CHAPTER VII

Findings & Conclusion
Conclusion

In India, local self-government is popularly known as 'panchayats'. The local self-government of ancient India (panchayats) have been systemised in the modern period as 'Panchayati Raj Institutions'. It is an integral part of body politic of a country, recognised or created, under law for the management of local affairs of a human settlement within a specified geographical boundaries. It is an organised social entity with a feeling of oneness. In political terms, it is concerned with the governance of a specific local area, constituting a political subdivision of a nation, state or other major political unit.

In India, a three-tier system of local administration is followed. Village Panchayat at the lowest level; Panchayat Union at the intermediary level; and Zilla Parishad at the highest level constitute the three tiers of local self-government. About seventy per cent of people of India live in rural places. From time to time, Central and State Governments introduce several welfare schemes for the economic development of poor and needy people living in rural places. But, often the outcome of these measures indicates failure of schemes as the purposes for which the schemes initiated were totally defeated. The living standards remain the same for a majority of people of rural India in spite of several welfare schemes being implemented ever since India got independence. The country suffers a setback in the economic development and growth of rural people, in spite of the continuous efforts taken by the governments both at the Central and at the State Levels.

The present research is carried out with a three fold objective: to study the evolution of Panchayati Raj Institutions (PRIs) in the country; to understand the concept of Rural Development and working of Welfare schemes implemented through PRIs for Rural Development; and to assess the impact of these schemes for the
economic development of people living in rural places. The study has been organized accordingly – Firstly, a detailed description of the historical perspective of Panchayati Raj Institutions have been outlined; secondly, a brief description of Rural Development and different welfare schemes implemented by the Central and State Governments for Rural Development are explained; and thirdly, findings of a survey conducted by the researcher himself are provided. The researcher conducted a field study selecting two districts in Tamil Nadu and collected data pertaining to the welfare schemes available in these places – benefits obtained – difficulties encountered – problems associated with reaping of the benefits – role of local administrators, politicians, intermediaries etc., in the implementation of these schemes.

**Historical Perspective of Panchayati Raj Institutions**

During the Vedic period, there were three public bodies or assemblies, which were the real origin of Local Self Government. These were (a) Sacrificial and Religious Congress (Vidatha), (b) Village Council of Elders (Samiti) and (c) Popular Assembly of Representatives of Village Council of Elders (Sabha). Samithi and Sabha functioned as Republican Assemblies.

Sacrificial and Religious Assemblies *(Vidatha)* gave consent to topics on religious and universal matters according to the necessity, and also gave consent to local communal concerns, general, national interests, literacy and scientific questions, or quasi-religious, social and political subjects, which were gradually introduced into that assembly of representatives.

One of the republican assemblies, Samith comprised of Village elders, worked for the welfare of the village. The Samiti mainly concentrated on rural development and social matters. It was the duty of the sovereign of the nation, to guide and make important decisions.
The other body, Sabha, comprising of distinguished persons chosen from elders of the village council, functioned for general or national interest, which concerned the welfare of the country at large.

During the Chola Period, the system of village government was in full swing than in the earlier age. Village assemblies were very popular, and had large level of pure autonomy in the period of Cholas. Village assemblies were of two types distinguished by the names ‘Ur’ and ‘Sabha’. The other kind of local assemblies were the ‘Nagaram’ confined to mercantile towns, and ‘Nadu’, the entire kingdom. Sabha and Ur were village assemblies, and nagaram was a city municipal assembly.

The Ur functioned in several places alongside of the sabha acting by itself or jointly with the sabha according as the business on hand required. Sabha seemed to have been the governing body of a single village or the smallest group of villages.

Nagaram was another type of local assembly and it was in all probability a primary assembly of merchants. It was a sort of sectional assembly or guild of merchants and professionals, or perhaps a municipality or town corporation. Its status and functions were much in common with the sabha and the Ur. Territorial assemblies represented the Nadu and it discharged important duties, such as land revenue administration.

