



**Dr. Ambedkar Institute of Management
Studies & Research**
Deekshabhoomi, Nagpur.

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ACUMEN - 2018

AN INTERNATIONAL PAPER PRESENTATION

**“India's Emerging Economy:
Challenges & Opportunities
in Rural India”**

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**“India’s Emerging Economy: Challenges & Opportunities
in Rural India”**

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TABLE OF CONTENTS

Sr. No.	Title	Author	Page No.
1	Major Challenges and Problems of Rural Entrepreneurship in India	Prof. Adheer Goyal	1
2	Empowering Tribals in Odisha through Information Technolog	Dr. B.Chandra Mohan Patnaik Dr. Ipseeta Satpathy, Dr. Vijay D. Joshi	16
3	A Study on Financial Performance Evaluation of Maharashtra Gramin Bank, (2016-2018)	Prof. Chaitanya Sakhare Prof. Bhavini Patel	24
4	Talent Management - Challenges And Opportunities In Rural India	Chetan Athavale Dr. S.S.Naikwadi	40
5	Analytical study of success factors and challenges of skill india	Prof. Kushal M. Dharmik Prof. Supriya Pathak	46
6	Evaluation of Induction Training Program: An Empirical Study of it Companies in Pune	Prof. Laxmidhar Biswal Prof. Vijay Nimbalkar	51
7	Health Care Finance in Rural Area in India	Mr. Manthan Ghadole Mr. Kunal Chelani Ms. Shreya Jadhav Ms. Kriti Dubey	63
8	FDI and its Impact on Rural Economy	Prof. Mariam Suhail Mukadam	72
9	Rural Entrepreneurship in India: Major Challenges and Remedial Actions	Prof. Omkar Vilas Deshmukh	81
10	MGNREGA and Employment Generation: A Study in The State of Maharashtra, India	Prof. Pournima Diwate Prof. Adheer Goyal	90

11	Rural Infrastructure: A Contemporary Issues and Challenges for Development	Dr Preeti R Gotmare	107
12	A Study to Understand the Use of Internet of Things (IoT) in Agriculture in Different Geographical Regions of the World	Dr. Vijay Joshi Mrs. Rekha Dhananjay Chatare	114
13	An Exploratory Study of Manpower in Oil Retail in Rural India	Prof. Roli Thapar Dr. Vinayak. S. Deshpande	121
14	“India’s Emerging Economy: E-Learning: Challenges & Opportunities in Rural India”	Prof. Sabrin Aftab Patel	129
15	Micro-Finance In Rural India	Mr. Sarang Janwe	135
16	Skill Development in India	Mrs. Sheetal P. Jaikar	145
17	Impact of GST on different Industrial sectors	Prof. Shebazbano Khan	154
18	Microfinance-A Case Study of Bandhan Bank	Ms. Simran Sekhri Ms. Tanaya Phasate Mr. Advait Indurkar Mr. Mrigank Ambulkar Mr. Kunal Naidu	159
19	Failure of brands in Indian Market	Mr. Vipul Kamble	169
20	ग्रामिण भागांच्या विकासात वृद्धाश्रमांचे योगदान	Dr. Swati Gode Prof. Ritesh Agrawal	172

Major Challenges and Problems of Rural Entrepreneurship in India

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Abstract:

Entrepreneurship is the process of designing, launching and running a new business, i.e. a start-up company offering a product, process or service. It has been defined as the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. Enterprise and entrepreneurship are the drivers of economic growth in India's rural areas. With the ongoing challenges facing traditional rural sectors, the future success of the rural economy is inextricably linked to the capacity of rural entrepreneurs to innovate, and to identify new business opportunities that create jobs and income in rural areas.

Nowadays Rural entrepreneurship is a major opportunity for the people who necessarily migrate from rural areas or semi-urban areas to urban areas. It is also a fact on the contrary that the majority of rural entrepreneurs are facing many problems due to non availability of primary amenities in rural areas especially in developing countries like India. Financial problems, Lack of education, insufficient technical and conceptual ability at present it is too difficult for the rural entrepreneurs to establish industries in rural areas. Certainly the economic development of our country largely depends on the development of rural areas and also the standard of living in its rural mass. For the economic development of a country and of regions within the country rural entrepreneur is surely one of the most important inputs. Today entrepreneurs are also driven to achieve success in their business along with the qualities inherited by them of a dreamer, leader, manager, innovator, continuous learner, and decision maker and most important is to implement all these qualities into the work. Certainly entrepreneurs set the example of turning their dream into reality. More importantly the story behind to achieve the dreams into reality is to set massive goals for themselves and also stay committed to achieving them regardless of the obstacles they get in the way with the unmatched passion and the ambition towards achieving the goal. Undoubtedly it looks attractive, fascinating and motivating after listening the stories of the entrepreneurs, but for sure success is not as easy as it looks always. There are certainly some obstacles which we call challenges to overcome by looking forward the prospects to be a successful entrepreneur.

The paper also makes an attempt to find out the challenges and problems for the potentiality of rural entrepreneurship. It also tries to focus on the major problems faced by entrepreneurs especially in the field of marketing of products, other primary amenities like water supply, availability of electricity, transport facilities, required energy and financial amenities. In the light of this research paper focuses on the major challenges and problems available in the Indian market by en-cashing the possibilities and prospects of the same to be an able and successful entrepreneur.

Keywords: *Rural entrepreneurs, Innovator, economic development, conceptual ability, continuous learner, economic growth*

Introduction:

Concept of rural entrepreneurship: Today rural entrepreneurship has emerged as a dynamic concept. In general parlance rural entrepreneurship is defined as “entrepreneurship emerging at village level which can take place in a variety of fields of Endeavour such as industry, business, agriculture and act as a potent factor for overall economic development. Compared to earlier days development of rural areas have been linked to entrepreneurship. Defining entrepreneurship is not an easy task. Entrepreneurship means primarily innovation to some, to others it means risk taking? To others a market stabilizing force and to some others it means starting, managing a owning a small business. An entrepreneur is a person who either creates new combination of production factors such as new products, new methods of production, new markets, finds new sources of supply and new products and new organizational forms or as a person who is necessarily willing to take risks or a person who by exploiting market opportunities, eliminates disequilibrium between aggregate demand and aggregate supply or as one who owns and operates a business.

What is Rural Entrepreneurship?

In simple terms “entrepreneurship” is the act of being an entrepreneur, which can be defined as “one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods”. The problem is essentially lopsided development which is a development of one area at the cost of development of some other place, with concomitant associated problems of underdevelopment. For instance, we have seen underemployment or unemployment in the villages that has led to major influx of rural population to the cities. At present what is needed is to create a situation where in the migration from rural areas to urban areas comes down. Migration per se is not always undesirable but it should be minimum as far as employment is concerned. Indeed the situation should be such that people should find it worthwhile to shift themselves from towns and cities to rural areas because of realization of better amenities and opportunities there.

Rural Entrepreneurship in India:

Who should necessarily be capable of making use of the government schemes and policies for the betterment of rural people? Some individuals who happen to be NGO's and local leaders and also who are committed to the cause of the rural people have certainly been the catalytic agents for development. Though their efforts need to be recognized and lauded, yet much more needs to be done to reverse the direction of movement of people i.e., to attract people to rural areas which means not only stopping the outflow of rural people but also attracting them back from towns and cities where they had migrated. This can be made possible only when young people consider rural areas as places of opportunities. Despite all the inadequacies and incompetencies in rural areas one should assess their strengths and also build upon them to make rural areas places of opportunities. This is much more to do with the way one sees the reality of the rural areas. The way a job seeker or survivor would see things would certainly be different from those who would like to do something worthwhile and are also ready to go through a difficult path to achieve their destined goals. It isn't that there is a dearth of people with such a mindset. But due to various complications they change their minds and join the

Bandwagon of job seekers. Enabling the public to think positively, creatively and engaging them purposefully in entrepreneurship activities is most important for the development of rural areas. Young people with such perspective and also with the help of

rightly channelized efforts would certainly usher in an era of rural entrepreneurship. Some of the basic principles of entrepreneur which can be applied to rural development are:

- Optimum and full utilization of local resources in an entrepreneurial venture by rural population –Better distributions of the farm produce results in rural prosperity.
- Entrepreneurial occupation opportunities for rural population to reduce discrimination and also providing alternative occupations as against the rural migration
- To activate such system as to provide basic „6M“- Manpower, money, materials, management, machinery and market to rural population

Rural entrepreneurship in changing environment:

The changing global environment raises many questions about the ability of traditional, small scale businesses in rural areas to share the potential benefits which is offered by the changing environment. The rapid (though declining) population growth which is coupled with even faster urbanization, creates increasing demands. In India semi urban and urban populations in general grow about twice as fast as the overall total population and by 2020 they may exceed the size of rural populations. Such a major demographic trend challenges the capacities of some traditional small scale businesses to cope up with the increasing demands and supply.

Rural Entrepreneurship and development of villages:

Rural entrepreneurship certainly implies entrepreneurship emerging in rural areas. In other words establishing the industry in rural areas is referred to as rural entrepreneurship. This means that rural entrepreneurship is synonymous with rural industrialization. Many such examples of successful rural entrepreneurship can already be found in literature. Diversification into non-agricultural uses of available resources such as blacksmithing, catering for tourists, carpentry, spinning etc as well as diversification into activities other than those solely related to agricultural usage like use of resources other than land such as water, woodlands, buildings, local features and available skills all fit into rural entrepreneurship. The entrepreneurial combinations of these resources are for example tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing(consultancy), value added (products from meat, milk, wood etc)and the possibility of off-farm work. Equally entrepreneurial are new uses of land resources that which enable a reduction in the intensity of agricultural production, for example, organic production. Some of the major opportunities in rural entrepreneurship are:

- A. Better distribution of farm produces which results in rural prosperity
- B. Entrepreneurial occupation for rural youth resulting in reduction of disguised employment opportunities and alternative occupations for rural youth
- C. For optimum and maximum utilization of farm produce formation of big co-operatives like Amul
- D. Optimum utilization of local resource in entrepreneurial venture by rural youth on the contrary, Indian agriculture is characterized by low productivity, flood, and exposure for vagaries of nature like drought, other natural disasters and weaknesses like mismatch between agricultural and cash crops, inadequate infrastructure to provide for value addition, wide disparity which exists between public private partnership in agricultural development. Land being limited is unable to absorb the entire labor force throughout the year leading to large scale underemployment and unemployment. Rural people, in search of jobs and better

livelihood opportunities often migrate to urban centers creating unwanted slums and also live in unhygienic conditions of living. In the above mentioned trend if employment opportunities are made available in rural areas along with basic amenities of life.

