
CHAPTER : VIII

PERFORMANCE OF THE AGENCIES

TIME TAKEN FOR LOAN SANCTIONED, CREATION OF ASSETS AND EXISTENCE OF ASSETS

In the previous chapter we have discussed about the cost structure of the projects. In this chapter we shall discuss about the time taken for sanctioning loan, causes for delay, if any, whether joint inspection done or not, number of schemes demanded by the beneficiaries and number of schemes sanctioned to them, whether subsidy adjustment done properly, whether any inspection done by the Agencies after providing the assets, the existence of the assets provided, causes of non-existence of the assets, any further loan sanctioned and disbursed to the beneficiaries and whether the beneficiary opted to expand or diversify the venture etc. For these analyses we have taken the help of some statistical tools. For this purpose we have tabulated the suitable information in different tables from our sampled beneficiaries. From the result so obtained we may conclude about the performance of the Agencies and we may put forward any suggestions or otherwise on the result so achieved.

A. TIME TAKEN FOR SANCTIONING AND DISBURSING THE LOAN TO THE BENEFICIARIES

As per guidelines of the IRDP, every Gram Panchayat should

conduct a survey for preparing a list of eligible rural households. A team consisting of the members of the Gram Panchayets or nominee of the 'Anchal Prodhan', a nominee of the 'Executive Officer' Panchayet Samity and the Volunteers conduct the survey. From the survey list applications are invited from those "households" who belonged to below the poverty line. Applications should be done in a printed form supplied by the D.R.D.A. in triplicate. After collecting these application forms the respective Gram Panchayets scrutinise the application forms and forward the same to the respective Panchayet Samities as per target fixed by the D.R.D.A. After receiving these applications from different Gram Panchayets, the Panchayet Samities forward these applications to the respective bank branches. After receiving these application forms Banks make a simple verification and give a provisional sanction and claim subsidy from D.R.D.A. After receiving the subsidy from D.R.D.A. the banks fix up a date and the loans are disbursed to the loanees. This process takes some time because of the fact that the process is lengthy. How much time can be taken for this processing is not clearly stated anywhere, but a system has been introduced by the DRDA and by the Panchayet Samities, to send the application forms quarterly to the respective bank branches. Thus from these facts it may be stated that a tentative period of 3 months be allowed for sanctioning and disbursing the loans from the date of applications. The following table (Table 8.1) shows the requirement of time or time gap between date

of application and date of sanctioning of a loan.

TABLE 8.1

TIME REQUIRED FOR SANCTIONING OF LOAN

Time (in Months)	Sample Size	Primary Sector	Secondary Sector	Tertiary Sector	Composite Sector
0-1 months	39 (10)	13 (10)	7 (6)	10 (10)	9 (20)
1-3	" 65 (17)	25 (20)	12 (11)	22 (23)	6 (13)
3-6	" 111 (29)	33 (26)	36 (33)	29 (30)	13 (28)
6-9	" 49 (13)	18 (14)	15 (14)	11 (11)	5 (11)
9-12	" 34 (9)	12 (9)	11 (10)	7 (7)	4 (9)
12-24	" 57 (15)	19 (15)	20 (19)	15 (15)	3 (7)
24-36	" 18 (5)	8 (6)	4 (4)	4 (4)	2 (4)
36-48	" 7 (2)	0 (-)	3 (3)	0	4 (8)
Total	380 (100)	128 (100)	108 (100)	98 (100)	46 (100)

Sources : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

From this table (8.1) it is observed that out of 380 sampled beneficiaries, for 128 beneficiaries of the primary sector it took 8.1 months on an average for sanctioning loans, in the secondary sector the corresponding time required for sanctioning loans was 9.5 months, in the tertiary sector it was 7.4 months. Taking all the sectors as a whole it was observed

that the average time taken for sanctioning loans was 8.4 months.

Thus from table 8.1 it is observed that out of 128 selected beneficiaries in the primary sector, 13, 25, 33, 18, 12, 19, 8 beneficiaries required the time for sanctioning the loans 0 month to below 1 month; 1 month to below 3 months; 3 months to below 6 months; 6 months to below 9 months; 9 months to below 12 months; 12 months to below 24 months and 24 months to below 36 months respectively. They were 10 percent, 20 percent, 26 percent, 14 percent, 9 percent, 15 percent and 6 percent respectively. In the secondary sector, out of 108 selected beneficiaries 7, 12, 36, 15, 11, 20, 4, 3 beneficiaries required the time 0 month to below 1 month; 1 month to below 3 months; 3 months to below 6 months; 6 months to below 9 months; 9 months to below 12 months; 12 months to below 24 months; 24 months to below 36 months and 36 months to below 48 months respectively for sanctioning Bank loan. They were 6 percent, 11 percent, 33 percent, 14 percent, 10 percent, 19 percent, 4 percent and 3 percent respectively. In the tertiary sector, out of 98 selected beneficiaries, 10, 22, 29, 11, 7, 15 and 4 number of beneficiaries, required the time for sanctioning bank loan were 0 month to below 1 month; 1 month to below 3 months; 3 months to below 6 months, 6 months to below 12 months; 12 months to below 24 months; 24 months to below 36 months respectively. They were 10 percent,