During the Chola period, an election system, called Kudavolai Murai, was in existence. Representatives of various assemblies such as Ur, Sabha, Nagaram, and Nadu were selected by people themselves.
Modern Local Self-Government

At the end of the eighteenth century, British administration was established in India. Modern Local Self Government system, which was an important historic step, had been taken in the same period. With the advent of this government the self-contained village communities and their panchayats ceased to be self-sufficient. During this period, formally constituted institutions of the administration replaced them. British Government’s first and important aim in rural area was to break the sovereignty of village system along with its traditional characteristics of self-sufficiency, village Self Government and the entire agrarian structure.

The British administration functioned with Roman system of justice replacing the traditional powers of the panchayats in the more serious judicial cases. They followed the same system for tax collection and administration, and made a violent impact that the corporate life of the villages were weakened and in most cases died. The administrators succumbed to the attraction for creating homogeneous units.

As as a consequence of the method of making private ownership of lands, the British administration, evolved a system during the time of Lord Cornwallis, whereby, land was settled with the Zamindars who were originally agents of the government. These Zamindars were declared as full proprietors of the areas over which their revenue collection extended. This system covered most of the East states of India such as Bengal, Bihar, Orissa, Benaras, and some parts of Madras. But the system failed to fulfil the desires of the Government and the Zamindari system was given up in favour of the Ryotwari and Mahalwari systems, implicated in Ryotwari settlement that the state owns the land and the farmer derives his legal title to it from the state. This system principally covered Bombay and Madras as rest. The Mahal and co-sharer of standing were generally selected to undertake the primary responsibility of
paying the land revenue. This system extended up to Agra and Oudh and covered central provinces.

Several reforms were made in the system of local administration and some of these include Lord Mayo's Resolution in the year 1870, Rippon Reform in 1982, Recommendations of Royal Commission of 1909, and Montagu – Chelmsford Report in 1915.

Major changes in election system, administration system and local finance were made during the British period in India. The experiments in the system of local self-government of the British administration made it clear that when all real power is taken away from old institutions, forms or authority will not keep them alive. Among the many changes which India has witnessed with the advent of British rule, the saddest change is the virtual extinction of the old forms of self-government and the disappearance of those ancient village committees of which India was the first home among all the countries of the earth.

Post-independence Period

After independence, the Government of India tried to re-establish traditional Indian system of local self-government incorporating some of principles of British administration. Several committees such as Balwantry-Metha Committee in the year 1957, Ashok Mehta Committee in 1977, G.V.K. Rao Committee in 1985, and L.M. Singhvi Committee in 1986 were formed by the Government to study the functioning of the local self-government and make recommendations for improvement of the system of local administration.
Based on the recommendations of these committees certain important amendments were made in the Constitution of India. Two important amendments, viz., Sixty Fourth Amendment and Seventy Third Amendment in the years 1989 and 1992 respectively were made in the constitution.

Some of the important changes made in the system of local government by the Sixty-third amendment include, uniform three-tier system Panchayati Raj system, viz., Village Panchyat, Panchayat Union, and District Panchyat; Reservation of seats for Scheduled Caste/Schedule Tribe in the Panchayats; Thirty per cent of seats to Women candidates; Regular mandatory elections in every five years; State governments to provide authority and powers to Panchayati Raj Institutions to function as institutions of self-government; devolution of powers and responsibilities upon Panchayati Raj Institutions at the appropriate level and responsibilities to function as institutions of self-government to prepare plans for economic development, social justice, and social welfare of rural population.

Some of the salient features of Seventy Third constitutional Amendment are: Constitution of Gram Sabha with all adult members or eligible voters of the village; Proving legal status to the three-tier structure of Panchayati Raj Institutions – Village Panchayat (Gram Panchayat), Panchayat Union (Block); and Zilla Parishad (District Panchayat); About 33 per cent of seats reservation for women candidates; Seats for Scheduled Castes / Scheduled Tribes on the basis of the population in their villages; State government to conduct elections for these Institutions in every five years and it is uniform for all these institutions; State Government to provide important powers and responsibilities to these institutions i.e., to prepare plans for economic development and social justice in respect of matters listed in XIth schedule.
Dimensions and functions of Local self-government

The dimensions of present day Local Self-Government can be classified into six major categories viz., social dimension, economic dimension, geographic dimension, legal dimension, political dimension, and administrative dimension. Local self-government has four important functions: Popular Participation, Spurring of Economic Development, Social Transformation, and Balanced Dispersion of Fruits of Development.