Peter Drucker had proposed that „entrepreneurship“ as such is a practice. He says entrepreneurship is not a state of being not is it characterized by making plans that are not acted upon. Entrepreneurship certainly begins with action and creation of new organization. This organization in the long run may or may not become self-sustaining and in fact, may never earn significant revenues. But, when individuals create a new organization they have truly entered the entrepreneurship paradigm. Balanced and sustainable development is certainly the need of the hour and it can be made possible only when rural areas flourish. Growth of rural entrepreneurship may lead to reduction in poverty, pollution in cities, and growth of slums and ignorance of inhabitants. It also helps in improving the literacy rate and improving standard of rural people. Rural industries include traditional sector and modern sector. Former consists of khadi and village industries, sericulture, handloom and coir industries while the latter includes power loom and small scale industries.

Major objectives of study:

1. To analyze the roles of rural entrepreneurs in economic development
2. To know the major benefits from rural entrepreneurship
3. To study the problems in rural entrepreneurship
4. To suggest some remedial measures to solve the problems faced by rural entrepreneurs
5. To analyze the effect of globalization on rural entrepreneurship
6. To study the major challenges faced by rural entrepreneurship in India
7. To analyze some of the major management problems for rural entrepreneurs
8. To suggest some of the major remedies to solve problems in rural entrepreneurship

Role of rural entrepreneurs in economic development

The entrepreneurs with their ability to scan, identify and analyze opportunities in the environment transform them into business proposition through creation of major economic entities there by channelizing the resources from less productive to more productive use create wealth. Through effective and efficient utilization of natural and national resources, they act as catalysts for economic development and also agents of social change and transformation. According to Joseph Schumpeter, the rate of progress of any nation depends upon its rate of innovation which in turn also depends on the rate of increase in the entrepreneurial talent in the population. According to Meir and Baldwin, development does not occur spontaneously as a natural consequence when economic conditions and consequences in some sense are right.

A catalyst is certainly needed which results in entrepreneurial activity to a much considerable extent. The diversity of activities that which characterizes rich countries can be attributed to the supply of entrepreneurs. They play a vital role for the economic development of a country in the following ways:

1. Formation of capital: Entrepreneurs as such by placing profitable business proposition do attract investment to ensure private participation in the industrialization process. The otherwise idle savings are also channelized for investment in business ventures in turn

provides return. Again the savings are invested giving a multiplier effect to the process of capital formation.

2. General Job creators and job providers and not the job seekers: With the globalization process the government jobs are shrinking thus leaving many unemployed. In these circumstances, the entrepreneurs and their enterprises are the only source and hope of direct and indirect employment generation. Employment is generated directly by the requirement of the large enterprises and also indirectly by ancilliariation and consequential developmental activities.

3. Balanced regional development: Entrepreneurs always look for opportunities in the working environment. They capitalize on the opportunities of governmental concessions, facilities and subsidies to set up their enterprises in undeveloped areas. Classic example is setting up of steel plant at Tata Nagar, Reliance Petrochemicals at Jamnagar (Gujarat) which have resulted in the development of Good Township and peripheral regional development. Thus entrepreneurs reduce disparities and imbalances in development among regions where they operate.

4. Improvement in the standard of living: Entrepreneurial initiatives taken by entrepreneurs through employment generation leads to increase in income and also purchasing power which is spent on consumption expenditure. Certainly increased demand for goods and services boost up industrial activity. Large scale production with technological advancements will result in economies of scale and low cost of production. Modern concept of marketing involves creating demand and then filling it. New innovation oriented and varying quality products at most competitive prices make common man's life smoother, comfortable and easier which are also contributions of entrepreneurial initiative.

5. National Self- reliance: Entrepreneurs are certainly the corner stores of national self-reliance. They help to manufacture indigenous substitutes to imported products which reduce the dependence on foreign countries. There is also wide possibility of exporting the goods and services to earn foreign exchange for the country. Hence, the export promotion and import substitution ensure economic independence and the country becomes self-reliance.

6. Increase in per capita income: Entrepreneurs convert the latent and idle resources like labor, land and capital into goods and services resulting in increase in the national income and in turn wealth of a nation. The increase in national income is thus an indication of increase in net national product and per capita income of the country.

7. Planned Production: Entrepreneurs are considered and best judged as economic agents since they unite all means of production. All the major factors of production i.e., land, labor, capital and enterprise are all brought together to get the desired production. This will help to make use all the factors of production with perseverance, proper judgment and knowledge of the world of business. The least combination of factors is possible avoiding unnecessary wastage of resources.

8. Equitable distribution of economic power: The modern world is dominated by economic power. Also economic power is the natural outcome of business and industrial activity. Industrial development may lead to concentration of economic power in few hands which results in the growth of monopolies. The increasing number of entrepreneurs helps in the dispersal of economic power into the hands of many effective and efficient managers of new enterprises. Hence setting up of large number of enterprises certainly helps in awakening the evil effects of monopolies. Thus, the entrepreneurs are key to the creation of new

enterprises that energise the economy and also rejuvenate the established enterprises that which make up the economic structure.

Major benefits from rural entrepreneurship

Some of the major benefits of rural entrepreneurship can be described below as follows:

1. **Provide employment opportunities:** Rural entrepreneurship as such is mainly labor intensive and certainly provides a clear solution to the growing problem of unemployment. Mainly the development of industrial units in rural areas through rural entrepreneurship has high potential for income creation and employment generation.
2. **Balanced regional growth:** Rural entrepreneurship can dispel the concentration of major industrial units in urban areas and also promote regional development in a balanced way
3. **Check on migration of rural population:** Rural entrepreneurship can fill the lacunae and big gap and also disparities in income for rural and urban people. Rural entrepreneurship will bring in or develop infrastructural facilities like roads, power, bridges etc. It can help to check the migration of people from rural to semi urban and urban areas in search of jobs.
4. **Promotion of artistic activities in rural areas:** The age-old rich heritage of rural India is preserved by promoting and protecting handicrafts and arts through rural entrepreneurship
5. **Check on social evils existing in society:** The growth of rural entrepreneurship can reduce social evils like growth of slums, poverty, pollution in cities etc
6. **Awaken the rural youth:** Rural entrepreneurship can awaken the rural youth and also expose them to various avenues to adopt entrepreneurship and promote it as a career
7. **Improved standard of living:** Rural entrepreneurship will also increase the literacy rate of rural population. Their education and self employment will also prosper the community, thus increasing their standard of living.

Problems in Rural Entrepreneurship

Entrepreneurs certainly play very important role in the development of economy thus contributing to overall Gross Domestic Product of the nation. They face various problems in day to day life and work. As thorns are part of roses, in the same way flourishing business has its own kind of problems. Some of the major problems faced by rural entrepreneurs are as under :

1. **Financial Problems:** Some of the major financial problems faced by rural entrepreneurs as follows:
 - a. **Paucity of funds:** Due to absence of tangible security and credit in the market most of the rural entrepreneurs fail to get external funds. Also the procedure to avail the loan facility from the banks is too time consuming that its delay often disappoints the rural entrepreneurs. Lack of finance available to rural entrepreneurs is by far one of the biggest problems faced by rural entrepreneurs nowadays especially due to global recession. Some of the major difficulties faced by rural entrepreneurs include low level of purchasing power of rural consumer so sales volume is insufficient, reduced profits due to competition, lack of finance to start business, pricing of goods and services. Today financial statements are also difficult to be maintained by rural entrepreneur due to stringent tax laws, lack of guarantees for rising up of loans, major difficulty in raising capital through equity, dependence on small money

lenders for loans for each they charge discriminating interest rates, huge rent and property cost. These all problems create a difficulty in raising money through loans.

Some banks have not ventured out to serve rural customers because banks are expensive to be reached by rural customers and once reached are quite often too poor to afford bank products. Poor people are often excluded from traditional financial market as they often have insufficient established forms of collateral or physical assets to offer. The government is providing subsidies to rural areas but due to high cost of finance, these subsidies are not giving fruitful results. Some of the major sources of finance in rural areas are loans from regional rural banks or from zamindars but their rate of interest is usually very high. The government has various institutions for this purpose but certainly the results are not up to the level expected. Industrial Credit and Investment Corporation of India (ICICI), Industrial Finance Corporation of India (IFCI), and Small Scale Industry Development Bank of India (SIDBI) are some of the major national level (SFC) Institutions that are helping out rural entrepreneurs. Some State level institutions are also working like State Financial Corporation and State Industrial Development Corporation (SIDC). These institutions also provide assisting for setting up of new ventures and side by side for expansion and modernization of existing ones but their terms and conditions are very strict to be handled. Various schemes like tiny unit scheme, composite loan scheme, scheme for technical entrepreneurs etc, had started but they are unable to meet the expectations of rural entrepreneur. Raising funds through equity is much more difficult for rural entrepreneurs because of lack of financial knowledge and also because of financial corpus which is low, so loans are the primary source of finance for them which proved to be a great obstacle in developing rural entrepreneurship. Various policies of RBI regarding priority sector lending have failed to achieve its objectives. Micro financing movements started in India well. Self help groups form the basic constituent unit of micro finance movement in India. Self help groups constitute a group of few individuals who pool their savings into a fund from which they can borrow as and when necessary.

b. Lack of Infrastructural facilities: In spite of efforts made by government the growth of rural entrepreneurs is not very healthy due to lack of proper and adequate infrastructural facilities.

c. Rise Element: Rural Entrepreneurs have very less risk bearing capacity due to lack of financial resources and external support.

2. **Marketing Problems:** Some of the major marketing problems faced by rural entrepreneurs are as follows:

a. **Competition :** Rural entrepreneurs face stiff and severe competition from large sized organizations and urban entrepreneurs. They incur high cost of production due to high input cost. Problem of standardization and competition from large scale units are some of the major problems faced by marketers. They face the problem in fixing the standards and then sticking to them. For the survival of new ventures competition from large scale units also creates difficulty. New ventures have limited financial resources and hence cannot afford to spend more on sales promotion and advertising. These units are not having any standard brand name under which they can sell their products. New ventures surely have to come up with new advertisement strategies which the rural people can easily understand. Literacy rate is one among many major problems faced by rural entrepreneurs and they should device strategies and remedies to solve it.

Also printed media has limited scope and coverage in the rural context. Traditionally bounded nature, cultural barriers and cultural backwardness all add to the difficulty of communication. English and Hindi are not understood by many people as people in rural areas mostly communicate in their local dialects. It has been seen in the recent past that in spite of enough food stocks with government warehouses, people have died of starvation. This indicates a major problem with the public distribution system. The producers too are not collective in their approach for marketing their products because they are too widely scattered and uneducated.

b. Middlemen : Middlemen exploit rural entrepreneurs. Rural entrepreneurs are heavily dependent on middlemen for marketing of their products who necessarily pocket large amount of profit. Poor means of transportation facilities and storage facilities are also other marketing problems in rural areas. In most of the villages, farmers store the produce in open space, in earthen vessels, in bags etc. So these indigenous and traditional methods of storage are not capable of protecting the produce from weevils, dampness etc. The agricultural goods are not standardized and graded.

