

GOKHALE INSTITUTE MIMEOGRAPH SERIES NO. 24.

---

EVALUATION STUDY OF  
INTEGRATED RURAL DEVELOPMENT PROGRAMME  
( SANGLI DISTRICT )

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SUDHAKAR GADAM

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GOKHALE INSTITUTE OF POLITICS AND ECONOMICS  
PUNE - 411 004 (INDIA )

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## FOREWORD

At the request of the National Bank for Agriculture and Rural Development (NABARD), an Agriculture and Rural Development Studies Unit has been recently set up in the Gokhale Institute. This Unit is currently funded by NABARD. The first project to be taken up by this Unit was the Evaluation of Integrated Rural Development Programme in Sangli District of Maharashtra State. Another study on the Evaluation of Minor Irrigation Projects in Marathwada has also been completed by the Unit. Two other studies on the grape cultivation scheme in Nashik district and crop loan borrowings in Maharashtra State are now in progress.

The evaluation study of Integrated Rural Development Programme (IRDP) was undertaken at the suggestion of NABARD. The data were obtained from a sample survey of about 350 IRDP beneficiaries spread over 15 villages in the selected talukas of Jath and Walwa. This is, therefore, a middle-level evaluation which should provide the necessary data for improvement in the design of this programme, assess the performance of the programme and its impact on the rural economy, employment and poverty alleviation. In fact it is necessary to undertake many such middle-level studies to design development programmes suited to local economic conditions.

Programmes of rural development do not always reach all the intended beneficiaries. To study this aspect, the sample was augmented by about 65 poor families who did not receive

assistance under IRDP. Only those families, whose income from all sources did not exceed Rs. 62 per month (in 1978-79) and listed as falling below the poverty line in 1982, qualified for assistance under IRDP schemes.

The evaluation survey carefully examines various facets of IRDP. Repayment performance of loans given to entrepreneurs in different sectors has been analysed. It is found that, for all the sectors taken together, there is a 82 per cent recovery of loans, on the aggregate. In the primary sector, this percentage is 89 and in the tertiary sector it is 74. It is poorest in the secondary sector, being only 40 per cent. No significant association of repayment performance with the income of the beneficiary families was found in this study. The incremental capital output ratio (ICOR) has been worked out for various economic activities. The overall ICOR for all sectors taken together comes to 4.9. This is close to the figure of 4.0 which was the anticipated ICOR for these investments. This study has also tried to obtain information on the number of families crossing the poverty line with the help of IRDP. It has been found that 23 out of 158 families or roughly 15 per cent has risen above the poverty line with IRDP assistance. At the same time, six families above the poverty line had fallen below it during the reference period.

It is hoped that programmes of rural development would be based on carefully conducted, disaggregated middle-level studies of individual economic behaviour like the present one.

Such studies provide valuable information about the various types of economic activities carried out in specific rural areas and reveal how far special development programmes generate employment and income, improve productivity and raise the families above the poverty line.

Pune,  
August, 1986.

A. Sivaswamy Srikantan  
Officiating Director

## PREFACE

The Integrated Rural Development Programme is the most important rural poverty alleviation programme in India. The present evaluation study of this beneficiary oriented programme was taken up in Sangli district of the Maharashtra State and is based on the sample survey of beneficiary families engaged in various primary, secondary and tertiary activities supported by this programme. Salient features of the IRD programme are given in the introductory chapter and the methodology, sampling plan and the findings of the study are presented in the following chapters. We have tried to cover various aspects like planning efforts, procedures for implementation, the performance and also economic impact of the programme on the beneficiary families.

I am grateful to the National Bank for Agriculture and Rural Development (NABARD) for providing me an opportunity to carry out this study. I am also thankful to them for their comments on the earlier draft of the report.

I would like to express my sincere gratitude to Dr. K. Sivaswamy Srikantan, Officiating Director, Gokhale Institute of Politics and Economics and Dr. Sulabha Brahme for their encouragement during the final stages of the work. I am grateful to Dr. N. Rath for his guidance in planning the study and also for his exhaustive comments on the earlier draft of

(v)

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Shri D. K. Shinde, Research Assistant helped me through all the stages of the work enthusiastically and meticulously and hence my sincere thanks to him. I was assisted by Shri R. D. Khodaskar, Shri V. B. Bhosale and Shri B. C. Kamble who carried out the field work ungrudgingly. Smt. Anita Kher carried out data processing on computer, Smt. Savita Rajopadhye assisted in tabulation work. I am thankful to all of them.

Last but not the least I will fail in my duty if I do not acknowledge the cooperation given to us by the respondents and also the staff members of the District Rural Development Agency, Sangli, Block Development Offices at Islampur and Jath and the bank offices we visited for the study.

Gokhale Institute of  
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Sudhakar Gadam

August 20, 1986

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