Rural Development

In developing countries, large part of population is living in rural areas and they depend on agriculture and allied activities. Most of them belong to weaker sections comprising of small and marginal farmers, landless labourers, and artisans. These people are characterised by lower levels of income, higher incidence of indebtedness, illiteracy, fewer assets and concentration in traditional activities.

The British administration presumed that no progress in the economic condition of the rural poor, particularly the farmers, was possible without a radical change in their outlook for which the initiative should be taken by people themselves and not by the government. As a result, better agronomic practices remained confined to research and demonstration centres and few specific parts in the country and there was not adequate transfer of technology to the rural areas.

In pre-independence period, private persons and British India sponsored various rural development programmes and experiments for the development of rural areas and some these include Marthandam Experiment in the year 1921, Sriniketan Experiment in 1922, Gurgaon Experiment in 1933, and Firka Experiment in 1947. All these experiments mainly aimed at improving the agrarian practices and better
yield of crops thereby generating more employment opportunities and increasing the household income of the rural people.

Gandhi's Experiments

Mahatma Gandhi proposed various rural development experiments. His assessment of the problems of rural India played a significant role in shaping his ambitious, idealistic, swaraj program. His experiments constituted a holistic indictment of village life. His main goals were related to alleviate the poverty, improve health and sanitation, education, self-discipline and standard of living in the rural areas. He believed that a truly satisfactory village-based civilisation was technically feasible and eminently desirable for India.

Rural Development in Post-independence India

Keith Griffin (1974) indicated that three approaches for rural development, namely, Technocratic approach, Radical approach, and Reformist approach.

Technocratic approach emphasises on increasing rural productivity either by incorporating more conventional inputs such as encouraging farmers to adopt new improved technologies. Radical approach aims at achieving rapid social change and redistribution of political power, wealth and income to attain a higher level of production. It calls for greater people's participation. Reformist approach is basically an attempt to make a compromise between the extremes, the technocratic and the radical approach.

In India, the technocratic model of rural development was started with the emphasis on the green revolution in 1969. Then it adopted reformist approach for changing agrarian relations as a part of the rural development strategy. The radical approach emphasises on making land reform, the core of rural development strategy.
It was realised that the Panchayati Raj Institutions cannot survive in an environment where the rural people are at the mercy of the landowners, the trade men, and moneylenders.

Hence, rural development is considered to be a significant aspect of Indian economy. In the post-independence period, certain specific strategies were adopted exclusively for rural development, initiated with the Etawah Pilot Project in 1948 to Swarnajayanti Swarojghar Yojana in 1999. These programmes are based into six major categories: (i) Increased Production, (ii) Improving Target Groups, (iii) Area Development, (iv) Wage Employment, (v) Anti-Poverty Alleviation, and (vi) Social Welfare Assistance Security.

**Increased Production Programmes**

This programme aims to develop the production potential of rural areas with the programmes like Etawah Pilot Project started in the year 1948, Community Development programmes in 1952, and Integrated Agricultural Development Programme in 1960-61.

The Etawah project’s main goal was comprehensive, holistic modernisation of rural villages through self-help and rural people’s participation in developmental activities.

The main objective of Community Development programme included, transformation in the outlook of the people, inculcation of the spirit of self-reliance, and generation of the habit of co-operative action through popular bodies.

The major objective of Intensive Agricultural Development Programme was to achieve rapid increase in agricultural output through better access to technical, financial, and administrative resources.
Target Groups Development Programmes

These programme were meant to ensure the participation of certain segment of people in the development process and share the benefits of these programmes. Some of these programmes were Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Labourers Development Agency (MFALDA).

The main aim of Small Farmers Development Agency were: to find out the eligible small farmers in its area, to examine and identify their problem, to formulate programmes incorporating suitable measures to deal with the problems, to devise ways and means for implementing the programmes, and to make potentially viable small farmers surplus producers.