23 percent, 30 percent, 11 percent, 7 percent, 15 percent and 4 percent respectively. In the composite sector, out of 46 selected beneficiaries, 9, 6, 13, 5, 4, 3, 2 and 4 number of beneficiaries, the time required for sanctioning bank loan were 0 month to below 1 month, 1 month to below 3 months; 3 months to below 6 months; 6 months to below 9 months; 9 months to below 12 months; 12 months to below 24 months; 24 months to below 36 months and 36 months to below 48 months respectively. They were 20 percent, 13 percent, 28 percent, 11 percent, 9 percent, 7 percent, 4 percent and 8 percent respectively. Taking all the sectors as a whole, out of 380 selected beneficiaries, it was observed that, for 39, 65, 111, 49, 34, 57, 18 and 7 number of beneficiaries the time required for sanctioning bank loan was 0 to below 1 month, 1 month to 3 months; 3 months to below 6 months; 6 months to below 9 months; 9 months to below 12 months; 12 months to below 24 months; 24 months to below 36 months and 36 months to below 48 months respectively. They were 10 percent, 17 percent, 29 percent, 13 percent, 9 percent, 15 percent, 5 percent, and 2 percent respectively. From this table a cumulative frequency distribution may also be calculated which will be helpful to consider the time taken for sanctioning loans in different stages. In the primary sector it was observed that 13 beneficiaries, which was 10 percent of beneficiaries in this sector the required time for sanctioning loans was below 1 month. Below 3 months time taken for sanctioning loans in

this sector was to 38 beneficiaries which was 30 percent of the beneficiaries of this sector. Similarly 71 number of beneficiaries out of 128 beneficiaries in this sector were assisted within six months which was 56 percent of the total beneficiaries under this sector. 89 beneficiaries were assisted within nine months which was 70 percent of the total beneficiaries. 101 beneficiaries were assisted within 12 months which was 79 percent of the beneficiaries under this sector, 94 percent beneficiaries were assisted within two years and 100 percent of the beneficiaries were assisted within 36 months. Similarly in the secondary sector, 6 percent beneficiaries were assisted within one month, 17 percent of the beneficiaries were assisted within 3 months, 50 percent of the beneficiaries were assisted within 6 months, 64 percent of the beneficiaries were assisted within 9 months, 74 percent of the beneficiaries were assisted within 12 months, 93 percent of the beneficiaries were assisted within 24 months, 97 percent of the beneficiaries were assisted within 36 months and 100 percent of the beneficiaries were assisted within 48 months. Considering the time taken for sanctioning bank loan in the tertiary sector it was observed that 10 percent of the beneficiaries were assisted within one month, 33 percent of the beneficiaries were assisted within 3 months, 63 percent of the beneficiaries were assisted within the time limit of 6 months, 74 percent of the beneficiaries were assisted within 9 months, 81 percent beneficiaries were assisted

within 12 months, 96 percent of the beneficiaries were assisted within 24 months and cent percent of the beneficiaries were assisted within 36 months. In the composite sector 20 percent of the beneficiaries were assisted within one month, 33 percent of the beneficiaries were assisted within three months, 61 percent of the beneficiaries were assisted within six months, 72 percent of the beneficiaries were assisted within the time limit of 9 months, 81 percent of the beneficiaries were assisted within 12 months, 88 percent of the beneficiaries were assisted within 24 months, 92 percent of the beneficiaries were assisted within 36 months and cent percent beneficiaries were assisted within 48 months. Taking all the sectors as a whole it was observed that 10 percent of the beneficiaries were assisted within one month, 27 percent beneficiaries were assisted within 3 months, 56 percent were assisted within 6 months, 69 percent beneficiaries were assisted within 9 months, 78 percent beneficiaries were assisted within 12 months, 93 percent of the beneficiaries were assisted within 24 months, 98 percent beneficiaries were assisted within 36 months and cent percent beneficiaries were assisted within 48 months.

