

# EVALUATION OF RAJIV YUVA SHAKTHI PROGRAMME IN ANDHRA PRADESH STATE

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*In Andhra Pradesh state, according to 2001 Census, 35.0 percent of the population belongs to the category of youth. It is felt that there is a need to evolve a comprehensive policy encompassing their socio-economic empowerment. The government of Andhra Pradesh has been striving hard to mitigate the problem of unemployment in a phased manner. Efforts have been made to empower youth with the up gradation of skills and access to investment in potential sectors to widen the employment opportunities. The major efforts of Rajiv Yuva Shakthi programme are to involve youth actively in community development and rural reconstruction works through personality development and reorientation of the existing education and training needs to meet the requirements of the modern economy.*

**Keywords :** Unemployed youth, Rural youth.

## INTRODUCTION

Rajiv Yuva Shakthi programme is a micro-credit programme targeting unemployed youth, both individuals as well as groups. Students of vocational schools, colleges and engineering colleges will also be the beneficiaries under this programme. The government facilitates active participation of the educated youth in rejuvenating rural areas. Each year about 10,000 graduates/post graduates are taken into one-year village attachment programme as Rural Scholars. During this period, the youth receives three months training in different spells at district headquarters. They will spend nine months in rural areas in small groups on specific assignment identified by the district collectors. This programme equips the youth to deal with the socio-economic challenges relating to rural India. In addition, the youth also receives training on personality and enterprise development. During this period they will be awarded scholarships.

The government considers extending benefits of rural e-seva centers, fair price shops dealership to the rural unemployed youth for providing gainful employment. Free training will be provided to the unemployed youth in wage employment activities in service sectors such as insurance, tourism, Para-, medical etc. The following three important self-employment schemes are taken up under the Rajiv Yuva Shakthi Programme for the benefit of unemployed educated and uneducated youth in Andhra Pradesh.

## THE PROGRAMME

### (a) Schemes for Individuals

5,000 educated unemployed youth can be considered under this programme for financial assistance and preference would be given to vocationally qualified individuals with minimum educational qualifications of 10<sup>th</sup> Pass or fail / Vocational etc. A maximum subsidy amount of Rs 20,000/- will be offered to each individual whose Project cost is Rs. 1, 00,000/-

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### **(b) Schemes for Petty Business**

The Uneducated unemployed youth (No minimum educational qualification) are eligible for getting financial assistance under this Programme. 20,000 groups will be financed every year. A maximum subsidy amount of Rs 10,000/- will be provided to each beneficiary whose Project cost is Rs. 1, 00,000/- The schemes like; vegetable vendors; coffee machine, mango juice machine etc. can be encouraged under this programme.

### **(c) Schemes for Group of Beneficiaries**

The educated unemployed youth consisting of 5 members have to form groups for financial assistance to take up self-employment schemes. 5,000 groups (25,000 nos) will be financed every year. The educational qualification of any one of the members should be 10th pass. A maximum subsidy limit for Industry Sector Rs 60,000, for Service Sector Rs 40,000 and for Business Sector Rs 30,000 whose Project cost is Rs.3, 00,000/-

#### **The important objectives of the study are :**

1. To analyze the details relating to the Rajiv Yuva Sakthi programme executed in the four districts of Rayalaseema region.
2. To estimate the coverage of rural youth under this programme i.e. the employment opportunities generated under this programme to individuals, petty business and group employment in the four districts of Rayalaseema region and
3. To suggest suitable measures to strengthen the programme for effective implementation in the drought prone districts of Rayalaseema region.

The important **hypotheses** formulated for verification are :

1. The scope and coverage of employment opportunities provided to the rural youth under the Rajiv Yuva Shakthi programme is limited in the drought prone districts.
2. The problems relating to the financial assistance extended and employment provided in the selected districts under this programme are many and varied.
3. The trades selected by the rural youth that are financed in backward districts under these schemes are not sustainable for a variety of reasons.

