



**Achievements of the
Rural Development & Panchayat Raj Department**
(May 2006 - September 2010)

**Rural Development & Panchayat Raj Department
Tamil Nadu**

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**DIRECTORATE OF RURAL DEVELOPMENT &
PANCHAYAT RAJ**

I. PANCHAYAT ADMINISTRATION

- Elections were held for **12,618** Village Panchayats, **385** Panchayat Unions and **29** District Panchayats during **October 2006**. There was high participation of voters in the rural areas with a record turnout of **76%**.

Table - 1
Details of Reservation

Sl. No.	Designation	Total No. of seats/ Offices	Women		Scheduled Castes		Scheduled Tribes	
			No.	Percentage	No.	Percentage	No.	Percentage
1.	District Pt. Chairman	29	10	34	7	24	0	0
2.	Pt. Union Chairman	385	140	36	87	23	4	1
3.	Village Panchayat Presidents	12,618	4,275	34	3,143	25	156	1
4.	District Panchayat Ward Members	656	226	34	154	23	8	1
5.	Pt. Union Ward Members	6,570	2,302	35	1,534	23	64	1
6.	Village.Pt. Ward Members	97,458	32,638	33	24,630	25	983	1

- Elections were held successfully in October 2006 for Pappapatti, Keeripatti, Nattarmangalam and Kottakatchiyendal Village Panchayats where it could not be held for a prolonged period due to local opposition to reservation. The Hon'ble Chief Minister held a "**Samathuva Peruvizha**" in Chennai on **13.11.2006** and felicitated the newly elected Presidents, Vice-Presidents and community leaders of the Villages.
- A High Level Committee** was formed under the Chairmanship of Hon'ble Deputy Chief Minister M.K. Stalin to devolve more powers and functions to the Local bodies. The first meeting of the Committee was held on **7.3.2007**. In continuation of this, a conference of Local body representatives was held in the presence of Hon'ble Chief Minister on 18.3.2007, following which Regional Conferences of local body representatives were held in Erode

(24.7.2007), Trichy (25.7.2007), Tiruvannamalai (03.8.2007), and Virudhunagar (23.8.2007), under the Chairmanship of Hon'ble Deputy Chief Minister. The second meeting of High Level Committee was conducted on 19.9.2007. Further, Hon'ble Deputy Chief Minister conducted discussions on 11.10.2007 and 12.10.2007 with the Secretaries of other departments, in order to devolve more powers to the rural local bodies. The High Level Committee submitted its report to the Hon'ble Chief Minister of Tamil Nadu on 10.12.2007. After considering **99** recommendations of the Committee on **39** subjects, the Government have issued orders on **61** recommendations so far. Action is being taken by the Government on the remaining recommendations and orders will be issued soon.

• **Devolution of Powers and functions to Panchayat Raj Institutions -**

Some of the important recommendations of the Third High Level Committee which are already acted upon by the Government are listed below:

- Grama Sabha to act as a forum of Social Audit for all the schemes implemented by various Departments.
- Approval of the list of all individual beneficiary schemes to be done by Grama Sabha.
- Conversion of multi-member wards into single member wards in all the Village Panchayats as is there in the case of the Panchayat Unions and District Panchayats.
- Stability of tenure of rural and urban Local Body representatives by making the moving and passing of No Confidence Motions more stringent.
- Designating November 1st of every year as the 'Local Bodies Day'.
- Giving Panchayat Raj Institutions greater operational independence by enhancing administrative sanction powers of Village Panchayats, Panchayat Unions and District Panchayats for works taken out of their General Funds.
- Rationalisation of Village Panchayat Accounts.

- Issue of Identity Cards to the Heads of three tiers of Panchayat and for the Members of Panchayat Unions and District Panchayats.
- Making BDOs (Village Panchayats) as separate Pay Drawing Officers.
- Provision of Telephone facility to all Village Panchayats.
- Provision of Wireless to Panchayat Unions.
- Vehicles for Panchayat Raj Institutions and key functionaries of Rural Development Department.
- Revival of Namakku Naame Thittam.
- Formulation of Panchayat Union School Renovation Programme.
- Setting up of Libraries and Sports Centres in all Panchayats under AGAMT.
- Designating Village Panchayats as 'Village Level Committee' for selecting the beneficiaries and implementing the schemes of various departments at Village level.
- Increased in the expenditure limit for conducting Grama Sabha to a maximum of Rs.1,000 (previously it was Rs.500) vide G.O.Ms.No.160, RD & PR (PR.1) Department, dated 30.09.2008.
- **Delimitation of Rural Local body boundaries** -In order to satisfy the Long Pending public demand for **upgradation, bifurcation and amalgamation of the local bodies**, the District Collectors were advised to hold public hearings, and after scrutiny, send necessary proposals to the concerned Head of Departments. The Heads of Departments will send their final reports to the Government. So far, 397 proposals have been received from all the districts. The Government will take suitable decision on the proposals according to their eligibility.
- **Dispensing of Levy of Local Cess and Local Cess Surcharge** – The Government have announced in the Budget Speech **2009-2010** that the existing system of land revenue collection will be simplified and farmers shall not be burdened with any other levy such as Local Cess (LC) and Local Cess Surcharge (LCS). Consequent upon the above decision of the Government, levy of Local Cess and Local Cess Surcharge needed to be

dispensed with. Hence, Sections 167, 168, 169, 176, 186 (b) and 188 (d) of Tamil Nadu Panchayats Act, 1994 were amended vide Tamil Nadu Act No. 12 of 2009 and the levy of Local Cess and Local Cess Surcharge was dispensed with.

- **Conversion of Multi Member Wards to Single Member Wards** – The system of Multi Member Wards is in existence only in Village Panchayats and not in any other rural or urban Local Body. It has posed difficulties at the time of voting for the voters as well as at the time of counting. There has also been lack of clear responsibility amongst the members in the existing scenario of there being Multi Member wards in the Village Panchayats. The Third High Level Committee headed by the Hon'ble Deputy Chief Minister has recommended for conversion of Multi Member Village Panchayat Wards into Single Member Wards. Hence, the Tamil Nadu Panchayats Act, 1994 Section 12 has been amended by abolishing the Multi Member Ward System in Village Panchayats and replacing it with Single Member Wards vide Tamil Nadu Act No. 20 of 2009. The process of conversion of Multi-Member Wards into Single Member Wards is going on. This system of single member wards in Village Panchayats will be brought into effect in 2011 Local Body elections.
- **Maintenance of Tanks and Ponds** – Traditionally, the Village Ponds have been maintained by the Village Panchayats. The Minor Irrigation (MI) tanks are being maintained by the Panchayat Unions, though, there is no statutory provision enforcing the same. The renovation and maintenance of Village Ponds and Tanks is being taken up under various Centrally Sponsored and State Funded Schemes. It is an anomaly that the statutory duty of repair and maintenance of both ponds and tanks was vested with the Village Panchayats alone as per Section 110 (g) of the Tamil Nadu Panchayats Act, 1994.

Hence, in order to remove this anomaly and to statutorily vest the duty of maintenance of ponds alone with the Village Panchayats and empower Panchayat Unions with the maintenance of tanks, Section 110 (g) and Section 112 (aa) of the Tamil Nadu Panchayats Act, 1994 have been amended vide Tamil Nadu Act No. 28 of 2009.

- **Disqualification of false Caste Certificate Holders** - The National Commission for Schedule Castes and Scheduled Tribes, in its Seventh Report, has recommended that "In case of elective offices such as Parliament / Legislative Assembly / Municipal Corporation / Panchayat, the false caste certificate holder should be immediately sacked from the post/chair and must be debarred from contesting election for at least 6 years, besides the punishment provided under law". On the basis of this, the Government of India have requested the State Governments to take suitable action on the above said recommendation.

In order to give effect to the said recommendation of the National Commission for Schedule Castes and Schedule Tribes, a new sub-Section (2-A) have been inserted in Section 37 of Tamil Nadu Panchayats Act, 1994 – vide Tamil Nadu Act No. 14 of 2009.

- **Extension of time limit for receiving Postal Ballot Papers** - Under Rule 52 of Tamil Nadu Panchayats (Election) Rules, 1995, the Postal ballots could earlier be received only upto 5.00 p.m. on the day before the Poll. However, the Government have amended the sub-Rule (2) of Rule 52 of the above Rule and now specified in the Notification issued – vide G.O.(Ms). No.1. Rural Development and Panchayat Raj (P.R.I) Department, dated 02.01.2009, that the Postal Ballot papers can be received upto 8.00 a.m. on the day of counting of votes.
- **Empowering the District Collectors to levy and collect Advertisement Tax** - As per the earlier provisions of the Tamil Nadu Panchayats Act, 1994, and the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 1999, the Executive Authority of the Village Panchayat concerned (the Village Panchayat President) was empowered to grant license for erecting hoardings in the rural areas and to levy and collect tax on advertisements on such hoardings, whereas, the District Collector is the licensing authority in the urban area. Further, the Village Panchayats were not able to strongly enforce and monitor the erection of hoardings as per the provisions of the Act.

- In order to bring parity with Urban Act and to strengthen the licensing procedure and improve the monitoring of erection of hoardings in rural areas, the Government have suitably amended Sections 172-A, 172-B and sub-Sections (2), (3) and (5) of Section 220 of Tamil Nadu Panchayats Act, 1994 by empowering the District Collector to grant license for hoarding and levy of Advertisement tax. Consequent upon the above amendment to the Act, the Government have issued the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 2009 in supersession of the earlier rules - vide Notification issued in G.O. (Ms.) No.41, Rural Development and Panchayat Raj (PR.1) Department, dated 18.05.2009.

Awards

Award for Tamil Nadu for empowering Panchayat Raj Institutions

- The Ministry of Panchayat Raj, Government of India have been ranking the States based on the steps taken by them to strengthen the Panchayat Raj System. Tamil Nadu has been consistently ranked amongst the top five States in this grading process due to its pro-active steps taken to strengthen the Panchayat Raj system. The State achieved **fourth rank** during 2006-07 as per Government of India ranking in the Panchayat Raj Devolution system. It achieved **first rank** during 2007-08, **third rank** during 2008-09 and **second rank** during 2009-10. The Ministry of Panchayat Raj, Government of India released an amount of Rs.82.64 lakhs to Tamil Nadu for the year 2006-07 as the Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) Fund. Likewise, Rs.1 crore was released to Tamil Nadu for 2007-08 and Rs.1.5 crores for 2008-09 as well as 2009-10.
- **Uthamar Gandhi Panchayat Award** – The Government have instituted **Uthamar Gandhi Panchayat Award** which is given to **15** Village Panchayats annually which adopt innovative approaches and undertake special initiatives. For the year **2006-07**, **15** selected Village Panchayats were conferred with **Uthamar Gandhi Panchayat Award** by Hon'ble Chief Minister of Tamil Nadu on **10.10.07** along with a certificate, shield and a cash prize of **Rs.5.00 lakhs** each to those holding Panchayat President Post at that time. For the

year **2007-08** also, **15** selected Village Panchayats were conferred with **Uthamar Gandhi Panchayat Award** by Hon'ble Chief Minister of Tamil Nadu on **19.12.08** along with a certificate, and shield to the Panchayat Presidents as well as the previous Panchayats Presidents. A cash prize of **Rs.5.00 lakhs** has also been given to each of the 15 Panchayats.

Table-2
Uthamar Gandhi Panchayat Award for the years 2006-07 and 2007-08
Winning Panchayats

2006-07			2007-08	
Sl. No.	District	Panchayat	District	Panchayat
1.	Coimbatore	Odanthurai	Tirunelveli	Keelavellakkal
2.	Erode	Thindal	Virudhunagar	Pethureddi yapatti
3.	Ramanathapuram	Michael Pattinam	Ramanathapuram	Thamaraikulam
4.	Sivagangai	Nalukottai	Nagapattinam	Vizhunthamavadi
5.	Vellore	Kattuputhur	Tiruvarur	Pallivarthi
6.	Salem	Chinnanur	Tirunelveli	Idaiyankudi
7.	Tiruvarur	Keelathirupalakudi	Thanjavur	Seenivasanallur
8.	Kanniyakumari	Thikkanankodu	Ramanathapuram	Thiruvarangam
9.	Tiruchirappalli	Valadi	Karur	Esanatham
10.	Theni	Lakshmipuram	The Nilgiris	Thummanatti
11.	Namakkal	Kaadachanallur	Theni	Ramasamy naickenpatti
12.	Kancheepuram	Pappanallur	Namakkal	Mudalaipatti
13.	Cuddalore	Ma.Kolakudi	Dindigul	M.M.Kovilur
14.	Villupuram	Jaggampettai	Erode	Mylambadi
15.	Dindigul	K.Keeranur	Sivagangai	Kattenthal Sukkanoorani

- For the year **2008-09** also, **15** selected Village Panchayats were conferred with **Uthamar Gandhi Panchayat Award** by the Hon'ble Deputy Chief Minister of Tamil Nadu on **19.07.2010**. The chosen Panchayats are given a shield and a cash prize of **Rs.5 lakhs** each while their Presidents are given a certificate and a medal in their name.

