REVIEW OF LITERATURE

This chapter provides a detailed account of the review of work reported by past researchers on the subjects related to the present enquiry. For the sake of convenience, the review of literature has broadly been classified into the following seven heads:

1. Various programmes undertaken by IRDP.
2. Coverage of families and financial assistance.
3. Extent of utilization of the benefits.
4. Effect of credit in the animal husbandry practices.
5. Loaning systems and magnitude for various developmental activities.
6. Socio-economic changes.
7. Problems of beneficiaries.

VARIOUS PROGRAMME UNDERTAKEN BY IRDP:

Rao (1984) reported that major programmes (in Bijapur District) included in this programme were doing, land development, fisheries, piggery, poultry, rural artisan, industry, service and business and minor irrigation.

George (1984) stated that the beneficiaries interviewed represented three schemes, namely dairying, camel cart and sheep rearing. These three schemes accounted for 92.75 per cent of the total beneficiaries covered by all the schemes considered.

Gupta (1989) reported that all the 78 sample borrowers in Alwar district, Rajasthan, were found to be engaged in three schemes only, viz., dairying (40), camel cart (22) and sheep rearing (16).
Halkristina et al. (1985) studied in Wardnannapet block Warangal district, A.P. about the monitoring of IR.D.P. They studied various objectives and found that the effectiveness of existing monitoring mechanism in IRDP is not very good and also found that the possibility of using scientific sampling procedures in monitoring at different level are improper.

Mehansunaram (1985) found that the bullock and bullock carts and much animal teams were dominating and in the case of rural artisans, sewing machines alone were supplied to weavers. Carpenters and potters are living in a considerable number and they are not given any assistance so far.

Singh (1985) reported that 100 beneficiaries from 10 villages selected, 41 under minor irrigation, 20 under milk cattle, 21 under tertiary (rickshaw and tonga) and 10 under artisans programmes. Out of 100 beneficiaries 37 per cent are Harijans. Majority of the rest belong to other backward castes.

Pande (1985) stated that, out of the total number of beneficiaries, 52 per cent (26 in number) were provided IR.D.P. assets for livestock and 48 per cent (24 in number) for non-agricultural purposes. This speaks about the predominance of livestock as a way of assets provided to the beneficiary households in the IRD Programme. Further it is to be pointed out that among the total number of beneficiaries (26 in number) who got assets for livestock, barring aside one beneficiary households who got assets for sheep, all others have been provided with milch cows under the scheme.

Singh (1986) studied that about 75 per cent of the beneficiaries received assistance only under form sector. Within this sector, 44 per cent of the total selected beneficiaries were provided with animal husbandry units.
mostly milk cattle. About 17 per cent of the sample households were provided with schemes falling in the tertiary sector and only 8 per cent were given for secondary sector schemes.

Balister (1986) stated that, out of 298 families, 201 families (67 per cent) were provided loans for milk animals and other allied agricultural purposes, and 97 families (33 per cent) for non-agricultural purposes. This represented 67 per cent of total disbursement irrespective of social group. Its extent was the disbursement irrespective of social group. Its extent was the highest (86 per cent) for small farmers, lowest (53 per cent) for landless labourers and 81 per cent for marginal farmers.

Sarawgi et al. (1986) observed that the loans were issued for the purposes of bullocks, and bullocks carts and dairy. It was found out that no family of SCIST received finance for dairy enterprises. The landless labourers obtained loans for bullocks to facilitate transport of goods which they used carry out with the help of human labour.

Mukherjee (1989) has found at least 25 villages covering different blocks in 8 districts spread across the state of Bihar, Kerala and West Bengal during the household surveys conducted in the villages on may occasions were quite old and no recent surveys were available to present the current status of poverty in the village concerned. Also there was little or no documentation of how many people remained under the poverty line and how many had actually crossed it through official assistance and how many had gone below the poverty line in recent years.