### **METHODOLOGY AND SAMPLE DESIGN**

An attempt is made in this study to evaluate the impact of the RY S programme in empowering the rural in the four districts of backward Rayalaseema region during 2004-2008. For this purpose the details relating to the activities financed under the Rajiv Yuva Shakthi programme in Anantapur, Chittoor, Kurnool and Kadapa districts have been collected from the records, reports and other office documents available in the DYWO & Chief Executive Officers of ANSET unit of Anantapur district, SETVEN unit of Chittoor district at Tirupati, SETKUR unit of Kurnool district and STEP unit of Kadapa district. The expenditure on this programme from 2004-2008, the activities taken up in selected mandals, subsidy provided and the loans, the schemes grounded etc are collected from the above mentioned offices in the four districts of the region.

The selected districts of Anantapur, Chittoor, Kurnool and Kadapa containing 63, 65, 54 and 51 mandals respectively are divided into three revenue divisions each and 2 mandals have been selected for survey from each of the three divisions of the each of the 4 districts. Thus in all, 24 mandals accounting for 10.0 percent of the total 233 mandals in all the 4 districts are selected for survey. Division wise exhaustive list of beneficiaries covered under three components of the Rajiv Yuva Shakthi programme – Individual, Petty Business and Group – in each of the 4 districts is prepared and 38 beneficiaries (7 + 7+ 5) are selected from each of the 12 divisions in the 4 districts. Thus, the relative weightages of total beneficiaries covered under the Rajiv Yuva Sakthi programme in providing employment to rural youth in 4 districts of backward Rayalaseema region.

For the purpose of evaluating the impact of the Rajiv Yuva Shakthi programme, a schedule of questions containing 2 parts; first part dealing with the profile of the selected rural youth beneficiary and the second part relating to the impact of the programme on the employment generated and income generated under the Rajiv Yuva Shakthi programme – is canvassed in the month of April 2008 in the selected villages of the 4 districts. The results of the study are analyzed to draw meaningful conclusions. .

### **RAJIV YUVA SHAKTHI PROGRAMME IN RAYALASEEMA REGION**

Rayalaseema is one of the three natural sub-divisions of Andhra Pradesh state prone to drought and famines. It consists of four districts namely Anantapur, Chittoor, Kurnool and Kadapa, while Coastal Andhra region consists of nine districts and Telangana region consists of 10 of the 23 districts in the state.

**Table-1 , Category wise Total Schemes Grounded under RYS in Rayalaseema 2004-2008**

S. N.	Name of District	Individual		Petty Business		Group		Total	
		Target	Grounded	Target	Grounded	Target	Grounded	Target	Grounded
1.	Anantapur	2242	1434 (64.0)	7267	5205 (71.6)	505	254 (50.2)	10014	6893 (68.8)
2.	Chittoor	2557	2240 (87.6)	9288	8317 (89.5)	296	206 (69.5)	12141	10763 (88.6)
3.	Kurnool	2159	1306 (60.4)	5894	3549 (60.2)	496	268 (54.0)	8549	5123 (60.0)
4.	Kadapa	2159	1443 (67.0)	8001	5459 (68.2)	827	465 (56.2)	10987	7367 (67.0)
<b>Rayalaseema</b>		<b>9117</b>	<b>6423 (70.45)</b>	<b>30451</b>	<b>22530 (74.0)</b>	<b>2124</b>	<b>1184 (55.75)</b>	<b>41694</b>	<b>30137 (72.3)</b>

Note : Figures in brackets indicate percentage to their targets

Source : DYWO & Ex-Officio Chief Executive officer, ANSET Anantapur, SETVEN Tirupathi, SETKUR Kurnool, STEP Kadapa Offices.

Table 1 shows the category wise total schemes sanctioned and grounded during 2004-08 in the four districts. During 2004-08, a total of 41694 schemes have been the target of execution in Rayalaseema against which only 30137 schemes of different types have been grounded which works out to 72.3 percent of the target. However, the total number of schemes grounded is the highest in Chittoor district and the lowest in Kurnool district. Infact during 2004-08, the number of schemes grounded in Chittoor district is more than double the number of schemes grounded in Kurnool district.

It is also noted that only in Chittoor district the percentage of schemes grounded is highest at nearly 89.0 above the average of the Rayalaseema region and lowest at 60.0 in Kurnool district. This indicates that the Rajiv Yuva Shakthi programme is well received by rural youth in Chittoor district among the four districts in Rayalaseema region.

