# ORGANISATION AND WORKING OF DISTRICT RURAL DEVELOPMENT AGENCY: A CASE STUDY

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#### **ABSTRACT**

Rural development is advocated as a basic strategy for economic development in India. Many rural development programmes have been launched both by the Central and State governments which aimed at improving the condition of the poor people. The governments' policies and programmes have laid emphasis not only on poverty alleviation, but also on generation of employment and income opportunities, provision of infrastructure and basic facilities to meet the needs of the rural poor. To administer the Rural Development Programmes effectively a new administrative set-up, namely, District Rural Development Agency (DRDA), was set up by merging the SFDA and MFAL in 1980. An effort has been made in this article to understand the process of functioning of a DRDA in the implementation of rural development programmes.

Mahatma Gandhi said: "India lives in its villages. If the village perishes, India will perish too". This truism about the social, economic and political development of rural areas is valid even today. There are cascading effects of poverty, unemployment, poor and inadequate infrastructure in rural areas and consequential social and economic tensions being manifested in economic deprivation and poverty. The imbalances in the society hamper development. Hence rural development which is concerned with economic growth and social justice, improvement in the living standards of the rural people by providing adequate and quality social services and minimum basic needs, becomes essential. Along with the traditional needs seen in rural areas, a host of new challenges have emerged in response to our globally-connected society. Rural development therefore, occupies a prominent position in the hierarchy of tasks before Indian planners.

Rural development has been the main agenda of the Five Year Plans of the country. During the period of 65 years of Independence several changes have taken place in the policy framework of rural development. Many rural development programmes have been launched both by the Central and State governments. The governments' policies and programmes have laid emphasis not only on poverty alleviation, but also on generation of employment and income opportunities, provision of infrastructure and basic facilities to meet the needs of the rural poor. The thrust of attention is on all the rural people particularly towards rural poor, not only in terms of providing incentives for development but also linking of economic activities into a well planned infrastructure.

Development planners began to search the causes of unsatisfactory result of past development strategies and formulated new strategies that enhance local organised efforts.

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To fulfill the goals formulated by the Central and State governments, various organisations have been established at the local level. Owens and Show rightly pointed out that much of the responsibility for planning and implementation could be delegated to regional or local institutions. It was realised by the government that unless people participate in the developmental programmes, the Central and State governments cannot succeed in their attempt to develop the rural areas. To administer the Rural Development Programmes effectively a new administrative set-up namely District Rural Development Agency (DRDA) was set up by merging the SFDA and MFAL in 1980. The District Rural Development Agency is visualised as a specialised and a professional agency capable of managing the anti-poverty programmes of the Ministry of Rural Development on the one hand and to effectively relate these to the overall effort of poverty eradication in the district. They are expected to coordinate with the line departments, the panchayati raj institutions, banks and other financial institutions, in poverty reduction efforts in district. An effort has been made in this paper to understand the process of functioning of DRDA in Visakhapatnam district of Andhra Pradesh in implementation of rural development schemes and programmes. Information on the DRDA was collected from various documents and reports of DRDA of Visakhapatnam. Information gaps were filled with the informal discussion with the DRDA officials. The working of DRDA was assessed with the help perceptions of sample beneficiaries and the opinion of DRDA officials. The study was conducted in the year 2010.

In India, there is a DRDA in each district. The DRDAs were, however, abolished and merged with zilla parishad in Karnataka in 1987 and in Kerala, Madhya Pradesh, Chhattisgarh, West Bengal and Rajasthan after the 73<sup>rd</sup> Constitutional Amendment Act came into force. In respect of such States where DRDA does not have a separate identity, a separate cell is created

in zilla parishad. In remaing States and Union Territories the DRDAs continue to be separate with the only linkage established with the zilla parishads. The President of zilla parishad is the Chairperson of the DRDA in Bihar, Chhattisgarh, Himachal Pradesh, Madhya Pradesh, Odisha, Pubjab, Tripura, Uttar Pradesh, Uttarakhand, and Lakshadweep. In Gujarat, the District Development Officer who is also the Chief Executive Officer of the zilla panchayat, continues to chair the DRDA. In nine States and UTs either the Collector continues to act as the chairman to the DRDA or some other arrangement has been made in this regard. These are Assam, Goa, Haryana, Jharkhand, Manipur, Tamil Nadu, Dadra and Nagar Haveli, Daman and Diu, and Puducherry. Andhra Pradesh has made the chairman of Zilla Parishad the chairman of the DRDA while designating the District Collector as the Executive Chairperson. Similarly, in Maharashtra, while the zilla panchayat president is made the chairman of the DRDA, the Chief Executive Officer of the zilla panchayat is designated as the Executive Chairman of the Management Committee of DRDA.

