In this concluding chapter we summarise the main points of this study and make certain suggestions for the better performance of the I.R.D.P.

6.1 SUMMARY

As indicated in the introduction of this study, the specific purpose of this study has been the testing of the following three groups of hypotheses:

GROUP-A

(i) The beneficiary-oriented approach of the I.R.D.P. has not served the purpose for which it was started as the benefits in a large number of cases are going to the wrong type of households for which the programme was not meant.

(ii) There has been a tremendous leakage of resources in the sense that a very high percentage of beneficiaries were already above the poverty-line.

(iii) The assistance under I.R.D.P. is availed of by a majority of beneficiaries with the sole purpose of getting subsidy.
The I.R.D.P. kind of asset creation programme and the subsidy given to beneficiaries has a trend towards corruption.

There is a significant time-lag in the implementation of I.R.D.P. which results in a high cost to beneficiaries for obtaining loans and subsidy.

The assets were not purchased by the beneficiaries themselves and these were not of their own choice and of good quality. In some cases the existing or neighbour's assets were fraudulently shown to be purchased under the I.R.D.P. The amount of loan was not sufficient to purchase the assets.

GROUP:B

As regard to the monitoring of the I.R.D.P. there are very rare visits by senior officials. Those other officials who do the largest number of visits do so more for verification of assets or to urge repayments than for follow-up action.

The 'Vikas Patrika', the identity-cum-monitoring card to register the beneficiary's economic status, repayment schedule, problems faced, remedial action needed and taken and the like,
is either not distributed or if distributed no entry is made in that.

**GROUP: C**

(ix) The I.R.D.P. has failed to lift the majority of the target group above the poverty line on a permanent basis.

(x) The major causes of the poor performance of the I.R.D.P. are the failure in implementation; its design and strategy; and a combination of all these.

(xi) The I.R.D.P. has failed in bringing rural diversification in rural economy.

(xii) The assumption that I.R.D.P. would fare well in situations where developed infrastructure facilities—like roads, electricity, veterinary hospitals etc.—are available, does not seem to be substantiated.

(xiii) All those eligible categories who got assistance from the I.R.D.P. did not either cross the poverty line or find any change in income or even find a fall in their income.
In brief, all these hypotheses, except partly one, stand proved. Our study can be summarised in the following way:

1. **Sample of the study**

The present study was conducted by taking a sample of 452 (39%) beneficiaries out of a total of 1161 assisted under I.R.D.P. credit linked schemes in thirty sample villages selected from the ten blocks of Rohtak district during the first two years of the Seventh Plan. We conducted this study by giving due representation to all sections of beneficiaries. And a detailed household survey of sample beneficiaries was conducted for the collection of primary data. It was found that the I.R.D.P. assistance was provided to the rural persons belonging to different castes, categories and sectors.

2. **Socio-Economic Profile of Sample Beneficiaries.**

On the analysis and evaluation of the collected data it was found that more than 80% beneficiaries were below the age of 50 years, and about 57% from the younger age group of 16-40 years. A majority of the beneficiaries (more than 80%) were illiterate. Only
about 17% beneficiaries were having education up to matriculation level or higher than this.

3. **Sex and Caste**

The percentage of women beneficiaries assisted under I.R.D.P. in the sample villages was about 21% which was quite below the target of 30% prescribed for women. However, much higher coverage was given to the Scheduled castes households. Their percentage was 42% of the total assisted beneficiaries which was more than the targeted 30% prescribed for them.

4. **Nature and Size of Families**

More than 55% beneficiaries were members of the joint families and there were more than five members in about 65% families. In certain cases the family size was even more than ten members. Along with the larger family sizes the less number of earners and the larger number of dependent members in the family has an adverse effect on the economic condition of the whole family. It was found that in more than 80% families there were three or less than three earning members, including the beneficiaries themselves. On the other hand, in more than 80% families the number of dependents was three or more than three.
5. **House Types**

In this sample study we found that about 20% beneficiaries had very small Kuchha houses which is an indication of their abject poverty. Another 25% beneficiaries had two or more than two big pucca houses which indicates towards their being non-poor and hence ineligible for getting benefits under the I.R.D.P. About 63% beneficiaries had electricity connections in their houses.

6. **Land Ownership**

Land ownership has been laid down as one of the criterion for selecting small farmers and marginal farmers for I.R.D.P. assistance. In this sample study 36% beneficiaries were landowners. And 42% of them (or 15% of the total sample) were having land ownership above five acres and do not come under the category of small farmer or marginal farmers. This proves that there has been wrong identification in a large number of cases.

