handicrafts and so on. Under the project, integrated human development is also targeted through achieving sufficient health facilities for mother and child. This in turn is also targeted to reduce the communicable diseases, integrated child development services, providing education to especially drop outs. But, in the actual implementation process, education and health components are ignored. The project is only covering women through forming theft groups. It is also keeping aside the rural youth especially from men category. Still, most of the families are having children without proper schooling, even after appropriate initiatives have been taken up under the project component. More importantly, the provision for schooling under the project component is not clear. As part of the project strategy, it is envisaged that every school aged child should be in school. Moreover, the project is not at all concentrated on school education, except encouraging women in to Self-Help Groups.

As a project objective, improving livelihood opportunities is also highly emphasized. The project is designed to support the convergence of programs delivered by line departments, particularly at the mandal level. The basic philosophy of the convergence of project is to create awareness amongst community-based organizations of the poorest of the poor.

The Government of Andhra Pradesh gives considerable importance to PRIs especially Grama Panchayats (GP - village-level local government) to facilitate the convergence of antipoverty programs. For this purpose, the project has, as one of the main objectives, to

strengthen the local governments. The project gives importance to GPs to involve in the project implementation, but it has also given responsibility to Mandal Parishads (MPs, sub-district level local government). The project recognizes that the poor suffer disproportionately from risks. Thus, a social risk management (SRM) framework has been developed to provide a comprehensive approach to mitigate and cope with risks.

Coverage of the Project

The project was initially implemented in the 180 backward and poor mandals of six districts of the state which include Adilabad, Mahabodnagar, Ananthapur, Vizianagaram, Srikakulam and Chittoor. The second phase of the project was implemented in remaining 16 districts and 792 mandals. Amongst these, 560 mandals where poverty is concentrated have been selected. At present, the project is concentrated in all mandals of the state.

Target Sections of the Project

The project is focusing in the state to disadvantaged mandals. The mandals have been identified using criteria such as human, economic and infrastructural development. Within these mandals, the poor and the poorest are identified giving the importance to Scheduled Caste; Scheduled Tribes; Backward Classes; people with no control over or access to productive resources (landless, asset-less, and without access to credit); daily wage laborers; bonded laborers; unskilled marginal farmers; disabled people; socially disadvantaged people like the *jogin*¹⁷; out of school children, especially girls; widows and female-headed households; and involuntary migrants. Among the poor, project intervention is focused with the "poorest of the poor." Self-selection *by* the poor and *of* the poor will be facilitated based on economic and social criteria identified by the poor themselves, using techniques, such as, Participatory Rural Appraisal (PRA), Participatory Poverty Assessment (PPA), (social mapping, wealth ranking, well-being grouping,

¹⁷ . Traditionally, girls and women dedicated to the local deity to prevent calamity befalling the village and subsequently coerced into prostitution.

gendered resource mapping) and endorsement of the process by the village community through the Gram Sabha¹⁸.

Key Components of the Project

There are six important components in the project. These are the strengthening of Institutional, Social, and Human Capital; Community Investment Fund (CIF); Support Pilot Programs; Support to Eliminate Child Labour; Support for the Persons with Disabilities and Project Management.

I. Institutional and Human Capacity Building

The focus of the component of Institutional and Human Capacity Building is to develop self-reliant and self-managed community based organizations of the poor in the form of groups, Village Federations and mandal samakhyas. It also provided assistance in building the capacity of line departments and local governments i.e., Grama Panchayats, Mandal Parishads and local NGOs to focus on the needs of the poor.¹⁹ According to the Document of Rural Development, Government of Andhra Pradesh, the total project outlay under this component is Rs. 260.61 crores. Of this, Rs.125.51 crores were released under the project of Andhra Pradesh District Poverty Initiative (DPIP) and Rs.135.10 are released under the APRPRP as second phase project implementation in 548 backward mandals in the state. It is also working in 260 coastal fishermen villages in 16 non-project mandals²⁰.

Community based organizations are the prime elements in the ongoing project. Under the project, there is a three-tier model to promote CBOs. The first step is to form SHGs with 10-15 homogenous members. The activities of SHGs are group saving, access loans to meet consumption needs and other productive activities. The second tier of the CBOs is Village Organizations. Village organizations are entrusted with the work of monitoring

¹⁸ . Document of the World Bank Project Appraisal Document, January 3, 2003, p.10.

¹⁹ . See for more details in Andhra Pradesh Rural Poverty Reduction Project, Project Implementation Plan, SERP, 2002, p. 13-14.

²⁰ . Annual Report 2005, Rural Development, Government of Andhra Pradesh, p.4.

and strengthening existing SHGs to provide loans and taking up village development activities through SHGs. Formation of Mandal Samakhyas at mandal level is the last step in the three-tier model to promote CBOs. Mandal Samakhyas will take up various social development issues, marketing activities, Rice Credit Line, Commodities marketing and strengthening Village Organizations in the mandal²¹. In the process of evaluation of the CBOs, Zilla Samakhyas are formed at district level in 2005. At the district level, CBOs are taking up certain developmental activities for the sake of grass root SHGs. The activities of Zilla Samakhyas are initiation of insurance schemes for loan protection, livestock and health and so on.

II. Community Investment Fund (CIF)

The Community Investment Fund (CIF) is a major component in this project. The component is facilitated to take up activities for income generation, physical productive infrastructure, and social development projects. The physical infrastructure includes approach roads, work sheds, storage spaces, water harvesting structures etc. Minor irrigation tanks and small check dams, sub projects may be taken up for harvesting/conservation water resources and irrigation of lands of the poor. Moreover, the objective of CIF is to improve and diversify sources of livelihoods and quality of life to the poorest of the poor by financing to increase their incomes and employment, decrease expenditure and risks through the sub-projects and micro plans²². Under the CIF, there are sub-components on a demand driven basis in the areas of social development, income generations and livelihood improvements, development of infrastructure and land purchase and so on²³. The key element of the CIF is to leverage and access financing for sub-projects from banks and microfinance institutions (MFIs).

The CIF is as a general component designed to transfer financial and technical resources to CBOs in social development in terms of early child hood development centers and disability interventions, developing physical infrastructure and bank financing for

²¹ . Ibid, p.9.

²² . Department of Rural Development, Annual Report 2005, p.21.

²³ . For details on sub component of CIF, see in Department of Rural Development, Annual Report 2005, p.51.

productive purposes. The support is specifically for the landless poor to acquire and secure land –based livelihood options based on community-based land purchase and management system²⁴. Under this component, land purchase as a CIF sub project, the productive asset for the poor particularly landless poor is provided to ensure livelihood opportunity for the rural people to acquire and secure land-based livelihood options. The objective of this sub-component is to provide access to land for the landless poor in a community based land management system²⁵.

Another sub-component of the CIF, is watershed plus. The main objective of this sub-project is to support for development of rain fed farming systems for the poor in selected 40 mandals where the PRI pilot is to be implemented. In these mandals, a total of 16 new watersheds, one in each district are taken up. In all 80 old watersheds, per pilot Mandal is also taken up²⁶.

As a component of CIF in the first phase of *Velugu* project i.e., APDPIP was aimed at providing and improving the basic minimum services. The activities of first phase project included improved access to public services, especially health, education, children and veterinary care. Towards this aim, there were para professionals such as volunteer teachers, health workers, and veterinary service providers, purchase of teaching aids, hygiene improvement, environmental sanitation and preventive health care measures²⁷. There was also group-based income generating investment which was identified by CIGs/SHGs. The CIF is allocated 50 per cent of funds that are allocated for agriculture and allied activities including milch animals and sheep/goat rearing. Around 25 per cent of the total funds distributed for non-farm activities and 15 per cent funds for agricultural activities²⁸.

²⁴ . Document of the World Bank Project Appraisal Document, January 3, 2003, p.48.

²⁵ . See for more details in, Government of Andhra Pradesh, Andhra Pradesh Rural Poverty Reduction Project, Project Implementation Plan, Society for Elimination of Rural Poverty, Department of Panchayati Raj & Rural Development, December 2002. p.52.

²⁶. See for more details about this sub-project, Ibid, p.53.

²⁷ . Andhra Pradesh District Poverty Initiative Project, 2003. p.6.

²⁸ . Ibid.

However, CIF continues to play a significant role in improving various livelihoods opportunities of the poor. Major interventions under CIF like commodities marketing by local communities, procurement of different agri-products, food security intervention and so on. CIF is the major financial source for CBOs (SHGs/VOs/MSs) in capital formation as well as in accessing credit for livelihood improvement of the poorest of the poor families. Thus, the project is formulated to strengthen and form self-managed grassroots organization, including SHGs, VOs, and MS. The CBOs are the project's key instrument for identifying priority needs of the target groups at the village level. These target groups are helped to develop financial stability and money management capacity through internal loaning of their own savings before becoming eligible for assistance under the CIF of the project²⁹.

III. Support to Pilot Programs

The main objective of the component is to support the pilot programs to take up pro-poor developmental activities. It is piloting to involve the formal and informal financial services especially for insurance and health services. However, the component is supporting three pilot programs such as strengthening the role of PRIs, social risk management and community based health packages. The component's main target is to support the government strategy of decentralized approaches to poverty reduction, by strengthening the capacity of PRIs to respond to the needs of the rural poor. The strategy is adopted for the downwards accountability of PRIs³⁰ to rural communities³¹.

The specific CIF investments were brought under the PRI jurisdiction to involve in providing physical infrastructure and certain social development and micro-watershed activities. In the pilots, PRIs also involved in income generation activities. Apart from

²⁹ . Ibid.

³⁰ . The PRIs hold accountability of Gram Panchayats (GPs) and Mandal Parishads (MPs) to CBOs and villagers, including measures to significantly improve the inclusiveness and transparency of GP and MP decision-making.

³¹ . For more details see, Government of Andhra Pradesh, Andhra Pradesh Rural Poverty Reduction Project, December 2002. p.70.

this, there is also the multi-stakeholder committee including SERP, representatives from PRIs and civil societies including CBOs. In addition, PRIs have given more importance to help the poorest of the poor under this component. It also encourages people's participation in making proposals for grass root developmental intervention. There is a provision in this component to allocate the funds to Grama Panchayats to implement the CIF activities. The pilot component is facilitated for the capacity building training to all stakeholders on rights, opportunities, roles and responsibilities and participatory process. In addition, the project is also facilitating access to financial resources for the poor which is highly needed in rural areas. The project is designed to facilitate greater linkages between the poor and financial intermediaries, i.e. regional rural banks and NGOs providing micro-finance services³².

IV. Support to Out of School Children

Universally, children are the future citizens. In contrast to this statement, In India child labour is one of the very pressing issue and wide spread. In rural India, a child who does not go to a formal school is a working child because he performs various activities like collection of water, fuel, maintenance of the house and other miscellaneous domestic chores³³. Moreover, out of school children perpetuate households in poverty. Hence, the project is targeted to ensure Universal Elementary Education for all children by 2005. Interventions of the project include community mobilization through sensitizing parents, communities, and employers of children and setting up bridge course camps so that the children may be mainstreamed into regular schools and support the parents of out of school children as they will benefit from project activities³⁴.

The strategy is adopted based on the experience of APDPIP to address rural education especially problems of out of school children and high school drop-out rates in the project districts. In fact, the component is intended to enroll all children in school by 2005, through motivating parents and children to go to regular schools. The project has also established bridge camps to prepare the parents and children. It is also aimed to retain

³² . Ibid.

³³ . Pachuri, S.K., Children and Human Rights, New Delhi, A.P.H. Publishing Corporation, 1999, p.162.

³⁴ . Document of the World Bank, Velugu Project Appraisal, January 2003. p.

Scheduled Castes girls in formal schools until the completion of their secondary education, 64 residential schools will be constructed.

Under this strategy, it focuses on improving the efficiency of Mother and Child Health (MCH), Reproductive Child Health (RCH), Integrated Child Development Services (ICDS), and Elementary Education Services; while reducing poverty. The strategy is targeted to improve the education along with increasing the number of grassroots nurse midwives strengthening the ICDS program; forming "Mother and Child" Core teams at the Gram Panchayat (GP) level; and encouraging private sector participation to deliver key services³⁵.

In the absence of the residential schools for the rural children, especially for the girl child, the drop out rate has been continuing since long back in the state. This led to low percentage of girl child enrollment and heavy drop outs and more importantly, the children would be turned into daily wage labors almost in all district of the state. Thus, the project has taken an initiative to improve the schooling as part of poverty reduction in the state.

The project, under this component, has strong linkage and convergence with government departments especially education department of the state. As a linkage and convergence, this component has linkage with State Sponsored Campaigns against Child Labour, Social Welfare Hostels and Andhra Pradesh Social Welfare Residential Educational Institutions Society (APSWERIES), Education Department of the Government of Andhra Pradesh, District Primary education Program (DPEP) and NGOs. This component is coordinated by both SERP and the Andhra Pradesh Social Welfare Residential Educational Institutions Society (APSWREIS). For the effective functioning of this component, mobilization activities have to be carried out by NGOs and CBOs in this area. But, there is no legal framework or experience of NGOs and CBOs to mobilize the activities.

³⁵ . The World Bank, Project Appraisal Document, January 2003, p.50.

V. Strategy to Support People with Disabilities

The project gives considerable importance for the development of People with disabilities (PWDs). The PWDs are also the part of the society and they are not a periphery of social structure³⁶. Even then, they are more vulnerable of the poor and discriminated against and excluded. Based on the problems and issues relating to PWDs, the state government has decided to give special attention to their rights, inclusion and opportunities³⁷. Thus, the APRPR project is targeted to empower people with disabilities within their communities and build mechanisms for effective linkages with service providers. It is proposed to cover disabled persons in 80 mandals, with appropriate interventions during the 5-year project period to empower the PWDs and their caregivers to improve their livelihood opportunities and quality of life³⁸.

The project has forged alliances between CBOs of disabled persons and NGOs and other institutions working in the disability sector to deliver a range of services to rural disabled persons. Prominent organizations among them are Balaji Institute of Surgery Research and Rehabilitation for the disabled, Rogi Sahayatha Trust, Bhagwan Mahaveer Vikalang Sahayatha Samithi and so on³⁹.

VI. Project Management

Society for Elimination of Rural Poverty (SERP) is an independent, autonomous organization registered under the Societies Registration Act, set up in the year 2000. This society has been promoted by the Government of Andhra Pradesh and is implementing the poverty alleviation project called AP District Poverty Initiative Programme and Rural Poverty Reduction Program. It is chaired by the Chief Minister as the ex-officio chairman of the general body (GB). This body has broad representation from key stakeholders includes government and NGOs. The General Body consists of twenty-five members,

³⁶ . Karna, G.N. Disability Studies in India- Retrospect and Prospects, New Delhi, Gyan Publishing House, p.25.

³⁷ . APRPRP, Project implementation Plan.2002, p.115.

³⁸ . Ibid.

³⁹ . Ibid, p.46.

with 5 ex-officio government officials and 20 representing leading agencies and individuals contributing to rural development, community mobilization and poverty alleviation⁴⁰.

The State Government has identified SERP as the main executing agency for this project for effective implementation in rural areas to curb the poverty and empower the people through social mobilization and community empowerment as a strategy for poverty reduction. SERP, as an independent support organization can effectively promote a process-oriented approach and it can build on the experience gained in the ongoing AP DPIP and can evolve the most effective strategies for the project. The autonomous status of SERP enables the organization to select highly committed professionals on fixed term for implementing the project. SERP can be more proactive in promoting partnership with NGOs, corporate sector and government organizations⁴¹.

Reorientation of Ongoing Line Departments Programs

The project is designed to explore possibilities of ensuring greater efficiency through coordinating with the existing delivery mechanisms of line departments and exploring possibilities of routing some of the functions through PRIs and civil society actors⁴². For this purpose, there is need of in-depth understanding of poverty and must be made a core concern of the mandal-level functionaries through building their capacity and exposing them to best practices. Program and processes of line departments must support empowerment of the poor in a complementary manner through joint planning, monitoring, training, and implementation⁴³.

Organizational Structure

The management of SERP is entrusted to an Executive Committee, of which an eminent non-governmental person is President and the State Project Director is the Chief Executive Officer (CEO). The President of Executive Committee is the Vice Chairperson

⁴⁰ . APRPRP, Project implementation Plan.2002, p.4.

⁴¹ . Ibid.

⁴² . Ibid.

⁴³ . Ibid. p.46.

of the general body. The Executive Committee consists of seven members with three ex officio government officials and four drawn from the civil society⁴⁴.

SERP consists of a State Project Management Unit (SPMU) and District Project Management Units (DPMUs) implementing the projects. The SPMU has the CEO and Additional CEO reporting to Executive Committee of SERP. The CEO and Additional CEO each are the State project Directors (SPDs) in charge of the APRPRP and DPIP respectively. Regional Project Directors (RPDs) in charge of a group of project districts and various functional units support them in implementing the project. There are different administrative units as well responsible for the overall functioning of several DPMUs which are under one administrative unit. The head of a DPMU is the Project Director assisted again by a few administrative personnel (Assistant Project Managers) and some functional specialists in Microfinance, Gender strategy, Health and nutrition, Livelihoods, Communications, Finance Administration, Procurement and Human Resources Development and Monitoring and Evaluation, Disability, Child Labour and Education, and Tribal Development Plan (District Project Managers)⁴⁵ are also associated.

State Project Management Unit (SPMU)

The State Project Management Unit (SPMU) is headed by the State Project Director, who reports to the Executive Committee. The State Project Director is supported by Regional Project Directors (RPD) and a team with core skills in finance, procurement, human resources including training, disability, monitoring & evaluation (M&E), gender, livelihoods, communications, social risk management, institution building, and local government. Other functional experts are also obtaining as needed through contractual arrangements or partnerships with other agencies.

⁴⁴ . Ibid. p.123.

⁴⁵ . Ibid.

District Project Management Unit (DPMU)

In each of the 16 districts, a DPMU is headed by a Project Director supported by a group of District Project Managers. They are vested with responsibility for all project activities within the district, including final approval of proposals under the CIF. There are 11 core skills of the DPMU. Among others are those relating to finance, training, community development, gender, communications, health and disability, rural engineer/subproject appraisal, livelihoods, land and rice credit, and social risk management. In addition, a team of field supervisors—Assistant Project Managers (APMs) for mobilization; APM for health, nutrition, disability, and out of school children; and one coordinator for land in selected districts are working in DPMU. Their core responsibilities are to provide guidance to community coordinators (CCs) and ensure links with local governments and line departments⁴⁶.

Community coordinators are very important for the successful functioning of the project at grassroots. They are generally involved in facilitating the process of social mobilization, which is the basic concept in this ongoing project. Two Community Coordinators are positioned in every project mandal and one additional CC is placed for Health, disability in 80 mandals. One Assistant Project Manager for every three mandals is appointed to guide the CCs and activists in implementation of project activities⁴⁷.

Mandal Community Support Cell (MCSC)

Mandal Community Support Cells (MCSC) are established where the presence of NGOs partnerships are not feasible. The MCSC comprises Assistant Project Manager, community coordinators, livelihood associates, women federations, master book keepers; activists and professionals supported by mandal core team and MCSC is responsible for implementing the project activities at the mandal and village level. The Community Coordinators (CCs) are appointed 2-3 per mandal and one per 1,500-2,000 households.

⁴⁶ . Ibid. p.124.

⁴⁷ . Ibid.

Mandal cells in the project are constituted differently depending on available local resources and the scope of work⁴⁸.

The MCSC's important activities are establishing the training school, promoting and building the capacity of Mandal Samakhyas, SHGs and VOs; organizing poor into SHGs and into village federations and facilitating the CBOs to prepare the subproject proposals and approval of the project works. It also works with the Mandal Praja Parishads (MPP), Grama Panchayats (GPs) and other elected representatives to participate in the project's activities. The Mandal Training Centres (MTCs) are also established to develop the need-based programs to enhance the skills of targeted groups' especially at beneficiary level. The trainings are conducted to sensitize and develop an organizational base for the poor. Training is also given to project administration and PRIs to make them more responsible towards project implementation⁴⁹.

Grass root Activists

The project is also focused to create village level activists to work with the Anganwadi Workers (AWW) and Auxiliary Nurse Midwives (ANMs). The village level activists primarily act as social mobilisers. Village level activists are identified by the respective communities through facilitation by local NGOs and Community Coordinators. According to the State Project Implementation Report, there are 100,000 Community Activists and Community Facilitators, 6639 Para-professionals at village level to provide livelihood support (including one Quality Controllers). Moreover, 2727 Community Coordinators, 170 Livelihood Associates, 2000 Master book Keepers and 850 Mandal Training Coordinators are working for the development of the rural areas especially to empower the poor people⁵⁰.

⁴⁸ . Ibid. p.125.

⁴⁹ . Ibid.

⁵⁰ . Ibid.

Community Based Organizations (CBOs)

The project's objectives are highly dependent on the formation of CBOs. In the early stages of the project, the community activists, facilitators and para-technicians, in each habitation, worked to mobilize communities into CBOs and individuals. Further, they worked to provide technical assistance for carrying out microplans and developing sub-projects. In the process of CBOs mobilization, SHGs are initially formed and they federated into self managed Village Organizations (VOs). The VOs are registered as either formal associations or informal associations of 10 to 30 SHGs. Then, all the VOs of mandal are federated into mandal samakhyas. Mandal samakhyas are federated into zilla samakhyas⁵¹.

Role of Line Departments, PRIs and NGOs

The project further converges with health, education and other development oriented line departments to enhance their capacities and also to use their expertise and knowledge for CIF sub project appraisal etc. PRIs, especially Grama Panchayats are playing as responsible actors in selection of the households of the poor and poorest of the poor and endorsing subproject proposals submitted by CBOs. It is also supporting placement of out of school children (especially bonded labor) in bridge camps and residential schools. A number of NGOs with expertise in working with socially disadvantaged groups and those that are involved in promoting sustainable livelihoods were involved at different stages of project preparation. SERP is identified suitable NGOs and civil society organizations with experience in community facilitation to help the poorest of the poor, undertake awareness generation, sensitization, and training for various stakeholders, evolve specific strategies for vulnerable groups, and execute monitoring and evaluation activities.

⁵¹ . The detailed strength of these community organizations such as SHGs, VOs, MSs and ZSs are given in the section of Institutional Building in this chapter only.

Steering Committees of the Project

There are different committees working at different levels for the effective functioning of the project. The committees include State Level Steering Committee, District Level Coordination Committees and Mandal level Committees. The state level committee is chaired by the Special Chief Secretary, Panchayati Raj and Rural Development, Government of Andhra Pradesh and other members are from all relevant departments of the government. The main function of this committee is to facilitate interdepartmental collaboration and promote convergence between ongoing programs. The district committees are chaired by District Collectors or Chairpersons of the Zilla Parishad (district level PRIs). The committee will be composed of functionaries of the key line departments, local government, NGOs, and community organizations. Wherever appropriate, the DLCC will ensure effective linkages of the project and all other line department programs. Such sector linkages also will facilitate the rural poor's access to technical support from the line departments. The mandal level committees are providing a space for close interaction among Mandal Samakhyas, public officials, and the PRIs at the mandal level. The functions of committees' are to monitor implementation of programs. They are also playing an important role in ensuring that the mandal-level line department is responsive to the needs of the poor.

Monitoring and Evaluation (M and E)

The unit of M and E focuses on data collection and analyses, baseline survey, impact evaluation, and process monitoring to ensure the project's activities for a better implementation and utilization⁵². Especially, M and E unit is responsible to monitor the routine flow of projects inputs and outputs; a system of on-going process monitoring to track the process of institutional development and promotion of livelihoods opportunities for the poor; an assessment of net project impact through base line survey, follow up survey and impact evaluation.

⁵² . For detailed information on Monitoring and Evaluation can be seen in Andhra Pradesh Rural Poverty Reduction Project, Project Implementation Plan, Department of Panchayati Raj and Rural Development, 2002 and Document of the World Bank Report, Project Appraisal Document, 2003.

Critical Analysis of the Project in the state of Andhra Pradesh

Government of Andhra Pradesh has launched an ‘ambitious poverty eradication project’ in June, 2000. Since then, a number of activities have been taken to strengthen the poor families of rural areas. Initially, the project is targeted to strengthen the community based organizations and then focused on creation of skill based livelihood opportunities to generate the additional incomes of the poor. After a detailed account of the project in terms of origin, objectives, components, convergence and implementation methodologies of the project in previous sections, it is proposed to focus on a critical analysis of the project in the state based on available literature. The village households were classified into four categories - poorest of the poor, poor, not so poor and non-poor. In the survey out of 142,09,166 rural households in the state, 78,83,479 households (55 percent) were categorized as below poverty line and of them 25,79,484 households (18 per cent) are the poor families, mostly from Scheduled Castes and Scheduled Tribes and Backward Classes. The critical analysis of the project is based on the progress reports of the Government of Andhra Pradesh and districts reports which are available in website⁵³. The districts’ wise identified poor families in the project are seen in the table 3.1. Based on available data, it is observed that the coverage of the poor families is not in outstanding performance.

Table – 3.1 District-wise Details on Coverage of members of SHGs in the Project

S. No.	District Name	Total	SCs	STs	Minorities	Others
1.	Srikakulam	374868	51915	36813	286140	8697
2.	Vijianagaram	316852	46688	36026	234138	7351
3.	Visakhapatnam	419058	51646	99612	267800	9722
4.	East Godavari	776657	165016	54279	557362	18018
5.	Wset Godavari	449351	170330	67092	211929	10425
6.	Krishna	446499	183184	26799	236516	10359
7.	Guntur	414040	128386	23040	261613	9606
8.	Prakasam	420149	144609	21692	253848	9247
9.	Nellore	331586	86511	36773	208302	7693

⁵³. <http://www.rd.ap.gov.in/velugu/Veluguactionplans/districts/districts.htm>. Access date:17/9/2009

10.	Chittoor	53712	157052	40176	339884	12461
11.	Kadapa	278818	99194	12917	166707	6469
12.	Anantapur	364869	101046	32614	231209	8469
13.	Karnul	338793	98475	18299	222019	7860
14.	Mahabubnagar	461835	184734	46184	230917	10715
15.	Rangareddy	235607	89013	59505	87088	5466
16.	Medak	299120	134024	15537	149559	6940
17.	Nizamabad	324000	73731	33039	209884	7346
18.	Adilabad	279121	137505	45358	96258	6476
19.	Karimnagar	397030	141754	42470	212806	9211
20.	Warangal	434218	86372	63729	284117	10074
21.	Khammam	323040	62729	86147	174164	7495
22.	Nalgonda	435746	113686	51505	270555	10109
Total		8651023	2508600	949606	5192815	200705

Source: Government of Andhra Pradesh, 4 Years of Village Development (4 Samvatsarala Palle Pragathi), Ministry of Rural Development, March 2008.

An attempt is made to detail the district wise coverage of members of SHGs. For a better understanding of the pattern of coverage of SHGs members, the comparative analysis has been made based on highest coverage among top three district as well as the lowest coverage of three districts. The highest number of SHGs members is in the district of East Godavari (776657; of the total 8.97percent) followed by Chittor and Mahabubnagar (537112 {6.20 percent} and 461835 {5.33 percent}) respectively. The district of Rangareddy (235607) has the lowest number of member in SHGs followed by Kadapa (278818) and Adilabad (279121). As regards the coverage of the community of SCs in the SHGs, the district of Krihsna has more number of SHGs members of SCs with 183184. It accounted for the total that 7.31 percent followed by West Godavari (170330; 6.79 percent) and East Godavari (165016; 6.57 percent). From the point of view of a very low number of members of SCs in the SHGs, it is found that the district of Vizainagaram stands first SHGs women (46688; 1.86 percent) followed by Srikakulam (51915; 2.06 percent).

An attempt is also made to analyze the coverage of the members of community of STs in the project. The highest numbers of SHGs among STs is in the district of Visakhapatnam (99612; 10.48 percent) followed by Khammam (86147; 9.07 percent), West Godavari (67092; 7.06 percent), Warangal (63729; 6.71 percent) and Rangareddy (59505; 6.26 percent). In the case of SHGs of minorities (minorities in the present context), the district of East Godavari has highest number of members of SHGs (557362; 10.73 percent) followed by Chittoor (339884; 6.54 percent), Srikakulam (286140; 5.51 percent).

However, in the districts of Rangareddy (87088; 1.67 percent), Adilabad (96258; 1.85 percent) and Medak (149559; 2.88 percent), the existence of SHGs of minorities is very low. There are also other communities' (Other Backward Classes and Other Classes) SHGs and of the total districts, East Godavari has highest number of SHGs of other communities followed by Chittoor, Mahabubnagar, Nalgonda, West Godavari and Visakhapatnam. It is observed that there is large gap between the rural families of so far covered and yet to be covered in all the districts of the state.

Coverage of the Identified families in the SHGs

Table – 3.2 District-wise Details of SHGs in the State of Andhra Pradesh

S. No.	District Name	Total Self Help Groups	% of the total SHGs
1.	Srikakulam	27288	3.96 %
2.	Vijianagaram	21694	3.15 %
3.	Visakhapatnam	34925	5.08 %
4.	East Godavari	59117	8.60 %
5.	West Godavari	40850	5.94 %
6.	Krishna	35148	5.10 %
7.	Guntur	36578	5.31 %
8.	Prakasam	30127	4.37 %
9.	Nellore	22505	3.27 %
10.	Chittoor	39197	5.68 %
11.	Kadapa	27693	4.03 %

12.	Anantapur	32008	4.66 %
13.	Karnul	26061	3.78 %
14.	Mahabubnagar	30789	4.48 %
15.	Rangareddy	19407	2.82 %
16.	Medak	24918	3.62 %
17.	Nizamabad	26269	3.82 %
18.	Adilabad	21580	3.14 %
19.	Karimnagar	33058	4.80 %
20.	Warangal	33960	4.94 %
21.	Khammam	31412	4.56 %
22.	Nalgonda	33669	4.89 %
Total		688253	100 %

Source: Government of Andhra Pradesh, 4 Years of Village Development (4 Samvatsarala Palle Pragathi), Ministry of Rural Development, March 2008.

According to the Progress Report of the Indira Kranthi Patham (Society for Elimination of Rural Poverty) for the Month of October 2008, there are 96,46,200 members in 8,09,779 SHGs exclusively for women with 34,852 Village Organizations (VOs), 1098 Mandal Samakhyas (MSs) and 22 Zilla Samakhyas. As on today, the total Savings and Corpus of SHG Members are Rs.1755 Crores and Rs.3951 crores respectively. As already stated the project is mandated to build strong institutions of the poor and enhance their livelihood opportunities so that the vulnerabilities of the poor are reduced⁵⁴.

It is obvious from the available data that the district of East Godavari has the highest percentage (8.60 percent) of SHGs followed by West Godavari (5.94 percent), Chittoor (5.68 percent), Guntur (5.31 percent), Krishna (5.10 percent), Visakhapatnam (5.08 percent), Warangal (4.94 percent); and Nalgonda (4.89 percent), Karimnagar (4.80 percent) and Ananthapur has 4.66 percent SHGs of the total in the state. It is also observed that there is a low percentage of SHGs of the districts of Rangareddy (2.82 percent), Adilabad (3.14 percent), Vizianagaram (3.15 percent), Nellore (3.27 percent), Medak (3.62 percent) and Kurnool (3.78 percent), Nizamabad (3.82 percent) and

⁵⁴ . Government of Andhra Pradesh, Annual Report 2005, Ministry of Rural Development. P.3.

Srikakulam (3.96 percent). It is also observed that the progress in the formation of SHGs is very low in six districts of APDPIP (1st phase of the project's districts) which include Adilabad, Mahabubnagar, Anathapur, Srikakulam, Vizianagaram. But, it is expected to form more SHGs because in these six districts and the activities of SHGs are started only in the year of 1998-99.

Capacity Building

Capacity Building programmes for different stakeholders are taken up in the project from 2000. The induction of the programme is followed by workshops and exposure visits on Social Mobilization, Institution Building, and Micro Finance. The project has adopted a two-pronged approach to enhance knowledge and skills of CBOs and their functionaries. It is developing training modules and aids suited for participatory training methods and are developing a large pool of resource persons as District resource persons and Mandal Resource groups. Active, dynamic women members, CRPs, CCs, MTC, APMs and local NGOs will form the mandal resource group to Impart trainings to the groups at mandal Training Centers (MTCs). So far 2,52,687 SHGs received first level training whereas 1,52,894 SHGs have received subsequent series of formal trainings including capacity building in health, gender, and livelihood sectors⁵⁵.

Institutional Building

The process of institutional building is having multi dimensional approach. The project has followed the three-tier Community Based Organizations model where homogenous groups of SHGs have been formed into the Village Organizations and in turn the VOs are federated to form the Mandla Samakhyas. More over, Mandal Samakhyas have registered as Fderation of MACS. According to the Progress Report (October, 2008) of the Government of Andhra Pradesh (Indira Kranthi Patham, Society for Elimination of Rural Poverty), there are 96,46,200 SHG members in 8,09,779 SHGs organized into 34,852 Village Organizations (VOs) and 1098 Mandal Samakhyas. In addition, there are 126 Mandal Vikalangula Sangams, 17 Chenchu Mandal Samakhyas and 15 Fishermen

⁵⁵ . Government of Andhra Pradesh, Annual Report 2005, Ministry of Rural Development. p.12.

Mandal Samakhyas in the State. District Samakhyas (DS) have come into existence in all the 22 districts. 32,061 Village Organizations and 1,025 Mandal Samakhyas are registered under Andhra Pradesh Mutually Aided Co-operative Societies Act 1995, to provide legal entity / status to societies / federations. The SHGs are basic structures of the village level organizations or community based organizations. Thus, the CBOs are considered as important and powerful means for eradication of poverty. It is also aimed to bring the poor families into mainstream development path from exploitation, lack of opportunities and skills and lack of effective common platforms for discussion and action.

Micro Finance Initiatives

The economic, social and Cultural upliftment of the rural poor through sustainable self-managed community based organizations is the main objective of Indira Kranthi Patham (IKP). Indira Kranthi Patham is organizing Self Help Groups at street (ward) level, village organization at village level, Mandal Samakhyas at Mandal level and Zilla Samakhyas at district level. The financial services for the poor are provided under the scheme of Micro Finance. The system of Micro Finance is the main activity of the Community based organizations (CBOs). The financial activities of CBOs include Collection of Savings (the savings are collected from members at SHG meetings Rs. 5 to Rs. 10 in weekly meetings and Rs. 20 to Rs.50 in monthly meeting SHG are being collected) and Internal lending (the savings amount is being used for internal lending among SHG members. The members are receiving loans from these savings amount for consumption purposes and repay in monthly equal installments with an interest of Rs.1 or Rs.2 per hundred per month. The sources of the funds to SHGs are Revolving Fund, Bank Linkage and Community Investment Fund. The revolving fund is provided by the government through the DRDAs under SGSY and state government schemes providing revolving fund or matching grant to the SHGs. The amount of the fund is added to their savings and the loans are distributed to the members of SHGs. The Bank Linkage is a scheme under which SHGs are being linked to banks. Banks are lending loans to the SHGs based on the micro plan and critical rating Index one to four times to the Corpus of the SHGs. Under the Community Investment Fund, the financial

assistance has been given for income generating activities. Based on the Leaps conducted at village level, livelihood activities for each family are identified. Based on the livelihood activity micro plan is being prepared at SHG for all SHG members. Based on the need prioritizations and micro credit plans, a village credit plan is prepared and converted in to a sub project. Sub projects are appraised and sanctioned by District Project Management.

Bank Loans and Pavala Vaddi (Scheme of Subsidized Interest rate on Loans)

The scheme of loan at subsidized interest rate was launched in 2004-05 through the G.O.Ms.No.271, PR&RD to reduce the burden of heavy interest on loans of women in the state of Andhra Pradesh. Under this scheme, during this financial year up to October 2008, Rs.4002.31 crores of bank loans are given as against an annual target of Rs. 11037 Crores and Rs.283.34 Crores is given to SHG members as Pavala Vaddi Incentive⁵⁶. The scheme is excluded only to 12.31 lakhs rural women of the total 96.46 lakhs women (as on October 2008), but there is need to provide to 84.15 lakhs women in the state. The Report itself is indicating that there is gap between the out reach and yet to be reached.

Micro Finance and SHG Bank Linkages

The SHG-Bank Loans brought some positive gains story in Andhra Pradesh. There are 25 Commercial Banks, 16 Regional Rural Banks and more than 4000 branches are participating in the programme. According to the Progress Report (October, 2008) of the Government of Andhra Pradesh (Indira Kranthi Patham, Society for Elimination of Rural Poverty), the Bank lending dramatically increased from Rs.197.70 Crores in 2001-'02 to Rs.5882.79 Crores in 2007-08. AP leads in SHG-Bank Linkage Program with 42% of all bank loans given to SHGs in India. The year-wise progress upto March 2007-08 is given below:

⁵⁶ . Government of Andhra Pradesh, 4 Years of Village Development (4 Samvatsarala Palle Pragathi), Ministry of Rural Development, March 2008. p.18.

Table 3.3: SHG-Bank Linkages

Parameters	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Coverage of Groups	88575	165429	231336	261254	288711	366489	431515
Amount of Loan(Rs. Crores)	197.70	454.10	752.90	1017.70	2001.40	3063.87	5882.79
No. of Branches	3,263	3,701	3,853	3,853	3,853	4,600	4600
Per Group Finance(Rs.)	22,322	27,450	32,549	38,954	69,322	83,601	1,36,329
Groups Per Branch	27	45	60	68	75	80	94

Source: Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

According to the Progress Report (October, 2008) of the Government of Andhra Pradesh Indira Kranthi Patham, Society for Elimination of Rural Poverty the target for Bank Loans for 2008-09 is Rs.11037.00 crores and under this project, Rs.4002.31 crores of bank loans given to 2,54,557 SHGs upto October2008. The report also pointed out that there are 96,46,200 members in 8,09,779 SHGs exclusively for women. Thus, the gap of the outreach of the bank loan to SHGs is approximately 555222 SHGs in the state. Even, the project has facilitated bank loans to some of the SHGs. The outreach of the bank loans still is far away from the complete coverage of all the SHGs in the state.

Community Investment Fund (CIF)

Any intervention that is going to address the Poverty of the poorest households can be through the Community Investment Fund (CIF) and the activity under taken as a means to address the Poverty problems of the poor can be a Sub-Project under CIF. Under the CIF-sub project, an amount of Rs. 835.53 Crores is given to enhance the livelihoods of the poor. An extent of 4540.24 acres of fertile and ready to use land was purchased and handed over to 5303 poor families in addition to restoring the rights of the poor over 1.36

lakh Acres of land. The incomes of the rural poor are secured and enhanced through 1,50,073 jobs for rural youth up to end of October 2008⁵⁷.

There are different activities of income generation in the CIF Sub-projects such as rearing of milch animals (livestock), irrigation and horticulture, land purchase and leasing, groundnut pre-harvest intervention, bengal gram pre-harvest intervention, sheep rearing, ram lamb rearing, collective marketing, NTFP collection and marketing, horticulture, agri-inputs, marketing activity, and trainings on construction works; and other social sub-projects includes pre examination training centers, neighborhood centers, residential bridge course centers, soukaryam, surgical corrections, tri-cycles to differently abled persons (DAPs), certification camps to DAPs and Health Camps in remote areas. The project also focused on creation of economic infrastructure in the target areas in the state. The details of major activities and achievements under Community Investment Fund (CIF) are presented here.

