CHAPTER-IX
SUMMARY OF OBSERVATIONS & RECOMMENDATIONS
INTRODUCTION:

In this study an humble attempt has been made to examine and discuss the various aspects of IRDP as the single largest poverty alleviation programme of the country. The problems involved in the planning, organisation and implementation of the schemes have been identified and are presented through various observations. In order to solve the problems and to make the programme meaningful and effective, a number of suggestions have been given through recommendations. The following paragraphs have been devoted to presenting a consolidated and summarised view of suggestions along with recommendations.

1. IRDP was introduced in the country in 1976 and was extended to the whole of the country by the end of 1980. The progress of IRDP in the 6th plan shows that the total investment under the programme by the end of 1984-85 was satisfactory which exceeded the target by Rs. 262.78 crores. Similarly the coverage of beneficiaries including S.C. and S.T. was also satisfactory. The per capita investment including subsidy and credit was considered low during this plan period because of price increase due to inflation. In the 7th plan
period, the total number of beneficiaries covered came to around 181.77 lakhs which exceeded the target by around 21.39 lakhs. The position of per-family investment improved by the end of 7th plan period stood at Rs.4569 per family. Here also the pressure of inflation limited the scope of activities of the beneficiaries because of price increase.

On the basis of the above observations the following recommendations are made:

a) That revision of plan outlay in respect of beneficiary families may be sincerely considered to counteract the forces of inflation which limits the purchasing power of the beneficiaries;

b) In order to raise the per family investment to take up any fruitful scheme, it is necessary that either the total allotment may be increased or the number of target families may be reduced for which the Central Government may work out a suitable formula to make the scheme meaningful and effective; and

c) To avoid underutilisation of allotted funds, monitoring and concurrent evaluation schemes may be strengthened.

2. The physical progress of IRDP in the state during the 6th plan period is satisfactory. The
coverage of S.T. and S.C. is much higher than 30 percent mentioned in the guideline. The subsidy and credit relationship which is prescribed at 1:2 stands at 1:1.70. This shows that the credit generation is below the norms prescribed in the guideline. The perfamily investment is only ₹2232 which is very low compared to the perfamily investment at all India level. In the 7th plan more than 60 percent of the funds are provided to schemes under tertiary sector instead of primary sector contrary to the stipulations in the guideline. Ofcourse, the coverage of S.C. and S.T. was 50 percent, the percentage specified in the guideline. But the coverage of women beneficiaries, instead of being 30 percent, is only 16 percent in the 7th plan. During this plan period, the share of S.C. and S.T. in the total financial utilisation is 46 percent in place of 50 percent. Another disheartening feature of this plan is that the subsidy and credit relationship has gone down much in comparison to that in the 6th plan, the figure being 1:1.50. The perfamily investment has increased only by ₹533 in comparison to the 6th plan figure which stands at ₹2,232. It is almost half of the amount shown at all India level. The physical progress of IRDP in the state during the
8th plan period indicates that the achievement is 106 percent of the target. The coverage of SC and ST also conforms to the norms of 50 percent. But the coverage of women beneficiaries is only 39 percent which should have been 50 percent according to the guideline. The perfamily investment has increased from ₹.2765 in the 7th plan to ₹.6608 in the 8th plan period. The subsidy and credit relationship stands at 1:1.21 instead of 1:2 prescribed in the guideline. The total receipts and the total expenditure from 90-91 to 94-95 shows that the total amount of ₹.6123 lakhs has been left unutilised. It seems the credit generation from one plan period to another plan period in relation to subsidy element is getting reduced gradually as shown by the subsidy and credit relationship, the figures standing respectively in the 6th plan, 7th plan and 8th plan period at 1:1.70, 1:1.50 and 1:1.21.