7. **Occupation**

About 36% of sample beneficiaries were agriculturists and 15% were working as agricultural labour and another
46% were working as non-agricultural labour such as labour working in the construction sector. The main occupation of the remaining 3% beneficiaries was small trading and 10% of them were working as rural artisans like carpenters, blacksmith or village craftsman. In brief, 69% of sample beneficiaries were engaged in primary sector, 8% in secondary and 23% in tertiary sector activities. About 29% households were having milk selling as secondary occupation, and in another 18% cases government or private jobs were the secondary occupation. A few agricultural and non-agricultural labour were having sheep rearing, piggery or poultry as secondary occupations. And about 44% households had no secondary occupations.

8. Identification

In the present study we measured the pre-assistance family income as well as the per capita income of the sample households. It was found that almost 82% households had family annual income above Rs. 3500/- and 77% beneficiaries had per capita income of more than Rs. 700/-. Thus on the basis of both family annual income and income per head a majority of the sample
beneficiaries were already above the poverty line. But it was observed that the income limit of Rs. 3500 per annum per family or Rs. 700 per capita on 1977-78 prices, had lost its relevance and were raised to Rs. 6400/- and Rs. 1280/-, respectively, on 1984-85 prices. Even on these revised poverty line bases of family income of Rs. 6400/- and per capita income of Rs. 1280/- as adjusted for inflation, 42% households on the basis of family income and 36% on the per capita income bases were found to be already above the poverty line. All this shows that quite a large number of non-poor beneficiaries managed to get the I.R.D.P. assistance, and thus the selection was defective. It was observed that the percentage of ineligible beneficiaries was higher in the far distanced blocks of Nahar, Salhawas and Jhajjar in comparison to other blocks nearer to the head office of D.R.D.A. It seems that in identifying the eligible beneficiaries the incidence of poverty was overlooked and the extremely poor were left out. The beneficiaries' selection was made in such a manner as to achieve the physical targets.

The wrongly identified beneficiaries were from all castes and from all sectors. As many as 66% of the ineligible beneficiaries were from the upper castes;
18% were from the Scheduled castes; and about 16% were from backward castes. More than 70% ineligible beneficiaries were from the primary sector; about 16% were from the secondary sectors; and about 24% were from the tertiary sector. According to the findings of this study, there were 22 beneficiaries (15 belonging to upper castes, 5 belonging to scheduled castes and 2 from backward castes) who had pre-assistance annual income of more than Rs. 30,000. There were some glaring examples of wrong identification also. For instance one scheduled caste family got the loan sanctioned and disbursed for the purchase of two buffaloes during one year, but did not purchase even one. This family was much above the poverty line having an annual income of Rs. 40,000 and per capita income of Rs. 4300/-. Similarly another scheduled caste beneficiary was assisted twice under I.R.D.P. while his two sons were serving in a bank and the family was having annual income of more than Rs. 60,000. There was another case of a backward caste woman beneficiary assisted under I.R.D.P. whose husband is serving in government job and the family has an annual income
of more than Rs. 30,000 and per capita income of Rs. 4800. And another very rich beneficiary having an annual income of more than Rs. 1,00,000 and belonging to a trading community, being moneylender himself got I.R.D.P. assistance on his existing assets through good relations with the bank manager.

9. Leakage of Resources:

The findings of the study prove that there has been a tremendous leakage of about 37% I.R.D.P. resources to wrongly identified beneficiaries for whom these were not meant. The leakage of funds to ineligible beneficiaries was also higher in far away blocks of the district.

10. Subsidy.Main Attraction

There were only 19% beneficiaries who were ready to take I.R.D.P. assistance even if there would have been no subsidy. It proves that more than 80% beneficiaries obtained I.R.D.P. loans with the sole purpose of subsidy.

10. Selection Procedure

As per government instructions the list of
identified/selected poor households should be read in the Gram Sabha meetings for correcting omissions. But no such list was ever read or pronounced in Gram Sabha meetings. Only 53% beneficiaries were selected in the open Gram Sabha meetings. The others were selected either on the basis of some recommendations or on the basis of some bribe to middlemen, and a large number of them were not from the original list of identified poor households. This shows that no proper procedure was adopted and the Gram Sabhas were not involved effectively in the selection of beneficiaries. Neither bank officials were practically involved in the selection of beneficiaries.

12. Bribe Cases

Almost 60% beneficiaries paid some bribe in order to get their loans sanctioned. They paid the bribe mainly to get the benefit of subsidy. It proves that the I.R.D.P. kind of assets providing programme having the facility of subsidy has created corrupt practices in the process of its implementation. The percentage of bribery cases was higher in those blocks in which more ineligible beneficiaries were provided I.R.D.P. assistance and which were far away from the district headquarter.
13. **Selection of Schemes**

In most of the cases the schemes assisted under the I.R.D.P. were selected by the beneficiaries themselves with only a few exceptions like poultry units. More than 80% beneficiaries obtained I.R.D.P. assistance for primary sector activities and hardly 20% showed preference for ISB schemes which is far below the target prescribed in the guidelines. In primary sector about 86% beneficiaries preferred animal husbandry activities. Even a majority of the scheduled castes and other landless beneficiaries opted for animal husbandry schemes. This indicates that land based activities are still the backbone of rural economy and animal husbandry schemes predominate the I.R.D.P. in the District. The ISB schemes did not receive due emphasis and the I.R.D.P. could not create any diversification of activities in the rural economy. Majority of the beneficiaries assisted in the ISB sector obtained I.R.D.P. assistance by showing their already existing shops, business or traditional occupations.