The functions of Marginal Farmers and Agricultural Labourers Development Agency were: to find out eligible marginal farmers and agricultural labourers to be covered by the project, to examine marginal farmers and agricultural labourers problems, to prepare economic programmes for providing profitable employment for this people, to encourage rural industries, to develop necessary institutional, financial and administrative arrangements for executing this programme.

Area Development Programmes

The main goal of this development programme is improvement of a particular region with the help of rural development programmes like Hill Area Development Programme started in the year 1972, Command Area Development Programme in 1974-79, Drought Prone Areas in 1973-74, Desert Development Programme in 1978.
The main objective of the Hill Development programme were (a) to identify a solution to the obstacles of ‘regional imbalances’, (b) overall (socio-economic) development of the area in harmony with ecological development, and finally (c) developing basic life support systems with sustainable use of resources. It was specially designed for North Eastern states, Jammu and Kashmir, Himachal Pradesh, and Uttar Pradesh.

Command Area Development Programme’s main objective was to improve and create the construction of field channels and drains, land levelling, lining of watercourses and exploitation of ground water in rural areas. Another important objective of this programme was on farm development activities. State government monitored the area development programme.

Drought Prone Programme’s main aim was to reduce the inauspicious effects of drought on production of crops and cattle and productivity of land, water, and human resources ultimately guidance to the drought proofing of the affected zones. It was implemented in 947 blocks of 155 districts in 13 states of India. In 1997, it covered 946 lakh hectares of land and the government allotted Rs. 1992 crores towards this project.

Desert Development Programme helped to reduce environmental degradation, improving the environment and productivity of the area in hot desert (Rajasthan, Gujarat and Haryana) and cold desert (Jammu and Kashmir, Himachal Pradesh, and Himalayan regions).
Wage Employment Programmes

This employment-based programme was designed to provide wage employment and for income generation through programmes like; Rural Manpower Programme started in 1960-61, Crash Scheme for Rural Employment Programme in 1971, Rural Works Programme in 1970-71, Food for Work Programme in 1977, and Jawahar Gram Swarjohar Yojana (JGSY) in 1989.

Rural Manpower Programme’s main objective was to provide employment opportunities for 100 days to at least 2.5 million persons by the end of the third five-year plan in such areas where seasonal unemployment and under-employment were prevailing. Initially the wage employment programme was implemented in 32 blocks on a pilot basis.

Crash Scheme for Rural Employment Programme programme’s main objective was to provide employment opportunity to at least 1000 persons in each 350 districts of the country through labour-intensive works and create durable assets. Government’s annual estimation for this programme was Rs. 50 crores. This programme achieved much more than its estimation (315.9 million man-days to the actual estimation of 315.4 million man-days).

Rural Works Programme emphasised on employment or income generation through the execution of rural works such as irrigation facilities, soil conservation or afforestation, road construction, and drinking water supply for rural areas. The programme also concentrated on long term measures for development of drought-prone areas, restore ecological balance, optimum utilisation of land, irrigating facilities, cattle and human resources.
Food for Work Programme’s main objectives were: (a) making of additional gainful employment in rural areas so as to improve income and the consequent nutritional levels, (b) to establish durable assets and strengthening the rural infrastructure, and finally (c) utilisation of surplus food grains.

The prime objective of Jawahar Gram Swarjohar Yojana was creation of demand driven community village infrastructure including durable assets at the village level and assets to enable the rural poor to improve opportunities for sustained employment. The second objective was to generate additional employment for the unemployed poor in rural areas.

Anti-Poverty Programmes

This programme helped people living below the poverty line to acquire and augment their productive assets and enable them to make more productive use of their assets by way of self-employment and income generation. These programmes were intended to sub-serve specific areas to prepare the rural poor for self-employment. Some of the anti-poverty programmes are Antodaya started in the year 1997, Integrated Rural Development Programme started in the year 1980, Supply of Improved Toolkits to Rural Artisans in 1992, Ganga Kalyan Yojana in 1997. Million Wells Scheme in 1996, and Swarnajayaniti Gram Swarojghar Yojana (SGSY) in 1999.