On the basis of the observations made above, suggestions to improve IRDP performance in the state are given in the following paragraphs:

a) An effective planning at the state level may be devised to improve the position of utilisation of funds to reduce the evils of non-utilisation;
b) Since the beneficiaries usually do not come forward to shoulder the financial burden due to illiteracy, motivational camps to improve the awareness of the rural people for the programme may be organised;

i) Since officials in charge of IRDP are not often interested in increasing the credit mobilisation, it is necessary that incentives like career advance, promotions and annual increments in salary may be linked to their performance.

ii) There may be resistance from the side of financial institutions. To overcome this resistance government may ensure that circulars in this regard are issued by the head offices of such institutions to their branches. The state planning committee should fix-up the target for each financial agency and carefully observe how the targets will be fulfilled.

c) Orissa is a state full of natural resources. A separate planning unit may be opened to develop new viable schemes depending upon the local resources in different blocks.

d) A new monitoring cell may be opened at each district level which will work for eliminating corruption at the official level and reducing misutilisation of funds by the beneficiaries.

The physical progress of IRDP in the district of Dhenkanal is satisfactory with a total coverage of 60,819 beneficiaries in the 7th plan period. The S.C. & S.T. and women beneficiaries occupy 41 and 25 percent
respectively. It is observed that, neither in the state nor in the district is the coverage percentage of S.C. & S.T. commensurate with the investment made for them. The perfamily investment in the 7th plan period comes to Rs.2570 as against Rs.2764 in the state. Being a backward district of the state, such a meagre perfamily investment is not fruitful for sustaining any viable economic activity. The subsidy and credit relationship in the district in the 7th plan i.e., 1:1.67, is higher than the state figure i.e., 1:1.50. During the 8th plan period the coverage of beneficiaries in the district is 106 percent of the target. The S.C. & S.T. coverage together comprises 39 percent of the total beneficiaries. Unlike the centre, in the state the utilisation of funds is greater than the allocation. But, inspite of the over utilisation of funds, the credit generation during the 8th plan in the district is very low as evident from subsidy credit relationship which is 1:1.23. It is also lower than the figure of the 7th plan period as indicated above.

It is worth mentioning that, in all the plan periods both in the state as well as in the district, credit generation is not satisfactory. This requires proper attention of the state and district authorities.
3. In respect of planning and implementation of IRDP, it is observed that till today poverty has been estimated by enumeration with the help of various statistical sampling designs in the country. This stands on the way of correct planning and implementation. Hence, it is necessary that poverty may be estimated by actual counting for proper planning and decision making.

It is further observed that though we have been adopting decentralised planning structure in our country since 1986, it has not been given proper shape till today. The lower level of administration has not been delegated with the power to plan for allocation of funds, choice of schemes etc. for the programme. Now these decisions are taken by the top level administration. It is realised that under decentralised planning, importance may be given to a specified area plan taking together different activities instead of planning for a particular activity. This can be developed according to RASU (Requirement, Availability, Supply and Utilisation) as suggested by K.M. Satapathy in his book "A Hand Book of IRDP". Such a planning structure would embrace the following considerations:
i) The requirement of an area considering its resource inventory, type of people, their educational standard, status etc.;

ii) The type of programme to be started and the departments/agencies to start the programme alongwith the benefits that can be available to the people;

iii) The inputs to be supplied such as cash, assets, technical assistance, training facilities, sectoral development etc. required for a particular scheme; and

iv) The internal monitoring system to evaluate the results obtained from the utilisation of various inputs.

In this system, plans for different areas of a block are combined together to give us a total plan for the block. The block plans are aggregated to give the planning structure of a district. This type of planning is envisaged in the guidelines in the name of Perspective Plan and Annual Action Plan. But owing to various problems no where in the state has this type of planning mechanism been adopted.

To develop the planning component of IRDP, the recommendations considered worthwhile are discussed in the succeeding paragraphs.
a) The present strength of staff of the block is not adequate to carry out the task of planning activity under IRDP. Hence, there is a need to provide more competent staff at the block level.

b) The officials in charge of preparation of block plans need to be properly trained. Adequate technical assistance may be provided to them by the relevant technical departments of the State Government.

c) To equip the block and DRDA staff with knowledge on planning techniques, orientation workshops may be organised at regular intervals in different districts.

d) Division of a block, depending upon functional classification or developmental classification known as cluster planning, has not been properly done either in the state or in the district under study, which may be adopted speedily for effective implementation of the programme.

e) In order to improve credit generation, credit planning must be effective. Banks need not confine their responsibility only to disbursement of credit. They may participate with block and
district official in organising credit camps. This will help the implementors in selecting the beneficiary properly. The beneficiary in return will know his subsidy and credit amount, viability of the scheme, and repayment schedules etc. Conducting credit camps may be made part and parcel of the duty of bank officials.