**14. Time-Lag**

A large number of beneficiaries had to make several visits to the D.R.D.A. office and to the Banks to get
their loans sanctioned. More than 32% beneficiaries made 1 to 3 visits, another 18% made 3 to 6 visits and about 10% had to make more than 6 visits to the D.R.D.A/Bank offices in order to get their loan applications sanctioned. Only 40% beneficiaries get their loans sanctioned without visiting and labouring for it. And the beneficiaries who made such visits had to spend between Rs. 50 to Rs. 200 on bus/railway fares. There were only 7% beneficiaries who were provided I.R.D.P. assistance within the prescribed time limit of 15 days. In other cases delay in the disbursement of loans was mainly made by the banks. This irregular and delayed procedure for the sanction and disbursement of loans created not only significant time-lag in the implementation of the programme but also led towards corruption. About 60% of sample beneficiaries paid grease money between Rs. 100 to Rs. 700 for getting their loans sanctioned and obtaining the benefit of subsidy.

15. Purchase Of Assets.

Although the assets under the I.R.D.P. are purchased through a purchase committee constituted by the D.R.D.A., yet the committee was only to complete the formalities and actual purchase of assets, specially of animal assets, was made by the beneficiaries themselves.
About 37% beneficiaries did not make any actual purchase of the assets. Of these more than 28% beneficiaries got their own existing assets passed by the purchase committee, about 5% beneficiaries showed the neighbour's assets in order to obtain the assistance and 4% beneficiaries purchased no assets at all and no scheme was started by them. This all indicates towards malpractices of bribery and leakages of I.R.D.P. funds to wrong persons who obtained I.R.D.P. loans simply to get the benefit of subsidy. Only about 63% beneficiaries made the actual purchase of assets. About 56% made the purchase themselves and the remaining 7% made purchase through D.R.D.A. officials.

16. Adequacy Of Assistance

Out of the 286 beneficiaries who made the actual purchase of the assets only 39% of them found the assistance adequate for the purchase of the assets of their liking. But 61% of them found the I.R.D.P. assistance inadequate and they had either to make arrangements for extra money or they were forced to purchase assets of inferior quality. It proves that the amount of I.R.D.P. assistance was quite inadequate to meet the purchase cost of the assets. Purchase of assets in ISB sector was found quite defective as the beneficiaries had to make the purchases only from the specifically approved dealers and in this regard they had no choice of their own.
17. Monitoring

The follow-up of I.R.D.P. schemes is to be made by the D.R.D.A. Staff and the staff of other concerned departments. It is very essential for the purpose of physical verification of assets and to find leakages in the functioning of the schemes. Visits made by the officials of the implementing agency to the beneficiaries are the main indicator of such following-up of the programme. The visits by the agency staff for follow-up of I.R.D.P. schemes were reported to be rare. However, in case of poultry unit schemes, the officials tried well to follow-up and made them a success. The visits for follow-up were much rare in far distanced blocks. About 47% beneficiaries were never visited by any official, another 36% beneficiaries were visited only once and the remaining 14% beneficiaries were visited twice. There were only 4% beneficiaries who were visited and followed-up by three or more times. And most of these visits were by bank officials.

No Vikas Patrikas were supplied to the beneficiaries assisted under I.R.D.P. and no monitoring was done through the system of Vikas Patrikas. The D.R.D.A. Rohtak, adopted its own system to monitor the progress
of the beneficiaries' schemes financed under I.R.D.P. The Gram Sachivs were given the responsibility to fill-up the monitoring schedule relating to each beneficiary and record the informations in the village level register kept with them. Then these filled-up monitoring schedules were sent to the D.R.D.A. office where the monitoring cell entered the informations in the registers maintained at the D.R.D.A. office. The Gram Sachives filled up the monitoring schedules even without making enquiries from the beneficiaries concerned. Thus, no correct informations about the continuation and progress were gathered. And whatever informations were gathered were related only to the first year of the assistance provided to the beneficiaries. Beneficiaries were neither asked about the difficulties faced nor they were provided any type of guidance or help to make their schemes success. It seemed that the follow-up and monitoring of the programme was considered not so important part by the implementing agency. The beneficiaries were supplied the loan pass-books but no regular entries were being made even within these pass books.
It was observed that the co-operation sought from other development departments by the D.R.D.A. was not up to the desired extent. The block level development agency had not been directly involved in the implementation of I.R.D.P. All aspects of the programme were looked after by the D.R.D.A. itself and no other agencies were playing any effective role in the implementation of the programme. The coordination and involvement of block level machinery was lacking in the implementation of the I.R.D.P. The state government issued a very effective Government Order dated 10.2.1984 for the involvement of the block level machinery for more effective implementation of the programme. It was clearly mentioned in the Government Order that the D.R.D.A. will concern itself mainly with the process of planning, supervision, monitoring and evaluation of the programme while the implementation of the programme would be carried out by the block development agency (B.D.P.O.) by and large. But we observed that the said Government order has not been implemented so far and the block level agencies are nowhere involved in the implementation of the I.R.D.P.

