

## Empowering rural economy : The SKDRDP way

### Case background

India is predominantly a country of villages with an estimated 6,40,867 villages inhabited by 833.1 million which occupies 68.84 percent of the country's population GOI (Census, 2011). Despite being the 'backbone' of the economy, rural India lags way behind urban India in growth arena. As recorded in the Parliament documents in 2016, the percapita income in rural India was Rs.40,772 against Rs. 1,01,313 in urban India. Under development of villages affect national building to a larger extent. Owing to the backwardness of the rural India, youth migrate to the cities and urban areas. This might create demographic imbalance in the long run and is a potential factor to affect sustainable development. It is imperative to achieve rapid rural development to sustain national development. Since the beginning of the planning era in 1951, due emphasis has been laid down by the successive Governments at the Centre and States to focus on rural development. Several ambitious rural development schemes were launched to reach the goal. Despite having multi layered federal governments and large sized administrative machinery and huge budgetary allocations over the decades, the growth of rural economy was staggering.

During the planning era, parallel to the government efforts, many Voluntary Agencies (VAs) and Non-Government Organisations (NGOs) were founded envisioning rural wellbeing. Shri Kshetra Dharmasthala Rural Development Project (SKDRDP) is one among the few leading NGOs which strives towards transforming the lives of rural people through several intervention programs. The SKDRDP has been phenomenally successful in building up rural social capital in its project areas.

This analogy leads to a question as to why SKDRDP succeeds with its rural development projects when the same was not been delivered satisfactorily by the rural intervention projects



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of the government agencies. This case study is an attempt in addressing this question by analysing the different perspectives to the SKDRDP's rural intervention strategies.

### **About SKDRDP**

Shri Kshetra Dharmasthala Rural Development Project (SKDRDP) is a registered NGO working in the area of rural development. It was founded in 1982 at Dharmasthala, a village of Belthangady taluk in Dakshina Kannada district of Karnataka state in India. SKDRDP was founded by a charitable trust Presided by Dr. D. Veerendra Heggade, a Padma Vibhooshan awardee, the Dharmadhikari of the Shri Kshetra Dharmasthala. Since its inception in 1982 at Dharmasthala, SKDRDP launched several participatory rural development programs. Initially, the programs of SKDRDP towards rural society was launched on experiment basis covering 18,000 families in Belthangady taluk. Later, on a gradual phase it was extended to other taluks of Dakshina Kannada district. With the resounding success and overwhelming participation to its participatory programs, SKDRDP has stretched its rural development activities to entire Karnataka state and Kasaragod district of Kerala state.

In the early years of establishment, SKDRDP ventured into distribution of free rice as incentive for families to work on their own fields as a concept of 'food for work'. On realization that mere charity was not producing the desired results, SKDRDP has initiated self-help group (SHG) model for sustained inclusive growth. Gradually, to enable financial inclusion at the grass root level, Banking Correspondent (BC) and Business Facilitator (BF) model has also been adopted.

SKDRDP has grown to the ranks of a leading NGO in the field of rural development working with disadvantaged group to enhance their capabilities. SKDRDP has now emerged as the third largest Micro Finance Institution (MFI) in India on the basis of the client base (India Microfinance, 2015), which was estimated at 33 lakhs. Further, with outstanding credit of Rs.3570 crores, SKDRDP is the fourth largest lender in MFI sector (India Microfinance, 2015). It has the pride of winning several awards for its effective rural interventions. The Ashden Foundation, an international organisation from London which works in the field of renewable energy honoured SKDRDP with prestigious Ashden Gold Award in 2012. SKDRDP was awarded for the efforts invested in providing informed choices to the poor in the selection and adoption of renewable energy. SKDRDP was also felicitated with Financial Inclusion and Deepening Award in 2014 by Scoch Foundation.