Table-3
Uthamar Gandhi Panchayat Award for the year 2008-09
Winning Panchayats

Sl. No.	District	Panchayat
1.	Salem	Kottavaradampatty
2.	Thoothukudi	Thirupanichettikulam
3.	Virudhunagar	Vachchakaranpatty
4.	Namakkal	Reddipatty
5.	Kanniyakumari	Pechiparai
6.	Erode	Bommanaickanpalayam
7.	Cuddalore	Orathur
8.	Coimbatore	Kunnathur
9.	Viluppuram	S. Kuppam
10.	The Nilgiris	Bearhatty
11.	Thiruvarur	Mela Perumalai
12.	Perambalur	Athiyur
13.	Ramanathapuram	Ariyanendal
14.	Dindigul	Kalikkampatti
15.	Krishnagiri	Poonappalli

- **Corporate Social Responsibility Award** – Government instituted an Award to honour the Industrial, Service and Business Organisations that are actively involved in various social and economic upliftment activities as part of their Corporate Social Responsibility, from the year 2007-08 onwards vide G.O. Ms. No.117, Rural Development (SS.2) Department, dated 2.7.2007. The Award consists of Rs. 5 lakhs cash each and a Certificate. This Award is being given to 5 such commercial and industrial establishments every year.
- The Government have issued orders selecting 5 organisations for the Corporate Social Responsibility Award for the year 2007-08 and 4 organisations for the year 2008-09. The Awards were given by the Hon'ble Deputy Chief Minister on 19.10.2009.

Table-4
Corporate Social Responsibility Award for the years 2007-08 and 2008-09

Winning Organisations

Sl. No.	2007-08	Sl. No.	2008-09
1.	TamilNadu Newsprint Papers Ltd. Kakithapuram, Karur District.	1.	Chennai Petroleum Corporation Ltd, Manali, Chennai.
2.	Oil and Natural Gas Commission, Karaikal, Pondicherry.	2.	Steel Authority of India Ltd., Salem Steel Plant, Salem District.
3.	Srinivasan Services Endowment, T.V.S Motors Group. Chennai.	3.	Orchid Chemicals and Pharmaceuticals Ltd, Nungambakkam, Chennai.
4.	Saint Gobain Glass India Ltd, Sriperumbudur, Kancheepuram District.	4.	Shree Ramalinga Mills Ltd, Aruppukottai, Virudhunagar District.
5.	Sakthi Masala Pvt.Ltd, Mamarathupalayam, Erode District.		

- For the year **2009-10** also, the following **5 (five) organisations** have been selected for this **Award** and they have been conferred with the **Corporate Social Responsibility Award** by the Hon'ble Deputy Chief Minister on 21.07.2010.

Table-5
Corporate Social Responsibility Award for the year 2009-10

Sl. No.	Winning Organisations
1.	Neyveli Lignite Corporation Ltd., Neyveli, Cuddalore District.
2.	Hyundai Motor India Ltd., Sriperumbudur, Kancheepuram District.
3.	Bannari Amman Sugars Ltd., Sathyamangalam, Erode District.
4.	TITAN Industries Ltd.,Hosur,Krishnagiri District.
5.	C.R.I Pumps Private Ltd., Saravanampatti, Coimbatore District.

- **Increase in the allowances of Rural Local Body Representatives:**
Increase of the allowances to Rural Local Body Representatives Fixed Traveling Allowance (FTA) was initially sanctioned by the Government to the Presidents of Village Panchayats, Chairpersons and Members of the Panchayat Unions and District Panchayats vide G.O.Ms.No. 262 Rural Development Department dated 20.12.1997. This amount was enhanced by **10%** in the year **1999** and was not revised thereafter. The Government, vide G.O.(D) No.569 Rural Development and Panchayat Raj (C1) Department, dated 28.09.07, have enhanced the FTA for the rural Local Body representatives as under:

Table-6
Monthly FTA for rural Local Body representatives

Sl. No.	Name of the office / seat	Previous Monthly FTA (Rs.)	Revised Monthly FTA (Rs.)
1	President , Village Panchayat	330	500
2	Chairperson, Panchayat Union	550	750
3	Member, Panchayat Union	220	400
4	Chairperson, District Panchayat	1,100	1,500
5	Member, District Panchayat	330	500

- Issue of Identity Cards to Heads of Panchayat Raj Institutions:** Based on the representations of the Village Panchayat Presidents during the Regional Conferences of Village Panchayat Presidents at Erode and Tiruchirappalli, the Hon'ble Deputy Chief Minister announced the decision of the Government to give Identity Cards to all the **12,618** Village Panchayat Presidents, which were immediately issued thereafter. Identity Cards were also given to the Chairpersons and members of the Panchayat Unions and District Panchayats.
- Local Bodies' Day** -The rural and urban Local Bodies are perhaps, the agencies with maximum public interface. There is need to further strengthen this interface and bring about greater transparency and openness in the functioning of the Local Bodies. At the same time, it is also necessary to highlight their achievements and carry out various Information, Education and Communication campaigns relating to civil administration and implementation of schemes. One method of doing this is to designate a particular day in a calendar year as "**Local Bodies Day**". The Government have issued G.O.No.632, RD & PR (C1) Department, dated 26.10.2007 earmarking November 1 as ' Local Bodies Day' to be celebrated every year, by all rural and urban Local Bodies in Tamil Nadu.
- Rationalization of Village Panchayat Accounts**-Several instances came to notice, that Village Panchayat Presidents and Vice Presidents issued cheques for Scheme funds works / National Rural Employment Guarantee Scheme works without measurement and check-measurement of works and without the bills being passed by the Block Development Officers (Village

Panchayats) concerned. The number of instances of unauthorized drawals was greater on the eve of Local Body elections. Therefore, the Government have issued orders in G.O. Ms.No.146 Rural Development and Panchayat Raj Department dated: 17.8.2007 for further rationalizing of the Village Panchayat Accounts and streamlining the procedure in operation of the Accounts. The Government have further streamlined the above accounting procedure through G.O. Ms.No.178, Rural Development and Panchayat Raj Department dated: 25.11.2008 and G.O. Ms.No.180 Rural Development and Panchayat Raj Department dated: 01.12.2008.

- **Administrative Powers** - Government have issued orders raising the administrative sanction limit for the works undertaken in the Local Bodies from the General fund, wherein Village Panchayats have been empowered to give administration sanction and execute individual works upto **Rs.2 lakhs**. Previously, the limit was **Rs.1 lakh** only. The power of the Panchayat Union Council to give administration sanction for an individual work has been revised from **Rs.5 lakhs** to **Rs.10 lakhs**. District Panchayat council can now give administrative sanction for individual works upto to **Rs.20 lakhs** (Previously, it was Rs.10 lakhs). The Government have issued orders in G.O.Ms.No.203 RD & PR Department dated 20.12.07 raising the technical sanction powers and for rationalizing the powers of Engineers for works taken under National Rural Employment Guarantee Programme. Further, the Government have issued order in G.O.Ms.No.204 RD and PR dt.24.12.2007 specifying various authorities to scrutinize the tender proposals.
- **Reconstitution of District Purchase Committee and revised norms for purchase of Water Supply materials –**
- In G.O. Ms. No.144, Rural Development and Panchayat Raj (SGS.III) Department, dated 22.12.2009, the Government have issued orders reconstituting the already existing District Purchase Committee for the fixation of rate contract of materials for Water Supply Works, as follows:

District Collector	- Chairman
Project Director, DRDA	- Vice Chairman
Assistant Director (Panchayats)	- Member Secretary
Executive Engineer (RD)	- Member
Executive Engineer (RWS), TWAD	- Member
Accounts Officer, DRDA	- Member

- In the same G.O., the Government have issued orders that instead of calling for Rate Contracts for various categories of Water Supply related works, tenders should be called for by this Purchase Committee only for the fixation of Rate contract 'for the Supply and Delivery of Standard Deep Well (India Mark II) Hand Pump sets and Specials.' For rest of the water supply materials, the PWD/TWAD Board approved schedule of Rates, which are already available should be adopted by the rural Local Bodies. It is, however, clarified that works should be undertaken by following the existing tender procedure / DGS & D rates.
- **Telephones to all the Village Panchayat Offices** - The Government have ordered for **provision of Telephones** to all the Village Panchayat offices to improve their communication facility and the same has been provided to all Village Panchayats.
- **Computers along with printers for all the Chairpersons of District Panchayats and Panchayat Unions** - The Government have provided computers along with printers for the official use of all the Chairpersons of 29 District Panchayats and Chairpersons of 385 Panchayat Unions out of Panchayat Empowerment and Accountability Incentive Scheme funds for 2006-07 and 2007-08.
- **Inverters for all the District Panchayats and Panchayat Unions** - Further all the 29 District Panchayats and 385 Panchayat Union offices have been sanctioned Power-Inverters using the PEAIS funds for the year 2008-09.

- **Wireless for all the Districts** - All the Districts have already been provided with Wireless equipment during period from 2007-09 itself. The newly formed Tiruppur District has also been provided with wireless equipments during 2009-10 at an estimated cost of Rs.6.92 lakhs vide - G.O. (Ms.) No.25, Rural Development and Panchayat Raj (SGS.IV) Department, dated 23.03.2010.
- **Stability in Tenure of Local Body Representatives**-The Government felt that frequent moving of no-confidence motions on trivial and unjustifiable grounds affected the continuity in planning and implementation of works in rural Local Bodies and is detrimental to public interest. In order to make the provisions for moving and passing the no-confidence motion more stringent, the Government have amended the relevant provisions of the Tamil Nadu Panchayats Act, 1994, wherein the minimum strength required for issuance of motion of no confidence against the Vice-President of the Village Panchayat or the Chairperson or the Vice-Chairperson of the Panchayat Union or the District Panchayat concerned, has been increased from the existing half of the sanctioned strength to three-fifth and the minimum strength required for carrying the motion has been increased from the existing two-third to four-fifth of the strength of the local body concerned. Also it has been stipulated that no motion of any confidence can be brought within one year of the assumption of the office or during the last year of the term of office of the Vice-President of the Village Panchayat or the Chairperson, Vice-Chairperson of the Panchayat Union or the District Panchayat concerned.
- **Appointment of Special Officers for Village Panchayats by District Collectors** The power of appointment of Special Officers for Village Panchayats in certain circumstances is vested with the Government. In order to avoid delay and to ensure uninterrupted administration of Village Panchayats, a new section 9-C has been inserted in Tamil Nadu Panchayat Act, 1994 so that the District Collectors concerned can appoint Special Officers for Village Panchayats which could not be constituted even after resorting to election process.
- **Duty of the President to implement schemes entrusted to the Village Panchayat** -Village Panchayats implement various Centrally Sponsored schemes and State funded schemes besides undertaking works out of

General Funds. However, there was no specific provision in the Tamil Nadu Panchayats Act, 1994, to require the President of the Village Panchayat to execute or implement the schemes entrusted to the Village Panchayats. Hence, necessary amendment to Section 46 of the Act has been issued making it mandatory for the President of Village Panchayat to execute or implement the schemes entrusted to the Village Panchayat.

- **Annual report of the functioning of Panchayats** - At present, District Panchayat performs advisory-cum-planning role. The implementation of developmental programmes is done by the Panchayat Unions and Village Panchayats. Since the Act provided only for laying the Annual Report of the individual District Panchayats on the floor of the Legislative Assembly, a new Section 166-A was inserted to the Tamil Nadu Panchayats Act, 1994, so that an overall view of the functioning of the three tiers of the Panchayat Raj Institutions can be presented in the form of "Annual report of the functioning of Panchayats" before the Tamil Nadu Legislative Assembly. Annual reports of the functioning of Panchayats for the years **2006-07 & 2007-08** have already been placed on the floor of Tamil Nadu Legislative Assembly during **February, 2009**. The Annual Report on the functioning of the Panchayats for the year **2008-09** has been placed on the floor of the Assembly during **June, 2009** and the same for the year **2009-10** has been placed on the floor of the Assembly during the month of **April, 2010**.
- **Enhancement of Penalties** - Tamil Nadu Panchayats Act 1994, contemplates imposition of penalties on the persons who contravene any of the provisions of the Act specified in Schedule-II or who fail to comply with any directions lawfully given to them or requisition lawfully made upon them. Schedule-III of the Act prescribes penalties for the continuing breaches. Since the penalty amount provided in the above Schedules were prescribed 50 years back and have lost the deterrent effect, amendments were issued to Schedule II and Schedule III enhancing the penalty amount leviable under the Act. This will empower the rural Local Bodies in strict enforcement and also to impose and collect higher penalties in case of violation.
- **Disqualification of Members of Panchayats** -The Government have now been empowered to decide the question of disqualification for being chosen as, and for being a member of a Panchayat in consultation with the Tamil

Nadu State Election Commission by an amendment to Sections 34, 35,37,38,39 and 41. This is in consonance with the disqualification provisions in respect of Members of Legislative Assembly contained in the Representation of People Act, 1951. Necessary provisions have also been made in the Tamil Nadu Panchayats Act, 1994 by inserting new sections 41-A, 41-B,41-C and 41-D, empowering the Tamil Nadu State Election Commission in the matter of conduct of enquiries as to disqualification of members of the Panchayats.