Dairy Intervention

Dairy activities have been instrumental for rural change assuring employment and income for beneficiaries through out the year. It is also considered as low risk activity of the total activities of the project. 'Milk procurement activity taken up on pilot basis in Nizamabad and Mahabubnagar districts during 2006-07, helped the milk producers to get better price for milk and promoted transparency in Milk procurement, which triggered milk productivity in the villages. Based on the success evidenced in the pilots, the same model is replicated in 18 more districts in the State. The model consists of establishing BMCUs with a capacity of 2000 to 5000 liters to collect and chill milk to the desired temperature of 40C, were established in 138 mandals in the State. In collaboration with the APDDCF Ltd., the SHGs and their federations have takeover 144 BMCUs covering 2760 Village Milk Procurement Centers with 1,38,000 milk producers and contributed

⁵⁷ . Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

2.57 lakh liters of milk per day in peak season and 0.80 lakh liters of milk per day in lean season',⁵⁸.

Land Purchase

Land purchase as a productive investment is an innovative component of the project. The beneficiaries were identified based on health ranking and poverty mapping in the project areas. 'Under this component, productive and ready to use land with assured irrigation facility is being given to the poorest of the poor households in the rural areas. As on October 2008, an extent of 4540.00 acres of land was purchased and handed over to 5303 poor families out of which 2799 (53%) are from SCs families and 1979 (37%) are from STs families. 1.46 lakh cases related to land disputes were resolved and created the accessibility of 1.36 lakh Acres to our members',⁵⁹.

Community Managed Sustainable Agriculture

The main objective of the Community Managed Sustainable Agriculture (CMSA) is to sustain agriculture based livelihoods, increasing net incomes by reducing cost of cultivation with adoption of practices involving low or no expenditure with special focus on small and marginal farmers in general and women farmers in particular. It promotes the technologies based on local natural resources and promotes local knowledge and innovations. Out reach of CMSA is gaining momentum. This program began in the year 2005- 06 in 450 villages, it spread to 18 districts, 2095 villages later. NPM is first step to moving to organic farming, with community certification and to bring 1 million hectares in 5000 villages, covering 1 million farmers. This has been approved by Government of India, under Rashtriya Krishi Vikas Yojana (RKVY), in XI plan with an outlay of Rs. 162.88 crores. The major impact of CMSA is visible in net savings of the farmers, ranging from Rs. 15,000/ha in case of chillies to Rs. 3000/ha in case of Groundnut. A total saving to the extent of Rs.152 crores is expected in 2009 over 3 lakh hectares of area. During the year 2008-09 NPM is implemented in 9.00 lakh acres in 3215 villages

⁵⁸ . Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

⁵⁹ . Ibid.,

and 635 clusters and 240 mandals benefiting 2.42 lakh farmers this year upto October 2008. The programme is taken up in new villages and mandals also keeping in view the aspirations and capacities of the Samakhya's⁶⁰.

Marketing

The collective procurement and marketing of agriculture, horticulture and non timber forest produce by establishing procurement centers under the aegis of Village Organizations and Mandla Samakhya is being promoted by the project mainly to eliminate unfair trade practices, to enhance the incomes, remunerative prices and bargaining power of women. Under this component, the major activities are paddy procurement, collective marketing of neem, red gram, green gram, chillies, paddy, maize, turmeric, cashew, and NTFP besides Agricultural Inputs'. Paddy procurement is taken up by our CBOs in many districts. During this year upto October 2008, CBOs have procured a total of 33.98 lakh quintals of agriculture and NTFP commodities worth Rs.264.20 crores⁶¹.

Food Security

"In the lean agricultural season, many of the rural poor have barely one square meal a day. Food Security intervention addresses this hunger gap in rural communities. Through this scheme, the VOs encourage SHG members to draw their full PDS quota and ensure that the members utilize this opportunity. For the balance, the VOs estimate the bulk requirement of SHG members for rice and other essential commodities negotiate and buy better quality commodities from the open market and sell to their members at a price lower than the retail outlets. Under this initiative, 21,77,641 families in 1,91,015 SHGs in 14,722 VOs were reported to have provided food security by October 2008⁶²". But, there is huge gap in fulfilling the targeted goals because there are 8651023 members in 688253 SHGs. So far the coverage is only 27.75 percent of the total SHGs in the state and yet to

⁶⁰ . Ibid.,

⁶¹ . Ibid.,

⁶² . Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

be covered 72.25 per cent. It is indicating that there is need to extend the programme to cover all the members of the SHGs in the state.

Employment Generation

IKP has forged a partnership with a corporate foundation of Dr. Reddy's Livelihood Advancement Business School (LABS) for improving the employability and skills of vulnerable youth like girl widows, single mothers and children of landless labourers in rural and linking them youth to service sector jobs like hotels, Banks and rural BPOs. In the year of 2004-2005, 4000 employees and in 2005-2006, 11000 employees are reported to have facilitated. In 2007-2008 itself, 70 thousands and 135 members were given jobs. It is seen that there is increasing trend in facilitating jobs to unemployed youth in rural areas in the Velugu project (Indira Kranthi Patham)⁶³.

Gender

“Under this component, 442 Mandel Level Social action Committees were formed and 229 Community managed family Counseling Centers are working with the help of 3,586 Mandal Samakya Social Action Committees (MSSACs). Number of Village Organization Social Action Committees formed up to September 2008 are 10,044 with a membership of 53,672 women are mobilized into V.O. Social Action Committees in the villages to work on social agenda and gender discrimination cases and resolved 9647 cases till date. SERP is playing important role to prevent infanticide since 90% of the poor in the state including Lambada Women are organized into Self Help Groups. ZS Leaders from 6 backward districts (Mahabubnagar, Medak, Nalgonda, Warangal, Khammam and Rangareddy) 931 members of Social Action Committees in this 6 districts and 600 gender resource persons from 4 resource districts (Krishna, Guntur, Prakasam and West Godavari) were provided training to prevent female infanticide. They have provided training to 10,198 SHG women and 1363 adolescent girls on gender and women rights. The Gender CRPs have recorded at risk families and are providing them counseling and direct financial support from VOs. 124 out of school girls are enrolled in schools. Where

⁶³ . Government of Andhra Pradesh, 4 Years of Village Development (4 Samvatsarala Palle Pragathi), Ministry of Rural Development, March 2008. p.24.

ever possible, girls are enrolled in Government residential schools and hostels. During the last two months more than a thousand cases of domestic violence and to sensitize on gender the CRPs in 37 mandals (370 villages) in 7 districts. In 18 new villages Rice Credit Line has been created to ensure food security at the household level in three mandals, which are vulnerable to girl child selling and killing in Nalgonda District. 4 Girls were protected from the death in these mandals in coordination with an active local NGO”⁶⁴. It is obvious from the data furnished here that the component of gender is working effectively in the project areas of the state.

Disability

The persons with differently abled (PWDs) sub component has been implementing in all the mandalas of the state. Under this component, the PWDs were given importance to equal and effective in the present on going project. “The objective of this component is to help disabled persons and their caregivers to improve their livelihoods opportunities and quality of life. Intensive activities are carried out in 78 mandals. However, activities are also under taken in the other programme Mandals 2,01,465 Persons with Disabilities (PWDs) are organized into SHGs including 22,780 exclusive SHGs of PWDs. There are also 126 Mandal Vikalangula Sangams in the state. A total of 65,116 PWDs are given an assistance of Rs.51.51 crores through CIF, Bank Loans and Revolving Fund for enhancing their Livelihood. 416 Medical camps were organized for PWDs and 1,42,951 certificates were issued to PWDs at no cost to them. Further 5317 Surgical Corrections were carried out and 27,694 PWDs were issued assistive devices at no cost to them”⁶⁵. Thus, the project has focused on the PWDs. But, contrary to the project’s success, field level evidences on PWDs are showing that there is negligence over the PWDs. There are poor families with PWDs especially children who are ignored in the project coverage in terms of medical benefits, schooling and financial assistance. For instance, in the village of Pipri, mandal of Lokeshwaram and Adilabald district, a womam named Gade Chinnakka, aged 42 and of the community of Madiga (SC sub caste) has three children aged 13 (boy), 15 (boy) and 16 (girl) respectively. The girl is a victim of congenital

⁶⁴ . Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

⁶⁵ . Ibid.,

disability. Her left leg is dysfunctional. She was forced to discontinue school after class IX. The girl's mother Chinnakka is a member of Self Help Group (SHG) and part of the coverage of Velugu project (Indira Kranthi Patham) in the state. She approached the mandal level project officers to help her daughter for medical support and provision of livelihood opportunities. The request made by Chinnakka is denied by the project officers. She also informed how they responded. In her words, 'they told me that there is no provision to help my daughter. But, if you want we will facilitate loan through the bank or from the Village Organization of your SHG'. She tried and tried for her daughter's health and finally, she got help by the Arogya Sree and her daughter has recovered. She also replied that "I don't know how the people are getting assistance for such cases. I also heard that there is provision in the project to help the PWDs of poor families. But, actually I did not see such type of provision. But, I don't know how to get such kind of assistance". It is obviously stating that the Government's reports relating disclosed the progress on PWDs in the state are not fully correct and the contradiction are present.

Health and Nutrition

"The major goal of the health & nutrition strategy under the APRPRP operates in a convergent mode with the line departments by looking at gaps in the existing public health & nutrition services that are provided by the line departments. It is being implemented in 63 mandals including 8 Giripragathi mandals (Tribal) covering 2000 Village organizations of the state. The extensive health & nutrition strategies being adopted across 63 mandals include fixed schedule for regular capacity building of stake holders at mandal and district levels, institutionalization of the fixed Nutrition and Health Days (NH days) in convergence with line departments and regular health savings as safety nets for health emergencies. The intensive health and nutrition strategies focus on intensive health CRP strategy. 440 best practitioners from the pilot mandals have been identified as health CRPs. Since January 2007, the health CRPs strategy has been implemented in 300 Village Organizations and 300 Nutrition cum day care centers are established. The impact of perinatal and neonatal outcomes among the members attended

Nutrition cum day care centers shows 100 percent safe deliveries, 94 percent normal deliveries, No low birth weight baby was born. No maternal, infant & neonatal deaths happened in 1175 deliveries occurred among the members enrolled at 300 nutrition centers”⁶⁶.

Education

“Under this initiative four Giripragathi mandals of Adilabad district with 2600 children between 3 to 5 years of age are enrolled in 138 pre-schools. To sensitize the community on children rights intensive social mobilization programmes have been conducted in three Giripragathi mandals of Khammam district and enrolled 1000 children in the nearby schools. Convergence meetings are also held-up with leaders of GPs, youths and teachers for improvement of quality of education in Government schools. 17 Pre-schools were setup in the 1st Phase in two Giripragathi mandals of Warangal district and Baseline Survey on educational needs of the community is conducted. Government schools are being surveyed to identify gaps in academic and infrastructural issues for drafting a comprehensive plan for overall improvement of schools. Residential Bridge Courses have been set up for ST Dropout candidates at three places: Burnur – Adilabad, Ramannapet – Khammam, Gunjed – Warangal and enrolled 400 candidates. An attempt was made through a screening test to gauge the academic, aptitude and psychometric abilities of children of PoP SHG members at SSC level and to streamline them into suitable courses of Higher Education / Short term job trainings. 426 ST drop candidates were trained for appearing SSC examination privately by Koyathore Bata a local NGO under Residential Bridge Courses. To provide access to quality Higher Education at +2 level 8062 meritorious candidates from poor SC and ST families were identified to admit in private / corporate junior colleges for two year Intermediate courses integrated with specialized coaching for IIT-JEE, AIEEE and EAMCET. To fill up Engineering seats for SC / ST candidates a model EAMCET counseling and awareness programme was organized on a pilot basis in partnership with KAB Educational Consultancies, Hyderabad”⁶⁷.

⁶⁶ . Ibid.,

⁶⁷ . Ibid.

Community Managed Insurance Schemes

Under Insurance Initiative, the project covered 38.01 lakh Rural Landless Agricultural labourers under Indira Jivitha Bima Pathakam (Aam Aadmi Bima Yojana), 18.95 Lakhs under Janasree Bhima Yojana and 23.66 Lakhs under Other Group Insurance. Thus a total of 80.62 lakhs rural poor persons are covered under different insurance schemes to create Social Security among the members of the SHG and their families. The Government is implementing Insurance schemes with IT support to provide quality and timely service to the insured members. The Zilla Samakhyas have established Call Centers in all District Head quarters and solatium of Rs.5000/-handed over to claimant family members with in 24hrs of the death occurred. The Government of Andhra Pradesh and LIC of India have adopted online Claim Settlement system first time in the country to provide quality and timely service to insured members. Zilla Samakhyas have positioned Bima Mitras and claims eligible at Call Centers by the end of October 2008 is 20,513, out of which 6789 claims were settled and remaining claims are under process at different stages at LIC. SERP has developed web portal www.aaby.ap.gov.in to monitor the scheme at State level and also convinced the LIC of India to adopt electronic-claim settlement process by downloading the e-claim documents from the web portal⁶⁸.

Pensions

Under Pensions Programme, Rs.567.02 crores is distributed to 48 lakh pensioners up to September 2008⁶⁹. Moreover, under this project, the Government of Andhra Pradesh has launched the Programme on November 1, 2009 from Chevella district of Rangareddy collaboration with Life Insurance Corporation of India. The progarmme, popularly, called as 'Dr. Y.S.R. Abhayastham' to the enrolled members of Self Help Groups (SHGs). So far, 50 lakh members paid their annual premium of Rs. 365 each to the mandal samakhyas. The Government of Andhra Pradesh is also supporting financially under co-contribution with an amount of Rs. 15 crore per month on a regular basis. Out of the 50

⁶⁸ . Ibid.,

⁶⁹ . Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

lakh enrolled members, 4.50 lakhs members have already crossed 60 years and now eligible to receive the pension from November⁷⁰.

Project Expenditure

The detailed project's expenditure from the year of 2003 to September 2008 has been given in table below which is based on the Progress Report of Indira Kranthi Patham, Society for Elimination of Rural Poverty, (October, 2008) of the Government of Andhra Pradesh.

It could be observed from the table that the highest funds allocated to the component of Community Investment Fund (CIF) which is Rs. 835 crores and it is 44.72 percent of the total expenditure from 2003 to October 2008. The second highest fund allocated component is Institutional and Human Capacity Building and its share of the total is 26.86 percent.

Table 3.4.

(Rs. Crores)

Component	2003-04	2004-05	2005-06	2006-07	2007-08	08-09 up to Oct- 2008	Total
Institutional and Human Capacity Building	57.12	77.01	84.17	125.57	98.10	28.84	502.35
CIF	180.45	217.78	177.91	142.00	40.12	25.53	835.53
Project Management	21.32	22.96	23.03	25.23	22.19	12.91	145.99
SPP	0.31	0.12	0.15	0.12	0.08	0.00	0.78
SPD	0.22	0.74	3.19	6.42	5.96	0.92	17.47
SERP Total	259.42	318.61	288.45	299.34	166.45	46.31	1502.12
APSWREIS	93.04	89.70	52.80	57.00	36.49	-----	366.22
Grant Taotal	352.46	408.31	341.25	356.34	202.94	68.21	1868.34

Source: Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

It is seen from the above table that the distribution for the project management is Rs. 145.99 crores and share of the total is 7.76 percent. There is a tendency that the project management cost should not cross more than 10 percent in any project or programme

⁷⁰ . The Hindu, Rosaiah Follows YSR: To launch 'Dr. YSR Abhayastham' scheme from Chevella', dated: 22/10/2009. p.4.

implementation. As a result, in the ongoing project, it is observed that the cost of project implementation has not crossed the limits. But, it is not showing any gradual increase in financial allocation for any component in the project expenditure which is mentioned in the table. It can be observed that the importance has also been given for Andhra Pradesh Social Welfare Residential Educational Institutes and its share accounted 19.60 percent. And the CIF has been given much more importance. It is also observed from above table that the CIF has been given more importance in this project because the CIF is facilitating the livelihood opportunities in rural areas of the project in the state and followed by Institutional and Human Capacity Building and Andhra Pradesh Social Welfare Residential Educational Institutes.

Performance of the project as on October 2008

The major success of the project is strengthening the women Self Help Organization in the state. Moreover, the state of Andhra Pradesh has topped in formation of SHGs in India with 8,09,779 SHGs through 96,46,200 women.

Table 3.5: Performance of the Project

S.No.	Indicator	Out reach
1.	No. of SHG under the project	8,09,779
2.	No. of under the project	96,46,200
3.	No. of SHGs of Persons with Disabilities (included in the above)	22,780
4.	No. of Persons with Disabilities in SHGs(included in the above)	2,01,465
5.	No. of Village Organizations formed	34,852
6.	No. of Normal Mandal Samakhyas formed	1098
7.	Total No. of beneficiaries of Income Generating Activities	21,18,181
8.	No. of Households benefiting from Food Security	21,77,641
9.	No. of acres of land purchased	4,540.24
10.	No. of beneficiary families of land purchase	5303
11.	Amount of Bank Linkage during October 2008 (Rs. Crores)	4002.31

Source: Indira Kranthi Patham, Society for Elimination of Rural Poverty, the Progress Report (October, 2008) of the Government of Andhra Pradesh

Under the project, along with the general members, special attention was also laid on the Persons with Differently abled (PWDs) while forming the special SHGs with these members. Under this project, 22,780 SHGs (it is accounted 2.82 percent of the total SHGs) are formed with the members of 2,01,465 (2.08 percent of the total members of SHGs) of PWDs as on October 2008 in the state. As a part of Institutional and Human Capacity Building, 34,852 Village Organizations (VOs) and 1098 Mandla Samakhya have been formed. Under the component of Community Investment Fund, 21,18,181 beneficiaries are benefited for Income Generating Activities (IGS). Besides, of the total members, 22.57 percent (2177641 members) have benefited under the Food Security scheme of the project. In addition to these activities, there is also a special component in the project known as Land Purchase. Under this activity, as noted, 4,540.24 acres of land has purchased and 5303 families were benefited under the land purchase scheme. The overall performance of the project reveals that there is huge gap between the target and so far achievement from the year of 2003 to 2008. Any of the project's activity has not reached to at least 50 percent of the total members. Ironically, the benefits under the land purchase are very low. It is not even 1 percent of the total members in the project coverage. Even after eight years of the project implementation, it has not been up to the mark. The following section focuses on the project activities in the district of Adilabad as a selected field district.

Velugu Project in Adilabad District

The report of Government of Andhra Pradesh regarding the working of the Velugu project in Adilabad district is the following. The Project, initially, was launched at Utnoor, Adilabad district on June 15th 2000. The project was implemented in three phases consecutively and of the 52 mandals, 10 mandals were identified for first phase, 20 mandals for the second phase and remaining 22 mandals were identified for third of the project. The mandals were selected based on the presence of large number of tribal population, female illiteracy, and more number of SHGs, large number of unskilled labourers and high intensity of rain fed agriculture⁷¹. The project was primarily focused on identification of the poor through Participatory Identification of Poor (PIP). The

⁷¹ . DPIIP, Midterm Review Report, 2003, p.4.

process of identification takes place by the direct supervision of District Project Managers and District Resource Persons. At present, out of the 52 mandals, DPMU is working in 32 mandals and TPMU is in remaining 20 mandals.

“The main tools used for this PIP exercise are social map and well being analysis. The Velugu field staff facilitated the villagers to draw the social mapping in order to know the resources and facilities available, financial status of the families, housing pattern of the individual families, and other infrastructure available in the village will be identified. In the well being analysis, people are gathered at one place and with their participation the economic status of the villagers will be analyzed. People themselves categorize their financial status as rich, middle class, poor and poorest of the poor during this process⁷²”.

After the process of identification of the poor, institutional building is taken place in the form of SHGs, VOs, MSs and ZSs⁷³. All the Mandal Samakhya are federated into Zilla Samakhya. At present, Zilla Samakhya meetings are conducted once in a month. The executive committee debates various issues in each Mandal Samakhya meeting. All DPMs attend the District Samakhya meeting and issues are clarified during the meeting to the executive members. It is noted that decision making and leadership are in the process of transformation. After the project intervention in the district, 142542 members covered under SHGs and working with 8940 old SHGs and newly promoted groups. The SHGs are strengthened by local NGOs such as DHAN, GRAM and CEAD. Moreover, MYRADA is the one of the first NGO which has been working on SHGs and its formation since 1987. In addition to that India's VII Five Year Plan (1985-90) had emphasized the need to closely associate NGOs with rural development programmes, particularly poverty alleviation⁷⁴. According to the Mid Term Report of Adilabad District, all the groups have undergone the capacity building trainings by Velugu. The project has also taken up group linkages for loan with banks and special target

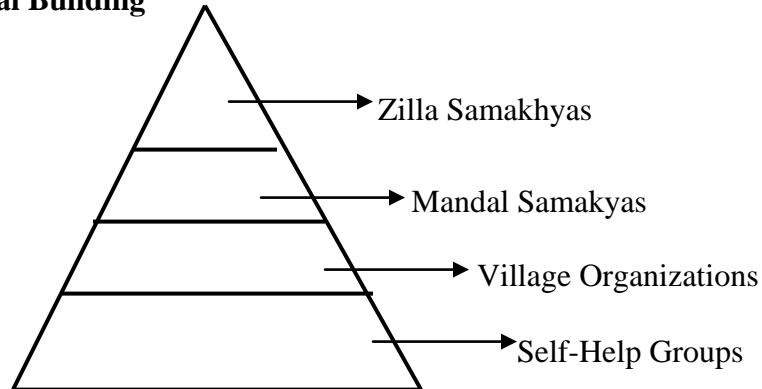
⁷² . Ibid. p.6.

⁷³ . The details of these federations clearly mentioned in this chapter only. See for more details by through the previous pages.

⁷⁴ . S.B. Verma, Y.T. Pawar, Rural Empowerment through SHGs, NGOs and PRIs, Deep and Deep Publication, 2005, p.71.

interventions like Rice Credit line, Community Investment Fund (CIF) to the poor and poorest of the poor.

Structure of Institutional Building



The Community based organizations are formed through the awareness building strategies like village level mass meetings, facilitation at SHG level, Old VO members share experiences in forming VOs and their achievements, initiating social activities like, water or sanitation problem, irregular functioning of Anganwadies, poor education facilities and financial activities like RCL and CIFs, trainings to VO Executive members on VO management. The capacity building training is reported to have been conducted in all mandals by placing exclusively a Mandal Resource Person. It is aimed at to adopt a strategy to strengthen CBOs while linking all Government programmes such as SGSY, Gruhini, ITDA, FFW etc to VOs⁷⁵. In the district, according to the Mid Term Review Report, so far, 17122 SHGs have got sanctioned the loan an amount of Rs. 4162.13 lakhs under the bank linkage scheme (2000-August 2003)⁷⁶.

Human Resources for the Poor at the District Level

The human resource for the institutions of poor is given special emphasis in the project. The trained human resources are Community Facilitator/Village Book Keepers,

⁷⁵ . DPIP, Midterm Review Report, 2003, p.10.

⁷⁶ . Ibid. p. 19.

Paraprofessionals (Horticulture and Agriculture, Veterinary, Fisheries, Social Activist, Health and Engineering and Electrical), Mandal Resource Persons and Mandal Book Keepers⁷⁷. Community Facilitator/Village Book Keepers are placed at Village Organization level and engaged in audit of SHGs, accounts and records of the VOs and monitoring and implementation support in RCL and CIF. Paraprofessionals are placed to provide services in relation to the particular livelihoods, marketing service and market information.

They also involve in maintaining the accounts and act as service providers to members of MS and VO. Mandal Resource Persons' functions are providing trainings to the members of the VOs and the members and leaders of SHGs and the VOs at Mandal Samakhyas (MVTC). Mandal Book Keepers maintain the accounts of the Mandal Samakhyas. They also act as correspondence of the MS⁷⁸.

Livelihood Activities

The project is, according to the Mid Term Review Report, implemented in this district for income generation activities such as collective marketing for red gram and soya, livestock activities are dairy, fisheries, sheep and NTFP activities, lac and gum decomali, sericulture, tassar reeling and spinning, fodder development in the dairy villages, breed development through artificial insemination, cattle breed development and insurance coverage for the poor families under the project areas.

This financial assistance is, according to the District Mid Term Review Report 2003, provided under CIF component to the poor families in the dairy villages who are willing to take up dairy as their livelihood through banks linkage system. Another important activity under this project is related Non-Timber Forest Produce (NTFP). Since the main livelihood of the tribal in the district is collection and selling of NTFP the project has taken initiatives to increase the production and income. In the district, especially in dalit and tribal located habitations (where agricultural activities are less labour intensified); beedi leaves collection is the one of major livelihood activity during the summer season.

⁷⁷ . Ibid. p.20.

⁷⁸ . Ibid.

Beedi leaves collection, processing, storage and marketing units has been taken up under the Mandal Samakhyas. Initially, two Beedi leaves units have set up by the Mandal Samakhyas for the better livelihood opportunities in this project area. Moreover, most of the dalit and tribal families are dependent on the seasonal livelihood activities like beedi leaves collection, seasonal fruits selling and other agri and non-agri activities.

Home Herbal Kitchen Garden is one of the livelihood promotion activities under the Velugu project. The main components in this activity are Fruit Bearing Plants (Hybrid Grafting), Vegetable seed kit (Hybrid high variety) and Herbal Medicinal plants. It is also known as "Home stead Garden". Its main objectives are to minimize the expenditure on health and vegetables by the poorest of the poor families and to utilize the available resources viz., land, water and labour in effective manner.

Tussar cultivation as a livelihood activity is being implemented, especially, in the mandals of Chennur, Kotapally and Koutala. There are many families depending on Tussar cultivation. Presently, Velugu has taken up this activity with the support of trainings, CIF and marketing tie-ups avoiding middlemen and also convergence with the sericulture department. The CIG itself has quoted tenders and taken up the procurement of cocoons, processing and selling these cocoons to the traders directly without involvement of the middlemen. They have been guided in every aspect with the experts. More than 500 families have been benefited through this activity⁷⁹.

Agri-inputs intervention has been taken up in this project area under CIF Sub-projects in 30 mandals of the APDPIP project area. The objective of the sub project is to minimize the expenses of the farmer to reduce the dependence on the middlemen⁸⁰. In 2003, CIF was given for 30,034 acres benefiting 19,584 farmers. The CIF amount was given to purchase Seeds and Fertilizers. Each beneficiary was given financial assistance for 2 to 3 acres. The total CIF amount disbursed for this activity is Rs. 5.80 Cr. In addition to this

⁷⁹ . Ibid. p.36.

⁸⁰ . Ibid. p.37.

Banks have provided loan assistance of Rs. 2.21 Cr to the SHG members for Agri Inputs purpose⁸¹.

Velugu has developed integrated plan for the development of dairy sector in the district. In addition to providing milch animals to the beneficiaries, Velugu is providing marketing support to the community by establishing the Bulk Cooling Units (BCU). So far 3 BCUs are running at Ichoda, Nirmal and Uttoor. During this year, 4 more BCUs are going to be started. They are located at Kagaznagar, Chennur, Asifabad and Bhainsa⁸². Sheep rearing is also one of the major livelihood activities of the community in the district. Velugu is supporting this livelihood by sanctioning the CIF Sub projects⁸³. The project is also focused on fisheries as livelihood activity for certain sections of the society in rural areas. The programme has been taken on a large scale under CIF. Under this programme, fish seed has been provided to the community. Fish seed developed at Kadam project is used for the TPMU mandal tanks, where as in DPMU mandals, seed is being supplied to the community through Fish seed suppliers⁸⁴.

One of the important programmes under the Velugu project is Land Development Programme. According to the Mid Term Project review Report of Adilabad District, 354,908 acres of government land is available in the district. The Pattas⁸⁵ are distributed to the 88365 beneficiaries⁸⁶. The project has also developed the social Infrastructure such as schools, community halls and other buildings for social mobilizations especially Indira Mahila Bavans in rural areas. It is also very important to focus GVVK schools which are constructed under the social Infrastructure component. The schools are constructed by the Village organization / VTDA's. According to the midterm Review Report, so far, 84 GVVK schools constructed with a financial assistance of Rs. 63 lakhs by the Velugu⁸⁷. Another programme of Velugu is Soukaryam. Under the Soukaryam scheme, cycles are

⁸¹ . Ibid.

⁸² . Ibid.

⁸³ . Ibid. p.38.

⁸⁴ . Ibid.

⁸⁵ . Patta is an official document of the land owner. The pattas are provided by the respective state Governments. There are different categories of land under the Government norms such as Assigned land, Ceiling land, Bhudan land and Inaam land.

⁸⁶ . District Mid Term Review Report, 2003. p.39.

⁸⁷ . Ibid. p.41.

distributed for the school going girls and for the Inter first year college going girls those who are in below poverty line families to encourage the education for the children of poor families.

Bank Linkages is a prominent scheme and under this scheme, SHGs are linked to the Banks for the facilitation of rural credit under microfinance mode. Rice Credit Line is implemented in all the mandals of the district. According to the Mid Term Review Report, 51266 families from 4857 SHGs have been covered under Rice Credit line programme⁸⁸. Under this scheme, the food grains like rice, wheat and other cereals are secured for the poor and poorest of the poor families. After implementing the RCL scheme, there is tremendous response from the poor people in terms of their participation in group meetings, discussing various problems and other social issues. The repayment is very good and members have taken second time also⁸⁹.

In the district of Adilabad, the project has strengthened the community based organizations such as SHGs, VOs, MS and District Federations. There is also visible infrastructure development such as school buildings, community buildings, and rural markets and other skill based trainers also are produced by the project. There is also evidence that, according to the District Report, human capacities are developed through the training programmes and income generation sources through wage enhancement are also enhanced by this project. It is also observed that rural women have strengthened in terms of social mobilization, political unity and economical opportunities. The project is also targeted to provide higher education facilities, Biofuel (Kanuga seed Oil) operated Power generation has been initiated as technological intervention; women started imposing ban on arrack consumption. Herbal medicine camps to reduce health expenditure are focusing on traditional good health practices⁹⁰.

The project has convergence with other line departments in order to achieve project objectives. The main convergence departments are BC Corporation, SC Corporation, ST Corporation, Handlooms, Fisheries, Agriculture and Veterinary Department. The project

⁸⁸ . Ibid.

⁸⁹ . Ibid. p.49.

⁹⁰ . Ibid. p. 50.

has taken up the developmental oriented programmes such as Dairy Development, Fisheries, Non Timber Forest Products activities, agriculture and related activities, Systematic land Development, Sheep rearing, Horticulture, Poultry and other Service oriented programmes also to provide employment opportunities in Army, Masonry and others.

To sum up, the project is targeted to empower the poor families through the different developmental intervention in the state of Andhra Pradesh. There are different components for effective function of the project. The project has strong people's support in terms of social mobilization, grass root self reliance institutions and also has strong community investment fund. In the district of Adilabad, the project is reported to be effectively working in rural areas with the support of women. It is also reported that the income generation activities are successfully running in the district. More over, the project is also focused on development of villages to strengthen the economy, markets and infrastructure, educational facilities to children and youth for higher education.

Chapter-4

Profile of the Study Area

In attempting to understand the impact of poverty alleviation programmes, it is very important to explain the study area and personnel profile of the selected respondents in the study area. It is rightly pointed out by Galbraith that the causes of poverty can be identified by distinguishing between 'case poverty' and 'area poverty'. In his view, 'case poverty' is largely a product of the personal characteristics of effected persons. Some persons have been unable to participate in the nation's prosperity because of old age, illiteracy, and inadequate education, lack of job skills, poor health, inadequate motivation, or racial discrimination. 'Area poverty' is a product of economic deficiency relating to a particular sector of the nation¹. Hence, it is essential to study the profile of the study area and personal characteristics of the respondents.

In the present chapter, an attempt is made to analyze the profiles of the study area and it is divided into two sections. The first section deals with historical overview of the district along with the geographic; and socio-economic and political conditions. The second section describes the profile of the selected mandal and the four selected villages.

I. Section

Historical Outlook of the District

The District historically derives its name from the ruler of Bijapur i.e. Ali Adil Shah. The district was ruled at different periods by various dynasties, namely the Mouryas, Satavahanas, Vakatakas, Chalukyas of Badami, Rashtrakutas, Chalukyas, Yadavas, Kakatiyas, Bahmanis, Imad Shahis of Berar, Nizam Shahis of Ahmednagar, Mughals, Bhosle Rajas of Nagpur and Asif Jahis, besides the Gond Rajas of Sirpur-Tandur and Chanda. Originally, the district was not a full fledged district but a sub-district named Sirpur-Tandur which was created in A.D. 1872 with Edlabad (Adilabad), Rajura and

¹ . Thomas R. Dye, 1978, Understanding Public Policy, Prentice Hall, Inc., Englewood Cliffs, N.J. p.100.

Sirpur as its constituent taluks. In 1905 the status of this sub-district was raised to that of an independent district with its head quarter at Adilabad².

During the year of 1913-14, the headquarter of the district was shifted to Asifabad owing to administrative exigencies and it continued to be the district headquarter till 1940-41 and Adilabad was once again made the district headquarter. Under the state Reorganization Act of 1956, the district lost the Marathi-speaking taluks of Rajura and Kinwat and the Islapur circle of Boath taluk of erstwhile Bombay State but gained Mudhole taluk of Nanded district³. In the Year 1985 on 25th May, the (11) taluqs with 48 revenue circles (Firkas) were reorganized and made into (52) Revenue Mandals and Mandal Parishads, with Mandal Revenue Officers and Mandal Parishad Development Officers. In the year 1987 and 1989 two revenue divisions, Utnoor and Mancherial respectively were formed carving out of the existing three revenue divisions.

Geographical Area of the District

The district stands fifth in the state with a total geographical area of 16128sq.kms which account for 5.90% of the total area of the State. It is however, the second largest district in the Telangana region. There are 1745 Revenue villages out of which 1574 are inhabited and remaining villages are uninhabited. There are (11) urban towns and the district is administered through (5) Revenue Division consisting of (52) Revenue mandals. The district of Adilabad is situated between the 77⁰ . 47' and 80⁰ 0' of the eastern longitude and 18⁰ 40' and 19⁰ 56' of northern latitudes⁴. Moreover, Adilabad is a northern district in the Telangana region of the Andhra Pradesh as recognized in 1956. The district is surrounded by Yeotmal and Chandrapur district of Maharashtra towards North, Chandrapur in the East, by Karimnagar and Nizamabad in the South and by Nanded district in the West. Adilabad as a head quarter of the district, is located at 360 km. far away from state capital of Andhra Pradesh, i.e., Hyderabad.

² . Directorate of Economics and Statistics, Glimpses of the District – Adilabad, Government of Andhra Pradesh, Hyderabad, 2002-03, p.1.

³ . Ibid,

⁴ . Ibid,

Population

According to the Directorate of Economics and Statistics 2002-03, the Population of the district is 24,88,003 which accounts for 3.13% of the total population of the State. Of the total, the rural population accounts for 18,27,986 constituting 73.47 per cent, while the urban population accounts for 6,60,017 forming 26.53 per cent of the total population. The female population is less namely, 980 females for every 1000 males. The density of population per sq. km is 155 as against the State average of 277 persons per sq.km. The increase in population at the end of 2001 over 1981 is 26.85%, which is higher than that of the state. However it accounts for only 3% of the population of Andhra Pradesh.

The literacy of the district is 52.7 per cent and it is comparatively less than the state's average i.e., 60.5 per cent. The difference of the literacy rate between the state and the district is 7.8 per cent. The male and female literacy rate is 61.86 per cent and 38.13 per cent respectively. The female literacy percentage is very low when compared with the male literacy rate in the district. It is also noticed that the district's female literacy rate is less than the state's female literacy rate (50.4 per cent). It is obvious that the literacy percentage of the women is comparatively less than the state's literacy rate. It is also noticed in the district that the rate of the literacy has increased from 18.79 per cent in 1981 to 27.80 per cent in 2002. Moreover, the district's major challenges are heavy tribal dependence on natural resources, high poverty area, high levels of illiteracy (up to 85% among tribes), growing land and resource pressure from migrants, increasing tribal landlessness and lack of rights to forest resources and degradation of upland watershed

Of the total population of the district, 4.61 lakh people are Scheduled Castes and 4.16 lakh people are Scheduled Tribes forming 18.53% and 16.74% of the total population respectively⁵. The total numbers of workers are 11,23,248 constituting 45.14% of the total population as against the state average of 45.27% out of the total main workers; cultivators are 13.71% and Agricultural labourers' are 13.80%. It is significant to note that labour also have ceased to be the predominant factors of growth in Indian agriculture.

⁵ . Ibid. p.21.

The percentage of population within the age group of 15 to 59 years of age [considered to be the labour force] is 55.31 that indicate broadly the magnitude of the problem of providing gainful employment to the employment seekers. The population of the rural areas (18.2 lakhs) is comparatively higher than the urban area of the district (6.6 lakhs).

Agro-Economic factors

‘Agriculture accounts for one-third of national income in India and about two-thirds of of India’s workforce is directly engaged in agriculture for its livelihood. It still accounts sizeable export earnings. Nearly 80 per cent of India’s poverty population lives in rural areas and directly or indirectly dependent on agriculture’⁶. In view of that, focusing on agriculture in this study is essential and moreover, agriculture and poverty has close relations in India.

As regards to the district of Adilabad, there are 3.41 lakh cultivators and 3.43 lakh workers are actively working in the agricultural sector. The total cultivable land in the district is 5.46 lakhs hectares, of which net area sown is 5.30 lakhs hectares and 7350 hectares of cultivable land is sown more than once for the agricultural production. From the physical point of view, the pattern of land utilization is influenced by the extent of cultivable area, the type of soil and access to irrigation sources.

The soils of district consist of black cotton chalka, sandy loams, and red loams of saline and alkaline⁷. Adilabad is also rich in mixed red and black soils and medium black soil. The soils are further classified in to clayey and loamy soils. The black soils are predominant in the areas of Khanapur, Lakshettipet, Sirpur and Utnoor. In the southern part of the district the mixed red and black soils largely predominate. The latter, known for a high level of water retention, is being fertile and suitable for the cultivation of rain-fed crops such as jowar, bajra, cotton, and tobacco and ground nut. Irrigated crops grown on such soils include paddy and sugar cane. The presence of red and black soils makes an area rich with agricultural potential.

⁶ . Ch. Hanumantha Rao, Agriculture Growth, Farm Size and Rural Poverty Alleviation in India, Academic Foundation Foundation, New Delhi, 2005, P.234.

⁷ . Directorate of Economics and Statistics, 2002-03. p.4.

Forest

The forest area of the district is 6, 89,517 hector and constitute nearly 42.6 per cent of the total area⁸. It is obvious from the government resources that the forest area in the district nearly 50 per cent. Adilabad district is the most dominated in the physical area of the state of Andhra Pradesh. The district's accessible forest in the plains as well as gentle slopes is under intensive management and is exploited systematically under different silvicultural systems suitable for the local utilization. Conversation of natural forests into Teak, Eucalyptus and Bamboo plantations is achieved under the forest management system. The forest has different types of vegetation such as Teak, Nallmaddi, Chirmanu, Ippa, Jilladi etc along with eucalyptus and other forests types.

In the state of Andhra Pradesh, the area of the forest is estimated at 23.18per cent of total geographical area which is considerably less than the proportion required for maintaining ecological balance (which is around 33%). The types of forests found in this district are of the tropical moist and dry deciduous variety. The main species of the forest types are raised wood, satin wood, teak, red sandals and maddi.

The minor products of forest include fruits, resins, tamarind, beedi leaves and fodder. In various terms, Adilabad ranks second in the state for total value of minor forests produce (Warangal is in first place). Of the total value of the minor products, the beedi leaves accounts for more than three-fourth of the sum. The district is also having sufficient resources of flora and fauna for fuel and timber as it is useful for fossil fuel. The rich coal-seams and the unequalled animal fossil find in Luxettipet, Chennur, Asifabad and Sirpur of erstwhile taluks. Thus, the entire district is covered by the southern tropical dry deciduous forests⁹.

⁸ . Ibid, p.4.

⁹ . Directorate of Economics and Statistics, Glimpses of the District – Adilabad, Government of Andhra Pradesh, Hyderabad, 2002-03, p.4.