## **Rural development programmes of SKDRDP**

The major objective of SKDRDP is to alleviate poverty and build up capabilities of rural poor towards self-reliance as envisioned by Dr.D.Veerendra Heggade, the Chairman of SKDRDP. The intervention of SKDRDP in rural wellbeing takes place through a plethora of programs which could be segregated under four dimensions:

1. Economic Development Programmes
2. Social Development Programmes
3. Community Development Programmes
4. Sustainable Development Programmes

### **Economic development programmes**

#### ***Promoting Self Help Groups (SHGs)***

The SKDRDP has promoted Self Help Groups (SHGs) across its project area in entire Karnataka and Kasaragod district of Kerala state. They are the small groups of rural poor living in the neighbourhood formed under the co-operative principle of self-help and help others. The entire range of development programmes of SKDRDP are delivered through its SHGs. The SKDRDP has a very large network of 3,71,196 SHGs (SKDRDP, 2017) with 36, 38, 857 rural people participating directly as their members. 'pragathi bandhu' is a kind of SHGs of rural men promoted by SKDRDP which is mainly designed for labour sharing and such kind of groups constitute nearly 30 percent of the total SKDRDP SHGs. The SKDRDP promotes banking habit among its members by linking SHGs to banks and encouraging them to save periodically. The micro savings of SKDRDP amounted to Rs.118.60 crore (as of November 30, 2016).

#### ***Offering microfinance***

The SKDRDP provides rural micro credit. SKDRDP is the third largest Micro Finance Institution (MFI) in India. This ranking is on the basis of the client base (India Microfinance, 2015), which was estimated at 33 lakhs for SKDRDP in 2014-15. Currently, the client base has increased further to more than 36 lakhs. SKDRDP adopts SHG method to deliver micro credit. Members of SHGs are eligible for micro loans. The finance could be borrowed for any purposes without collateral. Generally, SHG members borrow micro credit for purposes such as self-employment, agricultural operations, construction/repair of housing, sanitation units, education of children,

medical treatment, family functions, to install renewable energy plants like gobar gas, solar etc. The SKDRDP scrutinises the loan application considering the credit worthiness of the SHG and the member and also the capability of the member to repay. The outstanding micro credit disbursed by SKDRDP was Rs.3,500.70 crores in 2015 and SKDRDP was the fourth largest lender in MFI sector (India Microfinance, 2015). According to the latest release of SKDRDP the outstanding credit disbursed reached to Rs. 6,237.06 crore as on May 2017 (SKDRDP, 2017).

#### ***Pension and insurance coverage***

The SKDRDP, in collaboration with Government of India has been working as the aggregator of National Pension Scheme (NPS). It has brought 3,40,000 rural people under this pension program (SKDRDP, 2016). SKDRDP is the designated corporate agent of Life Insurance Corporation. This enables SKDRDP to cover rural poor under insurance. In this capacity the SKDRDP has sold 11,32,587 Jeevan Madhura policies to the rural poor people to provide financial security. During 2015-16, 2,699 families gained benefit of Rs.4.09 crore from this insurance coverage. Currently SKDRDP is authorised to renew the expired policies. In addition, SKDRDP provides Sampoorana Suraksha Health Insurance for the benefit of SHG members and their families. During the last one decade, it has settled 8,11,521 claims worth Rs. 345.25 crore.

#### ***Banking Correspondent (BC) and Business Facilitator (BF)***

Since January 2009 SKDRDP acts as Banking Correspondent (BC) and Business Facilitator (BF) for several public sector and private sector banks across several districts of Karnataka State. This model as envisaged by the RBI aiming at total financial inclusion and avoiding the interference of middlemen, agents and intermediaries who exploit rural people. As Banking Correspondent, SKDRDP has covered more than 17,500 villages under financial inclusion. SKDRDP enables rural poor living in far away, remote areas to avail banking services at their own door steps. To materialise financial inclusion, SKDRDP as BC has opened up Customer Service Points (CSPs) at village level. These CSPs are engaged in delivering banking products to the target population.

#### ***SIRI***

SKDRDP has founded subsidiary organisation called SIRI in 2004 to encourage skill based economic activities at the village level. The broad objectives of SIRI could be segregated into two: offer employment opportunities and income generation. SIRI offers two major facilities to rural people, especially to women.

Firstly, encourages production of a range of products such as varieties of readymade garments, confectionaries, agarbathi, travel bags, cleaning agents, areca leaf cups and plates, pickle, papad and handicrafts among many. To facilitate this, SIRI has set up production centers in 295 villages in remote and backward areas of Karnataka, providing direct employment to more than 4,500 rural women. The women recruited to work for SIRI are provided with relevant training in the area of their work. The SIRI has installed modern machinery and equipment for its production processes. This also encourages SHG members to take up self-employment. During 2015-16, the different centers of SIRI collectively produced products worth Rs.20.41 crore.