Balister and Chandra (1990) studied about the methodology coverage, impact of IRDP, family crossing the poverty line in Uttar Pradesh
U.P. Among all 15 blocks of the district C.D. block Sakit, being the leading block both in terms of number of families and amount of loan advanced under IRDP, was selected intentionally. Out of 465 villages in selected block, 10 villagers were selected at random. Out of 150 beneficiaries 9.9 or about 66 percent could be able to cross the poverty line of Rs. 3500/-. Thus, the beneficiaries whose income had risen above the poverty line Rs. 3500/- come to 56 percent of the beneficiaries.

**Coverage of Families under Financial Assistance:**

Krishn an (1984) reported that the total amount of loan given to the sample households was Rs. 1.76 lacs of which an amount of Rs. 0.56 lacs or 31.62 percent was given as subsidy. On an average, assistance per household including subsidy comes to Rs. 2,201/-. Purpose-wise, the average amount of loan availed for tailoring, plastic wire knitting works and goat rearing was the least, i.e. Rs. 895/-, Rs. 1000/- and Rs. 1050/- per households respectively. The assistance availed for other purposes was high, being Rs. 3255/- for dairying and Rs. 2539/- for land development.

Hari Kumar (1984) studied that for the implementation of 17 schemes among 75 beneficiaries, a total amount of Rs. 2,01,832 has been distribute, in which credit of portion amounted to Rs. 1,33,721.33 and subsidy portion Rs. 68,110.67. The average amount received by the beneficiaries amounts to Rs. 2691. The scheme-wise analysis of IRDP beneficiaries reveals that livestock received the maximum assistance (34 percent) followed by fisheries (30 percent) small scale industries (14 percent), tertiary (11 percent) and pump-sets (5 percent), respectively.

Sudarshan (1985) stated that the total development of loan, Rs.
8269 thousand were given by nationalized commercial banks and the total deployment of loan Rs. 2068 thousand were for purchasing plough bullock and carts. Loans worth Rs. 1378 thousand were given by the nationalized commercial banks for electric motor and the loans given by co-operative banks Rs. 747 thousand were given for the purchase of bullocks and carts while out of the regional rural bank assistance loan, Rs. 171 thousand were given for animal rearing. It is also noted that of the total deployment of loan, the highest average of Rs. 7,500/- were given for goher gas plants followed by Rs. 7400/- for poultry.

Rath (1985) observed that 40 to 50 per cent of the investment related to dairy, gouts and sheeps, bullocks camels. With or without carts, accounted for another 20 per cent, minor irrigation accounted for 13 to 14 per cent, and non-farm activities (industries, services, business) for nearly a quarter.

Habichter (1986) revealed that 9433 identified poor families include small and marginal farmers and landless labourers comprised 1282 (14 per cent) 3294 (35 per cent) and 4869 (51 per cent) respectively. Only 3415 families out of 9413 identified have been covered under IRDP. The constitute about 36 per cent of total identified poor families in C.D. block, Bichpuri. This shows that against the target of 3000 families per block during the XIVth plan, 3412 families have been covered under the programme.

Thippalaha and Babu (1985) reported that the total loan amount for various schemes disbursed for the sample beneficiaries stands at Rs. 422394/-. The average loan assistance comes to Rs. 2814/-. This amount includes both loan and subsidy. The average investment in animal husbandry schemes is Rs. 2890/- while that in agriculture, it is Rs. 3636.36 and in 198
Rs. 2073/-.

Kawadia (1986) suggested that the IRDP in Jabalpur district did not achieve its physical and financial targets set under the sixth plan period. Only 77.5 per cent of the targeted households could be covered and 63 per cent of the resources could be mobilised during this period. The poor coverage of the programme was due to the fact that a large number of identified families did not come forward to ask for assistance. The concentration of beneficiaries increased under service activities while it decreased under agricultural and rural industrial activities over time.

Singh (1986) found that financial assistance per household was Rs. 1927/- included a subsidy of Rs. 797/-. The scale of finance per household was Rs. 944/- for goat rearing, Rs. 2387/- for dairying, Rs. 1463/- for the purchase of bullocks and Rs. 3228/- for rahats/pump-sets. It was Rs. 1293/- for tailoring and Rs. 2434/- for the purchase of handloomers. The assistance per household was low under most of the schemes resulting in investment units of smaller size in many cases, poor quality of assets supplied and the coverage of all beneficiaries under one investment activity only.

