

**IMPROVING PRO-POOR SERVICE DELIVERY IN
DEPARTMENTS WITH LARGE PUBLIC INTERFACE**

RURAL DEVELOPMENT

M.SURENDAR REDDY

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IMPROVING PRO-POOR SERVICE DELIVERY IN THE RURAL DEVELOPMENT DEPARTMENT

Introduction:

Andhra Pradesh has witnessed a proactive policy to improve social and economic benefits to the poor people. With this in view the government of Andhra Pradesh provides a variety of services to its people in different departments. Rural Development is one such department which implements a number of programmes for the benefit of the poor. To develop long term sustainability of RD programmes and empowering the people, it implements a strategy of building community based organizations and empowering them with skills and project management capabilities.

The government identified service delivery improvement to its citizens as a priority. In the process of achieving effective service delivery to the poor it embarked upon a major service improvement programme that is capable of application to the services provided by government. The government is intended to establish the mode and the manner in which the services are delivered to its citizens. The aim is to provide a systematic approach to ensure that adequate level of public services of prescribed quality is provided. This study Entrusted to Administrative Staff College of India by Government of Andhra Pradesh is a diagnostic study to identify and assess the service delivery issues, the process and find out the problems of implementation. For this purpose we had detailed discussions with the officials of DRDAs in the selected districts and information was collected from them. We have visited some villages and information was also collected from the SHGs in the villages with regard to the process of implementation and the problems they faced, if any. Then selection of the districts was done in consultation with the GAD, GoAP. Mahabubnagar, Karimnagar, Adilabad, Kadapa, Chittoor, Srikakulam, Prakasham and East Godavary districts were selected for this purpose.

Department of Rural Development and its vision

The activities of the Department of Rural Development, Government of Andhra Pradesh follows from its vision: “To eradicate rural poverty and secure better quality of life to the rural poor”. To translate this vision the Department is keen to develop a citizen friendly organization and to take steps to improve the standards of service delivery. The department has evolved internal systems to provide an effective and responsive service delivery organization. The department seeks to continuously improve the standards of service delivery and in this context required ASCI to understand and describe the activity of the service delivery of the rural development department at the district level.

Objectives of the rural development programs

- 1) Extensive Coverage of the house holds of the poorest of the poor and encourage them to form SHGs.
- 2) Strengthening these SHGs.
- 3) Organizing SHGs into sustainable Village Organizations.
- 4) Strengthening the Mandal Samakhyas to become Self-supporting organization of the poor.
- 5) Supporting poor families by implementing the schemes for income generating activities through SHGs.

Organization for program implementation

The District Rural Development Agency (DRDA) translates the vision of rural development into service delivery at the district level. DRDA has traditionally been the principal organ at the district level to oversee the implementation of anti-poverty programs of the Ministry of Rural Development. The ASCI team therefore visited and interacted with the DRDA units in Mehboobnagar, Karimnagar, Adilabad, Cuddapah, Srikakulam, Chittoor and Kakinada.

Responsibilities of the various personnel in the DRDA

From 01 April 1999 a separate DRDA Administration has been introduced to take care of the administrative costs. This aims at strengthening the DRDAs and makes them more professional in managing the anti-poverty programs and be an effective link between the ministry and the district level

At the State level Principal Secretary, Rural Development and the Commissioner of Rural Development are overall in-charge for implementation of the rural development programs. At the District level, the programs are implemented through the DRDAs (District Rural Development Agencies). The governing body of DRDA includes Members of Parliament (MPs), Members of Legislative Assemblies (MLAs), and District level officials of Development Departments, Bankers, NGO's and representatives of weaker sections of the society. The Chairman Z P, is the Chairman of the Governing Board and the Project Director the Member Secretary. The Governing body at the district level provides guidance and directions to DRDA.

