6.1 INTRODUCTION

In this concluding chapter we summarise the main points of this study and suggest certain elements of reality in the context of the prevailing socio-economic conditions which may be introduced in the formulation and implementation of any development programme for educated unemployed youth in the future so that the gap between the theoretical and practical approaches to development problems can be narrowed down.

6.2 SUMMARY

Educated unemployment, constituting a colossal waste of quantitative human resource, has become a matter of grave concern to the State. To mitigate the magnitude of this problem the State has been endeavouring to create employment opportunities through various development schemes. Besides, it has also opened up avenues for self-employment through other schemes. The announcement of Prime Minister’s Rozgar Yojana on 2nd October 1993 marks a milestone in the attempts of the State to provide self-employment to all educated unemployed youth that have passed or failed 10th standard.
The scheme launched at the national level has been extended to the State of Haryana since 1st November 1993. The scheme has been implemented by the District Industries Centre in collaboration with the commercial banks. The scheme is expected to create a congenial impact in terms of investment, output, employment and income generation to the unemployed youth and a multiplier effect on the economy. Since the scheme has been in operation for the last seven years it becomes worthwhile to assess whether the objectives of the scheme have been accomplished and if not, the causes thereof and also the problems encountered by the unemployed youth, DIC and the banks in the context of the implementation of this scheme. This study is an attempt at this evaluation of PMRY scheme in the State of Haryana.

More specifically the objectives of this evaluation have been:

1. To assess the magnitude of activity-wise and unit-wise employment generated against the capital employed;

2. to assess the additional income generated for the beneficiaries by the units started by them;

3. to assess the impact of financial assistance provided on production, sale and profit realised;

4. to assess the impact of the technical back up and training provided;

5. to assess the problems of implementing agencies and beneficiaries; and

6. to provide suggestions for improvement in implementation of PMRY.
This evaluation pertains to the operation of the scheme during last six years (i.e. 1993-94 to 1998-99) and it is based on the analysis of both secondary and primary data. The primary data have been collected from 125 beneficiaries of PMRY, 18 branches of 12 banks and 3 DIC functionaries. The beneficiaries were selected by using a proportionate random sampling technique.

These 125 beneficiaries have set up 78 business enterprises (62.4%), 27 industrial units (21.6%), and 20 (16%) service enterprises. Category-wise enterprises set up show that 50.4% of them belong to general category, 40% to OBC and 9.6% to SC communities. The age-wise distribution shows that 76% of the beneficiaries are in the age group of 25-35 years. About 63.2% of the beneficiaries have studied up to intermediate and only 24% have qualifications beyond Graduation. The annual income of self and spouse was less than Rs.24000/- per annum in the case of 75.2% of the beneficiaries. About 84% of the beneficiaries covered under PMRY were unemployed, casually employed or unpaid family workers before joining the scheme.

The activity-wise details show that the beneficiaries are involved in the production or business or service of 41 products: industry 13, business 20 and service 8. The scheme has enabled 125 beneficiaries to make a total investment of Rs.78.67 lakhs. The monetary value of output produced consequent to the investment made, was Rs.87.38 lakhs.
The PMRY enterprises (125) have created employment to 337 persons spread over 181 in business, 105 in industry and 51 in service sector. The total profit generated is Rs.30,02,926 of which the share of business sector is 58.24%, industry sector 26.7% and 15% in service sector. The monthly income for all the units works out to Rs.2002/- per unit. Activity wise, the monthly net income is Rs.2481/- in industrial sector, Rs.1875/- in service sector and Rs.1868/- in business sector. The working of the scheme shows that the benefits of the scheme had percolated to the unemployed youth of the socially and economically backward communities as nearly 50% of the beneficiaries are drawn from OBC and SC communities. The reservation criteria has been more than fully fulfilled in the case of OBC although it has not been achieved in the case of SC beneficiaries.

6.3 MAIN FINDINGS

The main findings emerging from the analysis of data is summarised here under four broad categories, namely, (I) Operational features of PMRY-Coverage, (II) Impact of PMRY, (III) Performance of PMRY: Indicators of success and (IV) Problem Areas.

