CHAPTER IV

EVALUATION OF INTEGRATED RURAL DEVELOPMENT PROGRAMME (IRDP) IN INDIA

The IRDP seems to have fared satisfactory. For instance, against the target of covering 15 million households in the Sixth Plan, the actual number of households was covered 16.6 million. Against the target of covering 5 million scheduled castes and scheduled tribes households, the actual coverage was 6.5 million households. While the target for total investment in the Sixth Plan was kept at Rs.4500 crores, the actual investment amounted to Rs.4763 crores. This shows that the targets that are set during the Sixth Plan are fulfilled and we can say that the facilities for rural development are really percolating to the needy rural mass.

The targets for the Seventh Plan are also likely to be achieved. As against the target of covering 20 million families in the Seventh Plan, the actual coverage was 18.17 million families. Against the target of covering 30 per cent scheduled castes and scheduled tribes families, the actual

coverage was 45 per cent families. The total investment including the institutional credit amounted to Rs.8688 crores have been utilised against the plan target of Rs.4000 crores².

However, a number of studies carried out evaluations of IRDPs by governmental agencies, academic institutions and individual scholars. While understanding and going into more details of these programmes, they arrive at certain conclusions that these programmes have number of deficiencies. Due to these deficiencies some programmes did not yield desirable results and therefore they failed in achieving their objectives.

The evaluation of this programme made for the first time by Programme Evaluation Organisation (PEO)³ sponsored by the Planning Commission in the year 1982-84. The study was confined to 16 states, namely, Andhra Pradesh, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. From these 16 states, 33 districts and 66 blocks were selected. The study covered 1179 households in these districts, which had received benefits during 1981-82.


3. Government of India, op.cit... , New Delhi, 1985, pp.53-54.
According to this study about the 90 per cent of the sampled households expressed their views that their income and employment have been increased and 77 per cent of the selected households reported that their consumption level has also been increased due to the implementation of this programme in their respective areas. It was also reported that 49.4 per cent households were able to achieve an annual income level of Rs.3500. In spite of this, 22 per cent of the households felt that the scale of financial assistance available under the scheme was inadequate. The study also finds that in most of the states, there was absence of a strong administrative set up for implementing the programme. In most DRDAs, requisite planning teams had not been organised. Training facilities for project officers, block development officers, (BDOs), extension officers and village level workers were found to be inadequate.

The second major evaluation study was undertaken by the National Bank for Agricultural and Rural Development (NABARD)\(^4\) during 1982-83. The NABARD covered 30 districts, 60 blocks and 16 states for studying the evaluation of this programme. The study has pointed out that identification of beneficiaries was one of the major failures of IRDP. The

---

study shows that the percentage of beneficiaries whose income has increased above the poverty line came to 47 per cent of all eligible beneficiaries at current prices (1982-83).

There was considerable variation among the states when adjusted for the price changes between 1979-80. It was found that only 22 per cent of the eligible beneficiaries or 18.7 per cent of all the beneficiaries had been able to cross the poverty line. The selected districts in states like Punjab, Haryana, Uttar Pradesh and Maharashtra showed a better performance with more than 40 per cent raising the income above the poverty line, while Rajasthan, Tamil Nadu and Andhra Pradesh showed 10 per cent performance. Study also finds that no package of activities was provided as envisaged. There was undue emphasis on financing animal husbandry activities. The study found that inadequate infrastructure for animal husbandry and poor marketing support for the projects of rural artisans are the major drawbacks of this programme.

The another study that was undertaken by the Institute of Financial Management and Research (IFMR)\(^5\) in the year 1983. This study covered the beneficiaries of 17 blocks of 5 districts - 3 in Maharashtra and 2 in Tamil Nadu.

They arrive at positive as well as negative conclusions. On the positive side, they found that

1) The majority of the beneficiaries found the quantum of assistance adequate;

2) Of the beneficiaries, 90 per cent were happy with the IRDP assistance;

3) The majority of the assisted got technical advice;

4) More than three-fourths of the respondents did not find any difficulty in obtaining inputs and supportive services;

5) More than 80 per cent had no difficulty in selling their produce;

6) More than 90 per cent received the assets within four months of loan application;

7) Majority of the beneficiaries came to know about the scheme through non-official sources; and

8) On an overall basis, it was noticed that the conditions of the poor beneficiaries improved.