Climate and Rain fall

The district's climate is characterized by a hot summer and is generally dry except during the South-West monsoon season (i.e., from June to September). The district's temperature on plains is between 38.1 and 31.3 in degree Celsius and on hill stations between 22.9 and 7.1 degree Celsius. Rain fall of the district is dependant based on two different monsoons. Rain fall of the north east monsoon at normal 432.4 in mm and actual rain fall is 305.7 in mm. South West monsoon's normal rain fall is 270.8 mm and actual rain fall is 197.8 mm. Moreover, 85 per cent of annual rainfall is received from south-west monsoon only¹⁰.

Source of Irrigation

Irrigation is one of the major components for the development of agriculture and poverty alleviation in rural areas. It is also visible and clear in mid-1960s that the potential for agricultural growth from the investments made in irrigation. The main focus of the Government of Andhra Pradesh is on development of irrigation facilities for agriculture to boost the sector and enhance the agriculture economy in the state under the programme of Jalayagnam. Thus, the focus is on the sources of irrigation are also an essentia in this study area. The irrigated area in the district is 1.85 lakhs acres, which is very limited when compared with the other districts which accounts of 13% of the total cropped area. The irrigation facilities available in Adilabad District are canals, tanks, tube wells and other traditional wells.

Table 4.1. Pattern of Irrigation Sources in the district

S.No	Irrigation source	Irrigated land (in Hec)	% of irrigated land
1.	Canals	23,600	30.63
2.	Tanks	19,967	25.92
3.	Tube wells	16,678	21.65
4.	Other wells	14,700	19.08
5.	Other resources	2,079	0.02
6.	Total	77,024	100.00

Source: *Government of Andhra Pradesh, Statistical Abstract, 2000.*

¹⁰ . Census 2001, Adilabad District Profile, p 3.

According to Statistical Abstract of Andhra Pradesh 2000, the total irrigated area is 96,579 hectares of which 23,600 hectares (30.63 per cent) of the irrigated land under the canal resources and 19,967 hectares of (25.92 per cent) land are under the village's owned tanks. The source of irrigation under the individual's Tubewell is also occupied a prominent position with a 16,678 hectares of land (21.65 per cent). The proportion of irrigated land under traditional wells and other resources are 19.08 per cent and 0.02 per cent respectively. It is obvious from the existing data that the irrigated area under the canal system is higher than the Tanks, Tube wells (also known as submersible pump sets) and other resources. It is also noted that the irrigation source of tanks and other traditional wells for the agriculture has been drastically reduced.

The major irrigation resources of the district are Kadem Project at Lakkipet, Vattivagu Project on Vattivagu, Satnalavagu project on Rallavagu, and Chelamalavagu project on Chelamalavagu at Ekkapally village and Gaddenna vaagu . Pochampadu Reservoir on river Godavari caters the water supply to the farm fields¹¹. Even the district having a large size of the Godavari river drain, the district's irrigation is very poor as per as the river is concerned. Along with the Godavari River, there are other rivers also in the district such as Kadam and Pen ganga. These are other tributaries of the Godavari. Besides these, there are also rivulets like the Satnala, the Swarna vaagu, and the Sudda vaagu at Bhainsa which drain in the district. However, these are all dependent on rainfall to a considerable extent.

Land Utilization

Utilization of agricultural land has direct connection with the concept of poverty and alleviation in India. In this relation, studying the land distribution and utilization under various types of land is essential. Moreover, agriculture is the main occupation of most of the rural families of the district. About 70 percent of the working population is engaged in agricultural sector. The presence of mixed red and black soils and fertile lands makes

¹¹ . Water Resources of Adilabad district from <http://www.nirmalcity.com/adilabad>, access date:/22/2/2008.

Adilabad an area with rich agricultural potential. Thus, the district's populace is dependent hugely on this sector as farmers and labourers and other related workers.

Table 4.2. The pattern of the land utilization in the district

S.No	Pattern of Land Used	Area (in hectores)	% of the total land
1.	Forest	689,517	63.88
2.	Barren and uncultivable land	43,919	4.06
3.	Land put to non cultivable	60,674	5.62
4.	Cultivable waste land	15,484	1.43
5.	Permanent pastures & other grazing land	14,228	1.31
6.	Under Miscellaneous tree crops	9,315	0.86
7.	Current follows	152,241	4.10
8.	Other follow lands	93,953	4.10
9	Net area sown	541,050	-----

Source: Government of Andhra Pradesh, Statistical Abstract, 2000.

According to Statistical Abstract of Andhra Pradesh 2000, the total forest area is 689517 and it is accounted the 68.88 percent of the land and 43919 hectores of (4.06 per cent) land is under the Barren and uncultivable land. The cultivable waste land accounted with 15484 hectores of land (1.43 per cent) and the permanent pastures and other grazing land is in 14228 hectores (1.31 percent). The area under miscellaneous tree crops is in 9315 hectores and current follow land is in 152241 hectores (4.10 percent). The other follow land is spread with an area of 93953 hectores. And, the net area sown in the district is 541050 hectores.

Thus, the major area of the district is covered with the forest and followed by net area sown, current follow land, and other follow lands, non cultivable lands, barren and uncultivable land and cultivable waste lands and permanent pastures and grazing land and finally very low area covered under the miscellaneous tree crops. It is clear from above data that the net area sown is comparatively less than the forest lands. It is also noticed that the waste lands largely occupied even there are huge irrigation sources in the district.

But, the coverage of the grazing lands are very less even the district has large size of the livestock.

Distribution of the Agriculture Land

4.3. Table Showing the Distribution of the Agriculture Land

Agriculture Land	In Hectors	In %
1. Net Irrigated Area	87698	16.05
2. Net Area Sown	530067	97.02
3. Gross Irrigated Area	93534	17.12
4. Total Cultivable Area	546325	100

Source: Directorate of Economics and Statistics Glimpses of the District – Adilabad, Government of Andhra Pradesh, Hyderabad, 2002-03.

According to the Report of Directorate of Economic and Statistics Glimpses of the District (2002-03), total cultivable area is 5.46 lakhs hectors and of the total, the district's gross irrigated area is 93534 hectors and net irrigated area is 87698 hectors only. It is very clear from the existing data on irrigated area that there wide gap between the gross irrigated area and net irrigated area (5836 hectors and gap with a 1.06 per cent). Of the total cultivable land, net area of the sown is 530067 hectors (it is accounted 97.02 per cent of the total cultivable land). It is also noted that there is also extensive gap between the net area sown, total cultivable land and irrigated area. However, of the total, the net area irrigated constitutes only 16.05 per cent.

It is also obvious that the district's fertile lands for agriculture are not fully developed in to cultivable lands. The cultivable waste land is accounts for 15484 hectors which constituted 1.43 per cent of the total land of the district. The 60674 hectors (which is accounted 5.62 percent of the total land) of the land is placed to non cultivable in the district. It is evident from the available data that there is need to strengthen the agriculture sector through improving the waste lands and non cultivable lands in the district. It can also improve the employability of the agricultural dependent labourers. Thus, there is

significant gap between available cultivable land and net area of the cultivated land in the district's agricultural scenario.

Size of Land Holdings

Pattern of land holdings is also one of the prominent parameter in measuring the development of rural areas in India. Moreover, development of the family of the farmer and nation's capital is also largely dependent on the size of the land holdings in India. In this connection, pattern of size of the land holdings in the district analyzed based on the available data of Government of Andhra Pradesh, Statistical Abstract, 2000. The district's 70 percent of the rural populace dominantly dependent on agriculture and it is noted that 3.41 lakh cultivators and 3.43 lakh workers engaged in this sector.

4.4. Table Showing the Details on Size of the Land Holdings in Adilabad District

S.No	Size of Holding (in hectors)	% Distribution of Holdings	% Land Holding operated
1.	Below 1.0	43.13	11.34
2.	1.0-2.0	24.93	20.19
3.	2.0-4.0	21.92	31.97
4.	4.0-10.0	9.02	26.35
5.	10 and above	1.00	8.15
6.	Total	100	100

Source: *Government of Andhra Pradesh, Statistical Abstract, 2000.*

The data presented in the table detailed the size of the land holding pattern indicated that 43.13 per cent of the farm families are holding the below one hector with the 11.34 percent of the total agricultural land. The size of the land between 1-2 hectors constitutes 24.93 percent of farmers with 20.19 percent and 2-4 hectors constitute 21 percent with 31 percent of district's operated agricultural land respectively. But, the large size land holdings (4-10 hectors) are represented only 9.02 percent of the farm community. And it is also visible, based on the existing official data, that the 10 and more hectors of the land

owning communities are very less i.e., only one percent in the district with operated land under this category is about 8.05 per cent of the total land operated in the district. According to the Government of Andhra Pradesh, Statistical Abstract, 2000, the total numbers of operational holdings are 4.39 for all social groups. Of the total, the number of holdings and area operated for Scheduled Castes and Scheduled Tribes is 69673 holdings and 88292 and 90529 holdings and 1,73067 hectares respectively¹². It is obvious from the above analysis on the size of the land holding is that there is major chunk of the farm community comprises only with the small size of the land holding i.e., with below one or 1-2 hectares.

It is also noted by Ch. Hanumantha Rao in his work titled 'Agricultural Growth, Farm Size and Rural Poverty Alleviation in India' (2005) that the 'smallness' of the size has not proved a particular deterrent to capital construction through the application of surplus labour¹³. Thus, it is proved that the nature of small holdings as the insufficiency of inputs, particularly labour, and the consequent low productivity per acre among larger farms¹⁴. It is also substantiated by A.K. Sen's explanation in terms of the low opportunity cost of family labour to small farmers. 'Sen's argument would imply that the excess of labour input per acre among smaller farms over larger ones belongs to a range where marginal net product of labour is less than the ruling wage rate'¹⁵.

Again, Sen's labour-based explanation points that the 'losses' in farm business shown to have been incurred by the small farmers and the increase in profit per acre with the size of holding are attributable only to the imputation of wage rates to the family labour. Sen clearly implies here that the decline in the proportion of family labour inputs *per se* explains the decline in the element of 'losses due to the imputation of wage rate'¹⁶. Thus, Sen proved that the rate of losses in farm is comparatively higher in small holdings than the large size holdings¹⁷. It is seen that there are invisible profits or losses in the studied

¹² . Ibid, p.5.

¹³ . Ch. Hanumantha Rao, 2005, Agriculture Growth, Farm Size and Rural Poverty Alleviation in India, Academic Foundation Foundation, New Delhi, P.234.

¹⁴ . Ibid., p.235.

¹⁵ . Ibid, p.240.

¹⁶ . Ibid.

¹⁷ . Ibid.

villages. Because, most of the cases in small farming is dependent on families' own labour based or exchange of labour between the small farming families.

Cropping pattern

Cropping pattern is one of the significant factors determining the income levels of rural agricultural and agri-labourer families. In consequence, role of cropping pattern in food security is visible in India. Accordingly, it is possible to raise the level of rural income by inducing desired changes in the cropping pattern of the district. It is obvious that the cropping pattern can be an effective means of achieving the development in rural areas. The cropping pattern is varied from district to district. In the district of Adilabad the principal crops are Rice, Cotton, Jowar, Bajra and Maize. The principal commercial crops of the district are Cotton, ground nut and sugar cane. The crop of cotton occupies the highest place in cultivated area with an average annual production of 171538 tonnes and which is accounted 28.6 per cent of the total production of the crops. Further, the crops of jowar and rice are the predominant in sowing and cropping area (in hectares) after the crop of cotton in the district. This district is much behind in production per acre of land compared with the adjacent district of Nizamabad in the commercial crop production such as Maize and rice.

Table 4.5. Cropping Pattern of the District

S.No	Major Crops	Area (in hectares)	Production(in tonnes)
1.	Rice	76794	121898
2.	Jowar	92321	84380
3.	Bajra	960	455
4.	Cotton (Bales)	162008	171538
5.	Maize	28305	68877
6.	Ground nut	2618	2783
7.	Sunflower	364	194
8.	Sugarcane	56	370
9.	Turmeric	6250	26538
10.	Mangoes	3258	N/A
11.	Cereals & millets	117044	58782

Source: Directorate of Economics and Statistics, 2002-03.

According to the Directorate of Economics and Statistics, published in 2002-03, the total cropped area in the district is 63 per cent with the prominent food crops, and 37 per cent under non food crops. Among the food crops, jowar accounts for 23.2 per cent of the total area followed by rice with 13.5 per cent while pulses account for 15.6 per cent. Among non food crops, cotton occupies 28.6 per cent of the area, followed by sesaman (2.8%) and ground nut (0.8%). Thus, it may be seen that Jowar and cotton together account for more than sixty per cent of total cropping area.

From the above table, it is clear that production in terms of pulses, the red gram occupied the highest place and black gram occupied second place. Cow gram is placed in last place in production when compared with other pulses. The productivity of principal crops in the district in terms of tones per hectare is very low, mainly due to inadequate agricultural technology, traditional farming, inadequate agricultural information and poor knowledge in using fertilizers and pesticides and more importantly using fault seeds. The district is also continuing cotton as principal crop in terms of land cultivation with 162008 hectors.

Livestock

Livestock is an important part of agricultural development in Rural India. Moreover, India possesses the world's largest livestock population of 485 million, which accounts for 13 percent of the global livestock population. It has 57 per cent of the world's buffalo and 16 per cent of the cattle population. It ranks first with respect to cattle and buffalo population, second in goat, third in sheep and camel, and seventh in poultry population¹⁸. Almost every rural household in India, whether landed or landless, owns livestock. Thus, rich livestock is also considered as very good income source for the rural people in Inida. The district has also good number of livestock. Most of the rural communities are living with their own livestock to get additional incomes. It is also a traditional income generation source in Indian villages.

¹⁸ . Abha Chhabra K.R. Manjunath, Sushma Panigrahy and J.S. Prihar, Spatial Pattern of Methene Emissions from Indian Livestock, Current Science, Vol.96, No. 5, 10 March 2009, p.683.

Table 4.6. Profile of the Livestock of the District

S.No.	Name of the Livestock	In. No.s	In %
1.	Cattle (White)	9,52,738	28.64
2.	Buffaloes	3,52,240	10.59
3.	Sheep	5,57,734	16.77
4.	Goats	2,31,915	06.98
5.	Poultry	12,19,903	36.68
6.	Others	11,122	00.34
	Total	33,25,652	100

Source: *Directorate of Economics and Statistics, 2002-03.*

According to the livestock statistical data of Directorate of Economics and Statistics 2002-03 (presented in table no.4.10), the cattle population is 9.52 lakhs which accounts for 28.64 per cent of the total livestock in the district and buffalo population is 3.52 lakhs which accounts for 10.59 per cent. As regards poultry, it is regular source of additional incomes for poor families in rural areas. The data, presented in above table, is also substantiated with the argument. Furthermore, according to Directorate of Economics and Statistics (2002-03), the livestock of poultry has accounted 12.19 lakhs (36.68 percent) which is higher than all other kinds of livestock of the district. It is also obvious from the data that most of the poor families depend on the livestock for their livelihoods along with the families of landless, small and medium size land holdings. Further, the district comprises of a rich number of buffaloes, sheep and goats and poultry.

Livestock Development Infrastructure

In India, about 75 percent rural households are those of small and marginal farmers, who own 56 percent of the large ruminants and 62 percent of the small ruminants (World Bank 1999). In most of the drylands and hill regions, livestock farming is a major player, as more than 70 percent of family income is derived from livestock (GOI 2002). The Government of India has recognized the livestock development as an important tool for poverty alleviation. However, most of the technical service oriented livestock projects

have had little impact on livelihood of the poor (Ashley et al 1999) and adoption of technology by the resource poor has been low (Francis and Sibanda 2001; Parthasarthy Rao et al 2005). The two major reasons indicated for this failure are lack of poverty focus and institutional framework being incompatible with the systems and conditions in which poor farmers stay. The institutions implementing the projects are probably unable to select appropriate interventions and approaches to reach poor farmers in an effective manner (Ashley et al 1999; Rangnekar 2006). Thus, development of infrastructure is an essential component for the effective livelihood promotion for the poor is also recognized by the Government of India and state governments. Therefore, efforts are made to improve the livestock in the district. In this direction, the district has different veterinary institutions. There are five veterinary hospitals and 29 veterinary dispensaries. But most of the rural areas are dependent on the private services for protection of the livestock resources of the people.

4.7. Table Showing the Livestock Development Infrastructure of the District

I. Veterinary Institutions		(In Nos.)
a.	Veterinary Hospitals	5
b.	Veterinary Dispensaries	29
c.	Clinician Centers	1
II. Poultry Development		(Lakh Nos.)
a.	Chiks produced in hatcheries	4.82
b.	Birds sold for table	4.82

Source: Government of Andhra Pradesh, Statistical Abstract, 2000.

Dairy Development

Dairy market has become a cottage industry providing employment opportunity in rural areas, particularly to the women folk thereby supplementing the family income. Dairy Development Programmes were implemented in IRDP as a sub-scheme. At present, in the state of Andhra Pradesh, the dairy development scheme is being implemented under the Velugu project as sub-scheme to provide more additional income generation for the rural poor.

According to the Dairy Development Department in the district, there are 3 milk chilling plants and one dairy with the milk production of 60.62 liters in flush season and with 494 lakhs liters production in lean season. There is no mention about the actual number of people dependent on the dairy sector in the district.

4.8. Table shows the details of the District Dairy Sector

Dairy Development		In numbers
1.	Dairies	1
2.	Milk Chilling Plants	3
Milk Production (lakh litres)		
a.	Flush season	60.62
b.	Lean season	494

Source: Government of Andhra Pradesh, Statistical Abstract, 2000.

Transport and Tourism

Historically, Road Transport Services were established in 1932 under Nizam's state control with 27 Buses having 284 Miles (454 km) of routes in Nizam state. The Road Transport Department (RTD) of Nizam Government started operating in the district in 1950-51 with 18 buses on the road covering 334 miles (538 Kms) from two Buses depots at Nirmal and Asifabad. Rural tourism comprises rural society, culture and traditions in their original form. It signifies the tourists' interest in the customs of the rural indigenous. Rural tourism is community-based and participatory economic activity by creating local products and marketing by rural people to improve economic and social standards of rural people.

In rural parts generally following kinds of products are available viz. historical, heritage, natural based', medication based, religious based, cultural based and man made. These have got a great potential with respect to the development of tourism. Also, if certain constraints are removed this could be developed to the fullest capacity and there are certain great examples and certainly few countries that were willing to show public and

political will made these things possible. All of the religious and historical types of rural tourism products are given much space for rural development¹⁹. As indicated above, this is an emerging economic opportunity for rural people and they can produce inherent and indigenous rural production in terms of handcrafts, food items and other works. All these can contribute to feed the rural economy. In this context, it is important to account existing tourism places in the district.

The tourist places in the district are Pranahita, kawal and Sivaram Wildlife Sanctuary, Kadam Dam, Pochera and Kuntala water falls. Pilgrimage Centers in the district are Basara, Uttoor and Keshlapur temples. There are also famous handcraft centers in the district such as Nirmal Paintings and Toys and Bell Metal Craft and so on. According to the Report of Glimpses of the District 2002-03, tourist arrivals to the district visit are 3.91 lakhs and the state's arrivals are 7.74 crores²⁰. The district's arrival is 5.04 percentage of the state total. The adjacent district's i.e. Nizamabad tourist arrivals are 28.13 lakhs with 3.63 percent²¹. Thus, the district's economy and employment is also produced by the tourism sector.

Education

Education has intrinsic value in terms of social and cultural ethos. Besides, it improves household health status by influencing nutritional and health care practices, reduces fertility, infant and child mortality and improves child's schooling performance. The economic outcomes of education determine qualitative human capital which translates itself into higher incomes. Better income, in turn, provides better opportunities for achievements in health and education. This is important, especially for the poor for their most important asset is labour. Education for the poor offers the greatest opportunity for employment and economic returns and so reduces poverty. Thus, the importance of

¹⁹ . Dr. Manoj Kumar Trivedi and Pankaj Kant Dixit, Rural Tourism in Globalizing World: A Scope for Rural Development, Paper presented in 37th World Congress of the International Institute of sociology, (5-9 July 2005) Stockholm, Sweden. Accessed date 11/3/2008, time 11.07 am (IST).

²⁰ . Directorate of Economics and Statistics, 2002-03. p.23.

²¹ . Ibid.

education goes beyond expected horizons²². As a result, Education is often included, as an important factor, in the poverty reduction strategies²³. Hence, it is significant to understand the existing educational facilities in the district. According to the Government of Andhra Pradesh, Statistical Abstract of Adilabad District 2000, there are 2773 primary schools, 386 upper primary schools, 326 high schools and 1 higher secondary school and 2 special schools for deaf under the management of central government in the district. As far as the higher education is concerned, there are twenty six degree colleges, five Engineering and Technology institutes, two colleges for special education and five schools for professional education in the district.

4.9. Table showing the Details of the District's Educational facilities

S. No	Name of Educational Institute	No. of. Institutions
1.	Universities	2
2.	Degree Colleges	26
3.	Engineering and Technology Institutes	5
4.	Colleges for Special Education	2
5.	Schools for General Education	4350
6.	Junior Colleges	100
7.	Schools for Professional Education	5

Source: Government of Andhra Pradesh, Statistical Abstract, 2000

Health

In the district, according to 2001 census report, 14 hospitals, 48 primary health centers, 312 health sub centers and beds in hospitals and dispensaries 840 and 272 doctors and 434 nurses are functioning at present in the district. Along with these facilities, there are 14 old hospitals and 14 primary health centers working in the health sector of the

²² . Basanta K Pradhan and A. Subramanian, Structural Adjustment, Education and Poor Households in India: Analysis of a Sample Survey, National Council of Applied Economic Research, New Delhi, 1999. p.1.

²³ . Kenneth King (Ed), Special theme on Education and Training out of Poverty? A status report, Norrag News No. 37, May 2006.

district²⁴. There are even large numbers of health centers that are working in the district; still there are inadequate health facilities and these are severely prevailing especially in the rural areas.

The existing health infrastructure is not sufficient to the present population conditions. There are 1729 villages in the district with the population of 18.27 lakhs. Compared to the existing village population, the available facilities are very low. The already set up primary health centers are 48. There is no proper data on the working and non-working PHCs in the district. The document is not mentioned in the village level PHCs. Moreover, the status of working health assistance in the villages of the district is invisible.

4.10. Tables Showing the Health Facilities of the District

S.No	Health Facilities	In Nos.
1.	Hospitals	14
2.	Primary Health Centers	48
3.	Health Sub Centers	312
4.	Beds in Hospitals and Dispensaries	840
5.	Doctors	272
6.	Nurses	434

Source: Adilabad District Census Report 2001.

Social Welfare

In the process of economic development of the district, the implementation of the social welfare schemes are also important to reduce the poverty conditions. Being the district with high incidence of poverty, especially in rural areas, social welfare schemes such as old age pensions, aid for marriage for the poor, aid for persons with disability, aid for others and women and children development centers and so on are being implemented in the district. According to the Government of Andhra Pradesh, District's Statistical Abstract, 2000, there are 19433 Old Age Pensioners, beneficiaries of Aid for marriage are 12, Aid for Handicapped are 1111, Aid for others are 40 and Women Development Centers are 1160 in the district. It is obvious that there are the highest number of old age pensioners in the district.

²⁴ . Adilabad District Census 2001.

Financial Institutions

From the beginning of the planned economy in India, the banking financial institutions in rural areas are playing an important role in supporting the development of agriculture. But, even after 62 years of India's independence, the financial institutions in rural areas are inadequate with low network coverage, financial supply and competition in agricultural loans. In this connection, the focus was given on the profile of financial institutions in the district.

4.11. Table Showing Detailed Data on Financial Institutions

S.No	Name of Financial Institutions	No.of Institutions
1.	Primary Land Development Banks	6
2.	District Central Co-operatives	1
3.	Urban Banks	4
4.	Primary Agri. Credit Societies	198
5.	Housing Cooperative societies	25
6.	Employees Co-op Societies	56
7.	Weavers Co-op Societies	42
8.	Industrial Co-op societies	7
9.	Khadi and Village Industry society	35
10.	Primary Co-op Societies	13

Source: Adilabad District Census Report 2001.

The details of financial institutions in the district are primary Land Development Banks (6), District Central Co-operatives (1), Urban Banks (4), Primary agricultural Credit Societies are 198, Housing Co-Operative societies are 25, Employees Co-operative societies 56, Weavers co-operatives 42, Industrial co-operatives 7, Khadi and Village industry societies are 35 and primary co-operatives are 13. Thus, it is observed that there are more agricultural credit societies than other societies.

Transportation

Rural India's traditional means of transport is bullock cart and in the evolution of modernizing the rural transport, the consecutive elected governments in India have

developed transport and communication system in rural areas. Even though rural transport is given importance; most of the rural India is still not connected with the mainstream developmental system.

Development of transport and communication is a basic required infrastructure for achieving rapid economic development in any country or nation. This is crucial for the development of rural areas to attract investment and is also essential for marketing of agricultural products and enabling the farmers to get a fair price. Rural connectivity has been identified as one of the basic minimum services for development of agriculture and the rural economy. The selected district has some what better transport facilities. In the district, the total length of the roads is 8017²⁵ kms. Of the total 1941 kms are under R&B department which accounts for 24.21 per cent to the total existing road and 6076 kms are under Panchayati Raj Departments which accounts for 75.78 per cent. The panchayati Raj road includes zilla parishad and mandal parishad roads. It also comprises with the village connectivity roads.

Electrification

Un-interrupted and adequate power supply is essential for economic development, particularly in the sectors of agriculture and industry. Even today, 63% of all rural households in India do not have electricity and use kerosene for lighting. Even for those rural areas, which are electrified, there is a tremendous shortage of power supply. As regards to the selected districts, there are 28 electrical sub-stations with the capacity of 6412 kwts. Of the total villages, 1566 villages have been electrified which accounts for 99% and 17614 agricultural pump sets are energized for the purpose of agriculture activities²⁶. The direct impact of rural electrification is visible in the form of pump sets energized. Since the main occupation of the villages is agriculture, energization of pump sets is a definite support factor for advancement of agricultural scenario of the area.

²⁵ . Directorate of Economics and Statistics, 2002-03. p.23.

²⁶ . Ibid, p.21.

District Administration

In the interest of better administration, the district is divided into 5 divisions and 52 Revenue Mandals and Mandal Parishads, with Mandal Revenue Officers and Mandal Parishad Development Officers as its heads in place of age-old Tahsildars and Block Development Officers. The district has also large number of revenue villages. The revenue villages again divided into 1586 inhabited and 143 uninhabited villages. It has also 15 towns of which 6 are municipalities. The mandals/blocks are formed by the then state government under the stewardship of N.T. Rama Rao from the erstwhile 11 taluks. The formation of the mandals is to bring administration closer to the people.

Political Outline of the District

Since independence, the Indian National Congress party has had a strong hold over the district political activity till 1980-81. In 1982, when a regional political party-the Telugu Desam was established, political allegiance shifted towards this newly formed regional party. Telugu Desam secured an overwhelming majority in the panchayat, assembly and parliament elections. Besides these political parties, there are other trade unions. Communist and Marxist oriented groups are also effectively working as pressure groups. There are 2 Member of Parliament (MP) constituencies and 10 MLA constituencies with strong political parties' associations in the district.

The Telangana Rashtra Samiti (TRS) emerged as a new political party in 2004 elections with the concept of separate Telangana state-hood. The other parties like Indian National Congress Party, Bharathiya Janatha party; Communist Party of India, CPM, and CPM (ML) also have influence in this district. Various Naxalite groups' activities have been spreading rapidly in the past 30 years in the district. There are also several student and youth organizations, which are working actively in the district politics.

Section-II

In this section, an attempt is made to analyze the profile of the selected mandal and field villages such as Nagar, Gadchanda, Pipri and Rajura. The profile of the mandal is drawn based on the official document of the Government of Andhra Pradesh, Directorate of Statistics and Economics 2002 -03. Some of the data regarding the mandal profile such as road and caste composition and current irrigation facilities for the purpose of agriculture is also taken from the Mandal Parishad Development Office and Revenue Office. The selected village's profile has analyzed based on the filed data and also presented the village data from the office of respective Grama Panchayats. The data on caste composition and existing rural occupations for livelihood is captured by observing the day to day activities of the rural people.

Profile of the Mandal

The basic criterion for the selection of this mandal is its underdevelopment, so as to provide the effectiveness and shortcoming of the ongoing poverty reduction project in the mandal. Keeping the above criteria in view, the four villages were selected on the basis of the number of Scheduled Castes and Scheduled Tribes with high poverty incidence, working labourers in different fields including agriculture, literacy and lack of natural resources for the further development in rural areas of the Lokesharam mandal. The selected villages are Nagar, Rajura, Pipri and Gadchandha. The selection of these villages was also made on similar procedure as was adopted for mandal selection.

Population

According to the Report of the Directorate of Economic and Statistics 2002-03, the mandal's total population is 31197²⁷, of these male 14924, female 16273 constituting 47.83 per cent and 52.16 per cent respectively. Of the total population, SCs 7190 (23.04 %), STs 2179 (6.98 %) and others constitute 21828 including BCs and other socially advantaged communities. The literacy rate in the mandal is 42 per cent compared with

²⁷ . Ibid, p. 33.

the district which is 52.7 per cent. It is to be noted that the literacy rate is very less than the district average. The total work force of the mandal is 18763, of the total cultivators are 5379 (24.66 %), agri-labours are 4475 (23.85 %), other workers are 3031 (16.15 %) and household workers constitute 5858 (31.22 %) ²⁸. The mandal consists of the highest number of household workers followed by the agricultural labourers with the second position.

Land Holdings and Utilization

The total numbers of land holdings are 11884 with an area operated of 16137 hectors for the agriculture in the mandal. According to the data documented by Directorate of Economics and Statistics 2002-03, 5895 holdings belong to the families of below one hector which accounts to 49.60 per cent and the area operated under this section is 3032 hectors which accounts to 18.78 per cent.

4.12. The table showing the land holdings and utilization of the mandal

(In Hectors)			
S.No.	Size of holding	No. of Holdings	Area Operated
1.	Below 1hector	5895	3032
2.	1.00-2.00	3584	5173
3.	2.00 – 4.00	2102	5555
4.	4.00 – 10.00	222	1285
5.	10.00 and above	81	1092
6.	Total	11884	16137

Source: Directorate of Economics and Statistics 2002-03, Andhra Pradesh.

Land Holdings Patterns of the SCs ad STs in the Mandal

Of the total land holdings of the mandal, SCs and STs constitute 18.28 per cent and the operated area under these communities constitutes 14.68 per cent. The total population of these communities is 30.02 per cent. But the land and utilization under these communities is very less compared to the available data with other communities. It is very important to

²⁸ . Ibid, p.35.

note that the category of 10 hectares and above land holdings is not in the hands the scheduled communities.

4.13. Table Showing the Size of the Land Holdings of the SCs and STs of the Mandal

(In Hectors)

S.No.	Size of holding	No. of Holdings		Area Operated	
		SC	ST	SC	ST
1.	Below 1hector	1049	228	543	130
2.	1.00-2.00	388	179	536	266
3.	2.00 – 4.00	213	99	544	252
4.	4.00 – 10.00	12	4	63	23
5.	10.00 and above	1	0	13	0
6.	Total	1663	510	1699	671

Source: Directorate of Economics and Statistics 2002-03, Andhra Pradesh.

Principal Crops

The principal crops in the mandal are rice, jowar, bajra, maize, cotton and sunflower. The area under the cultivation of the principal crops like rice is in 2421hectors (25.08%); jowar is in 155 hectares (1.60%), bajra is in 181 hectares (1.87%), maize is in 1766 hectares (18.29%), Cotton is in 2595 hectares (26.88%), sunflower is in 14 hectares (0.14%) and oil seed is in 624 hectares (6.46%).

There are also other crops such as vegetables and different grams for instance, green gram, black gram, red gram, pulses, turmeric, chillies, onions, sugar cane, fruits and ground nut²⁹. The total cultivable land in the mandal is 9651 hectares which accounts to 46.71 per cent of the total land of the mandal. Even, cotton is producing very less profits, though people are still habituated with the cotton and moreover, the crop is also considered as very huge cost crop in the district. The district average in cropping pattern

²⁹ . Ibid, p. 42-58.

of cotton is very high. Even there is lack of irrigation facilities, the rice has occupied as second highest position in terms of cultivable operations of the land.

Irrigation sources

There are only minor irrigation sources such as tanks, tube wells and surface water for the agricultural purposes. Under the tanks the irrigated area of agriculture is 440 hectares, tube wells 4692 hectares, dug wells 211 hectares, tube wells 2626 hectares and under surface flow is 1189 hectares³⁰.

Drinking water

Drinking water is essential for the public health. It is also one of the main development indicators and high priority has been given in Bharat Nirman³¹. It is observed in the mandal that there is lack of hygiene and purified drinking water facilities. The major resources for drinking water at the village level are submersible pump sets with water tank connection to the individual taps. The number of taps under grama panchayat is 3845, hand pumps 2484; and tube wells 674 and wells are 121³².

Livestock

The mandal has also rich account of the livestock. As it is stated earlier in the research work that livestock is one of the main income generation resource in the rural area of the mandal. The mandal's livestock is as follows cattle (10991), buffaloes (5645), sheep (19187), goats (4726), pigs (262), dogs (1005) and poultry (12950). Mandal's total

³⁰ . Ibid, p. 61-67.

³¹ . Government of India has been launched the 'Bharat Nirman' to build rural infrastructure in 2005. Drinking water has been given much more importance in Bharat Nirman as its one of the six components. Other five components of the Bharat Nirman are bringing additional one crore hectare of land under assured irrigation, road connectivity, construction of additional houses for the poor, electrification for 2.3 crore households, telephone connectivity to all villages. It has been given priority for addressing the water quality problem, Arsenic and Fluoride affected habitations. For more details see in Source: <http://ddws.gov.in/bharatnirman/water.html> and <http://www.bharatnirman.gov.in/>; access date: 30/1/2009.

³² . Ibid.

livestock including poultry is 54776³³. It is noted that most of the families of poor depend on the livestock for the livelihood in villages of the mandal. It is also observed in the field study that some of the families of SCs in selected villages have depended on the selling of local poultry for their livelihood. They sell the poultry in weekly local markets. Some of the ST families are dependant on the exchange of buffaloes in the same local markets. Families of Nakapodu, a sub-caste of STs, are highly dependent on the grazing of the goats.

Education and Development Scenario of the Mandal

There are no industries and other large size companies. The economy of the mandal is highly dependent on agriculture and allied activities. Most of the rural youth, work in the field of agriculture. Some of the youth and women folk involve in the activities of beedi making labour. Education is also very less in the mandal. There is not even a Degree College in the mandal. For this purpose, people have to go nearby towns such as Nirmal or Bhainsa. These towns are very far, nearly 40 kms from this mandal head quarter. There is not even proper transportation facility. Unfortunately, even today, the mandal head quarter is lacking with the proper telecommunications and roads. Even though the state government has proposed and recommended to establish Engineering College in every mandal, this mandal is neglected in this direction. Some of the youth are interested to go to gulf countries for their employment. Even though the programmes of central sponsored schemes and state run developmental programmes are being implemented, the effective utilization of the programme is highly lacking. The lack of proper implementation of programmes has led to migration to the gulf countries for the employment of youth is highly influential.

Moreover, the mandal, as a sub-district administrative unit, has been implementing the developmental programmes of the state and central governments such as MGNREGA scheme, National Social Assistance schemes like Old Age Pensions, widow pension, maternity benefit schemes, and pensions for persons with disability and PDS and youth

³³ . Ibid, p.86.

empowerment scheme under SC Corporation, ST Corporation, Indiramma housing scheme and Velugu (IKP). Velugu (IKP) has a separate administrative building and it has been implementing and coordinating the developmental activities with the help of support staff like Community Coordinators and other related functionaries.

Profile of the study villages

Social Research especially in academics, studying the villages' profiles helps in understanding the prosperity and vulnerability of the rural areas and setting of poor people especially their livelihoods and opportunities. In policy research studies, when targeting at the grass roots, it is inevitable to focus on the rural areas. It is also imperative to understand the rural employment and livelihood pattern of the people, especially people living with vulnerable conditions. In rural areas, most of the rural society depends upon labour opportunities for their livelihoods in their local settings. There are different rural economic resources to reduce the risk of livelihood failure.³⁴ Diversified livelihoods can also help to reduce seasonality in labour demands and consumption³⁵, offset the impacts of natural risk factors on staple food availability³⁶, add activities with higher returns to the household livelihood portfolio³⁷, provide cash resources that enable

³⁴ . This is quoted by Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, *Diversification and Livelihood Options: A Study of Two Villages in Andhra Pradesh, India 1975–2001*, from Gill, G.J. (1991) *Seasonality and Agriculture in the Developing World: A Problem of the Poor and Powerless*. Cambridge: CUP and Alderman, H. and Paxson, C. (1992) 'Do the Poor Insure? A Synthesis of Literature on Risk and Consumption in Developing Countries'. Policy Research Working Papers. Washington DC: World Bank. p.2. this is taken from

³⁵ . This is quoted by Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, from Morduch, J. (1995) 'Income Smoothing and Consumption Smoothing'. *Journal of Economic Perspectives* 9 (3): 103–14, p.2

³⁶ . This is quoted by Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, from Reardon, T., Delgado, C. and Matlon, P. (1992) 'Determinants and Effects of Income Diversification Amongst Farm Households in Burkina Faso'. *Journal of Development Studies* 28 (2): 264–96. p..2.

³⁷ . This is quoted by Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, from Von Braun, J. and R. Pandya-Lorch (eds.) (1991) *Income Sources of Malnourished People in Rural Areas: Micro level Information and Policy Implications*, Washington DC: IFPRI. p.2.

household assets to be built up, and help people to hold onto the assets they already possess³⁸.

Developing rural opportunities and utilizing the existing resources from diversified income sources helps households to combat poverty in terms of instability in income and thereby increases the standards of their maintaining livelihood. Poor people build diversification strategies sensitive to their context and livelihood strategies. In actual project design, the *Velugu* project is also targeted to develop the rural people through utilizing local resources by building their capacities with the concept of community participation. The community participation is brought into reality with the help of local level community organizations popularly known as SHGs.

People in rural Andhra Pradesh depend for their living and livelihood on various activities. But the options that they can explore are limited by caste. In the context of on going poverty reduction programme, it may change the socio-economic conditions for their livelihood or other changes in terms of rural infrastructure, health and education and so on. In addition to changes in the availability of natural resources and other sources of livelihood, policy and the institutional environment may also affect peoples' livelihoods and livelihood security. Focusing on such changes provides scope for an improved understanding of household livelihoods and presents an opportunity to provide important inputs into the policy-making process³⁹. Only via effective policy can the best action be taken to support the diverse livelihoods of the rural poor and to enable them to cope with uncertainty and adversity.

Keeping all these rural issues, the state government intends to enhance the living standards of the rural people especially poorest of the poor families. A study of four villages is taken up to understand the impact of the *velugu* project. They are Nagar, Pipri, Gadchanda and Rajura. The following paragraphs deal with the profile of the villages.

³⁸ . This is quoted by Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, from Netting, R.M. (1993) *Smallholders, Householders: Farm Families and the Ecology of Intensive, Sustainable Agriculture*. Stanford: Stanford UP. p.2.

³⁹ . Uttam Kumar Deb, G.D. Nageswara Rao, Y. Mohan Rao and Rachel Slater, *Diversification and Livelihood Options: A Study of Two Villages in Andhra Pradesh, India 1975–2001*, Overseas Development Institute, London, Working Paper 178, December 2002, p.2.

i. Village Profile - Pipri

Population and Social Composition

Pipri is a large size village situated at distance of about 5 km from Lokeshwaram, the mandal head quarter. The total geographical area of the village is 25 acres⁴⁰. According to the Grama Panchayat's Household Record, there are 416 households and the total population is around 2231. Of the total population, SCs are 415, STs 35 and others (including BCs and OCs) are 1781. The village has different castes such as Mala, Madiga, Lambada, Tenugu (fruit sellers), Kammari (goldsmith), Shaala (tailoring), Chaakali (washer man), Gouds (taddy tappers), Gundla (fisherman), Komati (traders), Mangali (barbers), Kaapu and Velma.

