

RESEARCH PAPER

Role of district poverty initiatives project (DPIP) for the enhancement of livelihood of the villagers of Chhatarpur district of M.P.

■ D.P. RAI, SANTOSH KUMAR SINGH AND SACHINDRA KUMAR PANDEY

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ABSTRACT

Study was conducted in Bhopal district of M.P. in 2011. Unemployment and poverty in general is the non-availability of a remunerative work to people who are otherwise worthy of doing such work with requisite efficiency. Government has formulated innumerable schemes and projects, which are in an operation to check growing poverty as a multi-prolonging strategy. The government of India has been launching several schemes for the unemployed in the rural and urban area of the country. The present study is helpful to administrators, policy makers, researchers and banking/financing institutions for making future strategies and also explores the weakness of the present implementations. An overwhelming majority of the poor are in rural areas and continue to depend on agriculture for want of any other livelihood opportunities outside the sector. About 52 per cent of the country's workforce and over 60 per cent of the population depends on agriculture which now accounts for just 17 per cent of the country's GDP, thus, perpetuating rural poverty and widening the rural-urban divide. Economic motivation is the degree to which an individual intends to earn to the maximum extent. Economic motivation has been conceptualized as one's orientation towards profit maximization in farming.

KEY WORDS : Role of DPIP, Constraints, Suggestions

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MEMBERS OF THE RESEARCH FORUM

Correspondence to:

SANTOSH KUMAR SINGH, Department of Marketing, Faculty of Rural Development and Business Management, Mahatma Gandhi Chitrakoot Gramodaya Vishwavidyalaya, Chitrakoot, SATNA (M.P.) INDIA
Email: santoshseco@gmail.com

Authors' affiliations:

D.P. RAI, Department of Technology Transfer, Faculty of Agriculture, Mahatma Gandhi Chitrakoot Gramodaya Vishwavidyalaya, Chitrakoot, SATNA (M.P.) INDIA

SACHINDRA KUMAR PANDEY, Krishi Vigyan Kendra, RATLAM (M.P.) INDIA

Rural Development and Poverty Alleviation have been on the national policy agenda for more than 50 years. The importance of reduction in poverty and provision of other basic needs has been emphasized in all the five-year plans since independence particularly since the fifth five year plan. Despite efforts made over the past few decades, rural poverty in India continues to cause concern. The antipoverty programmes have been strengthened in successive years and poverty levels have come down from 56.44 per cent of India's population in

1973-74 to 29.38 per cent in 2004-05. However, the number of rural poor has more or less remained static, which has remained around 209 million people. The adverse effects of such a heavy incidence of poverty on the country's development are obvious. In this context, the self-employment programmes assume significance for they alone can provide income to the rural poor on a sustainable basis. Earlier the multiplicity of programmes (IRDP, TRYSEM, DWCRA, SITRA, GKY, SGSY) being viewed as separate programmes in themselves, resulted in a lack of proper social intermediation and absence of desired linkages. The district poverty initiatives project (DPIP) is an ambitious project of the Government of Madhya Pradesh for the alleviation of poverty in the state. The State Government is committed to reforms in governance and improved access to social services for the poor and the vulnerable. The project, on its part, has been complementing this objective by promoting decentralization and a more effective demand based approach to poverty alleviation. The project is based on the needs and demands of the community. The project, funded by the World Bank. The first phase of the project was initiated in 2001 and lasted till June 2008. The DPIP-I was implemented in 2817 villages across 53 development blocks spread over 14 districts of the state viz., Chhatarpur, Damoh, Sagar, Panna, Raisen, Vidisha, Guna, Tikamgarh, Sidhi, Narsinghpur, Rajgarh, Rewa, Shajapur and Shivpuri. The target population in the villages was motivated to form groups known as Common Interest Group or shortly (CIG). The project organized families into over 56,000 Common Interest Groups (CIGs), providing them with financial and technical assistance so as to improve livelihood including their organizational capacity and maximizing the utility of their productive assets. The total outgo of the DPIP-I is Rs. 496.46 Cr. Total cost of the subprojects is Rs. 409.93 Cr. out of which, Rs. 386.70 Cr. was given by the project, rest amount has come as community contribution. A total of 3.26 lakhs beneficiaries have been organized in 56,089 CIGs and have accessed project fund by contributing Rs. 24.68 Cr. towards the sub-project cost and Rs. 33.28 Cr. towards Apna Kosh (Village fund). The success of First MP-DPIP has initiated for next phase of the project. In the second phase, project is adopting an extension approach and implementing its activities in 4894 villages of 53 blocks of same 14 districts (including those supported in first phase). The financial

outlay of the project is US \$ 110 million with state government share of US \$ 10 million. The proposed project is expected to be implemented over a period of 5 (five) years. The effective date for starting the project is 13th October 2009. The project is establishing new milestones in the poverty elevation field and subjected to explore the role in changing the poor people's life. Thus, the present study was conducted to find the role in removing poverty with following specific objectives:

- To study the socio-economic and psychological characteristics of the beneficiaries and non-beneficiaries respondents.
- To assess the level of income generation and change in life style among beneficiaries and non-beneficiaries.
- To know the constraints faced by beneficiaries in obtaining benefits of the programme and suggest the strategies for better functioning of DPIP.

METHODOLOGY

The district is divided in to six tehsil (Gourihar, Lavkushnagar, Nowgaon, Chhatarpur, Rajnagar and Bijawar) and eight development blocks (Gourihar, Loundi, Nowgarn, Chhatarpur, Rajnagar, Bijawar, Badamalhera and Buxwaha). These are 1080 inhabited villages in the district. Chhatarpur block was purposively selected for the study. Chhatarpur district out of which terms of loan facilities under DPIP programme. The data were collected through a well structured and pre tested interview schedule. The statistical tests and procedures were used for analyzing the data of the investigation, included mean, standard deviation, Karl Pearson's co-efficient of correlation, multiple regression and 't' test for correlation and regression.

ANALYSIS AND DISCUSSION

The data presented in Table 1 disclose that majority of the beneficiaries (58.46%) belonged to nuclear family and rest of the beneficiaries (41.54%) belonged to joint family. Further the data in table shows that majority (50.77) of the non-beneficiaries were living in joint family system whereas rest of the non-beneficiaries (49.23%) had nuclear family. The category wise mean score for nuclear families was 0.74 while it was 0.77 for joint families. The overall mean score was 1.51. The finding was similar to the findings reported by Badodiya *et al.* (2008).

The data presented in Table 2 reveals that most of the beneficiaries (49.23%) belonged to middle age group, followed by young age *i.e.* 29.23 per cent and the beneficiaries belonging to old age group were 21.54 per cent. The mean score for young age group was 0.56, 0.95 for middle age group and 0.41 for old age group. The overall mean score for age of beneficiary farmers was found to be 1.92. In case of non-beneficiaries, higher percentage of respondents (47.69%) was in middle age group followed by young age group (32.31%) and old age group (20.00%). The mean score for young age group was 0.61, 0.90 for middle age group and 0.37 for old age group. The overall mean score for age of non-beneficiaries was found to be 1.88. Thus, it may be stated that most of the both beneficiaries as well as non-beneficiaries were in middle age group. The finding was similar to the findings reported by Deepak *et al.* (2007).

The data in Table 3 shows that maximum numbers (27.70%) of beneficiary farmers were found to possess middle school level of education. The Table 3 also shows that 09.23 per cent respondents were illiterates, 18.46 per cent respondents were functionally literate, 21.54 per cent respondents had primary school education, 15.38

per cent respondents had high school and only 07.69 per cent had higher secondary and above education. The category wise mean score was found to be 0.23 for illiterate, 0.45 for functionally literate, 0.53 for primary school, 0.68 for middle school, 0.37 for high school and 0.19 for higher secondary and above level. The overall mean score was found to be 2.45. Maximum numbers (33.85%) with respect to non-beneficiaries were functionally literates. The Table 3 also shows that 12.31 per cent non-beneficiaries were illiterates, 26.15 per cent non-beneficiaries had education upto primary level, 16.92 per cent non-beneficiaries had middle school education, 07.69 per cent non-beneficiaries had high school and only 03.08 per cent had higher secondary and above education. The category wise mean score was found to be 0.24 for illiterate, 0.65 for functionally literate, 0.50 for primary school, 0.31 for middle school, 0.15 for high school and 0.06 for higher secondary and above level. The overall mean score was found to be 1.91. Thus, it can be concluded that the most of the beneficiaries possessed education upto middle school while maximum number of non-beneficiaries were functionally literate. It can be also stated on the basis of the above data that overall majority

Table 1 : Distribution of the respondents according to their family type

| Sr. No. | Family type | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|-------------|---------------|------|-------------------|------|
| 1. | Nuclear | 38 (58.46) | 0.83 | 32 (49.23) | 0.74 |
| 2. | Joint | 27 (41.54) | 0.59 | 33 (50.77) | 0.77 |
| | Total | 65 (100.00) | 1.42 | 65 (100.00) | 1.51 |