Despite the above positive conclusions of the programme, the study found some negative results of this programme too. They are as follows:

1) Identification of beneficiaries was unsatisfactory in many cases,

2) 84.5 per cent of the beneficiaries increased their indebtedness by availing IRDP assistance in
Maharashtra. In Tamil Nadu also this was of the same order.

3) Commercial banks had performed poorly in Maharashtra where the vacuum was filled by the cooperative banks.

4) The assistance given to the beneficiaries was insufficient to increase the income substantially. The increase in income was just marginal and it cannot be said whether such increased income were permanent or not.

The Reserve Bank of India\(^6\) has also conducted the evaluation study of IRDP in 16 districts of 16 states in the year 1984.

The study arrived at following positive and negative conclusions. On the positive side, study found that

1) The assistance provided under the programme has resulted in a progressive shift in real income in respect of 51 per cent of the beneficiaries. Among the beneficiaries whose incomes registered an increase, 17 per cent have been able to cross the poverty line.

2) The study has also revealed an increase of 30 per cent in the value of the assets at current prices.

\(^6\) Ibid., pp.112-113.
3) During the first year itself, the coverage of SC/ST families was 38 per cent which is more than the target of 30 per cent fixed under IRDP guidelines. On the negative side, the study revealed that

1) Identification of ineligible beneficiaries,

2) Inadequacies of field level staff, both at the block and district levels,

3) Lack of coordination between the DRDA and the block level officials and the various government/quasi-government organisations like Department of Agriculture, Animal Husbandry, Electricity Boards, etc.

4) Preferring unduly large number of applications for one or two activities like Animal Husbandry and Dairy Development,

5) Hurry in giving loans rather than observing the correct procedures so as to make the lending productive,

6) Delay in the disposal of loan applications,

7) The insistence on additional security by banks.

An evaluation study of IRDP in South India (1985) by the National Institute of Rural Development conducted in four

states, 7 districts, 16 development blocks with 1600 respondents. The reports that sericulture recorded the highest net average income of Rs.10877 from one acre of land in Andhra Pradesh, followed by poultry complex with Rs.9642, energised dug well with Rs.2131, other schemes with Rs.2012 and rickshaw driving with Rs.1971. The goat rearing scheme in Kerala generated the lowest amount of income of Rs.444. The average income of a beneficiary in this region did not exceed Rs.1375 per annum as far as the IRDP scheme were concerned.

The study also revealed some of the hindrances to influence better impact, such as (i) the programme did not cover all the rural poor, (ii) inadequate training imparted to TRYSEM beneficiaries, (iii) some of the schemes were not economically viable, and (iv) inadequate credit component.

Having seen the conclusions and findings of the above five studies, we can easily estimate and show that additional incomes had accrued to as many as 90 per cent of the beneficiaries. Of this, only 40 per cent of the beneficiaries could cross the poverty line. These studies found that following facts are attributable to the failure of the scheme.

1) There was wrong identification of the beneficiaries which account for 15 to 20 per cent. This has been treated as one of the major shortcomings of the IRDP.
2) The selection of activities was wrongly done without any consideration being given to the ability of the beneficiaries, difference in infrastructural support, backward and forward linkages etc. As a result, all these activities did not prove to be viable thereby affecting the intact of the programme and

3) The credit delivery system was unsound, and the attitude of local level bank functionaries was far from satisfactory.

Later on, the Department of Rural Development itself had undertaken the concurrent evaluation of IRDP since October 1985. The concurrent evaluation aims at enabling the respective states, financial institutions concerning with IRDP programmes to improve the quality of the programme. Under this concurrent evaluation, the collection of data required for purpose in question is assigned to different research institutes from different selective districts. The findings of the survey may help to correct lacuna in implementation and ensure the percolation of benefits to deserving people. We shall discuss the findings of only three concurrent evaluation reports as follows:

Under the first concurrent evaluation survey, the total 16101 beneficiaries were covered of the 22 states. The income of the assisted families at the time of their selection has been independently assessed by the investigator during the course of survey. It is observed that about 35 per cent families had annual income between Rs. 1 and Rs.2265, about 43 per cent families income between Rs.2266 and Rs.3500 and 13 percent families income between Rs.3501 to Rs.4800. However, about 5 per cent families were having annual income between Rs.4801 and Rs.6400 and about 4 per cent families were having annual income more than the revised poverty line of Rs.6400 at the time of their selection.

