Chapter 5
Conclusions
and
Recommendations
Based on analysis/observations & discussions the concrete findings have been summarized in the present chapter. Additionally some suggestions & recommendations have also been made after the studies of the support schemes in the study area. The different support schemes studied are:-

1. **Swaranjayanti Gram Swarozgar Yojana (SGSY)**
2. **Khadi & Village Industries Board Schemes (KVIB)**
3. **Schedule Castes, Schedule Tribes & other Backward Classes Development Corporation Schemes (SC,ST & BC Corporation)**

These schemes act as an instrument in bringing about a social change among scheduled tribes of Rajouri & Budhal blocks of district Rajouri. The main findings with respect to these support schemes are as under:-

1. **Delay in the sanction of financial assistance:** During the course of the present survey out of 245 beneficiaries, only 21 (9%) beneficiaries in SGSY got financial assistance within 3 months whereas, the remaining beneficiaries (91%) in all the
three schemes had to wait for more than 3 months in getting the financial assistance which makes it clear that the beneficiaries did not get the credit in time as per RBI norms.

2. **Awareness & selection process of support schemes:** So far as the awareness & selection process is concerned, 43% beneficiaries came to know about SGSY through VLW, 24% through Gram sabha & 33% from others. Similarly in case of KVIB & SC/ST & BC Corporation, 9% came to know from KVIB officials while rest got the information from village head (40%) & others (51%). In case of SC/ST & BC Corporation only 11.43% got the information from the corporation while rest from other sources (57.14%). It is thus clear that the implementing agencies were not making adequate efforts to create awareness among the beneficiaries.

3. **Individual Sawrozgari’s:** During present studies it has been found that out of total respondents of 245 beneficiaries, none of the beneficiary joined the self-help groups to avail the financial assistance & rather got assistance under the various support schemes as individual sawrozgaris. In brief, it can be summed up that by and large all the respondents were even not aware of the self-help group scheme, their formation, linkage & other benefits of the cluster approach.

4. **Training of sawrozgaris:** Regarding trainings to the beneficiaries by the sponsoring agencies & other line departments, it has been observed during the survey work that no such training in case of SGSY stands to be imparted to beneficiary households. Only 15 (42.85%) respondents got training in PMEGP programme (KVIB) before launching their project. So far as SC/ST & BC Corporation is concerned, the respondents stated that they are not aware whether any training in skill development is being provided by the corporation to the beneficiaries.
5. **Socio-economic profile of beneficiaries & non-beneficiaries:**

a) **Beneficiaries**

Appraisal of social status of beneficiaries revealed that 90.28% households under SGSY scheme were males, 50% beneficiaries were in the age group of 30-35 years and also majority (47.83%) were illiterate. In respect of economic profile of beneficiaries, it has been found that 72.57% beneficiaries were having agriculture as their main occupation & majority (92.57%) were marginal farmers. Regarding assessment of social status of KVIB beneficiaries 71.42% sample beneficiaries were male and majority of 48.57% were in the age group of 35-40 years. It has also been found that most of the KVIB sample beneficiaries (57.14%) have education upto primary level whereas 37.14% were illiterate. As far as economic profile of the beneficiaries is concerned, majority (65.71%) of the sample beneficiaries were having agriculture as main occupation. While in case of SC/ST&BC Corporation beneficiaries 85.71% sample beneficiaries were males, 42.86% of them were in the age group of 35-40 years. Regarding literacy level it has been found that majority (71.43%) had education up to primary & that 22.86% were illiterate. Regarding economic status it was found that 72.29% were marginal farmers with agriculture as main occupation.

b) **Non-beneficiaries**

Concerning non-beneficiaries it was found that 82% respondents were males. Majority were in the age group of 35-40 years & more than 60% non-beneficiaries had no education. So far as their economic status is concerned 75% were marginal farmers and all of the respondents were from higher income groups.

6. **Impact of support schemes on income & employment:**

1. **Swaranjayanti Gram Swarozgar Yojana (SGSY)**

a) **Beneficiaries**

**Financial Assistance**

Sector wise distribution of different benefit schemes along with the average Loan &Subsidy amount per scheme in both the blocks revealed that a very high percentage of
63.42% of beneficiaries opted for primary sector schemes viz. dairy, mule, sheep and poultry. Next to primary sector in order of preference was the secondary sector opted by 29.14% of sample households & Tertiary sector by only 7.42% beneficiaries.