3. Management Problems : Some of the major management problems are as follows:

a. Lack of Knowledge of I.T. : Information technology as such is not very common in rural areas. Entrepreneurs rely on internal linkages that which encourage the flow of services, goods, ideas and information. The intensity of family and personal relationships in rural communities can sometimes be very much helpful but they may also present obstacles to effective and efficient business relationships. Business deals may receive less than rigorous objectivity as well as intercommunity rivalries may reduce the scope for regional cooperation. Lines of authority and decision making process are mostly blurred by local politics in rural areas.

b. Legal formalities: In complying with various legal formalities and in obtaining licenses rural entrepreneurs find it extremely difficult due to ignorance and illiteracy. Also procurement of raw materials is really a tough task for many rural entrepreneurs. They may also end up with poor quality raw materials, which may also face the problem of storage and warehousing.

c. Lack of technical knowledge: Rural entrepreneurs to a major extent suffer a severe problem of lack of technical knowledge. Lack of training facilities and other extensive services create a hurdle for the development of rural entrepreneurship.

d. Poor quality products : Another important problem is growth of rural entrepreneurship is the inferior quality of products produced due to lack of availability of standard tools and other equipments as well as poor quality of raw materials.

4. Human resource Problems: Some of the major human resource problems found in organization are as follows:

a. Low skill level of workers: Most of the entrepreneurs working in rural areas are unable to find workers with high skills. In this case turnover rates are also high. They have to be provided with on the job training and their training too generally is a serious problem for entrepreneur as they are mostly uneducated and the training should be imparted in local language which they can understand easily. The Industries in rural areas are not only established just to take advantage of the cheap labour but also to bring about an integrated rural development. Rural entrepreneurs should not look at rural area as their market; instead they should see the challenges existing in urban areas and also be prepared for them. Rural entrepreneurs are generally believed to be less innovative in their thinking. Youths in rural

areas have very little options and they are made to believe this. This is the reason as to why many of the youths either prefer to work at farm or else migrate to urban areas.

b. **Negative attitude:** Sometimes environment in the family, society and support system is not much conducive enough to encourage rural people to take up entrepreneurship as a career. It may be certainly due to lack of awareness and knowledge of entrepreneurial opportunities. Young and mostly well educated youths mostly tend to leave. As per circumstances, rural people by force may be more self-sufficient and capable when compared with their urban counterparts, but the culture of entrepreneurship tends to be weak. Continuous motivation is needed in case of rural employee whom is sometimes very much difficult for an entrepreneur to impart with.

Remedial measures to solve the problems faced by rural entrepreneurs

Different organizations like IFCI, SIDBI, ICICI, NABARD etc are trying to sort the major problems faced by rural entrepreneurs. Marketing problems are mainly related with pricing, distribution channels, product promotion etc. In order to make the rural entrepreneurs to state the business venture, following measures may be adopted:

- a. **Creation of finance cells:** Banks and financial institutions which provide finances to entrepreneurs must create special cells for providing easy finance to rural entrepreneurs
- b. **Concessional rates of Interest:** On easy repayment basis and at concessional rates of interest the rural entrepreneurs should be provided finances. The cumbersome formalities should necessarily be avoided in sanctioning the loans to rural entrepreneurs.
- c. **Offering training facilities:** Training is essential for the overall development of entrepreneurs. It also enables the rural entrepreneurs to undertake the venture successfully as it certainly imparts required skills to run the enterprise. At present the economically weaker entrepreneurs of the society are necessarily offered such training facility by government of India regarding skill development of the existing entrepreneurs so that rural entrepreneurs can indeed generate income as well as employment opportunities in rural area especially in north east and south India region
- d. **Power supply of raw materials:** Rural entrepreneurs should be surely ensured of proper supply of scarce raw materials on a priority basis. Subsidy may also be offered at times to make the products manufactured by rural entrepreneurs reasonable and cost competitive.
- e. **Setting up marketing co-operatives:** Proper assistance and encouragement should be provided to rural entrepreneurs for setting up marketing co-operatives. These co-operatives shall help in getting various inputs at reasonable rate and they are helpful in selling their products at remunerative prices. Thus comprehensive training, proper education, setting up of separate financial Institutions, development of marketing co-operatives to a large extent help to flourish the rural entrepreneurs in India.

Effect on Globalization on Rural Entrepreneurship

It is quite very difficult to establish casual linkages or to quantify the specific effects of globalization on rural entrepreneurship since globalization is a macro concept and rural entrepreneurship is a micro concept occurring in a very limited area. However, it is quite possible to identify a range of different channels through which various aspects of globalization can be certainly expected to change the welfare of rural entrepreneurship in India. Some of the major effects of globalization on rural entrepreneurship which is seen in recent years are as follows:

1. **Productivity and efficiency effect:** Due to its access to global markets, abilities to specialize and also to take advantages of economies of scale and scope globalization is often said to result in higher productivity. Indeed exposure to global competition can certainly result in high levels of productivity and efficiency. However, it is less crucial for large economies like India. Because globalization enhances countries abilities to exploit comparative advantages arising from differing natural and ecological conditions, the potential gains to rural entrepreneur are also large. At the level of national policy these arguments certainly seem to favour globalization. There are many other factors which place rural entrepreneurs at a disadvantage. Most of them lack access to the technologies and market information that which would enable them to comply with quality requirements and specifications and also effectively respond to emerging opportunities. To compete in the modern world they rarely have access to credit and other financial services. Many entrepreneurs also face high transportation and input costs that which further reduce their ability to sustain and compete. Additionally, there are some entrepreneurs whose culture plays greater value on the maintenance of traditional ways of life, rather than on the material success in a much more competitive world. Apart from the above mentioned disadvantages, there is a wider question of whether the economic as well as institutional infrastructural facilities and structure of policies are favorable for small enterprises to succeed in the international competition. In short, Globalization as such presents real dangers to the rural entrepreneur, to set against the possible advantages for the wider economy.

2. **Economic growth effect:** Currently the argument in favour of globalization is the positive link between globalization and rural entrepreneurship in India. Because potential benefits certainly include improved access to managerial expertise and foreign technology. There have been varied views concerning the connection which exists between trade openness and rural entrepreneurship growth and this has also given rise to a large body of empirical literature, suggesting a positive relationship between trade openness and rural entrepreneurship growth. Edwards (1998) in his paper concludes that greater openness accelerates economic growth and that large departures from free trade dampen it. Michael et al (1991) in his findings based on the evidence suggests that liberalizing countries outperform those who failed liberalization attempts. In contrast, Helleiner (1986) has suggested that a certain level of national development is very much necessary before the objective of export-led growth can be realized.

Series of deliberations and emergence of the WTO under the Uruguay round have changed the world economic order. Indian government has shelved the earliest protectionist policies and opened up the economy to the world market. Undoubtedly, this has also helped the Indian economy to recoup its strength with the flow of international technology and capital resulting in a robust economic position. The economy is moving steadily with more than 6 percent GDP growth rate for the last two decades or so. However, new economic policies have posed severe challenges to the rural and agricultural sectors of the economy. Overall, analyzing the above facts it indicates that openness promotes faster growth. Still the question remains unanswered as to what this might do for the rural entrepreneurs and enterprises, particularly as little FDI flows into agriculture. The evidence from various studies also suggests that the rural entrepreneurs overall are substantially included as beneficiaries from economic growth. However, the extent of inclusion varies internationally. As discussed earlier, openness and free trade results in faster growth. Growth might be expected to specifically benefit the rural entrepreneurs to such an extent that the agricultural sector is very much included in the economic expansion. In fact, there is very little evidence that trade expansion in India has actually taken this form.

3. Technological effect: Today one of the prominent features of globalization and one of the major reasons for predicting improved growth is transfer of technology. Formerly many small rural entrepreneurs saw major improvements in their businesses, but to a certain extent improvements were in a very limited area and also to a very limited number of entrepreneurs. The focus as such today is on the potentials and dangers of biotechnology. In Principle, the benefits here too may be large. The benefits may be from raising productivity, lower food prices as well as reduced risks of pests and droughts. Biotechnology research has been much more relevant to the problems of high-income countries. The benefits certainly tend to be specific to conditions or markets, particular environments. A small number of multinational corporations too are carrying out much of the research in rural areas. There has been a general focus upon the problems faced by rural entrepreneurs in rich countries with very little attention being paid to underdeveloped and developing countries like India's basic foodcrops and the problems of their small farmers.

4. Distribution effect: It is not possible to gauge the overall effect of globalization on the level of inequality; the effect and aftermaths on women entrepreneur in rural area is less ambiguous. Many rural women entrepreneurs are to a certain extent hampered from benefiting from the changes arising from globalization. They also have less access than men to education and training, less command over important resources such as credit, land and capital, less time to devote to productive activities.

5. Transformational and insecurity effect: Rural entrepreneurship as such is not always directly related to income. It can also refer to an intense level of insecurity. Many times those who have managed to improve their position are pressed back down again by natural disasters, inflation, deflation and other shocks. Some aspects of globalization increase such problems. Globalization is generally associated with increased competitive pressures and accelerated pace of change in economic life. This requires a speedy adaptation, which may simply be outside the range of those with few modern skills or certain other assets. Globalization as such is linked to increased specialization, but this for all its advantages increases risks for rural entrepreneurs by pushing them to „play all their cards.“ These factors are further compounded by the insecurity and transformational effect due to volatile environment. Also greater financial interdependence amongst national economies, resulting from globalization has certainly affected transferring or spreading shocks from one nation to another. This can be seen from the financial crisis which has affected the world, leading to a global slowdown. The enormous cross border movements of highly mobile financial capital and the difficulties of regulating this have resulted in the tendency for financial shocks to spreading around the world as such. Many of these shocks coming from the rest of the world have hit the urban sector hardest. Still, there are a number of channels through which the effect has been transferred to the rural enterprises.

6. Policy: Government of India has in a sense, discriminated against agriculture and all those enterprises that which depend on it. This discrimination has typically taken the form of overvalued exchange rates, state trading monopolies for domestic as well as external marketing of agricultural commodities. Additionally, the revenues from commodity exports have been certainly.

Major Challenges faced by rural entrepreneurship in India

Some of the major challenges faced by rural entrepreneurship in India can be described below as follows:

1. Family challenges: Convincing to opt for business over job is certainly not an easy task for an individual. The first thing compared is- will you make more money in the business

of your choice or will you work as a successor of family business. This is certainly a stage where it becomes almost impossible to convince that you can generate more cash with your passion than doing what your dad is doing.