Many Schemes of the Central and State Governments are introduced from time to time. Several schemes are available providing support to different components of Rural Development. Schemes are also periodically modified to reflect the experience over the years. The task of DRDA has been to identify the needs of the rural population and reach the appropriate schemes where they are needed. In implementing the schemes, the role of the DRDA has been Technical, Managerial and Financial. Thus DRDA is not only a body to disburse the funds for the schemes but also provide appropriate Managerial and Technical support. The scope of activities are indicated below:

Scope of Activities of the Major Functionaries of DRDA

Sl.No.	Functionary	Scope of activities
1	Project Director	1. Over all supervision and implementation of the all programs, projects and schemes. 2. Releasing of funds, grants and subsidies for various schemes with approval of the Dist. Collector.
2	APO	1 Implementation R.D. programs in the different areas allocated within the district 2. Submission monthly periodical reports to

indicate progress.

	APO (Accts)	1. Maintenance of Accounts in all programs. 2. Preparation of Audit Reports 3. Preparation of Utilization Certificates
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Objectives and Organization according to the different schemes

The important schemes implemented by the rural Development department at the district level through DRDA include:

1. Indira Kranti Patham (IKP)
2. Swarnajayanti Gram Swarajgar Yojana (SGSY)
3. Revolving Fund
4. Pavala Vaddi
5. Gruhuni
6. Old Age Pensions (OAP)

1. Indira Kranti Patham (IKP)

Objective: The objective of Indira Kranthi Padham is to enable the rural poor, particularly the poorest of the poor in AP to improve their livelihoods and quality of life by facilitating formation of self-sustainable institutions of the poor.

Brief description of the scheme: IKP builds on more than a decade long, statewide rural women's self-help movement. The focus is on deepening the process, providing an institutional structure and developing a framework for sustaining it for comprehensive poverty eradication. It is the single largest poverty reduction project in South Asia. The project mandate is to build strong institutions of the poor and enhance their livelihood opportunities so that the vulnerabilities of the poor are reduced. Community Investment Fund (CIF) is the major component of the project, which is provided to the SHGs/ VOs/ MSs to support wide range of activities for socioeconomic empowerment of the Poor. The project would help create self-managed grassroots level institutions of the poor, namely Women thrift and credit S.H.Gs, their federations - Village Organizations (VOs) and Mandal Samakhyas (MSs).

- Support investments in sub-projects proposed by SHGs, VOs, and MSs.
- Improve access to education for girls to reduce the incidence of child labor among the poor.

- Support to disabled persons through social mobilization and access to livelihoods opportunities.
- Build capacities of established local institutions, especially the Gram Sabha/Gram Panchayat and line departments, to operate in a more inclusive manner in addressing the needs of the poor.
- Achieve convergence of all anti-poverty programs, policies, projects and initiatives at state, district, mandal and village levels.

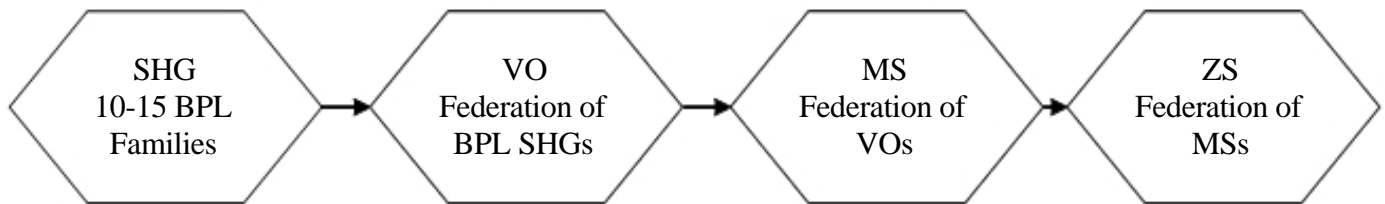
Community Investment Fund (CIF): The Community Investment Fund is one of the most key components of IKP Project. CIF funds come from the SGSY scheme. The CIF provides resources to the poor communities for use as means to improve their livelihoods. This component supports the communities in prioritizing livelihoods needs by investments in sub-projects proposed and implemented by the community (SHGs / V.Os / Mandal Samakhyas (MS) and other Common interest groups). There are three types of sub-projects namely (a) Income Generation, (b) Productive physical infrastructure and (c) Social development. The bulk of the C.I.F budget is for income generation. Out of the total IKP project budget, CIF is the most important component that determines the level of employment generation for the poor. CIF acts as a catalyst in capital formation at all levels including SHG, VO and MS and offers great leverage for raising bank funds.