The DRDA of Visakhapatnam came into existence in 1980 and was registered under the Societies Act of Andhra Pradesh. It is a body corporate and its administration of the DRDA is carried out by a Governing Body and Executive Committee.

### Organisational Set-up of DRDA, Visakhapatnam

**Governing Body of DRDA:** The Governing Body of the DRDA provides policy directions, approves the annual plan and also reviews and monitors the implementation of the plan and different programmes. It gives such directions to the DRDA as may be necessary from time to time. The Governing Body meets once in a quarter. The Zilla Parishad Chairman is the Chairman and the District Collector is the Executive Chairman of the Governing Body. The Project Director acts as the Member-Secretary of the Governing Body.

Broadly, the membership of Governing Body of Visakhapatnam DRDA includes all Members of Legislative Assembly and Member of Parliament of the district, some Mandal Parishad Presidents, the heads of financial institutions in the district, district level officers of the Government and development organisations and representatives of non-government organisations and beneficiaries.

**Executive Committee of DRDA:** An Executive Committee is formed to assist the Agency. All executive and financial powers of the DRDA are exercised by the Executive Committee as per a scheme of delegation of financial and executive powers determined by the State Government and this Committee is accountable in all maters to the Governing Body as well as to the Government.

#### Wings in the DRDA

The Visakhapatnam DRDA has the following wings:

(a) Self-employment Wing: Self-Employment Wing is headed by a Project Officer. The Assistant Project Officers in the fields of planning, social mobilisation, credit and technology, assist the Project Officer. The Assistant Project Officer (Planning) looks after the activity clusters, district and block, village group plan, guiding the Block Development Officers and others in plan preparation, and planning for infrastructure including marketing infrastructure. He coordinates with the district officers, banks as well as other institutions in the district. The APO (Social Mobilisation) looks after group formation, capacity building, monitoring of groups, choice of activities for groups, release of revolving funds and coordination. The APO (Credit), who is from the commercial banking sector, coordinates with the banks in all matters relating to credit, including the interface between the bankers and the beneficiary groups, loan disbursements as well as loan recovery. The APO (Technology) looks after issues concerning technology upgradation as well as transfer of technology. The DRDAs take up projects under the Selfemployment Programme. For successful implementation of such projects, the DRDA can take an outside expert on a consultancy basis. Such experts to be engaged on project-specific basis will function under the overall control and supervision of the Project Officer (Selfemployment Wing).

b) Women's Wing: In order to ensure that women receive adequate attention in all the anti-poverty programmes, a Women's Cell is set up in the DRDA. This Cell establishes necessary synergy with departments such as Women and Child Development, Education and Health to ensure that women not only receive their due share in the anti-poverty programmes but are also able to receive benefits of other programmes. The Women's Wing is headed by an Assistant Project Officer, who will function under the overall coordination of the Project Officer (Self-employment Wing).

c) Wage Employment Wing: The central concern of the DRDA in the wage-employment programmes is related to planning, monitoring and vigilance by a technical wing. The DRDA does not concern itself with the actual implementation of wage employment programmes. The execution of works is done by the line departments and the engineers or the panchayati raj institutions. The wage employment wing is headed by a Project Officer assisted by a small complement of staff.

d) Accounts Wing: The DRDA has commercial accounting system. It has to publish an annual report along with the balance sheet. The Accounts Wing is headed by a Senior Accounts Officer, either on deputation or by engaging the services of a chartered accountant. He is supported by the Accounts Officer of self-employment programmes and wage employment programmes. Wherever the watershed programmes are under implementation, an additional post of Accounts Officer is sanctioned. For Indira Awaas Yojana,

one more Accounts Officer at the district level is available to monitor the progress of the programme and the accounts. One of the Accounts Officers performs the role of internal auditor

e) Monitoring and Evaluation Wing: There is a separate Monitoring and Evaluation Wing headed by a Project Economist and functioning directly under the supervision of the Project Director. It monitors the progress of all the programmes in the district. It carries out evaluation and impact studies regularly through independent institutions and experts including NGOs. The cost of such studies is met from the respective programme funds. This wing also monitors issues relating to poverty in the district.

#### **Functions of DRDA**

The DRDA has been made the overall incharge of planning, implementation, monitoring and evaluation of the rural development programmes in the district.