From table 8.1 it is observed that the average time required in sanctioning loans to primary sector, secondary sectors, tertiary sectors and in composite sectors were 8.1 months, 9.5 months, 7.4 months and 9.6 months respectively. It is clear that the tertiary sector required the lowest time (7.4

months) for sanctioning bank loan whereas the composite sector required the highest (9.6). But from the cumulative frequency distribution of percentage of beneficiaries assisted it is clear that, except the secondary sectors 10 percent beneficiaries of all the sectors were assisted within one month. Similarly, except the secondary sector around 30 percent of the beneficiaries of all other sectors were assisted within 3 months. In all sectors more than 50 percent beneficiaries were assisted within six months. About 75 percent of the beneficiaries in all the sectors were assisted within 12 months and the remaining around 25% of the beneficiaries were assisted within 1 to 4 years. Thus within the average time required in each sector separately, about 70 percent of the beneficiaries were assisted. The causes for excess time taken for sanctioning bank loan may be stated below :

1. According to the guidelines of the IRDP, a joint inspection would be done by a team consisting of bank officials, D.R.D.A. representatives and a representative of the local Gram Panchayet. But in this district, initially this guideline was not followed. Initially all the applications were collected by the respective Gram Panchayets. They were then sent to respective Panchayet Samities. Panchayet Samities then sent them to Banks and Banks then made arrangement for joint inspection. As a result some of the applications were dropped out due to some technical fault. Bank then made a

claim to the D.R.D.A. for subsidy and after receiving the subsidy, a date for disbursing loan was fixed. As a result it required more time for sanctioning loan.

2. In most cases obtaining 'no dues' certificates from other bank branches before sanctioning loans took much time for any bank branch.

3. In most cases the assets provided to the beneficiaries were purchased by a purchase committee consisting of Bank officials, D.R.D.A. representatives, Gram Panchayet representatives. This committee required much time for purchasing the assets.

4. For sanctioning and disbursing the bank loan some paper works were involved. In most cases the loan department of the bank branches consists of one or two persons. Moreover the loan applications for IRDP were sent to bank in a lot which also took much time for processing.

But in a few cases which required time for sanctioning bank loan for more than one year the cause for delayed sanction was that there applications were not considered initially for one reason or another.

As already stated that without joint inspection no I.R.D.P. loans can be disbursed. As per guidelines of the I.R.D.P. a joint inspection is done before collecting the loan applications. A camp for this purpose is to be organised by the Gram

Panchayets. In this camp all the agencies like, bank officials of different bank branches, representatives of D.R.D.A. Prodhans of the respective Gram Panchayets, Managers of the different Co-operative Societies remain present. They will screen the applications, put their recommendations etc. on the application form. This will facilitate the quick disposal of the cases. But actually in this district this programme was not followed. After 1987 joint inspection was done in some areas but in most of the areas this inspection was done after receiving loan applications by the banks.

B. NUMBER OF SCHEMES SANCTIONED FOR AND NUMBER OF SCHEMES DISBURSED TO THE BENEFICIARIES

From the sample survey it was observed that, in some cases the beneficiaries were assisted by an amount which was less than the schemes sanctioned. The sector-wise finding of the fact may be stated in different tables. Table 8.2 shows the number of schemes sanctioned and schemes disbursed to the selected beneficiaries in the primary sector.

From table 8.2 it is observed that, out of 128 sampled beneficiaries in the primary sector, 108 beneficiaries got sanction for one scheme and the remaining 20 beneficiaries got sanction for 2 schemes. No beneficiaries got sanction for three schemes. 108 beneficiaries who got sanction for one scheme have also been disbursed loans for one scheme. But out

TABLE B.2

NUMBER OF SCHEMES SANCTIONED AND DISBURSED TO THE PRIMARY SECTOR

Schemes Sanctioned	Sample Size	Schemes Disbursed		
		1 Scheme	2 Schemes	3 Schemes
1 Scheme	108(84)	108(100)	-	-
2 Schemes	20 (16)	4 (20)	16 (80)	-
3 Schemes	0	0	0	0
Total	128(100)	112(88)	16 (12)	-

Source : From Field Survey.

(Figures in the parenthesis indicate percentage of total)

of the remaining 20 beneficiaries who got sanction for 2 schemes, only 16 beneficiaries were assisted by two schemes and the remaining 4 beneficiaries were assisted by one scheme. This means that out of 128 beneficiaries in the primary sector only 84 percent of the beneficiaries were getting sanction for one scheme and 16 percent of the beneficiaries were getting sanction for two schemes, but actually 88 percent of the beneficiaries were assisted by one scheme whereas only 12 percent of the beneficiaries were assisted by two schemes. As a result, the total number of schemes sanctioned in the primary sector was 148 but actually the total number of the schemes disbursed was 144. This indicates

that 97 percent of the sanctioned loan in the primary sector were disbursed.

Table 8.3 shows the number of schemes sanctioned and the number of schemes disbursed to the selected beneficiaries in the secondary sector.