Data regarding the average amount of loan & subsidy in respect of small farmers, marginal farmers and landless labourers revealed that the average amount of loan & subsidy made available to small farmers in primary sector was to the tune of Rs. 35000 & Rs 10000 respectively. In case of secondary sector the average amount of loan & subsidy made available to small farmers was Rs. 40000 & 10000 respectively. So far as Tertiary sector is concerned the average amount of loan and subsidy in respect of small farmers was Rs. 30000 & 10000.

**Income**

Impact of SGSY scheme in relation to income showed that on an average Rs. 36624 additional income was generated annually to the beneficiaries in the study area. In respect of primary, secondary & tertiary sectors, average additional income of Rs. 34086, Rs. 41083 & Rs. 40800 respectively was generated.

Category-wise it was observed that the average additional annual income generated by small farmers was Rs. 28200, Rs. 41400 and Rs. 42000 in primary, secondary & tertiary sectors respectively whereas marginal farmers on an average generated additional income of Rs. 34544, Rs. 41055 & Rs. 40700 in primary, secondary & tertiary sectors respectively.

So far as income groups are concerned it has been found that after inclusion in the programme a higher percentage of the beneficiary respondents (99.42%) switched to higher income group, only 0.57% beneficiary respondents remained in middle income group and none was left in lower income group. Concerning share of women in income it has been observed that on an average the total additional income generated by the women beneficiaries was Rs. 30070 in the study area.
Income in relation to social variables

Regarding age of the respondents & income generated, it was found that on an average additional income of Rs. 37772 got generated by age group 31-35 years & Rs.36016 by beneficiaries of age group of 36-40 years. Income in relation to this social variables was found to be significant for all age groups except those of 20-25 years where there was no participation of respondents in the study area.

Concerning education of the respondents and income generated it has been observed that the beneficiaries having education upto high school generated more income of Rs.60000 after SGSY. It was also found that the beneficiaries having education upto primary level generated average annual income of Rs.56096 and the illiterate beneficiaries generated less income of Rs. 46640 only. The test results were highly significant for the respondents having education level of primary & high school but highly significant for illiterate respondents.

Employment

Evaluation of the impact of SGSY scheme in respect of employment showed that on an average additional employment of 81 days were generated annually in the study area. It was also observed that after adoption of SGSY programme the additional mandays generated by beneficiary households were 75, 90, and 108 in primary, secondary and tertiary sectors respectively.

Category-wise marginal farmers got 76 days of additional employment after the adoption of SGSY programme in primary sector, 90 days in secondary sector and 109 days in tertiary sector. Whereas small farmers got 50, 78, & 96 of additional employment days in primary, secondary & tertiary sectors respectively.

As far as income groups are concerned, it has been found that a total 174 beneficiaries belonging to higher income group generated 85 additional mandays and only one beneficiary was found in the middle income group who generated 36 additional mandays. So far as women beneficiaries are concerned, they generated on an average additional employment of 75 days.
Employment in relation to social variables

Observation in relation to the age of the beneficiaries & employment generated revealed that majority of the mandays got generated by the age groups of 31-35 years & 36-42 years of age who generated on an average 162 days each and also that 142 & 148 days went into the kitty of respondents of age groups 26-30 years & 41 & above respectively. The results were highly significant for all age groups of beneficiaries working before & after SGSY in the study area.

Regarding education & employment, it has been found that on an average maximum of 185 mandays got generated by the respondents having education level of high school followed by respondents having primary level of education who generated 170 mandays. Illiterate respondents generated 147 days of employment on an average in the study area. It was also found that the results of t-test were significant for the respondents having education level of primary & high school and significant for illiterate respondents.

In addition to above, it is pertinent to mention here that none of the beneficiary joined the self-help groups for financial assistance. All the beneficiaries got assistance under scheme as individual swarozgari’s. It is also pertinent to mention that none of swarozgary received any type of training by implementing agencies & line departments.

Literacy

The amount invested on education revealed that out of the total income generated through SGSY programme, beneficiaries invested 35% on food & other consumption items, 8% on clothing & just only 3% on education.

b) Non-Beneficiaries (SGSY)

Non-beneficiaries were observed to generate on an average additional employment of 103 mandays & average income of Rs. 45194 and hence performed better than beneficiaries in the study area. In respect of literacy, the non-beneficiaries could only spend 2.5% out of the total income.
2. Khadi & Village Industries Board Schemes (KVIB)

a) Beneficiaries

Financial assistance

Sector wise distribution of different benefit schemes along with the average loan &subsidy amount per scheme under PMEGP (KVIB) in both the blocks revealed that a very high percentage (62.85%) of beneficiaries opted for service/tertiary sector schemes. Next to service sector in order of preference was the secondary sector which was opted by 34.28% of sample households & Primary sector by 2.85% beneficiaries.