Category wise total expenditure on all schemes grounded under the Rajiv Yuva Shakthi programme in Rayalaseema region during 2004-08 is presented in Table 2. The total expenditure incurred on these schemes fluctuated among the districts significantly and it varied in accordance with the group schemes grounded in the region. In fact, 67.1 percent of the targeted expenditure

has been incurred on different schemes in Rayalaseema region. However, the largest amount of expenditure was incurred in Kadapa district and the lowest in Kurnool district. It is observed that in Kadapa district that the expenditure in the last 2 years of the period under review exceeded the targets and no valid reasons have been offered to substantiate this. Further, in Chittoor district more than 86.0 percent of the targeted expenditure and in Kurnool a little more than 58.0 percent of the targeted expenditure was spent on all the schemes.

**Table - 2 : Category wise Total Expenditure on Schemes Grounded under RYS Programme in Rayalaseema Region 2004-2008**

(Rs. In Lakhs)

S N	Name of District	Individual		Petty Business		Group		Total	
		Target	Groun ded	Target	Groun ded	Target	Groun ded	Target	Groun ded
1.	Anantapur	2152.28	1356.15 (63.00)	3524.66	2543.05 (72.15)	1679.50	938.00 (56.00)	7386.44	4837.20 (65.48)
2.	Chittoor	2385.32	2082.32 (87.29)	4281.12	3826.78 (89.38)	788.59	548.13 (69.50)	7455.03	6457.23 (86.61)
3.	Kurnool	2115.95	1277.35 (60.36)	2734.35	1612.8 (59.00)	1525.4	814.35 (53.38)	6376.00	3704.50 (58.10)
4.	Kadapa	2064.03	1266.63 (61.36)	3885.73	2582.74 (66.46)	2211.92	1245.48 (56.30)	8160.68	5094.85 (62.43)
<b>Rayalaseema</b>		<b>6567.59</b>	<b>5982.45 (91.09)</b>	<b>14425.9</b>	<b>10566.4 (73.25)</b>	<b>6205.41</b>	<b>3544.96 (57.13)</b>	<b>29974.3</b>	<b>20092.8 (67.03)</b>

Note : Figures in brackets indicate percentage to their targets

Source : DYWO & Ex-Officio Chief Executive officer, ANSET Anantapur, SETVEN Tirupathi, SETKUR Kurnool, STEP Kadapa Offices.

As a corollary to the number of schemes grounded, the total expenditure on individual schemes and petty business schemes has been the highest in Rayalaseema region. However, it is the highest in Chittoor district and the lowest in Kurnool district. The total expenditure on individual schemes varied from Rs 2082.32 lakhs in Chittoor district to Rs 1266.63 lakhs in Kadapa district. On the other hand, the expenditure on petty business in Chittoor district is more than double that of it in Kurnool district. In fact, total expenditure on petty business schemes is more than twice the total expenditure on individual schemes in Kadapa district.

Further, it is noted that the total expenditure on group schemes is significantly high in Kadapa district. Surprisingly, the total expenditure on group schemes in Kadapa district is very close to the total of the expenditure incurred on these schemes in Chittoor and Kurnool district together. Hence, one is inclined to infer that larger amount of funds have been pumped in to Kadapa district under the Rajiv Yuva Shakthi programme.

The variance in the total expenditure incurred among the schemes implemented is not significant at 0.05 level of confidence and at 2/6 degrees of freedom as the calculated F value (1.34) is less than the table (standard) value of 4.76. However, there is a significant variance among the districts in the total expenditure incurred on the schemes implemented, at 0.05 level of confidence and at 2/6 degrees of freedom as the calculated F value (9.98) is more than the table value (standard) of 5.14.

**Table 3, Caste wise details of selected Beneficiaries under RYS in Rayalaseema Region****(a) Individual Schemes**

S.N.	Caste	Anantapur	Chittoor	Kurnool	Kadapa
1.	S.C	4 (9.52)	3 (7.14)	8 (19.04)	6 (14.28)
2.	S.T	1 (2.38)	2 (4.76)	3 (7.14)	5 (11.90)
3.	B.C	10 (23.80)	14 (33.33)	11 (26.19)	15 (35.71)
4.	Minority	2 (4.76)	1 (2.38)	1 (2.38)	2 (4.76)
5.	P.H	—	1 (2.38)	—	1 (2.38)
6.	O.C	16 (38.09)	13 (30.90)	13 (3.95)	8 (19.04)
7.	Women	9 (21.42)	8 (19.04)	6 (14.28)	5 (11.90)
8.	<b>Total:</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>