TABLE 8.3

NUMBER OF SCHEMES SANCTIONED AND DISBURSED TO THE SECONDARY SECTOR

Schemes Sanctioned	Sample Size	Schemes Disbursed		
		1 Scheme	2 Schemes	3 Schemes
1 Scheme	94 (87)	94 (100)	0 (-)	0 (-)
2 Schemes	14 (13)	1 (7)	13 (93)	0 (-)
3 Schemes	0 (-)	0 (-)	0 (-)	0 (-)
Total	108 (100)	95 (88)	13 (12)	0 (-)

Sources : From Field Survey

(Figures in the parenthesis indicate percentage in total)

From table 8.3 it is observed that, out of 108 selected beneficiaries in the secondary sector, 94 beneficiaries got sanction for one scheme and the remaining 14 beneficiaries got sanction for two schemes. None got sanction for three schemes. The 94 beneficiaries who got sanction for 94 schemes were also assisted by 94 schemes, but out of the 14

beneficiaries to whom 2 schemes were sanctioned, one of them was assisted by 1 scheme and the remaining 13 beneficiaries were assisted by 2 schemes. As a result the total number of schemes sanctioned in the secondary sector was 122 but the total number of schemes disbursed was 121. Thus from table 8.3 it is observed that out of 108 selected beneficiaries only 87 percent of the beneficiaries got sanction for one scheme and the remaining 13 percent of the beneficiaries got sanction for 2 schemes. But actually 88 percent of the beneficiaries were assisted by one scheme whereas 12 percent of the total beneficiaries were assisted by two schemes. From these results it is calculated that 99 of the schemes sanctioned were disbursed in the secondary sector.

To consider the result for loan sanctioned and loan disbursed in the tertiary sector table 8.4 may be helpful. This table (Table 8.4) shows the number of schemes sanctioned and disbursed to the beneficiaries during the reference period.

From table 8.4 it is observed that, out of 98 selected beneficiaries in the tertiary sector, 96 beneficiaries got sanction for one scheme and the remaining two beneficiaries got sanction for two schemes, none got sanction for more than two schemes. This means that 98 percent of the selected beneficiaries got sanction for one scheme and 2 percent of the selected beneficiaries got sanction for 2 schemes. Out of these 96 beneficiaries to whom one scheme had been sanctioned,

TABLE 8.4

NUMBER OF SCHEMES SANCTIONED AND DISBURSED TO THE TERTIARY
SECTOR'S BENEFICIARIES

Schemes Sanctioned	Sample Size	Schemes Disbursed		
		1 Scheme	2 Schemes	3 Schemes
1 Schemes	96 (98)	96 (100)	0 (0)	0 (0)
2 Schemes	2 (2)	1 (50)	1 (50)	0 (0)
3 Schemes	0	0 (0)	0 (0)	0 (0)

Source : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

one scheme was also disbursed to them. This was cent percent of the schemes sanctioned. But out of the two beneficiaries to whom 2 schemes were sanctioned, one was assisted by 1 scheme and one was assisted by 2 schemes. This means that 50 percent of the beneficiaries were assisted by one scheme and 50 percent of the beneficiaries were assisted by two schemes, though they got sanction for two schemes. As a result out of 102 sanctioned schemes only 101 schemes were assisted to the beneficiaries. This means that out of 98 beneficiaries 97 beneficiaries were assisted by one scheme and one beneficiary was assisted by 2 schemes. They are 99 percent and one percent respectively of the selected beneficiaries. As a result 99 percent of the schemes sanctioned were disbursed to the

tertiary sector.

To consider the result in the composite sector for sanctioning the schemes and disbursing the same Table 8.5 shows the number of the beneficiaries to whom schemes sanctioned and schemes disbursed as details.

TABLE 8.5

NUMBER OF SCHEMES SANCTIONED AND DISBURSED TO THE COMPOSITE SECTOR

Schemes Sanctioned	Sample Size	Schemes Disbursed		
		1 Scheme	2 Schemes	3 Schemes
One Scheme	0 (-)	0 (-)	0 (-)	0 (-)
2 Schemes	42 (91)	9 (21)	33 (79)	0 (-)
3 Schemes	4 (9)	1 (25)	0 (-)	3 (75)
Total	46 (100)	10 (22)	33 (72)	3 (6)

Source : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

From table 8.5 it is observed that in the composite sector out of 46 selected beneficiaries, 42 beneficiaries got sanction for two schemes and the remaining 4 beneficiaries got sanction for 3 schemes, none got sanction for one scheme. They were 91 percent, 9 percent and zero percent respectively in the composite sector. Out of the 42 beneficiaries to whom two

schemes were sanctioned, 9 beneficiaries were assisted with one scheme and 33 beneficiaries were assisted with two schemes. They were 21 percent and 79 percent respectively. The beneficiaries to whom 3 schemes were sanctioned were assisted by 1 scheme to one beneficiary and 3 schemes to 3 beneficiaries. They were 25 percent and 75 percent respectively. As a result it was observed that 96 schemes were sanctioned though actually 85 schemes were disbursed. This means that only 88 percent of sanctioned schemes were disbursed. This indicates that in the composite sector only 88 percent of the schemes sanctioned were disbursed.