Amenities

The village was electrified in 1978. All the main roads of the village had street lights. Of the total, 90 per cent of the houses were electrified and all the electrified households had television sets; there were also two tractors for agricultural purposes. The tractors were bought by the communities of munnuru kaapu. Most of the village agricultural lands were dependent on the submersible pump sets. The number submersible pumps in the village is 42. Thus, access to electricity proved to be a great asset for this village.

Welfare Programmes

According to the Velugu's participatory poverty survey, the total numbers of poor families in this village are around 73. This is accounted to 48.3 per cent of the total families. But the white card holders of the village are 403, Antyodaya Anna Yojana cards are 47 and Annapurna cards is only one and pink card holders in the village are 54. The identification of the poor families is followed by the method of participatory poverty identification in the presence of Grama Sabha and the method is adopted by the *Velugu* project.

⁴⁰ . The information is taken from the office of the village's Grama Panchayat Secretery during my field visit i.e, on.

Agriculture

The total geographical area of the village is around 575 acres, of which only 25 acres of land has been used for village settlement and 550 acres of the land used for agriculture purposes (including waste land). The main sources of irrigation for the agriculture are submersible pump sets. About 60 acres of land is not cultivable because of lack of irrigation facilities. The major crops of the village are cotton, paddy, maize and turmeric and other oil seeds.

Political Outline and Administrative Structure

The village administration is located at Grama Panchayat and it is an administrative office of all the activities including collection of taxes, implementation of developmental programmes and selection of the beneficiaries for all the programmes including current state's own project popularly known as Indiar Kranthi Patham. The office of the grama panchayat is administered by the elected Sarpanch, ward members and village secretary (appointed by the State Government) and Assistant⁴¹. Political parties i.e., Congress, Telugu Desam Party, Telangana Rashtra Samithi are playing lead role in the village. There are also caste based organizations playing very important role in village politics under the caste headmanship. The caste headman ship changes every year with other persons from their respective castes. Besides, there are seven women self-help groups in the DWCRA; men are organized into "Rythu Mithra Sangam's", these groups work for social and economical development of the village.

Development and Infrastructure

In the respect of the village development, there are own Grama Panchayat buildings, combined high school and primary school buildings, Drinking water tanks managed by the Grama Panchayat, village drainage system is not properly constructed, 70 per cent of the village roads are constructed with CC (Cement and Concrete, most of the CC roads are in dalit habitations) and there are social security beneficiaries under the different

⁴¹ . Assistant can be called as Karobar in local language.

schemes such as National Old Pension, Pensions for Persons with disabilities. There are even other developmental schemes of state and central governments that have been in operation in the village, but the outreach is hardly reaches to the needy people.

Recently, Indiramma Houses⁴² were also sanctioned to some beneficiaries and all the ration card holders got the health security cards under the scheme of Rajeev Arogya Sree. Of the total only 12 SHGs groups have availed the loans under the scheme of Rs. 0.25 interest (Pavala Vaddi Runalu). But, the village is not benefiting even a single acre of land under the scheme of 'Jalayagnam' inspite of the fact that the village is located at the bank of the Sriram Sagar Project. The village is getting the advantage of getting the benefit from the scheme of 'Rice for Rs.2/Kg'. It is highly subsidized scheme⁴³ of Government of Andhra Pradesh. The village of Pipri also got benefits through the central scheme of debt relief to the farmers.

In spite of a number of programmes that are implemented in the village; still there is high gap between the poor and out reach of the benefits. The field based survey and perceptions of the people in this village have given the picture on developmental programmes and its implementation process. Local people said that the welfare schemes are reaching to those who are giving bribes, having contacts with leaders of the political parties and officials. The project of Velugu is concerned; the rate of corruption is very low when compared to other programmes. The project's benefits are loans from Group's Savings, Bank Linkages and others such as Rice Credit Line, Training for the Skill Development, Community Marketing under the SHG or Village Organization. In this context, the mal practices in this project operation are quite stumpy.

⁴² . The scheme of the Indiramma is Indiramma is a mass housing scheme for the homeless. In the first phase, the Government has completed 10.50 lakh houses. Under this scheme, the total 80 lakh houses are targeted to construct for the poor. A unique feature of the programme is supply of housing material like cement, sand and steel to the beneficiaries at subsidized prices. The information is accessed from <http://www.thehindubusinessline.com>, dated 21/1/2009.

⁴³ . The background of the subsidized rice scheme is explained in detail in the second chapter of this research thesis.

ii. Village Profile – Nagar

Population and Social Composition

Nagar is a medium size village and it is about 3 km from the mandal head quarter i.e., Lokeshwaram. The total geographical area of the village is 61 acres⁴⁴. According to the Grama Panchayat's Household Record, there are 151 households with a population of 1361. Of the total 650 males and 711 females; Scheduled Castes are around 335 (males 164 and females 171) and the Scheduled Tribes consist around 668, where male population is 238 and females 263; the most numerically dominant caste in this village are the community of Scheduled Tribes. The rest belongs to other castes including Backward Communities, Other Castes and Muslim minorities comprises 425 of which males consist 148 and females 277.

Most of the houses in this village are Semi-pucca i.e, 73 per cent, pucca houses are 21 per cent and remaining 16 per cent of the houses are Kutcha houses. Of the total households in the village only 7 families (i.e., 4.63 per cent) are living in rented houses. The total number of poor families is in this village around 73. This is accounted to 48.3 per cent of the total families.

Welfare Programmes

The identification of the poor families is followed by the method of participatory poverty identification in the presence of Grama Sabha. Moreover, the method is also adopted by the *Velugu* project. The total ration cards holders in the village are 565, of whom white card holders are 478, Antyodaya Anna Yozana card holders are 50. There is only one Annapurna card holder and Pink card holders are 36 in number⁴⁵. All the families of the ration card holders are availing the food grain facility under the Public Distribution system of the scheme of the central government.

⁴⁴ . The information is taken from the office of the village's Grama Panchayat – Nagar.

⁴⁵ . Pink cards can not avail the subsidized rice scheme, because the holders of the Pink Ration Cards considered as above poverty line, earlier these cards were availed the facility of sugar and other oil products in the public distribution centres.

Agriculture and Employment

The village is also having different. The total gross cropped area of the village is 283 acres. The source of irrigation for agriculture is highly dependent on submersible pump sets. Even, the village's workforce is highly dependent on agricultural labour, the village's stamina in producing agriculture labour employment is very low because the cultivators of such areas have a paucity of water. Most of these villages' youth still prefer to go gulf countries for the employment. There is high demand to enhance other non-employability activities along with crop productivity.

Development and Infrastructure

In the context of the village development, there is Grama Pnachayat building for regular activities constructed by the funds of Jawahar Rojgar Yojana (JRY). There is also a high school and primary school buildings, Drinking water tanks constructed by the financial assistance of the JRY and district panchayat office, Adilabad. It is observed in the village that the drainage system is not properly constructed. It is found that there are social security beneficiaries. Recently, Indiramma Houses⁴⁶ were also sanctioned to some beneficiaries and all the ration card holders got the health security cards under the scheme of Rajeev Arogya Sree. The village is getting the advantage under the scheme of 'Rice for Rs.2/Kg'. It is highly subsidized scheme⁴⁷ of Government of Andhra Pradesh. The village has also got benefits through the central scheme of debt relief to the farmers.

Political and Social Outline

In this village, the Congress party is playing a major role, in terms of numerical strength, comparatively than other parties such as Telugu Desam Party, Telangana Rashtra Samithi. It is also found that the Praja Rajyam Party has, also to some extent, has the

⁴⁶ . The scheme of the Indiramma is explained in previous page in this chapter only.

⁴⁷ . The background of the subsidized rice scheme is explained in detail in the second chapter of this research thesis.

support of the youth in the village. There is also caste, occupation based such as Beedi Making Labourer. There are other unions and they are playing as pressure groups in village electoral politics. There is still dominant position of caste and village headmen ship equivalent with grama panchayat.

iii. Village Profile - Rajura

Population and Social Composition

The village is situated at a distance of 8 km to the interior of mandal head quarter. The village has a link road to mainstream with the mandal head quarter. The total population of the village is 2954 comprising 1450 males and 1504 females. It is obvious in the village that the population of the female is higher than the male population. In terms of social hierarchy, Scheduled caste's population is 404, STs 123 and other includes BCs, OCs and minorities 2427. The total geographical area of the village is around 1215 acres, of which only 45 acres are used for village settlement; of the settled area, 913 acres of the land used for agriculture purposes and remaining land is uncultivable, waste land and mostly used for grazing the village livestock.

Most of the families in the village are dependent on agriculture and other agri-related activities. The main sources of irrigation for the agriculture of this village also mostly dependent on submersible pump sets. There are two tanks in the village for agricultural purposes and it is hardly useful in heavy rain season only. But, the village tanks are useful for the village fishermen community. The fishing community utilizes the tank in summer season only.

Welfare Programmes

The village has facilities like electricity, community drinking water system under the grama panchayat and it also has public buildings including school, community halls and Indira Women building. There are total 835 ration card holders getting benefits under the scheme of Public Distribution System and state government's scheme of subsidized rice

scheme. Of the total, white cards are 478, AAY are 50, Annapurna is only 01 and Pink cards are 36. There is strong demand from the village community that there should be an awareness programme on the schemes being implemented in villages. In the absence of such programmes, people are not able to get benefits.

There are 22 SHGs reported to be actively functioning under the project in the village. They have succeeded in savings, sanctioning loans and repayment and other financial services. The main financial services of the VO are taking up agricultural production marketing such as maize, paddy and other oil seeds. But the benefits of the rural business are very low. Moreover, most of the times, the benefits or profits are not reaching to individuals of the SHGs. The reason is that the marketing business is highly dependent on the local big farmers. Again, the group members or VOs have to go to the farmers. Lack of marketing skills is a strong hurdle to the SHGs.

Agriculture

The total geographical area of the village is 435 acres, of which only 21 acres of land is used for village settlement and 414 acres of the land used for agriculture purposes (including waste land). The main sources of irrigation for the agriculture are submersible pump sets. About 60 acres of land is not cultivable because of lack of irrigation facilities. The major crops of the village are cotton, paddy, maize and turmeric and other oil seeds.

Political Outline and Administrative Structure

The village administration is located at Grama Panchayat and it is an administrative office of all the activities including collection of taxes, implementation of developmental programmes and selection of the beneficiaries for all the programmes including current state's own project popularly known as (*Velugu*) Indira Kranthi Patham. The office of the Grama Panchayat is administered by the elected Sarpanch, ward members and village secretary (appointed by the State Government) and Assistant⁴⁸. There are all political parties i.e., Congress, Telugu Desam Party, Telangana Rashtra Samithi playing lead role

⁴⁸ . Assistant can be called as Karobar in local language.

in the village. There are also caste based organizations playing very important role in village politics under the caste headmen ship.

Village Infrastructure

The village has its own Grama Panchayat building, high school and primary school buildings and drinking water tanks that are managed by the grama panchayat. The status of the village sanitation is not up to the mark. But, there are CC roads in the village and there are social security beneficiaries under the different schemes such as National Old Pension, Pensions for Persons with disabilities. There is also the programme of Indiramma Houses and most of the beneficiaries of the programme are women who are in the members of the SHGs. It is observed in the village that the health security cards under the scheme of Rajeev Arogya Sree have been distributed to all the holders of the ration cards. Some of SHGs groups have availed the loans under the scheme of Rs. 0.25 interest (Pavala Vaddi Runalu). The village also is not benefiting even a single acre of land under the scheme of 'Jalayagnam' even the village is located at the bank of the Sriram Sagar Project. The village is getting the advantage under the scheme of 'Rice for Rs.2/Kg'. The village also gets benefits through the central scheme of debt relief to the farmers.

iv. Village Profile - Gadchanda

Population and Social Composition

There are 472 households in the village with a population of 2302 persons (1048 males and 1504 females); the most numerically dominant caste group in this village is Backward Caste groups. Economically and politically dominant caste group is Velma. The population of the Scheduled Castes (Mala and Madiga) consist around 379, where male population is 185 and females 245, STs are 80 and BCs, Muslims, Christians and other forward castes consist around 1843, where male population is 828 and female 964. The population of the village comprised of different caste groups and casteism still has a fairly strong divisive influence on rural people. The village has also different developmental schemes of the state and central government.

Agriculture

Gadchanda is a village of major revenue gram panchayat of Adilabad district. It is also located adjacent to the irrigation dam of the Sriram Sagar Praject. It is located at a distance of 8 km from the mandal head quarter of Lokeshwaram. The village covers an area of 2680 acres. Of these, 1200 acres of land is under the utilization of agriculture; another 1000 acres of land is dry land (even it is intended for agriculture) without any irrigation resources and 414 acres of land belongs to forest and village tanks. The village is settled with nearly 76 acres⁴⁹. The village's irrigation mostly depends upon submersible pump sets; though there are lakes, they are not useful for agriculture.

Development and Infrastructure

The village has facilities like electricity, community drinking water system under the Grama Panchayat and it also has public buildings including school, community halls and Indira Women building. There are total 325 ration cards getting benefits under the scheme of Public Distribution System and state government's scheme of subsidized rice scheme. Of the total, white cards are 244, and Antyodaya Anna Yojana cards are 52. There is only one Annapurna and Pink cards are 28. It is also observed from the field study that the PDS scheme is misused by the local supplier and most of the ration card holders' quota was diverted to the local business centers to get more benefits. Besides, there are twenty three women self-help groups and some of "Rythu Mithra Sangam's" in the village. But, the Rythu Mithra sanghas are not in the active mode. Interestingly, the SHGs are highly working for social and economical development of the village.

Political Outline and Administrative Structure

The village administration is located at Grama Panchayat and it is an administrative office of all the activities including collection of taxes, implementation of developmental programmes and selection of the beneficiaries for all the programmes including current

⁴⁹ . The data of the village is taken from the office of the Grama Panchayati, Gadchanda by the Village Secretary. Some of the data on SHGs and village amenities are taken from the Sarpacnh and Ward Members of the village. The data on SHGs is taken from the Presidents of the Village Organization.

state's own project popularly known as Indira Kranthi Patham. The office of the Grama Panchayat is administered by the elected Sarpanch, ward members and village secretary (appointed by the State Government) and Assistant⁵⁰.

There are major political parties such as Congress, Telugu Desam Party, Telangana Rashtra Samithi playing lead role in the village. But, the presence of the Baratiya Janata Party is not visible in all these selected villages. There are also caste based organizations playing very important role in village politics under the caste headmen ship. The caste headmanship changes every year with other persons from their respective castes. The headmanship of the village, sometimes, is considered to be a village development committee.

Summing up

The total population of the four identified villages of the research, as per the census, 2001 is 8398 which is 0.45 percent of the total rural population of the district of Adilabad. In these selected villages of the study like Pipri, Rajura, Gadchanda and Nagar the percentage of S.C. population is more than that of S.T. population. Interestingly, the population of the females is also higher than that of the males. The literacy rate of the villages ranged between 24.5 percent and 34.3 percent. The percentage of the selected villages is much lower than both district and state levels which consist of 74.82 per cent and 64.11 per cent respectively. The workforce of the field area is categorized into agricultural labour, daily wage labourers, artisans, self – employed and gulf employed labourers. The social structure of the villages is tradition. The castes such as Mala, Madiga (sub-castes of SC), Gonds, Lambada (tribal groups), Tenugu (fruit sellers), Kammari (goldsmith), Shaala (tailoring), Chaakali (washer man), Gouds (taddy tappers), Gundla (fisherman), Komati (traders), Mangali (barbers), Kaapu and Velma live in these villages.

For the developmental aspect of the selected villages, there are different welfare and developmental schemes of the governments of center and state. Especially, state

⁵⁰ . Assistant can be called as Karobar in local language.

sponsored programmes like Indira Kranthi Patham (Velugu), Indira Housing Scheme, 25 Paise Interest Loan Scheme, Subsidized Rice Scheme, and National Social Assistance schemes like Old Age Pensions, Pensions for Persons with Disability, Maternity Benefit Schemes and other employment scheme i.e. NREGA scheme and other developmental schemes are also being implanted.

Chapter - 5

Socio-Economic Profile of the Respondents

This chapter focused on the socio-economic characteristics of the respondents. The respondents are selected from only the Scheduled Caste and Scheduled Tribes' community. An understanding of the socio-economic background of respondents is essential to assess the impact of velugu programme. Under the socio-economic profile, the basic social variables such as the age, educational status, caste, income, occupation, landholding and type of house are examined. In any public policy investigation, the discussion on the socio-economic and political backgrounds of the respondents is an essential undertaking. It is because such a discussion provides the study with a proper perspective, and brings out the social composition, and the economic status of the respondents. The socio-economic background has become an integral part of the studies of public policy. In the context of the present study, this discussion is all the more relevant, as it would throw useful light on the implementation of the *Velugu* project. Therefore, in the present section, an attempt is being made to present a profile of the selected respondents in the study area. The results of the analysis are presented below.

Social Status of the Respondents

Indian society is not only multi-religious but also multi caste society. The Hindu society is segmentally divided into numerous caste groups. The caste system has interpenetrated into the rural economic structure and the performance of agricultural roles by the different groups is mostly dependent upon the caste division. In recent times, with the launching of poverty alleviation programmes, more emphasis is laid on identifying the rural poor. This naturally leads to identification of caste groups, which are economically, socially and politically deprived¹.

Generally, a major part of the poor families in India belongs to Scheduled Castes and Scheduled Tribes whose average standard of living is considerably below that of the rest

¹ . Tripathi, Satyendra, 1987. Development of Rural Poor, Jaipur: Rawat Publications, p.68.

of the population. For instance, mean per capita consumption, distribution of assets such as education, landholding, etc of SCs and STs is very less than that of the non-SC/ST population. Closer examination of the field area revealed that most of them are under severe poverty conditions.

Table – 5:1. Caste Composition of the Respondents

S.No.	Caste	Pipri	Nagar	Gadchanda	Rajura	Total
1.	SC	18 (60%)	18 (60%)	12 (40%)	12 (40%)	60 (50%)
2.	ST	12 (40%)	12 (40%)	18 (60%)	18 (60%)	60 (50%)
3.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Data from field study.

Table 5:1 reveals that villages Pipri and Nagar consist of more population of SCs than that of STs. Consequently 60% of respondents were taken from among the SCs and 40% were taken from the STs. Conversely, the villages Gadchanda and Rajura have STs outnumbering the ST population of the other two villages. Hence, 60% of the respondents from both these villages are taken from among the STs and 40% of the respondents from the SCs.

Marital Status

For the present study, knowing the marital status is very important for the reason that the project has been giving more importance to the women headed families in rural areas². Of the total women respondents, 85 per cent of the selected women are married, un-married are 4 per cent, divorced are 5 per cent and widow headed families are 6 per cent. The study reveals that majority of the women respondents are married. Divorced women

² The researcher, for this project, has chosen these women headed families as these families are more vulnerable than the families headed by the men.

represent a smaller proportion of the respondents, i.e. 6 per cent. The details can be noted for table 5:2.

Table -5:2. Marital Status of the Respondents

S.No.	Marital Status	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Married	25 (83.33%)	26 (86.66%)	25 (83.33%)	24 (80.00%)	100 (83.33%)
2.	Un-Married	00 (00.00%)	01 (03.33%)	01 (03.33%)	03 (10.00%)	05 (04.16%)
3.	Divorced	03 (10.00%)	03 (10.00%)	02 (06.66%)	00 (00.00%)	08 (06.66%)
4.	Widow	02 (06.66%)	00 (00.00%)	02 (06.66%)	03 (10.00%)	07 (05.83%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: The data is collected form field survey.

If the individual villages are observed, the beneficiaries of the Velugu project are predominantly married women. However, from among the four villages Gadchanda has more number of married women (92 per cent) and Rajura has comparatively less percentage (76 per cent) of married women among the respondents. The presence of the unmarried, divorced women and widows is very less among the beneficiaries. Nagar and Rajura villages have 8 per cent and 12 per cent of unmarried respondents respectively, where as the other two villages have no unmarried respondents.

Table 5.2 shows that the villages Pipri and Nagar have only 8 per cent and 12 per cent, respectively, of divorced respondents, where as other two villages have no divorced respondents. Similarly, the table shows that the villages Gadchanda and Rajura have 8 per cent and 12 per cent, respectively, of widows, where as Nagar has no widow respondents and Pipri has mere 4 per cent of widow respondents. The highest percentage of widows is seen in Rajura (10 per cent). It was found that among the beneficiaries of the *Velugu* project, women headed families are very few in the field area. It is obvious from the data that married women are more in all the villages i.e., about 83 percent and it

is also clear that almost all the families of these women are all male headed. But, a shift the attitudes of men or husbands on women's role in family affairs in relation to financial management and child education are observed. It is, now, more important to give a case study of the attitudinal shift of men or husband on woman's role in family affairs from a selected village of the field study. The case study of Are Lakshmi, a dalit woman, offers best example for changing role of women in family affairs as a decision maker. She got married at the age of 14 and was very confused at the time of marriage because she was pushed into marriage life with lots of burdens in terms of bread earning. She is also worried because she was married during child hood. She became a mother at the age of 17. She said "my husband was a daily wage labourer and I also accompanied with him in the same work.

She explained how her husband changed his attitude from dominance to cooperation "we both initially fought with each other for money savings because my husband used to consume local alcohol. Sometimes, we used sleep with empty stomach. Suddenly, my husband was affected with the viral fever and severe back pain. I spent beyond my capacity for his treatment and I also sold one acre of land. Fortunately, he recovered and started for asking suggestions for money savings and children education', for this I used, often, argue with him".

"Our customs do not allow women to go out for general domestic work except labour work. My husband used to go to bring the needy things. However, Velugu officers came and one day, they arranged a meeting at the office of Grama Panchayat. In that meeting, they explained about the benefits of SHGs, savings, loans and other benefits which are really useful to me. Then, I and my neighbor woman started mobilizing women into SHGs. Finally, we mobilized 12 members in our ward area. We also opened bank accounts in our names. Thus, I and my fellow woman have been, frequently, going for bank, mandal level meetings and some time for district level meetings. Consequently, I came to know all the outside activities and got awareness on self employment activities through loans from bank linkages. These activities gave confidence and strength and I started a vegetable seeds supplying work with the help of my husband. Now, I am

earning Rs 800-Rs 1200 per month. Moreover, we gave up an occupation of my wage laboring. I, most of the time, go for meetings at mandal level and my husband understood and encouraged me to participate in all the meetings of the project. I myself, some times, laugh about my past. I never thought, even in my dreams, which I would change as I am now. My nature of work and my husband's attitude drastically changed. Moreover, my children are studying in private schools'. It is obvious from the case study that there are changes in the attitudes of rural men and that they are taking decisions in family maintenance and finance management in rural areas.

Caste Wise- Marital Status

Table 5:2 (a). Caste Wise Marital Status of the Respondents

S.No.	Marital Status	SCs	STs	Total
1.	Married	49 (81.66%)	51 (85.00%)	100 (83.33%)
2.	Un-Married	02 (03.33%)	03 (05.00%)	05 (04.16%)
3.	Divorced	05 (08.33%)	03 (05.00%)	08 (06.66%)
4.	Widow	04 (06.66%)	03 (05.00%)	07 (05.83%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data.

The percentage of married women is comparatively higher in the case of STs (85.00 per cent) which is followed by SCs (81.66 per cent). Respondents are further categorized into unmarried (SCs and STs are 03.33 and 05.00 per cent respectively), divorced (SCs 08.33 per cent and STs 05.00 per cent) and widows, who are very few in number among the SCs and STs with 06.66 and 05.00 per cent respectively.

Table 5.2 (a) reveals that divorced women are comparatively higher among the SC respondents than the ST respondents in the study area. The table also reveals that the beneficiaries of the Project from the women headed households are very low in the study

area. It, further, delineates that the beneficiaries from the women headed households are relatively more among the SCs than STs in the study area – i.e. divorced women among the SC and ST respondents are SCs 08.33 per cent and STs 05.00 per cent respectively.

Age of the Respondents

Age has been one of the important indicators of socio-economic status of an individual in society. Biologically, age indicates the physical maturity of an individual, and his/her place in the total life span³. However, socio-politically, age is a much relevant variable.

Table-5:3. Age wise Distribution of the Respondents

S.No.	Age	Pipri	Nagar	Gadchanda	Rajura	Total
1.	18 - 35	26 (86.66%)	23 (76.66%)	26 (86.66%)	23 (76.66%)	98 (81.66%)
2.	36 - 45	02 (06.66%)	02 (06.66%)	00 (00.00%)	03 (10.00%)	07 (05.83%)
3.	46 & above	02 (06.66%)	05 (16.66%)	04 (13.33%)	04 (13.33%)	15 (12.50%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data.

Age wise distribution of members shown that 81.66 per cent of the respondents are between 18-35 years of age, 7 percentage of the age group are between 36-45 years of age and 15 per cent members are above 45 years of age. From the village wise break up, the age group of 18-35 is comparatively higher in the villages of Gadchanda and Pipri (86.66 per cent), followed by Rajura and Nagar (76.66 per cent). It has been observed that in the field area there is an increase in participation of the younger women in Self Help Groups (SHGs). This is an encouraging scenario for the women community, especially dalit women, because these developments have a direct bearing on their independence, both economical and social. Nonetheless, the respondents within the age group of 36-45 and 46 and above are very less compared to the young women.

³ Tripathi, Satyendra, (1987). p. 62.

Table 5:3 (a) Caste wise Age Distribution of the Respondents

S.No.	Age	SC	ST	Total
1.	18 - 35	52 (86.66%)	46 (76.66%)	98 (81.66%)
2.	36 - 45	02 (03.33%)	05 (08.33%)	07 (05.83%)
3.	46 & above	06 (10.00%)	09 (15.00%)	15 (12.50%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data.

The percentage of respondents in the age group of 18-35 is comparatively higher in the case of SCs (86.66%) which is followed by STs (76.66%). The respondents are further categorized into age groups of 36-45 and 46 and above. Among those in the age group of 36-45 the SCs are 3.33 per cent and STs are 8.33 per cent each. However, in the age group of 46 and above the STs are slightly more than the SCs i.e. 15 per cent and 10 per cent respectively.

Family Size

Table-5:4. Family size of the Respondents

Family size	Pipri	Nagar	Gadchanda	Rajura	Total
Less than 4	05 (16.66%)	00 (00.00%)	06 (20.00%)	03 (10.00%)	14 (11.66%)
4-5	15 (50.00%)	21 (70.00%)	10 (33.33%)	16 (53.33%)	62 (51.66%)
6 and above	10 (33.33%)	09 (30.00%)	14 (46.66%)	11 (36.66%)	44 (36.66%)
Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data.

- Note:
1. Less than 4 – Wife and Husband with one child.
 2. 4-5 – Wife and husband with two children and an elder.
 3. 6 and above – Wife and husband with elders and children.

From the point of view of family size of the respondents, the data indicates that only 11.66 per cent of the respondents are having the family size with less than 4. Nevertheless, at the time of interview, neither of the couples has undergone family planning operation among the respondents of the age group of 18-35. There are possibilities for them to go for more children in near future where as 51.66 per cent of the respondents reported that their family size is 4-5. More interestingly, 36.66 per cent have families with 6 and more members.

However, the data reveals that more than half of the respondents (67 per cent -- i.e. those with families of below 4 and between 4-5 family sizes of the selected area have two or less than two children in their family. This indicates that most of the people are aware of the population control measures in rural areas, especially in selected villages. They also said that it would be difficult to maintain big families.

Family size – Caste wise Distribution of the Respondents

Table-5:4. (a) Caste wise Family size of the Respondents

Family size	SC	ST	Total
Less than 4	08 (13.33%)	06 (10.00%)	14 (11.66%)
4-5	34 (56.66%)	28 (46.66%)	62 (51.66%)
6 and above	18 (30.00%)	26 (43.33%)	44 (36.66%)
Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data.

Table 5:4 (a) reveals that the SCs have more nuclear families compared to the STs (13.3 per cent and 10 per cent respectively). It is also noted that the percentage of respondents with family size 4-5 is slightly higher among the SCs than the STs – i.e. 56.66 per cent and 46.66 per cent respectively. However, the families with 6 members and above are higher among the STs compared to the SCs (43.33 per cent and 30 per cent respectively). The data disclosed that the awareness on family planning is higher among the SCs than among the STs.

Educational Background of the Respondents

Education is an important factor for the development of society or any individual. Especially in the context of empowerment of women it is more important. Education has its own intrinsic value in terms of social and cultural ethos. Besides, it improves household health status by influencing nutritional and healthcare practices, reduces infertility, infant and child mortality and improves child's schooling performance. The economic outcomes of education determine qualitative human capital which translates itself into higher incomes. Better income, in turn, provides better opportunities for achievements in health and education. This is important, especially for the poor for their most important asset is labour. Education for the poor offers opportunity for employment and economic returns and so reduces poverty⁴.

Table – 5.5 Educational Backgrounds of the Respondents

S.No.	Education	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Non-literate	17 (56.66%)	21 (70.00%)	19 (63.33%)	24 (80.00%)	81 (67.05%)
2.	Non formal Schooling	06 (20.00%)	03 (10.00%)	04 (13.33%)	03 (10.00%)	16 (13.33%)
3.	Primary	05 (16.66%)	06 (20.00%)	03 (10.00%)	03 (10.00%)	17 (14.16%)
4.	Secondary	02 (06.66%)	00 (00.00%)	04 (13.33%)	00 (00.00%)	06 (05.00%)
5.	Higher	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
6.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

⁴ . Basanta K Pradhan, A. Subramanian, Structural Adjustment, Education and Poor Households in India: Analysis of a Sample Survey, National Council of Applied Economic Research. New Delhi. (This Paper presented at the World Bank workshop on "Poverty Reduction and Social Progress: New Trends and Emerging Lessons; Regional dialogue and consultation on WDR2001 for South Asia", April 4-6, 1999, Rajendrapur, Bangladesh.) p.1.

Table number 5.5 reveals that of the total respondents, 67.05 percent respondents have no formal schooling and 13.33 percent are with non formal schooling, who can barely sign. Only 14.16 per cent are having primary educational level. A very low percentage (only 5 percent) of the respondents has secondary education.

Table 5.5 indicates that there is very low level of education, especially literacy rate, among the rural women. The reason cited for the lower level of literacy among the dalit women is the denial of opportunity for these women by their parents. Thus the literacy of women is very low. This scenario is a reminder for a need to take necessary steps to improve adult literacy, especially for women.

One female respondent of Pipri said that initially she does not know much about education. She also said that even when she could convince the parents about the need to get education, the schools are located at a far distance. She felt regrets for her inability to study.

Another female respondent said 'I am not able to find what my children are doing at schools. I am not able to see what home work they are doing. If I am educated, I would have taken care of my children's education at home' she also said 'I can not even read to know what the ration dealer is writing on my ration card. I am feeling very bad for not being educated'.

A male respondent in Nagar village spoke in the following manner 'I am not in a position to know what, actually, is the rate of interest on my loan which I have taken from the Bank. I am paying what I am asked to by the bank officials. I do not know what is written in the minutes of Grama Sabha because I can not read. We are not able to read the notices pasted on walls of the main junction of the village. As I can not read, I find impossible to know the contents. By the time I came to know, I realize that the time for applying expires'. This case study is indicating that there is need to strengthen adult education system and conduct effective awareness campaigns to sensitize about ongoing and forthcoming developmental and welfare programmes in rural areas.

A female respondent from Rajura village said about her experience on debts ‘I have taken personal loan from a very big farmer. My loan amount was Rs. 5000 at the interest rate of Rs. 3 per month. I agreed to repay the loan within two years. After the period is over, I went to his home and calculated the total amount with interest. My money lender gave me small piece of paper where the figure is Rs. 9600. I paid the total money and came back to my home. After some time, I showed the paper to my child who is studying class of 10th. My son told me that ‘Amma, the calculation is totally wrong and the total amount is Rs. 5000 and interest is Rs. 3600, the total money is Rs. 8600 only’. Immediately I went to his home and showed the correct calculated paper and I asked him to give the remaining money. He gave me back Rs. 1000. I observed his feelings and he felt shy and guilty’. But, I also felt shy because I am not educated. Moreover, I understood the necessity of education in daily life schedule’. Thus, these case studies reveal that there is urgency for constructive adult literacy programme.

Cast wise Education of the Respondents

Table – 5:5 (a) Caste Wise Educational Backgrounds of the Respondents

S.No.	Education	SCs	STs	Total
1.	Illiterate	42 (70.00%)	39 (65.00%)	81 (67.05%)
2.	Non formal Schooling	05 (08.33%)	11 (18.33%)	16 (13.33%)
3.	Primary	11 (18.33%)	06 (10.00%)	17 (14.16%)
4.	Secondary	02 (03.33%)	04 (06.66%)	06 (05.00%)
5.	Higher	00 (00.00%)	00 (00.00%)	00 (00.00%)
6.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

The proportion of non-literates is slightly higher in SCs than STs i.e. 70 per cent and 65 per cent respectively and literates among the SCs are 8.33 per cent and STs are 18.33 per cent. In terms of primary education, SCs constitute 18.33 per cent and STs 10 per cent. It

is observed that the primary education is higher in SCs than in the STs. But, in higher education, only STs comprise with the 6.00 per cent and SCs are 3.33 per cent in this study (table number – 5.5).

Housing

Table – 5:6. Status of Housing of the Respondents

S.No.	Status of House	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Pucca	08 (26.66%)	10 (33.33%)	07 (23.33%)	08 (26.66%)	33 (27.05%)
2.	Semi-Pucca	20 (66.66%)	14 (46.66%)	18 (60.00%)	13 (43.33%)	65 (54.16%)
3.	Kutchha	02 (06.66%)	06 (20.00%)	04 (13.33%)	08 (26.66%)	20 (16.66%)
4.	Any other	00 (00.00%)	00 (00.00%)	01 (03.33%)	01 (03.33%)	02 (01.66%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Another factor that the present study tries to examine is the status of housing in the selected villages. The above table shows the housing condition of respondents. A pucca house in the present context is a house with concrete ceiling and semi pucca house is one with tiles. A Kutchha house indicates a thatched house. Any other house is a house where the respondents live on rental basis. Houses other than any other houses are ownership houses the respondents of any other house category are those living in thatched houses or small houses with cement or asbestos sheets. Usually, a member of poor families, when divide, go to rented houses paying small amounts like Rs 50 or Rs 100 per month. Of the total respondents, 27.05 per cent live in the pucca houses, 54.16 per cent live in semi-pucca houses and only 16 per cent of the respondents are living in kutchha houses. But it is distressing to know that still 18.32 per cent of the SC and ST families are living in kutchha and other rented houses even after a number of state and central government endeavours to provide housing facilities.

The village wise break up of the housing pattern is indicating that in Rajura and Pipri villages 26.66 per cent of the families are living in Pucca houses, whereas, in Nagar, the highest number of families (33.33 per cent) and in Gadchanda the lowest number of families (23.33 per cent) are living in Pucca houses of the total four villages of the field area. A comparative study of the housing pattern shows that Pipri (66.66 per cent) has more number of semi-pucca houses, followed by Gadchanda (6 per cent), Nagar (46.66 per cent) and Rajura (43.33 per cent). Data revealed that in the village Pipri all the respondents own houses and most of the families are staying either in pucca or Semi-pucca houses (93 per cent). It's also noted that only 06.66 per cent are staying kutcha houses and no one is staying in a rented house. Pipri is followed, in pucca and Semi-pucca houses, by Gadchanda (83.33 per cent), Nagar (79.99 per cent) and Rajura (69.99 per cent). Kutcha houses residents are higher in Rajura (26.66 per cent) followed by Nagar (20.00 per cent), Gadchanda (13.33 per cent) and Pipri (06.66 per cent). Families are staying in rented houses only in Rajura and Gadchanda with a few (03.33 per cent each) staying in rented houses. Among the four villages, the housing conditions of the respondents are better in Pipri, followed by Gadchanda, Nagar and Rajura. It has to be pointed out that Pucca houses are also not well built and furnished. But the living conditions are slightly better than those in other types of houses.

Caste wise Distribution

Table – 5.6 (a) shows Caste Wise Housing Status of the Respondents

S.No.	Status of House	SCs	STs	Total
1.	Pucca	15 (25.00%)	18 (30.00%)	33 (27.05%)
2.	Semi-Pucca	38 (63.33%)	27 (45.00%)	65 (54.16%)
3.	Kutcha	07 (11.66%)	13 (21.66%)	20 (16.66%)
4.	Any other	00 (00.00%)	02 (03.33%)	02 (01.66%)
5.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

Table number 5.6 (a) reveals that the housing status of the STs living in Pucca houses is more (30 per cent) compared to the SCs (25 per cent). It is also noted that the SCs are living in Semi-Pucca houses also higher than the STs - i.e. 63.33 per cent and 45.00 per cent respectively. Whereas, 11.66 per cent SCs and 21.66 per cent STs are living in kutcha houses and only (03.33 per cent) STs are staying in rented houses in the field area. The data revealed that, though the numbers of residents living in pucca houses are equal among SCs and STs the housing status of STs is poorer when compared to SCs in the field area. It is because STs have less number of Semi-pucca houses and more number of Kutcha houses than SCs. Moreover, no SCs are living in rented houses. The ownership houses are usually those built after selling lands and by taking from private money lenders. Naturally, the rate of interest is high. It would be useful to give details of what some respondents said.

One female respondent, named Chinta Gangamma, having a house of her own said ‘I started building my house on the assurance by government that they would provide loan after the basement is completed. I did it. But I did not get timely loan. I had to move around the local leaders like Sarpanch, Ward member and party leaders. I had to give them party which includes liquor and non-vegetarian food. After the first clearance of my application I had to go the concerned officers along with them and again they demanded rich food, bribe and drink. I will have to spend 40 percent of the loan amount to these purposes and is left with 60 percent. I had to go for loan even at the time for laying basement. The entire process is full of tension, expenditure, humiliation and struggle’. Similar views are expressed by a number of respondents.

Another respondent from Nagar village named Gangubai said her experience on loan sanction for house under the scheme of Indiramma. She said ‘My husband, initially, proposed to reconstruct my house because it is a very old semi-pucca house and all sides of walls are almost broken. I have been also thinking since long back but the financial resources are very limited. My husband told me about the scheme and approached our village Sarpanch. He assured us to sanction the house but in the list of beneficiaries, my name is not found. Immediately, we went to the Sarpanch’s house and who replied and

assured once again for sanction during the next round. On the same day, while we were on the way to my house, my neighbour told ‘how she got the house loans. She detailed about the bribes and told me that all those who got the loan gave bribe to the Sarpanch and concerned officers. Then only, they got the loans. I met the Sarpanch and I gave some money (she did not reveal the actual amount of the bribe) to him. In next sanctioned list, my name appeared. Thus, I got loan sanctioned. Now, I have to start my house construction’. These case studies are indicating that constructing a house by a dalit family is full of challenges. Hence, most of the dalits’ families are still in the semi-pucca and pucca houses in the study area.