During 1997, the government of Rajasthan introduced Antodaya programme. Consequently this programme was introduced by various other states like Uttar Pradesh, Bihar, Himachal Pradesh, Gujarat, Manipur, Orissa and Karnataka. The significance of this programme was rising / lifting the last man. The main purpose of this programme was (a) participation of Panchayati Raj Institution representatives in
identifying and the poorest of poor families inclusive of non-agricultural labourers and self-employed people in various petty professions, (b) laying emphasis on economic criterion for selection of these families (Antodaya) with out any discrimination on grounds of caste, colour and religion.

Integrated Rural Development Programme was a major scheme to alleviate rural poverty through creation of additional self-employment opportunities for a target group living below the poverty line. It was meant to improve overall development of the rural poor. It was necessary to plan for integration of various programmes and establish appropriate linkages for optimal utilisation of local endowment consistent with the plan objectives, local needs and environmental

Supply of Improved Toolkits to Rural Artisans Programme’s main aim was to enable the rural artisans below poverty line to enhance the quality of their products, increase their production and income and ensure their standard of living with the use of improved tools and also help reduce their migration to other areas. This scheme provided various improved hand tools.

The main objective of Ganga Kalyan Yojana was to provide irrigation through exploitation of ground water to individuals and groups of beneficiaries of small and marginal farmers below poverty line.

Million Wells Scheme primarily intended to give open irrigation, free of cost, to individual poor small and marginal farmers belonging to Scheduled Castes / Scheduled Tribes and freed bonded labourers Wherever, wells were not feasible irrigation tanks and water harvesting structures were given. This programme was extended to non-scheduled Caste / Scheduled Tribes who are poorest of poor beneficiaries.
Swarnajayanthi Gram Swarojghar Yojana's main function was to improve the self-employment, skill building and technology as well as infrastructure development including marketing facilities.

**Social Welfare Assistance Security Programmes**

This was meant for children, women, aged widows, and disabled. The scheme aimed at supply of essential commodities on subsidised rates and mid-day meal programmes that include: Development of Women and Children in Rural Areas started in the year 1982-83, Training for Rural Young Self-Employment in 1979,

Development of Women and Children in Rural Areas Programme's main aim was to create income-generating skills and activities to poor women in rural areas thereby improving their socio-economic conditions. Its ultimate aim was an enhancement in the quality of their life in general well being of the women and children. Another important goal of this programme was finding out an economic activity suited to groups of women as per their skills, aptitude and local conditions.

Training for Rural Young Self-Employment Programme mainly designed for providing technical and entrepreneurial skills to rural youth from families below the poverty line, to enable them to take up self-employment in the broad fields of agriculture and allied activities. It mainly focused on equipping the rural youth with necessary skills and technology to enable them to take up self-employment.

Having studied in detail the evolution of Panchayat Raj Institutions in the country, the need for rural development schemes, and details of several welfare schemes implemented in the nation, an attempt has been made by the researcher to have a field study about the impact of these schemes among the beneficiaries. The researcher randomly selected two districts, Kancheepuram and Virudhunagar, out of
30 districts in Tamil Nadu and selected 225 sample respondents in each of the two districts. The sample respondents – 175 from the list of beneficiaries, and 50 from the list of non-beneficiaries from each of the two districts, were selected using random sampling techniques. Before the field investigation was carried out, information with regard to the beneficiaries were obtained from the respective Lead Bank officials and from the District Rural Development Authorities in the two districts. The sample size was decided taking into consideration of cost and time constraints. The villages to be visited and the sample respondents to be interviewed were selected at random. The researcher prepared the lists of non-beneficiaries in the villages he visited to meet the beneficiaries and selected the non-beneficiaries to be interviewed using random sampling techniques. Care was taken to meet only the selected respondents. The administration of questionnaire took nearly 90 minutes to 120 minutes for every respondent.

Two different Questionnaires were prepared to interview beneficiary and non-beneficiary respondents. Data collected from the respondents were coded carefully, fed into a personal computer, and analysed using standard packages such as SPSS, SAS, SYSTAT, and STATISTICA. Data were condensed in the form of one way, two way and multi way tables. Tests such as Chi-square, and proportions test were used to find out the significance. Advanced techniques such as Factor and Cluster Analysis have also been applied to study how the districts differ in different aspects as far as this study is concerned.