**(b) Petty Business Schemes**

1.	S.C	6 (14.28)	7 (16.66)	8 (19.04)	5 (11.90)
2.	S.T	3 (7.14)	2 (4.76)	4 (9.52)	2 (4.76)
3.	B.C	10 (23.80)	13 (30.90)	14 (33.33)	12 (28.57)
4.	Minority	1 (2.38)	—	1 (2.38)	2 (4.76)
5.	P.H	—	—	1 (2.38)	1 (2.38)
6.	O.C	14 (33.33)	12 (28.57)	8 (19.04)	15 (35.71)
7.	Women	8 (19.04)	8 (19.04)	6 (14.28)	5 (11.90)
8.	<b>Total:</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>	<b>42 (100.0)</b>

**(c) Group Schemes**

1.	S.C	5 (16.66)	3 (10.00)	2 (6.66)	5 (16.66)
2.	S.T	2 (6.66)	2 (6.66)	3 (10.00)	2 (6.66)
3.	B.C	7 (23.33)	8 (26.66)	9 (30.00)	10 (33.33)
4.	Minority	—	—	1 (3.33)	2 (6.66)
5.	P.H	—	—	1 (3.33)	1 (3.33)
6.	O.C	10 (33.33)	12 (40.00)	11 (36.66)	6 (20.00)
7.	Women	6 (20.00)	5 (16.66)	3 (10.00)	4 (13.33)
8.	<b>Total:</b>	<b>30 (100.0)</b>	<b>30 (100.0)</b>	<b>30 (100.0)</b>	<b>30 (100.0)</b>

Source: RYS Field Survey Schedule, April 2008

**Impact of Rajiv Yuva Shakthi Programme in Rayalaseema**

The caste wise break up of the selected beneficiaries in all the four districts of Rayalaseema under the Rajiv Yuva Shakthi programme during 2004-08 is presented in Table 3. It is found that 13.6 percent of the total beneficiaries belong to Scheduled Castes and 6.8 belong to Scheduled Tribes. It means that a smaller proportion of youth belonging to these two castes are provided financial assistance to take up employment activities under the RYS in Rayalaseema region. On the other hand a larger proportion of rural youth belonging to other castes (30.0) and backward castes (29.2) are covered under this programme in Rayalaseema region. Thus, it is found that other caste

youth are the largest group of beneficiaries under the RYS followed by backward castes. In fact, youth belonging to these two castes accounted for nearly 60.0 percent of the total beneficiaries covered in Rayalaseema region. It is also found that 16.0 percent of the beneficiaries are women and this needs to be enhanced by encouraging more women to take up employment activities.

A closer look into the table reveals among the three schemes implemented the percentage of Scheduled Caste beneficiaries under petty business scheme is the largest at 26.0 percent followed by individual scheme at 21.0 percent and group schemes at 15.0 percent. Scheduled Tribe beneficiaries are 11.0 percent under petty business and individual schemes and 9.0 percent under group schemes. However, it is interesting to know that 28.0 percent and 27.0 percent of Scheduled Tribes women took up individual schemes and petty business schemes respectively.

### **FINDINGS OF THE STUDY**

Petty business activity emerged as the main scheme accounting for more than 73.00 percent of the total schemes executed. Backward Castes and other castes are the largest groups benefited under this programme accounting together for nearly two thirds of the total expenditure on the individual schemes taken up in all the districts.

All the amount released for physically handicapped youth was utilized in the starting year and it declined in the subsequent years. More than 36.00 percent of the total expenditure on individual schemes was allocated to other community youth and another 28.00 percent to Backward Caste youth in rural areas of all the districts. Only 16.00 percent of the total expenditure was incurred on the Scheduled Caste beneficiaries and 1.90 percent on Scheduled Tribe beneficiaries. Minorities accounted for 7.00 percent and women for 9.00 percent of the total expenditure. Interestingly, the sanctions to the schemes taken up by these groups have been on the rise during the period under review.

Almost all the expenditure sanctioned to youth belonging to physically handicapped category was utilized fully in the first year of its implementation but it declined afterwards.