Secondly, SIRI also offers platform to market such products produced by SHG members under SIRI brand. To push the products to the market, SIRI has initiated several strategies including opening its retail outlets in malls and other shopping complexes apart from having SIRI shelves in many retail shops. SIRI has opened several display cum sales centers during all major events of SKDRDP all over the state. Events like Krishi Mela provide platform to display, exhibit and sell SIRI products.

SIRI initiative has two major direct benefits. Firstly, it provides employment opportunities to rural women, otherwise are locked up to the four walls of the house. Secondly, this enables them to be economically self-dependent.

### ***Training and upskilling***

SKDRDP encourages agricultural and non-agriculture families to diversify their sources of income and be self-dependent by taking up animal husbandry, fish farming, beehive farming, contract farming, tailoring and electric and electronic works, etc. Vocational training in such areas are being imparted to the target population which builds up confidence to start self-income generation activity. Rural Development and Self Employment Training Institute (RUDSETI), a sister organisation of SKDRDP provides institutional vocational training and vocational skills. Trained rural youths are assisted with banking credit to start self-venture and on a regular basis arranges for upskilling programs and sustained monitoring of the progress.

### ***Promoting agriculture***

SKDRDP has engaged in various agriculture related programs to raise the standard of living of farmers and agricultural labourers. Through bank linkage, SKDRDP provides much needed finance to poor farmers without collateral. Agricultural families and labourers are trained

and upskilled on scientific agricultural practices, use of technologies in cultivating various crops, mechanised agriculture, irrigation practices, horticulture, floriculture, dairying and on organic farming etc. Special trainings are given to the farmers by scientists of the department of agriculture and horticulture. Krishi Utsavs, Seminars, Workshop and Krishi Melas are the various events of SKDRDP specially designed to cater these requirements.

The SKDRDP has organised 37 state level Krishi Melas, 1,712 Krishi Utsavs, 3653 seminars and 36,461 workshops and training to farmers across the state. Field schools to farmers and agricultural study tours are the other major events organised to raise the awareness of the cultivators and labourers. During 2015-16, 3,95,313 members across the state have benefited from agri-finance and various agricultural programs (SKDRDP, 2016). Apart from these, in collaboration with Government of Karnataka, SKDRDP has opened 164 agricultural machinery hiring centres during 2015-16 investing Rs.75 lakh per centre. Each center provides tractors, tillers, harvesters, cultivators, dusters, sprayers etc. to the poor registered farmers at nominal rent. The results expected are lower working capital requirement to the farmers, large scale farming, regular farming, time utilisation and improved quality of the crops. Thus the focus seems to be on improving the capabilities of the farmers and sustain agriculture.

### **Social development programmes**

#### ***Social sensitisation***

SKDRDP makes efforts in sensitising the society on the significance of health, sanitation, food habit, education, harmonious family and also the evils of addiction. The SKDRDP promotes Akhila Karnataka Public Awareness Forum aiming in spreading the social awareness among the rural mass. This Forum of SKDRDP has launched a special program with the tag 'Aspiration for Good Health'. This program is about creating knowledge on the benefits of maintaining good health practices among the school and college going adolescents and youth. The discussions cover issues such as the adverse effect of addictions, channelizing their energy towards productive activities and how could they become agents of change in the society. The Forum educates over 45,000 students every year. The Forum has organised 4,526 programs for children' awareness (SKDRDP, 2016). In addition, the Public Awareness Forum of SKDRDP fights against social evils through organising various public awareness programs. The events include door to door visits, taking out group marches, arranging congregation of victimised women due to their husbands' addiction, special programmes for students, training programmes and documentary film shows.

SKDRDP organizes events for disseminating information on the available government schemes on health and cleanliness issues. These include, healthcare during pregnancy, vaccination programmes for children, awareness about prevention and cure of HIV, AIDS, H1N1 and other prevailing health issues which are local in nature. The initiative also concentrates on the health of the female children and adolescents. Equal focus is also given on maintaining cleanliness with minimal expenditure, daily activities for women for a healthy life and identifying health disorder and the indicators of illness. The SKDRDP organises camps for health check-up, vaccinations, blood donation, free medical treatment, medical tips for a healthy living and yoga. In collaboration with the International Micro Credit Summit and 'Freedom from Hunger' organizations, SKDRDP organizes programmes on Food and Nutrition, Safe Childbirth, Geriatric Care, Adult Education through group discussions, demonstration and games.