- **Devolution of Funds to Rural Local Bodies** –The Government have **enhanced the devolution funds** to the local bodies from State’s Own Tax Revenue during **2007-08** from **8% to 9%**. Further it was enhanced during **2009-10** from **9% to 9.5%** and **2010-11** from **9.5% to 10%**.

The allotment to the rural local bodies has been increased from **Rs.1,225 crores** during 2006-07 to **Rs.1,583.58** crores in **2007-08**. In absolute term, it was an increase of **Rs.358 crores or 30%**. For the year 2008-09, **1,716.44** crores was allocated which was an increase of **Rs.133 crores** i.e. **8%** over **2007-08**. For the year **2009-10**, **Rs.1,926.57** crores has been allocated with an increase of **Rs.210.13 crores** (i.e. 12%) over **2008-09**, i.e. 12%. For the year 2010-11, Rs.2,334.21 crores has been allocated in the Budgetary allocation with an increase of Rs. 407.64 crores (i.e. 21%) over 2009-10.

Table-7
Devolution of funds to Rural Local Bodies

(Rs. in Crores)

Year	Allocation	% Increase over previous year
2006-07	1,225.00	23%
2007-08	1,583.58	30%
2008-09	1716.44	8%
2009-10	1926.57	12%
* 2010-11	2334.21	21%

- Amount arrived as per the Budgetary Provision for the year 2010-11.

- **Assigned Revenue** -Local Cess, Local Cess Surcharge, Stamp duty and Entertainment tax receipts that were previously adjusted to the rural local bodies concerned at district level by the District Collectors, are now pooled at the State level and apportioned to the rural local bodies from **2007-2008** onwards, in order to Strengthen the financial position of the local bodies. For the year **2007-08**, **Rs.270** crores had been allocated and out of this, 2/3rd portion was distributed to the rural local bodies, (**i.e.Rs 180 crores**) and in respect of the 1/3rd portion (**Rs. 90 crores**), action was pursued on the basis of priority schemes for improving basic amenities During **2008-09**, an amount of **Rs.541.77 crores** was allocated under the Pooled Assigned Revenue, out of which, **Rs.180.59 crores** is the Scheme Component. For **2009-10**, an amount of **Rs.359.49 crores** is allocated under the Pooled Assigned Revenue, out of which, **Rs.179.745 crores** is the Scheme component. For the year 2010-11, an amount of Rs. 236.38 crores is allocated and out of this 1/3rd portion (i.e., Rs.78.79 crores) is apportioned to the rural Local Bodies and the balance 2/3rd portion (i.e., Rs.157.59 crores) has been allocated to priority schemes for improving basic amenities as per the guidelines issued in the G.O. (Ms) No. 71, RD & PR (PR) dated: 14.07.2010.
- Under Scheme component of Pooled Assigned Revenue, **385** Vehicles were provided to Panchayat Union Chairpersons and **664** vehicles were allocated to BDOs, EEs and AEEs of newly created sub divisions.
- The Village Panchayats are responsible for provision and maintenance of basic amenities like Drinking Water Supply, Street Lights, Roads and Sanitation. But, many Village Panchayats were finding it difficult to provide basic amenities due to insufficient financial position. Hence, the following action was taken to set right this position:

 1. From **2007-08** onwards, the SFC devolution grant share of Village Panchayats has been raised from **47% to 60%**.
 2. When funds are allotted based on the basis of population alone, bigger Village Panchayats get a major share and many smaller Village Panchayats do not get sufficient funds. To change this situation, it has been ordered to release evenly a **minimum grant of Rs.3 lakhs** to all the Village Panchayats and to apportion the balance amount on population basis.

3. From the year **2008-09**, a **minimum grant of Rs. 30 lakhs** has been ordered to be released to all the Panchayat Unions as a measure of equalization and the balance is released on the basis of population.
4. The **Government have ordered to allot the entire Twelfth Central Finance Commission grant to the Village Panchayats** and this is being implemented from the second half-year allocation of **2006-07**. **Similarly, Thirteenth Finance commission Grant for the year 2010-11 was also allotted to the Village Panchayats.**

II. RURAL DEVELOPMENT SCHEMES

KALAINGAR VEEDU VAZHANGUM THITTAM:

- In his address in the Tamil Nadu Legislative Assembly on 06.01.2010, His Excellency the Governor of Tamil Nadu announced a new scheme called 'Kalaingar Veedu Vazhangum Thittam', to convert all the huts in rural areas of Tamil Nadu into concrete-roofed, permanent houses over a 6 year period between 2010-11 and 2015-16. Tamil Nadu will, thus, earn the distinction of being the first 'hut free State' of the country by 2016.
- The 'Kalaingar Veedu Vazhangum Thittam', was inaugurated by the Hon'ble Chief Minister on 03.03.2010 at Tiruchirappalli.
- The Main Survey was commenced on 29.03.2010 with a 3 Members Team consisting of Makkal Nala Paniyalar, Village Administrative Officer and Village Panchayat Assistant for each Village Panchayat. District Collectors appointed staff of both RD and Revenue Departments (such as BDOs, Dy.BDOs, AEs/ JEs, Overseers, Tahsildars, Deputy Tahsildars, Revenue Inspectors, etc) to act as the Super-checking Officials.
- At the end of the Main Survey and Super-checking, nearly 22 lakhs huts were enumerated. All the enumerated huts were entered into the Kalaingar Housing Scheme Database, through a web-based software developed by National Informatics Centre.
- The Hon'ble Chief Minister issued Work Orders to 31 eligible beneficiaries belonging to all Districts @ 1 beneficiary per District during the Independence Day Celebrations held on 15.08.2010. The District Collectors have also issued work orders to 10 eligible beneficiaries of their District on the same day.
- During the 1st year of the Scheme (2010-11), 3 lakhs huts have been taken up from among the eligible huts.

- The progress of the Scheme is as below:

Sl. No.	Name of the District'	No. of Houses allotted for 2010-11	Marking work completed	Earth work completed	Foundation Concrete laid	Base ment level completed	Lintel level completed	Roof level completed
1	Kancheepuram	13512	12879	12415	8675	6841	883	131
2	Tiruvallur	11331	10155	9421	8168	6966	1871	498
3	Cuddalore	26119	25110	16413	12836	8885	1819	390
4	Villupuram	37793	34548	29093	25016	18443	6193	1775
5	Vellore	15479	14790	12205	8586	6141	1138	527
6	Tiruvannamalai	17653	15899	14655	11636	9165	2985	862
7	Salem	13309	10764	9173	7554	5503	948	151
8	Namakkal	6082	4915	3056	2384	1518	236	30
9	Dharmapuri	7165	6582	5636	3916	2889	575	169
10	Krishnagiri	5291	4567	4042	3241	2798	561	140
11	Erode	4967	4161	2803	2421	1967	533	61
12	Coimbatore	2949	2726	2357	1898	1344	115	15
13	Tiruppur	3174	2593	2176	1688	1357	194	29
14	The Nilgiris	265	200	176	121	83	17	13
15	Thanjavur	16690	14962	10964	7628	3999	444	56
16	Nagapattinam	16193	15937	8451	4268	3023	837	166
17	Tiruvarur	12544	11733	9166	5876	3198	1029	145
18	Tiruchirappalli	8447	7091	6563	5821	3970	506	71
19	Karur	8859	7087	5329	3388	1915	334	108
20	Perambalur	3457	2039	1483	1227	772	68	6
21	Ariyalur	8515	7954	5650	3756	2348	451	37
22	Pudukottai	9994	9067	7521	4556	3802	564	51
23	Madurai	8762	6281	5108	4221	3318	615	128

24	Theni	1063	954	926	895	891	411	147
25	Dindigul	13343	11923	7782	5254	4254	642	63
26	Ramanathapuram	10381	10351	6038	4578	3641	528	39
27	Virudhunagar	1394	1199	1129	851	699	269	61
28	Sivagangai	8364	7748	5856	3790	2691	553	52
29	Tirunelveli	2345	2011	1456	1294	1161	348	79
30	Thoothukudi	3021	2742	2013	1414	1192	347	63
31	Kanniyakumari	1539	1264	1161	1094	1060	584	284
	Total	300000	270232	207492	158051	115606	26598	6347

- During this financial year 2010-11, a sum of Rs.562.50 Crores has been released to all Districts as First Quarterly Installment. Out of the Rs.294.45 Crores amount released to all Village Panchayats by District Rural Development Agencies, Rs.33.53 Crores has been paid to the beneficiaries Rs.54.53 Crores has been paid to Cement and Rs.20.36 Crores has been paid towards steel by District Rural Development Agencies.
- **Anaithu Grama Anna Marumalarchi Thittam** - inaugurated by Hon'ble Chief Minister of Tamil Nadu in January, 2007 is the largest Rural Development scheme among all the State sponsored schemes. Under this scheme, formation of pond, library, Sports Centre, burial ground and provision of water supply are compulsory items of work taken up in each Village Panchayat. Street lights, Inland fisheries, CC Roads, Shandies etc. are taken up based on the local needs.

Table-8
Allocation & Expenditure under AGAMT

(Rs. in crores)

Year	Number of Village Panchayats	Allocation	Expenditure
2006-07	2,540	513.08	484.15
2007-08	2,534	511.87	474.24
2008-09	2,520	509.04	461.63
2009-10	2,510	507.02	469.27
2010-11	2,514	507.83	257.19

Table-9
Anaithu Grama Anna Marumalarchi Thittam Year Wise Progress

Sl. No.	Name of the Works	2006-07		2007-08		2008-09	
		Taken up	Com pleted	Taken up	Com pleted	Taken up	Com pleted
1.	Ponds	2,599	2,599	2,546	2,546	2,520	2,520
2.	Burial Ground/ Cremation Shed	4,482	4,482	3,850	3,850	3,531	3,531
3.	Sports Centres	2,540	2,540	2,534	2,534	2,520	2,520
4.	Libraries	2,540	2,540	2,534	2,534	2,520	2,520
5.	Drinking Water supply	8,576	8,576	7,265	7,265	5,693	5,693
6.	Cement Roads No./Km	9,972/ 1,339.39	9,972/ 1,339.39	8,158/ 842.30	8,158/ 842.30	5,519/ 720.77	5,519 720.77
7.	Inland Fishery	1,031	1,031	1,097	1,097	908	908
8.	Village Shandies	122	122	46	46	32	32
9.	Street Lights	33,186	33,186	29,316	29,316	24,432	24,432
10.	Other works	7,691	7,691	6,712	6,712	4,713	4,713
	Total	72,739	72,739	64,058	64,058	52,388	52,388

Table 10
Anaithu Grama Anna Marumalarchi Thittam 2009-10 Progress

Sl. No.	Name of the Works	2009-10	
		Taken up	Completed
1.	Ponds	2,510	2,510
2.	Burial Ground/ Cremation Shed	3,531	3,531
3.	Sports Centres	2,510	2,510
4.	Libraries	2,510	2,510
5.	Drinking Water supply	4,820	4,820
6.	Cement Roads No./Km	4,238/ 516.17	4,238/ 513.12
7.	Inland Fishery	606	606
8.	Village Shandies	14	14
9.	Street Lights	20,657	20,657
10.	Other works	4,501	4,501
	Total	45,897	45,897

Table 11
Anaithu Grama Anna Marumalarchi Thittam 2010-11 Progress

Sl. No.	Name of the Works	2010-11	
		Taken up	Completed
1.	Ponds	2,514	1,729
2.	Burial Ground/ Cremation Shed	3,326	2,025
3.	Sports Centres	2,514	950
4.	Libraries	2,514	1,094
5.	Drinking Water supply	4,462	3,912
6.	Cement Roads No./Km	3,781 / 514.57	3,523 / 405.69
7.	Inland Fishery	622	82
8.	Village Shandies	12	5
9.	Street Lights	2,222	1,019
10.	Other works	4,990	3,337
	Total	26,957	17,676

- Further, funds from other schemes of Rural Development and Panchayat Raj Department and other departments such as Agriculture, Education, TWAD, Highways etc, are also dovetailed as far as possible into the Village Panchayats taken up under AGAMT.