It is inferred that the scope for taking up the petty business activities by the rural youth is shrinking over time and hence there is a need for financing other new activities that yield income to the rural youth. The amount sanctioned for group activities in 2006-07 is less than 70.00 percent of the amount sanctioned in 2005-2006 under the RYS.

The subsidy utilized was 58.00 percent of the amount released for the purpose and the percent of bank loan used was 45.00 percent of the released amount. As these components are less than their targets, the contribution made by the selected beneficiaries was also less than 50.00 percent of its target. These are reflected in the steep increase in the per capita assistance provided to the beneficiaries.

The Andhra Pragathi Grameena Bank, the State Bank of India, the Syndicate Bank and the Andhra Bank are the leading banks assisting the beneficiaries to a larger extent under the Rajiv Yuva Shakthi Programme in all the districts.

These four banks extended project cost amount to nearly 87.00 percent of the total units covered under the Rajiv Yuva Shakthi Programme. The Karnataka Bank and the Bank of Mysore covered a little more than 1.00 percent of the total units while no unit was covered under the Bank of India during the year 2004-2005.

It is found that the number of beneficiaries assisted under petty business nearly doubled in the first two years of starting the scheme and as a result a higher target was fixed for the subsequent year. As a result of this there has been a significant rise in the amount of subsidy, beneficiary contribution, bank loan provided to these youth. In accordance with this there has been a rise in the



per capita subsidy, contribution, bank loan provided to petty business beneficiaries. Petty business and individual schemes have been taken up by the rural youth more or less with equal enthusiasm which is absent in the group schemes.

The total expenditure incurred on these schemes fluctuated among the districts significantly and it varied in accordance with the group schemes grounded in the region. In fact, the largest expenditure was incurred in Kadapa district and the lowest in Kurnool district. It is observed that in Kadapa district the expenditure in the last 2 years of the period under review exceeded the targets and no valid reasons are offered to substantiate this.

The total expenditure on petty business schemes is more than twice the total expenditure on individual schemes in Kadapa district. Further, it is noted that the total expenditure on group schemes is significantly high in Kadapa district. Surprisingly, the total expenditure on group schemes in Kadapa district is very close to the total of the expenditure incurred on these schemes in Chittoor and Kurnool districts together. Hence, one is inclined to infer that larger amount of funds have been pumped in to Kadapa district under the Rajiv Yuva Shakthi programme.

Larger number of schemes was taken up by backward classes in Anantapur and Kurnool districts and by other caste beneficiaries in Chittoor and Kadapa districts. Nearly 90.0 percent of the schemes sanctioned to Backward Castes and Other Castes in Chittoor district and 70.0 percent in other three districts have been grounded during 2004-08. Interestingly the percentage of the schemes grounded for women, physically handicapped and minorities have been picking up and have been impressive in all the districts except Kurnool where lethargy has been noticed among these groups in taking up employment opportunities.

During 2004-08, it is targeted to cover 49639 rural youth under all schemes to provide employment opportunities to rural youth in Rayalaseema region. However, only 56.8 percent of the targeted number of beneficiaries is covered under all schemes of the Rajiv Yuva Shakthi programme. This proportion seems to be moderate and not impressive, as larger percentage of beneficiaries were not covered under this programme. This indicates that the Rajiv Yuva Shakthi programme did not succeed in attracting more and more rural youth to take up employment under different schemes.

The proportion of beneficiaries covered to their target under the three different schemes in Rayalaseema under the Rajiv Yuva Shakthi programme during 2004-08 is only 56.81. It is noted that the beneficiary coverage under these schemes is less than one half of its target in Kurnool and Anantapur district. The impact of the programme seems to be higher in Kadapa district only.

The proportion of project cost provided to the beneficiaries covered to their target under the three different schemes in Rayalaseema under the Rajiv Yuva Shakthi programme during 2004-08 is only 55.67. It is noted that the beneficiary coverage under these schemes is a little more than 40.0 of its target in Kurnool and Anantapur district. The impact of the programme seems to be higher in Chittoor district..

The per capita assistance provided in the Rayalaseema region is Rs 58718. However this assistance fluctuated between the districts. It is highest in Anantapur district at Rs 68155 and lowest at Rs 56157 in Kadapa district. It is observed that the per capita assistance in Kadapa and Chittoor districts is less than the average for the region as a whole. This is perhaps due to the fact that a large number of beneficiaries were covered in Kadapa and Chittoor districts. Thus it is found that the Rajiv Yuva Shakthi programme is effectively implemented in Kadapa and Chittoor districts by providing employment opportunities at low per capita financial assistance.