This apart, SKDRDP promotes imparting knowledge to women about maintaining kitchen garden, achieving balance of proteins, carbohydrates, fat and vitamins in food consumption as a routine. They also supply information on food items which enable to achieve balanced diet, timings for consumption and related issues through events, demonstration and conducting discussions.

Despite the efforts of the Government such as free school education, mid-day meal, stationary, books and school uniform to the children, the illiteracy and the school dropout rate is high in rural areas. To manage these complex issues, SKDRDP hosts events in co-ordination with the local education department officials. In such events, the SKDRDP reaches out to parents and children to ensure their inclusion to the mainstream and the school education system. In order to sensitise the rural parents and children on the importance of school education, SKDRDP uses techniques such as movie documentaries, excursion tours to historical places, street plays and debates.

To assist women who are passing through emotional trauma and difficult phase in life, the SKDRDP has appointed 'Friend of the Family'. Friend of the Family is a women counsellor helping out women through advices and guidance to women with family problems such as addicted husband, domestic violence, sickness, soaring family relations etc. The friend of the family also provides legal, police, medical and administrative support to the victims or needy.

#### ***De-addiction and rehabilitation***

The SKDRDP organises community health camps at different locations with the objectives of transforming hard core alcoholics into sober individuals and bringing them into the mainstream

society. The camps also aim at making a positive difference to the family of the addicts and also to the community by bringing physical, spiritual and social changes in them. The de-addictions camps of the SKDRDP adopts behavioural procedures in the treatment programmes which include relaxation, aversion therapies, covert sensitization, self-control training, social skills and assertiveness training and contingency management. The eight-day de-addiction camps detail the alcoholics with the economic, social and spiritual benefits of being free of addiction. The attempt is to bring attitudinal shift among the addicts with minimal use of medicines and medical aid. The de-addicted people are the agents of change as they volunteer to encourage other addicts to quit drinking. It is noteworthy that during the past two decades SKDRDP has organised 1021 de-addiction camps and more than 78,500 people are treated successfully (SKDRDP, 2016). SKDRDP does follow up of the de-addicted people. The follow up has two dimensions. Firstly, sustaining the learnings of the camps and ensure that they do not re-addict. Secondly, the de-addicted people from the camps are rehabilitated by supporting in finding out avenues of leading life with dignity.

### **Community development programs**

The SKDRDP makes heavy investment in capital assets building programs. Rural infrastructure are the factors which convert potential capability into actual capability. The SKDRDP provides necessary support and grants toward rural infrastructure such as housing, electrification, sanitation, educational and hospital buildings and related infrastructure, etc. It enables members through micro credit to construct, repair, renovate and electrify houses. Since its inception, SKDRDP has assisted 6,87,785 families to have their own safe dwelling unit and adding electrification the number of beneficiaries increases to 10,56,700. (SKDRDP, 2016). SKDRDP believes that sanitation and hygiene are social capital and investment thereon develops the community towards sustainability. In view of this, 4,33,367 sanitation (toilet) units are constructed through micro credit.

The Community Development Department of SKDRDP has disbursed sizable amount of grants to build rural infrastructure in areas like education, Milk Co-operative Societies, crematoriums, pure drinking water and community sanitation units etc. According SKDRDP Report (2016), it has granted buildings for 2,802 Milk Co-operative Societies, 5,813 rural projects relating to minor irrigation projects, rural roads, play grounds and cattle sheds among others. It has also constructed 408 crematoriums. This apart, a grant of Rs. 35.15 crore for 8,548 education related programs in the project area was made with the objective of developing human capital in the rural areas. Construction of school buildings, compound walls, grant to special schools are the prominent, provision of comfortable furniture are among them.