It is also observed that the process of implementation of IRDP is weak. In order to make the process effective the suggestions given below require special attention.

a) The survey schedule is very much lengthy which needs the interview of the villagers for a pretty long time. For getting better co-operation of the villagers, this schedule may be reduced covering all the vital points only.

b) In order to make the selection process of beneficiaries unbiased, it is necessary that the selection process be done in the Gram Sabha (Village Assembly) meeting in the presence of the bankers and local leaders. Further, the basis of selection be shifted from annual income of the family to percapita income of each member of a
family. Apart from landed property other sources of income need be considered.

c) Selection of schemes is another vital aspect for the success of the programme. This be done taking into consideration the beneficiary's need, aptitude and infrastructural facilities required for different types of schemes.

d) To remove corruption in purchasing assets for the scheme, purchase committees may be formed and may be given responsibility to purchase the assets from outside the local market. The beneficiaries be allowed to accompany the purchase committee. Finally, these assets be distributed to the beneficiaries in a meeting in the block.

e) To make the implementation process effective, a schedule of distribution of work under IRDP may be prepared by the block and all the officials are required to stick to the schedule. In order to check the adequacy of infrastructural facilities, a high power committee may be formed at the district level which will move to different blocks before implementation of the schemes. They would act as the liasioning agent between the block and the district sectoral heads.
4. Besides planning and implementation, the success of any programme depends upon its organisational effectiveness and soundness of administrations. The organisational structure at the state headquarter is very small and ineffective which results in improper supervision, corruption among officials, absence of backward and forward linkages and lack of people's participation in the programme. It is therefore, suggested that the organisational structure of IRDP at the state level be enlarged to supervise the programme effectively. The implementation of new schemes without improving the market conditions, infrastructural facilities, the smooth supply of rawmaterials and skill of beneficiaries results in the failure of the programme. The authority to introduce schemes be shifted from higher level of administration (Centre or State) to lower level of administration (district or block) as they are in close touch with the people and area of a particular region.

It is further observed that the meeting of consultative committees at the block, district and state levels are not held regularly according to the guideline. Whenever these meetings are held, there is lack of adequate participation of the members.
Beneficiary committees are not formed at all in any of the Panchayats of the district. It has been realised that both the beneficiaries and implementing agencies feel that perhaps the programme ends at the point of disbursement of assets for the scheme. It is therefore, necessary that the beneficiaries are motivated to participate in the programme through their committees. In addition, the indifference of officials may be solved by entrusting definite responsibility with them. Providing incentives at the grassroot level (vlws) and introducing scheme for the promotion of officials for good performance may be adopted.

It is observed that the main cause of failure of IRDP is the absence of effective forward and backward linkages necessary for the programme. This happened due to lack of co-ordination among the sectoral departments with the implementing agency. The state level officials of the sectoral departments need be informed about their proposed activities in various blocks and they would give clear instructions to the district sectoral heads accordingly.

The list of proposed sectoral activities may be prepared by the DRDA in consultation with the concerned BDO, taking into consideration the schemes to be
implemented in a particular block. The list may be sent to the respective heads of the state level departments. Then the district sectoral authorities would receive the list of proposed sectoral activities and the funds alloted for the purpose. They may be made conscious regarding the timely performance of these activities.

5. It is felt that, the monitoring aspect which reflects the actual progress of a programme is very poor both at the state as well as at the district level. The entire monitoring work at the block level is done by the VLWs who are in charge of implementing the programme. There is no separate monitoring structure in the block. It is, therefore, suggested that in each block there need be a monitoring unit for obtaining correct information from fields.