Guliani and Singh (1986) observed that as many as 46 per cent of the beneficiaries received loans for the purchase of buffaloes accounting for 47.94 per cent of the total amount of loan advanced. Next in importance was loans advanced for the purchase of sheep and bullock pair.

Amrivasan (1990) revealed that a vast majority of rural households continue to be poor and illiterate over 61 per cent of the households in rural India fall below the poverty line, which was officially pegged at Rs. 6500/- per household per year in 1987 which with inflation, amounts to Rs. 9000/- at
current prices. Over 27 per cent of the households in the rural areas and in fact desperately poor, with household income ranging from almost nil to Rs. 350/- per month.

A Report of IRDP (1992) revealed that a sample of 100 beneficiaries households assisted under different schemes of IRDP. 35 households had got assistance under cattle rearing and 13 under buffaloes.

EXTENT OF UTILIZATION OF THE BENEFITS:

Das (1984) observed that only 35.35 per cent of the households of the target group could be covered and 43.84 per cent could be utilized in 1981-82. The corresponding figures 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.

Malyudri (1985) reported that amongst 40 beneficiaries, 30 had fully utilized the loan amount sanctioned for the scheme purpose, 5 beneficiaries had partially utilized the loan amount for the purpose. Due to different traditional occupations, 3 beneficiaries had not utilized the loan in particular scheme and the remaining 2 beneficiaries had utilized it for their domestic consumption.

Dhillon et al. (1985) stated that out of 270 beneficiaries contacted, 76 per cent had their asset intact 61 per cent beneficiaries had crossed poverty line and 15 per cent of the beneficiaries had mis-used the assistance provided to them.

Khatkar et al. (1994) studied that only 37.10 per cent beneficiaries were properly identified while as many as the beneficiaries mis-utilized all IRDP assistance resulting in oversight leakages.

ANIMAL HUSBANDERY PRACTICES:

Bhandari (1984) stated that most of the financing was done for
milk animals without having any regard to the availability of milk animals, fodder and the borrowers' capacity to maintain such animals and also assessing the potential for marketing the milk. The administrative pattern of subsidy rather than real purpose of improving the standard of people. The loans are also given for the single purpose which in turn does not help the small farmers to meet their consumption needs.

Sikra (1984) indicated that mostly milk comes from small holders and the landless. Their milk co-operative have contributed to reduce the poverty. During operation flood the country's annual milk production increased from 207 metric tonnes to 302 metric tones, greatly improving milk supply per capita.

Kulannatwany (1984) reveals that the co-operative milk producers union popularly know as Amul presented as an example of the success of dairy co-operatives of Anand Model have been accepted as a strategy for rural development and operation flood has its method in 52 districts throughout the country.

Ganguly (1985) evidence has shown that out of 193 household surveyed, 72 per cent of total milk producers were sellers, all sellers, irrespective of membership sold to the co-operative of the members attended co-operative meetings and participated in extension activities. The single impact has seen the increase in household income.

Naturo and Prasad (1985) estimated that dairying is a good source of income for small and marginal farmers. Because required food more milk production can be met from his limited land resources as by-products, without incurring much additional cost. Dairy development activities brings social and
economic change in rural areas. The success of these schemes mainly depends on marketing facilities for the milk products in rural areas, this is done generally through dairy societies.

Daviskar (1986) revealed that increase in the number of milk producers co-operative societies and their impact on dairy development in tribal area, if the right management takes place.

Natraju and Channegowda (1986) disclosed that there is no association between age and knowledge level of different categories of dairymen. Age is not an important factor in stimulating farmers to further action and generally young farmers are more exposed to mass communication.

Natraju and Channegowda (1986) experimented that more than 80% of beneficiaries were familiar with improved milk breed and artificial insemination (A.I.). Majority of the small farmers than marginal farmers and agricultural labourers had known these practices.