2. **Social challenges:** Even though family challenges are always at the top because as it matters the most but at times social challenges also are very important. Let us consider an example wherein say you and your friend graduated at the same time. You opted for entrepreneurship and your friend opts for a job. After few years he now has a flat, car and what not because he could easily get those with a bank loan but you still have nothing to show off and this is where the challenge comes in

3. **Technological challenges:** Indian education system certainly lags too much from the job industry as a whole but then it lags even much more when it comes to online entrepreneurship. What technology would be ideal and how to use that technology effectively and efficiently is the question which needs to be answered by entrepreneur

4. **Financial challenges:** This necessarily refers to difficulty in borrowing fund. For online entrepreneurs financial challenges are a lot different in India. When you are starting as an entrepreneur you don't opt for venture funding but definitely try to go to funding for small to medium business people. Many non-technical business people don't understand the online business models as a whole and so getting an initial business funding from them becomes very much challenging. Other option what entrepreneurs can think of is a loan but bank loan as such is not at all an option in India for new online entrepreneurs.

5. **Policy challenges:** Now and then there are not of changes in the policies implemented by the government. Problems of TRIMS and TRIPS to pose policy challenges. Major problems of availing raw materials, problems of raising equity capital, Problems of obsolescence of indigenous and outdated technology, increased pollutions, ecological imbalance, exploitation of small and poor countries etc.

Major Management Problems of Rural entrepreneurs

Some of the major management problems faced by rural entrepreneurs today are as follows:

1. **Lack of Knowledge of I.T:** Information technology is not very common in rural areas. This poses one of the major challenges for entrepreneurs. Entrepreneurs rely on internal linkages that which encourage the flow of services, goods, ideas and information. The intensity of family and personal relationships in rural communities can sometimes be very helpful but they may also present obstacles to effective business relationships. Business deals may receive intercommunity rivalries and less than rigorous objectivity which may reduce the scope for regional cooperation. Lines of authority and decision making process are mostly blurred by local politics in rural areas

2. **Legal formalities:** Rural entrepreneurs find it extremely difficult in obtaining licenses and also complying with various legal formalities due to illiteracy and ignorance.

3. **Raw materials Procurement:** One of the tough tasks for rural entrepreneur is procurement of raw materials. Entrepreneurs quite often may end up with poor quality raw materials and also might face the problem of warehousing and storage

4. **Products of poor quality:** Inferior quality products is another major reason which hinders the growth of rural entrepreneurship as products produced mainly due to lack of availability of equipments and standard tools as well as poor quality raw materials do not cater to the needs of customers

5. **Lack of technical knowledge:** Technical knowledge is another major area which rural entrepreneurs faces a major problem to comprehend. Lack of extension services and training facilities create a hurdle for the development of rural entrepreneurship.

Major Remedies to solve problems in rural entrepreneurship

Major financing organizations like SIDBI, NABARD, ICICI and IFCI are trying to sort out the problems of rural entrepreneurship. Marketing problems as such are related with pricing, distribution channels, packaging, promotion etc. Following mentioned measures may be adopted in order to make rural entrepreneurs to start business venture:

1. **To provide loans at concessional rate of interest:** Finance should be provided to rural entrepreneurs at concessional rates of interest and also on easy repayment basis. Also cumbersome formalities should be avoided in sanctioning loans to rural entrepreneurs
2. **Creation of finance cells:** Special finance cells must be created by financial institutions and banks to provide easy finance to rural entrepreneurs
3. **Setting up marketing co-operatives:** Assistance and encouragement should be provided to rural entrepreneurs for setting up marketing co-operatives in rural areas. Co-operatives certainly can help in getting inputs at quite a reasonable rate and also turn out to be helpful in selling their products at remuneration prices. Rural entrepreneurs can derive the benefits of enterprise by avoiding middlemen. Moreover to boost rural entrepreneurs common production and marketing centres should be set up with sophisticated modern infrastructural facilities. Hence comprehensive training facilities, proper education, development of marketing co-operatives, setting up of separate financial institutions much to a larger extent can help to flourish rural entrepreneurs in India. Besides both government as well as non-government agencies should also play an important role.
4. **Supply of raw materials:** On priority basis rural entrepreneurs should be ensured of proper supply of scarce raw materials. Besides subsidy must also be offered to make the products manufactured by rural entrepreneurs which are reasonable and also competitive in terms of cost
5. **Offering high quality training facilities:** Training is very much essential for the development of entrepreneurship. As proper training imparts required skills to run an enterprise it enables rural entrepreneurs to undertake their venture successfully. Economically weaker entrepreneurs of the society are presently offered such training facility under Programmed FICCI (NGO's), Prime Minister's Rozgar Yojna (PMRY), rotary clubs, lion clubs and various other voluntary organizations which can also arrange such training programmes for rural entrepreneurs to provide them proper assistance and stimulation counselling. Individual based EDI approach is highly relevant for rural entrepreneurs where motivation and familiarization processes are coupled with promise of various bank credit and support by way of escort services which could persuade rural youths with mandatory basic skills and hands on technology to start small enterprises in their region

Conclusion:

Rural entrepreneurs are certainly act as a key figure in economic progress of India. They play a vital role in converting developing country into developed nation. In today's global market a country's economic policy environment must always be favourable for an organization to achieve efficiency. Economic policy of a country should also enable entrepreneurs to provide magical touch to an organization irrespective of public, private or

joint sector in achieving innovativeness, speed, flexibility and also strong sense of self determination. Rural entrepreneurship however is the best answer for removal of rural poverty in India. Hence government should stress and emphasize more on integrated rural development programs. Also majority of the rural youths do not think of entrepreneurship as a career option. Hence organizations and government should come with training and sustaining support systems providing all necessary assistance so that rural youth can be motivated to take up entrepreneurship as a career. Besides there should also be efficient regulated markets and governments should also lend its helping hand in this context. Standardization and grading should be promoted and also promotional activities should be enhanced to encourage rural entrepreneurs. NGO's should also be provided full support by the government. In the present context study of entrepreneurship helps entrepreneurs not only to fulfil their personal needs but also help in economic contribution of new ventures. More than increasing the national income by creating new jobs, rural entrepreneurship also acts a force in economic growth by serving as a major bridge between innovation and marketplace. To conclude to bring change institutions need to focus on synergies between education, innovation and entrepreneurship.

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Empowering Tribals in Odisha through Information Technology

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Abstract :

The present paper makes an attempt to study role of informationa technology in tribal areas and its impact on the life line of the people. For this direction various hypothesis have been identified and questionnaire distributed . In our study we found that the Information Technology (IT) have made significant contribution in the life of the tribal people in some areas and still long way to go . It changed the life style of the people and a the rural people able to find new markets for their products .

Keywords: Empowerment, IT, Perception and tribal area.

Introduction :

Tribal population is largely spread over various parts of Odisha and they have their own distinctive characteristics which make them unique. The Census Report 2011, highlighted that the state has a total population of 41,947,218. Out of that a significant share (22.1%) goes to tribal population of 8145081. In fact, most of the tribal communities are affected by the developmental projects undertaken by various agencies. Thus, they have become the most vulnerable section of the society. They are also exploited by the age old social and cultural norms and with the help of various developmental issues. Most of the developmental benefits have not accrued to them. They are different in terms of way they speak, the way they live their lives, in terms of their cultural milieu and various other habits. Geographical habitation of the tribals is also another sphere which often keeps them detached from the mainstream society. The massive dominated of the Scheduled Tribe (ST) population is located at southern as well as western part of the state such as, Koraput, Malkangiri, Nabarangapur, Rayagada, Balangir, Subarnapur, Kalahandi and Nuapada. Originally these 8 districts are undivided Koraput, Balangir and Kalahandi which are popularly known as KBK districts have huge concentration of ST population. The socio economic conditions of such segments are remaining unchanged due to lack of financial literacy. The theoretical explorations of many researchers have emphasized glaring impact and significance of financial literacy for the development of socio-economic growth of tribal society. According to Mutatkar (2005), inequality of income is one of the key issues of the poverty elevation. Some other studies reported that social exclusion may be less stigmatizing

than poverty and therefore more acceptable to public opinion (Estivill,2003; Fischer, 2008).The study conducted byErigala (2012), reported that scheduled tribes population of the country have suffered exclusion, isolation and under development due to their being ethnically different from main stream Indian society. According to Papola(2012) source of income and livelihoods are the important ingredients of poverty alleviation. Therefore, financial literacy program plays the most significant role to change their financial behavior & strength of their economic growth.

Empowrment is a term generally used to describe a process by which powerless people become conscious of their own situation and organise collectively to gain greater access to public service or to the benefits of the economic growth.The terminology of empowerment has arisen from the theoritical debates as well as practical debates espically from the experience of women working in grass root level in many parts of the world. In 1990s when terms like ‘ participation, ‘ consultation and ‘ partnership’ began to enter the development thinking importance given by the development agencies was shifted to enabling approach i.e, enabling people to identify and express their needs and priorities. It is in this context the notion of empowerment has arisen. The dictionary meaning of the term empowerment is to give power, to give them capacity to perform some physical or some mental activity, to delegate authority, to give legal rights, to enable , to entitle, to endow (invest with powers). The literary meaning of empowerment indicates that it is centred on the root concept power. Then what is power “ Power is the ability of one person or group to get another person or group to do something against their will.

Objectives of the Study

- ✓ To know the impact of Information Technology in Tribal dominated areas of Odisha.
- ✓ To know the perception level of the participants under the study area.
- ✓ To make suggestions based on findings.

Scope of the Study

- ✓ The sample size is limgted, it may not represent the view of all the people of tribal area
- ✓ The period of study is for 3 months i.e June 2018 to August 2018.
- ✓ The study is restricted to Odisha only.

Sampling Plan

In support of the objective of the research there is a primary research questionnaire admistration method in the field through stratified random sampling method covering the Khurda district through regional, geographical, economic, cultural, lingual and settlement wise. Total 400 questionnaires served and 187 response received. The sample includes service holder, students, business men, house wives etc.

Particulars	Questionnaire served	Response received	%
Tribal Men below 30 years	100	48	25.67
Tribal Women below 30 years	100	41	21.93
Tribal Men above 30 years	100	52	27.81
Tribal Women above 30 years	100	46	24.59
Total	400	187	100

Methodology

The present work is based on the primary data. For collecting primary data 400 questionnaires distributed in tribal area. However 187 responded. This is 43.29% of the total questionnaires distributed, of which 100 are men and rest are women. To analyze the data and derive results from it percentage method is used. This is suitable method to compare, keeping in view the objective of the study.