The statewise distribution of the annual income of the families at the national level as assessed by the investigator is that, more than 50 per cent of the beneficiaries in Karnataka, Manipur, Orissa, Sikkim and Tamil Nadu belong to the poorest of the poor income group Rs. 1 to Rs.2265, the coverage from this group was less than 25 per cent in Assam, Meghalaya, Punjab, Rajasthan and Uttar Pradesh. While 50 per cent or more beneficiaries belonged to the income group Rs. 2266-3500 in Andhra Pradesh, Gujarat,

Madhya Pradesh, Sikkim and Uttar Pradesh. About 41 per cent of the beneficiaries in Punjab, 35 per cent of the beneficiaries in Tripura and between 20 per cent and 30 per cent of the beneficiaries in Assam, Meghalaya, Rajasthan, Uttar Pradesh and West Bengal also belonged to income group Rs.3501-4800.

In a number of states, cases of wrong identification have also been observed. At the national level, about 5 per cent families whose income was between Rs.4800-Rs.6400 and about 4 per cent families whose income was more than Rs.6400 have also been assisted by under recording their income. Such families were not eligible for receiving assistance. About 11 per cent to 12 per cent families belonging to the income group of Rs. 4801-Rs.6400 were assisted in Haryana, Kerala, Meghalaya and Rajasthan. Such cases were between 5 per cent to 9 per cent in Assam, Bihar, Maharashtra, Punjab, Tripura, Uttar Pradesh, Meghalaya and Rajasthan. The families whose income was more than Rs.6400 have been wrongly assisted. Such families have also been assisted in 5 to 7 per cent cases in Bihar, Kerala, Uttar Pradesh and union territories.

According to the perception of the beneficiaries, input facility was available in 85 per cent cases and marketing facility was also available in some percentage of cases.

10. Ibid., p. 8.
Report finds that working capital was required in 60 per cent cases but was not provided in 32 per cent cases to beneficiaries. Insurance of the assets was required in 71 per cent cases but could not be done in 23 per cent cases. In about 24 per cent cases, no incremental income was generated by the assets.11

The second round of concurrent evaluation of IRDP was undertaken during the quarter from January 1987 to March 1987 by the Government of India. This concurrent evaluation study was covered 3666 beneficiaries from all over India. However, according to the annual income assessment made by the investigators, about 26 per cent of the assisted families belong to the destitute group and 44 per cent families to the very very poor group. It was also found that 5 per cent of the families covered, had an assessed income of higher than Rs.6400. It may be recalled that the destitute and very very poor group comprise about 29 per cent of the families with income up to Rs. 4800, which is the target group for IRDP programme. It is noticed that the coverage of the destitutes and the very very poor group, even according to the income

11. Ibid., pp. IV-V.

assessed by the investigators, was 70 per cent of the families assisted. This is creditable coverage.

At the national level, about 6 per cent families whose income was between Rs.4801 and Rs.6400 and about 5 per cent families whose income was more than Rs.6400 have been assisted by under recording their income. Such families were not eligible for receiving assistance. About 12 to 16 per cent families belonging to the income group of Rs.4801 and Rs.6400 were assisted in Assam, Punjab, West Bengal and Delhi. Such cases were between 6 to 9 per cent in Andhra Pradesh, Bihar, Haryana, Manipur and Uttar Pradesh and between 1 to 5 per cent in other states except Arunachal Pradesh, where there was no such case.

In Delhi, 75 per cent such families whose income more than Rs.6400 have been wrongly assisted. Such families have also been assisted in 6 per cent cases in Andhra Pradesh, Assam, Bihar, Haryana, Manipur and Punjab and in 1 to 5 per cent cases in other states. 13

The third concurrent evaluation study 14 was covered 16568 beneficiary households during the January 1989 to December 1989. The main findings of the report are as under:

1) Working capital was not provided to the 20 per cent of the beneficiaries.

2) Adequate infrastructure facilities were not available to most of the beneficiaries.

3) The assets of the beneficiaries were not ensured in 25 per cent cases out of the 71 per cent cases requiring income.

4) In 26 per cent cases, the assets of the beneficiaries had not generated any incremental income.

These concurrent evaluations have indicated that there has been some increase in income but only a few of them have been able to cross the poverty line of Rs.6400. For instance, 68 percent and 71 per cent of beneficiaries could increase their income by more than Rs.500 per annum during 1985-86 and 1988-89 respectively.