Under micro plan based intervention strategy, CIF is a loan from MS to VO and from VO to SHG for implementing micro plans of SHGs, collective marketing and food security initiatives. However, it is a grant to VO in case of implementing social development and infrastructure development activities

District Project Management Unit (DPMU) releases the CIF to Mandal Samakhyas in installments up to their mandal entitlement.

Organization

It is implemented by Society for Elimination of Rural Poverty (SERP), Dept of Rural Development, Government of AP. SERP is an autonomous society registered under the Societies Act, and implements the project through District Rural Development Agencies (DRDAs) at the District level.



Key features of the micro planning process:

- Mandal Samakhya (MS) as the Sub-project Implementing agency (SPIA) support Village Organizations (VOs) for implementing their micro plans and assume the responsibility of appraisal, sanction and disbursement, follow up, monitoring, recycling of recovered CIF, procurement etc.
- MS itself implement certain activities on its own which have influence on more than one village (for example food security and marketing interventions taken up, social development activities and Physical infrastructure created for the benefit of more than one village).
- Zilla Samakhya (ZS) is the SPIA for activities, which have influence on more than one mandal, for example, insurance.

The grassroots level organization is the SHGs. Two members from each SHG are part of the village organization. About 200 SHGs comprise the village organization. The village organization is at the level of the panchayat. The village organizations are coordinated by Mandal Mahila Samakhya. The Mandal Mahila Samakhya is the basic financial agency. Federation of Mandal Mahila Samakhya is the Zilla Samakhya. Some funding goes through the Zilla Samakhya but most go through Mandal Samakhya.

The Mandal Mahila Samakhya and Zilla Mahila Samakhya are funded by DRDA for institution building. Assistant project manager is a facilitator for two Mandal Mahila Samakhya. The Assistant project manager also attends VOs meetings occasionally. At the Zilla Mahila Samakhya, there is a Zilla Manager. A Community Coordinator is appointed for about 10-12 village organizations.

DRDA has area coordinators or assistant project officers (APO) at the block level.

Usually about 5 Mandals are covered by the APO. The APO attends all the 5 or 6 MMS

meetings. They help in facilitating these meetings. They explain the policies and rules and also schemes. The area coordinator who is an APO reports to the project director. The area coordinator has an office cum residence at one of these locations.

The role of Mandal Development Officer is very limited. The community facilitator is the one who certifies in most situations.

Services of Village Organization:

- To encourage the SHGs to take up the social issues
- To provide financial support to members through SHG by extending loan
- To provide required technical training for livelihood activities
- To identify and train personnel for SHGs & VOs for book keeping
- Continuous monitoring through Committees

Services of Mandal Mahila Samakhya:

Provide CIF to VOs to implement the Micro plans of member SHGs

Capacity building activities that include organizing trainings to SHGs, VOs and staff of CBOs

Continuous monitoring of VOs through Committees

Collaboration with Line Departments & Others

The Mandal Samakhya is responsible to develop required social capital (SHG book keepers & Community activists identified from Community) to run the community based organizations with the help of MS staff i.e.,

Personnel in the CBOs:

1. Mandal Samakhya

- a. Asst. Project Manager (one for two mandals)
- b. Community Coordinator (three pre Mandal)
- c. Mandal Training Coordinator
- d. Master Book Keeper / community volunteers (three per mandal)
- e. Accountant
- f. Community facilitators