Table-12
AGAMT - Dovetailing and convergence of funds

(Rs. in lakhs)

Year	No.of works	Value of works	Average per AGAMT Village
2006-07	7,80,805	2,13,725.38	84.14
2007-08	7,43,087	2,22,891.34	87.96
2008-09	5,19,385	2,63,314.14	104.49
2009-10	5,23,356	2,83,354.87	110.89
2010-11	5,53,687	2,91,334	115.88

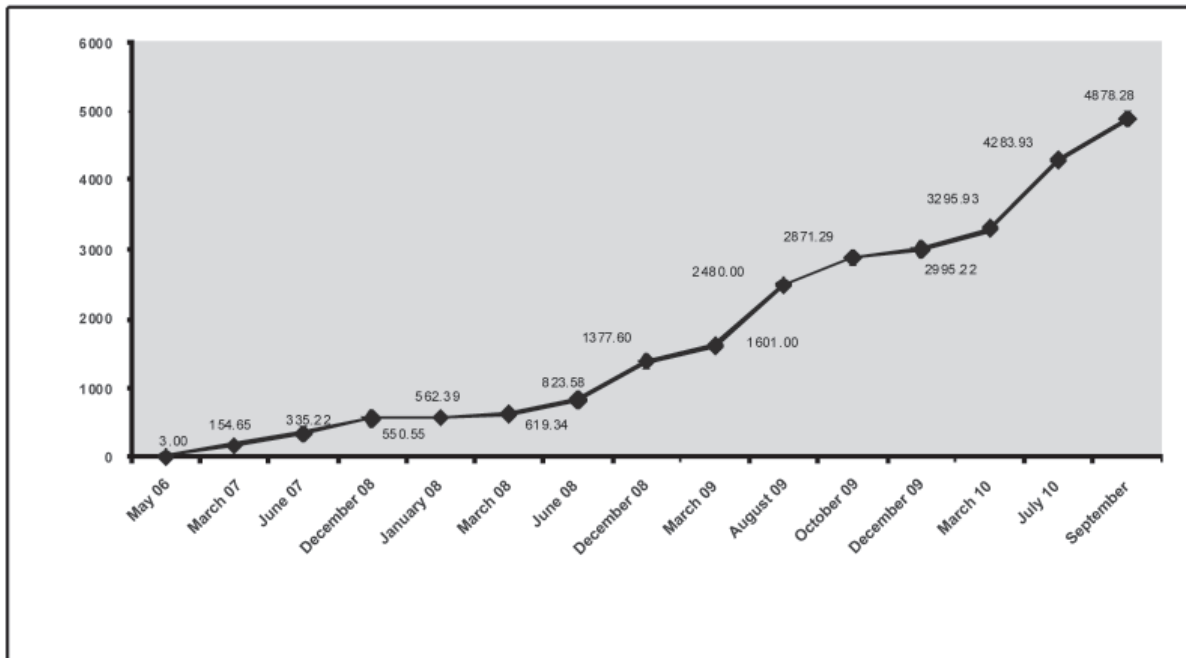
- **Mahatma Gandhi National Rural Employment Guarantee Scheme - Tamil Nadu** was initially implemented in six notified (Phase I) districts viz. Cuddalore, Villupuram, Tiruvannamalai, Nagapattinam, Dindigul and Sivagangai districts from **2.2.2006**. In the second phase, it was extended to Thanjavur, Tiruvarur, Karur and Tirunelveli districts with effect from **1.4.2007**. From **1.4.2008** onwards, the Scheme has been extended to all the remaining 20 districts (Phase III) of Tamilnadu viz. Kancheepuram, Tiruvallur, Vellore, Salem, Namakkal, Dharmapuri, Krishnagiri, Erode, Coimbatore, Nilgiris, Trichy, Perambalur, Ariyalur, Pudukottai, Madurai, Theni, Ramanathapuram, Virudhunagar, Tuticorin and Kanniyakumari.

Table-13
Funds Released & Expenditure under MGNREGS year wise
(Rs. in crores)

Year	Central Govt.	State Govt.	Total	Expenditure
2005-06	65.72	7.31	73.03	3.00
2006-07	170.89	18.08	188.97	151.64
2007-08	516.29	57.29	573.58	516.42
2008-09	1,401.26	191.98	1,593.24	1,005.15
2009-10	1,371.19	231.28	1,602.47	1,676.37
2010-11	775.09	187.50	962.59	1,526.957
Total	4,300.45	963.43	4,993.88	4,879.537

Total expenditure incurred under
Mahatma Gandhi National Rural Employment Guarantee Scheme in
Tamil Nadu (May 2006 to September 2010)

(Rs.in Crores)



- The expenditure which was **Rs.3 crores** as on 13.05.06 under this Scheme (that commenced in February, 2006), rose to **Rs.111 crore** in Jan. 07 and has now crossed **Rs.4,879.537 crores. 66,636** works have been completed under the Scheme by generating **41.02** crores mandays. In Tamilnadu, **76%** of the beneficiaries under National Rural Employment Guarantee Scheme are women and over **56%** of the beneficiaries belong to SC/ST families. In rural areas, the wages of women workers have considerably increased. Cuddalore, Sivagangai and Dindigul find place among 22 Districts at National level which have received Annual Award for the year 2007-08 for Excellence in MGNREGA Administration for promoting effective implementation of MGNREGA ACT on 02.02.2009 in New Delhi. Likewise Nagapattinam and Villupuram Districts find place among 26 Districts at National Level which have received Annual award for the year 2008-09 for excellence in MGNREGA Administration for promoting effective implementation of MGNREGA Act on 02.02.2010 in New Delhi. For implementing this Scheme, new posts have also been created as follows:

Table-14
MGNREGS - Posts sanctioned to expedite Progress

Sl. No.	Designation	No. of posts
State Level		
1	Additional Director	1
2	Executive Engineer	1
3	Assistant Directors	2
4	Block Development Officer	1
5	Assistant	2
6	MIS Specialists	2
District Rural Development Agencies		
7	Superintendents (in the cadre of BDO)	62
8	Assistants	62
9	Junior Assistents	31
10	Computer Operators	124
Block Development Offices		
11	Dy BDOs	770
12	Assistants	770
13	Computer Operators	1,665
Technical Posts		
14	Assistant Executive Engineers	33
15	Assistant Engineers	248
16	Overseers	1291
17	Junior Draughting Officers	33

- **The following special steps were initiated to streamline and expedite the implementation of MGNREGS scheme:**

1. A separate Rural Schedule of Rates have been sanctioned exclusively for this scheme since 2006-07 onwards. Consequent upon the increase in the minimum wages from **Rs.80/-** to **Rs.100/-** with effect from 01.01.2010 vide G.O.2(D) No.88, Labour and Employment (J1) Department, Dated 1.10.2009 the Rural Schedule of Rates have also been revised correspondingly under NREGS vide G.O.(Ms)No.146, RD&PR (CGS-1) Department, Dt.23.12.2009. Presently, a worker under MGNREGS can get the prescribed PWD rate of wage even by doing work that is 50% lesser than what is required as per PWD Schedule of Rates. In other words, the Rural Schedule of Rates are 100% higher than PWD Schedule of Rates and for bush / jungle clearance, these rates are 150% higher.
2. A minimum of 30% registration has been insisted upon in each Village Panchayat. The average percentage of registration in Phase-I & II districts has crossed **74%** & in Phase III districts it has crossed **58%**, which indicates that there is widespread awareness about the Scheme. Overall registration percentage is **64%**.
3. The existing formats of Job Cards and Nominal Muster Rolls have been revised to make these documents more transparent, informative and difficult to manipulate in the process of scheme implementation.
4. Since the scheme requires intensive touring, the Government have sanctioned additional fuel of **50** litres per month for each of the vehicles in the Panchayat Unions. The Government have also sanctioned additional fuel of **75** litres for the vehicles of the Assistant Executive Engineers (RD) vide G.O.Ms.No.27 RD&PR (CGS-I) Department, dated 20.02.2008.
5. Makkal Nala Paniyalars (MNPs) have also been made responsible for the implementation of the scheme at the field level.
6. Additional ministerial, technical and computer staff have been sanctioned at District, Division, Block and Village levels in order to ensure proper implementation and close supervision of the scheme. Due to the extension

of this scheme to the remaining 20 districts of Tamil Nadu with effect from 1.4.2008, the Government have sanctioned additional administrative staff, additional fuel for block vehicles for 20 Phase - III National Rural Employment Guarantee Scheme districts vide G.O. Ms. No. 27, RD & PR (CGS-1) Department, dated 20.2.2008.

7. Only **100%** labour intensive works have been taken up in order to prevent the entry of contractors who are strictly banned as per the NREG Act.
8. Only bigger works not less than **Rs.3 lakhs** in value have been taken up in order to ensure that i) adequate number of workers get sustained employment at a work site for at least 30 days, ii) the assets created are visible, durable and genuinely beneficial to the community, iii) resources are not wasted by being spread too thinly, iv) the works are monitored closely and leakages are minimized.
9. In order to ensure greater transparency and fair play, it has been ordered to disburse the wages to the workers in the presence of at least four members of the following committee:
 - a) President of the Village Panchayat.
 - b) Vice-President of the Village Panchayat
 - c) Ward Member of the area where the work is executed
 - d) An SC/ST Ward Member, if none of the persons in Sl.Nos. a,b and c belongs to SC/ST Community.
 - e) Two animators of graded Self Help Groups and
 - f) a representative of the Panchayat Level federation of SHGs.
10. In order to ensure a total transparency in the implementation of the Scheme, the Government ordered for the conduct of Social Audit of the Scheme in all Village Panchayats of NREGS districts during the conduct of Grama Sabha meetings on **26th January, 1st May, 15th August and 2nd October** of every year. Accordingly the Social Audit of the MGNREG Scheme has been taken up during the Grama Sabha meetings in the year **2008-09 2009-10** and 2010-11 also. In order to conduct the Social Audit effectively a six

member Social Audit Committee comprising MGNREGS workers has been elected in **all** Village Panchayats wherever MGNREGS works have been taken up in a Gram Sabha convened during January, 2010. The elected SAC members have been imparted a detailed training through the master trainers (Community resource persons of Mahlir Thittam Project / Community professionals of Vazhunthu Kattuvoam Project) to carry out Social Audit independently after perusing connected records appropriately.

- **Periyar Ninaivu Samathuvapuram** - To promote social justice and Thanthai Periyar's message of social equality, Government of Tamil Nadu established Samathuvapurams since 1997-98 where all communities can live with the spirit of unity and brotherhood. Accordingly, 145 Samathuvapuram were established in the State. Government again decided to revive the Scheme in order to propagate the message of living with unity and brotherhood. The Government also decided to install statue of Thanthai Periyar at the entrance of all 95 new Samathuvapurams as well as the 145 Samathuvapurams already constructed. In the first phase, 29 Samathuvapuram were established during 2008-09 at the rate of one Samathuvapuram in each district (except Nilgiris and Chennai). Each Samathuvapuram has 100 houses, Roads, Street lights, Drinking water supply and Public Distribution System shop, wherein required. The entire cost of the Samathuvapuram is met out by the Government of Tamil Nadu. All the 29 Samathuvapurams have been completed and inaugurated by the Hon'ble Chief Minister / Hon'ble Deputy Chief Minister. The statues of Thanthai Periyar have been installed in all the 29 Samathuvapurams and also in 122 out of 145 Samathuvapurams already constructed, so far.
- In the year 2009-10, 30 Samathuvapurams are taken up and works are in progress at various stages. 5 Samathuvapurams have been completed and inaugurated by the Hon'ble Deputy Chief Minister. 6 Samathuvapurams have been completed and to be inaugurated. 17 Samathuvapurams are to be completed in October 2010 and 2 Samathuvapurams in December 2010.

- For 2010-11, a sum of Rs.75 crores has been allotted to take up 36 Samathuvapurams in the State in 29 districts except Nilgiris and Kanniyakumari districts. In Cuddalore, Vellore, Villupuram, Pudukottai, Madurai, Virudhunagar, Tirunelveli districts 2 sites have been selected for construction of Periyar Ninaivu Samathuvapuram. Various stages of works have been undergoing in 36 Samathvuapurams.
- Indira Awaas Yojana (IAY)** -Due to rise in the building materials, the cost of construction of new houses under Indira Awaas Yojana Scheme (IAY) has increased substantially. The Central Government have, in its Budget Report for **2010-11**, raised the unit cost for each house from **Rs.35,000/-** to **Rs.45,000/-**-Likewise, considering rise in the RCC roofing cost, the State Government have also ordered to raise the RCC Roofing cost from **Rs.20,000/-** to **Rs.30,000/-** per house from **2010-11** onwards. The allocation for RCC roofing is an additionality to the State share of the Scheme.