The proportion of beneficiaries covered under the individual scheme to their target under the

Rajiv Yuva Shakthi programme in Rayalaseema region during 2004-08 is 74.0. It is noted that the beneficiary coverage under individual schemes is less than 60.0 percent of its target in Anantapur district. The coverage of the beneficiaries under the programme seems to be higher in Chittoor district only.

The proportion of project cost provided to the beneficiaries covered under the individual schemes to their target in Rayalaseema under the Rajiv Yuva Shakthi programme during 2004-08 is 72.37. It is noted that the beneficiary coverage under individual schemes is a little more than one half of its target in Anantapur district. The coverage of the programme seems to be higher in Kadapa district as larger funds were provided to the beneficiaries in excess of the target.

The per capita assistance provided under the individual schemes in Rayalaseema region is Rs 89945. It is found that individual scheme is effectively implemented in Kadapa and Chittoor districts by providing employment opportunities at low per capita financial assistance.

The proportion of beneficiaries covered under the petty business scheme to their target under the Rajiv Yuva Shakthi programme in Rayalaseema region during 2004-08 is nearly 74.0. It is noted that the beneficiary coverage under petty business schemes is little more than one half of its target in Kurnool district. The coverage of the beneficiaries under the programme seems to be higher in Kadapa and Chittoor districts.

The proportion of project cost provided to the beneficiaries covered under the petty business schemes to their target in Rayalaseema under Rajiv Yuva Shakthi programme during 2004-08 is nearly 70.0 percent. The coverage of the programme seems to be higher in Kadapa district as larger funds were provided to the beneficiaries in excess of the target. Under the petty business schemes, the per capita assistance provided in Rayalaseema region is Rs 47427. Thus it is found that petty business scheme is effectively implemented in Kadapa and Chittoor districts by providing employment opportunities at low per capita financial assistance.

The proportion of beneficiaries covered under the group scheme to their target under Rajiv Yuva Shakthi programme in Rayalaseema region during 2004-08 is 27.6. It is noted that the beneficiary coverage under group schemes is just above one half its target in Kadapa district and less than one quarter of its target in Anantapur district. The coverage of the beneficiaries under the programme seems to be low in all districts except in Kadapa district.

The proportion of project cost provided to the beneficiaries covered under the group schemes to their target in Rayalaseema under the Rajiv Yuva Shakthi programme during 2004-08 is less than 30.0 percent of its target. It is noted that the beneficiary coverage under group schemes is a little more than one half of its target in Kadapa district. The coverage of the programme seems to be higher in Kadapa district as larger funds were provided to the beneficiaries in excess of the target. The per capita assistance provided under the group schemes in Rayalaseema region is Rs 62860. It is observed that the per capita assistance in two districts is more and less in two districts than the average of the region as a whole. This is perhaps due to the fact that a large number of beneficiaries were covered in Kadapa and Chittoor districts. Thus it is found that group scheme is relatively effectively implemented in Kadapa and Chittoor districts by providing employment opportunities at low per capita financial assistance.

Two-way variance analysis revealed that the variance among the schemes implemented is not significant at 0.05 level of confidence. However, there is a significant variation among the districts in the implementation of the schemes, at 0.05 level of confidence. The variance in the total expenditure incurred among the schemes implemented is not significant at 0.05 level of confidence. However, there is a significant variation among the districts in the total expenditure incurred on the



schemes implemented, at 0.05 level of confidence.

It is found that other caste youth are the largest group of beneficiaries under the RYS followed by Backward Castes. In fact, youth belonging to these two castes accounted for nearly 60.0 percent of the total beneficiaries covered in Rayalaseema region. It is also found that 16.0 percent of the beneficiaries are women and this needs to be enhanced by encouraging more women to take up employment activities. It is interesting to know that 28.0 percent and 27.0 percent of women took up individual schemes and petty business schemes, respectively.

Largest percentage (40.47) of beneficiaries under individual scheme possess educational qualification between Intermediate and degree standard and no beneficiary with a qualification of less than 7<sup>th</sup> standard is covered under this scheme.