2. Village Organization

- a. Village organization book keeper / community activist
- b. Community resource person
- c. Health activists / village resource persons (HIV / AIDS)

3. Self Help Group

- a. One of the members is appointed as the Book Keeper

Field functionaries (Community Coordinators) are selected using written test, group discussion, village placement, and interview and posted in the Indira Kranthi Patham Project Mandals. Community Coordinators are trained on the basic concepts of Self Help Groups and Indira Kranthi Patham concepts with a practical session of using role-plays and other exercises. A community coordinator is appointed for a mandal. There are usually 10 gram panchayats in a mandal. The Community Coordinator is a paid employee of Mandal Mahila Samakhya. In addition to the Community Coordinator a Community Facilitator is present for each gram panchayat and the Mandal Mahila Samakhya pays the honorarium. The Community Facilitator is appointed by the village organization and each of these Community Facilitator gets paid Rs.500 per month. They are usually the members from the SHGs. The Community Facilitator goes around and helps in forming groups. The Community Facilitator helps train in book keeping and maintaining accounts.

Process of Implementation:

The process of implementation of CIF is very elaborate. The CIF is to be utilized for income earning activities like dairy, livestock, Drying Platforms for community use, etc

-A micro credit plan is prepared by members of Self Help group (SHG) based on their skills and resources available. The SHGs are facilitated by the VO to prepare a list of all members along with their loan requests indicating the activity and loan amount. Here the preference is given to people Below Poverty line (BPL) or Poorest of Poor (POP). The members are facilitated to prepare the list of activities to be undertaken and compute the cost of implementation of these activities.

Finally the group would appraise the loan request and determine the loan terms such as amount of loan, installment amount, repayment period etc, and prepare a Micro Credit Plan (MCP).

- Once the plan is ready it is sent to VO for appraisal. The appraisal is based on the regularity of savings of the group, lending of funds internally, maintenance of accounts, regularity of meetings, etc.
- The VO also prepares a list of activities that are beneficial to the poor in the village such as food security, social development, infrastructure, etc. These along with micro plans of SHGs will become a Village Micro Plan (VMP).
- The VMP is sent to Mandal Level Appraisal by Mandal Samakhyas. Finally the appraisal is sent to District Project Monitoring Unit for release of CIF.
- The fund amount is given as a grant to MS. Ms allocates this as a loan to VOs at an interest rate of 2-6 per cent. VO allocates this as a loan to SHG at an interest rate of 3-9 per cent. And finally the SHG release the funds to individual members as loan. The members have to repay the loan in 12-24 months to SHG. SHG repay it to VO with in 50 months and VO to MS within 100 months with interest. The implementation of the plans by members is monitored by the VOs.
- Utilization Certificates are to be prepared by the SHGs, VOs, and MS to apply for funds in future.

2. Swarnjayanti Gram Swarozgar Yojana [SGSY]:

Objective: The objective of SGSY is to enable poor selected families (swarozgaris) in the rural areas to cross the poverty line.

Brief description of the scheme: SGSY came into existence in 1999-2000 duly merging the schemes of Integrated Rural Development Program (IRDP), Training for Rural Youth under Self Employment (TRYSEM) Development of Women & Children in Rural Areas (DWCRA) and Supply of Improved Toolkits to Rural Artisans (SITRA).

The scheme aims to bring every assisted poor family above the poverty line by ensuring appreciably sustainable level of income over a period of time. This objective is to be achieved by organizing the rural poor in to Self Help Groups (SHG) through the process of social mobilization, their training and capacity building, and provision of income generating assets. This is by providing income generating assets and inputs to the target groups through a package of assistance consisting of subsidy and bank loan. The assistance is provided to individual beneficiaries or to groups. The activities include agriculture, horticulture, minor irrigation, animal husbandry, etc. Revolving Fund is provided to SHGs under this scheme. The funding pattern for the scheme between the central and state Government is in the proportion of 75: 25.