Under its community development projects, SKDRDP also provides scholarships to students of poor families, monthly pension to income less families, emergency hospital expenses of poor, payment of insurance premium on their behalf etc. During the last one decade, a sum of Rs. 24.17 crore scholarship are given to 19,275 students. Further, 40 special schools are granted with Rs.43 lakh (SKDRDP, 2016). An outstanding amount of Rs. 1.02 crore has been spent during last one decade towards cattle shed development. These initiatives of SKDRDP are significant in building infrastructure and the capabilities of people in the project areas.

### **Sustainable development programs**

The SKDRDP places due significance to environmental protection and conservation in the path of economic growth. In regard to rural environmental sustainability, the SKDRDP has launched several initiatives. It has organised 1,31,531 programs on environment protection and water conservation across the state during the last three decades. During 2015-16, it has organised 10,319 events which were participated by 3,74,364 people. This includes 1,572 environmental protection awareness camps and 1,214 water conservation programs at different locations of project area. The SKDRDP also takes out rural awareness camps, afforestation and emphasises on eco-friendly practices in agriculture and other economic activities.

The SKDRDP has launched a movement on clean and renewable energy. This had the objectives of sustaining the environment and building up the capabilities of people with access to power at economical rate and also lower the incidence of pollution-borne diseases. In order to reduce burning of firewood, coal and kerosene which cause serious damage to health as well as to the environment, the SKDRDP has devised programmes like assisting rural poor to install gohar gas plant and solar units for household energy. The SKDRDP, in the last three decades, has extended financial and technical support to as many as 26,434 families in the project area to construct gohar gas plants. This is also noteworthy that 44,354 families have been assisted in installing solar energy.

Application of endosulfan as a chemical pesticide in agricultural activities caused serious health diseases in some of the villages under SKDRDP's project area. Households of Kokkada, Patrame, Nidle villages of Belthangady taluk and Aalankar village of Puttur taluk of Dakshina Kannada district are largely affected with endosulfan borne diseases such as physical and mental disorder. It has affected the adults as well as new born children. The SKDRDP in association with the Government of Karnataka has opened two rehabilitation center with

needful infrastructure for affected people. In addition, SKDRDP has launched campaigns to create awareness on the horrors of chemical pesticides. The Project induces and facilitates farmers to adopt organic farming. The efforts of SKDRDP reflect its objective of achieving high development without affecting the environment and also the likes of future generation.

**Table 1 : SKDRDP at glance**

<b>Self Help Group and microfinance</b>	
Number of active SHGs (as on May, 2017)	3,71,196
Number of active members (as on May, 2017)	36,38,857
Savings (as on Nov 30, 2016)	Rs.118.60 crore
Loan outstanding (as on May, 2017)	Rs. 6,237.06 crore
NPA	1 % of disbursal
<b>Agricultural development</b>	
Number of pragathi bandhu groups (as on March 31, 2016)	76,712
Number of labour sharing days	744 million days
Labour sharing value @ Rs.150 per day	Rs. 100.12 crore
Area of land brought under cultivation	8,40,000 acres
No. of wells constructed by SHG members	67,000
No.of pumpsets/irrigation systems purchased by SHG members	3,45,000
No. of state level Krishi Melas organised (as on Oct, 2017)	37
No. of Krishi Utsavs (as on March, 2016)	1712
Number of Agri- trainings to farmers (as on March, 2016)	36,461
Environment protection and water conservation programmes (as on March,2016)	1,31,531
<b>Infrastructure development</b>	
New houses, repair & electrification (as on Nov.2016)	10,56,700
Toilets constructed (as on March, 2016)	4,33,367
Installation of solar equipment (as on Nov, 2016)	44,354
Installation of gobar gas plant (as on Nov 2016)	26,434
Drinking water purification units/families benefited	202 units/1 lakh
Number of schools donated with furniture/amount	8,207 / Rs.17.73 crore
Grants to schools	Rs.11.91 crore
Number of crematoriums	408
<b>Financial security</b>	
Sampoorana Suraksha Health Insurance claims settled/amount (last one decade)	8,11,521/ Rs.345.25 crore
People covered under National Pension Scheme	3,40,000
Number of insurance policies sold	11,32,587
<b>Social security</b>	
Number of de-addiction camps/people de-addicted (as on Nov 2016)	1021
Number of awareness programmes (as on Nov, 2016)	78,500

Source: Compiled from various SKDRDP reports.