Devendra Baby, M. Jhippiah, P. (1987) reported that main objective of this IRDP is to identify the weaker sections, who are living below poverty line viz. small farmers and marginal farmers to lift them above poverty line by providing production assets.

Ruprae, G.K. (1987) pointed out that the development of small and marginal farmers dairy, poultry and piggery needs credit and the small and marginal farmers are too poor to afford and when the produce is insufficient they fall upon loans from the mahajan for their existence. Farmers need credit for different purposes while some loans are borrowed for short period and some for long.

V.M. Rao (1992) concluded that age of the milk producer has no
relation with his knowledge and attitude towards plant. However, from farm size and land holding were found to have positive and significant relationship.

LOANING SYSTEM:

Pradhan *et al.* (1986) studied about the flow credit and subsidy under IRDP and revealed that land development banks and the co-operative banks were not involved in IRDP fundings. The total credit flow from commercial banks and regional banks under their leading in 1980 amounted Rs. 25.18 lacs of which IRDP component was Rs. 10.65 lacs of the total credit.

Prasad *et al.* (1988) stated that percentage of beneficiaries above the poverty line increased from 6 per cent (prior to IRDP assistance) to 47 per cent after receiving the assistance. Marketing facilities were available for 45 per cent of beneficiaries. Among the women beneficiaries of IRDP only 23 per cent were scheduled caste, 5 per cent scheduled tribes and the remaining 72 per cent were from the other castes.

Chandra and Balishter (1990) stated that the families assisted under IRDP reported several problems which caused inadequate impact of economic generation. There are delay in disbursal of loan, poor quality of assets, higher prices of assets charged by sellers delay in releasing subsidy, bribe taken by implementing agencies, lack of supporting facilities, availability of loan for working capital and lack of guidance about unsuitable crops. These problems need immediate remedial measures for successful implementation of the programme.

Sud (1990) stated that the selected households are provided productive assets to enable them take up income generating ventures. A part of assistance is given as non-recoverable subsidy. An average usually has
lound loan from Rs. 10 crores to Rs. 15 crores for investment in a year. The reasons the dismal performance of this programmes are indeed not for the seek. One of the important pre-requisites for the success of a programme of this nature is that the assistance should actually reach the intended beneficiaries in full measure. This has unfortunately not happened in this case.

**SOCIO-ECONOMIC CHANGES:**

Harri Kumar (1984) revealed that after the implementation of IRDP schemes, 20.6 per cent of families come above the poverty line. But, 79.4 per cent families are still below the poverty line. Before the implementation of the IRDP schemes, 97.33 per cent of the beneficiaries were receiving income less than Rs. 2500/ per year. After receiving assistance, as a result of income from various schemes income distribution has changed favourably and now only 44 per cent are receiving less than Rs. 2500/.

Again, before the implementation of the schemes, 11.66 per cent of the beneficiaries were getting income between Rs. 2000/- and Rs. 3000/; after the implementation of the schemes, 62.67 per cent were getting income in between Rs. 2000/- and Rs. 3000/.

George (1984) observed that the average income per beneficiary from all sources before the implementation of IRDP worked out to Rs. 2492.45; after implementation it was Rs. 3728.77 showing an increase of 49.60 per cent.

Chandakavate (1985) reported that the programme had hardly made a measurement 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 benefitted as their family income between pre-benefit and post-benefit period slightly increased. They were moving up from the lower decile group to higher decile group even below the poverty line. The programme has not made any positive impact on the income of the remaining 52 per cent of the families.

Singh and Deb (1985) studied that the percentage of children going to school was more in case of all the categories of the beneficiaries than non-beneficiaries in both the areas. The percentage of children going to school was 74.56, 66.66 and 46.42 for the farmers, functionaries and agricultural labourers, respectively among the beneficiaries while it was 65.78, 50.08 and 41.17 per cent among the non-beneficiaries of Kalkh. Among the beneficiaries of Chak Fateh Singh wala, the percentage of children going to school was 63.63, 60.86 and 38.46 among the farmers functionaries and agricultural labourers respectively, against 55.38, 42.85 and 31.70 per cent among the non-beneficiaries.