The I.R.D.P. is a credit based programme and commercial banks have a very vital role for providing
credit for the I.R.D.P. schemes sanctioned for the beneficiaries. Therefore, proper understanding and coordination between the D.R.D.A. and bank officials is very essential. For this the meetings of the block level coordination committees (B.L.C.C.) and the District Coordination Committee (D.C.C.) were held to review the progress of credit arrangements for I.R.D.P. schemes. But inspite of such meetings we found no proper coordination between the D.R.D.A. and the bank staff. The D.R.D.A. staff complained that sometimes loan applications were rejected on flimsy grounds by the bank managers, while the Bank Managers told that there was no regular flow of loan applications and in the last quarter of the financial year there was a big rush of loan applications.

19. Maintenance of Assets

It was revealed that only about 43% were keeping the I.R.D.P. assets intact at the time of our survey. The maintenance was maximum in those blocks in which the number of ineligible beneficiaries was less and it was minimum in those blocks in which the number of ineligible cases was comparatively higher. In our sample of 452 households there were 287 eligible beneficiaries of whom 218, i.e. only 48% of the total sample,
actually purchased the assets. But at the time of this survey only 147 eligible beneficiaries (32.5%) of the total sample were maintaining the assets intact. It can be said that the I.R.D.P. failed to create assets for a majority of the deserving poor.

20. Continuation of Schemes

We further observed that many of the landless and scheduled castes poor beneficiaries could not continue the schemes for long. Some of them disposed off the assets immediately after its purchase in order to meet their other more urgent needs. Some other could not maintain the assets due to lack of cattle sheds, home grown fodder, incapacity to purchase better quality feed, inelastic demand of their products and lack of follow-up services like veterinary facilities. It all shows of that no adequate attention was paid to backward and forward linkages, and the beneficiaries failed to continue their schemes.

Only 63% sample beneficiaries were found to be running their schemes. Out of them almost 68% were those who had actually purchased the assets and were maintaining them and the remaining 32% were those who had obtained I.R.D.P. assistance on their existing assets but were continuing the schemes. Among those
who were running the I.R.D.P. schemes 70% were eligible and 30% were non-eligible beneficiaries.

21. Repayment of Loans

The repayment of loans can be taken as an indicator of good performance of the programme. The results of the study show that about 48% beneficiaries were regular in making repayments of their I.R.D.P. loans. The remaining 52% were irregular and as much as 33% can be counted as defaulters. There were only 15% beneficiaries who had fully repaid their loans. The highest percentage of defaulters was from the scheduled castes and animal husbandry sector beneficiaries. The reasons for non-repayment were many but the major cause of defaulting was not the incapacity, but the intention of the beneficiaries not to repay with the expectation that their loans will be waived off sometimes later on.

22. Increase in Income

About 49% beneficiaries of the total sample got their income increased through the I.R.D.P. schemes. From this percentage the performance of the programme does not seem to be so satisfactory. But out of those
beneficiaries who were continuing their schemes. 78% got the benefit of income generation which shows a commendable performance of the programme. Among the benefitted beneficiaries 72% were eligible and 28% were ineligible beneficiaries. Out of a total sample of 452 only 35% deserving beneficiaries got the benefit of income generation under I.R.D.P. The highest percentage of benefitted beneficiaries, i.e., 45%, belonged to upper castes followed by 41% of scheduled castes and 14% of backward classes. About 62% beneficiaries were those who obtained I.R.D.P. assistance for primary sector, mainly milk animal schemes, only about 8% got the assistance for secondary sector activities and 30% beneficiaries got the assistance for tertiary sector activities. The highest percentage of benefitted beneficiaries, i.e., about 40% was of non-agricultural labourers followed by marginal farmers (25%), small farmers (16%), landless agricultural labours (13%), and rural artisans (6%).

The extent of income generation of about 14% beneficiaries was up to Rs. 1000, of the next 32% it was between Rs. 1001 to Rs. 2000; of the next 22% it was between Rs. 2001 to 3000; of the next 14% it was between Rs. 3001 to 4000; and of the next about 10%
it was between Rs. 4001 to 5000. There were only 8% beneficiaries who got the benefit of income generation worth more than Rs. 5000. In most of the cases these benefits were obtained only during the first year of the schemes. The schemes could not provide the same level of income on permanent basis.