### Highlighting achievements

The SKDRDP has grown over the decades with the adoption of more rural intervention programs and extension of project area across the state and also to the neighbouring state. In the process, it has become a high impact organisation. Now, it has emerged as a leading NGO of the nation working in the field of rural development. It has made visible impact on the holistic development of the rural society. The multiple programmes of SKDRDP has contributed to the enhancement of the capability of the people of backward regions. Belthangady taluk of Dakshina Kannada district is one such instance of turnaround in the development since the interventions of the SKDRDP.

The success of SKDRDP could be measured from its mass acceptance. More than 37.2 lakh rural people have joined SKDRDP as members and are the direct beneficiaries. On the basis of this client base, India Microfinance (2015) declared SKDRDP as the third largest Micro Finance Institution (MFI) in India.

On the basis of the outstanding credit disbursed to the project, SKDRDP has been designated as the fourth largest lender in MFI sector (India Microfinance, 2015). The microcredit of SKDRDP is very impactful as it is disbursed to rural needy and targeted population. It has contributed to economic empowerment of rural people, especially to women.

The SKDRDP has won several awards for its effective rural interventions. For its consistent efforts in reaching banking, financial and insurance services to the people of backward regions and educate them with financial literacy, SKDRDP was felicitated with 'Financial Inclusion and Deepening Award' in 2014 by Scoch Foundation.

One of the visible areas of achievements of SKDRDP is renewable energy. This has caught the global attention. The Ashden Foundation, an international organisation from London which works in the field of renewable energy honoured SKDRDP with prestigious Ashden Gold Award in 2012. SKDRDP has been awarded for the efforts invested in providing informed choices to the poor in the selection and adoption of renewable energy. This signifies its effective contribution to sustainable development.

Further, the effectiveness of SKDRDP intervention programmes could be ascertained from the collaborations invited by the various departments of Government of India and Government of Karnataka as well as other autonomous bodies such as Life Insurance Corporation, nationalised and private banks etc. The effectiveness with which it could reach

the grassroots population has made government and quasi government agencies to deliver their schemes through SKDRDP.

The SKDRDP programmes assist policy making. SKDRDP believes in co-operation than conflict. The decision makers rely on the inputs of SKDRDP on various rural issues while framing policies. They also consider SKDRDP as the right forum to map the grievances of backward society. The decision of the government prohibiting drugs around educational institute premises owes to SKDRDP. This indicates the impact SKDRDP has over the rural development.

One of the critical areas of success of SKDRDP is loan recovery. It is noteworthy that SKDRDP records more than 99 percent recovery of loans (SKDRDP, 2016). Even more significant is that such loan are collateral free loans. This record recovery of SKDRDP credit takes place at the time when commercial banking encounters with the increasing Non-Performing Assets. The stressed assets of nationalised banks constitute about 11 percent of the loans (CARE Rating, 2017). This creates a paradox as to why SKDRDP succeeds at the time when the banks and several other Micro Finance Institutions (MFIs) fail to recover loans. For its near 100 percent loan recovery achievement the CRISIL has graded SKDRDP with mFR3 on an eight-point scale with mFR1 being the highest and mFR8 the lowest.

**Table 2 : SKDRDP asset quality**

(Figures in %)

<b>Outstanding balance associated with loans</b>	<b>Mar-11</b>	<b>Mar-12</b>	<b>Mar-13</b>
On time recovery	99.71	99.81	98.19
Late (at least one payment)			
1-30 days	0.03	0.02	0.25
31-90 days	0.04	0.02	1.47
91- 180 days	0.05	0.02	0.01
181 days & above	0.15	0.12	0.07
Total Portfolio	100	100	100
Portfolio at Risk (> 30 days)	1.56	0.16	0.26
Portfolio at Risk (> 90 days)	0.09	0.14	0.22

Source: CRISIL Ltd (2014)

### **The strategic perspectives**

Studies infer that SKDRDP significantly contributes towards empowering rural people and enable them to lead the kind of life of their choice. Much of the success of SKDRDP could be attributed to the strategic aspects by which it runs various intervention programs. Some of the major strategic aspects of working of SKDRDP could be as follows:

#### **Integrated approach**

The SKDRDP visualises rural development holistically. The focus is not only on improving the financial status of the rural poor people but also improve social and cultural dimensions of living. Since rural development is interwoven with multi factors, SKDRDP has adopted an integrated growth approach wherein, all aspects of wellbeing could be taken care off. This seems to be adoption of Amartya Sen's capability approach to the rural development. SKDRDP strives towards enhance the capability of the rural people, improve their 'doings and beings' and enable them to lead the kind of life of their choice with dignity.