Table 2 : Distribution of the respondents according to their age

| Sr. No. | Age | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|------------------|---------------|------|-------------------|------|
| 1. | Young (below 35) | 19 (29.23) | 0.56 | 21 (32.31) | 0.61 |
| 2. | Middle (35-45) | 32 (49.23) | 0.95 | 31 (47.69) | 0.90 |
| 3. | Old (Above 45) | 14 (21.54) | 0.41 | 13 (20.00) | 0.37 |
| | Total | 65 (100.00) | 1.92 | 65 (100.00) | 1.88 |

Table 3: Distribution of the respondents according to their education

| Sr. No. | Education | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|----------------------------|---------------|------|-------------------|------|
| 1. | Illiterate | 06 (9.23) | 0.23 | 08 (12.31) | 0.24 |
| 2. | Functionally literate | 12 (18.46) | 0.45 | 22 (33.85) | 0.65 |
| 3. | Primary School | 14 (21.54) | 0.53 | 17 (26.15) | 0.50 |
| 4. | Middle School | 18 (27.70) | 0.68 | 11 (16.92) | 0.31 |
| 5. | High School | 10 (15.38) | 0.37 | 05 (07.69) | 0.15 |
| 6. | Higher Secondary and above | 05 (07.69) | 0.19 | 02 (03.08) | 0.06 |
| | Total | 65 (100.00) | 2.45 | 65 (100.00) | 1.91 |

of beneficiaries as well non-beneficiaries was literate but education status of beneficiaries was much better than the non-beneficiaries.

Land holding is directly co-related with the size of land and crop production. The data in Table 4 shows that out of the total 65 respondents, the highest (41.54%) of the beneficiary farmers had small land holdings followed by 23.08 per cent respondents who had medium land holdings, marginal land holders (21.54%) and large land holders (13.84%), respectively. The overall mean score of size of holding was found to be 2.29. The mean score of land holdings were 0.49, 0.95, 0.53 and 0.32 in respect of marginal, small, medium and large land holders, respectively. Further data also revealed that out of the total 65 non-beneficiaries, maximum 38.46 per cent had small land holdings followed by medium land holders (26.15%), marginal land holders (20.00%) and large land holders (15.39%), respectively. The overall mean score of size of holding was found to be 2.36. The mean of size of land holding were 0.47, 0.91, 0.62 and 0.36 in respect of marginal, small, medium and large farmers, respectively. Thus, it can be concluded that most of the beneficiaries as well as non-beneficiaries were small land holders.

Economic motivation of an individual plays an important role in adoption of new innovations/technology at a faster rate than others. Hence, greater and quicker adoption requires the innovative nature of the respondents. The data in Table 5 shows that out of the total 65 beneficiary farmers, 41.54 per cent were in the high economic motivation category, while 30.77 per cent were in the medium economic motivation category and 27.69 per cent were in low economic motivation category. The mean of the low economic motivation category was found to be 3.27 while that of the medium economic motivation category was 3.63 and high category was 4.90. The overall mean score of this category was found to be 11.80. It can be also concluded that out of the total 65 non-beneficiaries, 44.62 per cent were in the low economic motivation category, while 36.92 per cent were in the medium economic motivation category and only 18.46 per cent were in high economic motivation category. The mean of the low economic motivation category was found to be 2.78 while that of the medium economic motivation category was 2.30 and high category was 1.15. The overall mean score of this category was found to be 6.23. Thus, it can be concluded that most of the beneficiaries were in high economic

Table 4 : Distribution of the respondents according to their land holding

| Sr. No. | Size of land holding | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|----------------------|---------------|------|-------------------|------|
| 1. | Marginal | 14 (21.54) | 0.49 | 13 (20.00) | 0.47 |
| 2. | Small | 27 (41.54) | 0.95 | 10 (38.46) | 0.91 |
| 3. | Medium | 15 (23.08) | 0.53 | 17 (26.15) | 0.62 |
| 4. | Large | 09 (13.84) | 0.32 | 10 (15.39) | 0.36 |
| | Total | 65 (100.00) | 2.29 | 65 (100.00) | 2.36 |

Table 5 : Distribution of the respondents according to their economic motivation

| Sr. No. | Economic motivation | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|---------------------|---------------|-------|-------------------|------|
| 1. | Low | 18 (27.69) | 3.27 | 29 (44.62) | 2.78 |
| 2. | Medium | 20 (30.77) | 3.63 | 24 (36.92) | 2.30 |
| 3. | High | 27 (41.54) | 4.90 | 12 (18.46) | 1.15 |
| | Total | 65 (100.00) | 11.80 | 65 (100.00) | 6.23 |