Table-15
IAY - New Houses

(Rs in crores)

Year	Allocation (Including RCC Roofing cost)	Expen diture	% of expenditure	Taken up	Completed	% of physical completion
2006-07	189.79	189.79	100	50,380	50,380	100
2007-08	255.38	255.38	100	68,523	68,523	100
2008-09	379.33	379.33	100	68,509	68,509	100
Natural Calamities	6.62	6,62	100	1,186	1,186	100
2009-10	743.65	743.65	100	1,34,014	1,34,014	100
2010-11 *	772.04	55.62	7%	1,02,939	-	-

- Physical progress is under process

Table-16
IAY - Upgradation of Kutcha Houses

(Rs in crores)

Year	Allocation (Including RCC Roofing cost)	Expen diture	% of expenditure	Taken up	Completed	% of physical completion
2006-07	14.47	14.47	100	11,077	11,077	100
2007-08	19.23	19.23	100	15,384	15,384	100
2008-09	26.92	26.92	100	17,951	17,951	100
2009-10	52.60	52.60	100	35,069	35,069	100

- Panchayat Union School Renovation Programme** -Under this Scheme which was started in **2007-08** by the State Government, **22,000** Panchayat Union elementary schools and **4,500** Panchayat Union middle schools that have been remained without maintenance for so many years, were taken up for renovation. During 2007-08, **9,547** Schools were taken up for repairs/ renovation at an estimated cost of **Rs.104.25** crores. Further, during **2008-09**, **4,432** Schools have been taken up for renovation at an estimated cost of **Rs.69.30 crores**. Also, **495** Panchayat Union Elementary and Middle Schools located in Town Panchayats and Third Grade Municipalities have also been taken up for renovation along with construction of **248** toilets under this Scheme at an estimated cost of **Rs.14.34** crores. **4,124** School buildings were taken up during **2009-10** for renovation at an estimated cost of **Rs.67.56** crores. Also, **445** Elementary and Middle Schools located in Town Panchayats and III Grade Municipalities have also been taken up for renovation along with construction of **168** toilets under this scheme at an estimated cost of **Rs.10.62 crores**. During 2010-11, 6051 School were taken up for renovation with an estimate cost of Rs.85 crores in rural Local Bodies and in Urban Local Bodies.

Table- 17
Panchayat Union School Renovation Programme

(Rs in crores)

Year	Allocation	Expenditure	% of expenditure	Taken up	Completed	% of physical completion
2006-07 & 2007-08	104.25	95.88	92	9,547	9,547	100
2008-09	69.30	65.89	95	4,432	4,432	100
2009-10	67.56	58.20	86	4,120	4,120	89
2010-11	85.00	18.52	22	5913	1741	29

- Namakku Naame Thittam** -The Government have ordered the revival of the Namakku Naame Thittam from **2007-08** onwards. The main aim of the Scheme is to involve the Community in Development programmes from the planning stage, the implementation powers and maintenance of assets. The Government have allocated **Rs.50** crores during **2010-11**. The Scheme is being implemented both in rural and urban areas.

Table-18
Namakku Naame Thittam

(Rs in crores)

Year	Allocation	Public contribution	Expenditure	% of expenditure	Taken up	Completed	% of physical completion
2007-08	50.00	24.01	73.11	99	1,891	1,890	100
2008-09	50.00	30.86	80.01	99	2,578	2,576	99
2009-10	50.00	28.07	68.82	88	2,210	2,142	97
2010-11	50.00	23.48	17.47	24	1,453	646	44

- Rural Infrastructure Scheme** - Since the National Rural Employment Guarantee Scheme has been extended to all the districts from 01.04.2008 onwards, the Central Government has discontinued the Sampoorna Grameen Rozgar Yojana (SGRY). Consequent to this, there is no proper scheme at present to create basic infrastructure facilities like Cement concrete Roads and Buildings. Further, it has become essential to stabilize and consolidate the assets created under NREGS. Hence, a new Scheme called Rural Infrastructure Scheme has been introduced during **2008-09** with an allocation of **Rs.350** crores. This amount has been earmarked from SFC grant to Village Panchayats, Panchayat Unions and District Panchayats in the ratio 4:2:1. The entire allocation of Rs.350 crores has been released to districts to take up **33,533** works and all the works have been completed under the Scheme. An amount of **Rs.380** crores was allocated for the year **2009-10**. So far **64,642** works have been taken up and **51,348** works completed. For the year 2010-11, Rs.380 crores was allocated and 47478 works have been taken and out of it 8669 works have been completed so far.

Table-19
Rural Infrastructure Scheme-Workwise Progress-2008-09

Name of the works	Taken up	Completed
Cement Roads No / Km	20,442 / 1,593.89	20,442/ 1,593.89
B.T.Roads No / Km	1,826 / 516.80	1,826 / 516.80
Cremation Shed	308	308
Street Lights	2,536	2,536
Buildings works	958	958
Other works	7,463	7,463
Total	33,533	33,533

Table-20
Rural Infrastructure Scheme-Workwise Progress-2009-10

Name of the works	Taken up	Completed
Cement Roads No / Km	8,185 / 488.73	8,185/ 488.63
B.T.Roads No / Km	1,464 / 367.96	1,457 / 366.24
Cremation Shed	797	790
Street Lights	3,104	3,095
Buildings works	3,125	3,077
Other works	22,282	22,256
MI Tank repair works	2,371	2,366
Stabilization of MGNREGs works	10,132	10,122
Total	51,460	51,348

Table-21
Rural Infrastructure Scheme-Workwise Progress-2010-11

Name of the works	Taken up	Completed
Cement Roads No / Km	6,832/362.41	2,428/ 156.52
B.T.Roads No / Km	2,214 / 523.21	175 / 54.34
Cremation Shed	961	24
Street Lights	897	102
Buildings works	1,447	10
Other works	21,151	4,152
MI Tank repair works	1,905	123
Stabilization of MGNREGs works	12,071	1,655
Total	47478	8669

- **Roads-** After 13.5.2006, road works with a total length of **22,113.05 km** have been taken up at the cost of **Rs.3,065.197 crores** under Prime Minister's Gram Sadak Yojana, NABARD Rural Infrastructural Development Funds XII, XIII, XIV, XV, and Twelfth Finance Commission Grants. This includes an amount of **Rs.859** crores for a length of **3,032 kms** sanctioned under Prime Minister's Gram Sadak Yojana Phase-VII during **2008-09**.

Table 11
Road works - schemewise progress

Sl. No.	Name of the Works	Cost (Rs.in crores)	No of Roads taken Up		Completed	
			No	K.M.	No	K.M.
1.	PMGSY-Phase-V	170.84	365	799.592	364	794.992
2.	PMGSY-Phase-VI	465.63	818	2,082.542	776	1,664.827
3.	PMGSY-Phase-VII	859.00	1,591	3,031.104	1074	2006.109
4.	NABARD- XII	124.81	854	1,486.30	854	1,486.30
5.	NABARD- XIII	437.89	1,404	3,631.95	1,403	3,631.95
6.	NABARD- XIV	379.1772	1,075	2,691.76	1,065	2,657.79
7.	NABARD- XV	200.09	517	1,495.57	165	416.54
8.	NABARD- XVI	199.98	508	1411.96	--	--
9.	XII Finance Commission (2006-07)	103.60	1,462	1,897.35	1,462	1,897.35
10.	XII Finance Commission (2007-08)	103.60	1,460	1,801.16	1,460	1,801.16
11.	XII Finance Commission (2008-09)	103.60	1,096	1,464.81	1,906	1,464.81
12.	XII Finance Commission (2009-10)	103.60	1,185	1,727.040	1,185	1,727.040

- **Cement**-Cement is an important item in the implementation of Rural Development schemes. Due to the scarcity of cement, the implementation of Rural Development Schemes was adversely affected and during **2007-08**, it was decided to procure cement from private firms through TANCEM. The cement which was selling at **Rs.250** to **Rs.260** per bag in the open market was agreed to be supplied at the rate of **Rs.220** per bag for the Rural Development works by the private firms. The cement is being received for Rural Development works accordingly at this price during **2008-09** also. Cement rate for the year **2009-10** is fixed as **Rs.215** per bag and for the year 2010-11 cement rate has been fixed as Rs.210 per bag.
- **Member of Legislative Assembly Constituency Development Scheme**

The allotment under **MLACDS** has been enhanced from **Rs.1.70** crores to **Rs.1.75** crores from **2010-11** onwards.

Table-23
Member of Legislative Assembly Constituency Development Scheme Fund

(Rs in crores)

Year	Allocation	Expenditure	% of expenditure	No of Works Taken up	Completed	% of physical completion
2006-07	282	282	100	59,753	59,753	100
2007-08	282	288.77	100	25,917	25,917	100
2008-09	352.50	352.37	100	28,710	28,707	100
2009-10	399.50	352.66	88	22,668	22,157	98
2010-11	411.25	76.57	19	19,373	5,711	29

- **296** Village Panchayats only got Nirmal Gram Puraskar Award in **2006-07** and due to successful implementation of **Total Sanitation Campaign** during **2007-08, 1,474** Village Panchayats and **5** block Panchayats (Thiruvattar, Munchirai, Killiyur, and Thuckalay blocks in Kanniyakumari District and Thathiengarpet block in Trichy District) have got Nirmal Gram Puraskar Award. Tamil Nadu stands second among all the States in winning highest number of Nirmal Gram Puraskar Awards for 2007-08. In 2008-09, **196** Village Panchayats have got Nirmal Gram Puraskar Award. For 2009-10 the selection of village Panchayats for NGP award is in progress.

Table-24
Parliment Local Area Development
scheme fund (as on 30.9.10)

(Rs in crores)

Year	Allocation	Expen diture	% of expenditure	No of Works Taken up	Completed	% of physical completion
2006-07	114	114	100	4,208	4,208	100
2007-08	114	114	100	3,880	3,880	100
2008-09	114	114	100	4,261	4,261	100
2009-10	114	89	78	3,096	2,910	94
2010-11	114	13	11	2,411	522	22

- **Backward Regions Grant Fund**-The erstwhile RSVY Scheme which was implemented in 5 backward Districts of Tamil Nadu funding through Union Planning Commission was transferred to the Ministry of Panchayat Raj at Government of India level with effect from **2006-07**. Subsequently the Ministry of Panchayat Raj, GOI have modified the Scheme of RSVY as Backward Regions Grant Fund (BRGF) and the Scheme has been designed to redress the regional imbalances in development. The Main focus of the Scheme is to strengthen and provide professional support to local bodies and to improve their performance and delivery of critical functions assigned to them besides redressing regional imbalances in development.

- Accordingly, the District Plans for the 6 BRGF Districts (erstwhile 5 RSVY Districts of Cuddalore, Nagapattinam, Tiruvannamalai, Dindigul and Sivaganga & in addition, Villupuram District) were prepared and approved by the respective District Planning Committees. The Plans were placed before the High powered Committee at the State level and recommended to Government of India for sanction.
- The Government of India have sanctioned and released funds for the 6 District Plans for the year 2007-08 and **2009-10** as below:

Table-25
BRGF- Fund Allocation details

Rs.in crores

Sl. No.	District	2007-08 Amount		2009-10 Amount		Total Sanctioned
		Sanctioned	Released	Sanctioned	Released	Amount
1	Nagapattinam	15.06	13.55	15.06	8.33	28.61
2	Sivagangai	15.52	13.96	15.52	8.71	29.48
3	Villupuram	21.73	19.55	21.73	14.38	41.28
4	Tiruvannamalai	19.27	17.34	19.27	10.65	36.61
5	Dindigul	18.70	16.83	18.70	10.32	35.53
6	Cuddalore	17.76	15.98	17.76	9.70	33.74
	Total	108.04	97.21	108.04	62.09	205.25

- **There is no allocation for the year 2008-09.**

For 2010-11, Rs.95.97 crores has been released by the Govt. of India.

III. Establishment and Welfare of the Staff:

- Rural Development Department was the first department to identify and issue orders to fill up all the vacancies in the department from the cadre of Assistant Director to Makal Nala Paniyalarkal. **Orders have been issued to fill up 17,819** vacancies. Out of these **17,549 vacancies have been filled up** so far. Action is being taken to fill up the balance **270** vacancies through Tamil Public Service Commission / Employment exchange.

- In order to strengthen the Technical wing of the Rural Development and Panchayat Raj Department** - The Government requested Tamil Nadu Public Service Commission (TNPSC) to recruit **223** Assistant Engineers (RD) for the year 2006-07 and TNPSC allotted **223** candidates to this Department. Out of these, **179** Assistant Engineers (RD) have joined in the districts and working. Further Government have also requested the TNPSC to recruit **264** Assistant Engineers (RD) for the year **2007-08** and TNPSC has allotted **260** candidates. Out of these, **241** candidates have joined as Assistant Engineers (RD) in the districts.