There were only about 21% beneficiaries who reported that the assets obtained under I.R.D.P. had become a regular source of their present earnings. Out of them 19% were eligible beneficiaries for whom the I.R.D.P. could create adequate assets to earn their present incomes on a permanent basis. Thus I.R.D.P. failed to provide permanent income generation assets to most of the really deserving poor beneficiaries.

23. Eradication Of Poverty

The present study shows that in most of the cases the incomes augmented under I.R.D.P. were not sufficient to enable the poor beneficiaries to cross the poverty-line. On the basis of annual family income of Rs. 3500/-, the number of beneficiaries who crossed the poverty line was only 31, i.e. 7% and on the basis of revised income criterion of
Rs. 6400 there were just 29 households i.e. about 6%, who crossed the poverty-line. On the basis of per capita income criterion, hardly 16% beneficiaries were able to cross the poverty-line. Out of those beneficiaries who crossed the poverty-line about 54% were from the upper castes, 30% were from the scheduled castes and 16% were from the backward classes. If we take into account the total sample of beneficiaries caste-wise then the lowest percentage of those who crossed the poverty-line was from the scheduled castes, which was only about 11% of total scheduled castes' sample beneficiaries, followed by backward castes, (15%), and upper castes (21%) sample beneficiaries. It was also observed that the poor beneficiaries, who once crossed the poverty-line could not cross it permanently. Thus I.R.D.P. failed to achieve its main objective of enabling the poor to increase their income and cross the poverty-line once for all.

24. Creation of employment

It was also observed that I.R.D.P. has failed to create additional employment opportunities for a majority of the eligible poor beneficiaries. It
created additional employment facilities only for 27% beneficiaries and there were just 24% beneficiaries who were provided work between 10 to 40 days under other related programmes like NREP/RLEGP.

25\$ \textbf{Diversification}

Another observation which we made was that the I.R.D.P. failed to bring diversification of rural economy towards more secondary and tertiary sector activities. Most of the ISB sector activities financed under I.R.D.P. were the existing and traditional works of rural artisans. There were only 4% beneficiaries who were provided I.R.D.P. assistance for starting new ISB schemes, other than their traditional occupations. Moreover these too were of simple nature which created no new skill or transfer no technology to rural areas.

26 \textbf{Assisted Under TRYSEM}

In order to create necessary skill and technology and to equip the rural youths to enable them to start their own works for self-employment, the scheme of "Training of Rural Youth For Self-Employment" (TRYSEM) was launched as an integral part of the I.R.D.P.
But from the findings of this study it was revealed that even a single member of our sample families was not helped under TRYSEM.

27. **Level of Satisfaction**

In our sample study out of 287 eligible beneficiaries, only 14% reported that they were fully satisfied with the programme, another 56% also expressed their satisfaction to some extent but the remaining 30% beneficiaries were not satisfied either with the procedure of implementation or after-care support or the amount of assistance provided. About 60% sample beneficiaries expressed their opinion against the view that the actually needy rural poor were helped under the programme. Only 20% of our sample beneficiaries were provided the second dose of I.R.D.P. assistance, but more than one-third of them were those who were already above the poverty-line.

28. **Improvement in quality of Life**

The main objective of I.R.D.P. has been to help the rural poor not only in crossing the poverty-line
but also to bring improvement in their quality of life. Our findings show that there was no change in the living conditions of I.R.D.P. beneficiaries. There is no change in the type and size of their houses, quality of food, clothing and access to infrastructures like electricity and welfare services like health, drinking water, and schooling and other living habits. It was reported by the beneficiaries themselves that the I.R.D.P. assistance provided them some relief to meet their urgent wants, but it could not bring any improvement in their living conditions or quality of life.