Thus, the role of the DRDA is in terms of planning for effective implementation of anti-poverty programmes; coordinating with other agencies-governmental and non-governmental, and technical and financial-for successful programmes implementation; enabling the community and the rural poor to participate in the decision-making; reporting to the prescribed authorities on the implementation; and promoting transparency in decision-making and implementation.

#### **Working of DRDA**

Perceptions on the implementation of any scheme, policy or programme will help correct, modify, and change the objectives, and strategies adopted for implementation. In achieving better results in the implementation of such programmes, the perceptions of targeted beneficiaries play a significant role. The people who got benefits through the programme will be able to assess the impact of such programmes. Assessment of impact of a programme will help

the policymakers, government, implementing agencies and academicians understand the merits and demerits of the programmes, outcome of the programmes and to assess its continuance with modification or change in strategy or withdraw such programme. Keeping all these in view, an attempt was made to ascertain the perceptions of beneficiaries about the implementation of various rural development programmes in their respective areas of the district and the working of the District Rural Development Agency. Their opinion on issues like the identification of beneficiaries, sanctioning of loans, and extension of training, increase of awareness, and the strategy adopted in the implementation of rural development programmes were ascertained. To get the opinion of beneficiaries, a structured interview schedule was administered to 300 beneficiaries in Visakhapatnam district. All the respondents were members of Self-Help Groups. They belong to all caste groups, i.e. scheduled castes, scheduled tribes, backward classes and other castes. The socio-economic and political background which will influence the opinion on various aspects of DRDA has also been examined.

## Socio-economic Background of the Beneficiaries

About 90 per cent of respondents were Hindus. The remaining 10 per cent of the respondents were Christians. There were no respondents from the other religious groups like Muslims, Sikhs, as persons from these religious groups were not living in the study area.

**Age:** The age distribution in economics is very important as it shows the usefulness of population and the supply of labour required in different sectors of the economy.

About one-third (32.67 per cent) of the total respondents belonged to 21-30 age group and almost another one-third (31.33 per cent) of the respondents belonged to 31-40 age group. One-fifth of the respondents were in the

Table 1 : Age-wise Composition of the Beneficiaries				
	S. No.	Age Group	Number	Percentage
	1	21 – 30	98	32.67
	2	31 – 40	94	31.33
	3	41 – 50	61	20.33
	4	51 - 60	47	15.67
		Total	300	100.00

age-group of 41-50 years. The remaining respondents constituted 15.67 per cent were in the age-group of 51-60 years. It is clear from the data that the higher proportion of the beneficiaries (respondents) in the middle age groups are getting the benefits from the DRDA. The higher age groups beneficiaries, i.e., 41-50 and 51-60 age groups had lesser chances in getting benefits from DRDA. The Indian planners consider age as one of the conditions for getting the benefit from a particular programme. Programmes like pension schemes are intended for the persons of 60 years and above.

Caste: In Indian society, caste plays a major role in any activity undertaken in the society. It is not an easy task to understand the relative ranking of castes in rural setting. However, the status of the scheduled castes and scheduled tribes as being the lowest in the local caste hierarchy is generally accepted. Similarly, the status of the so-called 'twice-born' castes as being the highest in the local caste hierarchy is also generally accepted. It is only in the case of intermediate castes that claim relatively higher caste ranks are often heard. Indian planners consider the caste while preparing plans to improve the conditions of different castes in the society. The scheduled caste and scheduled tribe people constituted 7.60 and 14.45 per cent respectively, in the district. An attempt was made to cover all castes while identifying the respondents. The following Table explains the caste-wise distribution of respondents.

Out of 300 respondents, about half (49.67 per cent) of respondents were from backward classes, one-third (34.0 per cent) of respondents belonged to scheduled caste and 10 per cent of respondents were from other communities. Nineteen respondents belonged to scheduled tribes. The area from where respondents selected for the study was a plain and non-tribal area. Hence, the percentage of scheduled tribes was small.

**Occupation:** The occupation of the respondents indicates the status of a person in the society. Agriculture is the main occupation of the villagers who have land, and for those who have no land agriculture is also their main occupation. The other occupations of villagers include agricultural labour, caste occupation and petty business.