Regarding average amount of loan & subsidy in respect of small farmers, marginal farmers and land less labourers it has been observed that the average amount made available to small farmers in primary sector was Rs 50000 & Rs.40000, in secondary sector Rs.55000 & 40000 & in tertiary sector Rs.56667 & Rs. 66667.

Income

Impact of PMEGP (KVIB) scheme in relation to income showed that on an average Rs. 32160 additional income was generated annually in the study area. Sector-wise income generated in the study area revealed that on an average additional income of Rs. 12000, Rs. 36000 & Rs. 30982 was generated in primary, secondary & tertiary sectors respectively.

Category-wise it has been observed that the average additional annual income generated by small farmers was Rs. 12000, Rs. 28200 and Rs. 31371 in primary, secondary & tertiary sectors respectively whereas marginal farmers on an average generated respective additional income to the tune of Rs. 37560 & Rs.30800 in secondary& tertiary sectors.

In respect of income groups it was observed that after inclusion of PMEGP scheme under KVIB all of the beneficiaries shifted to higher income groups. Women beneficiaries on an average generated total additional income of Rs.28750 in the study area.
Conclusions and Recommendations

Income in relation to social variables

Regarding age of the respondents & income generated, it was found that on an average additional income of Rs. 34893 got generated by age group 31-35 years which was followed by the age group of 41 &above years who generated an additional income of Rs.32000.

Concerning educational status and income it was found that beneficiaries having education up to higher secondary level generated higher income of Rs.42000 compared to beneficiaries having education upto primary level who got additional income of Rs 32120. It was also found that the results of t-test were highly significant for age groups 31-35 years & 36-40 years. Regarding beneficiaries from the age group of 26-30 years & 41 & above year results were not significant.

Compared to non-beneficiaries the beneficiaries having education at pre-university level generated more average annual income of Rs. 84000 followed by beneficiaries having education up to primary level who earned income of Rs55500. Concerning relationship of education with income it was found that the results were highly significant for the illiterate respondents & respondents having education up to primary level.

Employment

Employment under PMEGP scheme under KVIB reveals that an additional employment of 63 mandays were generated by beneficiaries in the study area. Sector-wise it has been found that beneficiaries on an average generated additional employment of 36, 72 and 60 mandays in primary, secondary and tertiary sectors respectively

Data on income groups revealed that all of the sample households were in the higher income groups in the study area with the employment generation of 63 mandays. No sample beneficiary has been found in middle and lower income groups. Employment scenario of women beneficiaries showed that they generated additional employment of 47 mandays in study area.
Employment in relation to social variables

In relation to age it has been found that beneficiaries in the age group of 41 & above generated more employment of 68 additional mandays compared to other age groups. Literacy level versus employment revealed that beneficiaries having education up to pre-university level generated comparatively more employment of 60 mandays. The results of t-test were highly significant for the age groups 31-35 years, 36-40 years & 41 & above years. Concerning the age group 26-30 years, results were not significant.

In respect of educational level it has been observed that on an average maximum mandays of 168 were generated by the respondents having education level of pre-university & respondents having primary level of education generated on an average 167 mandays. Concerning illiterate respondents only 16 days of employment was observed to be generated in the study area. It was also found that the results were highly significant for the illiterate respondents & respondents having primary level of education. Respondents having education level of pre-university did not show significant results.

Literacy

It has been observed that out of total income only 4% was being spent by beneficiaries on education of their children in the study area.

b) Non-Beneficiaries (KVIB)

Non- beneficiaries on an average generated 92 days of employment & annual income of Rs. 35825 in the study area & hence fared well compared to beneficiaries. On literacy of children, they however spent to just 5% of the total income.
3. **Schedule Castes, Schedule Tribes & other Backward Classes Development Corporation Schemes (SC,ST & BC Corporation)**

a) **Beneficiaries**

**Financial assistance**

Sector wise distribution of different benefit schemes along with the average loan & subsidy amount per scheme in both the blocks revealed that a very high percentage of 54.28% beneficiaries opted for secondary sector schemes.

The data regarding the average amount of loan & subsidy to small farmers was Rs 35000 & Rs10000 towards primary sector, Rs 40000 & 13334 in secondary sector & Rs 249500 &50000 in tertiary sector.

**Income**

Impact of SC/ST/BC Corporation schemes on income revealed that on an average Rs. 36000 additional income was generated by the beneficiaries annually in the study area. Sector-wise income generated revealed that an average additional income of Rs.25200, Rs. 33095 & Rs. 53700 was generated in primary, secondary & tertiary sectors respectively.