Largest percentage (36.7) of beneficiaries under petty business scheme possess educational qualification between Intermediate and degree standard followed by 29.16 percent have the qualification between Tenth standard and Intermediate

Under group schemes, largest percentage (29.4) of beneficiaries scheme possess educational qualification between Intermediate to degree standard and many with qualification between 7th standard and degree level have taken up group activities.

From this analysis it is found that large numbers of beneficiaries under individual schemes are earning an income of Rs 10000 to 200000 annually. Under the petty business scheme a large number of beneficiaries are earning an income of Rs 5000 to 100000 annually as the scope of business activity is limited in rural areas.

Under the group scheme, a large number of group scheme beneficiaries are earning an income of Rs 5000 to 100000 annually by engaging themselves in moderate income yielding activities.

Larger proportion of (17.80 percent) the rural youth covered under individual scheme have taken up dairying activity followed by Kirana shop (17.3 percent). On the other hand, poultry farm activity is the least received activity (3.6 percent) by the selected beneficiaries under the individual scheme. It indicates that the scope for taking up these activities in rural areas is large.

Larger proportion (22.60 percent) of the rural youth covered under petty business scheme have taken up petty trade followed by general stores (22.0) percent) and milk trading (18.5 percent) by purchasing milk animals. These three activities together accounted for two-thirds of the activities taken up under petty business. On the other hand dish antenna activity is the least received activity (4.0 percent) by the selected beneficiaries under petty business. It indicates that the scope for taking up petty trade, milk trade and general stores activities in rural areas of Rayalaseema region is large. It is found that one fifth of the beneficiaries have the premises used for some activity under a different scheme earlier, and they are being expanded to house the present units under the individual scheme.

It is noted that nearly 56.0 percent of the grounded individual schemes are functioning while nearly 30.0 percent of the units have become defunct. It is surprising to know that nearly 15.0 percent of the schemes recorded as grounded schemes not at all exist at the time of the survey. Beneficiaries of such schemes received the subsidy and raised bank loan and diverted it for other purposes. It clearly indicates the fact that 15.0 of the total expenditure on the grounded schemes do not serve the purpose for which it is granted.

It is noted that nearly 58.3 percent of the grounded petty business schemes are functioning while nearly 28.6 percent of the units have become defunct. It is surprising to know that 13.0 percent of the schemes recorded as grounded schemes not at all exist at the time of the survey.

Beneficiaries of such schemes received the subsidy and raised bank loan and diverted it for other purposes. It clearly indicates that fact that 13.0 of the total expenditure on the grounded schemes do not serve the purpose for which it is granted.

On the other hand a significant proportion of the group schemes grounded units (nearly 29.0 percent) have become defunct, as the beneficiaries did not take the activities to generate income. It is noted that one half of the total units (three categories) grounded are functioning while one quarter of the total units grounded have become defunct. It is surprising to know that nearly one quarter of the total units recorded as grounded schemes not at all exist at the time of the survey. Beneficiaries of such schemes received the subsidy and raised bank loan and diverted it for other purposes. It clearly indicates the fact, that one quarter of the total expenditure on the grounded schemes did not serve the purpose for which it is granted. On the other hand, one quarter of the total units grounded have become defunct, as the beneficiaries did not take the activities to generate income.

Reasons like diversion of funds, partial release of funds, misappropriation of funds are the causes for the non-functioning of the units. It is found that nearly one third of the non-functioning of the units is due to misappropriation of funds, nearly one quarter of the non-functioning units is due to diversion of released funds for consumption purposes. 8.0 percent of the units are not functioning for no stated reason. This indicates the negligence and carelessness on the part of the beneficiaries covered under individual scheme.

It is estimated that 49 of the units of Individual scheme grounded under the Rajiv Yuva Shakthi programme have become defunct for a variety of reasons. Some of the reasons stated by the beneficiaries of defunct units are; frequent troubles, non-availability of raw materials, low margin of profits, lack of trained skills and diversion into other business.

It is found that 22.5 percentages of petty business units became defunct due to the low margin of profits and another 21.0 percent of the units became defunct due to non-availability of inputs of trade and nearly 15.0 percent each became defunct due to frequent troubles and diversion to other business. Further, 12.5 percent of the units became defunct due to lack of skills to run the business efficiently.