More than half of the sample beneficiaries were agricultural labourers. Seventy had reported that they did not have any occupation. They were housewives attending to domestic work. Out of 300 respondents, 42 (14 per cent) respondents were cultivators. The occupation of 20 (6.67 per cent) respondents was business. They were running petty business like kirana shop, clothes business, saree selling, pan shop, vegetable selling, fruit selling, etc. The number of respondents from artisan castes was 15 (5 per cent). They reported that they were happy with their caste profession. They were working as carpenters or weavers.

**Annual Income:** Annual income is an important factor in getting benefit from any organisation. Low income people were seeking benefit from

the government for the purpose of getting loans to overcome their economic burden. It is widely felt that normally respondents hide their actual income figures and instead disclose fake figures. There is common thinking they will not provide

actual figures to anybody including researchers. The figures for income given by the respondents were tabulated and classified into five groups. The number of respondents under each group is given in the following Table.

**Table 2: Annual Income of the Beneficiaries** 

S. No.	Annual Income(₹)	Number	Percentage
1	5,001 - 10,000	186	62.00
2	10, 001 – 15, 000	66	22.00
3	15, 001 – 20, 000	20	6.67
4	20, 001 – 25, 000	15	5.00
5	25, 001 – 30, 000	13	4.33
	Total	300	100.00

The data indicate that the majority of respondents were very poor, because their annual income was very less i.e., below ₹10,001.

**Beneficiaries' Perceptions:** The opinion of respondents were sought on implementation of rural development programmes and the working of DRDA. The suggestions of respondent beneficiaries for the effective working of DRDA are also presented in this part. The responses of the beneficiaries on the attitude of DRDA officials, distance of headquarters of DRDA from the residence of beneficiaries, supervision over DRDA programmes and overall working of DRDA are given below.

More than two-thirds of total respondents (204) were satisfied with the attitude of the DRDA officials while the remaining 96 (32 per cent) were not satisfied. The researchers observed that some DRDA officials had encouraged the beneficiaries to participate in the programmes implemented by the DRDA. When the respondents were requested to give their opinion on the transfer of DRDA officials and consequent problems

faced by them they said that there was no problem.

The respondents were evenly divided on the necessity of supervision by DRDA officials in the implementation of the rural development programmes in the district. While 145 respondents expressed their opinion that supervision of DRDA officials was not necessary, 155 respondents felt that DRDA officials' supervision was necessary for monitoring programmes in the district.

DRDA is a district level organisation. It is monitoring programmes from the district headquarters. The respondents were asked whether they faced difficulties as the DRDA is far away from their respective places. Out of 300 respondents three-fourths (74.67 per cent) of them expressed their view that the DRDA was far away from their areas. The remaining 76 respondents (25.33 per cent) expressed the opinion that there was no problem for them even though the DRDA was far away from their areas. It was observed that many respondents faced the problem of making many trips to district

headquarters for getting sanction and release of loans. As most of the respondents felt that DRDA was far away from their areas, respondents were asked about setting up of DRDA branch offices in their village or mandal. All the respondents except two wanted that a branch office of DRDA should be set up at the mandal headquarters.

The respondents who expressed satisfaction on the performance of DRDA in undertaking rural development programmes constituted 66 per cent of the sample out of which half of the respondents were satisfied to a greater extent. The remaining 102 (34 per cent) respondents reported that they were not satisfied with the performance of DRDA in the implementation of rural development programmes in the district.

Nearly one-third (31.33 per cent) of the respondents suggested that the methods for selecting beneficiaries should be made easy. More than one-fifth (21 per cent) of the respondents suggested that there should not be any delay in selection of beneficiaries. Fifty six respondents expressed the view that the skilled officials should be appointed for the efficient working of DRDA. Fifty four (18 per cent) respondents suggested that adequate or required number of officials should be appointed for the successful implementation of rural development programmes by DRDA. The respondents who suggest transparency in the selection of beneficiaries which would lead to the efficient working of DRDA constitute 11 per cent of the total sample respondents.

#### **Observation and Conclusions**

The DRDAs are to function as professional bodies to be in overall charge of planning, monitoring and evaluation of the rural programmes. The DRDAs are also to coordinate their efforts with different agencies particularly the panchayati raj institutions in the district. The Visakhapatnam DRDA had successfully undertaken the various rural development programmes in the district. Two-thirds of the

respondent beneficiaries expressed satisfaction on the functioning of DRDA. There are, however, some institutional weaknesses and functional shortcomings in the working of Visakhapatnam DRDA.