Category-wise it was noticed that the average additional annual income generated by small farmers was Rs.30000, Rs. 42000 and Rs.46200 in primary, secondary & tertiary sectors respectively. Data also revealed that marginal farmers on an average generated additional income of Rs.23600, Rs. 31425 & Rs. 61200 in primary, secondary & tertiary sectors respectively.

In case of income groups, it has been found that all of the beneficiaries shifted to higher income groups after adoption of SC/ST &BC Corporation schemes. Women on an average earned total additional income to the tune of Rs. 32160.

**Income in relation to social variables**

Regarding age of the respondents & income generated thereof it was found that on an average additional income of Rs.43200 was generated by the age group of 31-35
years followed by the age group of 36-40 years who generated additional income of Rs. 32182. Data regarding literacy level and income reveals that the beneficiaries having education upto primary level generated more additional income of Rs. 39024, followed by those having education upto high school level who generated average additional income of Rs.27000. Further to know the significance level of income in relation to age the results were highly significant.

Regarding educational level and income generation it has been observed that the maximum income of Rs 39024 was generated by the beneficiaries having education upto primary level followed by illiterate person who generated income of Rs.28800. It has been also observed that Rs.27000 were generated by beneficiaries having education upto high school level. The results were highly significant for beneficiaries who were illiterate or having education up to primary level. Results were however significant for beneficiaries having education upto high school level.

**Employment**

Impact of SC/ST &BC Corporation schemes in relation to employment showed that on an average additional employment of 73 days were generated annually in the study area. It was further observed that after adoption of SC/ST &BC Corporation programmes the average additional mandays generated by beneficiary households were 55, 73, and 89 in primary, secondary and tertiary sectors respectively.

Category-wise it was found that small farmers generated employment of 54 additional mandays in Primary sector, 64 in secondary sector and 84 mandays in tertiary sector. The marginal farmers got 56 additional days of employment in primary sector, 74 days in secondary sector and 93 days in tertiary sector.

Regarding income groups it has been found that all of sample households were in higher income group & generated employment of 73 mandays in study area. Further it was found that none of the households remained in middle and lower income groups. Women beneficiaries got additional employment of 56 mandays in the study area.
Employment in relation to social variables

Data related to the age of the beneficiaries & employment generated revealed that the beneficiaries in the age group of 31-35 years generated more additional employment of 88 mandays compared to beneficiaries of other age groups. It was also found that the results were highly significant regarding employment in relation to all age groups.

Regarding educational status and employment it has been found that beneficiaries having educational level upto primary level generated more additional employment of 78 mandays compared to beneficiaries having education upto high school level who generated 72 additional mandays. The test results were highly significant for the respondents having education level up to primary & for the illiterate respondents. Concerning respondents having education level of high school results were not significant.

Literacy

It has been found that out of the total income generated by the beneficiaries just only 5% was found to be spent on literacy of the children, 34% on food & other consumption items, 7% on clothing and 39% on purchase of assets.

b) Non-Beneficiaries

Non- beneficiaries on an average generated 87 mandays of employment & annual income of Rs. 42500 in the study area & performed well as compared to beneficiaries. On literacy of children, they however spent just 4.5% of the total income.

From the above discussion, it can be inferred that these support schemes could provide only partial employment to the beneficiaries & the sustainable employment still remains a distant dream. It is further clear from the analysis that SGSY has shown a comparatively better impact on the income & employment of the beneficiaries compared to those of PMEGP (KVIB) & SC/ST & BC Corporation schemes. Concerning the non-beneficiaries result showed that they fared better compared to beneficiaries.
Constraints/ problems

Based on the present findings researcher during the course of the present studies, has also made an attempt to have an insight into the various causation factors/constraints/problems in generation of income & employment from support schemes. Various problems/constraints presently identified have been studied under the following three broad categories:-

(A) Problems/constraints faced by beneficiaries

(B) Problems/constraints faced by implementing agencies

(C) Problems/constraints faced by bankers.

A. Problems/constraints faced by beneficiaries

1. Wrong identification& Unviable units: On account of the negligence and malpractices of the programme functionaries connected with the implementation of the programme/s the benefits mostly go to those rural people who are either near the poverty line or above the poverty line & hence the richest & such of people manage to avail the benefits who are not otherwise eligible for assistance under these schemes according to the norms laid down by the Govt. of India. As such the economic & social disparities among the rural masses rather widens on a large scale. It is interesting to note that the survey for identification of BPL families was conducted in the study area in 2001 when there was militancy in the district & hence proper identification of families below poverty line could not be conducted. In addition the units provided to the beneficiaries are by and large unviable which result in high cost, low production, low profits and hence very low repayment on account of diseconomies of scale. It obviously affects the income and employment position of the beneficiaries adversely. In addition it is in place to mention that there was also lack of awareness among the scheduled tribes sample beneficiaries regarding the importance of education.