Small farmers, marginal farmers, agricultural laborers, non-agricultural laborers and rural artisans whose annual family income is less than Rs. 13000/- (1999-2000) are eligible under the scheme.

Organization: The SHG bank linkage committee consists of three members. The branch manager fixes a meeting once a month with the Committee and the lists of overdue are prepared and discussed. The committee also provides information to the bank on any repayments and therefore helps updating information. The committee uses this meeting also to seek loans.

The Process of Implementation:

There are two kinds of schemes in SGSY. 1) for individuals and 2) for Group Swarojgari. The process of implementation is different for these two.

1) Assistance to Individual Swarojgari:

- First of all the individual swarojgari himself identifies the activities in which he/she requires finance.
- The identification of the swarojgari is done in a joint identification camp conducted by DRDA, MPDP, Mandal level officer and the banker, Surpanch and the VO in the village.
- After identification the swarojgari applies for the SGSY funds with all the details including the personal information.
- Applications are processed by MPDO in close association and with the consent of the bank. Project reports are also prepared by MPDO.
- Project proposals are submitted to the DRDA for sanction.
- After careful scrutiny the sanction are accorded by DRDA along with proceedings to banker with a cheque.
- The loan formalities are completed in the bank and the individual is given the information on the credit sanctioned, repayment period, and the number of installments. The individual has to implement the project with the help of VO.

2) Assistance to Group Swarojgari:

- In this scheme the swarojgari as a Self Help Group (SHG) can also apply for the loan. The group members can take up single activity or multiple activities.
- After obtaining the application from DRDA / VO, the duly filled in application is forwarded to the VO for approval.
- The VO approaches the service area bank for obtaining his consent for the loan.
- The bank and the DRDA form a committee to audit / scrutinize the application.
- After the scrutiny the bank approves the proposal for giving the loan.
- This proposal is submitted to Mandal Samakhya through VO is forwarded to DRDA. -

Sanction is accorded by DRDA and informed to MS.

- The bank sanctions the loan with a funding component in the form of Government subsidy to the MS with in 15-30 days of approval from DRDA.
- The bank releases the loan to MS, MS to VO and again to the SHG by VO.
- The loan formalities are completed in the bank and the groups / members are informed of the credit amount, repayment amount and installment amount.
- The repayment takes place from SHG to VO, VO to MS, and MS to bank.

3. Revolving Fund:

Objective: The objective of this scheme is to strengthen the SHGs and enable their financial viability.

Brief description of the scheme: In order to increase the corpus of Self Help Groups, Government gives one-time assistance of Rs. 10,000/-. The group is expected to add this Revolving Fund amount with its thrift and rotate this corpus among its members for consumption and / or Production needs. The banks give Rs.15, 000 loan to the SHGs and based on the consent letter of the bank for the above amount, an amount of Rs.10, 000 is provided by DRDA under the revolving fund scheme.

In the case of the revolving fund, SHGs are free to charge their own interest rate at their discretion to the individual members.

The process of implementation:

To avail this facility of matching grant from government the SHG has to meet certain conditions. The eligibility conditions to avail this facility are :

1. SHG has to open an account in a bank with a name but not on individuals. If there are more than 20 members in the group they have to register the SHG.
2. The group should have regular recorded savings.
3. The group should hold regular meetings and the resolutions are minuted. and
4. The account should be up to date.

The SHG approach the Area Service Bank for a loan. The bank can sanction, depending on the performance of the SHG up to Rs.25000/-to the SHG for its activities. A sum of Rs.10,000/- is provided as subsidy on this loan as one time assistance to the SHG to utilize this fund as revolving fund. This fund helps the members of SHG for their activities. SHG pays the interest to the bank on the amount exceeding Rs.10,000/-.The SHG can use this money the way they want. The SHG has the freedom to charge the interest of its own.