Some of the results are outlined below:

Socio-economic conditions of the respondents: There is uniformity in the sex distribution, age distribution, educational status, marital status, community, religion, income, poverty line, size of the family, income of the family, and area of cultivable land between the beneficiary respondents in the two districts, viz., Kancheepuram and Virudhunagar.
About two-thirds of the respondents in the two districts are women; about 80 per cent of the respondents are in the age group of 26-50 years; nearly 62 per cent of the respondents studied up to SSLC and illiterates constitute nearly 30 per cent; more than 95 per cent of the respondents are married; about 45 per cent belong to SC/ST community; nearly 90 per cent of the respondents follow Hinduism; nearly 45 per cent of the respondents live below the poverty line; about 70 per cent of the respondents earn an average monthly income of Rs.1000/-; nearly 60 per cent of the respondents live in nucleus families; about two-thirds of the family have three to six family members; three-fourth of the respondents’ family income less than Rs. 3000/- per month.; nearly half of the respondents in the two districts own one to two acres of cultivable land.

The respondents in the two districts differ in their occupations, and type of house where they are living. Nearly 52 per cent of the respondents from Virudhunagar district mainly depended on agriculture while it is 25 per cent in the case of respondents of Kancheepuram district. More than one-third of the respondents in Kancheepuram district live in thatched houses whereas about 38 per cent of the respondents of Virudhunagar district live in tiled houses.

Participation in Panchayati Raj Institutions: It is found that a majority of the respondents from both the districts used to visit, Gram Sabha, Village Panchayat, and Panchayat Union. About Sixty of the beneficiaries attend Gram Sabha meetings regularly. Respondents from both the districts are of the view that Gram Sabha is functioning effectively in their respective areas. Though the respondents from both the district attend the Gram Sabha meetings, it was observed that only 14 per cent from Kancheepuram district and 33 per cent of the beneficiaries from Virudhunagar
district attend the meeting more than two times. The main topics discussed in the meetings are – basic facilities, identification of beneficiaries, and village conflicts.

More than 60 per cent of the respondents from Kancheepuram district visit Village Panchayats to get some certificates and/or for to demand basic facilities whereas nearly 60 per cent of the respondents in the district of Virudhunagar visit Village Panchayat to demand for basic facilities. More than 80 per cent of the respondents in the two districts contact politicians to get loans from governmental agencies. Majority of the respondents of the two districts appreciate the performance of Village Panchayat Presidents and their Ward members. More than 60 per cent of the respondents in the two districts are satisfied with performance of Panchayat Raj Institutions on proper administration, lack of corruption, castism, and lack of influences by others.

A vast majority of the respondents in the two districts are not aware of 73rd Constitutional amendment. On the other hand, they are aware of decentralised powers and responsibilities, mandatory elections, reservation etc.

Rural Development Programmes: It is interesting to note that almost all the respondents from the two districts are aware of Integrated Rural Development Programme followed by Periyar Ninaivu Samathuvapuram, and SGSY. As regards the infrastructure developments, more than 50 per cent of the respondents in the two districts are satisfied with available infrastructure facilities like school buildings, bus shelters, road facilities, water tanks etc., in their locality. However, nearly one-third of the respondents are of the opinion that prevalence of corruption in the implementation of such development projects hindering proper infrastructural developments.
Wage Employment Schemes: Less than five per cent of the beneficiaries in the two districts availed wage employment schemes. Some of the reasons cited for non-utilisation of these schemes in the two districts are – wage rates are very low, not interested in these jobs, and personal reasons.

Self-Employment Schemes: Nearly fifty five per cent of the respondents in the two districts availed Integrated Rural Development Schemes, and about 40 per cent have availed the SGSY scheme. The amount of loans ranged from Rs. 5000 to Rs. 15000. All the SGSY are group schemes and the members of these groups are either close relatives or close friends. About 70 per cent of SGSY groups have less than 20 members. The groups meet at least once in a month. On an average a member of SGSY group saves Rs. 50 to Rs. 100 every month. All the SGSY groups maintain proper bank accounting, and book keeping in the two districts. These groups get advice from Non Governmental Agencies.