Frequency Distribution of Knowledge about the Information Technology in the Study area

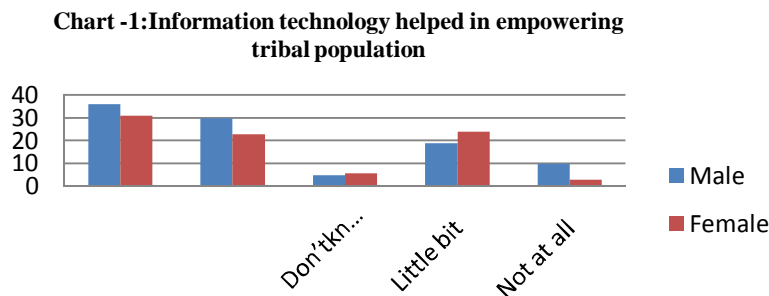
Items	Awareness		Awareness and availability		Awareness, Availability and use	
	Men	Women	Men	Women	Men	Women
Computer	86	51	61	32	38	14
Laptop	73	37	42	20	27	17
Internet	78	24	53	19	36	12
Web- camera	45	29	24	16	7	3
Animation	46	18	29	12	10	2
Pen drive	52	26	37	11	28	19

Perception about Information Technology

1. Do you feel the information technology helped in empowering tribal population?

Sex	To a great extent	To some extent	Don'tknow	Little bit	Not at all
Men	36	30	5	19	10
Women	31	23	6	24	3

Source: Compiled from filed survey



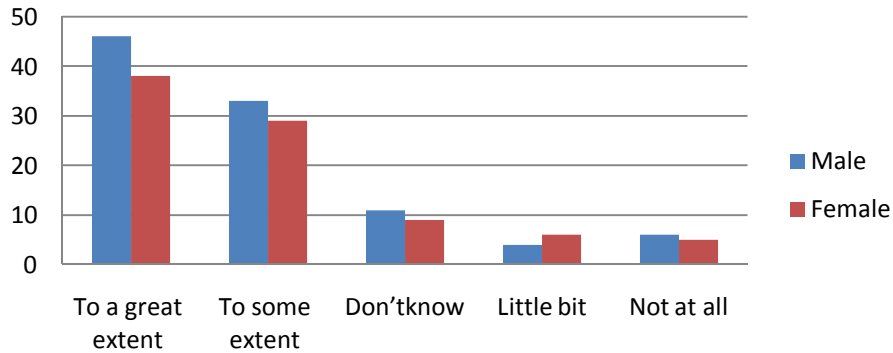
Interpretation : Answering to this question 36% men agreed, 30% agreed to some extent, rest opted for other options. Similarly, in case of women respondents 35.63% agreed to a great extent, 26.44 agreed to some extent and rest opted for the remaining options. This shows that there is no whole hearted support for the perception.

2. Do you think that information technology helped in transformation in the tribal area?

Sex	To a great extent	To some extent	Don'tknow	Little bit	Not at all
Men	46	33	11	4	6
Women	38	29	9	6	5

Source: Compiled from filed survey

Chart-2:information technology helped in transformation in the tribal area



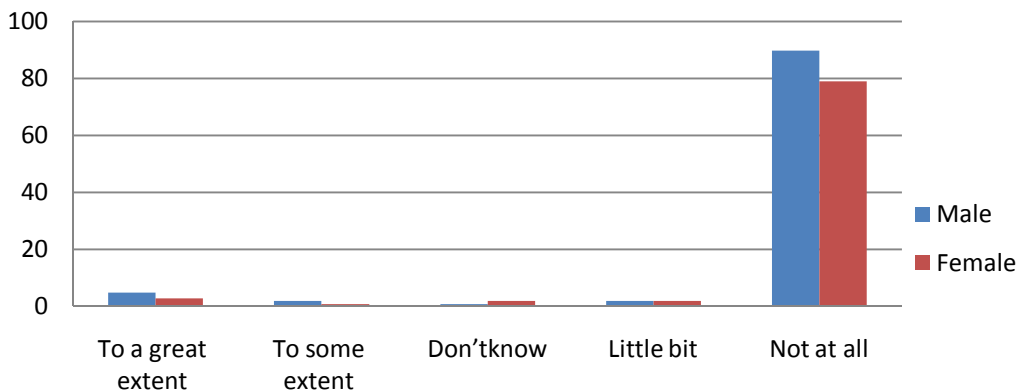
Interpretation: Responding to this question, 46% men agreed to a great extent, 33% agreed to a some extent, rest opted for other options. In case of women 43.68% supported to the great extent, 33.33% opted for some extent. Rest thought for otherwise.

3. Do you feel that teaching methodology in schools and colleges in tribal area changed drastically with the use of Information of technology?

Sex	To a great extent	To some extent	Don't know	Little bit	Not at all
Men	5	2	1	2	90
Women	3	1	2	2	79

Source: Compiled from filed survey

Chart-3:Teaching methodology in schools and colleges in tribal area changed drastically with the use of Information of technology



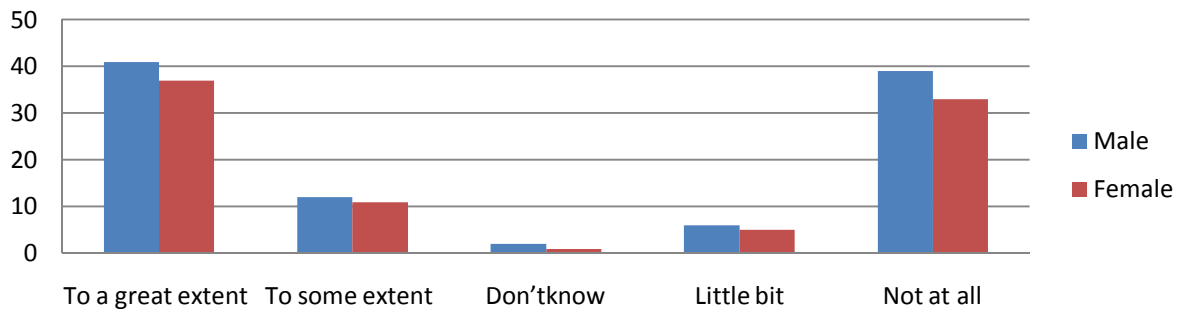
Interpretation: For this question 90% men respondents of tribal and 90.81% of women respondents outrightly rejected. This reflects that in tribal area teaching methodology is not changed it needs to be looked in to seriously. Then only the bridge between tribal and urban can be reduced.

4. Do you feel that information technology effects your interpersonal life?

Sex	To a great extent	To some extent	Don't know	Little bit	Not at all
Men	41	12	2	6	39
Women	37	11	1	5	33

Source: Compiled from filed survey

Chart -4:information technology effects your interpersonal life



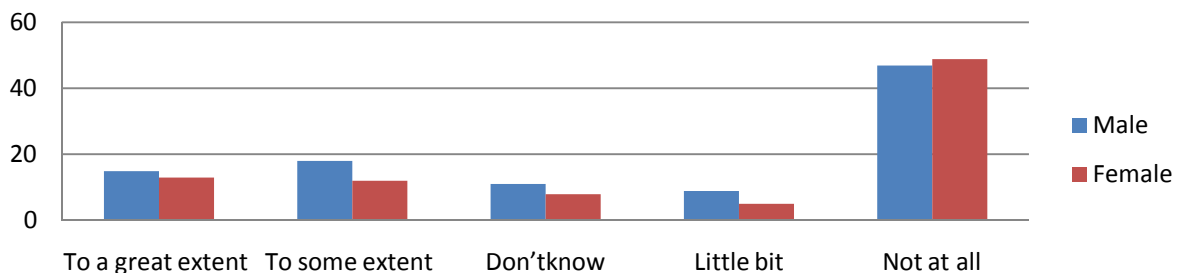
Interpretation: Responding to this 41% of men supported 39% outrightly rejected. In case of women respondents 42.53% supported the statement and 37.93% rejected. Although there is majority support , but not absolute support.

5. Do you feel that information technology will help in compensate for loneliness in lives tribal people?

Sex	To a great extent	To some extent	Don't know	Little bit	Not at all
Men	15	18	11	9	47
Women	13	12	8	5	49

Source: Compiled from filed survey

Chart-5:Information technology will help in compensate for loneliness in lives tribal people



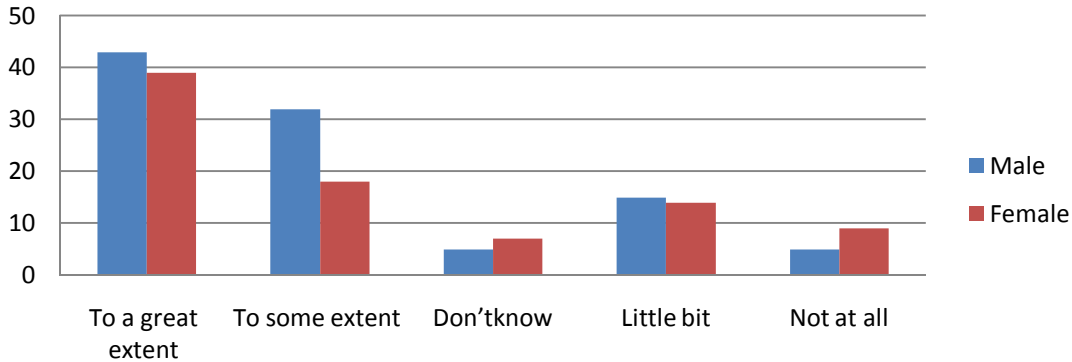
Interpretation: Answering to the question related to loneliness, 47% men rejected and only 15% supported to a great extent and 18% to some extent. Similarly, 56.32% women respondents rejected the perception of compensation for loneliness. This clearly shows information technology so far not a tool for compensate the loneliness.

6. Does family background effects use of information technology and its awareness?

Sex	To a great extent	To some extent	Don't know	Little bit	Not at all
Men	43	32	5	15	5
Women	39	18	7	14	9

Source: Compiled from filed survey

Chart-6:family background effects use of information technology and its awareness



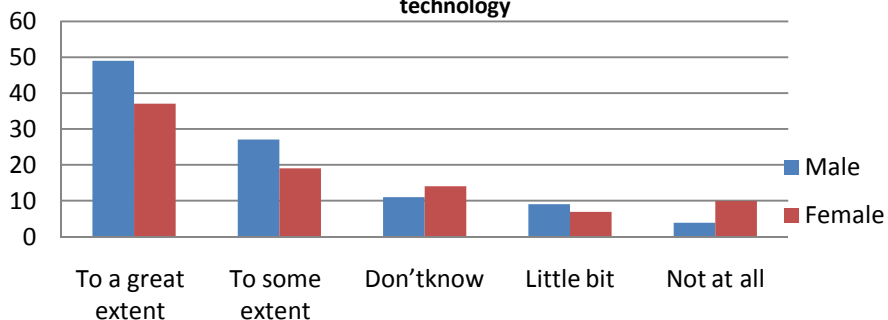
Interpretation: Responding to this , 43% of men and 39% of women supported the view to a great extent. 32% of men viewed as some extent and 18% of women respondents also agreed to some extent.