To consider the result, taking all the sectors as a whole, table 8.6 will be helpful. This table analyses the number of the schemes sanctioned and the number of schemes disbursed, taking all the sector as a whole.

TABLE 8.6

NUMBER OF SCHEMES SANCTIONED AND DISBURSED TAKING ALL THE SECTORS TOGETHER

Schemes Sanctioned	Sample Size	Schemes Disbursed		
		One Scheme	2 Schemes	3 Schemes
One Scheme	298 (78)	298 (100)	0 (-)	0 (-)
2 Schemes	78 (21)	15 (19)	63 (81)	0 (-)
3 Schemes	4 (1)	1 (25)	0 (0)	3 (25)
Total	380 (100)	314 (83)	63 (16)	3 (1)

Source : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

From table 8.6 it is observed that out of 380 selected beneficiaries, 298 number of beneficiaries got sanction for one scheme. This was 78 percent of the total number of beneficiaries. 78 number of beneficiaries got sanction for two schemes. They were 21 percent of the total number of beneficiaries. 4 beneficiaries got sanction for 3 schemes. They were only one percent of the total number of beneficiaries. 298 beneficiaries to whom one scheme had been sanctioned, was disbursed the same number. This means that 100 percent of the beneficiaries to whom one scheme had been sanctioned, were disbursed the same. Out of 78 beneficiaries to whom two schemes were sanctioned 15 number of beneficiaries were assisted by one scheme and 63 number of beneficiaries were assisted by two schemes. They were 19 percent and 81 percent respectively. 4 beneficiaries to whom 3 schemes were sanctioned were disbursed by one scheme to one beneficiary and 3 schemes to 3 beneficiaries. They were 25 percent and 75 percent respectively. Thus out of 380 beneficiaries, 314 beneficiaries were assisted by one scheme. They were 83 percent of the total beneficiaries. 63 beneficiaries were assisted by two schemes. They were 16 percent of the total beneficiaries. 3 beneficiaries were assisted by 3 schemes. They were one percent of the total beneficiaries. Thus from the table 8.6 it is observed that total number of schemes sanctioned was 466 whereas the total number of schemes disbursed was 449. This means that as a whole 96 percent of schemes sanctioned were

disbursed.

C. SUBSIDY ADJUSTMENT

As per guidelines of the IRDP, the subsidy should be adjusted with the loan amount at the time of disbursement of the loan. As a result the amount of project cost would be reduced by the amount of subsidy. From the field survey it was observed that in all cases the amount of subsidy was adjusted at the time of disbursement of loans. As a result no discrepancies can be found by the investigator at the time of his Field Survey.

D. POST DISBURSEMENT INSPECTION

From Field Survey it was observed that no post disbursement inspection was made by D.R.D.A. But the bank branches made several inspections to the beneficiaries and they assisted them in several ways to fulfil the purpose of the schemes. They also made the visit for the recovery of the bank loans.

E. EXISTENCE OF THE VENTURE

Out of 380 selected beneficiaries, all the beneficiaries could not maintain their assets in full. Some of the beneficiaries sold their assets for repayment of bank loan or for meeting the personal expenses or for partly personal purpose and

partly for repayment of the bank loan. Some assets were destroyed due to rough use or due to other reasons. Thus from our observations we may classify the beneficiaries into three broad categories. They are : (1) beneficiaries whose assets exist in full, (2) beneficiaries whose assets exist partly and (3) beneficiaries whose assets do not exist at all. Sectorwise classification of the beneficiaries of the different sector may be analysed in the following table. The Table 8.7 shows the existence of assets sectorwise.

TABLE 8.7

SECTORWISE DISTRIBUTION OF BENEFICIARIES ABOUT THE EXISTENCE OF THEIR ASSETS

Sector	Sample Size	Number Of Beneficiaries Whose		
		Assets fully exist	Assets partly exist	Assets do not exist
Primary Sector	128	40 (31)	69 (54)	19 (15)
Secondary Sector	108	92 (85)	3 (3)	13 (12)
Tertiary Sector	98	88 (90)	2 (2)	8 (8)
Composite Sector	46	8 (17)	31 (67)	7 (16)
Total	380	228 (60)	105 (28)	47 (12)