Occupation of the Respondents

Table – 5.7 Distributions of the Respondents by Occupational Status

S.No.	Occupation	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Marginal Farmers	06 (20.00%)	04 (13.33%)	07 (23.33%)	02 (06.66%)	19 (15.83%)
2.	Agri.Labour	12 (40.00%)	13 (43.33%)	05 (16.66%)	14 (46.66%)	44 (36.66%)
3.	Rolling Beedis	12 (40.00%)	12 (40.00%)	16 (53.33%)	12 (40.00%)	52 (43.33%)
4.	Any other	00 (00.00%)	01 (03.33%)	02 (06.66%)	02 (06.66%)	05 (04.16%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Information on occupational status of respondents is gathered and presented in the table number: 5.7. Here, 43.33 per cent are engaged in rolling beedis as their main occupation, where as only 15.83 per cent of respondents are engaged, as marginal farmers, in agriculture for their livelihood. 36.66 per cent of the members are engaged as agricultural labour and only 4.16 per cent are in other activities including vegetable vending and tailoring etc. It can be seen that a majority of the respondents are working in beedi-making companies, which providing employment for the rural uneducated women in these selected villages.

The village wise break up of the occupational distribution of the respondents is indicating that Gadchanda has more percentage of marginal farmers (23.33 per cent) followed by Pipri (20.00 per cent), Nagar (13.33 per cent) and Rajura (6.66 per cent). The respondents are depending on agricultural labour are more in Rajura (46.66 per cent) followed by Nagar (43.33 per cent), Pipri (40.00 per cent) and Gadchanda (16.66 per cent). A comparative study of the respondents having rolling beedi as a main occupation among the four villages of the field area shows that Gadchanda (53.33 per cent) has majority of the respondents' dependant on rolling beedis as their chief livelihood. Whereas, in the remaining three villages rolling beedi is the main occupations and they are in equal percentage of 40 percent. More respondents (6.66 per cent) in the villages of Gadchanda and Rajura depend on other occupations for livelihood compared to other two villages, followed by Nagar 3.33 per cent. It is also noticed that no respondent is dependant on other occupations in Pipri for livelihood.

Caste wise Occupation of the Respondents

Table – 5:7 (a) Caste Wise Occupational Distribution of the Respondents

S.No.	Occupation	STs	SCs	Total
1.	Marginal Farmers	12 (20.00%)	07 (11.66%)	19 (15.83%)
2.	Agri.Labour	21 (35.00%)	23 (38.33%)	44 (36.66%)
3.	Rolling Beedis	25 (41.66%)	27 (44.00%)	52 (43.33%)
4.	Any other	02 (01.66%)	03 (06.00%)	05 (04.16%)
5.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

Caste Wise Occupational Distribution of the Respondents across caste groups in the sample villages is shown in table 5.7 (a). 20 percent of ST and 11.66 per cent of SC families are engaged in agriculture, 35 per cent of STs and 38.33 per cent SCs are

involved in agricultural labour, and 41.66 per cent STs and 44 per cent SCs are engaged in rolling beedis and 1.66 percent STs and 6 per cent SCs are working in other occupations.

Table 5.7 (a) reveals that majority of the ST families (55 per cent) are dependent on agriculture related occupations for their livelihood compared to the SCs (49 per cent). Even though, the STs are more dependent on agriculture related occupations for their livelihood than the SCs in the study area, there are less number (11.66 per cent) of marginal farmers compared to slightly more number (20 per cent) of marginal farmers among the STs. It is also noted that more (44 per cent) families of SCs are dependant on rolling beedis as their prime occupation for livelihood than the STs (41.66 per cent). The data reveals that more (6 per cent) SCs are into other occupations like vegetable vending, working in cotton mills and tailoring, where as a very few (1.66 per cent) STs are involved in similar occupations.

It is now appropriate to give some details of the negative effects of the occupations. A majority of the beedi rollers are women. They are getting health problems which include cough, fever and realing of heads. One woman rolling beedis said at the time interview ‘Beedi rolling is my income generating occupation. I have to take care of my domestic work which includes cleaning vessels, washing clothes and other work. The time left is used for beedi rolling. I alone will not do the work because the work given could not be finished in the time given to me. I have to involve my children also in the work relating to cutting beedi leaves and tying thread after rolling. My children help me before and after school timings. This affects their education. I have to tell another thing also. The beedi company would not work for about seven days before any festival. Before the closing, we will be forced to do extra work for which, along with our children we have to spend sleepless nights. To avoid sleep, we go on watching T.V. which affects our eyes. When the extra work has to be done, we are forced to keep our children at home. They would be missing school. But finally, the income that we get is very meagre. Due to heavy work, especially before festival days, my health gets seriously affected”.

Another respondent said “I will not be getting beedi rolling work continuously. Then I will have to go for another work as agricultural labourer. There is high amount of uncertainty about work and income”. This suggests the agony of the respondent regarding the possibility of securing work.

One respondent's main livelihood source is from agricultural work. Her family is totally dependant on her because of the bad health condition of her husband who useally is not used to earn but drink, spending the whole amount of the wage he was earning. When the researcher approached the woman and her husband, it is found that her husband is bed-ridden and then their son who completed 10th class could not go to further studies because of financial problem. The son is forced to work in the field as agricultural labourer along with his mother. The son, unable to face the comments of his friends, began to drink. The whole family got affected. The boy drinks the locally made liquor which seriously hampers the health. This teen aged boy is living in a state of confusion and uncertainty about the future.

A respondent who is a marginal land holder is neither a full fledged farmer nor a labourer. He has to take care of agriculture himself, being unable spend on other workers to help him. He does work in his fields in the morning and in the afternoon he goes as a wage labourer. He would spend on agriculture, which some times, may not yield returns. Hence he is forced to get loans from money lenders, who charge high rate of interest the plight of this man is serious by which he is psychologically, physically and financially disturbing.

The occupational based case studies of the poor families of rural areas reveal that there is uncertainty on their financial resources, health, security of work and livelihoods. It is obvious that the poor are always in the conditions of insecurity of life, lack of regular work and lack of adequate income generation sources. It is also clear from the case studies that there is lack of sustainable developmental activities for the poor.

Land Holding Pattern of the Respondents

As noted, poverty has direct connection with land in rural areas. The connection between poverty and access to land is widely viewed as central in terms of both understanding the causes of poverty and of designing policy to address it. In India, the poor typically own less land than the non-poor and are highly represented among the landless and near landless. Consequently, the incidence of poverty is clearly highest among the landless and marginal landowners.

Table – 5:8. Land Holding Pattern of the Respondents

S.No.	Land Owning	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Landless	14 (46.66%)	12 (40.00%)	14 (46.66%)	19 (63.33%)	59 (49.16%)
2.	1-3 acres	10 (33.33%)	08 (26.66%)	06 (20.00%)	07 (23.33%)	31 (25.83%)
3.	4-5 acres	06 (20.00%)	10 (33.33%)	10 (33.33%)	04 (13.33%)	30 (25.00%)
4.	6 & above	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Table number 5.8 shows the respondents distributed on the basis of their family land holding size. It may be seen that of the total respondents, 49.16 percent are landless people while 25.83 percent are having land between one to three acres. In India those who are having up to three acres of land are called small farmers. Most of the small farmers belong to Scheduled Castes and Scheduled Tribes. The percentage of the respondents having land holdings between 4 to 5 acres is 25 percent. It is obvious that SC and ST families own less than 5 acres of land.

The village wise break up of the land distribution of the respondents is indicating that Rajura has more percentage (63.33%) of landless labourers followed by Pipri and Gadchanda each (46.66%) and Nagar (40 per cent). Pipri had more marginal farmers (33.33 per cent) holding 1 to 3 acres of farm land followed by Nagar (26.66 per cent),

Rajura (23.33 per cent) and Gadchanda (20 per cent). The respondents of Nagar and Gadchanda own more (33.33 per cent each) land compared to those in Pripri (20 per cent) and Rajura (13.33 per cent). It is obvious from the study that farmers holding 6 acres and above are not found in any of the villages of the field area.

Caste-Wise Land Holding Pattern of the Respondents

Table – 5:8 (a). Caste Wise Land Holding Pattern of the Respondents

S.No.	Land Owning	ST	SC	Total
1.	Land less	29 (48.33%)	30 (50.00%)	59 (49.16%)
2.	1-3 acres	14 (23.33%)	17 (28.33%)	31 (25.83%)
3.	4-5 acres	17 (28.33%)	13 (21.66%)	30 (25.00%)
4.	6 & above	00 (00.00%)	00 (00.00%)	00 (00.00%)
5.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

When the land holding pattern is observed the study showed that 48.33 per cent STs and 50 per cent SCs are landless in the field area. Land holding pattern of 1-3 acres includes 23.33 per cent STs and 28.33 per cent SCs. And 28.33 per cent STs and 21.66 per cent SCs own 4-5 acres of land. It is also observed, from the table 5.8 (a), that the village of Rajura comprised of highest landless laboures from the SC and ST community (64 per cent); and other selected villages are ranging from 40 per cent to 48 per cent. It is clear that the major section of communities like SCs and STs are still far away from the larger size of land owning.

The opinion of a farmer is worth mentioning here. He said ‘we depend on agriculture; but we do not have profits. We have to go to loans for pesticides and other needed material. When we get health problems; we are forced to go for loans again. The crop loans that we

get are supposed to be spent for increasing the yield. But we are compelled to pay the crop loan to the money lenders from whom we raised loans earlier’.

Another respondent said ‘our cultivation is totally dependent on the water supplied through submerged pumps. There are no water supply means through canals. River Godavari is just two kilometres from Pipri and Nagar villages. There is possibility to bring water to our land through lift irrigation scheme which is not available now. Water supply through submersible pumps would stop when there is either high voltage or low voltage because in both cases the submersible pumps get fired. A minimum amount of Rs. 3000 per year will have to be spent for repairs of the bores, which is a very heavy financial burden to us. Hence the problems we are facing are not only serious but also continuous’.

It has to be mentioned that the loans taken by the farmers have to be paid within a specific period with interest. However, recently the government declared waiver of the amounts disbursed earlier. Those who failed to pay got the benefit of not having the need to pay and those who have paid lost the benefit of waiver. The case studies of small and marginal farmers of the communities of SCs and STs indicate that agriculture also failed to get adequate livelihood opportunities because of inadequate financial resources and lack of water resources.

Monthly Income

As noted, the report of the Government mentioned that provision of sources of income for families is an important step in the direction of poverty alleviation in both rural and urban areas. Some of the major programmes like (JRY) (SGRY) and (NREGA) are major interventions for the income generation of the poor in rural areas. This is done through the creation of community assets. Thus, information on income generation resources is also one of the important elements for the evaluation and impact in the study.

Table – 5.9 Monthly Incomes of the Respondents

S.No.	Monthly Income	Pipri	Nagar	Gadchanda	Rajura	Total
1.	500-1000	20 (66.66%)	22 (73.34%)	24 (80.00%)	19 (63.33%)	85 (70.83%)
2.	1001-2000	10 (33.34%)	08 (26.66%)	06 (20.00%)	11 (36.66%)	35 (29.16%)
3.	2001-3000	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
4.	3001 & above	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

An understanding of the status of income of the respondents is very essential especially in the context of poverty reduction strategies because it judges the economic status, behavioural pattern and quality of life. Hence, an attempt has been made to find out the income status of the respondents. Major section of the respondents i.e. 70.83 per cent earns a monthly income of Rupees between 500-1000. In fact, these sections are predominantly from the beedi-making labours. Only 29.16 per cent of the selected respondents are earning more than Rs.1001 and below Rs. 2000 per month. However, there are no respondents with monthly income more than Rs. 2001 in the field area. Thus, it is apparent that the government schemes framed for income generation of the poor are still far way from reaching the targeted goal.

The village wise break up of the monthly income of the respondents is indicating that Gadchanda has more percentage (80 per cent) of respondents with income between Rs. 500 to 1000 followed by Nagar (73.34 per cent) and Pipri (66.66 per cent) and Rajura (63.33 per cent). The respondents with monthly income of more than Rs. 1000 and below Rs. 2000 are more (36.66 per cent) in Rajura followed by Pipri (33.34 per cent), Nagar (26.66 per cent) and Gadchanda (20 per cent). Thus, the data reveals that a majority of the respondents are in the group of income levels Rs.500-1000 per month. It is obvious that there is lack of sustainable income generation sources for the poor families in rural areas.

Caste-Wise Monthly Income

Table – 5.9 (a) Caste wise Monthly Income of the Respondents

S.No.	Monthly Income	ST	SC	Total
1.	500-1000	45 (75.00%)	34 (56.66%)	85 (70.83%)
2.	1001-2000	15 (25.00%)	20 (33.34%)	35 (29.16%)
3.	2001-3000	00 (00.00%)	00 (00.00%)	00 (00.00%)
4.	3001 &above	00 (00.00%)	00 (00.00%)	00 (00.00%)
5.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

Caste Wise monthly income among the selected SCs and STs respondents is in the table number 5.9 (a). 75 percent of ST and 56.66 per cent of SC families are in the monthly income group of R. 500 –Rs. 1000. Starting from the range of monthly income, ie. Rs. 1001 and below 2000, it is found that the SCs are more (33.34 per cent) comparatively than STs (25 per cent). Respondents with monthly income between Rs. 2001-3000 and more than Rs. 3001 are not present. It is observed that large size of the communities of SCs and STs are only having monthly income of Rs. 1000 and it is limited with maximum up to Rs. 2000 only.

Summing up

It is obvious that all respondents are poor and poorest of the poor families and most of them are under severe poverty conditions. It is observed in this study that a majority women are young aged between 18-35 joined in SHGs and in saving movement. This is an encouraging scenario for the women community, especially dalit women, because these developments have a direct bearing on their independence, both economical and social.

It is also observed that a majority of the women are aware of the population control measures in rural areas, especially in the selected villages. They also said that it would be difficult to maintain big families. But, it is seen that most of the dalits' families are still in the semi-pucca and pucca houses in the study area. The occupational based case studies of the poor families of rural areas reveal that there is uncertainty on their financial resources, health, and security of work, livelihoods. It is obvious that the poor are always in the conditions of insecurity of life, lack of regular work and lack of adequate income generation sources. It is also clear from the case studies that there is lack of sustainable developmental activities for the poor. Thus it is apparent that the government schemes framed for income generation of the poor are still far way from reaching the targeted goal.

Chapter - 6

Impact Assessment of the Project: A Critical Analysis

This chapter examines the implementation of the *Velugu* project and assesses the impact of the project on some of the selected families of the poor and poorest of the poor. The selection of the poor is processed by the method of participatory identification of the poor at the Grama Panchayats along with the help of local level activists -- i.e. Community Coordinators and village level activists. The major parameters like awareness on the ongoing poverty reduction project, involvement in community based organizations like Self Help Groups (SHGs) and Village Organizations along with involvement in the activities of the *Velugu* project such as skill improvement, promotion of livelihood opportunities, accessibility of rural micro credit, income generation activities, overall transformation from traditional wage labouring to emerging rural entrepreneurship are used for the assessment of the project's impact. It is evident from National Sample Survey Organization's (NSSO's) outcomes that the proportions of the poverty conditions among these communities are comparatively higher than other backward classes and other caste groups.

Awareness

Initially, the impact study focused on the awareness of the project. Awareness on developmental programmes of the poor is essential for the proper implementation and utilization of any programme or developmental project. Hence, the importance of awareness is focused in this study.

Table – 6.1. Awareness of the Respondents on the Project

S.No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	28 (93.33%)	25 (83.33%)	26 (86.66%)	24 (80.00%)	103 (85.84%)
2.	No	02 (06.66%)	04 (13.33%)	03 (10.00%)	02 (06.66%)	11 (09.17%)
3.	No Response	00 (00.00%)	01 (03.33%)	01 (03.33%)	04 (13.33%)	06 (05.00%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The data indicates that 85.84 per cent are aware of the project whereas 9.17 per cent of the respondents are unaware of the programme prior to its implementation. However, 5 per cent of the respondents have not responded to the question. Village wise break up on awareness in Pipri 93.33 per cent, Nagar 83.33 per cent; Gadchanda 86.66 per cent and in Rajura 80 per cent. Of the total selected villages, Pipri has highest percentage of the respondents in terms of their awareness on the project and its implementation for the development of rural poor and village infrastructure. It is also noted that no responses are presented at very minimal percentages of the perceptions of the respondents in the studied villages. The data clearly indicates that a majority of the rural people are aware of implementation of the project. The data in the table number 5.10 reveals that the awareness of the programme among the poor rural households has percolated to a satisfactory level.

It is now useful to give details of the researcher's interaction with the respondents. When asked about the source of information relating to Velugu project, one woman said 'my neighbour came to my house and told me that our ward member of the panchayat is proposing to organize women into Self Help Groups. She replied that there is a scheme called Velugu project and there are benefits are available to the members of the SHGs as well as to their families'. Thus, there are different means of communication for spreading awareness on the project.

Table – 6:2. Caste-wise Awareness on the Project of the Respondents

S.No.	Response	SC	ST	Total
1.	Yes	54 (90.00%)	49 (81.66%)	103 (85.83%)
2.	No	04 (06.66%)	07 (11.66%)	11 (09.16%)
3.	No Response	02 (03.33%)	04 (06.66%)	06 (05.00%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

The study also tried to understand caste-wise awareness on the project. The caste-wise details reveal that 90 per cent of the SCs and 81.66 per cent of STs are aware of the project whereas 6.66 per cent of SCs and 11.66 per cent of STs are unaware of the programme prior to its implementation. However, 3.33 per cent of SC and 6.66 per cent of STs have not responded to the question. A comparative analysis clearly shows that there is higher awareness in the SC community than the ST community. The data indicates that there is need to take necessary measurement to improve awareness on the project for the better utilization of the project's benefits.

Table – 6:3. Educational level-wise Awareness on the Project of the Respondents

Response	1	2	3	4	5	Total
Yes	69 (85.18%)	13 (81.25%)	15 (88.23%)	06 (100%)	00 (00.00%)	103 (85.84%)
No	07 (08.64%)	02 (12.05%)	02 (11.77%)	00 (00.00%)	00 (00.00%)	11 (09.16%)
No Response	05 (06.17%)	01 (06.25%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	06 (05.00%)
Total	81 (100%)	16 (100%)	17 (100%)	06 (100%)	00 (100%)	120 (100%)

Source: Field research data

*Note: 1- Non-literates
2. Non-formal schooling
3. Primary education
4. Secondary education
5. Higher education*

Table 6.3 shows the educational level-wise awareness on the project. It is important to understand the awareness based on their educational background of the respondents in the study area. Of the total respondents, 85.18 percent of non literates, 81.25 percent of non formal schooling (who can barely sign) persons, 88.23 percent of primary educational holders and 100 percent of secondary level educational respondents (this group of persons constitute only 6 of the total 120 respondents) have informed that they are conscious of the project's functioning in their respective villages. However, 8.64 percent of non literates, 12.05 percent of non formal schooling persons and 11.77 percent of primary educational respondents have accepted that they are ignorant on the project's

activities. It is observed that some respondents do not know the name of the project but they are conscious of the project activities in later stages. Those who did not respond are essentially non-literates and of non-formal school going category who accounted to 6.17 percent and 6.25 per cent respectively. Again non-literates are more compared to those of non-formal school going category. Awareness and educational levels are linked here.

Nature of Membership

The nature of the membership in community based organizations is also very important as far as the ongoing project is concerned. The project's prime objective is to strengthen the self-managed organizations of the poor. The project is designed to strengthen and form self-managed grassroots organizations, including Self Help Groups (SHGs), Village Organisations (VOs) and Mandal Samakhyas (MS) and such other federations. These organizations are the project's key instruments for identifying priority needs of the target groups at the village level. These self managed grass root organizations have been equipped with capacity building of the group (also the individuals) on areas of credit facilities through internal loaning of their own savings before becoming eligible for assistance under the Community Investment Fund (CIF) of the project. Moreover, most of the poor women in rural areas have joined the SHGs. To the question "what is your nature of membership in SHG?" the responses are given in table number 5:13.

Table – 6:4. Nature of the membership in SHGs of the Respondents

S. No .	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Member	22 (73.33%)	19 (63.33%)	21 (70.00%)	26 (86.66%)	88 (73.33%)
2.	Leader	08 (26.67%)	11 (36.67%)	09 (30.00%)	04 (13.34%)	32 (26.67%)
3.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

From table number 6.4 it is clear that 73.33 per cent are general members, 26.67 per cent are group leaders. Of the total selected villages, Rajura has the highest number of

members in SHGs. It is also obvious that leaders from these villages constitute only 23 per cent. The village wise break up of the nature of membership is indicating that Rajura has more percentage of members (86.66 per cent) followed by Pipri (73.33 per cent), Gadchanda (70.00 per cent) and Nagar (63.33 per cent). The respondents from group leaders are more in Nagar (36.67 per cent) followed by Gadchanda (30.00 per cent) and Pipri (26.67 per cent). The table reveals that the most of the respondents are members in SHGs and few are leaders are covered in the study.

Members' Experience in SHGs

Table – 6:5. Experience of the Respondents in SHGs

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Below 1 year	03 (10.00)	06 (20.00%)	08 (26.66%)	05 (16.66%)	22 (18.33%)
2.	1-2 Years	14 (46.66%)	16 (53.34%)	16 (53.34%)	22 (73.34%)	68 (56.64%)
3.	3& more years	13 (43.34%)	08 (26.66%)	06 (20.00%)	03 (10.00%)	30 (25.00%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The respondents are classified into three categories on the basis of experience in years i.e., those who below 1 year, between 1-2 years and those with 3 and more than 3 years. According to the empirical data, 56.64 per cent are in SHGs for 1-2 years and 25 percent of the total respondents have been members for 3 years since the formation of SHGs. The figure that accounts for below one year is 18.33 percent only.

The village wise break up of experience in SHGs of the respondents is indicating that Gadchanda has more percentage (26.66 per cent) of respondents with below one year followed by Nagar (20.00 per cent) and Rajura (16.66 per cent) and Pipri (10 per cent). The respondents with 1-2 years are more (73.34 per cent) in Rajura followed by Gadchanda and Nagar (each 53.34 per cent) and Pipri (46.66 per cent). The respondents in the response category of 3 and more years are more in Pipri (43.34 per cent) followed by

Nagar (26.66 per cent), Gadchand (20 per cent) and Rajura (10 per cent). The experience in SHGs is also indispensable for the accessibility of credits under the project's CIF sub-project. In this connection, the above responses are presented for the understanding of the project implementation and more so, for the purpose of studying the loaning pattern for the above mentioned categories of response. Accordingly, of the 18 per cent of the respondents, only few persons have taken financial assistance under the SHGs' savings.

As stated in the previous chapters, the identification of poor families through the participatory BPL survey is covered under the SHGs model. Besides, all the group members are expected to take up capacity building trainings in terms of trainings on livelihood promotion, non-farm income generating activity and the groups also can be linked up to special interventions like Rice Credit Line and Community Investment Fund in rural areas. The project also focuses on expanding the existing livelihoods of the poor by looking at their skills, resources, local opportunities, and gaps in the value chain at all stages. It is focused especially on creation of sustainable non-farm employment opportunities such as micro enterprises, livestock development, and value addition to farm produce and trading. For this purpose, a question is asked "Did you get any kind of training for better livelihood promotion?" and the responses are given in the table below.

Training for better livelihood promotion

Table – 6:6. Training for better livelihood promotion of Respondents

S.No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	14 (46.67%)	12 (40.00%)	13 (43.34%)	11 (36.66%)	50 (41.66%)
2.	No	14 (46.67%)	16 (53.33%)	14 (46.66%)	19 (63.33%)	63 (52.05%)
3.	No response	02 (06.66%)	02 (06.66%)	03 (10.00%)	00 (00.00%)	07 (05.84%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The responses of the study indicate that only 41.66 per cent have given positive responses that they have gone for trainings to better their livelihood opportunities in their respective

Mandal head quarters. 52.05 per cent of the respondents say that they have not taken any kind of training or they are not involved in any sort of capacity building programmes and 5.84 per cent of the respondents have given ‘No Response’.

The village wise break up of the training for livelihood promotion for the respondents is indicating that Pipri has more percentage (46.67 per cent) of training attendants followed by Gadchanda (43.34 per cent), Nagar (40 per cent) and Rajura (36.66 per cent). Non attendants in the training are more in Rajura (63.33 per cent) followed by Nagar (53.33 per cent) and Pipri and Gadchanda (each 46.66 per cent). It is noticed that no responses have also emerged from the field study and such respondents are more in Gadchanda (10 per cent) compared to those Pipri and Nagar (each 06.66 per cent). It is obvious from the study that the respondents of training attendants are very low compared with the non attendants of the livelihood promotion trainings. But, the midterm Report of the project has given the details of the livelihood activities taken by the targeted members. The report also says that the income of the beneficiaries has increased. In fact, the targeted section of the society under the project’s objectives is not up to the mark.

Caste wise -Training

Table – 6:7. Caste-wise Training for the Livelihood of the Respondents

S.No.	Response	SC	ST	Total
1.	Yes	28 (46.66%)	22 (36.66%)	50 (41.66%)
2.	No	29 (48.33%)	34 (56.66%)	63 (52.05%)
3.	No Response	03 (05.00%)	04 (06.66%)	07 (05.83%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

The study examined the caste-wise training of the respondents in the field area as part of the impact study of the project. The caste-wise details reveal that of the total 46.66 percent of the SCs and 36.66 per cent of STs indicated that they were given trainings of capacity building and skill development to take up the non-agricultural activities as a

additional livelihood and income generation for the poor whereas 48.33 per cent of SCs and 56.66 per cent of STs were not given the training at the mandal level. However, 5 per cent of SCs and 6.66 per cent of STs have not responded on the participation in livelihood trainings for poor in these villages. It is observed that there is significant gap (10 per cent) between the communities of SCs and STs as regards to the livelihood trainings for livelihood opportunities.

Purpose of Training

Table – 6.7 (a). Purpose of Training of the Respondents

S. No .	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Useful for livelihood	09 (64.28%)	05 (41.66%)	06 (46.15%)	06 (54.55%)	26 (52.00%)
2.	Not useful	05 (35.72%)	07 (58.33%)	07 (53.85%)	05 (45.46%)	24 (48.00%)
3.	No Response	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
4.	Total	14 (100%)	12 (100%)	13 (100%)	11 (100%)	50 (100%)

Source: Field research data

Trainings for Livelihood promotion to the poor households, especially women households are given by the mandal training centres. The trainings are focused on group activities, identification of activity needs, cost effective methods and income generation activities. Of the total, 52 per cent of the respondents utilized the trainings for additional income generation and social awareness on different developmental programmes. And of the total number of training attendant, 48 per cent respondents have not recognized the usefulness of the training for income generation or any other social awareness.

The village wise break up on purpose of the training of the respondents is indicating that Pipri has more percentage (62.28 per cent) of respondents who used the training for livelihood promotion followed by Rajura (54.55 per cent), Gadchanda (46.15 per cent) and Nagar (41.66 per cent). Further, the responses ‘not useful’ for livelihood of the respondents are presented and Nagar has more percentage (58.33) followed by

Gadchanda (53.85 per cent), Rajura (45.46 per cent) and Pipri (35.72 per cent). It is obvious from the study that 50 per cent of the respondents accepted that trainings can be useful for additional livelihood creation in their local settings.

It is appropriate to give details of one respondent, named Rajakka. She said “I studied up to class 7th. After that my parent did not send me for further education due to lack of awareness on importance of education and did marriage at the age of 13 years old. My husband was a daily wage labourer and I also started do work with him as labourer. Every day, we struggled to have meals. There were no ways to solve the problem. It was very difficult period for us, but we survived”.

She further said “while we are facing al the problems, I joined in SHG and started small savings. We were 14 members in the group and all of us were committed to be in the group. We have been saving Rs. 30 a month for last three years. It was only after three years that we started receiving benefits. But, the benefits were limited while the needs were more. Every one of was in trouble. Struggle at home for survival is very common in my life. We held several meetings at regular intervals and attended every meeting held at the village level and mandal level. While we were attending the meetings and training camps, our interaction with other fellow women from other surrounding villages helped me to understand the different non-farm income generation activities. Thus, I came to know there are different opportunities for livelihood with better income sources. Then, I started thinking to take up a new livelihood activity for income better sources than the agricultural labourer.

For the first time after three years of my SHG formation and regular meetings with savings, I received about Rs 5000 as loan. I had some debts to clear and there were several other pressing demands to be addressed with the amount. I kept the money with me for a few days thinking about the best way to invest them. I came to a final decision that to clear the most pressing debts and invest the amount on income generation activity. I have purchased a second hand and old scooter for milk transport at the rate of Rs. 4000 and we started milk selling for daily home needs to Nirmal town. I wake up at 5 a.m. and collect milk by going to each milk producer’s home and my husband goes regularly to

Nirmal and sells the milk through door delivery system. Thus, we get Rs 150 every day and our monthly average benefit is Rs. 1000-1500 excluding all expenses. Now, I am thinking to get three wheeler auto on the loan basis to get more incomes”.

“While being a member of the group and educated, I was selected as community resource person. I was trained at mandal level training camp for 23 days as community resource person. During the training programme, I have learned to form new groups, train the members on book keeping and holding meetings as per the regular schedules given by the community coordinators. My husband also encouraged me to attend the training camps. Now, I have improved skills to be a resource person in building the community based organizations. At present, I can form groups in the villages and even convince people with negative thoughts. For community mobilization, I am paid by Rs. 200 per day. Accordingly, my life totally changed and my husband also is cooperating with me in taking up new income generation activities. I was also able to repay the loans by earning through milk selling. I was elected as president of my group recently. It is also new to me. I am spending part of earned money for my son’s education’. This case study is showing the success of the project and moreover, drastic changes in the life of an ordinary woman into a strong leader and committed worker with confident and courage.

Table – 6.7 (b) shows Education-wise examination on the Purpose of Training

Response	1	2	3	4	5	Total
Useful for livelihood	11 (61.11%)	04 (40.00%)	05 (45.45%)	06 (54.55%)	00 (00%)	26 (52.00%)
No useful	07 (38.88%)	06 (60.00%)	06 (54.55%)	05 (45.45%)	00 (00%)	24 (48.00%)
No Response	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00%)	00 (00.00%)
Total	18 (100%)	10 (100%)	11 (100%)	11 (100%)	00 (100%)	50 (100%)

Source: Field research data

Note: 1- illiterates

2. Non-formal schooling

3. Primary education

4. Secondary education

5. Higher education

An attempt is made to know the impact of education on the livelihood trainings of the respondents. Table 6.7 (b) reveals that 61.11 per cent of the illiterates, 40 per cent of non-formal schooling, 45.45 per cent of primary educated respondents and 54.55 per cent of secondary level educated respondents have accepted that trainings is useful for additional income generation and non-agricultural livelihood activities. However the respondents, belongs to the category of illiterate, are responded that the trainings are useful, comparatively more than other educated respondents. It is observed in the study, that those who reported training as useful constitute 52.55 per cent and whereas the 'not useful' reporters constitute only 48 per cent. It is obvious from the field study that the training for livelihood enhancement of the rural poor has partially succeeded.

Utility of the Training Program

Table – 6.8 Utility of the Training Program of the Respondents

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Social awareness	05 (55.55 %)	03 (60.00%)	02 (33.34%)	04 (66.66%)	14 (53.84%)
2.	Income generation	04 (44.45%)	02 (40.00%)	04 (66.66%)	02 (33.34%)	12 (46.16%)
3.	Total	09 (100%)	05 (100%)	06 (100%)	06 (100%)	26 (100%)

Source: Field research data

The study is, again, focused to know the perceptions of respondents on 'how they have utilized the training programmes?' and weather they are actually utilizing for income generation or social awareness? The question was posed only on 'those who are responded positively' i.e., useful for livelihood (table no.5.16-b). Of the total respondents (26 respondents), 46.16 per cent of the respondents are utilizing the training exclusively to get additional incomes and 53.84 per cent of the respondents said that the training helped in improving the social awareness in terms of their social and economic status, children's education, condition of housing and other developmental attitude of the individual. It is also clear from the study that the training camps helped in instituting social awareness and skill improvement for the poor in the field area.

One respondent said ‘I have two daughters and a son. We are six members in the family including my mother-in-law. I had to stay at home to look after my children and my mother-in-law could not go out. I used stay within the four walls only. My in-law was old and could not work any more. My husband was the only breadwinner in the family. It was very difficult for us to run my family with the only person earnings. He works as daily wage labourer and I used go some times for part time work to agricultural field in the early mornings. I found it difficult to stay back in the house depending only on my husband’s earnings. I was thinking to work at my home. It was during this time, that the women in my village formed a group which is informed by my neighbour. I immediately joined the group and began to play active role. My work brought me laurels and all members in the group are giving respect. It is enough for my life because my life has changed and I acme to know importance of the work and money. Initially, I borrowed Rs 4000 from my group savings at Rs 2 interest. I have spent this amount to buy sarees to sell in my village and I brought 10 sarees and sold for the profit of 15 percent of the total. Thus, my small business started at my home. I enjoy what I am doing today because I am earning money from my home itself. I also borrowed Rs 10000 and Rs 15000 in course of time and used that to help my family as well as my business. It gives me a great pleasure and the SHGs are the source of my power’. This case study shows a woman’s strength, capacity and dedication under the project’s activities.

Loan under the Project

Table – 6.9 Loan under the Velugu Project

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	29 (96.66%)	24 (80.00%)	26 (86.66%)	23 (76.66%)	103 (85.83%)
2.	No	01 (03.34%)	04 (13.33%)	02 (06.66%)	07 (23.33%)	14 (11.66%)
3.	No response	00 (00.00%)	02 (06.67%)	02 (06.66%)	00 (00.00%)	04 (03.34%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The details of loan beneficiaries under the programme are presented in table 6.9. Of the total respondents 85.83 per cent have taken loan under the bank-linkage scheme and from the group's thrifts. Among these, 11.66 per cent of respondents said that they did not get any loan under this project. Some of them have taken debt from their group savings for domestic expenses. Only 3.34 per cent have not responded for the question.

The village wise break up of the loan utilization under the project's activities of the respondents is indicating that Pipri has highest percentage (96.66 per cent) of respondents availing the loan followed by Gadchanda (86.66 per cent) and Nagar (80.00 per cent) and Rajura (76.66 per cent). The respondents without loan availability are more (23.33 per cent) in Rajura followed by Nagar (13.33 per cent), Gadchanda (06.66 per cent) and Pipri (03.33 per cent). It is obvious from above filed study that a majority of the respondents availed the loan under the project intervention in the study area.

The opinion of a woman is worth mentioning here. She said 'I come from an economically poor family where the family members depend on the daily wage labour. My husband is also a daily wage labourer. We do all kinds of labour including agriculture, construction, dumping vegetables and so on. We had debts for the family, which was the major problem for all of us in the family as my husband could not raise the money to clear the debts through his work alone. I also do work, but it is only helps in getting home needs such as rice, oil and other kitchen goods. There was one stage when we had to sell the land to clear the debts. But, we were hesitating to sell our land which is given by in-laws. It was at this stage, I came to know about the groups, their saving and loans in our village and decide to join.

I joined in the group and started savings in a small way. After 2 years, I borrowed Rs. 10000 from the group and invested them on submersible pumps for cultivable water. Fortunately, we succeeded in getting ground water but there was, again, problem for more money to buy a submersible pump set. I knew that there is no chance for getting loan again from my group. We went to local money lender and he gave Rs. 25000 at Rs. 2 interest rate. We immediately brought the pump set and started agriculture. Initially, we had sown vegetable seeds because it needs less amount of money for further activities.

So, we cleared the loan from the group and again took loan under the bank-linkage scheme. This loan helped me to clear the debts of local money lender. Today, we own properties worth Rs. 1.00 lakh against what we had in the beginning. Thus, the group had taught me several things –how to speak, how to understand the problems, how to approach the people and how to get more benefits. Today, I realized my self to be a confident with the help of my husband’. The case study demonstrates the ups and downs of the project because it is showing the inadequate loaning for needy people. It is need to revise the pattern of the loaning for the poor families.

Caste -wise Loan Distribution

An attempt is also made to find out the caste wise loan distribution under the project activities.

Table – 6.9 (a) Caste -wise Loan Distribution

Response	SCs	STs	Total
Yes	49 (81.66%)	53 (88.31%)	103 (85.83%)
No	08 (13.33%)	06 (10.00%)	14 (11.66%)
No Response	03 (05.00%)	01 (01.66%)	04 (03.34%)
Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

The above table provides a picture on the loan distribution among the communities of SCs and STs. Of the total, 81.66 percent of the SCs and 88.31 percent of STs have obtained the loans from the Bank-linkage’s group scheme. A very small percent of the respondents from the communities of SCs and STs (13.33 per cent and 10 percent respectively) have not availed the loan. But, it is informed by the respondents that all the members of SHGs have taken personal loans from their thrift for the domestic needs.

Size of the Loan

Table – 6.10 Size of the Loan

S. No .	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	5000 - 10000	17 (65.38%)	22 (91.66%)	22 (84.61%)	21 (91.30%)	82 (82.82%)
2.	10001 - 20000	09 (34.62%)	02 (08.34%)	04 (15.39%)	02 (08.70%)	17 (17.18%)
3.	20001 – 30000	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
4.	30001& above	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)	00 (00.00%)
5.	Total	26 (100%)	24 (100%)	26 (100%)	23 (100%)	99 (100%)

Source: Field research data

Of the total respondents, only 82.50 per cent have given the response to the question on the loan for income generation or development of income generation assets. Based on the response, the above table provides details of the loan availed of the respondents. In the group of loaning between Rs. 5000 – 10000, 82.82 per cent responded that have availed the loan. Only 17.18 per cent of the respondents have said that they got loan with between Rs.10001 - 20000 for the income generation. However, there is no data on the loan with an amount of Rs. 20001 – 30000 and more. The data on the loaning pattern indicates that most of the targeted people are availing only small amounts for the development of their resources or enhancing income generation activities.

The village wise break up of the size of the loan of the respondents is showing that Nagar and Rajura have higher percentage (96.66 per cent) of respondents availing the loan amount between the Rs. 500 – Rs. 1000 followed by Gadchanda (84.61 per cent) and Pipri (65.38 per cent). Loan with an amount of Rs.10001 - 20000 for the income generation is more in Pipri (34.62 per cent) followed by Gadchanda (15.39 per cent), Rajura (08.7 per cent) and Nagar (08.7 per cent). The data collected from the field research disclosed that the loan amount between the Rs. 500 – Rs. 1000 is more availability to the poor than the size of the loan amount of Rs.10001 and more for income generation activities in the study area.

Table – 6.10 (a) Caste wise Distribution of the Size of the Loan

S. No.	Response	SCs	STs	Total
1.	5000 - 10000	42 (76.36%)	40 (90.90%)	82 (82.82%)
2.	10001 - 20000	13 (23.63%)	04 (09.10%)	17 (17.18%)
3.	20001 – 30000	00 (00.00%)	00 (00.00%)	00 (00.00%)
4.	Total	55 (100%)	44 (100%)	99 (100%)

Source: Field research data

The above table analyzes the caste wise amount of the loan under the project intervention. Of the total, 76.36 percent of SCs and 90.90 percent of STs have been given the loan between Rs. 5000 – 10000 and the beneficiaries under loan between the Rs. 10001 – 20000 constitutes only 23.63 percent SC and 9.10 percent STs. It is obvious from the field data that the beneficiaries under the loan distribution among SCs are higher comparatively than STs. The reason for this gap is taken from the area coordinator. He says that ‘even there is equal opportunities for loan under the Bank linkage scheme, the qualified groups are very less among STs than SCs. Thus, the number of beneficiaries under this scheme is high in the community of SCs’. It is also informed by the local community coordinator that ‘the loans under the Bank-linkage scheme will be given to all the members of SHGs soon’.

It is now appropriate to give some details of the woman named Gangubai from Gadchand Village. She said ‘while facing all the problems, I joined in SHG and started savings. We saved Rs 30 a month for two years. It was only after two years that we started getting the loans. The loans were limited while the needs were more. I was in trouble, facing severe financial problem at my home. As I was looking for a way out to my problem, large sizes of the loans were proposed under the bank-linkage scheme. The loan was used to improve my financial position as we spent the money to buy agricultural land. But it was also meagre and brought remaining money from local money lender. Now, we are facing problems with pay high rate of interest to money lender. I don’t know how to repay the

private loan because the loan given by the bank is not adequate'. It is obvious that the loans are sanctioned but are not at adequate.'