2. Inadequacy of financial assistance: Most of the beneficiaries stated that the assistance provided to them is often incommensurate with their needs. On account
of low financial assistance, the beneficiaries cannot acquire good quality assets and are forced to purchase sub-standard assets. While some approach the local & village money lenders to fill up the credit gap. Thus the inadequacy of the assistance causes dampening effect on income generation, employment promotion & ultimately the repayment of bank loans.

3. **Inadequate availability of backward and forward linkages:** Necessary backward and forward linkages including availability of raw materials, feed, fodder, proper medical care, follow up assistance, marketing facilities and technical knowhow etc. are not available in the study area. These linkages are either totally or partially missing in the rural areas. Thus, the beneficiaries have to face many constraints and consequently they fail to grab the desired benefit even after availing assistance under different schemes.

4. **Lack of co-ordination between banks and implementing agencies:** The programme functionaries, other development agencies and banks entrusted with the job of rural uplift, do not follow-up a systematic approach in executing these schemes in disregard of their responsibilities. This thus leads to wrong identification of the beneficiaries, procedural delays, lack of follow up assistance and lack of cooperation and team spirit. Thus lack of co-ordination and co-operation among the line departments, implementing agencies and financial institutions causes low impact on income and employment position of the beneficiaries. It is also in place to mention that there is acute shortage of staff and the existing staff is untrained. It also effects the success of the support schemes.

5. **Prevalence of corruption:** Beneficiary households in the study area stated that subsidy element has led to corruption at all the levels under these schemes because all the implementing agencies usually ask for their share as they give the impression to beneficiaries that if “You are getting free, so what is harm in sharing with us”. This, the beneficiaries stated, has become a common feature & ultimately leaves the impression on most of them that these schemes (SGSY, KVIB & SC/ST &BC Corporation) benefit more to the programme functionaries rather than the beneficiaries.
6. **Delay in getting financial assistance and large number of formalities:** It was disclosed by beneficiaries during survey that there was abnormal delay in getting financial assistance from banks/implementing agencies. Because of this they held that the units are usually not established timely which effect their profitability. In addition, the beneficiary households also stated that there are large number of formalities which they have to complete in order to avail the loan, which is quite cumbersome and an uphill task.

7. **Lack of proper medical-facilities:** The beneficiaries in the study area stated that adequate veterinary facilities are not available for cattle units in case of SGSY scheme. It has been found by the present author that the veterinary centres are situated mostly at a distance of 5-10 kms & above as a result it is difficult to get proper medical facilities. The problem becomes more acute when the animals are ill & are to be taken to the nearby hospital. The respondents also disclosed that they have to pay the fee to the concerned officials which is out of the reach of these poor beneficiaries. With the result, they have to cover long distances in order to acquire the medical facilities.

   Besides above, on account of lack of adequate transport facilities, the concerned staff reaches the centre late & returns back soon. This also affects the availability of medicare facilities.

8. **Lack of adequate marketing facilities:** It was disclosed by beneficiaries & also observed by the present researcher that adequate marketing facilities are not available in the study area, due to which, the beneficiaries have to sell their produce at a low cost.

9. **Poor physical & academic infrastructure:** The beneficiaries also stated that the drive for literacy has not gone well in the study area because of poor physical & academic infrastructure. The system has also not been properly monitored. In addition, the beneficiaries also disclosed that the mobile school teachers are paid less salary which is another reason that they don’t take more interest in teaching the students.
10. **No mid-day meal:** During the course of present studies, the schedule tribe beneficiary households stated that no mid-day meal facility has been extended to mobile schools, which have been set up by the state government for the education of their children. Due to this, the children of mobile schools don’t get the mid-day food facility & ultimately results in more dropouts.