Generally, the DRDAs in India are equipped with a planning team consisting of an economist, a credit planning officer and a rural industries officer to undertake preparation of the plan, project formulation and implementation in respect of different sectors. The officers for various fields like agriculture, animal husbandry, women welfare, etc., may also be appointed or deputed to DRDAs. There was, however, no such planning team or field-wise officers in the Visakhapatnam DRDA.

The DRDA is expected to coordinate with the line departments, the panchavati rai institutions, banks and other financial institutions, in poverty reduction effort in the district. It shall be its endeavour and objective to secure intersectoral and inter-departmental coordination and cooperation for reducing poverty in the district. Its ability to coordinate and bring about a convergence of approach among different agencies for poverty alleviation would definitely improve the situation in the implementation of various rural development programmes in the district. At the same time and in order to coordinate with various agencies in the district, a district level coordination committee may be formed.

The composition of Governing Body and Executive Committee of DRDA do not give importance to the people's representatives, elected to PRIs and cooperatives. The DRDA shall consist of those members who can invite popular participation. The initiative must rest with the people's representatives and other elites who are known for their service to the people. The association of chairman, zilla parishad with the DRDA as vice-chairman does not contribute much as there was a feeling that other political chief executives of panchayati raj and

cooperatives were not associated with it. Unless the political functionaries of panchayati raj and cooperatives are involved in all these programmes at the highest decision-making as well as implementing levels, the desired results may not be achieved. The president of panchayat samithi was kept aloof whereas the BDO, who discharges his functions under his administrative control, is entrusted with the responsibility of identification of beneficiaries and also processing their applications to DRDA for sanction of loans. This was a very strange organisational arrangement and does not contribute to sound organisational functioning. The Governing Body shall consist of chairman, zilla parishad, chairman, DCCB, presidents of mandal parishads in the district, and representatives of the Central and State governments. The chairman of the zilla parishad shall be the chairman of DRDA. The executive committee shall consist of chairman, zilla parishad, two mandal presidents and two beneficiaries nominated by the chairman. The chairman, zilla parishad shall head the executive committee. The executive committee may meet as often as possible. It has to exercise control over the project director.

The major operational problems faced by the DRDA in the implementation of various rural development programmes in the district were lack of adequate staff and lack of training to the existing staff. A look at the staff strength of the Visakhapatnam DRDA, reveals that there was limited staff particularly the executive staff. Some of the posts were vacant. Inadequate staff had resulted in delay in implementation and lack of monitoring and follow-up. It must, therefore, be ensured that adequate provision was made for requisite staff needed for proper implementation of the programmes.

The practice of deputing personnel from other departments to DRDA was another reason of operational inefficiency. Most of the executive staff of DRDA were drawn on deputation from other departments. It was generally felt that the continuity in the administration and execution

of programmes was severely affected by the deputation system. Moreover, the staff on deputation may not have commitment and responsibility, since serous involvement was not possible for them due to fixed period of deputation. It looks like a trivial problem, but in fact, it has serious repercussions in the long run. Secondly, there were no specific guidelines for the executive staff in the implementation of the programmes. The mode of approach was left to their individual judgements which normally vary from individual to individual. In the absence of well-demarcated guidelines, varied approaches yield varied experiences. As a result, uniform action process finds no place in the execution of schemes and projects. This again adversely reflects on the results or achievements.

The executive staff are deputed for a limited period. They do not have knowledge of rural development programmes and the role of DRDA. They follow methods that are different from the DRDA. The task of implementing a development programme is difficult and time consuming and requires dedication, hard work, patience, tact and foresightedness. It needs a specialised cadre of men and women dedicated to development work. To solve the problem of deputation and to give a thrust to developmental activities, there should be a separate state cadre for the Rural Development Service and recruited to the DRDA and other rural development agencies.

The weaknesses and shortcomings in the functioning of DRDAs will be minimised if the above suggestions are implemented. The recommendations of Committees and guidelines issued by the Ministry of Rural Areas and Employment to improve the working of the DRDA were not implemented by many States including Andhra Pradesh. Hence, the DRDAs may be merged with panchayati raj institutions as was done in some States.

As noted by the committee on restructuring of DRDA (2012), the Constitution

envisages harmonisation not only of laws but also of institutional mechanisms with the Panchayati Raj system. The committee oberved that the principle of concomitance cannot be limited to just laws but it extents to institutional arragements as well. Viewed in this sense such institutions have to be harmonised with the PRI

set-up or else they become ultravires of the Constitution, Hence it is necessary that DRDAs are suitably restructured by changing their institutional structure and character and converting them into a high quality professional group, preferably placed in the District Panchayats.

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