Panda (1985) observed that the total annual income of the sample scheduled caste beneficiaries prior to IRD Programme was Rs. 4,0274.25 and after the IRD Programme was Rs. 5,3516.44. In case of non-scheduled caste category the total annual income before IRD Programme was Rs. 4,3504.37 and after IRD Programme was Rs. 5,2745.72. The increase in income in terms of percentage shows that while the income of the scheduled caste beneficiaries has increased by 15.64 per cent, the income of non-scheduled caste beneficiaries has also increased by 22.15 per cent after being included in the IRD Programme.

Ramchandraiah (1986) stated that out of 31 households that were below poverty line before the scheme, 45 per cent was raised above the
poverty line after the scheme.

Narain (1986) observed that only 22 per cent of the eligible beneficiaries, or 18.7 per cent of all beneficiaries had been able to cross the poverty line. The selected districts in the state like Punjab, Haryana, U.P. and Maharashtra showed better performance with more than 40 per cent rising above poverty line while, Rajasthan, Tamil Nadu and Andhra Pradesh showed 10 per cent or less performance. In Jaipur district of Rajasthan 23 per cent of all beneficiaries had crossed the poverty line.

Singh (1986) reported that there was no significant impact of IRDP Programme on the income of beneficiaries. Only 65 per cent of the total beneficiaries have crossed the poverty line. The average income of the beneficiaries from all sources increased by 53 per cent after the implementation of the IRDP. The additional income occurring to small farmers was noted to be very low, while in case of non-agricultural labours, it was the highest. The tertiary sector found better than the agricultural sector.

Singh (1986) found that 15.2 per cent of the households were ineligible for IRDP assistance. Only 8.33 per cent of the households were able to cross the poverty line and 41.67 per cent of households reported an increase in their income on the adoption of IRDP. Goats scheme showed a dismal performance due to heavy mortality of the animals and the performance of dairying was very unsatisfactory due to supply of inferior quality of animal, their poor feeding and lack of market. Minor irrigation was remunerative but the performance of the other schemes was not satisfactory.

Sarawagi et al. (1986) revealed that overall, 71 per cent of the families crossed the poverty line after the implementation of the programme.
All the families in the category of small farmers crossed the poverty line, on the other hand, 69 per cent of the landless labourers and 65 per cent of the marginal farmers could cross the poverty line. Between the social groups, 74 per cent of the non-SC/ST crossed the poverty line as against 69 per cent of SC/ST.

Awasthi et al. (1986) reported that the highest increase in income was noted in the case of village level business. More than 50 per cent of the selected beneficiaries could rise above the poverty line due to bank finance under the programme. The number of beneficiaries crossing the poverty line was more in village level business (90 per cent) while it was the least in animal husbandry activities (30 per cent).

Jain (1986) observed that on an average, a beneficiary of rural industry programme increased his net return to the extent of 84 per cent. In the case of the village self-employment activities, the average net income of selected beneficiaries increased by 71 per cent in the post loan period while in the case of selected beneficiaries in agricultural, dairying and rural industries, it increased by 88, 96 and 63 per cent, 96 and 63 per cent respectively. Thus, dairying contributed the maximum increase in net income, followed by agriculture including irrigation and rural industries. The findings of the study brought out the fact that out of the beneficiaries covered in this study, 65 per cent crossed the poverty line, 20 per cent remained below the poverty line and 15 per cent tended to slide down at any time below the poverty lines if the second dose of assistance is not provided.

Guleria and Yadav (1986) revealed that the animal husbandry schemes accounted for the largest share of 59 per cent of the total actual
expenditure as compared to any other scheme of the IRDP in Solan district. The number of families who crossed the poverty line in 1984-85 was estimated at 26 per cent in the district as a whole.

Khanoo (1987) reported that nearly 90 per cent of the selected sample beneficiaries felt that they had benefitted from the programme, 90.7 per cent felt that as a result of IRDP programme their employment had increased about 88 per cent reported that as a result of IRDP Programme their income had increased, 77 per cent felt that their consumption level had increased after being provided IRDP benefits and about 64 per cent felt their overall status in the village society had been elevated as a consequence of their average under IRDP.