7. Does the financial soundness of the family effect the use of information technology?

Sex	To a great extent	To some extent	Don'tknow	Little bit	Not at all
Men	49	27	11	9	4
Women	37	19	14	7	10

Source: Compiled from filed survey

Chart-7:financial soundness of the family effect the use of information technology



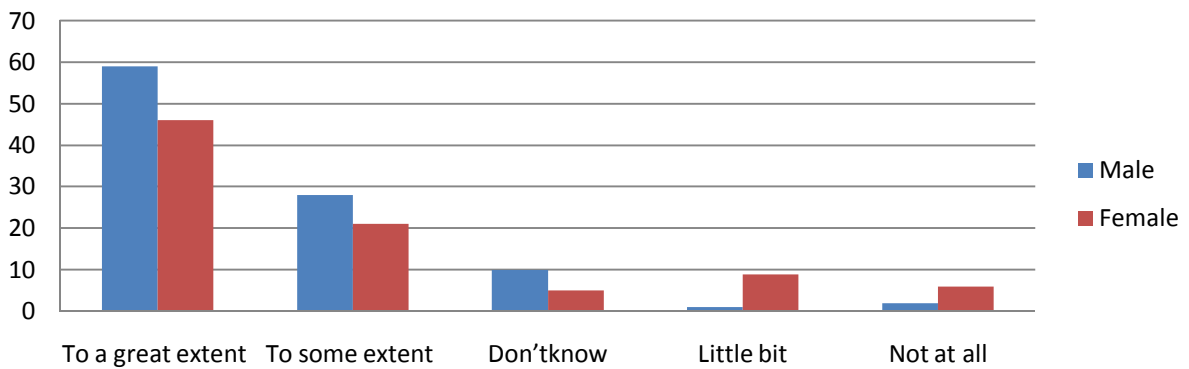
Interpretation: Answering to this 49% response of men was to a great extent, 27% supported to some extent. In case of women respondents 37% agreed to some extent, 22% agreed to some extent and rest opted for the other options.

8. Do you feel that with the help of the information technology the rural and urban gap reduced and now the concept changed into literate and illiterate?

Sex	To a great extent	To some extent	Don'tknow	Little bit	Not at all
Men	59	28	10	1	2
Women	46	21	5	9	6

Source: Compiled from filed survey

Chart -8:help of the information technology the rural and urban gap reduced and now the concept changed into literate and illiterate



Interpretation: Responding to this question 59% of men agreed to a great extent, 28% agreed to some extent. In case of women respondents, 52.87% agreed to a great extent, 24% agreed to some extent and rest opted for others.

Conclusion:

In the field study we experienced that although the tribal population have knowledge about the information technology but so far the accessibility is not satisfactory as compared to urban area. This is because of various reasons. The IT revolution should not be restricted to urban areas only. Especially the teaching methodology in the school and colleges not changed and the same old traditional methodology is been followed. This is a serious issue and need to be taken care seriously. There is a need for political will to include the excluded. Then only true empowerment in tribal is possible. *If the benefits of IT will not be reached to the tribal areas the gap will be larger and it will become Litrate Vs Illetreate rather than Urban Vs rural.*

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A Study on Financial Performance Evaluation of Maharashtra Gramin Bank, (2016-2018)

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Abstract :

Regional Rural Banks were established under the provisions of an Ordinance approved on September 26, 1975 and the RRB Act 1976 to offer adequate banking and credit facilities for agriculture and non-agricultural sectors. RRBs were conceived as hybrid micro banking institutions, combining the feel and familiarity of the cooperatives and business acumen of the commercial banks with the mandate to serve the credit needs of the small and marginal farmers, agricultural labourers, socio-economically weaker section of population for development of agriculture, trade, commerce, industry and other productive activities. Since inception, Regional Rural Banks (RRBs) have taken deep roots and have become a sort of indispensable part of the rural credit delivery mechanism in India. With joint shareholding by Central Government, the concerned State Government and the sponsoring bank, an effort was made to integrate commercial banking within the broad policy thrust towards social banking keeping in view the domestic distinctiveness. At present in 2018 there are 56 RRBs functioning in India. There are 2 banks operating in Maharashtra. 1) Vidarbha Konkan Gramin Bank. 2) Maharashtra Gramin Bank (MGB) which covers 17 districts. The current study is based on Maharashtra Gramin Bank (MGB).

Maharashtra Gramin Bank came in to existence on 20th July 2009 after amalgamation of erstwhile Maharashtra Godavari Gramin Bank and Marathawada Gramin Bank with the mission of developing the rural economy by providing, for the purpose of development of agriculture, trade, commerce, industry and other productive activities in the rural areas, credit and other facilities, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs and for matters connected therewith and incidental thereto. The success of rural credit in India is largely dependent on the financial strength of these banks. Therefore, it is very important to assess the performance of the Regional Rural Banks (RRBs) in India from time to time. The objective of this research is intended to Study the Financial Performance Evaluation of Maharashtra Gramin Bank, for the period 2016-18. The empirical analysis has been couched in terms key Financial Performance Indicators. The Research methodology adopted for study is analytical research and quantitative statistical tools used for study are trend analysis, correlation, regression and ANOVA is used for hypothesis testing.

In the first part, the researchers have discussed briefly about the functions of Maharashtra Gramin Bank. Then, we have analysed impact of financial performance of Maharashtra Gramin Bank (MGB) namely Credit Deposit Ratio (CD Ratio), Advances and Investments on profitability of Maharashtra Gramin Bank for the period 2016-18. .

Keywords: *Business Acumen, Financial Strength, Financial Performance Indicators, Credit Deposit Ratio*

Introduction:

The inception of the Regional Rural Banks can be traced back to the need for a stronger institutional arrangement for providing rural credit. The Narasimhan committee during the tenure of Indira Gandhi's government conceptualised the creation of RRBs in 1975 as a new set of regionally oriented rural banks, which combined the local feel and acquaintance of rural problems, characteristic of cooperatives with the professionalism and large resource base of commercial banks. Subsequently, the RRBs were set up through the promulgation of RRB Act of 1976.

Origin of regional rural banks (RRBs) can be seen as a unique experiment as well as experience in improving the efficacy of rural credit delivery mechanism in the Indian economy. Regional Rural Banks have been an indispensable part of the Indian financial system for around three decades. An effort was made by Central Government, the concerned State Government and the Sponsoring Bank by joint share holding to integrate commercial banking within the broad policy thrust towards social banking keeping in view the domestic peculiarities. There were five commercial banks, Punjab National Bank, State Bank of India, Syndicate Bank, United Bank of India and United Commercial Bank. Presently the equity of RRBs is held by the Central Government, concerned State Government and the Sponsor Bank in the proportion of 50:15:35. Earlier, the Reserve Bank of India had laid down ceilings on the rate of interest to be charged by the RRBs.

RRBs were supposed to evolve as specialised rural financial institutions for developing the rural economy by providing credit to small and marginal farmers, agricultural labourers, artisans and small entrepreneurs. Regional rural Banks plays a pivotal role in the agriculture and rural development of Maharashtra. The RRBs have reached to the rural area of Maharashtra through huge network. Maharashtra is primarily an agrarian state and its maximum population resides in rural area. The RRBs have played an important role in agricultural financing. At present there are 56 RRBs in India. There are 2 banks operating in Maharashtra:

- 1) Vidarbha Konkan Gramin Bank.
- 2) Maharashtra Gramin Bank (MGB) – covers 17 districts.

The current study is based on Maharashtra Gramin Bank (MGB)

Maharashtra Gramin Bank:

Maharashtra Gramin Bank came into existence on 20th July, 2009 after the amalgamation of Maharashtra Godavari Gramin Bank and Marathwada Gramin Bank as per the notification issued by Government of India, Ministry of Finance and Department of Financial Services. The head office of the bank was shifted from Nanded to Aurangabad in July, 2014. As on March, 2017 the Bank had 408 branches and 6 regional offices across 17 districts in the state of Maharashtra. All the branches of this bank are linked via Core Banking Solutions (CBS).

The area of operation of the MGB comprises of 16 districts of Maharashtra State namely Nanded, Parbhani, Hingoli, Beed, Latur, Osmanabad, Pune, Aurangabad, Jalna, Thane, Ahmednagar, Jalgaon, Dhule, Nashik, Nandurbar and Raigad. The Bank is having 6 Regional Offices located at Nanded, Parbhani, Latur, Beed, Jalna and Thane.

The bank receives its funding from apex institutions like RBI, NABARD and investing into other securities.

The product and Services offered by the MGB:

- Demand deposits
- Time deposits
- Working capital finance
- Term lending, retail loans, industrial / corporate loans, remittances
- Other fee based products like safe deposit lockers

Functions of MGB:

The broad functions of the Bank:

- Acceptance of deposits from public as per the norms prescribed by the RBI, Government of India for lending and investment.
- Rendering of services to customers such as collection of cheques, issue of Demand Drafts, Mail Transfer, Lockers, ATMs, etc. i.e. all banking facilities.
- Developing the rural economy by providing credit for the purpose of development of Agriculture, Trade, Commerce, Industry and other productive activities in rural area.
- Providing other facilities particularly to Small Farmers/ Medium Farmers/ Allied Activity/ Rural Artisans and Small Entrepreneurs for the matters connected these with and incidental there to.

Review of Literature:

The Kolka Working Group (1984) reviewed that the RRBs could mobilize considerable participation of rural people through their branch networks. Among many recommendations made by the group, the participation of NABARD, credit deposit ratio, the relation between sponsoring banks and the RRBs training the bank staff etc, were the most important.

Roy (1994) concluded that the working of RRBs in West Bengal showed a remarkable trend with respect to deposits and advances.

Nathan (2002), the current policies of the financial liberalization have had an immediate, direct and dramatic effect on rural credit. There has been a contraction in rural banking in general and in priority sector lending and preferential lending to the poor in particular.

Khankhoje and Sathye (2008) in his study attempted to measure the variation in the performance in terms of productivity efficiency of RRBs in India.

Syed Ibrahim (2010) concluded that the performance of rural banks in India has significantly improved after amalgamation process which has been initiated by the Government of India.

Raghavendra and Chaya (2014) reveal that credit borrowing, loan & advances, branches, and credit deposit ratios continue to be unsatisfactory and the RRBs are still hesitant to purvey credit to small and marginalized farmers.

Kuldeep Singh (2014) concludes that the efforts made by RRB in branch expansion, deposit mobilization, rural development and credit deployment in weaker section of rural areas are appreciable.

Dr. Y.G. Baligatti (2016) in his study reveals that RRBs have taken initiation to expand their branch network and extending their area of operations, it is witnessed that though the RRBs are successful in providing banking services to unbanked areas there is an imbalanced growth of RRBs where prominent backward area has been neglected in providing bank credit.