4. Pavala Vaddi:

Objective: The objective of this scheme is to encourage income-earning activities among the poor by obtaining Micro Finance through bank linkage - to reduce the financial burden on SHGs.

Brief description of the scheme: Micro-finance through bank linkage is a 100% loan by the bank facilitated by the DRDA. The Government is giving a subsidy on the interest for the loan taken by the Group under SHG Bank Linkage Scheme. Micro finance is the major source of funding as CIF and SGSY is insufficient for funding all the SHGs. Also the SHGs get micro finance at 8.5 - 11% depending on the bank and also the nature of activity. The same interest is charged to the member. The CIF and SGSY funding is generally given to SC and ST groups and those that find difficult to get bank finance. Under the Pavala Vaddi scheme the micro finance gets an interest subsidy.

Under the Pavala Vaddi scheme the members are pay only 25 paise per month, which therefore works out to 3% per annum. This source of funding is therefore the preferred one by the members of SHGs.

Interest incentive in respect of active loans is released to the groups once in six months i.e. twice in a year based on the performance of the loan account obtaining as on September, 30th and March, 31st. Government has allowed payment of incentive to Self Help Groups on the interest charged by banks over and above 3% per annum, subject to the maximum ceiling of 6%, provided that there is 100% repayment of the loan by Self Help Groups. The Pavala Vaddi amount is expected to reach the member of SHG by November 15 and May 15.

The loan accounts that are classified as overdue in the books of the bank at the time of half-yearly closing and that which are classified as Non-performing Assets at year-end closing are ineligible for the interest subsidy. However, if they resume on-time repayments and regularize the arrears, they are eligible for the incentive in the next halfyearly period.

Micro Planning begins with the SHG. SHG micro plan is the list of activities the members would like to take up and the cost of implementing these activities. SHG prepares the micro plan as per the process described below:

1. First the full details of members are obtained. This includes:
 - a. Members income and expenditure statement
 - b. Loan requests of members indicating activity and loan amount
2. The loan request are then prioritized

All the above activities are taken up in the group meetings and recorded in the minute book.

Organization: SHG is the primary organization, which prepares the micro credit plan and through the VOs the plan is brought to the Mandal Level Bankers Committee.

The members of the joint Mandal Level Bankers Committee are the service area branch managers, MPDOs, APMs (DRDA), MMS representatives. The other members include

representatives from other departments like the BC and SC corporations, lead bank managers, AGM and NABARD. The sanctioned loan for which repayments are made get the half yearly reimbursement of interest. This amount is distributed through the VOs to the groups.

The process:

-The SHGs who have availed the loan under SHG bank linkage scheme, and repaying the loan installments regularly and SHGs who conduct meetings once in a week and maintain books are eligible for Pavala Vaddi (3 per cent).

-The branch managers of banks who have sanctioned the loan to SHGs will submit a statement in a prescribed proforma, with details of date of sanction of loan, amount sanctioned, number of installments, amount repaid as on the date, rate of interest, total amount paid to the bank towards interest, 3 per cent interest and excess interest paid above 3 per cent. Generally the DRDA asks for these details. As the bank collects its loan they do not bother to send these details to DRDA. DRDAS get the information after a lot of persuasion.

-On receipt of the statement from the bank, the DRDA will scrutinize them and calculate the interest as per the rate of interest of the concerned bank and arrive at the amount to be released to the group towards excess interest amount above 3 per cent.

- Such amounts will be released to the Mandal Mahila Samakhyas duly giving instructions to release the interest subsidy amount in turn to VOs. VOs will disburse the amount to the perspective groups through cheques.

5. Gruhini

Objective: The objective of Gruhini scheme is to provide shelter to the poor who do not have housing facility.