Table-26
Posts filled up after 31.5.2006

Sl.No.	Name of the Post	Nos
1	Overseers	1,836
2	Senior Draughting Officers	29
3	Junior Draughting Officers	108
4	Road Inspectors	589
5	Assistant Engineers (RD)	427
6	Junior Engineers (a) Tsunami Implementation Unit (b) National Rural Employment Guarantee Scheme	63 54
7	Assistant Executive Engineers (RD) (a) Tsunami Implementation Unit (b) Rural Development & Pt Raj sub Division (c) National Rural Employment Guarantee Scheme (d) IFAD	57 132 33 6
8	Executive Engineers (RD)	
	(a) Rural Development & Panchayat Raj Department	32
	(b) Tsunami Implementation Unit	13
	(c) IFAD	1
	Total	3,380

- **Time scale to Panchayat Assistants:** The Government have sanctioned, vide G.O.Ms.No.175 RD & PR (E5) Dept., dated 5.12.2006, time scale of pay of **Rs.625-10-725-20-925** to Part-time Panchayat Clerks and **Rs.1300-20-1500-25-2000** to full-time Panchayat Assistants. In G.O.Ms.No. 234 Finance Department dt.01.06.2009, the Panchayat Assistants have been brought under the Pay band of Special time Scale of Pay Rs.2500-5000+500 Grade Pay. Government have ordered upgradation of all the posts of Panchayat Assistants Grade II as Panchayat Assistant with a revised scale of pay of **Rs.2500-5000** with Grade Pay of **Rs.500/-**, vide G.O.Ms.No.91 RD & PR (E5) Dept., dated 12.8.2009. About 11,000 Panchayat Assistants Grade II have been benefited.
- **Block Development Officer (Village Panchayats) as independent pay drawing Officer** - The Government vide G.O.Ms.No.141 RD and PR Department, dated 9.8.2007 have taken a major policy decision to make the BDO (VP) as 'independent pay drawing officer', as in the case of BDO (BP), to enable them to draw salary for the staff working under his control and incur contingency expenses as required. Thus, financial autonomy has been conferred upon the Block Development Officers (Village Panchayat) to enable them to act independently as Head of Office with their staff in the Block Development Offices.
- **Deputy BDO upgradation** -In tune with the announcement of the Hon'ble Minister for Rural Development and Local Administration, all the 2,544 posts of Extension Officer in the department have been upgraded to the level of Dy. BDO as per G.O. (MS) No.138 RD&PR Department, dated 28.8.2008.
- **Absorption of Makkal Nala Paniyalars in the vacancies arises in the posts of Office Assistant, Night Watchman and equivalent posts** Hon'ble Minister for Rural Development and Local Administration has announced in the Budget session held on 16.04.2008 that the eligible **Makkal Nala Paniyalars** will be absorbed in 50% of vacancies arising in the posts of Office Assistant, Night Watchman and equivalent posts. Accordingly, orders have been issued in G.O.Ms. No. 179 RD & PR Dept. dt. 27.11.2008. In this regard action is being taken by the District Collectors. So far, **280** Office Assistants and **56** Night Watchman posts have been filled up from MNP.

- Creation of new Driver posts for the vehicles of PU Chairpersons –**
 The Government have sanctioned 385 posts of Jeep Drivers for the vehicles of Panchayat Union Chairpersons. (in G.O. No. 67 RD & PR (E5) Dept. dt.12.05.2008). Out of 385 posts of Drivers, so for 384 Driver Posts are filled up through Employment Exchange and promotion by transfer from the category of RC / OA / Night watchman.
- Enhancement of Adhoc Bonus –** Government have issued orders to enhance adhoc bonus for 2007-08 from **Rs 300/- to Rs 1,000/-** to OHT / Power Pump operators, Sanitary workers and MNPs working in the Village Panchayats as per G.O.No. 2(2D) RD&PR Department dated 12.01.2009 and for 2008-09 also Rs.1000/- has been sanctioned as adhoc Bonus as per G.O.(RD) 1, Rural Development and Panchayat Raj Department dt.11.01.2010.
- Time Scale of Pay to Makkal Nala Paniyalars –** The Makkal Nala Paniyalars, who were drawing a consolidated Pay of **Rs.950+50** Conveyance Allowance per month, have been brought to Special Time Scale of Pay of **Rs.2500-5000+Grade Pay of Rs.500/-** with effect from 01.06.2009 as per G.O.Ms.No. 234 Finance (PC) Department dated 01.06.09. About **12,653** Makkal Nala Paniyalars have been benefited through this welfare step of the Government.
- Increase in the mothly wages to OHT Operators and Sweepers-** In G.O.Ms.No.234, Finance (Pay Cell) Dept., dt 1.6.09, the monthly consolidated pay of the OHT Operators and Sweepers has been raised as Rs.600+Rs.150/- being the 25% of the existing Pay drawn and also Rs. 20x20 DA instalments sanctioned from the year 1992 with effect from 1.1.2006 and by this Government order 43420 OHT operators and 12,075 Sweepers are benefited.
- Restructuring of District Rural Development Agencies –**The State Government have, vide G.O.Ms.No.53, RD & PR (CGS-2) Department dated 19.06.2009, issued orders restructuring District Rural Development Agencies in accordance with Government of India guidelines issued under DRDA Administration Scheme. The restructuring of the DRDAs was long overdue since the staffing pattern before the restructuring reflected the needs of

yesteryear schemes, which were no longer in vogue. Further, there was a non-uniform pattern in the posts of APOs and subordinate staff in various DRDAs across the State and difficulties were constantly experienced in getting deputantionists to the DRDAs from the various Departments. The posts of APO (R), APO (EAS), APO (DWCRA), APO (Industries), APO (Animal Husbandry), APO (Cooperation) and APO (Monitoring) were abolished and among other posts created, the posts of APO (Wage employment), APO (Infrastructure), APO (Self employment), APO (Housing and Sanitation) were created.

- **Re-designation of AEE (RD-PMGSY) and AEE (RD-Water Supply) as AEE (RD-Roads and Bridges)** - In order to strengthen technical supervision of roads and bridges and the technical support system in the offices of Executive Engineer (RD) and Superintending Engineer (RD), the Government, vide G.O.Ms.No.67, RD & PR (SGS3) Department dated 20.07.2009, have re-designated the posts of AEE (RD-PMGSY) and AEE (RD-Water Supply) as AEE (RD-Roads and Bridges).

IV. GENERAL:

Part II Scheme

- **New Vehicles** - During **2007-08**, under Part II scheme, **121** new jeeps were given to Block Development Officers, Assistant Executive Engineers, and Assistant Directors (Panchayats) and Assistant Directors (Audit). Now, under Scheme component of Pooled Assigned Revenue, **385** Vehicles have been provided to Panchayat Union Chairpersons and also, **409** vehicles have been allocated to BDOs and AEEs of newly created sub divisions in Districts. Further, under Part II Scheme, funds of Rs.**112.50** lakhs have been utilised for the purchase of **24** vehicles.
- **During 2007-08, under Part II – Scheme, 416** copiers and **385** Fax machines were procured for the Panchayat Union Offices and the Offices of the Assistant Directors (Audit).
- **During 2008-09, under Part II – Scheme, 3** computers each and accessories have been supplied to P.D. Wings in the Collectorates of **29** districts at the cost of **Rs.43.50** lakhs. Further, **29** fax machines have

been installed at the offices of Assistant Director (Panchayats) at the cost of **Rs.4.64 lakhs**.

DURING 2009-10, UNDER PART II SCHEME:

- A sum of **Rs.1.20 lakhs** has been sanctioned for the purchase of Additional Desktop Computers and Accessories for Personal Assistant Development and 2 Assistant Directors of Ariyalur District. Computers have been supplied and installed.
- Government have sanctioned a sum of **Rs.9.86 lakhs** purchase of Xerox machines for 16 Personal Assistants (Development) and 1 Assistant Director (Panchayats). Xerox machines have been installed.
- A sum of **Rs.2.53 lakhs** has been sanctioned purchase of Fax Machines for 15 Personal Assistants (Dev) and 1 Assistant Director (Panchayats). Fax machines have been installed.
- A sum of **Rs.19.40 lakhs** has been sanctioned for the purchase of 90 Laser Printers for Personal Assistant (Dev), Assistant Director (Panchayats) and Assistant Director (Audit) of all Districts. Accordingly, Laser Printers have been supplied to the Officers concerned.
- A sum of **Rs.6.63 lakhs** has been sanctioned for purchase of steel bureau for Additional Directors, Assistant Directors, Superintendents in the Directorate of RD & Pt.Raj and steel bureaus have been supplied.
- A sum of **Rs.85.00 lakhs** has been sanctioned for purchase of 16 Vehicles for Subordinate officials and one VIP Vehicle in lieu of a condemned Vehicle in R.D&P.R Dept. and 2 vehicles have been supplied.
- A sum of **Rs.0.85 lakhs** has been sanctioned for the provision of new telephone connections with accessories to 3 Additional Directors in the Directorate of R.D & Pt.Raj. Accordingly, new telephone connections have been given to 3 Additional Directors.
- **Modernization of Conference Hall and Meeting Rooms:** Government have sanctioned a sum of **Rs.50.00 lakhs** under Part II Scheme of **2009-10** for the Renovation of Conference Halls, Meeting rooms and provision of

invertors in the Directorate of RD & Pt. Raj and accordingly renovation has been completed.

- **Modernization of Training Institutions** – If the Regional Institute of Rural Developments to impart quality training, their infrastructure have to be improved. Therefore the Government sanctioned a sum of **Rs.250** lakhs under Part II Scheme **2007-08** to the five RIRDs for improvement to the class room, kitchen and hostel.
- The Government also sanctioned **Rs.1.25 lakhs** for purchase of Fax machines for the RIRDs.
- As the hostel facility is inadequate in the RIRDs, the Government have sanctioned **Rs.50** lakhs for each RIRD under Part II Scheme **2007-08** for construction of a new hostel with modern kitchen.
- The Government also sanctioned a sum of **Rs.25 lakhs** under part II scheme **2008-09** to the five RIRDs at **Rs.5 lakhs** each for replacement of training / hostel accessories (Furniture, beds and utensils etc).

DURING 2010-11 UNDER PART II SCHEME

- Government have sanctioned a sum of **Rs.30.00** lakhs under Part II Scheme for the Renovation of 4th and 5th floor in the Directorate of RD & Pt. Raj.
- Government have sanctioned Rs.25,00,000/- for the construction of Office Building for Panchayat Development Wing in Coimbatore District and the works are commenced.
- Government have sanctioned Rs.100,00,000/- for the construction of office Building for Project Director. District Rural Development Agency. Nilgiris District.
- Government have sanctioned Rs.28,50,000/- for the construction of Residential Quarters for Project Director, District Rural Development Agency, Pudukottai District.

**TAMILNADU CORPORATION FOR
DEVELOPMENT OF WOMEN**

TAMILNADU CORPORATION FOR DEVELOPMENT OF WOMEN

1. Restructuring and Strengthening of TNCDW:

In order to bring about synergy in implementing schemes meant for SHGs, Tamil Nadu Corporation for Development of Women Ltd. was brought under the administrative control of Rural development and Panchayat Raj department from July 2006.

The Government have issued orders vide G.O. (Ms) No.106, Rural development and Panchayat Raj department, dated 20.06.2007 to involve Block Development Officer (Village Panchayat) and other Block Staff for monitoring and supervising Mahalir Thittam programmes.

During 2008-09 the Government also issued orders vide G.O. (Ms) No.188, Rural development and Panchayat Raj department, dated 22.12.2008 to entrust the work relating to Mahalir Thittam and SGSY to the Deputy Block Development officer (Small Savings & Public Relations) from Deputy Block Development Officer (Audit) to give more focus on implementation of SHG programme at Block level.

The Government vide G.O.Ms.No:14, Rural Development and Panchayat Raj (CGS-III) Department, dated 4.02.2010 have brought Tamil Nadu Welfare Society for Self Help Groups, the specialized agency to undertake initiatives to market SHG products, under the control of TNCDW.

2. Mahalir Thittam:

Under Mahalir Thittam 4,74,874 SHGs have been formed as on 30.09.2010 with 73.60 lakh women members and total savings of ₹ 2658 crores. This includes 1,59,056 new SHGs formed since July 2006 with membership of 23,95,912 women.

It was the endeavour of the Government to extend the benefits of the SHG approach to the uncovered areas of the state and uncovered sections of society and ensure that all poor women particularly widows, destitutes and marginalised are included in SHGs.

During 2006-07 and 2007-08 new Group were formed in AGAMT Village Panchayats on priority basis.