Table 6: Distribution of the respondents according to their contact with developmental agencies

| Sr. No. | Contact with developmental agencies | Beneficiaries | Mean | Non-beneficiaries | Mean |
|---------|-------------------------------------|---------------|------|-------------------|------|
| 1. | Low | 10 (15.39) | 0.85 | 23 (35.39) | 1.61 |
| 2. | Medium | 23 (35.39) | 1.95 | 31 (47.69) | 2.16 |
| 3. | High | 32 (49.22) | 2.72 | 11(16.92) | 0.77 |
| | Total | 65 (100.00) | 5.52 | 65 (100.00) | 4.54 |

motivation category while maximum number of non-beneficiaries had low economic motivation.

It revealed from the Table 6 that a higher percentage of the beneficiaries, 49.22 per cent had high contact with developmental agencies followed by medium contact with developmental agencies (35.39%) and low contact with developmental agencies (15.39%). The mean of the low contact with developmental agencies was found to be 0.85, followed by 1.95 and 2.72 for medium and high categories, respectively. The overall mean score was 5.52. Further the data revealed that highest number of non-beneficiary farmers (47.59%) had medium contact with developmental agencies followed by low contact with developmental agencies (35.39%) and high contact with developmental agencies (16.92%). The mean of the low contact with developmental agencies was found to be 1.61, followed by 2.16 and 0.77 for medium and high categories, respectively. The overall mean score was 4.54. Thus, it can be concluded that most of the beneficiaries had high contact with developmental agencies while non-beneficiaries had medium contact with developmental agencies.

As the DPIP provided different facilities to the farmers of the area through agriculture, which significantly influenced the income of borrowers through

increase in yield. Table 7 presents the magnitude of change in yield of different crops due to minor irrigation facilities of beneficiary farmers. The data indicate that the highest increase in yield was with wheat crop which amounted to 97.97 per cent followed by gram (74.34%), arhar (51.07) and soybean (32.82%). The above significant increase in yield shows that there was a great impact to beneficiaries of minor irrigation loan under DPIP.

The data presented in Table 8 show the data regarding crop wise distribution of income in Rs. per acre of beneficiaries under minor-irrigation before and after borrow. It is evident from the Table 8 that the income of beneficiary farmers from different crops increases from Rs. 3281 BB to Rs. 9135 AB in case of soybean, arhar, wheat and gram. The corresponding increase AB in case of soybean was to the extent of 45.84 per cent. The magnitude of increase for other crops of beneficiaries varied from Rs. 1246 to Rs. 2317. The highest percentage (45.84%) was for soybean crop followed by 42.70, 30.23 and 27.78 per cent, respectively for arhar, wheat and gram, respectively.

The data in Table 9 shows that out of the total 65 beneficiary farmers, highest 43.08 per cent were felt a major change in their life style followed by 33.85 per

Table 7 : Crop wise distribution of yield per acre before and after borrowing minor irrigation loan and change in yield

| Sr. No. | Crops | Yield q/acre before borrowing loan | Yield q/acre after borrowing loan | Absolute change (Rs.) | Relative change (%) |
|---------|---------|------------------------------------|-----------------------------------|-----------------------|---------------------|
| 1. | Soybean | 05.88 | 07.81 | 1.93 | 32.82 |
| 2. | Arhar | 03.74 | 05.65 | 1.91 | 51.07 |
| 3. | Wheat | 06.41 | 12.69 | 6.28 | 97.97 |
| 4. | Gram | 03.43 | 05.98 | 3.55 | 74.34 |

Table 8 : Crop wise distribution of income per acre before and after borrowing minor irrigation loan and change in income

| Sr. No. | Crops | Before borrowing loan (BB) (Rs./Acre) | After borrowing loan income (AB) (Rs./Acre) | Absolute change (Rs.) | Relative change (%) |
|---------|---------|---------------------------------------|---|-----------------------|---------------------|
| 1. | Soybean | 3281 | 4785 | 1504 | 45.84 |
| 2. | Arhar | 5426 | 7743 | 2317 | 42.70 |
| 3. | Wheat | 4122 | 5368 | 1246 | 30.23 |
| 4. | Gram | 8149 | 9135 | 1986 | 27.78 |

Table 9 : Percentage and frequency distribution of overall beneficiaries and non-beneficiaries according to their change in life style

| Sr. No. | Categories | No. of respondents | Percentage | No. of respondents | Percentage |
|---------|--------------|--------------------|------------|--------------------|------------|
| 1. | No change | 15 | 23.08 | 46 | 70.77 |
| 2. | Minor change | 22 | 33.84 | 19 | 29.23 |
| 3. | Major change | 28 | 43.08 | 00 | 0.00 |
| | Total | 65 (100.00) | 100.00 | 65 (100.00) | 100.00 |

cent members felt minor change while rest of (23.08%) felt no change in their life style income level. Out of the total 65 non-beneficiaries, a great majority *i.e.* 70.77 per cent felt no change in their life style followed by 29.23 per cent felt minor change while none of them felt major change in their life style. Therefore, it can be said that maximum of the beneficiaries feel a major change in their life style while a huge majority feeling no change.