**Table 5.1: Constraint Index of Beneficiaries**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Constraints</th>
<th>Severe constrains (sc)</th>
<th>Constraints (C)</th>
<th>No constraints</th>
<th>Total score (2xsc+c)</th>
<th>(CI)=Total score/ total respondent</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Delay in getting financial assistance &amp; large number of formalities</td>
<td>210</td>
<td>30</td>
<td>5</td>
<td>450</td>
<td>1.83</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>2</td>
<td>Lack of proper medical facilities</td>
<td>190</td>
<td>30</td>
<td>25</td>
<td>410</td>
<td>1.67</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
</tr>
<tr>
<td>3</td>
<td>Lack of coordination between banks &amp; implementing agencies</td>
<td>180</td>
<td>40</td>
<td>25</td>
<td>400</td>
<td>1.63</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>4</td>
<td>Poor physical &amp; academic infrastructure</td>
<td>180</td>
<td>40</td>
<td>25</td>
<td>400</td>
<td>1.63</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>5</td>
<td>Inadequacy of financial Assistance</td>
<td>170</td>
<td>50</td>
<td>25</td>
<td>390</td>
<td>1.59</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>6</td>
<td>Prevalence of corruption</td>
<td>190</td>
<td>10</td>
<td>45</td>
<td>390</td>
<td>1.59</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>7</td>
<td>No mid-day meal</td>
<td>130</td>
<td>50</td>
<td>65</td>
<td>310</td>
<td>1.26</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>8</td>
<td>Availability of inadequate backward &amp; forward linkages</td>
<td>110</td>
<td>60</td>
<td>75</td>
<td>280</td>
<td>1.14</td>
<td>6&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>9</td>
<td>Wrong Identification &amp; unviable units</td>
<td>70</td>
<td>130</td>
<td>45</td>
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<td>1.10</td>
<td>7&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>10</td>
<td>Lack of adequate marketing facilities</td>
<td>90</td>
<td>80</td>
<td>75</td>
<td>260</td>
<td>1.06</td>
<td>8&lt;sup&gt;th&lt;/sup&gt;</td>
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</table>
B. Problems/constraints faced by implementing agencies

After understanding the problems of beneficiaries, an effort has also been made to review the problems faced by the implementing agencies. A few of the problems faced by the implementing agencies are given below:

1. Identification: Through discussions with the officials of these agencies it is found that the district rural development agency (DRDA) was unable to identify the poorest of the poor. The implementing agencies stated that the beneficiaries conceal the truth & did not give the complete information regarding their income & size of the holdings. They further added that they do not disclose whether any member of the family is in service or earning elsewhere so that they may not earn eligibility. The agency feels that this ultimately leads to wrong identification.

2. Lack of training: It is also felt by the implementing agencies that the training of agency functionaries & the beneficiaries is very important. They were of the view that the gross root level functionaries i.e V.L.W/Gram sevak though imparted some preliminary training before he/she is put on the job yet it is not adequate
enough to make him fully skilled in conducting the survey etc. As far as the beneficiary households are concerned, they stated that they, too, should be trained especially before their applications are sponsored to the banks.

3. **Lack of coordination from banks:** Lack of motivational support & coordination from financial institutions was yet another problem being faced by the implementing agencies. They argued that the banks are not at all interested in financing these support schemes. The agency functionaries further stated that the bank officials do not behave properly sometimes with the beneficiaries & always threatened them of the pros & cons of bank procedures simply to make them to run away from the scene. The block functionaries also stated that the bank officials do not participate regularly in monthly block level bankers committee meetings (BLBC) where such problems are discussed & sorted out. They even went further & narrated that they are actually fed up from the bank officials as they are only interested in financing the proposals under support schemes on road sides, where transport services are available. Due to such an attitude of the bankers, the agency functionaries stated that they could not make a dent in far flung areas in various support schemes like SGSY, KVIB and SC/ST & BC Corporation. They further explained that the banks reject the cases even on filmy grounds with the result, the whole programme get flopped.

4. **Mis-utilisation of financial assistance:** The agency functionaries also stated that these support scheme beneficiaries do not fully utilize the loans for the purpose for which it is sanctioned. In some of the cases, beneficiaries divert their loans for unproductive purposes. As a result of this, the beneficiary is unable to establish the unit as per standard norm. On account of this, there is no increase in their income & cannot repay the bank loans as per repayment schedule fixed by the banks. Finally, they get trapped in debts & over dues.

5. **Lack of coordination:** SGSY as already stated was initiated with the main aim of helping the target families. This work can be done properly only if all the implementing agencies have coordination with each other. But in study area it
was given to understand by agency functionaries that there is no such direct linkage of SGSY with other agencies.

C. Problems/constraints faced by the bankers

After analyzing the problems of beneficiaries & agencies, it becomes desirable to have viewpoints of the bank officials too who are also one of the important components of the whole mechanism by making disbursements. When contacted by the present author, the bankers came out with own problems as follows:-

1. **Sponsoring of cases without assessing the viability of the scheme:** The bank official stated that the block agencies sponsor the loan applications without assessing the viability of the units under the support schemes. When a pre-sanction survey is conducted by bank officials, then most of the cases are not found fit for financing. In addition, the bank officials also disclosed that at most of the times, the cases are sponsored to them in bulk at the fag end of the year & hence it becomes difficult to conduct the pre-sanction survey well in time to the satisfaction of the beneficiaries.