29. Other General Observations

It was also noted that no cluster approach or group activities were adopted as suggested in the guidelines and no attention was paid towards the "Antyodiya" principle that the poorest and the weakest section be assisted first. Besides wrong identification, all beneficiaries, irrespective of their poverty levels, were provided the same amount of assistance for the same type of activity. The extent of poverty of a household and the matching assistance to eradicate poverty of that household has not been taken into consideration while sanctioning I.R.D.P. Schemes. Thus only some of the marginal poor could cross the poverty line. And the poorest of
the poor, which are the first priority of the programme, could not cross it. It could not cover all kinds of rural activities and mainly remained limited to milch animal scheme. No serious attempts were made to find out the economic viabilities of the schemes. This was the main reason that most of the poultry units were immediately closed by the beneficiaries just after their start. To make the milch animal scheme more viable the supply of second milch animal is very essential. But the beneficiaries were not provided assistance for the purchase of second animal. Supplementary assistance was provided only to those beneficiaries who had cleared their earlier loans. And it was almost impossible for the lowest income group beneficiaries. Inspite of its being an anti-poverty programme based on the "Antyodaya" principle, the better off section got the benefits under it and many needy ones were left out. Surveying of locally available resources, backward and forward linkages, finding potentialities of introducing new schemes and training of beneficiaries in order to acquaint them with the latest skill and technology are the integral part of I.R.D.P. But it was observed that hardly any efforts were made in these directions. What the implementing agency is doing that credit camps are held, a list of identified beneficiaries is prepared, the loan applications are collected
scrutinised, approved and sent to the concerned bank branches where these applications remain pending, some rejected and loans on some are sanctioned. For educating, motivating or organising the poor no village camps are organised. The programme failed to encourage the rural poor to come forward and participate in its implementation process. Thus a lot of discrepancies have been found in the identification and implementation procedure of the I.R.D.P. We have observed in the present study that the I.R.D.P. is suffering from the same drawbacks as were detected during the Sixth Plan Period. No serious attention was paid on the steps suggested in the draft of Seventh Plan or guidelines prescribed in the manual to eliminate the weaknesses detected and bring improvement in the implementation of the programme. It is remarked that despite all the weaknesses the I.R.D.P. is popular because "The poor are happy because they can encash part of their subsidy; sellers of sub-standard cows and sheep are happy because they can get rid-of their animals at good price. Officials are happy since they can show that they have exceeded the targets of coverage".

One of the sad and negative impact of I.R.D.P. which we observed was that a number of beneficiaries, being in the habit of drinking and gambling, spent a significant amount of their incomes on such ill-habits. The subsidised I.R.D.P. loans made them more addicted and instead of raising their earnings, the beneficiaries became defaulters and permanent indebtedors. The subsidy attraction also made the village people more dishonest and corrupt.

30. Positive Impact

The results of our study show a number of weaknesses of I.R.D.P. but it does not mean that the programme has proved a total failure. We found the following positive impact of this programme:

The I.R.D.P. is the first wide spread rural development programme through which assistance has directly reached to a majority of the deserving rural poor of all castes, sectors and categories. All earlier rural development programmes had the limitations of being limited either to specific sector or to specific areas. And almost all their benefits were shared by the asset-owning well-to-do sections of the society. The findings of our study show that about 64% beneficiaries
assisted under I.R.D.P. were the eligible deserving poor.

More than half of the beneficiaries were selected in the open Gram Sabhas (Village meetings) which is an indication of the direct participation of the people in the implementation of the programme. In most of the cases the selection of schemes and purchase of assets was made by the beneficiaries themselves and on their own choice.

A majority of the beneficiaries who purchased assets were maintaining them and running the I.R.D.P. schemes even after two to three years. It shows the popularity of the programme and its usefulness for the beneficiaries.

Although there is irregularity in repayment of loans and even though there are a number of defaulter cases, yet the recovery of I.R.D.P. loans is not worse than that of other government loans granted for other schemes, in which the loanees are economically much better off than the I.R.D.P. beneficiaries.

Nearly 78% of the beneficiaries, who were running the schemes, got their income increased under the
I.R.D.P. Although I.R.D.P. could not bring any major change in the economic conditions of poor families nor any improvement in their quality of life, yet it certainly helped them in satisfying some of their urgent wants. The I.R.D.P. has created some awareness among the rural poor for better living and a possibility of their participation in the development process.

6.2 Suggestions

Since the findings of this study show mixed results regarding the process of formulation, implementation, monitoring and performance of the I.R.D.P. projects, we make the following suggestions for bringing an improvement in the whole process.

1. The proper identification of beneficiaries is the first and foremost requirement of the success of I.R.D.P. For this the identifying team, comprising of D.R.D.A., block, bank and village functionaries, should make a door to door survey and verify the existing assets and income sources of the family properly. It should also take into account the other indicators of poverty like
size and quality of house, nature and size of the family, number of earning and dependent members, facilities like electricity, drinking water, sanitation, number of school going children and education status of the family. The help of village chowkidar and patwari, voluntary agencies and representatives of the weaker sections of the society may be quite useful. The list of beneficiaries be prepared, presented and finalised after making corrections, if any, according to the procedure prescribed in guidelines. For proper identification instead of 'gram sabhas' the organisations of the poor should be formed and they should be taken into confidence for identification work. The copies of the final list should be kept in the offices of the panchayat, block, D.R.D.A. and the concerned bank branches. Normally there should be made no change in the list at least for one year. It can be revised after every two years, even then if some of the poor are not covered, they can apply directly to the D.R.D.A. or through the organisation of the poor, and the agency should include the name after proper verification. In this procedure there may be chances of deliberate misidentification. To avoid this responsibility should be fixed towards both sides. The officials responsible for this should be punished and
and the non-poor beneficiary, who managed to get the loan, can be fined by charging double interest rate on both the total amount of loan and the subsidy and so on. If he refuses to pay the fine he can be recommended for further punishment. The malpractice of misidentification can not be checked without adopting such measures. However, incentives for proper identification like extra increment, promotion etc. should also be given to the officials concerned with this responsibility.