Purpose of the Loan

Table – 6.11 Purpose of the Loan under the Velugu Project

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Agriculture	05 (16.66%)	06 (20.00%)	05 (16.66%)	07 (23.33%)	23 (19.16%)
2.	House expenses	06 (20.00%)	08 (26.66%)	05 (16.66%)	09 (30.00%)	28 (23.33%)
3.	Income Generation	07 (23.33%)	10 (33.33%)	10 (33.33%)	06 (20.00%)	33 (27.50%)
4.	Previous debt clearance	12 (40.00%)	06 (20.00%)	10 (33.33%)	08 (26.66%)	36 (30.00%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

From the perspective of purposes used for the loan amount was used on agriculture, house expenses, income generation and previous debt clearance. Out of the total respondents, 19.16 per cent used their loan for agriculture, 23.33 per cent for household expenses or domestic use, only 27.50 per cent of the respondents have used the loan for income generation activities and 30 per cent have spent their loan for previous debt clearance.

From field data of the villages, Pipri has the highest per cent of the respondents spending on clearing the previous debts (40 per cent). This is followed by Gadchanda (33.33 per cent), Rajura (26.66 per cent) and Nagar (20.00 per cent). It is obvious that loans on productive purposes are very low. For instance, 32 per cent of the loan is spent on income generation in villages of Gadchanda and Nagar (33.33 per cent), but Rajura (20.0 per cent) is at the least position in spending the amount on income generation. It is also noted in the study that the loan was also spent on the domestic purposes where as Rajura has the highest per cent of the respondents spending on the domestic expenses (30 per cent) followed by Nagar (26.66 per cent), Pipri (20 per cent) and Gadchanda (16.66 per cent).

It is obvious that loans used for productive purposes are very low. It clearly indicates that 50 per cent (including domestic expenses and debt clearance) of the respondents have spent their loan on un-productive activities.

Availability of the Loan

Table – 6.12. Availability of the Loan for the Respondents

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Any time ¹	01 (03.33%)	02 (06.66%)	01 (03.34%)	01 (03.34%)	05 (04.16%)
2.	Only after previous loans clearance	18 (60.00%)	20 (66.66%)	17 (56.66%)	19 (63.33%)	74 (61.66%)
3.	Demand based	11 (36.67%)	08 (26.66%)	12 (40.00%)	10 (33.33%)	41 (34.16%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The above table furnishes data on the pattern of loan in terms of the sanction of the money required by the people at different points in time. It shows that most of the respondents (i.e.61.66 per cent) have got their loan sanctioned only after the clearance of the previous loans while 34.16 per cent have reported that the loans can be availed, based on demand, from the groups' savings. It is also important to note that only 4.16 per cent of the respondents have availed the loans at any time from the bank-linkage schemes. For the purpose of domestic needs, the internal loan is provided by SHGs from its general savings. The data is also represented from this point of view.

The village wise break up shows that, of the total, 36.67 per cent in Pipri, 26.66 per cent in Nagar, 40 per cent in Gadchanda and 33 per cent in Rajura (of respondents) have informed that the loans for domestic need are provided by the SHGs. This data has brought a revolutionary change in availability financial resources for the poor and the

¹ . *Any time* means in this context that the loan availability to the poor. From the group savings, any group member can avail the loan for emergency domestic purposes. The availability of the loan from the group savings is discussed in the field study by the respondents. The respondents informed that the loan form the group thrifts are very important to the members of poor families.

poorest of the poor families. This is also a great landmark for the social change in terms of reducing dependence on traditional financial resources in complex social settings of rural areas. This is also significant for the self sustenance of the poor and for greater social mobility.

Livelihoods Promotion

Table No. 6.13. Livelihood Promotion of the Respondents

S. No .	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	11 (36.66%)	12 (40.00%)	11 (36.66%)	13 (43.33%)	47 (39.16%)
2.	No	16 (53.33%)	14 (46.66%)	14 (46.66%)	17 (56.66%)	61 (50.83%)
3.	No response	03 (10.00%)	04 (13.33%)	05 (16.66%)	00 (00.00%)	12 (10.00%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The study has also made an attempt to understand the impact of the project on livelihood promotion of the poor families in these selected field villages. Table 6.13 clarifies that only 39.16 per cent of the respondents got additional livelihood opportunities along with their traditional occupation. While 50.83 per cent have been neglected and did not generate additional livelihood opportunities, it is obvious from the field study that 10 per cent of the respondents have not responded towards the livelihood promotion under the project's intervention.

The village wise break up of the livelihood promotion from field data shows in the table 5.17. Rajura has the highest percentage of the respondents (43.33 per cent) who got additional incomes followed by Nagar (40.00 per cent), Gadchanda and Pipri (each 36.66 per cent). While Rajura has also highest percentage of the respondents (56.66 per cent) did not get additional incomes followed by Pipri (53.33 per cent), Gadchanda and Nagar (each 36.66 per cent). It is obvious that loans used for productive purposes are very low. For instance, 32 per cent of the loan is spent on income generation in villages of Gadchanda and Nagar (46.66 per cent). An additional livelihood opportunity includes

local agricultural marketing and transport of the local vegetables to other urban areas. It is also noted that the project did not show much positive impact on the creation of livelihood opportunities for the poorest of the poor families.

Table No. 6.13 (a). Caste-wise Livelihood Promotion

S. No.	Response	SCs	STs	Total
1.	Yes	24 (40.00%)	23 (38.33%)	47 (39.16%)
2.	No	33 (55.55%)	28 (46.66%)	61 (50.83%)
3.	No response	05 (08.33%)	07 (11.66%)	12 (10.00%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

The study has also focused to examine the caste-wise impact on livelihood promotion in the selected field villages. Of the total, 40 percent of SCs and 38.33 percent of STs have gained additional livelihood opportunities under the project activities. However, 55 percent of SCs and 46.66 percent of STs responded that they did not get any additional livelihood opportunities in the study area. Moreover, 8.33 percent of SCs and 11.66 percent of STs have not, even, given any response. The reason for an unequal impact on creation of additional livelihood opportunities is the absence of capacity building training programmes for the rural poor. The training programmes, absolutely, are conducted for the poor women to strengthen the market based rural non-agricultural activities. But, most of the women, those who are trained at mandal training centres, are not willing to take newly trained activities. They hesitate to take up non-farm activities. Especially, the tribal women, strictly, are attached with their traditional work culture. Thus, the gap was found out in the field study. Moreover, local level project activists, community coordinators and other project implementing machinery also tried to change the work culture of the poor. But, some of psychological, social, economical and political barriers of the poor have not given the chance for the implementation machinery at grass roots to change the structure of traditional economic sources of the poor.

Improvement of the Family Income

Table – 6.14. Improvement of the Family Income of the Respondents

S. No .	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Good	05 (16.66%)	07 (23.33%)	05 (16.66%)	06 (20.00%)	23 (19.16%)
2.	Average	16 (53.33%)	14 (46.66%)	12 (40.00%)	11 (36.66%)	53 (44.16%)
3.	Not Improved	08 (26.66%)	09 (30.00%)	10 (33.33%)	08 (26.66%)	35 (29.16%)
4.	No Response	01 (03.33%)	00 (00.00%)	03 (10.00%)	05 (16.66%)	09 (07.50%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

After availing the programmes of trainings and loans, a question was asked to the members as to ‘how much progress has her family achieved?’ based on the loans or financial assistance of the project. In this context, the response of ‘good’ is considered as sustainable income generation sources by the project’s initiation, ‘average’ is non-sustainable livelihood opportunity and income sources and ‘not improved’ means that failing in improving income generation or livelihoods even they availed loans and ‘no response’ indicates inability to understand the project’s intervention even they are in SHGs and part of beneficiary list. The responses are detailed table number 6.14. The data reveals that only 19.16 per cent of the respondents have seen good improvement at the economic front and 44.16 per cent are improved their income averagely. However, some of the respondents (7.50 per cent) have not responded on the improvement of their family income. It is obvious from the filed study that the project has not brought much of the changes in improvement of the income of the poor families in rural areas.

From field data of the villages, of the total, Nagar has the highest per cent of the respondents who improved their incomes (40 per cent) followed by Rajura (20 per cent), Gadchanda and Pipri (each 16.66 per cent). Average improvement of the income is comparatively higher in Pipri (53.33 per cent) than in Nagar (46.66 per cent), Gadchand

(40 per cent) and Rajura (36.66 per cent). ‘No improvement’ was also observed in the study area, Gadchanda has the highest per cent of the respondents have not improved their income levels (33.33 per cent) of the poor followed by Nagar (30 per cent), Pipri and Rajura (each 26.66 per cent). It is obvious that the loans taken by poor families have not improved the income levels.

Improvement or Renovation or Construction of Houses

Table No. 6.15 Renovation or Construction of Houses

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	16 (53.33%)	17 (56.66%)	14 (46.66%)	14 (46.66%)	61 (50.83%)
2.	No	13 (43.33%)	13 (43.34%)	13 (43.34%)	16 (53.34%)	55 (45.83%)
3.	No response	01 (03.34%)	00 (00.00%)	03 (10.00%)	00 (00.00%)	04 (03.34%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Renovation of existing house or construction of new house for poor families are also done in rural areas under the *Indiramma* Housing Scheme in coordination with this project’s² financial resources. In this context, table number 6.15 shows that 50.83 per cent have benefited and 45.83 per cent have not done any work towards the housing improvement or construction of new house through availing the loan from the group and Village Organization. It is also obvious that 3.34 per cent are in ‘no response’ position. It is clear from the data furnished in above table that the programmes also, to some extent, help in providing housing facilities for the poorest of the poor families.

The village wise break up of the shelter or housing of the respondents is indicating that Nagar has more percentage of respondents who improved the housing condition (56.66

² . It is very clear from the field level information that the poor families of the members of SHGs are taking special loans from the Community Savings (i.e. group savings) and the members are benefiting in this way utilizing the loan and spending the loan also in renovation of old house or construction of new ones. In this context, the responses are also taken in to account as the impact of the project on poor families.

per cent) followed by Pipri (53.33 per cent), Rajura and Gadchanda (each 46.66 per cent). The respondents without housing improvement under the project's support are more in Rajura (46.66 per cent) followed by Nagar, Pipri and Gadchanda (each 43.34 per cent). It is very clear from the study that improvement of housing of the poor families is higher in the village of Nagar compared to that in other villages.

Food Security

Table No. 6.16. Food Security of the Respondents

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	18 (60.00%)	16 (53.33%)	17 (56.00%)	16 (53.33%)	67 (55.83%)
2.	No	08 (26.66%)	11 (36.66%)	11 (36.66%)	10 (33.33%)	40 (33.33%)
3.	No response	04 (13.34%)	03 (10.00%)	02 (06.66%)	04 (13.33%)	13 (10.83%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Rice Credit Line (RCL) has been implemented in the state since the time of the implementation of the project, along with the scheme of Public Distribution System (PDS). The RCL is a food security scheme working under the Village Organization (VO) in all the project areas. An analysis of utilization of RCL scheme reveals that, of the total respondents 55.83 per cent have utilized the scheme for food security. 33.33 per cent of the respondents have not availed the scheme and a smaller percentage of the respondents (i.e. 10.83 per cent) did not respond to this question. It can be observed from the above table that the RCL is giving food security for the poorest of the poor families. To an extent, thus, the scheme utilization is relatively better among the SC and ST poor families compared to other schemes of the state and central governments.

The social awareness of the respondents' village wise break up shows that, of the total, 36.66 per cent in Gadchanda and Nagar, 33.33 per cent in Rajura, 26.66 per cent in in Pipri have responded that they did not avail the scheme of Rice Credit Line for the

security of poor families. However, 60 per cent in Pipri, 53.33 per cent in Nagar, 56.00 per cent in Gadchanda and 53.33 per cent in Rajura have benefited under the Rice Credit Line scheme of food security. The data reveals that the scheme of food security has not benefited all the poor families in rural areas. It is also noted that the scheme has to benefit more poor families in the study area.

Savings of the Poor Families

Table No. 6.17. Saving Pattern of the Respondents

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Good	26 (86.66%)	29 (96.66%)	26 (86.66%)	28 (93.33%)	109 (90.83%)
2.	Not Good	04 (13.33%)	01 (03.33%)	04 (13.33%)	02 (06.66%)	11 (09.17%)
3.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

Table 6.17 give a picture of the savings and credit facilities for the poor and the savings and credit facilities are considered major components of the project activities. An attempt is made to present the perception on savings and credit facilities in the study area. The above table reveals that a large chunk of respondents (91 per cent) are maintaining good savings and they are availing small scale credits for their domestic needs. Only 9 per cent are not having good perception on the system of savings and credits in this study. It is also observed in the field study through interaction with respondents that the savings in the groups are very limited. More over, women in rural areas are also participating in group meetings for the savings monthly twice. Women felt that such kind of small savings are giving more confidence in their life.

Among the four selected villages, the highest percentage of respondents 96.66 per cent in Nagar have shown good response, followed by Rajura with 93.33 per cent, Pipri and Gadchanda have also shown a similar response with 86.66 per cent. In terms of 'not good' response, it is the highest in Pipri and Gadchanda (each 13.33 per cent) followed

by Rajura (6.66 per cent) and Nagar (3.33 per cent). The study found very minute differences on the saving pattern of the respondents. The reason is that approach of the group leaders is effecting the saving pattern in study villages. A comparison indicates that there has been wider acceptance of this scheme in Nagar and Rajura than Pipri and Gadchanda. This is one of the major successful observations in this study. It is also observed that there is a positive response to savings and credit in these villages.

Coverage of Safety Net Programs

The safety net programme is a special component for the poor under the project. Under this component, poor are covered in different insurance schemes which are linked with the public and private sector banking and financial institutions and banks. Especially, poor families of SC and ST communities are all covered by this scheme. This is one of the important social changes in rural areas through the project intervention that providing safety net programs in terms of insurance schemes for life and health related purposes.

Assets Creation

Table – 6.18. Assets Creation of the Respondents

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	11 (36.66%)	12 (40.00%)	12 (40.00%)	13 (43.33%)	48 (40.00%)
2.	No	13 (43.34%)	12 (40.00%)	13 (43.33%)	12 (40.00%)	50 (41.66%)
3.	No response	06 (20.00%)	06 (20.00%)	05 (16.67%)	05 (16.67%)	22 (18.34%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The study also looked at the creation of productive assets of the respondents. It reveals that 40 per cent of the respondents got assets under this project in terms of vegetable

vending shops, taking community land for vegetable cultivation on rental based, land lease from private land holders for productive farm activities and so on. At the same time, 42 per cent of the respondents are not benefited or failed to create income generated asset base. It is very important to note that 18 per cent of the respondents are not even aware of such kind of intervention even while they were part of this project. However, it is to be noted that only a small percentage of the respondents utilized the project for assets creation.

Among the villages, Rajura has shown a better performance (43.33 per cent) compared to Nagar and Gadchanda (each 40 per cent); and Pipri (36.66 per cent) in creation of individual assets. It is significant to note in this context that a substantial number respondent have not created the income generated assets. However, in the villages of Pipri and Gadchanda with an equal distribution with 43.33 per cent of the respondents have not created individual assets followed by Nagar and Rajura also with equal percentage of the respondents (40 per cent). 'No response' of the respondents on assets creation is also observed. Across the villages, Pipri and Nagar have higher record in terms of 'no response' (each 20 per cent) than Gadchanda and Rajura (each 16.67 per cent).

'No responses' have emerged in the study due to negligence of the leaders of the SHGs on the members in distribution of allotted benefits by the Mandal level project's officers. It is obvious from the field that the benefited respondents are comparatively very less than the non-benefited in the assets creation, though it is one of the important sub-schemes of the project. Moreover, the creation of individual assets is more important than other activities in the project. It is intended to facilitate the poor for income generation at individual families. It is also very significant to note that 60 per cent of the respondents have not benefited in the creation of individual assets (including 'No' and 'No responses'). Being a target oriented project for the poorest of the poor, the project has not reached substantial number of the poorest of the poor families.

Type of Assets Creation

Table – 6.18 (a). Types of Assets Creation of the Respondents

S. No .	Type of assets	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Land distribution	04 (36.36%)	04 (33.33%)	05 (41.66%)	04 (30.76%)	17 (35.41%)
2.	Land Development	04 (36.36%)	04 (33.33%)	04 (33.33%)	04 (30.76%)	16 (33.33%)
3.	Housing	02 (18.18%)	04 (33.33%)	03 (25.00%)	03 (23.07%)	12 (25.00%)
4.	Any other	01 (09.09%)	00 (00.00%)	00 (00.00%)	02 (15.38%)	03 (06.25%)
4.	Total	11 (100%)	12 (100%)	12 (100%)	13 (100%)	48 (100%)

Source: Field research data

The types of assets for income generation were analyzed in table 6.18 (a). A detailed enquiry on the type of assets created under the project's benefits reveals that 35.41 per cent of the respondents are covered under land distribution, 33.33 per cent are under the existing land development and 25 per cent of respondents have benefited in getting the houses under the project's financial assistance. 'Any other' assets includes buying milk animal, sewing machines. It can be observed that 'any other' assets creation under the project's intervention only accounted for 6.25 per cent. 'Any other' assets includes that milk animal, sewing machines and submersible pump sets.

Across the villages, Gadchanda performed better in so far as 41.66 per cent respondents from the category of land distribution followed by Pipri with 36.66 per cent, Nagar 33 per cent and Rajura 30.76 per cent. In terms of Land development, Pipri stands first with 36.66 per cent followed by Nagar and Gadchand 33.33 per cent each and Rajura with 23.07 per cent. It is also noticed in the study that only two villages, Pipri and Rajura, included in the 'any other' group and other two villages namely Nagar and Gadchand are not included in this category of assets distribution. Of these two villages of 'any other', it is higher in the village of Rajura with 15.38 per cent followed by Pipri with 9.09 per cent. Among the four villages, Rajura has experienced the highest benefits to the respondents.

Changes in Economic and Social Life

Table – 6.19. Changes in Economic and Social Life of the Respondents

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	10 (33.33%)	12 (40.00%)	13 (43.33%)	12 (40.00%)	47 (39.16%)
2.	No	18 (60.00%)	14 (46.66%)	16 (53.33%)	14 (46.66%)	62 (51.66%)
3.	No response	02 (06.67%)	04 (13.33%)	01 (03.33%)	04 (13.33%)	11 (09.16%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

As mentioned, the project is, in other words, aimed at enabling the rural poor, particularly the poorest of the poor to improve their livelihoods and quality of life through building their own institutions. There is change in the economic status of the people, especially due to the timely availability of financial resources is timely. This has a major impact in their social life. This is the view of 39.16 per cent of the respondents. But, 51.66 per cent of the respondents feel that the programme has not brought any changes except group savings. The other 9.16 per cent did not respond to this question. It is also evident that the people most benefited are the leaders of the groups. With the help of field staffs, the group leaders have also diverted the special packages of the poor to other groups who do not come in to the preview of the project.

The village-wise break up shows that Gadchanda has shown better performance (43.33 per cent) compared to Rajura and Nagar (each 40 per cent); and Pipri (33.33 per cent) regarding changes of the economic and social life. It is noteworthy to observe that a substantial number of respondents have not changed and, however, it is also noted in this study that the 'no responses' have also emerged. In this context, villages of Nagar and Rajura have experienced with an equal distribution with 13.33 per cent of the respondents followed by Pipri with 6.67 and Gadchanda with 3.33 per cent. Incidentally, there is large gap between the percentages of respondents with changing life and that with un-changed life in economic and social life spheres.

Developmental Attitude of the Respondents

It is also important to learn about people's attitudes towards the changing scenario of development in rural areas. The project is targeted to enhance the income generation activities, economic opportunities along with social and political development. The social and political development includes participation in public meetings, active and knowledgeable about their political advancement, children's education, courage to debate in grama sabha and their voting rights and other developments in the village. Moreover, the SHGs have been actively working in village level politics at the time of general elections of the nation. Thus, the study intended to know the developmental attitude of respondents.

Table – 6.20. Developmental Attitude of the Respondents

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	18 (60.00%)	17 (56.66%)	19 (63.33%)	14 (46.66%)	68 (56.66%)
2.	No	12 (40.00%)	11 (36.66%)	10 (33.33%)	09 (30.00%)	42 (35.00%)
3.	No response	00 (00.00%)	02 (06.66%)	01 (03.33%)	07 (23.33%)	10 (08.34%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

A discussion on the developmental attitude of the respondents in these villages is presented in table number 6.20. The data reveals that 56.66 per cent of the respondents have accepted that the project has brought a positive change in their attitude, 35 per cent denied and only 8.34 per cent did not respond to the question. Across the villages, the percentage variation of attitudinal changes has been highest for Gadchanda at 63.33 per cent followed by Pipri at 60 per cent, Nagar at 56.66 per cent and Rajura 46.66 per cent. For the 'no attitudinal changes' percentages variation in Pipri has been higher (40 per cent) compared to Nagar (36.66 per cent), Gadchanda (33.33 per cent) and Rajura (30 per cent). It is evident from the study that 'no responses' accounted the highest in Rajura (23.33 per cent) followed by Nagar (6.66 per cent) and Gadchanda (3.33 per cent). It is

observed in this study that a majority of the respondents are well aware of the need for development of the family and society.

It is now useful to give details of the researcher's interaction with the respondents on the developmental attitude under the project intervention. One woman, named Chinnakka, a resident of Nagar, said 'I have attended several meetings and training programmes in my mandal head quarter. Besides this, I have also toured different villages as a Community Resource Person to mobilize the SHGs and Village Organizations (VOs) and gained a lot of experience in taking up new types of livelihoods such as making broom sticks and marketing with the help of group members. Such initiatives are new to me. I was a daily wage labour and used to work as agricultural labour. I have also gained the knowledge on better education for my children and I am, now, interested to construct a new house with all facilities such as kitchen, attached bath room which are all seen during my tour to different villages and mandal training programmes. These changes in my mind came through interaction with different women who are already developed and hearing their successful experiences. My husband also changed a lot because he also used to work as daily wage labourer. But, now, he is running own whole sale vegetable vending in Bhainsa town. He goes regularly to Bhainsa and collects vegetables from local farmers. Now, we are planning to construct a house. At present, we are living in a semi-pucca house with old walls and tiles'. This case study is showing the changing developmental attitude of a woman from rural areas.

Development of Village Infrastructure

Development of Village Infrastructure has close connection with the reduction of poverty and increase the quality of life of the rural poor. Village infrastructure comprising integrated development of rural areas through providing drinking water resources, improving degraded feeder roads; developing village tracks linking farms to villages to permit the use of simple wheeled vehicles to reduce the need for women and children to head carry weights; develop intermediate means for the rural poor to convey goods to market, developing drying facilities to reduce post-harvest losses; and other village-level market infrastructure for more efficient marketing; appropriate facilities for processing

crops, livestock and fisheries products to increase their market value; and income-generating activities targeted at the poorest of the poor³. Thus, the perceptions were taken on the development of village infrastructure.

The study further brings to light the aim of the project in developing village infrastructure. The responses presented in Table 5.27, show the perception of respondents on the development of village infrastructure. Of the total, 50.83 per cent of the respondents agreed that the project has brought visible infrastructure changes and 40 per cent did not accept the changes by the project's intervention and 9.16 percent of the respondents have not responded. It is obvious from the study that only marginal proportion of the respondents accepted the project's intervention on development of village infrastructure.

Table – 6.21. The Responses on Development of Villages Infrastructure

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Agree	14 (46.66%)	17 (56.66%)	16 (53.33%)	14 (46.66%)	61 (50.83%)
2.	Do not Agree	12 (40.00%)	11 (36.66%)	13 (43.33%)	12 (40.00%)	48 (40.00%)
3.	No response	04 (13.33%)	02 (06.66%)	01 (03.33%)	04 (13.33%)	11 (09.16%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

An attempt was made to know the opinion of respondents in this regard. The question put respondents is "Do you agree with the view that *Velugu* Project has brought about satisfactory improvement in the village infrastructure?"; the responses are summarised in Table number 5.27. Half of the total respondents considered that the project has brought visible development infrastructure such as community building for SHGs, market yard for vegetable vending and Anganwadi Centers. Of the four villages, in Nagar, more respondents (56.66 per cent) have responded positively and said that the project has

³ . <http://web.worldbank.org/external/projects>, access date: 02/05/2009.

brought visible development infrastructure, followed by Gadchanda (53.33 per cent); and Pipri and Nagar (each 46.66 per cent). It is also noted that the negative responses have also emerged and the data revealed that the village of Gadchanda stands first with 43.33 per cent followed by Rajura and Pipri (each 40 per cent) and Nagar (36.66 per cent). But, it is observed in the study that there is half of the total percent of the respondents only agreed on the positive or developmental impact of the project in establishing the rural infrastructural such as community buildings, market yards and other development oriented facilities. It is obviously indicating that there is need to improve more developmental infrastructural facilities.

Table – 6.21 (a). Different Types of Development of Villages Infrastructure

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Community Building	07 (50.00%)	06 (35.29%)	06 (37.05%)	06 (42.85%)	25 (40.98%)
2.	Local Markets	06 (42.85%)	05 (29.41%)	07 (43.75%)	06 (42.85%)	24 (39.34%)
3.	Any other	01 (07.14%)	06 (35.21%)	03 (18.75%)	02 (14.28%)	12 (19.67%)
4.	Total	14 (100%)	17 (100%)	16 (100%)	14 (100%)	61 (100%)

Source: Field research data

Further, the study is also focused on ‘the development brought by the project, which and the responses, are indicated in table number 5.31 (a). The analysis reveals that 21 per cent have agreed that the project has brought community building, 20 per cent informed that the scheme established local markets in these villages and 10 per cent have accepted that the project has brought other developmental intervention in the study area. Of the four selected villages, Pipri is the only village that has registered more positive responses on the development of village infrastructure compared to other villages. The study reveals that the project has developed infrastructure, but not concomitant to the actually needs of the people to see visible change in their life. The reasons were drawn from some of the respondents’ perceptions who informed that they only heard of the provision to construct a building for women’s meetings and discussions. The milk chilling units are established at mandal quarter only.

Table – 6.21 (b). Caste-wise Perceptions on Development of Villages Infrastructure

S. No.	Response	SCs	STs	Total
1.	Community Building	13 (50.00%)	12 (35.29%)	25 (40.98%)
2.	Local Markets	13 (42.85%)	11 (29.41%)	24 (39.34%)
3.	Any other	04 (07.14%)	08 (35.21%)	12 (19.67%)
4.	Total	30 (100%)	31 (100%)	61 (100%)

Source: Field research data

Note: Any other includes Milk Chilling units and other rural based business centres.

The caste-wise observation of perception is also done to understand the developmental impact of the project. It is also intended to bring the actual picture of developmental efforts of the project in the habitations of SCs and STs in remote rural areas. Of the total, 50 percent of SCs and 35.29 percent STs have responded that the project has brought the community building in their habitations. In the same way, 42.85 percent of SCs and 29.41 percent of STs have agreed that the project has provided the local level markets to strengthen their market based income for their groups while 7.14 percent SCs and 35.21 percent STs have agreed that the project has brought other developmental intervention in the study area.

Dominance of the Rural Elite⁴

⁴ . Rural elites are both embodiment of the personality of the state and catalyst of change (Iqbal Narian, 1976). They form public opinion, decide public policies and act as agencies if social change. In context of India, as the country is under the process of radical and rapid change, the importance of elites is emphasized. The term ‘elite’ became popular first Nazi and other totalitarian ideologies (Sharada Rath, S.C. Jena, R.K. Sahoo, 1993:91). The word ‘elite’ was used in the 17th century to describe commodities of a particular excellence and then it was used to refer to superior social groups such as crack military units or the higher ranks of nobility (T.B. Bottomore, 1966:7). But it came to use in social and political writings in 1930 in Britain and America through the sociological theories of elites notably in the writings of Pareto. In the context of political theory, Mosca uses the term ‘political class’ to refer to all those groups which exercises political power or influence and are directly engaged in struggles for political leadership. The ‘political elite’ is a smaller group within the class political class. It comprises those individuals who actually exercise political power in a society at any given time (Sharada Rath, S.C. Jena, R.K. Sahoo, 1993, p.92). Losswel defines the political elite as ‘the political elite comprise the power holders of a bodey politics. The power holders include the leadership and the social formations from which leaders typically come and to which accountability is maintained during a given period (Quoted from Peter Bachrach, 1971:14 by Sharada Rath, S.C. Jena, R.K. Sahoo, 1993:92). For more details on Elites in Rural India, see in Marx-Engel’s, collected works, Moscow, 1950. In the present study, rural elites considered as those who have capability of influence the village and mandal level administration especially in the context of

The project is target oriented in nature. The staffs of the Society for Elimination of Rural Poverty (SERP, *Velugu*) have been involved in implementing the project. Special staff that includes implementation and monitoring staffs from state level to grass root level has been recruited for this project. The approach is top-down approach. The study goes further to probe in to the influence of the rural elites on the field staffs in the selected villages.

Table – 6.22. Dominance of Village Level Elites in Project Implementation

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Yes	17 (56.66%)	19 (63.33%)	19 (63.33%)	18 (60.00%)	73 (60.83%)
2.	No	10 (33.33%)	08 (26.66%)	10 (33.33%)	10 (33.33%)	38 (31.66%)
3.	No response	03 (10.00%)	03 (10.00%)	01 (03.33%)	02 (06.66%)	09 (07.50%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

In order to know the perception of respondents on the dominance of village elites, a question was asked “Do you agree with the view that village elites can have influence in the implementation of the project in your village?”; The opinions expressed by respondents are classified into three categories; (i) Yes, village elites can influence in the implementation of the project in the village. (ii) No. village elites can’t influence and (iii)

developmental administration. It is also regarded as those who have good command and influential on village people especially on dalit communities. The village elite groups are popularly known as dominant cast groups in the village. The dominant castes are varied from region to region. In Telangana, the dominant castes are Reddys, in some parts Guradi Kapu, Velma, in Andhra, Kamma, Reddy, Brahmin, kapu and in Rayalaseema, the dominant group is Reddy caste. The origin of the elite groups can be traced to the feudal phase. In the process of social transformation these groups are being replaced by the system of democracy. These communities are still playing major role at grass root as well as state level politics. Especially in village level, they influence whole village community and village administration. They also have capabilities to influence the administrative machinery at village and mandal level. There are some evidences in field study that influence of, so called feudal and dominant caste people have good relations with the machinery of the *Velugu* project and they also can derail the project objectives in terms of proper identification of poor families and identification of the women and youth for skill based trainings and so on. In this context, the elites in the study villages are castes of munuru kapu and velma. The prevalence of elitism in villages is just because to preserve the traditional faith of family by the local people.

No response. It is evident from table that 5.28 per cent of the respondents said the dominance can be viewed from the point of selection of poorest of the poor families for the subsidized loan under the sub-scheme of the dairy development. It is also clear that 31 per cent said that they are not conscious about the dominance of the village elite. But, 8 per cent have not even responded to this observation.

Among the four selected villages the highest percentages of respondents (63.33 per cent each) are seen in Nagar and Gadchanda followed by Rajura (60 per cent) and Pipri (56.66 per cent). In terms of 'not involvement', the percentage is same in Pipri, Gadchanda and Rajura (each 33.33 per cent) followed by Nagar (26.66 per cent). The study indicates that there has been wider acceptance of the dominance of village level elites in project implementation. The data shows that the rural elites have been influencing the field staff and are also playing an important role in the selection of the beneficiary of the project. Moreover, other social constraints also hinder development of poor in rural areas. In India, village politics is dominated by the traditional landed and upper castes people. This leadership has not been giving opportunities to any of the marginalized sections such as Scheduled Castes, Scheduled Tribes and women. So, rural traditional leadership is has been a significant social obstacle to poverty reduction in rural India.

Table – 6.22 (a) Caste-wise Perceptions on the Dominance of Village Elites

S. No.	Response	SCs	STs	Total
1.	Yes	35 (58.33%)	38 (63.33%)	73 (60.83%)
2.	No	20 (33.33%)	18 (30.00%)	38 (31.66%)
3.	No response	05 (08.34%)	04 (06.64%)	09 (07.50%)
4.	Total	60 (100%)	60 (100%)	120 (100%)

Source: Field research data

In addition to the above analysis, a particular examination was done based on the caste-wise perception on dominance of village elites especially from the communities of SCs

and STs. The data reveals that 58.33 percent of SCs and 63.33 percent of STs accepted that there is dominance over the grass root activists of the project staff. Of the total, 33.33 percent of SCs and 30 percent of STs have not accepted the dominance over the project's functionaries. However, 8.34 percent of SCs and 6.64 percent of STs have not responded on this question. But, it is evident from the field that the dominance was higher in the communities of STs than SCs. The beneficiaries have link person to work for them. Usually, the link person is of higher caste and essentially a male. In this context, male and caste dominance is visible. Those who do not have link person find difficult to obtain loans. One SC woman respondent said 'I go to work as labourer in their fields; I am treated as inferior both in terms of gender and caste. Hence, the dominance is there in my life'.

Interference by Leaders of Political Parties

Table – 6.23. Interference by Leaders of Political Parties in Project Implementation

S. No.	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Agree	28 (93.33%)	25 (83.33%)	28 (93.33%)	28 (93.33%)	109 (90.83%)
2.	Do not Agree	02 (06.66%)	01 (03.33%)	01 (03.33%)	00 (00.00%)	04 (03.33%)
3.	No response	00 (00.00%)	04 (13.33%)	01 (03.33%)	02 (06.66%)	07 (05.83%)
4.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	100 (100%)

Source: Field research data

An attempt is made to find out the presence or otherwise interference by political parties at grass root level to influence the implementation process and selection of the poor families for beneficiary schemes related to dairy units, self employment schemes and tailoring shops under the project activities. In order to know the perception of the respondents on interference by leaders of political parties, the question put respondents is, "Do you agree with the view that political leaders of the village have interfered in Project Implementation?"; the responses are summarised in Table number 5.29. An

overwhelming majority of respondents (90.83 per cent) considered that political leaders have involved and interfered in the decisions and functioning grass root staff and mandal level staff of the project. Insignificant proportions (03.33 per cent) of the respondents have not accepted and the remaining 05.83 per cent of respondents have not given any response.

The village wise break of the interference by political parties at grass root level to influence the implementation process from field data is shown in the table 5.29. Among the four villages, Pipri, Gadchanda and Rajura has the highest percentage of the respondents (93.33 per cent) have considered that political leaders have involved and interfered in implementation followed by Nagar (83.33 per cent), where as Pipri (6.66 per cent), Nagar and Gadchanda (each 3.33 per cent) have not agreed. And 13.33 percent of the respondents in Nagar, 6.66 per cent in Rajura and 3.33 per cent in Gadchanda have not given any response to the above question. This indicated that political leaders influence the implementation process of the project.

Table – 6.24. Responses on Interference by Leaders of Political Parties

S. No.	Responses on Political Party	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Congress	13 (46.42%)	10 (40.00%)	12 (42.85%)	13 (46.42%)	48 (44.04%)
2.	TDP	12 (42.85%)	10 (40.00%)	13 (46.42%)	12 (42.85%)	47 (39.16%)
3.	TRS	03 (10.74%)	05 (20.00%)	03 (10.74%)	03 (10.74%)	14 (12.84%)
4.	Total	28 (100%)	25 (100%)	28 (100%)	28 (100%)	109 (100%)

Source: Field research data

In order to find out the distribution of leaders of political parties in village level implementation of the project, a specific question was asked, “Do you agree with the view that leaders of different political parties are influencing in the process of project implementation?” According to Table number 6.24, an actual mandate is evident; 44.04 per cent, 39.16 per cent and 12.85 per cent have identified the interference of congress,

TDP and TRS leaders respectively. It appears that leaders of political parties are involving in the project implementation with continuous dominance for preserving and strengthening their cadres for the political survival in rural areas.

A comparative village wise analysis of the position regarding involvement of leaders of different political parties shows that in Pipri and Rajura, 46.42 per cent felt that Congress leaders are involving in project implementation process. But in Nagar and Gadchanda villages, respondents (40 per cent and 42.85 per cent respectively) have experienced that the leaders of Congress party are very much influential in selection of beneficiaries for loans and other assistance at grass root level especially in the studied villages. And, the dominance of leaders of TDP is comparatively is more in Gadchanda with 46.42 per cent followed by Pipri and Rajura (42.85 per cent each) and Nagar (40 per cent). It is also found in the study that there is also visible influence by the leaders of TRS in the project activities and among four villages, Nagar has highest percentage of respondents (20 per cent) accepted followed by Gadchanda, Pipri and Rajura (10.74 per cent). Involvement of the leaders from dominant political parties in implementation of the project is very much evident.

Involvement of Grama Panchayat

Table – 6.25. Involvement of Grama Panchayat in Project Implementation

S. No	Response	Pipri	Nagar	Gadchanda	Rajura	Total
1.	Identification of poor families	18 (60.00%)	14 (46.66%)	14 (46.66%)	19 (63.33%)	65 (54.16%)
2.	Selection of group benefits	00 (00.00%)	01 (03.33%)	00 (00.00%)	00 (00.00%)	01 (00.83%)
3.	individual benefits	10 (40.00%)	10 (50.00%)	11 (53.33%)	09 (36.66%)	40 (33.33%)
4.	All activities of the project	02 (06.66%)	05 (16.66%)	05 (16.66%)	02 (06.66%)	14 (11.66%)
5.	Total	30 (100%)	30 (100%)	30 (100%)	30 (100%)	120 (100%)

Source: Field research data

The institution of local self governments (i.e., Grama Panchayat at village level) is expected to playing an important role in all the developmental programmes of the rural areas. The focus of the study is also on the involvement of Grama Panchayat in activities of the project. In order to probe into presence of the involvement of Grama Panchayat in implementation of the project, the following question was asked "Do you agree with view that of Grama Panchayati has involved in the project implementation?". The data indicates that 54.16 per cent of respondents have accepted that the Grama Panchayat is playing a role in the identification of the poor families and only 0.83 per cent observed the role of gram panchayat in selection of group benefits. It is obvious that 33.33 per cent are accepted the involvement in selection of individual benefits and 11.66 per cent of the respondents have accepted that the Grama Panchayat has involved in all the project activities.

The perception on involvement of Grama Panchayat, as a grass root institution, is also done and the village wise break up of the responses shows that of the total, 60 per cent in Pipri, 46.66 per cent each in Gadchanda and Nagar; and 63.33 per cent in Rajura are accepted the involvement in the identification of poor families. And then, interference in selection of group benefits is evident only in the village of Nagar (3.33 percent). In the case of selection of individual benefits, the responses shown here that 40 per cent in Pipri, 50 per cent in Nagar, 53.33 percent in Gadchanda and 36.66 per cent in Rajura felt the interference of Grama Panchayat. It is also traced in the study that interference of the Grama Panchayat in all activities of the project.

Even though most of the respondents agreed that Panchayati Raj system is a useful tool to bring about development, they also raised some issues regarding the misuse of Grama Panchayat development funds, partial distribution of welfare schemes benefits such as civil supply cards (ration cards), pensions and agricultural loans. In spite of this negative response, nearly 80 per cent of the people agreed that Grama Panchayat facilitated many needed things such as construction of a Panchayat office, drinking water, street lights maintenance, primary school, new sanitation system, short term agricultural loans and seeds supplying through Gram Panchayati Office.

Summing up

The investigation on impact of the project reveals that the coverage of developmental activities is not up to the mark. But to some extent, women, especially dalit women have become independent and self sufficient in economic and social aspects. Even then, most of the rural women are agricultural wage labourers, small and medium farmers without land development and casual workers engaged in non-agricultural activities and labourers in beedi-making companies and so on.