However, there are also deficiencies — 1) Poor quality of assets is provided to beneficiaries. 2) The follow up services provided to beneficiaries are still inadequate in majority of cases. 3) The percentage of ineligible beneficiaries wrongly selected is quite substantial i.e. 19 per cent in 1988-89. 4) There are still delays in provision

of productive assets and preliminary costs incurred by beneficiaries for their acquirement is quite high. 5) Training arrangements for those beneficiaries needing skills for proper use of the productive assets acquired by them, have not been adequate in many cases.\(^{16}\)

After having seen the conclusions and findings of various evaluation reports conducted by the government of India, we shall now see the individual studies and their inferences with respect to this programme.

H. C. Das\(^{17}\) evaluated the Integrated Rural Development Programme of Sursand block of Bihar. He analysed and assessed the performance of the IRDP during the period 1981-82 to 1983-84. As regards the performance of IRDP in Sursand block, it has been observed that the performance is not satisfactory. Only 35.35 per cent of the households of the target group could be covered and only 43.84 per cent of the fund could be utilised in 1981-82. The corresponding figure for 1982-83 were found to be 31.76 per cent and 41.43 per cent respectively, and for 1983-84, these figures were 28.66 per cent and 38.97 per cent respectively. Thus a decreasing

---


trend is observed in the performance of IRDP in Sursand block.

Taking sectorwise performance, it is clear that agriculture has shown the highest performance covering 38.29 per cent of the families under the target group and utilising 38.16 per cent of the fund allocated to the agricultural sector. The service sector showed a very poor performance covering only 2.82 per cent of the allocated fund. In the industrial sector, only 19.80 per cent of the households under the target group were covered, having utilised 76.46 per cent of the allocated fund. On the whole, 31.45 per cent of the rural households of the target group were covered during the period 1981-82 to 1983-84 utilising 38.19 per cent of the allocated fund under IRDP. It can be inferred that the IRDP did not yield satisfactory results, for, it suffers from a number of biases, such as identification of beneficiaries, political bias, lack of coordination between Block Development Officer and financing agencies, etc.

P. Thippiah and Devendra Babu's study\(^\text{18}\) analysed the impact of IRDP on agricultural labourer in Kolar district of Karnataka state. The data were collected for the year 1983-84 for the study. The study reveals that 81.5 per cent of

---

beneficiaries were covered under animal husbandry scheme with both milch and non-milch animals. The 17.5 per cent were covered under agricultural schemes such as bullocks and bullock carts and other one per cent under Industry Service and Business Sector (ISB). The study finds out that the average mandays of employment created works out to 232 days per annum. It is observed that none of the schemes provided employment for the entire year. However, the beneficiaries in the animal husbandry schemes generated 243 days of employment, in the agricultural schemes it is 171 days and in ISB sector 330 days.

Regarding the repayment position, the study finds that the repayment of loans was not encouraging. The average repayment of loans by the beneficiaries was only Rs.889 out of the average loan assistance of Rs.2526. Only 38 per cent of the total loan amount was repaid. The study also finds that very few i.e. out of 70 beneficiaries only 17 beneficiaries crossed povertyline after IRDP assistance.

Prakash Naidu's study, examines the impact of economic development in the rural areas of Bilaspur district of Madhya Pradesh through generation of income and employment during 1980-81 and 1981-82. The study revealed that in

---

1980-81, average loan distributed accounted for Rs.1033.33 in industry, Rs.3500 in business, Rs.2000 in agriculture and Rs.1361.53 in service sector. The average loan outstanding against the beneficiary was Rs.871 in industry, Rs.1500 in Business sector, Rs.472.25 in agriculture sector and Rs.429.64 in the service sector during 1980-81. However, in 1981-82 average loan granted to the beneficiaries in these four sectors was Rs.1900, Rs.3250, Rs.6166.66 and Rs.3418 respectively, but during this period (1981-82), Rs.1505, Rs.3150, Rs.4311.66 and Rs.602.66 were outstanding in the four sectors respectively. The study concluded that during 1980-81, a target of 4948 beneficiaries was fixed under industry, business, service and agriculture sector in the block. Unfortunately, hardly 7.82 per cent of the total 387 beneficiaries were covered in 1980-81, whereas in 1981-82 out of 615 beneficiaries, 426 were brought under the four categories in the selected block. The schemes like piggery, goat rearing and dairy failed to increase the income of the sample beneficiaries.