2. The existing skill, attitude and methods of working of rural poor should be taken into account before the selection of the scheme. The beneficiaries should be first educated, trained and then motivated for starting any new type of activities. Incentives in the form of ensuring the supply of inputs and marketing of outputs should be given to the beneficiaries. The beneficiaries should not be forced in making the selection of their schemes. More freedom should be given to them in the choice of schemes, purchase of assets and its quality, place and timing of purchase.

3. The delay in the sanction as well as in the disbursement of loans should be reduced. In order to make the procedure more simple and quick the loan
applications received at the time of credit camps should be jointly verified by the D.R.D.A. and the bank staff then and there. The subsidy amount should be deposited and the bank officials should sanction the loan at the same time. The loan applications to the bank should not be sent in lumpsum and that too in the last quarter of the financial year. Here also responsibility for making delays either at the agency or at the bank level should be fixed.

4 The beneficiaries should be allowed to purchase the assets of their own choice from the open market. The purchase committee should only verify the purchase of the asset and its quality. The beneficiaries should not be forced to purchase assets from approved dealers/firms or agencies. At the time of sanction of loan it should be verified that the beneficiary is not owning or having the asset which he is going to purchase for the starting of I.R.D.P. scheme. Such verification can help in reducing the malpractice of showing their existing or someone else's assets as purchased.
5. The amount of assistance provided at present is quite inadequate. It should be revised by taking into consideration the market price of good quality assets, so that the beneficiaries may not be forced to depend on money-lenders for extra money or to buy assets of inferior quality.

6. All types of interference of any influential person including the politicians in identification or disbursement of loans must be completely curbed.

7. All developmental agencies, directly or indirectly concerned with rural development, should act in full coordination to make the I.R.D.P. projects success and achieve the goal of the programme.

8. The poorer the beneficiaries the greater the amount of loan is required to generate sufficient income in order to bring them above the poverty line on a permanent basis. The limit of loan amount should vary from beneficiary to beneficiary depending upon the poverty level and condition of the family assets. The poorest of the poor should be substantially assisted not only for the purchase of assets but also for meeting their other domestic and social expenditures like
marriages, festivals etc. Otherwise they will spend their increased income derived from I.R.D.P. schemes on these needs, without making further investment for the continuation and expansion of I.R.D.P. schemes.

9. The loan money should be given to the beneficiaries directly without any time lag so that they can purchase the assets of their own choice from open market. If possible the beneficiaries should be provided assets, instead of cash, of good quality and avoid leakages of resources.

10. Instead of giving subsidy, the beneficiaries may be given interest free loans. And subsidies, which lead to all corruption trends, should be abolished.

11. The repayment period of loan should be prolonged and it should be extended at times of droughts, floods, or other climaties which adversely affect the I.R.D.P. projects and repayment capacity of the beneficiaries. And to meet such eventuality supplementary dose of assistance in the form of assets should be given.
12. After purchase of assets regular follow-up action and after-care support is very essential. Mere transfer of resources is not sufficient. The beneficiaries should be provided necessary inputs and essential services at reasonable rates and they should be helped in marketing their produce.

13. More efficient, regular and detailed monitoring can help in reducing a number of weaknesses of the I.R.D.P. The 'Vikas Patrika' and the 'Monitoring Schedule' should practically be used in such a way as prescribed in the guidelines. Instead of the Gram Sachives, who are not so trained, the A.P.O. (Monitoring) should visit the villages and verify the assets and problems faced by the beneficiaries. Mere counting the number of cases assisted and amount of loans and subsidies is not sufficient. In monitoring the causes leading to the dispose of assets, discontinuation of schemes, generation of income and reinvestment should also be reported. Monitoring should be a continuous process and not merely for one year as is the practice. The higher level officials of D.R.D.A. should also visit the village and check the work of their subordinates. Office table work should be delegated
to lower rank employees and higher officials should concentrate more on field work. Some sort of accountability as well as incentives are very essential to increase the efficiency of monitoring staff.

Corrective measures suggested in the monitoring report should be taken into account and modify the decisions in desired direction. For more proper monitoring the help of the organisations of the poor and voluntary agencies can also be more useful.