The field survey also reveals that the impact of the project is not satisfactory on the poor, especially the SCs and STs who constitute the core of the poor of the poorest. The study also brought to light some improvements in the standards of the poor families in terms of facilitating credits, shelter, additional incomes, and social awareness and so on. It is also noticed that there is pro-response to the savings and credit from the poor community in these villages. It is also evident from the empirical study that leaders from the major political parties and upper castes land lards have much control over the implementation of project in rural areas. The involvement of Grama Panchayat is also found to be an essential for the impact on rural poverty. The analysis largely indicates that the Grama Panchayat, as an institution, is involved in all the project intervention including from identification of the poor to the distribution of individual benefits.

Chapter – 7

Case Studies

An attempt is made in this chapter to understand the status of the families, living standards, income generation opportunities and their socio-political status affiliations of some selected woman, whose cases deserve mention. Robert Stake (The Art of Case Study, 1995) emphasizes the need for case study research to generate knowledge of the particular experiences. He explains that case study seeks to discern and pursue understanding of issues intrinsic to the case itself. He acknowledges, however, that cases can be chosen and studied because they are thought to be instrumentally useful in further understanding of a particular problem, issue, and concept and so on¹.

Thus, after examining the perceptions of the respondents on the impact of the *Velugu* project, it was thought that it would be better to present some cases which give a micro level understanding of the situation. For the purpose, 16 respondents were taken for the case study analysis from the selected four villages. The criterion for selecting 16 cases were poor family with lack of sustainable income opportunities; lack of agricultural land and small land holders, women headed families, poor families of children with differently abled and families with school dropped children. The reason for the selection of such difference is that the Velugu project in its objectives has given importance to the labour, land less families and women headed poor families and families of children with differently abled. An attempt is made to find out the problems and challenges of the poor in the process of eradication of poverty conditions, especially under the *Velugu* project.

Case Study - 1

Banothu Laxmakka, 28 years old, belongs to the Lambada, [Schedule Tribes Caste]. She is from Gadchanda village. The village has a one hamlet under its major grama panchayat and the name of the village is Bamini. Most of the tribal community people are living in the hamlet Bamini. Her family is living in a pucca-house and owns 2 acres of agricultural

¹ . Thomas, A. Schwandt, Qualitative Inquiry - A Dictionary of Terms, Sage Publications, New Delhi, 1997, p.13.

land. The water source for the irrigation is submersible pumps. She has also got the bore well sanctioned with the support of Integrated Tribal Development Agency. She has two sons and one daughter. Her two sons are going to the government school but, her daughter was a drop-out after 4th standard. Her children go to fields in the early morning and will be back at 8-8.30 am. Then they go to school. The parents told that “our children should learn about agriculture and farming methods. Because, they have to look all the agricultural activities in future and their life depends on the agriculture only”.

Though Laxmakka earns daily wage labour in agriculture, some times she works in her own farm. Her husband also is engaged in the same as contract labour for year to the medium size farmer in his village. The meaning of contract labour, in this context, is a person who works regularly under the one farmer only. The mode of payment for the contract labour is on annual basis which is Rs 25000 for him. He cannot go to any work except to his contract farm. The system is highly prevalent in this and the surrounding villages. She and her husband are well aware about the developmental programmes of governments. But, they are not interested in utilizing such programmes. They said “if we go to get the application, they (officers and leaders – village secretary, revenue officers and political leaders) will ask money or party”. Thus, the behavior of officials and political leaders irritates us to pursue for any development or welfare scheme. She has also given her experience with the village level officials and leaders saying “recently, my mother-in-law approached to village secretary for the sanction pension under old age pension scheme. But, he advised to meet sarpanch for forwarding the application to Mandal office. Again, she met the sarpanch and asked him to do favour. But, she told that “there is no need to approach sarpanch and request for sanction of pension. Moreover, sarpanch and village secretary want the applicant to plead, simply to preserve their dominance. Finally, village secretary has sent application to the Mandal head quarter. But, in the process, for the application to reach from grama panchayat to the Mandal, it took nearly 20-25 days”.

She has also been in Self Help Group since 2005. Initially, her group people used to save money on monthly basis. The village activist came and joined her group in village samakhya (a group of SHG groups) to get more benefits under the *Velugu* project. Since

then, the project's community coordinator approached the group members and channalized the group savings activities in to Mandal Samakhya. She further said, 'we will give additional income generation training at Mandal training center for all the group members. But, not yet the trainings are given. We are simply saving money and just taking small loans for the domestic purpose. Recently, some project officers came to ask us "how much loan need for the income generation". We will see how much will they give? So, the case study is indicating that the project's benefits are still at far distance from the needy poor people. The case study reveals some important facts. The first of these is the red tape i.e, delay in the processing of the application and it's reaching the higher by. Secondly, despite dislike, the applicant is forced to plead, in a sense, beg the sarpanch and the village secretary. Third is the dominating character of the officials and political leaders. She had only incomplete training. She also felt the problem of spending for transport. She has been waiting for grant of the loan amount.

Case Study - 2

Bodolla Hamsa, 38 years old, belongs to the Mala sub-community of Schedule Caste. She is a resident of Pipri village and the village of Pipri has a major grama panchayat. She has been working as agricultural labourer with her husband. She is an un- educated woman. Her husband is also a daily wage labourer. She has a son aged 10, studying 5th class in government primary school, and has a daughter who is studying intermediate in social welfare residential junior college.

Hamsa has joined in SHG in 2004. Since then, she has been, continuously, attending the group meetings. She is a beneficiary of *Velugu* project. Under the benefits of Indiramma housing scheme, she got loan for construction of new house. The loan was sanctioned under the scheme of 'Pavala Vaddi Runalu' (loans on an interest of 25 paise per hundred). Sanction of money is made through the SHGs. Recently; she has constructed a house under the Indiramma housing programme. She constructed a pucca (daba) house in 100 yards. The present market value of the house, according to her, is Rs. 200000. She is also a member of SHG and she has taken loan personally from SHG with amount of Rs. 10000 and she also has taken loan under the Pavala Vaddi scheme with an amount of Rs.20000 for the construction of house. The cost incurred for the newly constructed

house is Rs. 1,80,000. But, the government of Andhra Pradesh has sanctioned only Rs. 60,000. Moreover, of the total sanctioned amount, she got only Rs. 52000 as the bribe for officials and local leaders has already been cut.

Hamsa went many times to the concerned officers to get the sanction of the bill. Officials intentionally used to delay the sanction of the bill. She was unaware at that time as whom to approach and how to get bill sanctioned. Finally, she approached the village's Sarpanch² and she explained about her experience on "how she has suffered from officials". Then, the Sarpanch has approached the officials and finally came with the sanction of the bill. The bribes were collected forcefully by the officials in front of the village Sarpanch.

Recently, husband of Hamsa left to gulf country as labourer. He is, at present, working in construction field. For the purpose of gulf visa, they again borrowed money from the private money lender. The study explored that the schemes for the poor are highly insufficient in funds and proper monitoring mechanism of the programmes is lacking. But, in special focus on *Velugu* project, it was also found in the case study that the benefits under the project are not sufficient and moreover, there is lack of sustainable income generation. The case demonstrated some important implications. The sanctioned money is insufficient for the construction of the house. The borrower is not able to complete the work without further loans, taken at high rate of interest. The woman also faced psychological disturbance due to delay, the need for offering bribes and appealing frequently to the concerned officials and political heads. The influence of political leaders in getting or not getting loans is clearly visible in the case. It is only after meeting the sarpanch, who later functioned as link person; she could get the loan amount sanctioned. The husband of Hamsa is forced to leave the country to earn livelihood, part of which has to be saved to clear the loan amount.

Case Study-3

Aluru Gangubai is a resident of Rajura village in Lokeshwar Mandal, Adilabad district of Andhra Pradesh. She belongs to the Madiga sub-caste of the Scheduled Castes

² . Head of the Grama Panchayat elected by the people directly in Grama Panchayat elections.

Community. She is 41 years old. The village is a minor grama panchayat. She is a poor, land less widow and she has been also included in the list of poorest of the poor families by the *Velugu* project. It is also observed by the conversation with the Rajubai that the annual income of her family is less than Rs. 10,000. She does have land holdings. She has her own house. The type of house is semi-pucca. Her family depends upon the ration supply for food grains. She is holder of white ration card. She is also a beneficiary under the widow pension scheme. But, it is also noticed that the food grains supplied by the PDS for the poor families are not sufficient. She has to buy food grains in the local shop also.

Rajubai is aware of government developmental schemes like NREGA, Indiramma Hosing schemes, *Velugu (Indira Kranthi Patham)*. She gets 25 kg. rice and other food grains through the ration card. Regularly, the ration shop provides rice and kerosene only and some times sugar also provided under the ration card system. She has also a job card provided under the NREGA scheme. Under NREGA, those possessing job card would be called up private for public work during non-season times. The scheme is now called as Mahatma Gandhi National Rural Employment Guarantee Act. Moreover, there are three job cards in her family including hers, her uncle and her son. Even she has been in SHG and is included in the list of beneficiaries of *Velugu*, she is not interested taking loan for additional income generation. The reason is that she is satisfied with the wages from labour and her son is also working as daily wage labour. She is aware of the official's and local leader's attitude on "how they creates problems for poor people". She herself has explained about the problems created by the officials and local leaders in the case of sanctioning of LPG gas connection under *Deepam* scheme and job cards under the NREGA programme.

Since then, she has not applied for any loan or scheme. She is also a member of SHG and she has been saving every month in the group account. She told that even though she is in the group; she did not avail any loan for any purpose under the *Velugu* project. She is very seriously worried about the repayment of loan because, she did not have any skills to operate small or petty business for her own income generation. She felt that the total loan amount would be unnecessarily wasted. Thus, the case study is indicating that the project

has not developed the individual skills of the poor families. Apart from above difficulty, the case reveals the negative implication of the scheme. A sense of disinterest coupled with fear and uncertainty are seen in the case of the woman under study

Case Study-4

Gollamada Rajamani is a resident of Nagar village, Lokeshwar Mandal of Adilabad district. She belongs to the Madiga sub-caste of the Scheduled Castes community (SC). She is 29 years old and married is a woman. She is an illiterate. She was married at the age of 15. She has three children. She gave first birth to first baby at the age of 16 years. Of the three children, two are girls and one son. Her children are going to government high school. The three children's are in 5th, 8th and 9th classess respectively. Both, she and her husband, are daily wage labourers. She has semi-pucca house with old walls. The walls are broken up and the roof of the house is covered with old tiles.

Rajamani's family has 1.5 acres of land under her husbands' name. The land is given by her husband's father. The land has no regular irrigation facility. It's like dry land. More over, the crops are depending upon the rainy season only. More so, the land is not at all a definite source for their income. They are highly dependent on regular or daily wages of agriculture field. Their family annual income is Rs.10, 000. She said that this income is not sufficient to maintain his family. It is noticed that one of her children named Suresh is a physically differently abled. The physical challenge occurred due to accident. A two wheeler vehicle had hit while the boy was coming from the school to his home. For the hospitalization of the boy, she spent money by taking individual loans in her village only. She approached the group members for a loan and her request was rejected. The group members openly told her that the loan can be given only to the income generation activities. This is only a plea to avoid giving money to her.

So, she has taken debt from the local money lenders for treatment. Since then, the family went deep into poverty trap. Thus, her family is still in severe debt trap. Both, she and her husband, are working as agricultural labourers and her husband is trying to go to Gulf countries for good earning. For this purpose, they have to take more loans. In this case study, it is indicating that the impact of the project is not visible. She suggests that there

should be proper programmes or activities taken up based on the individual's need. It also suggested by her that the political interventions in the government schemes and the role of local middle men should be reduced.

She said at the time of interviews 'I am denied loan because they felt that I will not be able to repay on account of many problems I am facing. The village heads influenced my group members who decided for not advancing loans. My husband is concerned about his work only and is not prone to influences and is against group politics. This positive characteristic in my husband was not palatable to them. They decided against giving money in the form of loan. Hence I am forced to approach the money lenders who charged far higher rate of interest. I do not have any other option because I have to save my son'. She further said 'group members should be convinced about the needs of co-members. I approached the mandal sir (Assistant Project Manager) to convince my group members regarding the financial help that I need. She advised me to mobilize support of the co-members of my group. But they did not have any inclination to help. Further the local relations in my village with my group members, some how, helped me to get loan from my group. Thus, the case study shown the evidence of invisible and strong local politics in the implementation welfare programmes

Case Study – 5

Sangidi Mena, aged 32 years, belongs to the Lambada sub-community of Scheduled Tribes. She is staying in the village of Gadchanda. She has owns 1 acre of agricultural land based on canal irrigation. She has two children, one son and daughter. Her children are being educated in government primary school. She and her husband do not have even basic education, they are illiterates. Their livelihood option is agricultural labour in their village itself. They also cultivate their one acre land when the canal is streamed. She is a white ration card holder and she has also Anthyodaya Anna Yojana card in the name of her mother-in-law. Her family is living in a semi-pucca house which is also built by her husband's parents. It is also very old requiring the renovation.

Mena and some of the women in her street started a SHG in 2001. The group activities are monthly saving, loaning for the needy families on Rs 2-4 interest per hundred rupees

per month. Her group is linked to the bank for the loans under the *Velugu* project's activities. She participated in training camp for skill improvement in non-farm activities. But the training has not motivated her to shift from agricultural labour to any skill oriented entrepreneurship.

It is noticed during interaction that the training was actually aimed at enhancing the skill to take up entrepreneurship in the villages or side by Mandal towns. She said that "I am an illiterate house wife as an agricultural labourer along with my husband to support my family. I was scared of meeting new people and sitting in a hall with the officers and madam. I never had any opportunity to visit such places. They trained us on 'how to make' packets of home made food to sell in the market. But, marketing is not easy as they did not train on how to market the home made food by us. I attended that training camp for three days and I am not aware of how to sell the food. Moreover, no body purchased my home made food because we are lambada community people. Here a very pertinent point deserves mention. In fact, food is very essential for human life. The hurdle here is the caste based consideration. As the lady belongs to Scheduled Tribes and in many places, the tribes are looked far inferior in caste hierarchy, the possibility of the marketing of food made and packed by them is far less and this activity is unsuitable in her case in existing environment. The lambadas can only do labour work. If any body wants such kind of food, we will make and let them sell. But selling is not our job. I, personally, have taken loan to develop the land and bore well. Most of our community people got sanctioned the bore wells from the government. But, at that time, we do not own the land. Recently, we purchased the land from my relatives. For the purpose of land buying, we have taken loan from money lenders. We are planning to seed the vegetables in my 1 acre of land and to market to other towns. We are confident to do the crop the vegetables and market them. We have also good faith in the marketing the vegetables and other pulses. So the study is indicated that the suitable trainings in income generating activities can be taken up clubbed with indigenous knowledge. This will have purpose and speedy result. For this purpose, required financial and other subsidized agricultural inputs should be given to poor and small farmers families.

Case study -6

Narsubai aged 45 years, belongs to Madiga caste of Scheduled Castes. She is a resident of Pipri village in Lokeshwar Mandal of Adilabad district. She is in the list of the poorest of the poor families with a family income of Rs.9, 000 per year and is a landless daily wage labour, she some times sells the vegetables in village at evenings because she goes regularly for labour during day times and sells the vegetables during evenings. She has also a white ration card and job card of the NREGA scheme. She has been a member of SHG for the last six years. She has only one daughter and got her married at the age of 14. She is a widow and her husband died four years back due to stomach pain. The stomach pain was due to taking heavy consumption of local made arrack and insufficient food.

She said that ‘my husband used to do much hard work and also used take more and more local made arrack and other alcohols. But, he used to avoid taking food on time and most of the times; he used to take only one meal a day. She continued ‘I did not realize that he was ill and I thought he will have his food’. But, ‘he died’. Since his demise, I was the only person to take care of myself and my daughter. The debts were not cleared by my husband. She told that ‘it would very difficult to clear the debts. I decided to dispose of my one acre off land and sold at the rate of Rs. 25000. Most of the debts were cleared and only Rs. 10000 are yet to be cleared. Recently, I decided to take loan from my group savings for the clearance of the previous debts and buy a buffalo for regular income generation. My group members also accepted to give loans. I will repay the loan through my labour work in the agricultural field and by selling vegetables and milk in my village’.

Narsubai’s responsibility of taking care of her daughter doubled after marrying her. Her daughter is also in poor condition. She has to support her son-in-law also. So, she is trying to get loan under the bank-linkage loan by the Velugu project.

Narsubai was not selected for training because those above age of 36 are not chosen. Had she been trained; she should have acquired skills for income generation and possibly have cleared the loans without selling of her small piece of land. Because she was notable to get the benefit of a scheme meant for poor and the poorest of the poor, she became poorer. A single woman, having lost her husband and having added responsibility of

taking care of her daughter as well as her son-in-law, the lady is spending life in an agitated situation, and psychological depression. She said 'my life would be one of continuous suffering, let any number of programmes come. My situation would remain the same perhaps gets worse in future'.

Case Study-7

Aregela Sayamma is a resident of Rajura village in Lokeshwar Mandal, Adilabad district of Andhra Pradesh. She belongs to the Madiga sub-caste of the Scheduled Castes Community. She is 32 years old. The village has a minor Grama Panchayat. She is land less divorced woman and she has been also included in the list of poorest of the poor families. Hers is notified as woman headed family. It is noted that Sayamma has taken divorce from husband because the husband used to beat her indiscriminately. He was addicted to heavy alcohol and most of the money was spent on the consumption of alcohol. She has two children one son and one daughter, aged 7 and 8 respectively. She is engaged in beedi-making. She has no of her own house. She lives in a rented house.

She said "It was in 2004, I joined the SHG in the village along with other women. My mother also joined the same group. With great difficulty, I was able to save money. After two years, I was given bank linkage loan which I spent for my children's education and for buying a sewing machine. Then, I started tailoring, earne money and repaid the loan. My children are studying in the government high school of Gadchanda village. The village is at 2 km distance from my village. I have taken second time bank linkage loan for the construction of a house. My parents gave me a plot and some amount. I applied also in the scheme of Indiramma housing. Still, my application for the house is in grama panchayat office only. I do not know why they kept aside my application. Some of the other people already got the sanction and started building the houses'. I have already started the house construction with my loan amount. The process of construction may be delayed if loan under the scheme is not sanctioned. Moreover, I may go again into debts trap.

Recently, Sayamma incurred unexpected expenditure when her children get health problems, she said, I did not pay the last instalment of loan because of my children's ill

health. My children are physically very weak. I also know that there is Arogya Sree scheme for financial support of the poor families. I have also a health card. But, what I can do with that card? The small diseases like fever and other coughs are not included in the scheme. Repeated spending of small amounts becomes huge. Even, I planned to enhance my income through my tailoring; the plan has not come into reality. I should take more loans from my group savings for domestic purpose such as children health, food grains and other festivals and so on’.

Sayyamma’s case could be regarded as one in which a mix of suffering and hope is evident. The suffering is because of the family break down, the dominant decision of caste leaders, weak financial position and illness of children. The caste leaders functioned as a judicial body and consideration of her case by them has not produced positive gain to her, though she was the sufferer in the hands of her husband. A situation of hope is evident because she is engaged in earning through beedi-making; educating children instead of converting them into child labourers; attending to their health needs, and in constructing a house of her own. All these are possible when a person has enough of confidence and courage. Thus clearly noticed by the researcher when she said “I have two hands to work, I will struggle to bring up my children and educate them. I will definitely complete the construction of my house’. She emphatically said ‘come what may, I am going to have my own house’. If her application is quickly processed and the loan sanctioned, she would stabilize her position.

Case Study-8

Neerati Nagamani is a resident of Nagar village, Lokeshwar Mandal of Adilabad district. She belongs to the Mala sub-caste of the Scheduled Castes community (SC). She is 25 years old and was married at the age of 15. She has studied up to 10th class. Her husband also studied up to 10th class. Both are working as daily wage labourers. She has two male children aged 9 and 7 respectively. She is actually working as beedi-making labourer and some times or when ever the company of the beedi-making is closed, she will be working as agriculture labourer. She has 2 acres of land. The land is a single cropped irrigated agricultural land. The crops of the land majorily are rice and some times, pulses such as ground nut and gingelly seeds. However, she shared her experience of life and explained

how they are struggling for income generation through the cultivating their agricultural land “we neglected our land by not involving in proper agricultural activity. My husband used to borrow often from the money lenders at highest rate of interest for the agriculture purpose. But, my farm has not proper irrigation resources. We also tried to get irrigation facility through submersible pump. But, an attempt to get water through bore well has not succeeded. The money that we borrowed to lay bore wells has become unproductive. Still, my husband is trying to get irrigation sources. Now, we are in serious debt trap. Last summer i.e, in May 2008, we got the loan sanctioned to pour the fertile soil. The loan was sanctioned by the mandal *Velugu* office. The soil is available at the boundary of village tanks or river side. But, it is not at all useful for the irrigation. Our land is lacking irrigation facility. Moreover, there is no hope that we could clear the debts. The lenders, some times, used to mount pressure on us for repayment. We are forced to bear all these pain and accept humiliation’.

Nagamani further said ‘I have been in SHG since 2003. My group members know very well about my family and my family conditions. They supported me to get amount of loan to start any profitable income generating activity. But, my husband is not interested in any other activities except agriculture. Now, our family is running on my labour wages and wages of beedi-making. Now I am planning to get any profitable training through the *Velugu* scheme. I also have informed to my village activist and book keeper. They told me that “if there is any training camp in this season, we will inform you”. My husband is also seriously thinking about income generation and earnings. She also told that “my husband is planning to go for gulf countries to clear all the debts. I have a white ration card and we are getting 20 kgs., rice per month under the PDS scheme. My family is a nuclear family, divided from my in-laws. Still, we are in confusion as to ‘how to get out of all the problems’. She also said “we are planning to sell our land and clear the debts. Then, we can survive on daily wages. We have our own semi-pucca house which is given by my in-laws” she further said.

“The group members accepted to sanction bank linkage loan and the money which would help me in clearing the previous debt. There are so many debts to clear. The case study is

also indicating that the families still art under the sever poverty trap. Sayamma is a young woman who poseess in built talent. She is also found to be interested in involving herself in any useful activity which produces income. But she has several hurdles to come out of. Her husband is interested in agricultural activity only. Hence, the problem is from the husband. Sh does not have motivational avenues. She is not aware of works other than those related to agriculture and beedi-making. The need for identifying interest and preparing persons for purposeful activity through training is very much essential. There is need to more intensified programmes for the eradication of rural poverty. Alleviation of poverty in rural areas under the Velugu project is not appropriate. There is need to take more focused and family oriented measures.

Case Study-9

Dappelapudi Narsakka, is a resident of Gadchanda village in Lokeshwar Mandal of Adilabad district. She belongs to the Madiga sub-caste of the Scheduled Castes community. She is 35 years old. She is poor and her family annual income is below Rs.10, 000 per year. She is a landless person. She does not have her own house, but stays in a rented hut, paying a monthly rent of Rs.40. She does pessess a white ration card. She is a daily wage labourer, she earns Rs.50 daily and her husband earns Rs.50-60. But, the wages or the labour work is not continuously available. Monthly, average working days are 12-15 days only. It is also noticed that she has a limited number of working days that fetch wages. The wages depend upon the time and work. Sometimes she has work only for half a day and sometimes a few hours a day. Thus, the monthly income is ranges from Rs. 800 to Rs. 900. Thus, the annual income will be less than Rs. 10,000 only.

She was married at the age of 13 years. Her in-laws had no properties. Both she and her husband are illiterates. Her husband would sit idle and the family burden fell on her shoulders. Moreover, her husband is irresponsible and spends most of the money earned by her on arrack and other locally produced whisky. Her family is living in a thatched house. She has three children, studying in government school. Her elder son dropped from regular school and he is also working as an agricultural labourer. She has been in an SHG since the last five years. She struggles a lot for the family and spends several sleepless nights thinking about the family's survival. She said 'finally, I applied for the

loan to take a buffalo to raise income with the help of my son. Recently, i.e., in last April 2008, I got loan with an amount of Rs. 20,000 and brought the buffalo. Now, we are getting Rs. 100 per day. But, some times, marketing the milk is very difficult because milk van would not come regularly. If the transportation of the milk is properly handled, there will be more chance to do more business. We also planned to get one more buffalo. Now, we are in the last stage of the repayment of the previous loan”.

Narsakka also knows about the government developmental programmes especially *Indiramma* housing scheme, pension schemes, *Velugu* scheme, NREGA scheme and other welfare programmes. She is paying insurance. She is, now, planning to construct a house under the Indiramma housing scheme. She came to know about these schemes through a village activist. She has also applied for a house under the schemes. Her son aged 17, is the backbone for the family. He husband is now completely ignoring the family. The son is completely involved in income generation activity. The study is indicating that women are taking the responsibility of the family problems and income generations on their shoulders. But, there is a reflection from the study that the children are taking family responsibility at a very early stage of their life. There should be proper mechanism to strengthen children’s education in rural area. There should be a proper training and counseling for the poor families to take up income generation activities. It is also noted through the personal interaction with poor woman that they are unaware of the importance of the education for their children. Especially, mothers should know the importance of the education for their children. Thus, there will be a sustainable development for the poor. In this case study, 17 years boy has taken complete family responsibility along with her mother. She also told that ‘we are planning to buy more buffalo to get more incomes so that other my two children also can involve in this activity. It is obvious that other two children are going to be involved in family’s income generation activity at the age 13 and 15 years. But, involving the below 18 years children in any work is not at all justifiable. Moreover, the children have not even completed their high school education. So, there is need to empower poor women in all aspects of the life such as sustainable income generation activities, child education, shelter and health and other facilities. The project gives importance education specifically, eradication of child labour. But this is not achieved yet.

Narsakka has been selected to undergo training provided under Velugu Project. But she declined and preferred to have loan facility for her survival. She is committed to clear the loan and at the same time to take care of family responsibility along with her sons. She is not aware of the importance to educate her children.

Case Study-10

Sirgapur Anasuyamma is a resident of Pipri village in Lokeshwar Mandal of Adilabad district. She belongs to Scheduled castes sub-caste Mala. She is 37 years old. Her family has 3 acres of land. This is a double a cropped land annually. She has a white ration card, '*Rajeev Arogya Sree*' health card and job card under NREGA scheme. She has four daughters and one son. Her husband is involved in agricultural activities. She is a daily wage labourer for agricultural works and is also working as beedi-making labourer. She earns Rs.800-900 per month on the basis of agricultural season and beedi-making and her husband's earning is dependent on crop production. But, she says that 'most of the times, the profits are more or less same to the production cost such as labour and pesticides. The maximum profits are through my agriculture or food grains and vegetables. Our children's clothes also I buy from my labour wages or wages of beedi-making. She said "my elder daughter is now at the age of 18. For my daughter's marriage, at least we need one lakh rupees. We are now planning to arrange marriage by selling our agricultural land. We have another three girls. Now all are on schooling and first daughter is doing nursing course, even then, we are looking for a bridegroom. We have to reduce our burden by performing our girls' marriages. Last, child is my son. Now he is studying the 6th class in my village's high school. We do not have any problem with my son because he is a boy and he can also go for higher studies. But, girls are not like that, we have to do their marriages as early as possible. The early marriages also reduce our burden economically and socially".

She also explained the relation between the girls and education that "if we perform marriages at early ages like at the ages of 15 or 16, the dowry will be less and if we give more or higher education, the dowry needed will be more than the less educated girls because a less educated girl can match with less educated boy and then the cost of the dowry also will be less". It is also observed that the condition of the house is with

cement roof and broken walls. I asked her about their house's condition, she replied that 'we are seriously trying to construct new house, but it may not be possible, because we have other important works rather than this'.

She added "under the *Velugu* project, the activists mobilized and strengthened nearly 25-30 groups and 2 village samakhyas in my village. As a member in the group, I played an active role that helped me to some extent to solve some of my family problems such as children's education and health issues and food related issues". She is also a member of Mandal Federation. As member of Mandal Federation, she could interact with more women groups and found that they are all facing and solving the problems in step by step manner. She is now thinking of her daughters' future and planning to withdrawal from the marriage proposal for her elder daughter because she could see around and attended the capacity building training camps at mandal and municipal level meetings. Now, she is very confident that her son will be well educated and they will be employed in a good job. But as regards income generation, she has applied for loan under the bank linkage scheme. She is now planning to establish dairy center in her land with the help of her husband.

Anasuyamma and her husband went to meet the community coordinator to discuss on their dairy center. The center can supply milk from surrounding villages to nearby towns. She told 'we met the Community Coordinator and Assistant Project Manager at the mandal office. The support also came from her group members and an initial amount for the center's establishment has been given. It is in the process. Thus, the study indicated that women and girl child's development can be given much more importance and that the parents of the girl child are also given priority in any welfare scheme. Then only the girl's child education will be promoted.

Some important facts have to be noted from the case of Anasuyamma. The perpetuation of the practice of dowry is very much evident. In the fear that more education to girls may force her to giving more dowry, the woman in the case is prepared to prevent her daughters from being educated, knowingly or unknowingly, a mother herself is discriminating her own girl child.

Case Study - 11

Aharani, 23 years old, belongs to the Lambada sub-community of Scheduled Tribes. She is a resident of Gadchanda village. Her family is living in a pucca-house. She has one girl child and one boy child. She came from a poor farmer's family and was married at the age of 14 and gave first birth at the age of 16 years. Her husband is working as a daily wage labourer and also looks after his own one acre of land for cultivation. But the land is not with regular irrigation facilities. Major income source for their family is daily wage labour. She also works in the agricultural fields as daily wage labourer. 'We used to go without proper meal for several days in a month' she said. She told her experience 'we both are earning Rs. 80-100 a day. My husband drinks regularly and he is spending much of the amount for arrack. If I object to his consuming arrack, he refuses to go to work the next day. We are toiling for over 8-9 years in this way. The entire responsibility of feeding my two children is on my shoulder. Some times, my husband borrows money from money-lenders and other known persons at high rate of interest for arrack consumption without my notice. It is difficult to me to maintain all such forced obligations'.

A question was asked by researcher whether she is aware of the programmes which are strengthening the lives of the poor families. She immediately responded 'I know there are programmes and also joined in the SHG 4 years back. I am also saving every month and got sanctioned loan. The loan is spent on renovation of my house because it was in a very pathetic condition with old walls and broken tiles. Especially, in rainy season, we spend number of sleep less nights due to heavy rains. The broken tiles allowed the rain water into house. My children also used to spend sleep less nights. So, soon after the loan is sanctioned, I started the renovation work. Now it is all right. But, the only thing is my husband has to stop drinking arrack and if he stops, much of the money will be saved because, we are now earning more money even through the daily wage labour. Recently, I warned him that if he is not stopping having arrack, I would leave the home and go to my parent's house. Since then, I am observing him and have seen some changes in his attitude. We may come to a good position'. The woman in the case has a tendency to improve the life conditions of the family member. She has concern towards children. The

main hurdles include the negative attitude of the husband and financially weak position. She got the loan, but has not received any training. Training to this type of woman would definitely bring positive results. The case study is indicating that the loan is spent for a useful purpose, but not on income generation.

Case Study - 12

Pottolla laxmi stays in Gadchanda village in Lokeshwar Mandal of Adilabad district. She is 40 years old. She belongs to Madiga sub-caste of Scheduled Castes community. She is an illiterate. She stays in a nuclear family and her family members are 5. She is a landless person. Her family has an annual income of Rs.10,000 only. She is a daily wage labourer, and his family entirely depends upon agricultural activities. Her husband is also a daily wage labourer. She has not any other economic assets. It is only through labour, the family is surviving. She has three children and all the children are working as daily wage labourers. Her children dropped from the school at the age of 7 and 8 years. It is very clear that she is not aware of the importance of education and her children's future. But, they are aware that their neighbors' children are getting good education.

Laxmi's is also a daily wage labourer. The condition of the house is semi-pucca with old and broken walls. The house was built by her husband's father. They are incapable of rebuilding or renovating of the house. She thought of applying for assistance under Indiramma Housing scheme introduced by the Government of Andhra Pradesh. But, she is not even in the position to apply for assistance because most of the houses are sanctioned to the persons who are in a position to give bribes to the concerned officers. So, she is unable to give the bribes to the village leaders and officials. Even, then she applied for the scheme, but was not sanctioned a house. Her name was listed in second phase programme. She says there is a lot of corruption involved, through middlemen. She also said that the present house has lot of disadvantages to live in. It is built by ancestors of the and in rainy season the whole house is drenched. The floor of the house easily gets wet. Any unexpected things might happen by living in the house.

She explained about the problems of her family in the following words "we proposed to perform my son marriage in this summer. The interested families came and left, without

any discussion about the marriage proposal. Our relative told us that the house is not in good condition. So they did not give any answer. Thus, we are facing the problem of getting a bride for my son. My son decided to go for gulf countries to earn more money and to construct the new house. The government schemes or special programmes are not helping us. The programmes are not even sanctioned easily without bribes”. Thus, this case speaks of the problems of the poor especially those relating to livelihood opportunities, future challenges and their need.

Case Study-13

Dasa Gangu is a resident of Pipri village in Lokeshwar Mandal of Adilabad district. She belongs to Mala sub-caste of Scheduled Castes community. She is 26 years old. She is an illiterate woman. She is also in the selected list of the poorest of the poor families and her family's annual income is also below Rs.10, 000. She is a landless person. She married at the age of 16. Her husband is also an illiterate. Their permanent livelihood source is wage labour from agriculture sector. Most of the wages are available in their village only. Some times they engage in house construction and road construction work. They own a very weak house built long before by their ancestors. It was built out of stones and mud. It is noticed that it does not serve the purpose of living in but the family is forced to do so because of weak financial position. She has three children, one is a girl and other two are boys. The children are getting education at government primary school. Of the three, the daughter's mental and physical growth is stagnated because of nutritional deficiency. Gangu has a white ration card with the 25 kgs rice permit. She is a daily wage labourer and earns Rs.40 daily and her husband earns Rs.70. She says that this amount is not sufficient to maintain the family. She said “labour work is seasonal; my husband gets work only for six months. During the remaining six months of year, he migrates to other nearby towns. He does not have any house site in his village. He has awareness about government housing but, he has not applied for the house thinking that owning site is essential pre requisite for applying. Actually the government wants patta of the house for applying for the housing scheme. Without knowing these details, my husband thought he was not eligible for the scheme, but he very much wants a pucca house because the present hut does not protect us from cold and hot weather.

She continued “while facing all the problems, I joined the SHG in the village and started small savings. We were 10 members in the group and all of us were committed to be in the group, make it more active and to get every benefit that comes through the group. We saved Rs 30 a month for 4 years. It was only after two years that we started receiving the benefits. The benefits are limited while the needs are more. We struggled at home for survival. Sometimes, we are sharing a part of my brother-in-laws house. We held several meetings and attended every meeting held at the village level and mandal level. I also observed how the successful women are actively working and what kind of income generation activities they are taking up. For the first time, I received Rs 15000 loan and I discussed with my husband to buy a plot which would cost Rs 25000 or Rs 30000. So we decided to buy a plot and we had already Rs 15000 in our hands. We bought a plot at the rate of Rs 30000 in my village. Now, I and my husband are working actively to construct a house. We will start house construction after clearing all our present debts and loans because once we clear previous amount, then only we get loan. Some how, we bought a plot for house and my children are studying in government school’.

A question was asked on her attitude towards changing to skill based income generation activities, she replied that ‘I have attended so many meetings and training programmes at mandal level but I do not have any interest to take up new activities and am working as labourer. I feel it is comfortable work because labour work is my own and no need any investment; my investment is my physical work. If I want to take up a new work I need some money to buy things. If it fails, I have to bear. Moreover, my husband is working regularly with a big land lord in my village. So, now, we are earning money though not a big amount. We have to, first of all, construct a house. We definitely do construct a house’. This case study is indicating that there is need to change the attitude of the rural woman to take up new income generation activities. This case study reveals the reluctance of woman to change the type of activity she is involved in. There is need to conduct an extensive counseling programmes in rural areas because a young rural woman should change into a more productive worker in terms of earning.

Case Study - 14

Badsa Chinnubai, 26 years old woman, belongs to the Mala community of Scheduled Castes. She is a resident of Pipri village. She got married when she was 17 years old. She has been working as daily wage labourer along with her husband. She is a un- educated woman. She has a son and daughter; and they are studying in government primary school. She joined the SHG in 2004 and is saving Rs. 40 for month in the group and she is taking part in all the programmes of the project such as weekly saving meetings, village level meetings and mandal level meetings. She became active in the group. Her husband is having agricultural land he inherited from his father. The land used to be cropped under the village tank but, now, the tank dried up due to rain deficiencies and irregular canal irrigation. In consequence, the land became dry. Moreover, it was a rice cropped land. Now, it is seasonal land. While they were able to cultivate, they had a bullock cart and used to earn money through supplying the plough and bullocks for others on rental basis. This has now become history. Because irregular monsoons, most of the irrigated land dried up, became rough and hard and the rents also had gone. She also informed that they also faced the problem of lack of fodder for bullocks.

When the researcher touched on her livelihood and future security, she replied “even though I and my husband are working as labourers, we do not have security. We are only secur on the day we earn. Our labour wages are only sufficient or enough for to day itself. For the long standing and rapid development, my husband is planning to go to gulf countries and he got also a pass port. We went to a well known person who is working as agent to send my husband to Dubai or Saudi Arabia. There are large number of such people from my village and surroundings. The total amount for this plan is around Rs. 80000. We are planning to take this as loan from a rich person. The person also accepted to give the total money at Rs 2 interest rate on Rs 100 per month”.

Further, Chinnubai was asked about the Velugu Project (Indira Kranthi Patham) regarding promoting non-farm livelihood opportunities and facilitating income generation activities in rural areas, she replied “it may be a fact, but, for me I can not do other than labour because I don’t know about the non-farm livelihood and income generation activities. I know only working as labourer in my village and my husband also knows the same work. Recently, I have taken loan under SHG-Bank linkage scheme for income

generation. But, actually, we spent on non-income generation work. Anyway, my husband will be going soon, to Dubai for labour work. If he goes there for regular work, all the burdens will be gone. I am looking for that day'. This case study is showing the way to overcome problems of poor but it is not that way to overcome the problems. There are so many cases showing how the poor people landed on heavy debt. In attempt to go to gulf countries, they had to shell down considerable amount of money to the agents and for other purposes like obtaining pass port and visa. There are fraud agents and agencies in these areas. Some villagers are already in the heavy debt trap in the surrounding villages. The respondent is also aware of all these fraud activities of the local agents and agencies. As part of the project, sensitizing about the frauds and building confidence in government programmes is required. Extensive skill based training programmes for rural youth and un-educated women and men particularly in this project and in other governmental programmes in general should also be imparted.

Case Study-15

Dommi Ganganarsu is a resident of Rajura village in Lokeshwar Mandal, Adilabad district of Andhra Pradesh. She belongs to the Madiga sub-caste of the Scheduled Castes Community. She is 39 years old. She is a poor and landless widow. She has her own semi-pucca house. Her family depends upon the ration card, on which subsidized food grains are supplied to the poor families. She is a holder of white ration card. She is also a beneficiary under the widow pension scheme. But, it is also noticed that the food grains supplied by the PDS for the poor families is not sufficient. In the case of the family of Ganganarsu, most of the times, food grains from the local shops should also be purchased.