Since 2008-09

- Formation of new SHGs have been taken up only among the NREGS women workers who are not covered in the SHGs.
- Village panchayats with inadequate coverage.
- In Urban Slum areas
- TNCDW has formed 43,304 SHGs among NREGS women workers. 23,886 SHGs in Village Panchayat with inadequate coverage and 41,373 Groups in Urban Slums.

3. Revolving Fund to SHGs:

Revolving Fund subsidy was being provided only to SHGs in rural areas which restricted the access of urban SHGs to Bank credit. The Government announced a scheme to provide RF subsidy to urban groups in 2006-07. Rs.96.70 crores has been provided as RF subsidy to 96,699 urban groups in 5 years.

- Normally Revolving Fund was sanctioned to 25000 to 30000 SHGs in a year. But in 2008-09, the government decided to provide RF subsidy to all the eligible 1.50 lakh SHGs in the State which have not availed RF subsidy and the Government sanctioned ` 150 crores to provide RF to all eligible SHGs and 1,50,000 SHGs have been given RF subsidy along with Bank credit.
- During the year 2009-10 the Government sanctioned ₹ 70 crores to provide RF to 70,000 eligible and so far 69,000 SHGs have been given RF subsidy along with Bank credit.
- During the year 2010-11 the Government sanctioned ₹ 70 crores to provide Revolving Fund to 50,000 rural SHGs under Swarnajayanthi Gram Swarozgar Yojana and 20,000 urban. So far 31,869 SHGs have been given RF subsidy.

4. Credit Linkage:

As on 30.9.2010, the total amount of Bank loans disbursed to SHGs since 1989 is ` 9521.37 crores, out of which ` 7756.13 crores has been disbursed since June 2006 which amounts to 81% of the total credit disbursed

The Government have given special focus on adequate credit flow to the SHGs so as to reduce rural indebtedness.

- The Hon'ble Minister for Rural Development and Local Administration held a meeting on 12.04.08 with the heads of all the Banks and it was decided to provide ₹ 1600 Crores credit to SHGs during the year 2008-09. It was also decided to provide substantially enhanced credit while linking individual SHGs. ₹ 2400 Crores credit to SHGs during the year 2009-10. A credit target of ₹ 3,000 crores have been fixed for 2010-11,
- At the initiative of the Government, the State Level Bankers Committee in its meeting on 25.03.2008 advised Banks to adopt the following quantum excluding the subsidy portion while sanctioning credit linkage to SHGs.
- First linkage : ₹ 50,000/- per SHG
- Second linkage : ₹ 1,00,000/- per SHG
- Third linkage : ₹ 1,50,000/- per SHG
- Fourth and Subsequent linkages : Higher amounts as per requirement of SHGs
- This is the first time in the history of the State that credit linkage target for financing SHGs was approved at the State level and systematically followed up.
- During 2008-09, ₹ 2174.57 crores has been given as credit to SHGs by Banks as against the cumulative figure of ₹ 3163.39 crores from inception of the SHG movement till 2007-08.
- During 2009-10, ₹ 2791.65 crores has been given as credit to SHGs by Banks.
- During 2010-11, ₹ 1391.76 crores has been given as credit to SHGs by Banks, as on 30.9.2010.

5. Swarna Jayanti Gram Swarozgar Yojana:

The SGSY programme has been transferred to TNCDW from 01.04.2008 to bring about convergence and avoid duplication in Schemes meant for SHGs.

Under SGSY programme, during 2006-07, 2007-08 and 2008-09 ₹ 93.59 crore was provided as Revolving fund subsidy to 93,587 SHGs and for promoting economic activities, ₹ 139.13 crore subsidy was provided to 14,274 SHGs.

- During the year 2009-10 an amount of ₹ 128 crores was sanctioned under this scheme, of which ₹ 55 crore has been earmarked for releasing R.F. subsidy to 55,000 SHGs and ₹ 60.52 crore was earmarked for economic assistance subsidy to 6000 SHGs. Out of this ₹ 54.14 crores has been disbursed as R.F subsidy to 54,140 SHGs and ₹ 60.52 crores has been disbursed for economic assistance subsidy to 6747 SHGs.
- During the year 2010-11 ₹ 155.32 crores was sanctioned under this scheme, of which ₹ 50 crore has been earmarked for releasing R.F. subsidy to 50,000 SHGs and ₹ 89.78 crore has been earmarked for economic assistance subsidy to 8,813 SHGs. Out of this ₹ 23.11 crores has been disbursed as R.F subsidy to 23,109 SHGs and ₹ 33.11 crores has been disbursed for economic assistance subsidy to 2,817 SHGs upto 30.9.2010

6. Marketing of SHG Products - Exhibitions

In order to promote the marketing of products produced by SHGs, Calendar of Exhibitions to market SHG products at District level has been prepared for the year 2010-11. 62 District level exhibitions and 134 Taluk level exhibitions are to be organized in this year. At present 2 District Level Mandatory Exhibitions conducted with the total sale of ₹ 34.88 lakhs and 51 Taluk Level Optional Exhibitions conducted with the total sale of ₹ 165 lakhs. Further two State Level Exhibitions proposed to be organized during Navarathiri Festival and Christmas, New year and Pongal Festival.

A major permanent marketing complex for SHG products is being constructed at a cost of ₹ 15.33 crores near Valluvarkottam in Chennai. Similarly to create better marketing facilities in rural areas, 86 Village Haats(three per district) are being constructed at the cost of ₹ 12.90 crores.

7. Training Cost:

- In the year 2006-07, the per diem payable to SHG members attending the training was increased to ₹ 45/- per day from ₹ 7.50/- per day.
- Similarly the per diem payable to the trainees attending Animator and Representative Training was also increased to ₹ 45 per day from ₹ 20.00

8. NGO affiliation:

The affiliation norms and the agreement conditions for Non-governmental organizations who are the implementing partners under Mahalir Thittam have been revised and made performance based and linked to outputs.

- NGOs have been evaluated as per the new norms and agreement has been entered with 469 NGOs from the year 2008-09.
- These affiliated NGOs are being subjected to performance evaluation annually.

9. Strengthening Panchayat Level Federations:

From 2006-07, the government has taken various initiatives to strengthen the PLFs.

- 6912 well functioning PLFs have been provided seed money of ` 10,000/- each.
- PLF certification has been made mandatory for processing NGO claims for new group formation, monitoring and training.
- Well functioning PLFs are affiliated under Mahalir Thittam on par with NGOs for formation of new SHGs, monitoring etc.
- Vide G.O. Ms. No. 125 R.D.P.R., Dated: 21.07.2008 the Government ordered the restructuring of the PLFs with the objective of making them more inclusive, transparent and participatory and to improve Governance and Sustainability. In order to accord legal status to the PLFs and to facilitate them to access bank credit the Government has ordered to register all PLFs under Tamil Nadu Societies Registration Act, 1975.
- The Government have also vide G.O. Ms. No.111 dated 17.11.2008 exempted the PLFs from the purview of Section 25 and 42 of Tamil Nadu Societies Registration Act 1975. This exemption has provided an institutional framework for PLFs to take up income generation activities and benefit from them.
- An action Plan to restructure all the PLFs in the State in the next three years has been drawn up. So far 3153 PLFs have been restructured under Mahalir Thittam in the State.

- To encourage the restructured PLFs, the Government have announced one lakh incentive for each PLF which successfully pass grading. During 2009-10 a sum of ₹ 10 crores was earmarked for sanctioning incentive to 1,000 PLFs. As on 31.3.2010, 1000 PLFs were given incentive. During 2010-11 a sum of ₹ 30 crores has been earmarked for sanctioning incentive to 3,000 PLFs. As on 30.9.2010, incentive has been sanctioned to 312 PLFs.
- Financial intermediation is one of the primary roles of PLF and it is envisaged that PLFs will develop into community level financial institutions catering to the credit requirement of SHGs. In this regard successfully graded PLFs become eligible for financial linkage and can access bulk loan from the Banks and on lend it to its members. In the first phase during 2009-10, 102 PLFs have been provided bulk loan of ₹ 27.52 crores by various Banks. During 2010-11, Bulk Loan of ₹ 14.83 crores has been provided 64 PLFs.

10. Manimegalai Awards:

- To encourage well-functioning SHGs and PLFs, the Government have announced Manimegalai awards at State and District levels. Awards are presented to 5 best PLFs and 10 best SHGs at the State level. One PLF selected as best at the district level and 3 SHGs found to be the best at the district level are given Manimegalai awards and the best SHG at the Block level is given a certificate.
- The awards were presented for the year 2006-07, 2007-08 and for the year 2008-09 they were on 16.11.2009 at Chennai by Hon'ble Deputy Chief Minister.
- From 2009-10, the Government have enhanced the Manimegalai Award money from ₹ 1.00 lakh to 3.00 lakhs for the Best PLF at State Level and from ₹ 50,000 to ₹ 1.00 lakh for best SHGs at State Level. The Award money for the District level has been increased from ₹ 50,000 to ₹ 1.00 lakh for best PLF and from ₹ 10,000/- to ₹ 25,000/- for best SHGs. The proposals are being scrutinized for the year 2009-10.

11. Award to Bankers:

Bankers are playing significant role in the empowerment of women by extending credit to the SHG members for debt swapping, consumption needs and for productive purposes. To honor the banks as well as individual bank branches which have shown outstanding performance in extending credit linkage to Self Help Groups in the State, awards at both State and District Level have been instituted by the Government.

At State level, 3 best performing banks and 3 other Bank Branches Category and 2 exclusively Women Entrepreneurs Bank Branches category Awards are given. At District level, 1 best performing bank (In case of more than 200 branches available districts 2 banks) and 3 other bank branches category awards are given.

For 2008-09 at State Level Awards were given on 16.11.2009 to 3 best performing banks, 3 best performing Bank Branches under other bank branch category and 2 exclusive awards for best performing SHG/special Micro Finance/ Women Entrepreneurs Bank Branch category..

The proposals are being scrutinized for the year 2009-10.

12. Cultural Competitions:

To strengthen unity and team spirit, cultural competitions are organized among SHG members at Block and District levels. ₹ 1.60 crores is sanctioned annually from the year 2007-08 onwards. These competitions have drawn overwhelming response from SHG members.

13. ID Cards:

To help SHGs gain recognition and also easy access to government offices and Banks, ID cards are proposed to be issued to all Mahalir Thittam SHGs in a phased manner.

- ID cards have been issued to Mahalir Thittam SHGs in 31 districts except Chennai and it will be completed in October 2010.

14. Youth Skill Training:

By providing relevant skill training, unemployed youth can be productively engaged in the industrial sector which is experiencing an unprecedented boom in the State. With this objective in mind, the Government sanctioned Youth Skill Training programme in the year 2006-07.

- During 2008-09 the allocation for the programme was enhanced to 20 crores to train 25000 youth.
- TNCDW has imparted skill training to 40,123 youth through reputed industrial houses and institutions like NOKIA, TVS, IL&FS etc.,.
- During 2009-10, 25000 youth are to be trained and as on 31.3.2010 25,386 youth are under going the training programmes.
- During 2010-11, 25000 youth are to be trained and as on 30.9.2010 14,134 youth are under going the training programmes.

**TAMIL NADU
VAZHNDHU KAATTUVOM PROJECT**

VAZHNDHU KAATTUVOM PROJECT

Vazhndhu Kaattuvom Project is an empowerment and poverty alleviation Programme, being implemented with World Bank assistance with an outlay of Rs.717 crores for a period of 6 years. The Project covers 2,509 Village Panchayats in 70 backward Blocks in 16 districts. Though the Project was launched in November 2005, effective implementation has commenced only from October 2006.

The project is being implemented in 4 phases. In the first phase the project is under implementation in 578 Village Panchayats in 15 Blocks from October 2006. In the second phase the project is being implemented in 584 Village Panchayats in 15 Blocks from April 2007 and in the third phase the project is being implemented in 635 Village Panchayats in 20 Blocks from November 2008. The fourth phase has commenced from February 2009 and covers 712 Village Panchayats in 20 Blocks.

1. Staffing:

- Adequate Project staff at State, District and Cluster levels are in place after necessary induction training. 16 State Specialists, 18 District Project Managers, 105 Assistant Project Managers and 814 Project Facilitation Team members are in position.
- In order to motivate the staff, an innovative performance appraisal and performance based incentive system has been introduced for the Project staff. This has helped in drastically bringing down the attrition among Project staff and has motivated them to improve their performance.

2. Participatory Identification of Poor:

- In Vazhndhu Kaattuvom Project, the target population is identified by the community themselves through the process of Participatory Identification of Poor (PIP). This exercise has been completed in 2,509 Village Panchayats. So far **5.8 lakh** families have been identified as target families through PIP.