The integration takes place at two stages: one at the program level and the other at organisational level. At the program level, all the programmes of SKDRDP are integrated with SHG network for implementation. This not only simplifies program implementation procedures but also ensures that benefits of the program reach the genuinely needy group of the society. Through this mechanism SKDRDP horizontally integrates social, cultural and economic aspects well-being. SKDRDP also does vertical integration of programmes at organisational level. In this case, rural dwellers are integrated with the various welfare schemes of central and state governments and also with autonomous agencies and banks. This strategic approach of SKDRDP has enabled it to adopt integrated rural development model which results in multi-dimensional human development in the project area.

#### **Participatory approach**

The SKDRDP has strategically designed several steps to involve target population at every stage of the program from designing the program to implementing the program. All the programmes are people driven. It is pertinent to note that all the agricultural activities, community building constructions, infrastructure initiatives, self-employment activities, de-addiction and awareness and training programmes etc. are organised by the people themselves. The SKDRDP facilitates, guides and monitors the entire process. The participation of the entire rural community in the activities of SKDRDP programmes make them mass accepted.

### **Group approach**

The SKDRDP has developed SHG model for rural intervention. This seems to another strategically designed mechanism attributing to greater success. SKDRDP floats all its programs through SHGs. This strategy pays dividend in two direct ways: firstly, it fosters people participation, secondly, creates platform to execute all the programmes. Since SHGs are owned and managed by people themselves, voluntary participation of the people in all the programs is ensured. The delivery of programmes through SHGs are made effective, comprehensive and mass accepted. For instance, the 'pragathi bandhu' groups of rural men which are mainly designed for labour sharing and SHGs of women for empowerment are being used by SKDRDP for all other interventions like micro credit lending, de-addiction programs, community development programs, awareness creation, Krishi Melas etc.

### **Decentralised organisation**

The SKDRDP has a strategically designed organisational structure through which the projects are being managed and operated. The organisational structure of SKDRDP is highly decentralised with an Executive Director in consultation with the Board makes the policy decisions. The entire project area of SKDRDP is divided into eight project regions which are the clusters of few districts for easy administration and execution which is headed by Regional Director. Further, each district has a Director to execute the programs of SKDRDP in the district. Under the Director, every taluk has a Project Officer to oversee, implement and execute the programs. A cluster of villages in the taluk has a Manager who works closely with the SHGs of his project area. He is supported by a Sevapratidinidhi (Field Officer) in each village. Sevapratidinidhis are the designated officials of SKDRDP at the grass root level taking all the programs to the SHG members, educate and encourage them to participate effectively. This strategy of decentralisation of SKDRDP program execution from state unit to the village makes the interventions effective.

### **Collaborative approach**

SKDRDP has engaged with implementation of several development schemes of Central Government, State Government and local bodies as well as autonomous agencies and banks. This arrangement enables SKDRDP to provide diversified social goods to rural poor with the support of policy makers. This proximity of SKDRDP, on the other hand, also creates avenues to put pressure on the policy makers for the sustainable development oriented policies. SKDRDP provides platform to policy makers to interact with rural people and gain awareness

on the real living standards and socio-economic problems they encounter. This collaborative approach strengthens the bond of SKDRDP with rural poor and the policy makers and makes it an agent between them.

As the success story of SKDRDP unfolds, there are certain questions to ponder upon.

1. Despite rising NPAs among the banking sector, SKDRDP has recovery at near hundred percent. What are the factors to be attributed?
2. Though India has Panchayati Raj system for grassroots administration, its impact does not seem to be significant. Examine the feasibility of Panchayats adopting SKDRDP model of rural development for their effective functioning.
3. Should the governments consider to implementing all government funded rural development projects through SKDRDP and such similar NGOs?
4. What are the other programmes/areas of intervention with which SKDRDP could diversify its portfolio of rural development projects to achieve its objective of rural empowerment with even more success?

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