Source : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

From table 8.7 it is observed that, in the primary sector, out of 128 beneficiaries, 40 beneficiaries maintained their assets in full. They were 31 percent of the total beneficiaries in primary sector. 69 beneficiaries partly maintained their assets. They were 54 percent of the total beneficiaries in the primary sector. Remaining 19 beneficiaries could not maintain the assets provided to them. They were 15 percent of the total beneficiaries in the primary sector. In the secondary sector, out of 108 selected beneficiaries, 92 beneficiaries maintained their assets in full. They were 85 percent of the total beneficiaries in the secondary sector. 3 beneficiaries maintained the assets provided to them partly. They were 3 percent of the beneficiaries in the secondary sector. 13 beneficiaries could not maintain the assets provided to them. They were 12 percent of the beneficiaries in the secondary sector. In the tertiary sector out of 98 beneficiaries, 88 beneficiaries maintained their assets intact. They were 90 percent of the total beneficiaries in the tertiary sector. Two beneficiaries could maintain their assets provided to them partly. They were only 2 percent of the total beneficiaries. 8 beneficiaries could not maintain the assets provided to them. They were 8 percent of the total beneficiaries in the tertiary sector. In the composite sector, out of 46 selected beneficiaries, only 8 beneficiaries, maintained their assets intact. They were 17 percent of the beneficiaries under this sector. 31 beneficiaries maintained their assets

partly. They were 67 percent of the total beneficiaries under the composite sector. 7 beneficiaries could not maintain the assets provided to them. They were 16 percent of the total beneficiaries in the composite sector. Taking all the sectors as a whole out of 380 beneficiaries, 228 beneficiaries maintained their assets intact. They were 60 percent of the total beneficiaries. 105 beneficiaries could not maintain their assets in full. They were 28 percent of the total beneficiaries. 47 beneficiaries could not maintain their assets at all. They were 12 percent of the total beneficiaries as a whole. Thus from the above discussion it is clear that the percentage of non-existence of assets in the composite sector was the highest (16%) which was followed by the primary sector (15%). The better position regarding non-existence of assets was in tertiary sector (8%) which was followed by secondary sector (12%). The overall percentage regarding non-existence of assets was 12 percent.

From table 8.7 it is observed that 47 beneficiaries had no assets, though they were provided with some assets. Similarly, 105 beneficiaries had some part of the assets. This means that they have lost some part of the assets provided to them. There are some causes for non-existence or partly existence of the assets. There are many possible causes for the non-existence of the assets. To remove the difficulties the probable causes may be classified into four broad groups. They

are as follows : The assets provided may be sold (i) for repayment of the bank loan, (ii) for meeting the consumption expenditure, such as marriage of daughter, medical expenses for spouses etc., (iii) partly for repayment of bank loan and partly for consumption purpose, (iv) the assets may be perished.

The sectorwise probable causes are analysed in the following table. Table 8.8 shows the distribution of the beneficiaries of different sectors with the probable causes of non-existence of assets.

TABLE 8.8

CLASSIFICATION OF BENEFICIARIES ACCORDING TO THE PROBABLE CAUSES OF NON-EXISTENCE AND PARTLY EXISTENCE OF ASSETS

Sector	Sample Size	Causes of Non-existence of the Assets			
		For re-payment	For consumption	Partly for consumption and partly for repayment	Perished
Primary	88	47 (53)	6 (7)	33 (38)	2 (2)
Secondary	16	2 (13)	8 (50)	6 (37)	0 (-)
Tertiary	10	1 (10)	3 (30)	3 (30)	3 (30)
Composite	38	11 (29)	9 (24)	13 (34)	5 (13)
Total	152	61 (40)	26 (17)	55 (36)	10 (7)

Source : From Field Survey

(Figures in the parenthesis indicate the percentage in total)

From table 8.8 it is observed that, in the primary sector, out of 128 beneficiaries, 88 beneficiaries sold/perished their assets. Out of 88 beneficiaries in the primary sector, 86 beneficiaries sold their assets and 2 beneficiaries perished their assets. This means that 2 percent of the beneficiaries perished their assets and 98 percent of the beneficiaries sold their assets provided to them. Out of 86 beneficiaries, who sold their assets, 47 beneficiaries sold the assets for repayment of the bank loan and 6 beneficiaries sold their assets for consumption purpose. The remaining 33 beneficiaries sold their assets both for consumption and for repayment of loan. In the secondary sector, out of 108 beneficiaries, 16 beneficiaries sold/perished their assets. Out of these 16 beneficiaries, 2 beneficiaries sold their assets for repayment of bank loan. They were 13 percent of the total. 8 beneficiaries sold their assets for consumption purpose. They were 50 percent of the total. 6 beneficiaries sold their assets partly for repayment of bank loan and partly for consumption purpose. They were 37 percent of the total. In the tertiary sector, out of 98 beneficiaries, 10 beneficiaries sold/perished their assets provided to them. Out of these 10 beneficiaries, 3 beneficiaries perished their assets. They were 30 percent of the total. One beneficiary sold his assets for repayment of the bank loan. It was 10 percent of the total. 3 beneficiaries sold their assets for consumption purpose. They were 30 percent of the total. 3 beneficiaries sold