A majority of respondents in the two districts loan information under self-employment schemes through Village Panchayat Presidents, Non-Governmental Agencies, and Bank officials. Allied activities emerge as the prominent purpose for receiving the loan. A considerable number of respondents who availed self-employment loan have not utilised the amount for the same purpose as they feel that the loan amount is inadequate. More than 50 per cent of the respondents in the two districts received the loan within a period of three months. About 95 per cent of the beneficiaries are well aware of the subsidies given to the schemes. In order to get loans, more number of respondents in Kancheepuram district (55 per cent) faced difficulties, while it is lesser in the other district. Some of the problems the respondents ascertained are – lengthy banking procedures, improper information by the bank and PRI officials, and corruption. Less than one third of the beneficiaries have used middlemen to get loans. Politicians, and Bank Officials are used as
middlemen by these respondents and bribe ranging from Rs. 500 to Rs. 6000 have been paid to the middle men.

Training Programme: About 55 to 75 per cent of the beneficiaries in the two districts have undergone training programme for self-employment programme and the training ranged from one to two weeks on agriculture, business, cottage industries, and other purposes. It is wondering to note that 68 per cent of respondents of Kancheepuram district have not used the loan for the purpose the loan was meant for. And it was only 52 per cent in Virudhunagar district. It is observed that repayment of loan obtained for self employment is not satisfactory. Some of the reasons for non-repayment by the respondents include improper use of loan amount, loan amount utilised for family needs, religious, and family functions. About one fifth of respondents in the two districts said that there is considerable improvement in their social status, profession, and family income after availing the loan through self employment schemes.

Non beneficiaries: The opinions expressed by the non beneficiaries are almost the same as that of the beneficiaries. Some of the reasons given for not applying for loan under any of the welfare schemes by these respondents include lengthy procedures, corruption, nepotism by the high level officials, involvement of politicians, and demand of bribe by middlemen who often happen to be either politicians or bank officials.

The current research highlighted some of the salient features of Panchayati Raj Institutions, various welfare schemes, and opinion of people about the functioning of these institutions and implementation of the schemes. The following points are found to be significant after an overall study of the research:
• By and large, the functioning of the Panchayati Raj Institutions are appreciated well by the Respondents in the two districts, viz., Kancheepuram and Virudhunagar districts.

• The performance of officials of the PRIs are also appreciated by the respondents.

• Some of the Welfare Schemes which reached the common people are Integrated Rural Development Programme and SGSY.

• There is slight improvement in the social status, profession, and family income after availing the schemes by the respondents.

• Special attention is required to pave the way for a common man to avail the loans of welfare schemes across the counter by easing out lengthy procedures, providing proper information of various schemes, making the bank officials to have a balanced outlook, evading corruption totally, and driving away the involvement of middlemen.

• Awareness campaigns should be conducted periodically for the poor and needy people about the schemes implemented from time to time.

• Officials engaged in the PRIs should be capable of identifying viable activities for the beneficiaries in order to make self employment programme successful.

• Advanced Training facilities are to be made available for the people to adopt modern technologies in rural India in accordance with present competitive environment.

• Adequate infrastructural facilities for group activities such as Self Help Groups should be provided by the Governmental Agencies.

• In order to achieve sustained development at the gross root level, financial institutions like NABARD, Lead Banks, SIDBI, and also
NGOs should take active participation in monitoring various self employment schemes in the rural areas.

- Incentives and other concessions can be offered for the groups which perform well and also for beneficiaries who repay the loan promptly.

Limitation of the current study: The study has been conducted only two districts of Tamil Nadu. Taking into account the cost, time, and manpower constraints only 175 respondents from the list of beneficiaries and 50 respondents from the non-beneficiaries in each of the two districts have been considered. Had it be more districts and more respondents, the results would have been different.

Scope for further research: This type of study could be extended to whole of Tamil Nadu, and other parts of the nation to have an overall view of the status of Panchayati Raj Institutions in the modern era and effectiveness of the welfare schemes in the country. This step, perhaps, would help the National Planners to devise suitable plans that would ensure employment generation to all in the country.