Brief description of the scheme: This scheme is meant for enabling members of Self Help Groups to construct a house from the subsidy assistance given by DRDA and credit from Banks. Subsidy entitlement per individual is Rs.12, 500/-. Banks provide finance of Rs.15, 000/- per individual. Houses are constructed and given to the beneficiaries.

Process of implementation:

-The beneficiaries under this scheme are selected in a gram sabha in which MMS, Sarpanch, SHG are present, and recommended to the Project Director of DRDA.

- The DRDA disburse the subsidy amount under the scheme. -

DRDA also arrange for bank finance.

-The district housing agency constructs the houses and on completion distribute the houses to the beneficiaries.

-Under Indiramma scheme housing is provided to the poorest of the poor with total government expenditure.

6. Social security pensions:

There are four types of pension schemes. These include schemes for old age, widow pensions, weaver's pension and disabled pension. These are general pension schemes. In addition to this, pensions are given under Indiramma pension scheme. In the case of Indiramma pensions, specific villages are selected and complete coverage of the village is carried out. In the selected villages those beneficiaries who could not be covered under the General Pension Scheme would be included under the Indiramma pension scheme.

The Collector gives targets to mandals. The gram sabha identifies the beneficiary. The pensions are sent to MPDO by DRDA.

The process:

- The villages are selected based on the targets fixed for the programme by the DRDA. Under Indiramma Pension Scheme the villages are selected by the Zilla Parishad.

- Once the village is selected the beneficiaries are selected in a gram sabha based on the targets fixed by the collector.

- The beneficiary applies for the pension to MPDO.
 - MPDO processes the application and sanction the pension and send it to the MPDO. -
- MPDO disburses the pension to the beneficiary.

National Social Assistance Programs (NSAP):

The NSAP has two components:

- National old age pension scheme
- National family benefit scheme (NFBS)

Brief description of the scheme: NFBS is for BPL families and is a government of India scheme. In the case of the death of an earning member in the age group of 18 years to 64 years, the family is eligible for an immediate relief of Rs.5, 000. The earning family member could have a natural death or death due to accident. The certificates required include death certificate, legal heir certificate and in case of an accidental death then a relevant certificate (eg. fire certificate). The application for the scheme has to be made within 6 months of the death of the earning member.

The process of implementation:

The beneficiary has to apply for the benefit to MRO with all the details and relevant documents within six months of accident (relevant documents for each cause of death are available with MRO).

MRO scrutinize the application, verify the facts and forward it to Revenue Divisional Officer for sanction.

After scrutiny the RDO sanctions the amount and sends it to MRO. Generally the RDO is provided with advances. Whenever a claim is made RDO disburses the amount from the advance he holds.

7. Deepam:

Another scheme which benefits the poor is Deepam. It is a programme where the beneficiaries are provided with a gas stove and a cylinder for cooking purposes.

The identification of the beneficiary is done by the VO/ gram sabha and recommended to the DRDA.

The beneficiary has to pay Rs.225/-for gas cylinder and the stove.

The application is processed and the sanction is made to the beneficiary. The beneficiary has to collect the cylinder with the concerned supplier. Problems:

However there are some problems in implementing this scheme. -There was delay in fulfilling the formalities.

-After getting the stove and the cylinder, the beneficiary is selling it for some profit. -It was revealed that there was no proper supply from the gas companies.

-The people who have availed the benefit are changing their names and again asking for Government assistance.

8. Collective Marketing:

Marketing is an economic assistance programme through which the village poor are helped to market their produce to get prevailing price in the market. The marketing assistance programme helps the poor in preventing the exploitation by the middlemen who normally influence the market activities for their own benefits. The programme aims to improve the bargaining power of the poor and sell their produce for gain. It also aims to develop appropriate storage facilities in order to avoid perishing, pest control and other spoilage.

Objective: The objective of this programme is to enhance the incomes, get remunerative prices and increasing the bargaining power of poor producers ,and also to generate profits for the community organizations.