Proper distribution and maintenance of Vikas Patrika has not been done in any of the sample blocks under survey. This shows that adequate follow up action has not been taken. Steps may be taken to reduce such type of irregularities by the block officials.
All the monitoring indicators used by the guidelines relate to financial or physical results in quantitative terms. But qualitative assessment of the programme seldom takes place under the prevailing monitoring system. Therefore, it is necessary that qualitative indicators may also be used in addition to quantitative indicators which can reflect the real improvement of the programme.

For better monitoring of the programme annual verification of the assets, assessment of the incremental income of the beneficiary, regular visits of officials and organisation of motivational training camps may be done scrupulously.

6. A careful observation of IRDP in the sample district of Dhenkanal and in the four sample blocks of the above district reflects the following defects. The suggestions to improve the result of the programme are also given alongwith.

i) The bank employees may be persuaded by the lead bank of the district to serve the village people in the most remote areas. They may be requested to participated in the programme starting from identification process to the recovery of loans
from the beneficiaries with a sympathetic attitude towards the villagers.

ii) In addition to increase of staff in both block and DRDA, it is necessary that transfer of staff may be reduced to the minimum.

iii) It is observed that sometimes schemes are thrust upon the beneficiaries. It is therefore, suggested that adequate careful home work may be done before selection of schemes. Beneficiary's choice should be given priority. Sometimes due to illiteracy they may not be able to decide the schemes themselves. In those cases they may be properly guided.

iv) The limited success of the programme may be attributed to lack of supervision of the officials. Some dishonest beneficiaries manage to purchase their own assets from their own people in the public market. Some others sell away the assets. On the other hand, some sincere and honest beneficiaries face genuine problems like maintenance of assets, availability of raw materials and market facilities, lack of medical and insurance provisions etc. These services would have been provided timely if proper follow up action had been taken. The BDO at the block
should visit each Gram Panchayat with prior notice to the villagers. Then he may communicate the difficulty of the beneficiaries to the DRDA and the sectoral heads of the district. DRDA need take immediate steps to solve the problems.

v) In many cases it is found that there is wastage of funds and energy due to wrong identification. This can be checked if guidelines are strictly followed for identification of beneficiaries.

vi) The habit of bunching of applications at the block as well as at bank levels for sanction of loans is the main cause of delay in operation of the programme. This habit need be discouraged. Delay in fulfilling the formalities may be reduced with the co-operation of the block and bank officials with the beneficiaries.

vii) It is alleged that in some cases sub-standard assets are provided to the beneficiaries. Therefore, it is suggested that all the purchases are made strictly by the purchase committee. In case of machinery and other non-living assets, quotations may be invited from sellers and the lowest quotation may be preferred. Animals, birds and other living assets may directly be purchased from outside the local market as far as practicable.
viii) People's participation in all the poverty alleviation programme is essential. They may participate through the beneficiary committees, associations, societies etc. They may be motivated to participate in the programme and understand the Government's endeavour for their economic development.

ix) The villagers need be educated to understand the details of the programme. Their narrow outlook and conservative attitude may be changed by distributing leaflets, booklets and showing advertisements and dramas in T.V. and through other communication media.

x) Last but not the least, it is desirable to suggest that unless a sense of community feeling is created among the officials, satisfactory benefits under the programme will not reach the mass. Therefore, a sense of morality and patriotism be inculcated in the minds of the officials in charge of these programmes.
CONCLUSION:

India is essentially an agrarian country where more than 75 percent of its population live in villages. Agriculture is their main occupation and most of them are poor. Among the various antipoverty programmes adopted in this country to alleviate poverty of the rural mass, Integrated Rural Development Programme has been accepted as a powerful instrument to bring about the social and economic upliftment of the people. The programme has been introduced in the country far and wide. But in the process of its implementation, several defects, weaknesses and problems have cropped up. A sincere attempt has been made in the study to identify the problems and weaknesses of the various aspects of the programme. Constructive suggestions have been given to weed out the defects and to strengthen the programme to function as a powerful instrument to overcome rural poverty and to ensure social as well as economic progress of rural mass. It is hoped that recommendations given in this study will be of immense help to the planners, economists administrators policy makers, social thinkers and the members of the public in general. The researcher will find himself greatly privileged and feel obliged to the esteemed readers if the work is found to be of some help for the economic and social reconstruction of the country.