6.3.1 Operational Features of PMRY-Coverage

1. For the purposes of implementation of PMRY, a target of 2235 was fixed during the period 1993-94 to 1998-1999. In response to the
advertisement calling for applications from unemployed youth to avail the benefit under this Scheme, the DIC office, Rohtak received 4503 applications of which 64.58% were received from General category, 28.22% from OBC and 7.20% from SC community. Of the 4503 applications, 333 applicants were not interested in joining the scheme and hence the number of effective applications considered by the DIC was only 4170. These 4170 applications were scrutinised and processed by DIC in the light of the eligibility norms prescribed under PMRY. As a result DIC rejected 1892 applications which implies that about 45% of the applications considered by DIC were rejected. The main reasons of rejection of these applications were mismatching of residential criteria of the applicants (43%), and submission of non-viable Project Reports by the applicants (41%).

2. Ultimately, DIC had recommended 2278 applications to different bank branches. The percentage of applications recommended to the total percentage of applications considered by DIC was 50.58%. The category-wise share of cases recommended comes out to be 52.40% for General category, 47.99% for OBC and 44.44% for SC. The applicants have been recommended to the banks after initial screening by DIC by taking into account the ability of the candidates to launch self-employment ventures successfully and the suitability of projects selected by them. Out of 2278 applications, 1598 applications were sanctioned
by the banks accordingly. The appraisal part of screening proposals by DIC is considered to be weak. However, all DIC functionaries felt that the applicants recommended by them possessed necessary skill and seriousness to take up the project and the projects chosen by the applicants were also related to market conditions.

3. Training was imparted to all the beneficiaries by DIC office. The training was very well received and appreciated by a great majority of the participants (94.4%). The content, place, faculty and methodology of training were satisfactory to more than 91.2% of the beneficiaries. 77% of them were willing to attend training even without stipend. The technical back up and its place were considered useful by 86.4% of the beneficiaries.

4. The evaluation study could cover only 125 beneficiaries out of 160 selected under the scheme, as the remaining 35 could not be traced despite our best efforts. Therefore, the impact of the scheme has been evaluated with respect to 125 beneficiaries, 18 branches of 12 Banks and 3 DIC functionaries. These 125 beneficiaries have set up 78 business enterprises (62.4%), 27 industrial units (21.6%), and 20 (16%) service establishments. Since business units constitute 62.4% of the total self-employment enterprises, the restriction prescribed in this regard (i.e., Business units should not exceed 30% of the total units started) is not fulfilled.
5. Category-wise enterprises set up show that 50.4% of them belong to general category, 40% to OBC and 9.6% to SC communities. While industrial and business activities have attracted more of beneficiaries from General category, service sector has been chosen by more of OBC candidates. The reservation target of 27% has been achieved as far as OBC is concerned but it could not be achieved in the case of SC.

The other traits of the beneficiaries are:

a) The age-wise distribution shows that 76% of the beneficiaries are in the age group of 25-35 years.

b) About 63.2% of the beneficiaries have studied up to intermediate and only 24% have qualifications beyond Graduation.

c) The annual income of self and spouse was less than Rs.24000/- per annum in the case of 75.2% of the beneficiaries.

d) About 84% of the beneficiaries covered under PMRY were unemployed, casually employed or unpaid family workers before joining the scheme.

6. The activity-wise details show that the beneficiaries are involved in the production or business or service of 41 products: industry 13; business 20 and service 8. In terms of number of enterprises, the importance of items produced and exchanged/serviced may be arranged in this order: general store (22); readymade garments (8); atta chakki (6); cloth shop (6); building material (6); auto rickshaw (5); furniture (5); medical shop
(5); Photostat (4); computer/DTP/Typewriting (4); auto parts dealer (4); stationary store (4); wooden goods (4); plastic products (3); cattle feed (3); gate grill manufacturing, oil expeller, cooler body manufacturing, electric shop, fruit and vegetable shop, cosmetic shop, iron goods, medical clinic, tent house-2 each. Further, 84.27% of the total beneficiaries were found to be working in traditional activities.

6.3.2 Impact of PMRY

The PMRY has exerted considerable impact on the unemployed youth and to a smaller extent on the economy of the district which can be measured by the quantum of investment made, output, employment, profit and income generated in relation to the capital employed. The main findings on the impact of PMRY are as follows:

1. Investment Made: The scheme has enabled 125 beneficiaries to make a total investment of Rs.78.67 lakhs and the share of each category in total investment is 53.84% in general category units, 39.11% in OBC units and 7.04% in SC units. The average investment was Rs.62936/- as against the average amount of loan sanctioned (Rs.58916/-). The difference between the loan sanctioned and the investment made shows that each beneficiary brought an additional investment of Rs.4020/-, which means a total investment of Rs.5.03 lakhs from 125 beneficiaries.
2. Volume of output, turn over and sales: The monetary value of output produced consequent to the investment made, was Rs.87.38 lakhs of which 55% came from general units, 35% from OBC units and 10% from SC units. The capital output ratio for the entire sample is 0.90:1 and it is 1.08 for OBC category, 0.89 for general category and 0.63 for SC run units. The average realised production is Rs.69898/- and it is the highest in units run by general category (Rs.76278/-) followed by SC (Rs.72811/-) and OBC (Rs.61161/-) categories.