Ganganarsu is aware of government developmental schemes like NREGA, Indiramma Hosing Schemes, *Velugu (Indira Kranthi Patham)*. In her words, "I have white ration card with 25 kg., rice and other food grains per month. Regularly, the ration shop provides rice and kerosene only. And sometimes, they supply sugar also under the subsidized system". She has also a job card which provide under the NREGA scheme. Moreover, there are three job cards i.e., to her, her uncle and to her son. Even she has been in SHG and included in the list of beneficiaries of *Velugu*, she is not interested in

taking loan for additional income generation. The reason is that she is satisfied with the wages of labour and her son also working as daily wage labour. “Finally, I have received loan through bank linkage. I received Rs 10,000 and with that money, I have performed the marriage of my son and he is, now, working as daily wage labourer. Over a period of time, I became active in the groups and had the opportunity to handle a few cases concerning the members. Today I have gained special knowledge on health and nutrition. Initially, I struggled a lot for the family. I spent several sleepless nights thinking about the state of my family. Finally, I have learnt to earn some money by working as labourer in the agricultural field in my village. The labour work permanently attracted me because it needs only my labour and does not need any capital investment”. The researcher questioned her “do you feel comfortable with what you’re earnings from labour work for savings and future needs?” She replied ‘I am saving every month in my group and also repaying the loan which is taken from bank. Moreover, my son and daughter-in-law are also working as daily wage labourers. We all got job cards and daily we are earning Rs. 300. Now, I am planning to construct a house under ‘Indiramma’ housing scheme because my house condition is not good. All walls of the house and floor are built with only soil’. This case study is showing partial success of the project in particular and other programmes in general because the project has not fully supported the needs of the poor. The respondent said that the daily wage labour is the only work known as livelihood opportunity. But, the project is targeted to improve non-farm activities and skill development for the youth of the poor families. In this case study, the son and daughter-in-law of the woman are youth. They are engaged in labour work. They are not informed any kind of skill oriented training or meeting proposals of project personnel’s. It is obvious from the case study that there is need to focus on family oriented micro level planning to empower the poor and poorest of the poor families. Considerable fear of about the outcome investment is evident in this case. Confidence building seems to be very essential, explaining by the project personnel.

Case Study-16

Arisela Padmaja is a resident of Nagar village, Lokeshwar Mandal of Adilabad district. She belongs to the Madiga sub-caste of the Scheduled Castes community (SC). She is 24

years old and is a married woman. She is a literate. She has two children. She gave first birth to a baby girl at the age of 16 years. Of the two children, one is girl and another is son. Her children are going to government high school for schooling. The children's schooling standards are 5th and 6th classes respectively. Both, she and her husband, are daily wage labourers. She has semi-pucca house with old walls.

She has 1.5 acres of land in her husbands' name. The land is given by her husband's father. There is absence of regular irrigation facility to the land. It's like a dry land. Moreover, the crops are depending upon the rainy season only, more so, the land is not at all a source for their income generation. They are highly dependent on agricultural work. Their family's annual income is Rs.10, 000. She says this income is not sufficient to maintain their family. It is noticed that one of her children named Suresh is a physically disabled. The physical challenge occurred due to accident while the boy was coming from the school to his home a two wheeler rider had hit him. For the hospitalization of the boy, she spent money from taking individual loans in her village only. She approached the group members to give loan from the group savings for the expenditure of hospital. The group members rejected her proposal. The group members also openly told her that the loan can be given only to the income generation activities. So, she has taken debt from the local money lenders for the hospital expenditure. Since then, the family had fallen into poverty trap. Thus, her family is still in severe debt trap. Her husband is trying to go to Gulf countries for better income. For this purpose, they have to take more loans. In this case study, it is indicating that the impact of the project is not visible. She suggests that there should be proper programmes or activities taken up based on the individual's need. It is also suggested by her that the political interventions in the government schemes and the role of local middle men should be reduced.

Summing up

The case studies revealed that the project has not brought the desired changes in the lives of the poor families. The study noted on high prevalence of child labour, lack of proper care for the children especially differently abled and for widows. The project is supposed to give preference to land less poor families, families of differently abled children, girl child education, skill up gradation of poor women and developing rural entrepreneurship

among the rural poor women. But, in reality, some of the focused areas of the project are missing implementation. One case study disclosed that the loan was sanctioned for income generation activity. But, the beneficiary spent on the construction of new house. It is indicating that there is lack of proper monitoring. There should be proper monitoring mechanism for project implementation. It is also observed that there is long gap between the application and sanction for loans in the *Velugu* project itself. Some of the women could not apply for loan because of the lack of ability to take up profitable entrepreneurship or any other small or petty business for income generation.

It is obvious from the grass root study that there is still dependence on local money lenders for domestic needs of the poor families. There is interference of the village level politicians in the project implementation. There is also gap between the needs of the poor and proper programme activities. There is need to reorient the programmes based on the individual's needs. It is also suggested by some poor people that the political interventions in the government schemes and the role of local middle men should be reduced. But, still, some of the hurdles are visible in the sanctioning of other schemes for development of the poor families in the study area. The hurdles are common for the poor families, especially in sanctions and application for the development project. Some of the case studies have indicated that there is a positive attitude and progressive thinking among the respondents to get rid of the poverty trap. Some have shown their confidence on 'how to develop themselves by using the assistance and loan' of the project.

Visible changes in poor women are also evident. But, there is need for more intensified programmes for the eradication of rural poverty. The measurement for alleviation of poverty criteria in rural areas under the *Velugu* project is not adequate. There is need to take more focused and family oriented measures. In the context of the project's area, education and more specifically, eradication of child labour should be taken up. Moreover, the case studies are clearly showing gaps in the implementation of projects' objectives.

Chapter-8

Summery and Conclusion

Poverty reduction especially in rural areas has been a major goal of the development policy in India since independence. For this anti-poverty programmes have been initiated. As is well known poverty has close linkage with social conditions as well as economic conditions. Poverty has high prevalence among Scheduled Castes and Scheduled Tribes whether in rural areas or in urban areas. This is established by researchers like Singh, Radhakrishna, Amartya Sen and others. Inadequacies of basic needs as well as inadequate access to productive assets social infrastructures have been very common.

Public policies have emerged as very important phenomena in contemporary power politics. As a welfare state, India has initiated an extensive programmes related to poverty reduction since its independence. Many of these programmes have been in operation for over 55 years. In spite of this, poverty continues to exist. A major chunk of the rural people is struggling with extreme poverty conditions. The problem of poverty is complex in India and rural poverty is more complex and multi dimensional. In this context, the Scheduled Castes and the Scheduled Tribes form the bulk of the poor population and within a family, the women are more vulnerable.

Rural poverty alleviation programmes of India are envisaged with specific goals. Faster rate of economic growth and social justice, creating more employment opportunities for the ever growing surplus rural labourers, accelerating the rate of rural industrialization and agricultural development are among these. Further, developing rural infrastructure, reducing rural-urban disparities, providing opportunities for the socially disadvantaged sections (which are poverty stricken) like Scheduled Caste and Scheduled Tribes and women are the goals. The primary task of nation's policy on rural poverty as a strategy is to eradicate poverty of about seventy of the rural population through providing adequate

facilities such as safe drinking water, clothing, housing, health care, education, sanitation, transport, communication by creating of employment opportunities.

A review of various developmental programmes like Community Development Programme, Integrated Rural Development Programme, National Rural Employment Programme, Development of Women and Child Development programme and Public Distribution System and other programmes taken up since independence indicated the need for a new comprehensive programme for eradication of poverty in rural areas. Absence of adequate coverage of target groups, corruption, administrative malpractices, disinterest of the needy to take advantage of the programmes, inadequate finances, interference of politicians, red tapism have been some important obstacles in realizing the goals and meeting the needs of the target groups.

The Government of Andhra Pradesh has initiated a project called Velugu project in June 2002. Andhra Pradesh achieved appreciable success during 1995-2000 in the implementation of South Asia Poverty Alleviation Programme in six districts of Andhra Pradesh. The Velugu project, which is financed by the World Bank, is being implemented through Society for Elimination of Rural Poverty (SERP) of Government of Andhra Pradesh. The main purpose of the project is to enable the rural poor in imparting their livelihood and equality of the life. The project has six major components intended to strengthen institutional, social and human capital to extend support to eliminate child labor and support the differently abled children.

The major parameters like awareness about the ongoing poverty reduction project, involvement in community based organizations like Self Help Groups and Village Organizations, skill improvement, livelihood promotion, accessibility of rural micro credit and utility of the activities and income generation and overall transformation from traditional wage laboring to emerging rural entrepreneurship under the project intervention are used for the assessment of the project's impact.

An examination of the district under study indicates that it is one of the poorest of the poor district of the state and also in India. Of the total, the rural population of the district is 18.27 lakhs with 73.47 per cent. This is higher than the state's average of rural population. The total population of the SCs is 4.61 lakhs and STs constitute 4.16 lakhs with 18.53 per cent and 16.74 per cent respectively. Of the total, workforce of the district constitutes 45.14 per cent. The district has rich natural resources, agriculture and industrial growth is relatively low in comparison to other districts of Andhra Pradesh. As far as poverty is concerned, scenario of the district is that it comprises the highest percentage of the poor families. The literacy of the district is low when compared with the state's literacy percentage. The literacy of males is higher than the female literacy rate (male 61.86 per cent and female 38.13 per cent).

In the selected 4 villages, a field survey was done to capture the general socio-economic and political conditions of the villages and selected respondents. The total population of four identified villages of the research, as per census 2001, is 8398 which is 0.45 percent of the total rural population of district of Adilabad. In these selected villages of the study like Pipri, Rajura, Gadchanda and Nagar the percentage of S.C. population is higher than that of S.T. population. Interestingly, the population of the females is also higher than the male in the selected villages. The literacy rate of the selected villages is encompassed at very low comparatively with other urban centers (i.e., 24.5 percent of SCs and 34.3 percent of STs). It is also clear that the literacy percentage of the selected villages is much lower than both district and state level which were constituted with 74.82 per cent and 64.11 per cent respectively.

The workforce of the field villages is categorized into agriculture, agri-labor, daily wage labors, artisans, self – employed and gulf labours. The social structure of the villages is as old as from the years of tradition of rural areas. Generally, majority section of the poor families in India belongs to scheduled castes or tribes whose average standard of living was considerably below the rest of the population. Similarly, closer examination of the field data in present study reveals that most of the families that belong to SCs and STs were under severe poverty conditions.

In developmental aspects of the study areas, central and state's developmental programmes are implemented along with the Indira Kranthi Patham (Velugu). It is found in the filed investigation that there is high rate of corruption at grass root in reaching the developmental schemes to the poor. For instance, the village secretary has authority to select the households for white ration card. It is used for the identification of poor families and also as a basis to prioritize the welfare schemes. But, most of the times the village secretary issues the white ration cards to non-poor families. In this selection process, there will be a serious pressure from local political leaders and sarpanch of the grama panchayat. Along with the political pressure, there is also visible corruption by the village secretary by taking money or any gifts. When the selection of the poor families is derailed, obviously, the objectives of any poverty alleviation or community development programmes are disrupted.

A micro level understanding of the performance of the project reveals that it is implemented in all the districts. A number of activities have been undertaken under the project. But as regards to the coverage of poor families, the performance of the project has not been outstanding. In respect of the number of SHGs in East Godavari stands first and Rangareddy has the lowest number of groups. With regard to capacity building through training coverage has not been satisfactory. The incomes of rural rural por have got enhanced but not to that extent expected.

The major success of the project has been in the area of strengthening the number of SHG women. The overall performance of the project reveals that there is considerable gap between the target and achievement during 2008-09 the beneficiaries from less than 50 per cent of the eligible. The benefits under the land purchase are low. Not even 1 per cent of the eligible persons are covered. In the district of Adilabad, where the project was initiated on 15th July 2002 the project has strengthened the CBOs like SHGs, VO's and district federations. Infrastructural development and capacity development have also been reported. Strong people's support is reported.

A study of socio-economic background of the respondents in the selected villages has revealed that most of them are under severe poverty conditions. A high percentage of respondents (83.33 per cent) are married, the remaining are either widows or divorced. The percentage of divorced slightly higher than of the widows. The percentages of married women among the Scheduled Tribes are higher than that of the Scheduled Castes; same is the position regarding the unmarried. The percentage of divorced among SCs is more than that of among STs. Similar is position regarding the widows. Age wise a very high percentage of the respondents are young (81.66 per cent) only 7 seven percent of the respondents are in the age group of 35 and 36. An increased participation of younger women in SHGs is noted. Those in the age group of 18-35 are more among the SCs than among STs. The difference is ten percent. Respondents in the age group 36-45 are more among the STs. Similar is a position regarding those above 46 years of age.

A majority of the Respondents have families with membership between 4 and 5. Nagar stands first followed by Rajura, Pipri and Gadchanda villages in this regard. Families with 6 members and above constitute 37 percent. Gadchanda occupies the first place followed by Rajura, Pipri and Nagar. Families with less than 4 members constitute a small percentage. Gadchanda occupies the first place followed by Pipri and Rajura. In Nagar, none of the families has less 4 members. Families with more than 4 are more among SCs than among the STs. Families with membership 4 or 5 are more among SCs than among STs. The difference between the SCs and STs is 10 percent. Families with 6 and more members are in higher percentage among SCs. A majority of the respondents are non-literates. The percentage of non literates is the highest in Rajura followed by Nagar, Gadchanda and Pipri villages. The percentage of those with non-formal schooling is higher in Pipri compare to the other tan villages. The percentage of respondents in primary education is higher than that in Nagar followed by Pipri, Gadchand occupies the first place in having respondents with secondary education. None of the respondents has higher education. The need for adult education is very evident. The percentage of non-literates is higher among SCs. Respondents with non-literates is higher among SCs.

Respondents with non-formal schooling are more in percentage among STs. The percentages of primary education holders are higher among SCs. The percentage of those with secondary education is more among STs.

It is noted that a majority of respondents live in semi-pucca houses followed by those living in pucca houses, kutcha houses and other types of houses. The percentage of respondents living in semi-pucca houses is highest in Pipri followed by Gadchanda, Nagar and Rajura. The percentage of pucca –house holders is higher in Nagar compared to that in Pipri, Rajura and Gadchand villages. Gadchanda stands at the bottom with respondents living in kutcha houses is higher in Rajura compared to that in Nagar, Gadchanda and Pipri. Pipri occupies the bottom place in respect of respondents living in kutcha houses. Gadchand and Rajura have one respondent each living in other types of houses. A number of state and central governments endeavors to provide housing facility for comfortable living have not been visible in this study area. A higher percentage of STs are living in pucca houses compared to that of SCs. The percentage of SCs living in semi pucca houses is far higher than that of STs, the difference being 18.33 per cent. The percentage of respondents living in kutcha houses is more among STs compared to that among SCs, the difference being 10 percent.

The occupational background of the respondents reveals that among them there are marginal farmers, agricultural farmers, beedi-rollers and others. The respondents those who are in the category of rolling beedis occupies first place followed by agricultural labourers, marginal farmers and others. The percentage of respondents in beedi rolling is the highest in the Gadchanda. The percentage of respondents in other 3 villages is equal. Rajura occupies first place with a higher percentage of agricultural labourers followed by Nagar, Pipri and Gadchanda. The percentage of marginal farmers is higher in Gadchanda, compared to that in Pipri, Nagar and Rajura respectively. Respondents who are marginal farmers are more in percentage among STs. The percentage of agricultural labourers is more among SCs. Respondents occupied in rolling beedies are more in percentage among

SCs. Those employed other activities are more among SCs. Considerable amount of uncertainty regarding earning for livelihood is reported.

The land holdings of the respondents revealed that slightly less than half of them are landless those possessing below 1-3 acres constitutes the next largest group and respondents having land holdings of 4-5 acres are 1/4th of the total. Land ownership itself could not be regarded as the criterion for assessing the economic status because, for cultivation, the respondents have forced to take loans on high rate of interests. Ironically, those who failed to pay could get the benefit of waiver of loan repayment. An examination of the income levels of respondents has revealed that a high majority of them have family income below Rs 1000 month. In this context, Gadchanda occupies first place followed by Nagar, Pipri and Rajura. None of the respondents has family income beyond Rs 200 per month. Respondents from families with their income below Rs 1000 are far more among STs compared to those among SCs. Respondents whose income family income per month is between Rs 1000 and 2000 are more in percentage among SCs. Despite economically weak positions, these women are saving a little through SHGs. The acute poverty conditions have forced them to realize the need for family planning.

Impact of the Project

The impact of the project which is studied on the basis of awareness, experience training opportunities, loan facility, livelihood promotion avenues, improvements in incomes, savings, assets and other aspect has brought the following conclusions.

It is found that knowledge of Velugu project is present in a very high percentage of the respondents. In this context, Pipri occupies the first place followed by Gadchanda, Nagar and Rajura. Absence of awareness is seen more in Nagar compared to that Gadchanda,

Pipri and Rajura. 5 per cent of the women in the sample have not responded. The non-respondents are in a higher percentage in Rajura compared to those in Gadchanda and Nagar. No response is noticed in Pipri. Awareness about the project is seen in a higher percentage of the SCs. Absence of awareness is seen in a higher percentage of STs. No response is noted in a higher percentage of STs. Those with primary educational qualifications are in higher percentage of possessing knowledge. Awareness of the project it is noted that is not directly related to educational levels.

Membership of the respondents in SHGs is highest in Rajura (86.66 per cent) followed by Pipri (73.3 percent), Gadchanda (70 percent) and Nagar (63.33 per cent). The percentage of respondents with leadership position is higher in Nagar followed by Gadchanda, Pipri and Rajura. As regards experience in SHGs, the performance of respondents with long experience of 3 and more is more is higher in Pipri. Respondents whose experience falls between 1 and 2 years are far higher in Rajura. Nagar and Gadchanda have the same percentage of the respondents having experience below 1 and 2 years at the bottom place stands Pipri. Those with experience of less 1 year are in higher percentage in Gadchanda followed by Nagar, Rajura and Pipri. A majority of the respondents have experience between 1 and 2 year in SHGs.

As regard better training for livelihood opportunities, it is seen that a majority of the respondents did not have any training. Rajura occupies the first place followed by Nagar. Pipri and Gadchanda stands on the same footing. Absence of response is seen more in Gadchanda. An assessment on the caste wise brought up of the respondents in relation to training made clear that those who received are more among the SCs and those who have not received are more among the STs. When asked about the benefit of training, slightly more than 52 percent of the respondents felt. That training has been useful for livelihood opportunity. Those who viewed that training is not useful constitute 48 percent. The respondents who felt the training is useful are highest in percentage in Pipri followed by Rajura, Gadchanda and Nagar. Nagar occupies the first place with respondents who felt

that training is not useful. Gadchanda and Rajura occupy second, third and fourth places respectively in this regard. It is found that views regarding the utility of training are not directly related to educational qualifications of the respondents. Training is said to be useful for social awareness and income generation. The focus is laid more on social awareness by the respondents.

A very high percentage of the respondents reported that they have received loans. The first, second, third and fourth places in respect of the number of recipients go to Pirpi, Gadchanda, Nagar and Rajura villages. A more percentage of STs compared to that of SCs has received the benefit of loan. The loan amount provided ranged between Rs 5000-10000. Those who received loan amount between 5000 and 10000 constitute a high majority. The first, second, third and fourth places go to Nagra, Rajura, Gadchanda and Pipri respectively in this connection. Pipri occupies the first place in having respondents who received loan Rs 10001-20000, Gadchanda, Rajura and Nagar occupies the first, second, third and fourth places respectively.

An important finding is that a majority of the respondents have felt that the project has not promoted the livelihood opportunities (53.83 percent) and 39.16 percent said that it has promoted and 10 percent of the respondents did not give any opinion. Rajura and Pipri occupy the first and second places in respect of respondents feeling that the project has not been useful in promoting livelihood avenues. Those who said that the project has been useful are more in percentage in Rajura followed by those in Nagar, Pipri and Gadchanda.

As regards improvements in family income, not a satisfactory situation is noted. Those who considered that the improvement is average (44.16 percent) constitute the first largest group followed by those who felt that there is no improvement (29.16 percent) and by those who considered the improvement as good (19.16 percent). A majority of

the respondents reported average improvement. Next in order are Nagar, Gadchanda and Rajura. The percentage of respondents whose improvement is reported to be nil is the highest in Gadchanda (33.33 percent). In respect of good improvement, Nagar occupies the first place followed by Rajura. The respondents in Pipri and Gadchanda who reported good improvement are of equal percentage. It is clear that the loans provided have not been sufficient to improve the income levels.

An analysis of the utilization of Rice Credit Line (RCL) implemented as part of project for food security reveals that a majority of the respondents have utilized it. One third of the respondents have not been able to utilize. The rest of them did not respond to the question relating to food security. The food security scheme has not benefited all the poor families in the rural areas. There is need to increase efforts for benefitting all is clear. The saving pattern of the respondent is reported to be good in very high percentage of them. This is because the women save small amount as members of SHGs.

The safety net programme, which is a special component of the project, has brought social changes. In the context of assets creation 40 percent of the respondents replied in the positive and 41.16 percent in the negative, 18.33 percent of the respondents did not give any view. It is clear that the percentage of those without assets creation is more than those with assets. Among the four villages under study, Rajura has shown better performance. The types of assets include community building, local markets, individual land development, individual houses and other livelihood based assets and others. Gadchanda occupies the first place in respect of land development followed by Pipri, Rajura and Nagar. In 'any other category', two villages namely Rajura and Pipri are seen.

A majority of the respondents (51.66 percent) have not seen changes in economic and social life and Pipri occupies the first place where 60 percent of the respondents reputed no change next in order are Gadchanda, Nagar, and Rajura. Among those who reported

changes in economic and social life the percentage of respondents in Gadchanda (43.33 percent) is higher than that in the other villages. Pipri (33.33 percent) is at the bottom place. The gap between the percentage of respondents reporting change and no change is worth noting.

Changes in attitude have been brought through the project. A majority of the respondents (56.66 percent) have reported positive change in the attitude. The respondent reporting no change constitutes 35 percent and the remaining has not responded. A positive change in attitude is reported by a higher percentage of respondents in Gadchanda followed by that in Pipri, Nagar and Rajura. Among those who have not reported any change the percentage of respondents in Pipri is higher than that in Nagar, Gadchanda and Rajura. A higher percentage of respondents without any response are seen in Rajura.

In the development of village infrastructure visible change is reported by slightly more than 50 percent of the respondents (50.33 percent), Nagar and Gadchanda stand first and second in this context. The percentage of respondents in Pipri and Rajura is equal. 40 percent of the respondents do not have a positive view of development of village infrastructure. A higher percentage of respondents in Gadchanda (43.33 percent) expressed negative view compared to that in other villages.

Dominance of village level elites (politicians, caste leaders and the like) in project implementation is clearly visible because 60.83 percent of the respondents have confirmed this. The percentage of respondents who held this view is higher in Nagar and Gadchanda. The rural elites, instead of working in favour of promoting the interests of the poor are found to be playing obstructionist role in some instances. The dominance of village level elites is reported by higher percentage of STs (63.33 percent) than that of the SCs (58.33 percent).

Interference of the leaders of political parties is a common and undesirable phenomenon which is reported by 90.83 percent of the respondents. This seems to be slightly less in Nagar village. A very small percentage of respondents answered in the negative regarding interference of leaders of political parties. The interference of Congress leaders is reported by a higher percentage of the respondents than that of the Telugu Desam Party and Telangana Rashtra Samithi leaders. Interference of political party leaders is seen whether they are from ruling party or of other parties. It is clear that the impact of the project is not satisfactory though some improvements have been achieved.

Problems

A detailed study of the implementation of the Velugu project has disclosed some important problems. The loan amounts provided under the project are inadequate. Even what is provided, is not spent for income generation in the majority of the cases. In other words, the loan amounts sanctioned have not been used for productive purposes. It is seen that the amounts received were used for domestic expenses, construction of houses, performing marriages of children, payment of debts, medical purposes and buying clothes and others. As part of the project training has to be imparted to the selected beneficiaries. It is noted that a majority of women selected have not had the opportunity of training. So capacity building has been at stake. In fact, there is provision for training in non-farm income generating activities such as micro entrepreneurship, livestock development activities and activities relating to value addition to farm produce and trading. In the absence of training facility, the possibility of realizing the goals of the project get diminished. It is noted that even when the project activity more focus is noted on creating social awareness rather on income generation. Improvement in social awareness is definitely desirable but income generation is equally perhaps more important. The savings pattern has revealed that community managed savings and loan facility has not contributed to the absence of dependence on money lenders, land lords and local financiers. Delay in release of loans and urgent requirements have forced the women to depend on money lenders and others.

Assets creation is seen in a small percentage of the respondents. Disinterest in pursuing the activities other than those the respondents are already involved, fear regarding the possibility of positive results, hesitance, and absence of support from family members even when interest is present are some of the factors that came in the way of the respondents opting for involvement in new activities. Unable to bare the financial problems, the male members of some family have shown preference to go to other countries in search of employment, yielding higher income. Leaving the family in search of employment elsewhere would disturb the family position. Though aware of this, some of the respondents supported the movement of the male members to other countries under economically forced circumstances.

In the selection of the beneficiaries, it is noted from the field study that the method has not been transparent. The project is intended for the poor and the poorest of the poor but in reality those who do not belongs these categories, in other words, the non poor have also been selected under the pressure of political leaders and the locally influential persons. So the deserving are excluded and the ineligible are selected in some cases. The role of political leaders is considerable in the selection process. One important problem associated with the implementation of the project is related to staff. It is noted that a number of community coordinators have dropped in the middle. The reasons include low payment, job insecurity and absence of motivation from above. In some cases the higher officials have advised the coordinators to go for other jobs which provide security fixed tenures and higher payments would be useful to provide continuity in the functioning of the coordinators.

Interference of the political leaders in selecting beneficiaries is often seen. This might come in the way of choose correct person for benefit. This is not say that politicians will not choose the correct person for benefit. It is only to argue that politics should not be present in the selection of beneficiaries. Selection should be left to the project staff themselves. External interventions are likely to create unhealthy atmosphere.

Gains

It would be useful to identify the achievements that the project brought about. The coverage relating to safety net programmes in terms of insurance schemes for life and health related purposes could be regarded as an important achievement. The insurance claims are settled within 48 hours. The project has brought about infrastructural development which includes community building for SHGs; market yards for vegetable vending and establishment of agricultural markets for SHGs and skill based training centers at mandal head quarters. Changes in development related attitudes have been noticed. Training camps, mass meetings and workshop conducted by the Velugu staff definitely contributed to attitudinal changes among the poor women.

An intensive study of 16 cases revealed that the project has not brought the derived changes in the lives of poor families. Prevalence of child labour, lack of proper care of children, especially, for the Differently abled children and widows. The project is supposed to give preference to landless poor families, families of differently abled children, education of girls, skill upgradation of poor women and developing rural entrepreneurship among the poor women. But in reality, some focused areas of the project are missing implementation. The measurements criteria for alleviation of poverty in rural areas under the project are not adequate enough. There is need to take more focused and family oriented measures.

Suggestions

It is noted that in some areas like developmental social infrastructure and insurance coverage the project achieved good results. It also noted that some women did upgrade their skill and derived the benefit from the assistance given by the project staff. Attitudinal changes, though inadequate, are noted. For effectiveness implementation of the project, the following measures deserve serious consideration and implementation.

1. There is need to adopt a more comprehensive criteria in the selection of beneficiaries. The present procedures are that the project staff would arrange meetings of women of SHGs and collect information on their assets and liabilities. The women give details of the needs and apply for loans through the project staff to the government. The final authority in the sanction of the loans is the District Project Officer assisted by Assistant Project Manager and Community Coordinators. Sometimes, wrong information is provided by the aspirants in their enthusiasm to get loans sanction. The loans sanctioned very often are not used for the purpose identified. There is necessary that a well defined criterion is used for selecting the beneficiaries. It is need to develop the coordination with the village secretaries in selecting the right persons as beneficiaries. The village secretary is close to the villagers would be having the knowledge connected with the status, assets and liabilities of the villagers. The purpose of the project would be defeated if the benefit does not reach the really need persons. The project staff should also adopt the method of discussing with individual members of the group separately along with discussion with the group as a whole. This would facilitate a more careful selection of beneficiaries.

2. Awareness generation before selection of beneficiaries and disbursement of loans is very essential. In the awareness camps family oriented focus is necessary. The women aspirants should be enlightened in detail about the purpose of the project, utility of training, involvement non-farm activities, the benefits to the family – especially, to girls and differently abled children. Involvement of experts in awareness generation on the focused areas would definitely bring about positive gains. The principle of administration going to the door steps of citizen in detailing policy could be effectively implemented through this. It is noted that from the field intervention that some of poor women are not taking loan with the fear that may not be able to repay. This is resulting in lower utilization of loanable funds. Removal of fear should be an important item in awareness generation. Combined efforts of administration and experts in awareness generation are highly useful. Awareness generation should be taken up taken up as a continuous process and not as an occasional one.

3. Training is an important component of the project. As the present position stands, some beneficiaries received training in pickles preparation, making broomsticks, tailoring, knitting and embroidery. Rarely children of the beneficiaries are imparted computer knowledge. It is noted that the selected women did not show interest in receiving trainings in the areas chosen by the project's staff. It is obvious that the respondents have shown greater interest shown in upgrading skills in food processing, vegetable vending, land development and other agricultural related activities. Interest in obtaining skills in new areas is not found among the respondents. Therefore, before imparting training, awareness generation regarding the utility of getting skills in new areas through which more income could be generated has to be imparted to the beneficiaries. The selection of the training items should be based on the local needs, market avenues and interests of the beneficiaries. Target oriented and broad based training to the youth of the poor families is essential. Continues training is essential to provide sustainability. It is necessary that training should be a continues process along with this providing incentives like sanctioning higher amounts as loan identifying better skilled persons and awarding them praises would increase interest in skill up gradation.

4. Monitoring is essential in the process of implementing the project. It is noted that a majority of the respondents have spent loan money on unproductive and domestic expenses. The purpose of the project is mainly income generation, reducing dependency on traditional financial sources, skill up gradation and confidence building. The reality is that the objectives have only been partially realized when there is diversion of spending from the purpose intended. Improper utilization of money, there should be seriously checked. It is possible only through regular and effective monitoring. A mechanism to check irregularities has to be created or entrusted specifically to the staff of the project. The monitoring cell that exists at the mandal level should be made to function as an effective body. The project's initiatives would be successful only when the missing gaps are filled. Proper identification of beneficiaries, purposeful awareness generation,

continues training, checking irregularities and effective monitoring would bring the desired results and facilitate satisfactory implementation of the project.

The present study is the first of its kind in the academic area. This kind of studies in the other districts also would facilitate a more realistic understating of the project and its implementation.

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Appendices

Appendix - I

SCHEDULE

01. Name :
02. Caste :
03. Name of the Village :
04. Marital Status :
(a) Married
(b) Un-married
(c) Divorced
(d) Widow
05. Age :
(a) 18 - 35
(b) 36 - 45
(c) 46 and above
06. Education :
(a) Illiterate
(b) Literate
(c) Primary
(d) Secondary
(e) More than School education
07. Status of the House :
(a) Pucca House
(b) Semi-Pucca House
(c) Kutcha House
(d) Any Other (Specify)
08. Status of Family Education :
(a) Husband
(b) Child 1
(c) Child 2
(d) Any other (Specify)

(Child education, especially for girl child below 14 years are focused)

Child 1-

Child 2 –

Any other -

09. Occupation :
- (a) Agriculture
 - (b) Agriculture Labour
 - (c) Wage Labour
 - (d) Any Other
10. Monthly Income :
- (a) 500 - 1000
 - (b) 1001- 2000
 - (c) 2001 - 3000
 - (d) 3000 and above
11. Agricultural land owned by :
- (e) Landless household
 - (f) 1-3 Acres
 - (g) 3-5 Acres
 - (h) 5-10 Acres
 - (i) Above 10 Acres
12. Are you aware about the programme of *Velugu* (Indira Kranthi Patham)?
- (a) Yes
 - (b) No
 - (c) No Response
13. Nature of membership in the SHG:
- (a) Member
 - (b) Leader
 - (c) No membership
14. Since how many years have you been in the SHG group as member?
- (a) Below 1 year
 - (b) 1- 2 years
 - (c) 3 and more years
15. As a SHG member, did you get any training for better livelihood promotion or any other?
- (a) Yes
 - (b) No
 - (c) No Response
16. If yes, what kind of training you got?
- (a) Useful for better livelihood
 - (b) No useful
 - (c) No Response

17. If it is useful, what is the benefit you are getting from the training program?

- (a) Social awareness
- (b) Income generation
- (c) Capacity building
- (d) Any other

18. (a). Did you get loan/assistance from the *Velugu* project?

- (a) Yes
- (b) No
- (c) No Response

(b). If no, why did you not get benefits/assistance, kindly give reasons?

19. If yes, how much loan/assistance so far you received?

- (a) 5000-10000
- (b) 10001-20000
- (c) 20001-30000
- (d) 30001 and above

20. What is the purpose of loan?

- (a) Agriculture
- (b) House expenses
- (c) Business
- (d) Children Education
- (e) Assets / Income Generation

21. Do you think that the personnel income has improved through the project interventions/assistance?

- (a) Yes
- (b) No
- (c) No Response

22. If no, why did you not improved, kindly give response?

23. If yes, how much progress has there been in your family?

- (a) Much more
- (b) Some thing
- (c) Nothing
- (d) No Response

24. As regards to social awareness, are you sensitized about your living condition and other developments that you and your family also need to get the better facilities?

- (a) Yes
- (b) No
- (c) No Response

25. Do you feel that the program has brought considerable changes in your developmental attitude?

- (a) Yes
- (b) No
- (c) No Response

26. What is your contribution to the economic development of others in your village?

- (a) Saving and giving loans to members
- (b) Bank Loan for all
- (c) No Contribution
- (d) No Response

(The objective of this question is to examine “how the social mobilization helps to reduce the poverty”)

27. Do you agree with view that the *Velugu* project has brought considerable changes in your life?

- (a) Yes
- (b) No
- (c) No Response

28. If yes, what are the changes?

- (a) Additional income generation
- (b) Additional livelihood opportunity
- (c) Land/Asset development
- (d) Any other

29. Do you agree with view that the project has brought considerable developments in your village?

- (a) Agree
- (b) Do not agree
- (c) No Response

30. If you are agree, what are the developments brought by the project?

- (a) SHG Buildings
- (b) Local Business facility centre
- (c) School Building
- (d) Any other

31. Do you agree with the view that the local elites is influencing in the project's regular activities?

- (a) Agree
- (b) Do not agree
- (c) No Response

32. If you are agree, how they are influencing in the project at grass root level?

- (a) In selection process of individual benefits
- (b) In selection of group benefits
- (c) In selection of poor families
- (d) Any other
- (e) No Response

33. Are you aware that any pressure on project implementation machinery by political leaders especially village level political leaders?

- (a) Yes
- (b) No
- (c) No response

34. Do you agree with the view that the gram panchayat has involved in selection of poorest of the poor families?

- (a) Yes
- (b) No
- (c) No Response

35. If yes, are you satisfied the way of selection of poorest of the families?

- (a) Yes
- (b) No
- (c) No Response

36. Are you aware that any malpractices in the project implementation/selection of the poorest of the poor families/ selection of the beneficiary/ or any other developmental initiative by village political leaders/elected gram panchayat members/implementing agency at village/mandal level?

- (a) Yes
- (b) No
- (c) No Response

37. If yes, how the malpractice in this project is functioned, give details?

Appendix - 2

GOVERNMENT OF ANDHRA PRADESH ABSTRACT

Merger of Swarnajayanthi Gram Swarozgar Yojana (SGSY) and Velugu into Indira Kranthi Patham – Common guidelines – Orders – Issued.

PANCHAYAT RAJ & RURAL DEVELOPMENT (RD.III) DEPARTMENT

G.O.Ms.No.83.

Dated.21.03.2005.

Read:-

G.O.Ms.No.15, PR&RD (RD.III) Department, Dated.25.01.2005.

ORDER :

Government in the reference read above, have issued orders for integration of SGSY and Velugu Programmes into Indira Kranthi Patham. There is need for issuing detailed guidelines for operationalisation of the Government's decision to merge SGSY and Velugu into Indira Kranthi Patham. The following guidelines may be approved for implementation of Indira Kranthi Patham.

I. I. Implementation arrangements:

Chief Executive Officer, Society for Elimination of Rural Poverty (SERP) is so far responsible for implementation of APDPIP / APRPRP (hitherto called Velugu), through DRDAs and DPMU Velugu in the State.

1. 1. With the merger of SGSY and Velugu into a comprehensive programme called "Indira Kranthi Patham". The CEO, SERP assumes responsibility to implement the following components of Indira Kranthi Patham:
 - a) a) AP District Poverty Initiatives Project.
 - b) b) AP Rural Poverty Reduction Project.
 - c) c) Swarnajayanthi Gram Swarozgar Yojana including Special Projects.
 - d) d) State Revolving Fund.
 - e) e) SHG-Bank Linkage.
2. 2. In addition to Indira Kranthi Patham, Chief Executive Officer, SERP, is responsible to implement National Old Age Pension Scheme and National Family benefit Scheme.

3. 3. Director SHGs will assist the CEO, SERP in the implementation of Indira Kranthi Patham.

P.T.O

4. 4. Detailed exercise for re deployment of the staff under SERP as well as DRDA will be carried out to ensure availability of uniform human resource in mandals to the extent possible.

II. Utilisation of SGSY Resources:

1. 1. In the 6 AP DPIP districts where all Mandals are covered under AP DPIP SGSY resources will be additionality to the amounts being spent under AP DPIP.
2. 2. In the remaining districts, the SGSY resources could be utilized only in the Mandals not covered under APRPRP.
3. 3. SGSY has the following 5 major components:-
 - (a) (a) Training.
 - (b) (b) Infrastructure.
 - (c) (c) Revolving Fund.
 - (d) (d) Individual loans.
 - (e) (e) Group loans.

i. Training:

10% of the total SGSY outlay will be earmarked for trainings. Common strategy for institutional building, livelihood support and marketing support for strengthening of the SHGs will be followed in all the mandals. The additional expenditure towards capacity building of SHGs over and above 10% of the SGSY outlay could be booked to DPIP/RPRP account.

ii. Infrastructure, Revolving Fund, Group Loans:

The DRDAs will combine the three components such as Infrastructure, Revolving Fund and Group Loan into a single package and make it available to the groups following the same process followed for providing Community Investment Fund under APDPIP/RPRP. In other words, the SHGs in DPIP/RPRP Mandals and the SHGs in non DPIP/RPRP Mandals will go through the same process of preparation of micro credit plan for accessing SGSY fund, just like the way CIF is accessed by the groups in DPIP / RPRP Mandals. However, bank linkage will remain a prerequisite for availing SGSY subsidy.

ii.

iii. Individual Loans:

10 percentage of the total SGSY outlay in each district may go towards individual loans to most vulnerable amongst poorest-**ex:** persons with disability, commercial sex workers, victims of atrocities or natural calamities.

Contd/-

III. III. Self-Help Group - Bank Linkage Programme:

Self Help Group – Bank Linkage Programme will be taken up in all the Mandals.

IV. IV. State Revolving Fund:

The State Revolving Fund will be made available to the Self Help Groups in all the Mandals following the guidelines detailed below:

- (i) (i) All the Self Help Groups which have completed 6 months of savings and loaning will be eligible to access State Revolving Fund.
- (ii) (ii) In each Village priority will be given to the SHGs of the poorest of the poor.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**K. RAJU
PRINCIPAL SECRETARY TO GOVERNMENT (RD)**

To
All the District Collectors.
The Chief Executive Officer, Society for Elimination of Rural Poverty, Hyderabad.
The Commissioner, Women Empowerment and Self Employment, Hyderabad.
Copy to:
All Special Chief Secretaries / Principal Secretaries / Secretaries.
Principal Secretary / Special Secretary to Chief Minister.
PS to Minister, (RD,RWS & EG). / PS to Minister (PR).
PS to all Ministers.
PS to Chief Secretary to Government.
PS to Principal Secretary to Government, (RD).
PA to Additional Secretary to Government, (RD).
SF/ SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER

Appendix – III

Photos of Field Work

Interviews and face-to-face interaction with the respondents