One-third of the group scheme units became defunct due to the repeatedly occurring problems in the activities and one sixth each of the units became defunct due to non-availability of raw materials, low margin of profits, lack of trained skills to run the activity and diversion to other business. Thus, the major problem of frequent troubles is identified as the reason for the defunct units to a larger extent.

It is noted that 242 beneficiaries in Rayalaseema were provided 8383 man-days of employment in a year. The annual per capita employment provided under individual scheme in Rayalaseema region is estimated at 262 man-days. It is found that poultry farms, autos and kirana shops are providing larger days of employment in a year while least employment is provided under paddy thresher activity in Rayalaseema.

It is found that petty business; milk animals and general stores are providing larger days of employment in a year while least employment is provided under dish antenna activity in Rayalaseema.

The problems encountered by the units grounded under individual scheme of the Rajiv Yuva Shakthi programme in Rayalaseema region are the problem of surety to bank loan, delay in the disbursement of subsidy and the second installment of bank loans. Nearly 60.0 percent of the units

under individual scheme have no problems. However, managing surety is the difficult problem followed by the delays in the release of subsidy and second installment of bank loans for grounding and maintaining the units.

Nearly 60.0 percent of the units under petty business scheme have no problems. However, release of second installment of bank loan is the difficult problem followed by the delays in the release of subsidy for grounding and maintaining the units. Nearly 58.00 percent of the units under group scheme have no problems. However, delay in the disbursement of second installment is reported to be the difficult problem followed by delay in the release of subsidy for grounding and maintaining the units.

### **SUGGESTIONS TO IMPROVE THE FUNCTIONING OF RYS**

In view of the limited success recorded by the Rajiv Yuva Sakthi programme, the following suggestions may be considered to improve the performance of the scheme. Activities combining the local resources in the villages are to be identified and offered to the youth to take-up income generating activities. This will induce sustainability to the activities assisted under the programme. For taking up individual schemes a minimum educational qualification of X class needs to be insisted. This ensures proper coordination among the members. The training programme executed in the district offices is to be diversified so as to meet the heterogeneous requirements of the youth from different villages. Classification of the activities between the sub schemes namely; individual, petty business and groups need to be maintained to ensure longevity of the activity. Activities are to be offered to the youth to take up in relation to their skills, capacities and interest. Otherwise, they may be discontinued or not grounded at all.

Dairying and sheep development programmes are to be interlinked with the watershed programme to develop pastures to supply fodder to the animals. In drought prone districts of Rayalaseema region, development of water resources through minor sources such as; percolation tanks and check dams assumes greater importance. The finances provided to the beneficiaries, the project cost may be enhanced and shall ensure the purchase of physical assets/animals necessary for the activity

The subsidy amount offered needs to be rationalized and disbursed in installments. Subsidy amount may be enhanced according to the need and not on a blanket basis. Beneficiary contribution shall be made mandatory to ensure beneficiaries active participation in the projects sanctioned to them.

Bank loans are to be distributed on time in a single installment and the recovery of the loans are also to be made time bound and mandatory. Additional finances may be provided to the beneficiaries performing well as an incentive.

It is essential to check the diversification of the funds sanctioned to RYS activities to the unproductive activities. Constant and periodic monitoring and supervision of the programme by the government officials are essential for the success of the employment generation programmes.

Regular meeting of the beneficiaries and the officials are to be arranged to assess the performance and progress of the activity financed under the Rajiv Yuva Sakthi programme.

Special programmes to draw women into the employment generating activities in the rural areas need to be identified and financed on a large scale.

Employment generating programmes are to be integrated with those other schemes and projects that involve the utilization of local resources both physical and human.

Local self-administrators are to be associated with the implementation of the programme in

villages of the district. The group schemes may be sanctioned to smaller groups with 3 beneficiaries also. The members in the selected activity group shall be in the age group of 18 to 35 years of age.

Measures need to be taken to provide inputs for the maintenance of the activities financed under the RYS.

The demand for the output of the assisted projects needs to be generated locally to a larger extent possible.

It is important to publicize the RYS schemes more intensively to attract the youth from rural areas on a larger scale.

Political involvement and influence needs to be avoided in the selection of the projects and the beneficiaries under the RYS.

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