The investment multiplier (is the ratio of the additional generated to the additional investment made) for the entire sample is 1.11. The category wise investment multiplier values are: SC 1.58; General 1.13 and OBC 0.99. These multiplier values indicate that one sample investment is capable of creating more than one rupee value of output in all categories accept OBC category.

3. Employment Generated: The PMRY enterprises (125) have created employment to 337 persons spread over 181 in business, 105 in industry and 51 in service sector. The share of different activities in total employment is business 53.71%, industry 31.16% and service 15.13%. The total employment generated in different activities was 337, which gives per unit employment of 2.70. The per unit employment is 3.89 persons in industry, 2.55 in service and 2.32 in business activities. These data show that industrial activities are more labour intensive than other activities. The per unit employment in industry
category wise is 4 in SC units followed by 3.92 in general category units and 3.86 persons in OBC units. In the business sector, the per unit employment varied from 2.22 in OBC to 2.37 in general and SC units. SC units had the highest per unit employment of 2.66 persons in the service sector.

PMRY has provided full employment to 1598 persons during the period 1993-94 to 1998-99. In addition, 3196 persons had secured employment in the ventures created by the unemployed young persons.

4. Profit realised: PMRY scheme has enabled the unemployed youth to earn profits through their absorption in various self-employment ventures. The total profit generated is Rs.30,02,926 of which the share of business is 58.24%, industry 26.7% and 15% in service. The average profit per unit is Rs.24,023 and it ranged from Rs.22,423 in business sector activities to Rs. 29,776 in industrial activities.

5. Income generated: Taking the average profit per month as the measure of income generated, the monthly income can also be assessed for each beneficiary. The monthly income for all the units works out to Rs.2002/- per unit. Activity wise, the monthly net income is Rs.2481/- in industry, Rs.1875/- in service and Rs.1868/- in business. This flow of monthly income indicates that in all the activities, the beneficiaries were able to earn an income, which they could not have earned in the absence of this scheme. This is one of the major benefits of the scheme. The impact of this scheme can be better
appreciated by the fact that most of these beneficiaries who have earned income now were either unemployed with no income or casually employed with meagre income forcing them to lead a hand to mouth existence earlier or unpaid family workers in father's unit. But after availing the scheme, income has increased in the range of Rs.2000/- per month. Thus the impact of PMRY on income generated has been relatively considerable.

6. Social Impact : A distinctive advantage of the scheme is its bias towards the socially and economically backward sections of the society. The scheme envisages that a minimum of 27% of the beneficiaries should be drawn from OBC and 22.5% from SC communities besides its commitment to help women in their self-employment ventures. The working of the scheme shows that the benefits of the scheme had percolated to the unemployed youth of the socially and economically backward communities as nearly 50% of the beneficiaries are drawn from OBC and SC communities. The reservation criteria has been more than fully fulfilled in the case of OBC although it has not been achieved in the case of SC beneficiaries.

Most of the beneficiaries belong to families below poverty line. But today they are made to stand on their own legs with confidence, enthusiasm and self-sustaining ability. The scheme has initiated a slow process of promoting entrepreneurship among the weaker sections that have hitherto stayed away from the mainstream of industrialisation and business process.
6.3.3 Performance of PMRY: Indicators of Success

1. The success of PMRY is indicated by the degree of achievement of targets prescribed. The percentage of achievement of target exceeds with respect to sanctioned cases and 71.50% in the case of disbursed cases. The percentage of actual enterprises functioning to the total target is also 71.50%. This percentage was more than cent-percent in business, 55.77% in industry and 37.53% in service sector. These data imply that the achievement of target is relatively easier in business than in other sectors.