their assets partly for repayment of the bank loan and partly for consumption purpose. They were 30 percent of the total. In the composite sector, out of 46 beneficiaries, 38 beneficiaries sold/perished their assets. Out of 38 beneficiaries, 5 beneficiaries perished their assets. They were 13 percent of the total. 11 beneficiaries sold their assets for repayment of the bank loan. They were 29 percent of the total. 9 beneficiaries sold their assets for consumption purpose. They were 24 percent of the total. 13 beneficiaries sold their assets partly for repayment of bank loan and partly for consumption purpose. They were 34 percent of the total. Taking all the sectors as a whole, out of 380 beneficiaries, 152 beneficiaries sold/perished their assets. Out of these 152 beneficiaries, 10 beneficiaries perished their assets. They were 7 percent of the total. 61 beneficiaries sold their assets for repayment of the bank loan. They were 40 percent of the total. 26 beneficiaries sold their assets for consumption purpose. They were 17 percent of the total. 55 beneficiaries sold their assets partly for repayment of the bank loan and partly for consumption purpose. They were 36 percent of the total.

Thus from the above discussion it is clear that, the number of beneficiaries whose assets perished in primary sector, secondary sector, tertiary sector, and composite sector were 2, 0, 3 and 5 respectively. They were 1.5 percent, (2 out of 128) 0 percent, (0 out of 108), 3 percent (3 out of 98) and

10.8 percent (5 out of 46) respectively. Taking all the sectors as a whole it was 2.6 percent (10 out of 380). The number of beneficiaries who sold their assets for the repayment of bank loan in primary sector, secondary sector, tertiary sector and in composite sector were 47, 2, 1, and 11 respectively. They were 37 percent, 1.8 percent, 1 percent and 34 percent respectively. The number of beneficiaries who sold their assets for consumption purpose were 6, 8, 3, and 9 in primary sector, secondary sector, tertiary sector and in composite sector respectively. They were 5 percent, 7 percent, 3 percent and 20 percent respectively. The number of beneficiaries who sold their assets partly for consumption purpose and partly for repayment of bank loan were 33, 6, 3, and 13 in primary sector, secondary sector, tertiary sector and in composite sector respectively. They were 26 percent (i.e. 33 out of 128), 6 percent (6 out of 108), 3 percent (3 out of 98) and 28 percent (i.e. 13 out of 46) respectively. Taking all the sectors as a whole it was found that out of 380 beneficiaries 61 beneficiaries sold their assets for the repayment of bank loan. They were 16 percent of the total beneficiaries. 26 beneficiaries sold their assets for consumption purpose. They were 7 percent of the total beneficiaries. 55 beneficiaries sold their assets partly for consumption and partly for repayment of bank loan. They were 14 percent of the total beneficiaries. The assets provided to 10 beneficiaries perished. They were 3 percent of the total. Thus out of

380 beneficiaries, 152 beneficiaries sold/perished their assets so provided which was 40 percent of the total.

Thus from the above discussion it was clear that the percentage of beneficiaries selling assets for repayment of bank loan was the highest in the primary sector (37%) which was followed by the composite sector (34%). It was the lowest in the tertiary sector (1%) which was followed by the secondary sector (1.8%). It indicates that in the primary sector and in the composite sector, some assets provided as assistance were resellable like, calf, dairy, bullock etc. But in the remaining two other sectors it was not possible. The percentage of beneficiaries who sold their assets for consumption purpose was the highest in the composite sector (20%) which was followed by secondary sector (7%). It was the lowest in the tertiary sector (3%) which was followed by primary sector (5%). The percentage of the beneficiaries who sold their assets partly for consumption and partly for repayment of bank loan, was the highest in the composite sector (28%) which was followed by the primary sector (26%). It was the lowest in the tertiary sector (3%) which was followed by the secondary sector (6%). The percentage of the beneficiaries whose assets perished was the highest in the composite sector (10.8%) followed by the tertiary sector (3%). It was the lowest in the secondary sector (Nil) followed by primary sector (1.5%).

F. ANY FURTHER LOAN SANCTIONED AS SECOND DOSE

From field survey it was observed that out of 380 beneficiaries, 11 beneficiaries were assisted for the second time. This means that, the 11 beneficiaries were assisted with 2nd dose of IRDP loan. They were 3 percent of the total beneficiaries. Out of these 11 beneficiaries, 4 beneficiaries belonged to the primary sector. They were 3 percent of the beneficiaries under the primary sector. In the secondary sector, 6 beneficiaries were reassisted with 2nd dose loan. They were 6 percent of the beneficiaries under the secondary sector. In the tertiary sector, the number was one out of 98 beneficiaries. This means that only 1 percent of the beneficiaries in the tertiary sector were reassisted as 2nd dose of IRDP loans. None was represented in the composite sector. Because of the fact, maximum amount of subsidy and similar portion bank loan is disbursed in composite sector advance.