Table 10 present the clear picture of constraints faced by the beneficiaries in obtaining benefits of DPIIP programme. It revealed from the table that majority of the beneficiaries (55.38%) faced problem in obtaining record from Patwari followed by Ignorance about the total information about DPIIP loan which was faced by the 47.69 per cent. 43.08 and 29.23 per cent of the beneficiaries stated Sufficient credit not obtained and Late processing for loan as faced by them, respectively. Cost of feeding material is too high was the fifth most faced constraint by the dairy enterprise beneficiaries, felt by 27.69 per cent beneficiaries. Non-availability of good breeds, Difficulties in filling up the application forms, DPIIP loan not provided in time, non-availability of water level, problem of rocky soil while boring of well and problem of selling milk were the other constraints as felt by the 18.46, 16.92, 12.31, 10.77, 09.23 and 03.08 per cent beneficiaries. The finding was similar to the findings reported by Vashisth *et al.* (2007).

Strategy for better functioning of DPIIP :

– Loan proposal of DPIIP beneficiaries should simultaneously be processed during the period of training and when training is over the loan documents be executed and the loan should be disbursed so that beneficiaries

immediately commence setting up their units.

– The objectives and utilities of the programme should be clearly conveyed to the beneficiaries, as this would ensure their increased participation.

– Training to the beneficiaries should be provided in respect to the concerning business for which loan to be advanced.

– It is suggested that district Industries Center may send the list of beneficiaries and the activities selected to the concerned bank branches to solicit their views on the eligibility of the beneficiaries and viability of project.

– The planners of this project should have real and actual assessment of particular business expenditure. The same may be forwarded to credit agencies for consideration, fixation of scale of finance. This would turn help reduce under financing of loan.

– The responsible authorities should take lead in conducting proper training of the farmers and borrowers before disbursement of the loan.

– The planners of DPIIP and banking agencies are advised to provide adequate and timely disbursement of loan.

– Government should make every effort to popularize this project as an economic development tool of the beneficiaries, who are living with scare resources.

Conclusion :

The district poverty initiatives project (DPIIP) is an ambitious project of the Government of Madhya Pradesh for the alleviation of poverty in the State. The State Government is committed to reforms in governance and improved access to social services for the poor and the vulnerable. The project, on its part, has been

Table 10 : Constraints faced by beneficiaries in obtaining benefits of the programme

| Sr.No. | Constraints | No. of beneficiaries | Per cent | Rank |
|--------|--|----------------------|----------|------|
| 1. | Sufficient credit not obtained | 28 | 43.08 | III |
| 2. | Ignorance about the total information about DPIIP loan | 31 | 47.69 | II |
| 3. | Difficulties in filling up the application forms | 11 | 16.92 | VII |
| 4. | DPIIP loan not provided in time | 08 | 12.31 | VIII |
| 5. | Late processing of loan | 19 | 29.23 | IV |
| 6. | Problem of rocky soil while boring of well | 06 | 9.23 | X |
| 7. | Non-availability of water level | 07 | 10.77 | IX |
| 8. | Non-availability of good breeds | 12 | 18.46 | VI |
| 9. | Problem of selling milk | 02 | 3.08 | XI |
| 10. | Cost of feeding material is too high | 18 | 27.69 | V |
| 11. | Problem faced in obtaining record from Patwari | 36 | 55.38 | I |

complementing this objective by promoting decentralization and a more effective demand based approach to poverty alleviation. The project is based on the needs and demands of the community. Rural Development and Poverty Alleviation have been on the national policy agenda for more than 50 years. The importance of reduction in poverty and provision of other basic needs has been emphasized in all the five-year plans since independence particularly since the fifth five year plan. Despite efforts made over the past few decades, rural poverty in India continues to cause concern. The antipoverty programmes have been strengthened in successive years and poverty levels have come down from 56.44 per cent of India's population in 1973-74 to 29.38 per cent in 2004-05. Main role of DPIP, orientation towards profit maximization in farming of villagers.

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