2. The second indicator of success of PMRY is measured by the degree of fulfillment of the prescribed eligibility conditions. The following table indicates that the candidates were selected, by and large, in accordance with these norms:
### Table: -6.1 Indicators of Success

<table>
<thead>
<tr>
<th>Eligibility criteria</th>
<th>Degree of fulfillment (percent)</th>
<th>Excess (+) or shortfall (-) in fulfillment of norms (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reservation to SC</td>
<td>42.66</td>
<td>-57.34</td>
</tr>
<tr>
<td>Reservation to OBC</td>
<td>148.1</td>
<td>+48.1</td>
</tr>
<tr>
<td>Age</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Education</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Annual Family Income</td>
<td>75.2</td>
<td>-24.8</td>
</tr>
<tr>
<td>Loan ceiling</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Training</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Residence</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Business ventures (30%)</td>
<td>208</td>
<td>+108</td>
</tr>
</tbody>
</table>

3. The third indicator of success can be seen in the effective credit delivery system assisting PMRY in the District. Normally, a good credit delivery system (loaning system) should be able to provide cheap, timely and adequate credit with ease and convenience. The results of this study show that despite various genuine constraints under which banks are functioning, they were able to exhibit the qualities of a good loaning system.

a) The loan provided is cheap as the banks charge 12.5% per annum as interest up to a loan of Rs.25,000 and at the rate of 15.5% for a loan exceeding Rs.25,000.
b) The loan sanctioned is fairly adequate as 71.59% of the loan applied for, has been sanctioned by the banks and 74.4% of the beneficiaries have made less than Rs.10,000 as additional investment.

c) The credit provided is fairly timely. As the time lag between the date of sanction and the final disbursement was less than one month in the case of 62.4% beneficiaries and between 1-3 months in the case of another 31.2%. The time interval from the date of completion of training to the beneficiaries and it was between 1-3 months in another 29.6% of the cases.

d) The loan system is also fairly easy and convenient. The entire loan amount has been disbursed in one installment in the case of 42.4% beneficiaries and another 35.2% had received it in two installments. The number of visits made by a majority of beneficiaries to the banks is more than five times.

4. The success of PMRY is indicated by the close cooperation and coordination with the banks, beneficiaries, and other agencies working under PMRY. The DIC officials are found to receive excellent cooperation from the Task Force Members for the implementation of the scheme as all the meetings scheduled were conducted on time. The cooperation available from the banks was rated as adequate to good.
5. The perception on the usefulness of the scheme also indicates the success of the scheme. The PMRY is considered to be useful by both the officials of DIC and banks, however, with varying degree of opinion on the usefulness. While all the DIC officials invariably opined that the scheme is very useful, most of the bankers felt that it is useful to some extent only.

6.3.4 Problem Areas

The successful performance of PMRY described above, is not absolute but has to be accepted in a relative sense and hence should not give an impression that the scheme is a 100% success. There are certain problems, which tend to reduce the efficacy of the scheme. These problems are:

1. The main problem is non-repayment and poor recovery of loan by the beneficiaries. The combined data collected from both the beneficiaries and banks indicate a greater incidence of non-repayment of loan (about 37%) of the total cases sanctioned. This is alarming. The limited period of operation of the scheme, high cost of establishment, lack of adequate working capital, inadequacy of income, diversion of funds are the major factors contributing to non-repayment. The incidence of willful default is also considerable as reported by the bankers. The poor recovery situation is really debilitating the efficacy of the scheme.
2. Inadequacy of manpower in Banks is another major problem, which seem to account for more delays and other problems at the bank level.

3. While the beneficiaries do not find much problems with the DIC, they find the attitude of Bankers towards this scheme as one of apathy. Under financing and insistence of collateral security sap the initiative of the applicants as a result of which some of them cannot avail the scheme.

In sum, PMRY is really lending a helping hand to the efforts of the State to alleviate educated unemployment. The multiplier impact of the scheme on the individuals and the economy is considerable. The scheme, as expected, has motivated and encouraged the educated job seekers to undertake self-employment activities. But its potential and efficacy is dimmed by certain operational problems, which need solutions. In other words, the scheme has to improve its functioning in certain areas so as to attain a place of pride among the employment initiatives of the State.

**6.4 SUGGESTIONS**

1. The targets fixed under PMRY are too inadequate to tackle this vast magnitude of educated unemployment. Therefore the targets fixed by the Government of India for the district of Rohtak should be more than the present targets and it should bear a positive relation with the growing number of educated unemployed.
2. Under PMRY, there is restriction that not more than 30 percent of the enterprises set up should be from business sector. This restriction may be removed in view of the fast growing service and business sectors and the pervading industrial sickness especially in small sector in Rohtak District. The scheme should allow considerable flexibility and freedom to DIC and banks to fix the proportion of industry, business and service sector activities depending on the local reality within the overall targets fixed by the Government of India.