Chandrakawade's study of IRDP in Sindgi taluka of Karnataka State analysed the impact of the IRDP on

beneficiaries during 1983-84. The study revealed that the programme had hardly made a major dent upon the poverty and living conditions of the beneficiaries. Out of the total 300 families surveyed, only 12 per cent of them were able to cross the poverty line, 36 per cent have been marginally benefited. The programme has not made any positive impact on the income of the remaining 52 per cent of the families.

The identification, selection of suitable families for assistance was found defective. The programme is heavily biased towards milk animals. Buffaloes were supplied to 42.4 per cent of the total beneficiaries in 1983-84.

The results revealed that two third of 214 buffaloes holders have not been benefited by milk animals. The finding shows that 29 buffaloes died, 36 sold or transferred, 54 buffaloes were not milking due to the death of their calves at earlier days of lactation and another 21 buffaloes due to poor maintenance. The other one third of the buffaloes holders were quite happy as there was improvement in their income and daily diet. However, the ancillary activities like piggery, fishery, poultry, sericulture, horticulture, forestry, etc., have not received due encouragement.
Sreenivasulu Nayadu and B. Sailjas study, analysed the impact of the IRDP on employment and income of the beneficiaries in Karnool district in Andhra Pradesh during the year 1981-85. The sample of 174 beneficiaries consisting of agricultural labourers, cultivators, cobblers, barbers and carpenters were selected. The study finds that 36 per cent of the sample beneficiaries could not cross the poverty line in spite of assistance given to them. The study also revealed that generation of employment i.e. 22.5 man days per month, is very meagre. The following factors are responsible for not getting adequate income to cross and reach the poverty line.

1) Lack of proper knowledge to beneficiaries about schemes, 2) Lack of understanding of the IRDP. Due to the wrong conception about the programme, some of the beneficiaries have proceed in malpractices. 3) Lack of awareness about the programme and its relevance to their upliftment.

Jasbir Singh and Amarjit Singh's study's main object was to examine the performance of the IRDP in the light of impact on income and employment behaviour of the beneficiaries in Jammu and Kashmir during the year 1985-87. The study finds out that about 47 per cent of sample beneficiaries have experienced favourable incremental income generation from the assets provided under the programme. In case of 28 per cent of beneficiaries, there was a negative trend of income generation, whereas in the remaining 25 per cent cases, the units were missing.

The study also reveals that 28 per cent of beneficiaries were defaulters due to inadequate income generation by the assets. It has also been observed from the study that lack of infrastructure, feed back facilities, training of beneficiaries and good quality of assets have also been hampered the progress of IRDP in the district.

S.K. Kashyap and Singh's study regarding the communication support to the IRDP in Nainital Hill district of Uttar Pradesh. This study revealed that the


overall impact of communication support to IRDP over Economic conditions of the beneficiaries was found significant. The income of the beneficiaries increased by 39.13 per cent in three successive years after the year of assistance. Overall average increase in the total income of all the beneficiaries was 29.13 per cent due to communication support, education, social participation etc.

Thus, the above studies that are undertaken for evaluating the IRDP, disclose the following important facts:

1) Most of the studies reveal that IRDP programme did not help the beneficiaries crossing the poverty line.

2) Identification of beneficiaries has been emerged as a crucial problem. There was every possibility to identifying wrong beneficiary. For, (i) Authority relied more on list of households identified under SFDA where beneficiaries are identified on the basis of landholding rather than income; (ii) People's institutions were not involved in identifying beneficiaries; (iii) there was always conflict between government functionaries and local vested interest for identifying beneficiaries.

3) There are number of deficiencies in efficiently implementing the programme. The following factor attributed to inefficient working of IRDP — i) Corruption and malpractices, ii) inadequate banking services, iii) lack of
sufficient trained and qualified staff; iv) non cooperation, coordination, integration between various departments.

These studies expose very important fact that this programme has not been achieved its very purpose of uplifting the poor mass at least at minimum expectations. The basic weakness, it seems, that concept of 'Integrated Rural Development' was not really applied in its entirety. It is very interesting to note the remarks given by L.C. Jain\textsuperscript{24} with respect to this programme. He pointed out that the tragedy is that when it came to implementation this concept of integration of rural development was shot to pieces. The package approach of the planners at the conceptual level was abandoned in less than a year of the launching of the programme. The preparation of block level plans was completely given up. Only the programme of assisting the poor households was continued. The title of the programme 'IRDP' was however, not altered, thus giving a wrong impression that what was being attempted - good, bad or indifferent - could still be called integrated.