Rana (1988) stated that the income of the IRDP fisherman families considerably increased. They have not only been self-employed and self-reliant but their income has been steadily increasing. Against the pre-assistance average daily catch per beneficiary of 1 to 1.5 kg, post assistance average catch has gone up to 3 to 3.5 kg. Similarly, the average daily earning per beneficiary has gone up from pre-assistance average income of Rs. 6-8 to Rs. 20-35 in the post-assistance period. Again, number of fishing days per year has also increased from pre-assistance 172 days to post-assistance 290 days. Moreover, the families without any asset in the pre-assistance days are now having some assets of which they are found.

Singh (1989) reported that the concurrent evaluation conducted by the Govt. of India during 1985-86 indicate conducted that the percentage of IRDP beneficiaries on crossing the poverty line Rs. 3500/- for India was 46 whereas, for Bihar it was 52, similarly the percentage of IRDP beneficiaries
crossing the income range of Rs. 6400/- for India was 11, whereas for Bihar it was 13. It is expected that by the end of the eight plan, at current trends, the percentage of people below the poverty line in the country will be 10, whereas that of the people remaining in Bihar will be 20.

PROBLEMS OF BENEFICIARIES:

Satynarayana and Peter (1954) observed that untimely and inadequate financial and supervisory supports to the programme are the defects. The dominance of the rich and political personnel in the rural areas, expanding population, illiteracy, and unemployment, inherent inferiority complex among the poor and lack of enthusiasm and confidence together have resulted in unsatisfactory progress of government programmes.

Chandakavate (1985) stated that no regular visit, follow-up and extension service were carried out by bankers and block officials. The periodic entries recorded in the Pragati Pustak were found false and unrealistic.

Chaudhary (1985) revealed that certain problems faced were:

1. One major problem is urban - orientation of the officials mainly at the higher level. Bureaucratic approach in implementing the programme is main drawback. This results into a lack of understanding of problems on the part of the officers.

2. There is political interference in day to day functioning of the programme which creates problems for the officials. Political pressure makes the officials deviate from the prescribed norms and procedures of the department.

3. In many cases, lower level of development agencies are found busy with completing paper targets, without proper feedback from the rural areas.
There is a section in society and in administration which has been indulging in bribes from beneficiaries while the financial disbursement take place.

Another problem with the implementing mechanism of the programme is the lack of follow-up and supervision. The government agencies consider their work gets over by identifying the beneficiaries and distributing subsidy. The rest of the work is considered to be done by the bankers.

There is lack of co-ordination between government agencies and banks in one hand and the beneficiaries and these agencies on the other hand. This lead to the lack of follow-up and supervision by these agencies on the activities financed and timely sanction and disbursement of loans and subsidies under the programmes.

Singh (1985) observed that selection for any scheme was based on their relationship (may be maintained by given bribe) with the officials; and this is more acute at DRDA level, from where subsidy money released. Therefore, more time is taken by DRDA office to sanction requests. 70 per cent of the beneficiaries were sanctioned subsidy within three months after the final selection of the beneficiaries by the DRDA, 11 per cent within three to six months and 19 per cent after six months. Even in some cases two years time had been taken to release the subsidy amount. Those who faced problem said that they were forced to please officials to get the work done. On the other hand these concerned personnel believe that subsidy is the money given to beneficiaries free, so they must have shared in it.

Bognert (1985) concluded that the backwardness of the target population itself, their illiteracy, their daily struggle just to survive, is another
formidable reason why one can not expect the IRDP to achieve a breakthrough at first shot. The credit absorption capacity of the target population is practically zero. The fear people had initially of taking loans, was based on experience. The wisdom of that fear is beginning to become manifest, when one meets cases where on IRDP loan-cum-subsidy actually people to greater misery.

Singh (1985) stated that there are a number of problems confronting rural development programme in India. The major impediments are—

[1] Unawareness of the beneficiaries about the various programmes and facilities available for them. This is primarily due to illiteracy of the rural masses and weak extension service.