3. The present system of allocation of targets to various bank branches without the active collaboration of the concerned branches is said to be arbitrary (as opined by the bankers). To avoid this situation, the targets to each branch may be fixed in consultation with the managers of the banks that are expected to finance beneficiaries. The actual number allotted may be decided on the basis of the performance and experience of banks, the degree of their involvement in other developmental schemes, manpower available, financial status, viability of the operation of the project in the proposed area and the earnestness and interest of the bankers in the scheme. Greater consultation and coordination among the officers of DIC and the branch managers can go a long way in achieving the targets rather than pushing the targets on the basis of the unilateral decision taken by the Task Force Committee.
This calls for two stages of target allocation. In the first phase, the Task Force may fix the tentative target bank wise as soon as total targets are received from the Government of India. In the second phase, a meeting of all Branch Managers to whom the targets are to be allotted along with the Manager of Lead Bank, Chief Managers of the Banks and DIC officials may be convened. Then, the targets are mutually accepted after discussions with all concerned. This would ensure a greater sense of belonging, participation and commitment to achieve the targets, which is the bedrock of success of the scheme itself.

4. The composition of the existing Task Force Committee is fairly good. However to ensure greater success of the decisions taken by the Task Force Committee in all matters relating to PMRY, provision may be made to include some more members of TFC. It is suggested that one or two representatives of Youth Associations, Women Organisations, Voluntary Organisations, Association of Industry and Trade, an Economist, a Management Expert and a representative of the Directorate of Planning and Research, Government of Haryana may also be included in the Task Force Committee.

5. As opined by the beneficiaries, the existing norms of eligibility under this scheme may be modified by incorporating the following changes:

a) The educated unemployed should be in the age group of 20 to 40 years.
b) The annual family income limit may be raised to Rs. 40,000 (combined income of self, spouse and parents).

c) Provision for reservation to women beneficiaries in the scheme should be made on the lines stipulated for OBC, SC and ST categories.

d) Preference in the scheme may be given to knowledgeable and experienced people in similar avocation.

6. The achievement of PMRY with respect to SC/ST has fallen short of the stipulated 22.5%. In the absence of ST population and lack of initiative on the part of SC members, it may be difficult to achieve the prescribed target. Therefore, it is suggested that the reservation target may be reduced to say 10 to 15% and the balance may be reserved for women beneficiaries. Further, special measures as indicated below may be initiated to enlist the participation of more SC members in the scheme.

a) Organisation of special drives.

b) Appointment of a special officer in DIC to implement PMRY in general and to motivate SC, OBC and other weaker sections to join the scheme in particular.

c) A liberal approach to screening of SC applications so that the incidence of rejection may be minimised.

d) The constraints faced by SC may be examined and remedial action may be initiated to solve them.
7. There is considerable scope for improvement in the quality of initial screening by DIC so as to reduce the incidence of reduction by the Bankers. Careful appraisal of project proposals by considering the overall local environment in which the proposal is to be implemented and the knowledge, skill, experience and the interest of the candidate and observance of other norms may improve the quality of screening further.

   It is also suggested that for selected candidates with a proposal of Rs.50,000 and above second round screening by DIC with the cooperation of the concerned Bank Branch Managers may also improve the quality of screening and hence reduce rejection levels.

8. The study has shown that the project proposals submitted by the beneficiaries are defective. This stems mainly from lack of knowledge and guidance on the part of the unemployed youth. It is here that the role of DICs and the training institutions assumes crucial importance. DICs should undertake the responsibility of guiding the beneficiaries in the preparation of proposals on the basis of market surveys. It can involve Small Industries Service Institute (SISI) and Management consultants in the preparation of the project proposals. Therefore, demand assessment and market assessment should be periodically undertaken by DICs and this should form the basis of project proposals. This would help to improve the economic and financial viability of the projects, reduce
rejection levels and constitute to greater impact on the beneficiaries and the economy.

9. Although the training part of PMRY has been well appreciated, there is further scope for improving the duration, contents and methodology of training. Training may be imparted in two phases. The first phase of training may be given before disbursement of loan, as it is in vogue now. The second phase of training may be given after one year of the establishment of enterprises by the beneficiaries. This training would be more relevant to the problems faced by them and help them to organise their enterprises more efficiently and profitably.