Mrs. Geetha R.S (2016) advised that although the Performance of Pragathi Gramina Bank in meeting its objectives is successful and appreciable furthermore the Government has to give needful support to these Regional Rural Banks to make them more viable and successful in meeting the needs of rural credit in the coming years.

Research Methodology:

Significance of the Study:

The study has been focused on Profitability, Deposits, Advances and Investments of MGB. This will help in decision making process which may help to improve the performance of MGB.

Objectives of the Study :

- 1) To measure financial performance of Maharashtra Gramin Bank.
- 2) To evaluate progress of Maharashtra Gramin Bank during the study period (2016-2018).
- 3) To study the growth of deposits, advances and investments of Maharashtra Gramin Bank.
- 4) To analyse the relationship between variables (deposits, advances and investments) on the profitability of the bank.
- 5) To analyse the impact of variables (deposits, advances and investments) on the profitability of the bank.

Hypothesis:

H01: There is no significant impact of deposits on profitability of the Bank.

H02: There is no significant impact of advances on profitability of the Bank.

H03: There is no significant impact of investments on profitability of the Bank.

Scope of the study:

The study covers the performance of MGB relating to Profitability, Deposits, Advances and Investments for the period of three years. (2016-2018).

Research Method:

Analytical research method is used for the study to evaluate the financial performance of the selected bank.

Limitations of Study:

1. The study is related with only one regional rural bank i.e. MGB.
2. The study is confined to a span of only three years (2016-2018)

3. The present study is confined only to the specific areas like profitability, deposits, advances and investments of MGB for the years 2016-2018.

Methods & Sources of Data Collection:

Only secondary data is used to attain the objective of the study which is taken from websites and cross verified with published annual report of the MGB.

Sampling Technique-

Sampling Method: The study is based on convenient sampling method.

Sample Size:

For the study, data of one bank (Maharashtra Gramin Bank) is taken as the sample.

Tools and techniques of analysis:

Statistical measures like trend analysis, correlation and regression are used to measure the impact of independent variable on the dependent ones and ANOVA for hypothesis testing with the help of MS Excel 2008.

Trend analysis:

Trend analysis is used to project the probable trend of the deposits, advances and investments with the bank.

Correlation Method:

To study the relationship between independent variables on dependent variables correlation method is used.

Regression Method:

A linear regression model has been developed to estimate the impact of deposits, advances and investments on profitability of the bank.

ANOVA for hypothesis testing:

ANOVA is used for testing the considered hypothesis, the result of which enables to accept or reject the hypothesis.

Variables used:

VARIABLES	PROXY VARIABLES
Financial Factors (Independent Variable)	Deposits
	Advances
	Investments
Profitability (Dependent Variable)	Net profit

Theoretical Framework:

Financial Performance:

Financial performance is a subjective measure of how well an organisation uses its assets to generate revenues. This term is also used as a general measure of an organisation's overall financial health over a given period of time and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregate. In a broader sense,

financial performance refers to the degree to which financial objectives being or has been accomplished. It is the process of measuring the results of an organisation's policies and operations in monetary terms.

Evaluating the financial performance of a business allows decision makers to judge the results of business strategies and financial activities adopted and implemented by the organisation.

It is the process of identifying the financial strengths and weaknesses of an organisation by properly establishing the relationship between the elements of balance sheet and profit and loss account. It also helps in short-term and long term forecasting and growth can be identified with the help of financial performance analysis.

Key Performance Indicators:

- 1) **Advances:** 'Advance' is a 'credit facility' granted by the bank. Banks grant advances largely for short-term purposes, such as purchase of goods traded in and meeting other short-term trading liabilities. There is a sense of debt in loan, whereas an advance is a facility being availed of by the borrower. It is the amount that banks lend to individuals like Small Farmers/ Medium Farmers/ Allied Activity/ Rural Artisans and Small Entrepreneurs and Rural Companies. They charge interest on loans. Interest rates vary depending on the terms and conditions of such credit. Banks raise money to lend through different sources like deposits, money market and so on.
- 2) **Deposits:** Deposits are liability to banks, which need money to lend. It is the amount that any citizen (resident or no-resident) keeps with the bank subject to some regulatory compliance. In turn, banks pay interest on deposits. It is considered the safest form of investment. Bank deposits refer to this liability rather than to the actual funds that have been deposited. When a customer opens a bank account and makes cash deposit, he surrenders legal title to the cash, and it becomes an asset of the bank. In turn, the account is a liability to the bank.
- 3) **Investments:** An investment is an asset or item acquired with the goal of generating income or appreciation. In an economic sense, an investment is the purchase of goods that are not consumed today but are used in the future to create wealth. Investment portfolio of bank may comprise of Government securities other approved securities, shares, debentures and bonds, mutual fund units etc. The term "investment" can refer to any mechanism used for generating future income.
- 4) **Profitability:** Profitability is one of the four building blocks for analyzing financial statements and performance as a whole. The other three are efficiency, solvency, and market prospects. Profitability is the degree to which a business or activity yields profit or financial gain and profitability ratios are used to assess a bank's ability to generate earnings relative to its associative expenses. Stakeholders like Investors, creditors, and managers use these key concepts to analyze how well an organisation is doing and the future potential it could have if operations were managed properly.
- 5) **Credit Deposit Ratio:** It is the ratio of how much a bank lends out of the deposits it has mobilized. It indicates how much of a bank's core funds are being used for lending, the main banking activity. A higher ratio indicates more reliance on deposits for lending and vice-versa. This ratio indicates the total advance as percentage of total deposit.

**Financial Performance of MGB:
(2016-2018)**

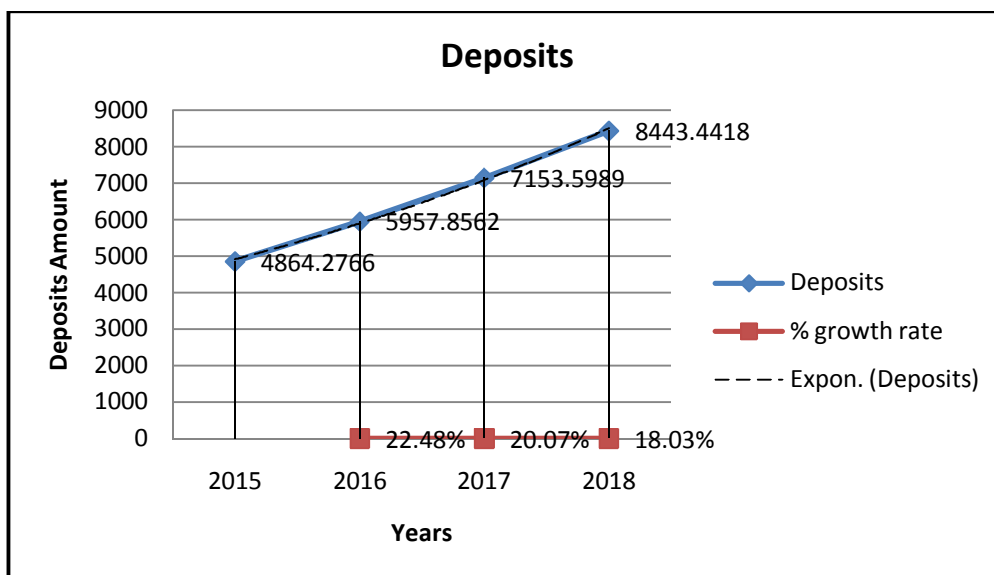
(Amount in Crores)

	2016	2017	2018
Deposits (Rs.)	5957.8562	7153.5989	8443.4418
Advances (Rs.)	3556.6207	3796.8589	3528.2971
Investments (Rs.)	2032.9443	2951.9796	3704.9681
Net Profit (Rs.)	65.3424	42.1949	63.0787
Credit Deposit Ratio (%)	59.696317	53.076206	41.787427

(Amount in Crores)

	2015	2016	2017	2018
Deposits (Rs.)	4864.2766	5957.8562	7153.5989	8443.4418
% Growth rate		22.48%	20.07%	18.03%
Advances (Rs.)	2805.4758	3556.6207	3796.8589	3528.2971
% Growth rate		26.77%	6.75%	-7.07%
Investments (Rs.)	1813.4877	2032.9443	2951.9796	3704.9681
% Growth rate		12.10%	45.21%	25.51%
Net Profit (Rs.)	60.0073	65.3424	42.1949	63.0787
% Growth rate		8.89%	-35.42%	49.49%
CDR (%)	57.6750878	59.696317	53.076206	41.787427
% of Growth		0.0350451	-0.110896	-0.21269

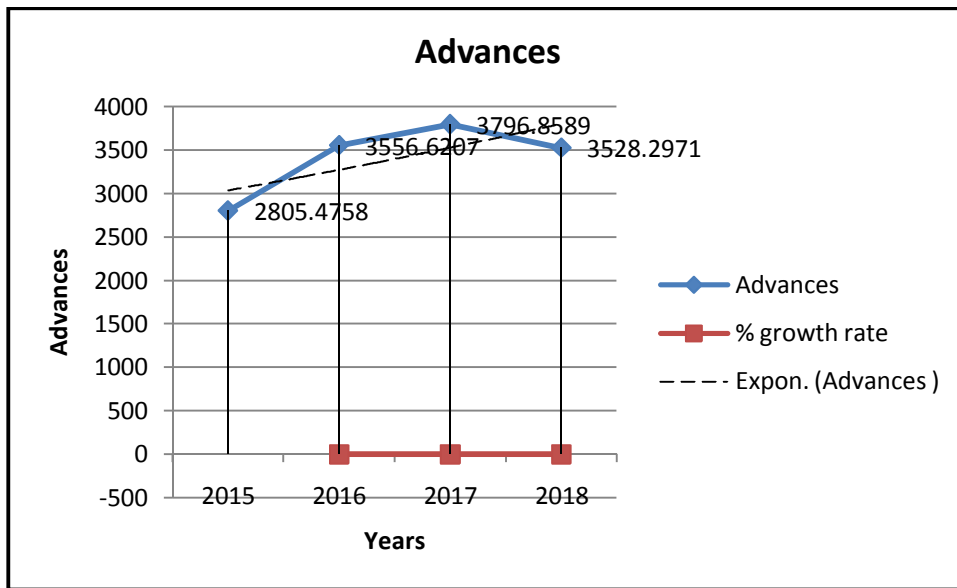
Graph 1: Deposits:



Interpretation:

Graph 1 shows the trend of total deposits of MGB from 2015 to 2018. Total deposits of the bank were Rs. 4864.2766 Crores in 2015 which increased during the study period. The bank has registered growth in terms of deposits which stood at Rs. 8443.4418 Crores in 2018. From the above graph, it may be concluded that the bank is efficient in attracting deposits from the public.