[2] The identification of beneficiaries is much abused process and many a time the benefits go to other than to whom they are supposed to serve.

[3] Poor integration of inputs/services and supportive service, hamper the implementation of programme. It is imperative to bring about adequate co-ordination among the financial institutions, Government and Voluntary agencies in right measures.

[4] Poor monitoring and evaluation of the programme particularly of the causative factors for the under fulfilment of the target.

[5] The management of IRDP is a weak and the agency created to implementation of the programme is not compatible with the need and aspiration of the people and the objectives of the IRDP.

Yadava (1985) concluded that the target of the beneficiaries dependence on officials at each stage is heavy which makes them vulnerable also. Many complained about the harassment they faced in getting the loans
at various level particularly from the banks they also mentioned about corrupt practices in getting loan.

Manrai (1986) suggested that the IRDP faced serious implementation problems of the following types:

[1] Arbitrary selection of beneficiaries: A common reason for this was that the programmes were implemented in a hurry without adequate preparation and allowing time for proper identification of eligible families. The development staff at the field level was also obsessed with the idea of target achievements.

[2] Even when the selection of the poor was alright, the full amount of the assistance due, did not reach a beneficiary because of cuts by middlemen. A class of politically influential middlemen has arisen which has begun to benefit itself from the system.

Mishra (1986) observed that among the problems faced by IRDP Programme are the problems of identification of the beneficiaries, remote control due to decentralized planning and implementation, administrative problems due to linking of subsidy with loans, target oriented approach, lack of co-ordination between IRDP agencies and other institutions cumbersome loaning procedure, and inadequate supervision mechanism.

Kaur et al. (1986) stated that the major obstacles found in the effective implementation of the programme were; the irrational criterion adopted for the selection of the beneficiaries which left out a large number of families found to be living below poverty lines; wrong identification of beneficiaries; lack of awareness among the rural poor responsible for their not taking advantage of the scheme; absence of any linkages to provide institutional
support for the supply of raw material and marketing facilities; lack of
follow-up action after the delivery of the asset; existence of credit gap
between the loan disbursed and the actual cost of the asset; absence of
schemes suited to different areas.

Singh (1986) found that schemes financed under the IRDP had no
link with the local resources potential and the need of the beneficiaries. The
amount of loan granted to the beneficiaries was insufficient to create new
assets. The beneficiaries did not get any support from institutions for the
purchase of raw material. The provision for marketing and availability of
inputs were not adequate in this district.

Tulsyan (1987) in his study in Alavi block Khagaria district in
Bihar, covering 500 beneficiaries from all over the block (45 villages) found
that:

(a) Almost all the beneficiaries claimed that the officials take 30 per cent
commission (which is called illegal gratification) on loan disbursement.

(b) The RRB responsible for paying loan are in sorry state due to lack of
administrative reforms and speedy expansion in their number. These are
noticed officers in 40 per cent RRBs in the area since long. All the
RRBs in sample area are the centre of rampant corruption and not all
bound to social goals.

(c) Out of the sample beneficiaries, 25 per cent had received bullocks and
milk cattle, at double the market price and most of them were not in
position to repay.

Union Government research and Kabard (1989) studied about the
deficiencies in IRDP Programme implementation:
(i) Selection of beneficiaries is not proper.

(ii) Selection of productive assets made without taking into account the skill and attitude of the beneficiaries.

(iii) Loan application was not properly scrutinized.

(iv) Infrastructural facilities needed for development of activities e.g., dairy, poultry, gosery etc. were not available.

(v) Bank were not involved in identification process.

(vi) Assets of inferior quality were acquired by the beneficiaries.

(vii) Due to scarcity of staff, the end use of the loaned amount was not properly watched.

(viii) Dairy occurred at the level of the development block and banks in providing the actual assistance to the beneficiaries.

(ix) In about 30 per cent cases, the assets financed by the banks were not found intact.

(x) Most of the cattle, financed were of poor quality with the result that the income of borrower was not adequate to repay the bank loan.