Procedure to avail the benefits:

The programme helps the SHG federations (VOS/MMS)to set up procurement centers, through which they can collectively market agricultural /horticultural/non-timber products, fertilizers,etc. by better learning about the trading practices in the market. It It also helps the members in availing the job opportunities in the procurement centers, and gaining knowledge and information dissemination. To avail this benefit, Poorest of the poor and poor should be a member of SHG and membership cards are issued to them to avail the benefit.

-At the procurement center samples of different commodities and grade wise daily rates are displayed.

-Members are expected to attend all the meetings held by the District Marketing Team in knowing the parameters for assessing the quality of the commodities.

-When the Community Investment Fund Sub Project for commodity marketing is prepared all the members should know the proposal and take interest in discussing the proposal for changes if any.

-Members should know the places where the procurement center s have been set up at VO level.

MARKFED buys the produce and pay for the product. Similarly, MARKFED also sell inputs like fertilizers, seeds, to farmers on total payment or on credit or installment basis.

Problems in implementation:

The DRDA implements many programmes for the rural poor, particularly to the SHGs through the machinery established at district and sub-district level. We have discussed some of the programmes in detail and the process of implementation inn the above pages. Though the implementation of these programmes is commendable, there are some problems which need to be addressed. We present the problems in implementation in the following paragraphs.

1. The DRDAs have prepared the citizen's charters and are readily available with them. In some of the DRDAs the citizen's charters are not displayed on the notice board. Those who come for assistance do not know about the activities of DRDA and the services they provide. The citizens have to enquire about them. Though this is a small thing it can be expedited.
2. There is need for the preparation of Micro Credit Plan for assistance. The MCP needs to be prepared carefully as it involves listing of activities, materials required, and time frame, cost estimates, sustainability etc. Though VOs help them, they are not properly done and the project report is not scientific. This requires changes and it is time consuming, due to which there is delay in the processing of application and sanction. There is need for training for skill development.
3. In the identification of beneficiaries all the institutions do not participate. The identification is done based on the advice of the village sarpanch and the VO. Thus there will be some bias/subjectivity in the selection of the beneficiary.
4. It was observed that the beneficiary do not utilize the money for which it was sanctioned. The money is used for household consumption, clearing old debts; performing the marriages of their children etc. Very small amount will be spent for which the loan is taken. This is very common phenomenon in the rural areas.
5. It was revealed that sometimes the banks do not come forward to finance certain schemes.
6. In some districts the beneficiaries change their name and apply for assistance. This creates problems for the implementing agencies.
7. It was observed that the beneficiaries sell their property acquired through the assistance provided by government and look for other avenues for assistance.

Scope for Improvement:

The achievement in Rural Development is commendable and this is because of the tiered channel for Service Delivery with SHGs at the grass root level. The participation through SHGs inculcates a sense of belongingness and ownership of the schemes among the beneficiaries and therefore motivates the beneficiary groups. In addition to this, the delivery system is remarkable for the low costs in implementation of these schemes. While the process of implementation is well placed, there are still areas that can possibly be examined for further improvement.

It was noted that the success in economic activities and income generating activities among women through SHGs has possibly not brought about the social or behavioral changes (attitude to education, civic sense, skill improvement etc.) to the extent desired. This observation made by few of the respondents is therefore need further examination before drawing firm conclusions.

The cost of service delivery for the Rural Development department is substantially reduced through the use of SHGs but the transaction costs for banks possibly require further reduction to make it attractive to the bankers to take forward these schemes on their own initiative as a business proposition.

The success of these schemes is limited to the SHGs for women. The impact of the same is high on the family but the continued success and impact in the family and more so on the rural economy requires efforts to involve the male members of the family. The involvement of the male members in the development process witnessed through the SHGs, would enhance the sustainability, growth and speed of development which otherwise is likely to be restricted in future. The success achieved can be replicated in the major occupations and income generating activities then the pace of rural development would increase substantially.