2. **False information:** Another reason for rejection of cases as stated by bankers was that the cases sponsored by sponsoring agencies contain false information. When they conduct the verification, they find sometimes that in the majority of the cases, false informations including the income of the proposed beneficiaries also exceed the limit & becomes ineligible for availing the assistance & hence the cases are returned to the concerned agencies.

3. **Beneficiaries did not visit banks for completion of documents:** The bankers also disclosed that the beneficiaries do not turn up for verification & execution of documents. This was projected by the bank officials as another constraint in the implementation of support schemes. They also stated that besides this many applicants drop the idea of availing loan just after getting the cases sponsored. In addition to this, applicants even do not qualify for assistance as per the guidelines of Government of India for the schemes, but still attempt to get it by feeding wrong information.
4. **Poor recovery of loans**: Poor recovery of loans, as stated by bankers is another major problem being faced by them. Besides such factors of over dues/NPA’s as schemes not being viable, lack of backward & forward linkages, unforeseen calamities, diversification of funds etc. Due to this, their recovery of loans gets effected which ultimately results in increasing the volume of NPA’s. They also disclosed sometimes that debt relief, condonment of interest on loans also hampers the recovery of loans. In addition to these, the bankers also stated that the political interference also leads to poor recovery of loans. Above all the bankers also stated that the Government agencies only sponsor the cases & does not come to the rescue in the recovery of loans.

5. **Illiteracy of the beneficiaries**: The bank officials stated that due to illiteracy of the beneficiaries, they do not understand that they have to complete certain formalities with the banks for availing the loan. They further stated that the beneficiaries are generally under the impression that the block agencies when sponsor their cases means that their loans stands sanctioned & hence make hue & cry when the bank officials ask them to complete certain papers & formalities after verification.
Recommendations & suggestions

Based on these problems it can be concluded that though all the three support schemes (SGSY, KVIB and SC/ST & BC Corporation) have generated additional employment & income but it was not up to the desired level. The author as such feels that following recommendations/suggestions in light of the identified problem if taken care can bound to bring about improvements in the implementation mechanism of these support schemes.

1. **Creation of awareness**: It is suggested that awareness programmes regarding these support schemes should be organized not on the main roads as it is being done in case of many rural development programmes but rather in the interior of the villages. Creation of proper awareness among the rural people including women folk, can bring about good results & rural people will get sustainable level of employment during the lean period. During these awareness programmes, it should be made compulsory that all the banks which are operating in that area including line departments should participate in these programmes so as to create awareness among the rural people. The state Government (in respect of implementing agencies) & Reserve Bank of India (in case financial institutions) should closely monitor the organization of such awareness programmes for better results. In addition to above, it is also recommended that awareness regarding the importance of education among schedule tribes be created by organizing literacy programmes.

2. **Change in mindset**: During the course of survey, it was observed that all the implementing agencies work in a routine way & not with the missionary zeal to address the miseries of the rural poor. So far as these rural anti-poverty support schemes are concerned, author feels that there is an immediate need to change the mindset of the officials of the implementing agencies to motivate rural who too have the right to avail the benefits of these programmes like well-off people in the same area who instead enjoy benefits of these schemes. The officials of various implementing agencies should adopt a sympathetic approach towards these neglected lot of the society. The officials of these agencies even should be given
incentive or extra over & above the salary as they have to stay & work in the hard areas/remote villages where no basic facilities are available even on date.

3. **Recovery of bank loans:**- The present author observed that the sponsoring agencies are only interested to sanction the cases under the various support schemes to the banks but do not make efforts to educate the beneficiaries that financial assistance will be provided by the banks only after proper scrutiny of the information provided by them or the economic feasibility or viability of the scheme/project. So it is recommended that the implementing agencies & line departments should assist the bankers in the recovery of loans under the sponsored programmes. Therefore there is immediate need that the sponsoring agencies properly educate the beneficiaries that these loans are to be repaid as per a fixed repayment schedule out of the incremental income of the scheme/project. If properly taken care of by the agencies, the chances of a loan account becoming NPA’s can be minimized. If the bankers are sure about the support of these agencies for recovery of loans, they can further sanction the loans under these schemes in a big way which can further improve the economic conditions of the scheduled tribes.