14. For bringing diversification in rural activities the ISB sector activities should be more expanded. There has been an artificial increase in the number of ISB Sector activities. Land based activities like 'Animal Drive Carts' should not be included in it. Because such activities and supporting of traditional occupations of rural artisans create no new skill or transfer no technology to the rural areas. Why should not we concentrate on setting up of agro-based and other rural industries, for which necessary raw material, supply of labour and market for products is available in rural areas? But before the establishment of secondary and tertiary sector activities the village or 'cluster of villages' level plan should make a realistic assessment of:
(i) Locally available human and non-human resources;

(ii) preservation of grazing lands and other common property resources for the use of the poor;

(iii) different social institutions, customs, habits and cultural background of the people;

(iv) concentration of power with certain groups and barriers to development;

(v) basic and felt needs of the villagers; and

(vi) possibilities of the setting up of rural industries.

15. With the diversification of productive activities the access of infrastructures and essential welfare services should also be guaranteed. The supply of such services is of paramount importance for all the villagers in general and for the poor in particular, because without these removal of poverty and improvement in the quality of life is almost impossible. There should be an integrated development of both productive and welfare service activities.
16. As prescribed in the guidelines for the setting up of agro-based rural industries the cluster approach and group activities should be encouraged. Because it is easier to provide backward and forward linkages to group activities. The group activities can be effectively followed up and monitored. And it can provide more collective strength to the beneficiaries for bargaining and avoid individual risks.

17. For starting group activities the efforts should be made to organise the poor themselves. This can be in the form of cooperative societies such as milk cooperatives, poultry cooperatives, shoe makers, handicrafts' cooperatives etc. To help them there can be consumers' and service cooperatives also. The cooperative forms of organisation is the only way to unite the poor and make them capable to demand the share of benefits in development process. Through cooperatives they can establish more viable economic activities and can get the benefits of new skills and technology. But before forming such organisations the existing rural conditions should be taken into consideration and the poor should be guided, motivated and encouraged to
organise themselves on their own terms.

18. Participation of the poor has been talked about very widely ever since the time of 'Community Development Programme'. But it has not been realised so far. We are still leading rural development programmes through bureaucracy with little participation of the people. People are least concerned with policy making and its implementation. At present the participation of the poor is only upto getting of loans with the attraction of subsidy. Although participation of the poor is quite important, yet due to the hierarchical and heterogeneous nature of our society the poor are divided on the basis of caste, and creed. They cannot unite themselves and the dominating group also does not want them to unite. The direct participation of beneficiaries is possible only by educating and motivating them and assuring them the sharing of benefits. The poor must be made to believe that I.R.D.P. is their own programme to be run by themselves and it is not a government run programme. Their organisation into co-operatives can make their participation possible and easier.

19. The strategies for integrated rural development should also take into account that agriculture and allied
sectors still have wider scope for greater income and employment generation. Till today so many marginal and small farmers are confined to traditional crop cultivation with traditional varieties of seeds even though they are well aware of the high yielding varieties. The reasons are lack of irrigation facilities and lack of availability of better quality seeds, fertilizers and other inputs at reasonable prices. If all these facilities are provided, specifically to marginal and small farmers, many of them can augment their yields, income and employment. Higher crop production and better prices for crops can provide more and permanent employment even more than that is provided under the existing employment schemes including I.R.D.P/N.R.E.P.

The farmers' increased purchasing power can create more demand for the products of blacksmiths, carpenters, tailors, shoe makers, shopkeepers, etc., which generate spontaneous employment. More farm production and purchasing power of rural India is still the main engine for India's over-all rural development.

For the successful implementation of I.R.D.P., there should be a change in the attitudes of administrative machinery. The present administrative machinery has become more status conscious, self-service conscious and suffering from corruption, nepotism and favouritism. The officials spend more time on their official duties.
and table work. The poor remain less informed and the low caste poor are not prepared to believe that the officials have come to assist them. In the present set up it has become more difficult to reach the rural poor today. The bureaucrats should follow the principle of working with the people rather than working for the people. They should have the feeling of dedication and sincerity. There should be some short of accountability and it must be well-defined, clear-cut and precise at each level and be enforced strictly.

6.3. Summing-up

The present study shows that, though I.R.D.P. is suffering from a number of shortcomings, yet it has the great potential and bright chances of more success. What it requires is not any change in strategy but more awakening in the villagers about the programme, more improvement in its implementation process, more diversification, more participation of the poor, and a new type of administrative machinery which can be more genuine and sincere in its efforts. Fixation of responsibility or accountability of the implementing machinery, and strong, favourable genuine and sincere political will is required for overall rural development.
The task of economic betterment of the poor is so stupendous that it is beyond the capacity of any single agency. It should be a joint venture of all sections, institutions and agencies. It has been rightly stated by G.V.K. Rao Committee on Administrative Arrangements For Rural Development (CAARD) that "without the support of entire political, economic, social, cultural, scientific, technological and health and educational programmes being geared to the objective of poverty alleviation, anti-poverty programmes will only act as pallivatives and not as effective agents of poverty alleviations".