G. BENEFICIARIES' OPINION REGARDING REQUIREMENTS OF BANK LOAN FOR EXPANSION OF THE EXISTING PROJECT OR FOR OTHER PROJECTS WHICH THEY NO LONGER POSSESS OR FOR BOTH PURPOSES

The requirement for bank loan for the expansion of the existing venture or for acquiring the assets which they no longer possess or for both purposes may be analysed. From this analysis it may be clear that how many beneficiaries willing to get further loan and how many are not. For this purpose we may classify the beneficiaries into four groups. They are (1)

beneficiaries not requiring further loan, (2) beneficiaries wanting loan for expansion of their venture, (3) beneficiaries wanting loan for possessing the assets which he no longer possessed or it may be stated that want to diversify their venture and (4) they want loans for both purpose. To analyse these the following table will be helpful. Table 8.9 shows the distribution of the beneficiaries according to demand of loan for their ventures .

TABLE 8.9

DISTRIBUTION OF BENEFICIARIES ACCORDING TO 'THE DEMAND OF THEIR BANK LOAN' IN DIFFERENT SECTORS

Sector	Sample Size	DEMAND FOR LOAN FOR			
		Expansion of venture	Diversification of venture	For both purpose	No Demand
Primary	128	3 (2)	105 (82)	18 (14)	2 (2)
Secondary	108	30 (28)	65 (60)	11 (10)	2 (2)
Tertiary	98	11 (11)	34 (35)	51 (52)	2 (2)
Composite	46	7 (15)	25 (54)	6 (13)	8 (18)
Total	380	51 (13)	229 (60)	86 (23)	14 (4)

Source : From Field Survey

(Figures in the parenthesis indicate percentage in total)

From Table 8.9 it is observed that, in the primary sector, out of 128 beneficiaries, 3 beneficiaries opted to expand their

existing ventures. They were 2 percent of the total beneficiaries. 105 beneficiaries opted to diversify to other ventures besides their original venture. They were 82 percent of the total. 18 beneficiaries opted to continue the both. They were 14 percent of the total. 2 beneficiaries opted that they no longer require any loan. They were 2 percent of the total. They wanted to avoid the hazard of loan. Similarly large percentage of beneficiaries want to diversify their venture from original venture.

In the secondary sector, out of 108 beneficiaries, 30 beneficiaries opted to expand their original venture. They were 28 percent of the total. 65 beneficiaries wanted to diversify to new ventures from their old ones. They were 60 percent of the total. 11 beneficiaries opted for further loan for both purpose. They were 10 percent of the total beneficiaries. 2 beneficiaries opted for no requirement of loans. They were 2 percent of the total. Thus it was observed that in the secondary sector most of the beneficiaries opted to change their original venture.

In the tertiary sector, out of 98 beneficiaries, 11 beneficiaries opted to expand their existing ventures by obtaining the bank loan. They were 11 percent of the total beneficiaries. 34 beneficiaries opted to diversify to other ventures from their original venture. They were 35 percent of the total. 51 beneficiaries required further bank loan for both

purposes. They were 52 percent of the total and the remaining 2 beneficiaries opted for no requirement of Bank loan. They were 2 percent of the total.

In the composite sector, out of 46 beneficiaries, 7 beneficiaries opted to expand their original ventures by bank loan. They were 15 percent of the total. 25 beneficiaries opted to diversify to other ventures from their original ventures. They were 54 percent of the total. 6 beneficiaries opted for loans for both the purposes. They were 13 percent of the total and the remaining eight beneficiaries opted for no requirement of loan for further. They were 18 percent of the total.

Taking all the sectors as a whole, out of 380 beneficiaries, 51 beneficiaries opted to expand their original venture by obtaining bank loan. They were 13 percent of the total beneficiaries. 229 beneficiaries opted to diversify their original venture to other venture by obtaining bank loan. They were 60 percent of the total beneficiaries. 86 beneficiaries opted for bank loans for both the purposes. They were 23 percent of the total beneficiaries and the remaining 14 beneficiaries opted for no requirement of bank loans. They were 4 percent of the total beneficiaries.

Thus from the above discussion it is clear that except the tertiary sector, in other sectors major percentage of beneficiaries opted to diversify their original ventures to other

ventures and the lowest percentage of beneficiaries in all the three sectors, other than composite sector opted to take further loan for their financial upliftment.