The contents of the course may be revamped to take into account the needs of financial management, export orientation, computer operation, and communication practice and business procedures. The methodology of training should be based more on work experience and case studies rather than on theory based monologues.

10. Under financing of PMRY have been found to be a major problem by the beneficiaries. This accounts for diversion of funds and the consequent non-repayment. In the existing system of financing, pre-operative expenses like deposits for power supply, insurance, fixing up of the premises and other working expenses are not included. Financing only fixed capital does not help the beneficiaries to start the ventures in time. It is like distributing land pattas to the poor man who does not
have the resources to raise a roof over the land. Therefore, the bank should provide adequate funds as required by the project proposal and recommended by the DIC. The project cost including the working expenses should not be slashed arbitrarily by the banks. Further, once the formalities are completed, the banks should provide prompt sanction and disbursement without making the candidates to walk down to the premises of the banks several times. The bankers should develop a more liberal and helping attitude towards the unemployed youth.

11. On the question of collateral security, the opinion is divided between the beneficiaries and bankers. While the former does not like insistence of the collateral security, bankers wish that it should not be insisted. What is needed is a compromise and we should ensure the safe return of money to the banks. Therefore, it is suggested that personal guarantee by any one of the members of the family of the beneficiary may be insisted while sanctioning loan.

12. Incidences of non-repayment is becoming a serious problem under the scheme, which seems to develop a sense of indifference and lack of interest on the part of bankers. Therefore, every effort should be made to ensure the recovery of loans from the beneficiaries. The following measures are suggested for this purpose:

a) Both the banks and the DIC should ensure that assets are created out of loanable funds.
b) Close monitoring of investment made by the beneficiaries. For this purpose as well as for implementing the scheme successfully, a monitoring cell may be created either in the office of the DIC or in the Lead Bank, whose main function would be to watch the activities of PMRY beneficiaries and discipline them.

c) Provision of adequate loan to cover fixed, working and operative expenses can increase the recovery rate.

d) The Government may think of providing guarantee to the bank loans.

e) Extension of Revenue Recovery Act to banks is one of the surest and easiest way of ensuring speedy and steady recovery of loans.

f) As recommended by the National Conference on PMRY held in September 1995 at Delhi, PMRY loans should be treated on par with the Government dues.

g) The willful defaulters who are knowingly or unknowingly misguided by vested interests should be dealt with very seriously and sternly.

13: PMRY beneficiaries face a number of problems before and after the commencement of economic activities. The study has revealed that fixing up of the business premises is a dominant problem. To solve this problem, the municipalities and the panchayats may be persuaded to allocate their shops, on a priority basis, to the beneficiaries at the
reasonable rate. They may also be persuaded to provide shopping complexes exclusively for PMRY beneficiaries. Government can provide infrastructure assistance grants to municipalities and panchayats through DICs.

The reservation of industrial premises to PMRY beneficiaries in the industrial estates may also be considered. Preferential treatment may be shown to PMRY units in the matter of electricity supply. DIC should arrange machinery, equipments and raw materials, which are scarce and distribute to the beneficiaries at time. Marketing problems created by the liberal competition in the contest of the New Economic Policy may be effectively solved. Rebates, reservations of purchase of products and wide publicity are some of measures, which can be initiated. A certain proportion of government purchase of certain items may be made from PMRY units. The DIC can also arrange marketing of products in the exhibitions organised by the government.

14. The DIC should periodically arrange for (say once in three months) a meeting in which the beneficiaries, DIC officers and bank managers would freely exchange views, sort out the problems and initiate appropriate remedial action. Such meeting would bring more harmony and rapport, which can accelerate the success of the scheme.

15. Last but not the least; it is necessary that the bankers should develop a positive attitude toward this scheme. Given the constraints, under which
they are working now, they should evince a cordial and friendly approach toward the financing of the scheme. In a situation where unemployment and poverty have become prominent problems, the tenets of social banking need to be applied in the large interest of the society. As long as they deal in public money, they should work for social causes apart from their cherished goals of financial and economic viability of their activities. Banks are an integral part of the society for whose upliftment the PMRY scheme works. Bankers can not adopt an elitistic approach to a situation demanding social justice. It is only their positive and pragmatic approach towards this social scheme that would remain the acid test of success of PMRY in future.