3. Formation of Village Poverty Reduction Committees & Social Audit Committees:

After identifying the target poor, Community Organisations like Village Poverty Reduction Committees (VPRCs) and Social Audit Committees (SACs) are formed. The Project funds are directly transferred to the VPRCs which implement the Project activities at the village level.

- VPRCs and SACs have been constituted in 2,736 Village Panchayats.
- 286 Tribal VPRCs have also been constituted.
- An amount of **Rs.340.47 crores** has been released to the VPRCs so far.

4. Promotion of SHGs:

Under this Project, SHGs are formed out of the left out poor existing SHGs are affiliation to VPRC and are linked to Banks after adequate capacity building.

- 13,847 SHGs have been formed among women and youth. 7,623 SHGs have been formed among the differently abled. In total, **21,470** new SHGs have been formed in the Project area.
- 38,588 SHGs have been affiliated to the VPRCs.
- Of the new SHGs formed, an amount of Rs. 75.08 crores has been disbursed as Revolving Fund to 13,050 SHGs (84 % of the eligible new SHGs) and 1,843 SHGs are given second dose of credit to the tune of Rs.16.64 crores.
- 11,929 affiliated SHGs have been given Rs. 62.90 crores as Revolving Fund and 5,201 SHGs have received second dose of credit to an amount of Rs. 57.18 crores.
- The SHGs formed under the Project are closely monitored by SHG trainers developed from the community. 10,027 such community SHG trainers and Community Professionals have been developed by the Project and are providing close handholding support to the SHGs.

5. Special interventions for the Differently abled and Vulnerable:

The Project provides rehabilitation and livelihood assistance for the Differently abled and Vulnerable, apart from helping them to get their entitlements.

- **87,280** differently abled (85% of the total identified) have been assisted to get National ID cards.
- **1,30,954** differently abled and vulnerable persons have been given financial assistance to start livelihood activities.
- **4,242** SHGs of the differently abled have been linked to Banks and have received Bank loans to the tune of Rs.24.63 crores. This is the first time that SHGs of the differently abled have received substantial loans from Banks.
- The Project has assisted 4,684 severely differently abled persons to receive maintenance grant and 35,813 aged persons to get old age pension.
- 11,184 differently abled persons have received aids and appliances costing Rs.3.72 crores.

6. Youth Development:

The Project is making special efforts to involve youth constructively in developmental activities and also to improve their employability by imparting skill training.

- **70,063** youth have been imparted skill training through reputed institutions and Corporates and **56,434** youth are gainfully employed after training. In addition 17,487 youth are undergoing skill training. The Project has tie ups with reputed Corporates like Nokia, Foxconn, MRF, Ashok Leyland, Intimate Fashions for providing skill training and employment for youth.
- Youth sub-committees have been formed in 2,736 Village Panchayats and 20 % of the funds released to VPRCs are earmarked for youth development. VPRCs have started many useful activities involving youths using this fund. The activities include tuition centres, career counseling centres, village information centres, gymnasium, etc.

7. Restructuring of Panchayat Level Federations:

In Vazhdhu Kaattuvom Project, Panchayat Level Federations (PLFs) of SHGs are being restructured as per the government policy to make them inclusive, participatory and democratic. After restructuring, the PLFs are registered under

Tamilnadu Societies Registration Act, 1975 and a revolving fund which will be used as a corpus for livelihood promotion is released to the PLFs. PLF restructured and restructured in 1,784 Village Panchayats. An amount of Rs.90.63 crores has been released as livelihood corpus to 1,244 PLFs. In addition to this, 178 PLFs have received sanction for bulk loan to the tune of Rs.39.9 crores from banks. Bulk loan will be utilised by PLFs to extend loan for livelihood activities and consumption needs to SHG members.

8. Livelihood Promotion:

To promote the livelihoods of the poor, apart from individual and small group activities undertaken through bank linkages, the Project supports formation of economic activity federations around major livelihood activities.

- 92 Economic Activity Federations with a cumulative membership of 4,038 persons have been formed. Dairy, Garment units, Floriculture, Brick making, and Piggery are some of the activities taken up by the federations.
- **Rs.3.50 crores** have been released to these federations from Project funds till Sept, 2010.

9. Community Professional Learning and Training Centers (CPLTC):

CPLTCs provide a platform for community members to share their learning and experience and are meant to facilitate community to community learning. The Project provides initial seed money to set up CPLTCs. CPLTCs have been formed in all Districts. The members of these CPLTCs who are called Community Professionals are providing useful services for the IIIrd and IVth phase Blocks as well as weak VPRCs.

10. Community Managed Health Insurance Scheme:

A community managed health insurance scheme has been launched by Hon'ble Minister for Rural Development and Local Administration on 25.11.2008 and has been taken up on pilot basis in Kandamangalam Block of Villupuram district. A federation of the VPRCs performs the role of third party administrator in the scheme. Following the success of this pilot venture, the insurance scheme has been expanded to Ellapuram and Chengam Blocks in Thiruvallur and Thiruvannamalai Districts. 33,983 poor families are covered under this health insurance scheme.

11. Financial Progress:

The expenditure incurred under Vazhndhu Kaattuvom Project upto Sep. 2010 is **Rs. 454.43 crores**.

TSUNAMI REHABILITATION SCHEMES

TSUNAMI REHABILITATION PROGRAMME
(As on 30.9.2010)

I. Tsunami Emergency Assistance Project with the financial assistance of Asian Development Bank (TEAP)

This Project was started on 06.04.2005. The expenditure till 13.05.2006 was only Rs.4.95 crores. However, an amount of Rs.292.50 crores has been spent under this project, till its completion on 31.10.2009. The project has been implemented in all the 12 rural coastal districts in the State, covering 257 coastal Village Panchayats and 1602 coastal habitations.

A) Livelihood Component:

Under livelihood component, 100% targets have been achieved in respect of disbursement of Revolving Fund and Economic Assistance to Self Help Groups and grant to differently abled persons. The detail is given below:-

Component	Physical		Financial (Rs.in lakhs)	
	Target	Achievement	Target	Achievement
Revolving fund	33,549	33,549	8,880.10	8,880.10
Economic Assistance	2,472	2,472	3,155.99	3,155.99
Grant for differently abled	34,634	34,634	3,463.40	3,463.40

It is difficult for differently abled persons to get bank loans. So, an amount of Rs.10,000/- has been sanctioned as subsidy to each of the persons in the coastal districts to take up some income generating activities to supplement the income and to enable them to lead an honorable life. Under this project an amount of Rs. 34.63 crores has been given to 34,634 differently abled persons as grant.

B) Skill Development and infrastructure facilities

For providing skill development training and infrastructure facilities to different categories of people in Coastal Districts such as members of SHGs, fishermen, artisans and weavers, 7 community infrastructure schemes are implemented at an estimated cost of about Rs.26.38 crores as follows :-

1. The construction of **SHG Complex near Valluvarkottam** in Chennai city, has been taken up at an estimated cost of Rs.15.32 crores. The work is in progress and expected to be completed in October, 2010.

2. Under **Sea Safety Training Programme**, training has been given to 36,890 fishermen and 31,959 women and children of their families, so as to create awareness on sea safety requirements and sea safety methods at an estimated cost of Rs.1.13 lakhs.

3. In seven coastal districts, an amount of Rs.2.96 crores has been released to **93 Fishermen Societies** towards working capital assistance and a matching loan has been arranged by the South Indian Federation of Fishermen Societies (SIFFS) through bank loans. This has helped these societies to manage their working capital needs without going to private money lenders. Through this, about 5000 members of Fishermen Societies have been benefited directly and about 20,000 Fishermen have been benefited indirectly.

4. **Construction of 15 Direct Paddy Procurement Centres** at a cost of Rs. 1.62 crores in Thanjavur (4) and Nagapattinam (11) Districts. All the works were taken up and have been completed and handed over to Tamil Nadu Civil Supplies Corporation.

5. **Installation and function of 9 Bulk Milk Coolers and 37 Milk Parlours**, training the SHG members to manage the Parlours in 11 Coastal Districts and formation and renewal of 160 Dairy Co-operative Societies at an expenditure of Rs.4.06 crores, have been done. 3,645 members were given training on clean milk production and milch animal management. 400 persons were given training on marketing milk and milk products. Apparatus for Rs.80 lakhs have been given to 160 dairy Co-operative Societies.

6. **Under Handloom Export Promotion scheme**, at a cost of Rs.61.09 lakhs, in Kanniyakumari district, upgradation of 250 Handlooms has been completed and 250 handloom weavers have been trained on upgraded looms. Upgradation of 8 work sheds has also been completed.

7. Works for establishment of a **Craft Village**, for the benefit of about 1000 rural artisans at a cost of Rs.67.49 lakhs in Villupuram District have been completed.

C) Roads and Drainage:

610 road works, to a length of about 699 km, have been taken up in the Coastal Panchayats at an expenditure of about Rs.89 crores and all the works have been completed.

D) Renovation of Village Panchayat Buildings:

Action had been taken to renovate the coastal village panchayat buildings, with provision of meeting halls and furniture at an estimated cost of Rs.5.54 crores. 196 works have been undertaken and all the works have been completed.

E) Sanitation

To create awareness among the rural people on sanitation and personal hygiene 21 short advertisement films have been produced at a cost of Rs.67.28 lakhs.

II. Rajiv Gandhi Rehabilitation Package (RGRP)

- **a) Construction of NGO backed out houses and provision of basic amenities**

- Under Rajiv Gandhi Rehabilitation package 2,687 houses that were backed out by the NGOs were taken up in Kancheepuram, Tiruvallur, Villupuram, Nagapattinam, and Thoothukudi Districts at a cost of Rs.65.81 crores. All the 2,687 houses have been completed.
- The basic amenities such as Cement Concrete roads, Street lights, public buildings, House service connections etc., are being provided to these sites at a cost of Rs 10.00 crores.

- **b) Provision of basic amenities in the NGO constructed housing sites**

- The basic amenities for the NGO constructed housing sites at a cost of Rs.57.34 crores are provided under Rajiv Gandhi Rehabilitation Package. Under this component 133 CC roads at a cost of Rs 40.59 crores, 5,495 toilets with septic tanks at a cost of Rs 5.49 crores, land filling work at Rs 2.76 crores, street lights and house service connections at a cost of Rs.5.47 crores were provided. All the above works were completed.

c) Reconstruction of vulnerable houses and provision of Basic amenities as per AGAMT norms

- Reconstruction of 18,299 vulnerable houses was taken up in the 11 coastal districts within 0- 200 Metres from HTL. Houses taken up under IAY and other Government funded schemes which are 10 years old as on 1.1.2006 and lying within 1000 Metres from HTL were also taken up under Rajiv Gandhi Rehabilitation Package. The expenditure for these works have been estimated as Rs. 499.22 crores. So far, 14,750 houses have been completed and the remaining 3,549 houses are under progress and in various stages of construction.
- In the vulnerable housing sites provision of basic amenities under AGAMT norms such as CC roads, BT roads, supply of drinking water, street lights, public buildings, renovation of ponds, formation of burial grounds and construction of cremation shed, anganwadi centres and kitchen sheds were taken up. Totally 3,251 works were taken up at an estimated cost of Rs.68.14 crores. So far 3,233 works have been completed and the remaining works will be completed in October, 2010.

III. Emergency Tsunami Reconstruction Project - Vulnerability Reduction of Coastal Communities (ETRP-VRCC Programme) funded by World Bank

Government of TamilNadu formulated the Emergency Tsunami Reconstruction Project (ETRP) with the financial and technical assistance from the World Bank to reconstruct the damaged houses in the tsunami affected areas of the State.

The Government evolved a project for reconstruction of houses along the coastal stretch of 200 metres to 1000 metres from HTL, which are identified as vulnerable to the future disasters like tsunami, and thus establish resilient coastal communities. The agreement for ETRP-VRCC Project has been signed by the GOTN with the World Bank on 13.08.2009.

Under this ETRP - VRCC (Vulnerability reduction of coastal communities) project, the following construction activities will be carried out by this department.

(a) Reconstruction of about 17,000 houses identified as vulnerable in the coastal areas lying between 200 metres to 1,000 metres from HTL.

(b) Construction of evacuation routes to provide easy escape in times of emergencies. Signage's to access the safer shelters will also be incorporated along these evacuation routes.

The beneficiaries selected by the Revenue Department in the 11 Coastal Districts were revalidated by the NGOs appointed as Third Party Facilitators under the project. 15,056 houses have been identified as eligible under reconstruction of vulnerable houses into 157 packages. All the tenders have been finalized, agreement executed for 154 packages and for remaining 3 packages agreement will be executed shortly. Out of 15,056 vulnerable houses taken up, 14,165 houses were dismantled and out of which 6,175 houses are started and works are in various stages. All the works will be completed before the project period on 31.12.2011.