4. **Formation of special schemes for scheduled tribes:**- It is suggested that in addition to the existing schemes, some special schemes (area & need based) for the economic development of scheduled tribes should be formulated in various sectors which should have very less number of formalities to be completed by the beneficiaries at a concessional rate of interest. As far as possible, the concerned agencies should be asked to prepare detailed project reports. This will definitely help these nomads to choose up any of these schemes in addition to their traditional occupation for higher income.

5. **Additional staff & proper training:**- During present studies the implementing agencies disclosed that there is acute shortage of staff & that the staff dealing with these support schemes is by & large overburdened. They further disclosed that in addition to the work of these support schemes, they have to attend other assignments like election duties, conducting of surveys etc. It is therefore
Conclusions and Recommendations

suggested that additional staff should be provided to these agencies so that they can do full justice to these schemes. Besides it is required that the staff be properly trained. It is therefore recommended that specialized training programmes should be organized for functionaries for better implementation of these schemes. In addition to this, training of the officials of the implementing agencies, men & women who are the likely beneficiaries to avail financial assistance under these schemes should also be imparted need based training to encourage & motivate them to adopt these schemes.

6. **Proper follow up:-** The functionaries involved in the implementation of the programme should undertake periodic post sanction follow-up visits. Such visits would not only solve the operational problems of the beneficiaries but can also help in solving other problems. The formation of SHGs should be promoted & provided constant & effective follow up for better results. More over there should be regular check/supervision by the officials of the implementing agencies to control corruption besides regular review of the schemes so that these could be modified or renewed as per the demand. Accountability should become a regular feature for monitoring of these support schemes. In addition the role of NGO’s, participation of the universities & research centres in monitoring & evaluation of these support schemes should also be encouraged for better results. By doing so, the malpractices can be controlled at least to some extent.

7. **Stress on formation of SHGs:-** SGSY/NRLM mainly focus as on organization of the poor at grassroots level through a process of social mobilization for poverty eradication. But it has been observed in the study area that beneficiaries availed loan as individual swarozgaris. Stress hence need to be paid to extend the various benefits of cluster approach.

8. **Incentive schemes:-** Incentive schemes should be introduced for the officials of the implementing agencies & line departments in order so that they effectively & motivationally perform their duties in better ways. It is therefore suggested that proper cash rewards, special increments & special tour schemes should be extended to those officials who perform better. This should be rather widely
publicised so that the other functionaries also become interested to show performance & become eligible to avail these incentives besides their routine salary.

9. **Marketing support:** Marketing is the backbone of any scheme for better returns. Present author observed that in the study area no proper marketing arrangements are available with the result that middle men takes away major share of their benefit. It is therefore recommended that organized marketing should be set up to cut the role of the middle men. It will definitely help & benefit the schedule tribe population in increasing their incremental income through the adoption of various enterprises under these support schemes.

10. **Cooperation & Coordination:** During the course of the studies it has been found that there is lack of coordination & cooperation between banks & the implementing agencies. Due to this both banks as well as implementing agencies throw the responsibility for proper implementation of schemes on one another. It is therefore suggested that the State Government should come out with a system which can work like a bridge between these agencies for bringing cooperation & coordination between them. The author feels that we can have better results of all these support schemes if there is proper cooperation & coordination between banks & implementing agencies.

11. **Provision of adequate physical & academic infrastructure:** In order to improve the climate of literacy in the study area, it is suggested that the schools set up for the purpose be provided with adequate physical & academic infrastructural facilities. This will go a long way in improving the level of literacy in the remote areas. In addition, the salary of the school teachers should also be increased for better results.

12. **Provision of mid-day meal facility:** It is also suggested that in mobile schools set up for scheduled tribes, mid-day meal facility should be extended which will result in creation of interest for the school among the children of scheduled tribe population in the study area. In addition it may also result in improving the health of the children.
To sum up it may be concluded that these schemes which should otherwise have brought about a formidable change on the socio-economic front in the far flung areas of the country has not gone well for lack of effective implementation and ethical approaches to carry out the implementation of these programmes. In fact it has been the tragedy of our system that the schemes which have been well conceived of & aimed to bring about qualitative changes in the life of rural masses but unfortunately poor implementation of the support schemes failed to yield the desired results.

To ensure the effectiveness of the trickle down mechanism, these schemes need to be monitored effectively & judiciously to involve the rural people in such programmes without any wait which otherwise only raise doubts in the minds of beneficiaries for whom the schemes have been launched. It is hoped that this study will help to create required response among the functionaries for proper implementation of the schemes which will definitely go a long way in bringing about socio-economic transformation of the scheduled tribe people of this hilly area of the state.