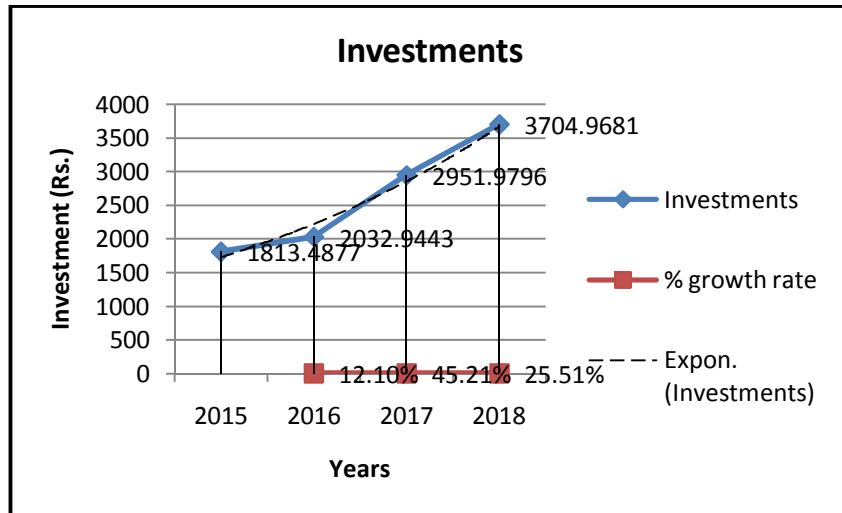
Graph 2: Advances:



Interpretation:

Graph 2 shows the trend of total advances of MGB from 2015 to 2018. The bank has given advances of Rs. 2805.4758 Crores in 2015 which increased till 2017 and decreased in the year 2018 and finally stood at Rs. 3528.2971 Crores in 2018.

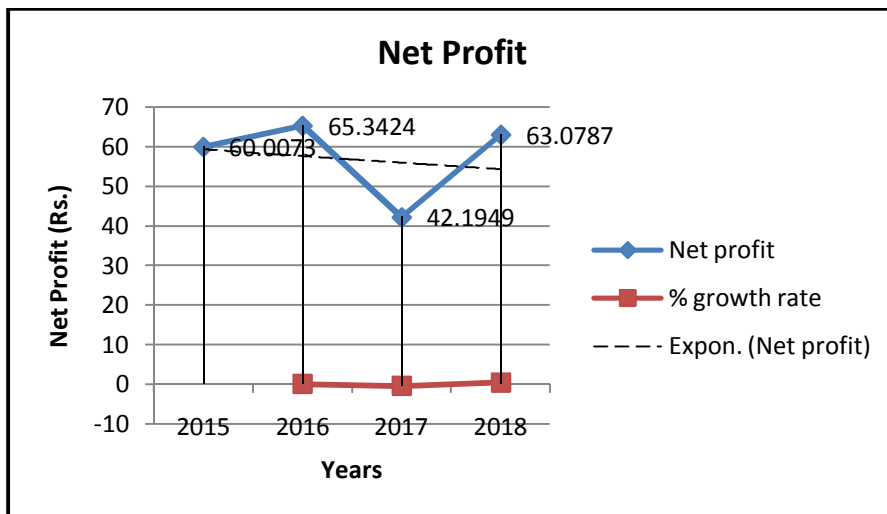
Graph 3: Investments:



Interpretation:

Graph 3 shows the trend of total investments with MGB from 2015 to 2018. Total investments with the bank were Rs. 1813.4877 Crores in 2015 which increased during the study period. The bank has registered growth in terms of investments which stood at Rs. 3704.9681 Crores in 2018. From the above graph, it may be concluded that the bank has a sound investment structure.

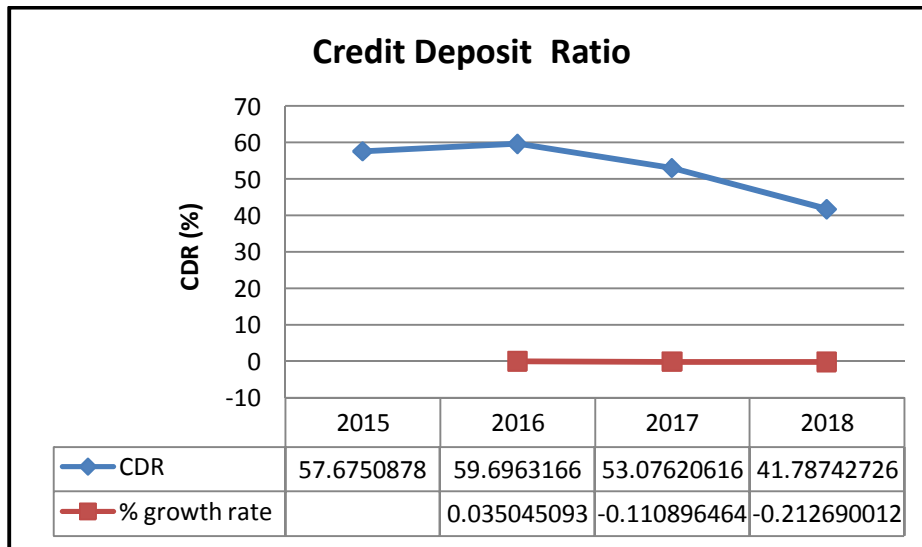
Graph 4: Net Profit:



Interpretation:

Graph 4 provides the trend of net profit of MGB from 2015 to 2018. Net profit of the bank shows a positive trend during the study period. Net profit of the bank was Rs. 60.0073 Crores in 2015 which decreased in the next subsequent year and a rise in the following years resulting in a net profit of only Rs. 63.0787 Crores in 2018.

Graph 5: CDR



Interpretation:

Graph 5 provides the trend of CDR of MGB from 2015 to 2018. CDR of the bank shows a downward trend during the study period. CDR of the bank was 57.67% in 2015 which decreased in the next subsequent year resulting in a CDR of only 41.78% in 2018.

I. DATA ANALYSIS:

MGB	Independent Variable - Y			Credit Deposit Ratio (%)	Dependent variable - X
	Deposits (Rs.)	Advances (Rs.)	Investments (Rs.)		
2016	5957.856	3556.621	2032.9443	59.6963166	65.3424
2017	7153.599	3796.859	2951.9796	53.0762062	42.1949
2018	8443.442	3528.297	3704.9681	41.7874273	63.0787

Correlation Analysis:

Correlation analysis is used to find association between independent variables (Deposits, advances and investments) and dependent variables (net profit) under study. For this study Karl Pearson coefficient of correlation is applied to find such relationship.

a. Deposits with Profitability:

	Deposits	Net Profit
Deposits	1	
Net Profit	-0.066908408	1

b. Advances with Profitability:

	Advances	Net Profit
Advances	1	
Net Profit	-0.98294835	1

c. Investments with Profitability:

	<i>Investments</i>	<i>Net Profit</i>
Investments	1	
Net Profit	-0.145566736	1

Interpretation:

- The above table shows the correlation between deposits and net profit of MGB. It reflects a *negative* correlation between deposits and profitability (net profit) of **0.066908408** at 5 percent significance level.
- The above table shows the correlation between advances and net profit of MGB. It reflects a *negative* correlation between advances and profitability (net profit) of **0.98294835** at 5 percent significance level.
- The above table shows the correlation between investments and net profit of MGB. It reflects a *negative* correlation between investments and profitability (net profit) of **0.145566736** at 5 percent significance level.

Regression Analysis:

Regression analysis was conducted to study the relationship between financial factors (deposits, advances, investments) and profitability (Net profit) of MGB

a. Deposits with Net Profit:

<i>Regression Statistics</i>	
Multiple R	0.066908408
R Square	0.004476735
Adjusted R Square	-0.99104653
Standard Error	1754.054774
Observations	3

b. Advances with Net Profit:

<i>Regression Statistics</i>	
Multiple R	0.98294835
R Square	0.96618746
Adjusted R Square	0.932374919
Standard Error	38.3724724
Observations	3

c. Investments with Net Profit:

<i>Regression Statistics</i>	
Multiple R	0.145566736
R Square	0.021189675
Adjusted R Square	-0.957620651
Standard Error	1171.627107
Observations	3

Interpretation:

- The above table shows the value of R, R square and the adjusted R square. R square (coefficient of determination) shows that **0.44%** profitability (net profit) is affected by deposits and other 99.5% is caused by other variables.
- The above table shows the value of R, R square and the adjusted R square. R square (coefficient of determination) shows that **96.62%** profitability (net profit) is affected by advances and other 3.38% is caused by other variables.
- The above table shows the value of R, R square and the adjusted R square. R square (coefficient of determination) shows that **2.12%** profitability (net profit) is affected by investments and other 97.88% is caused by other variables.

Hypothesis Testing Through ANOVA:

H01: There is no significant impact of deposits on profitability of the Bank.

Model 1: Net Profit = B₀ + B₁ (Deposits)

ANOVA:

	<i>Df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	13835.54527	13835.54527	0.004496866	0.957372939
Residual	1	3076708.15	3076708.15		
Total	2	3090543.695			

Interpretation:

The ANOVA table, tests the acceptability of the model from a statistical perspective. The F test confirms that predictor (independent variables) i.e Deposits is **not a significant contributor** to the value dependent variable i.e Net profit. ($p = 0.957372939 > 0.05$).

Coefficients:

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	7555.642701	5619.654003	1.344503184	0.407119254	-63848.8316	78960.117	-63848.8	78960.12
Net Profit	6.517742785	97.19462057	0.067058678	0.957372939	-1241.492491	1228.457005	-1241.49	1228.457

On the basis of Table following model is formulated:

Net Profit = 7555.643 + (-6.518) (Deposits)

Interpretation:

The application of t test tells us that the Deposits is **not a significant contributor** to the value of Net profit. Furthermore, it is observed that the *constant* is significant contributor to the value of y ($p = 0.407119254 > 0.05$)

The significance value is 0.957372939 which is more than 0.05 thus; the model is **not statistically significant**. For the given equation at the 95% confidence interval, the value of coefficient lies between -1241.492491% (lower) and 1228.457005% (higher).

Therefore, **since** ($p = 0.957372939 > 0.05$), we **fail to reject null hypothesis (H01)**.

Hence, it is concluded that deposits **do not influence** profitability (net profit) of MGB.

Hypothesis Testing Through ANOVA:

H02: There is no significant impact of advances on profitability of the Bank.

Model 2: Net Profit = B₀ + B₁ (Advances)

ANOVA:

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	42074.90652	42074.90652	28.57482602	0.117732774
Residual	1	1472.446638	1472.446638		
Total	2	43547.35316			

Interpretation:

The ANOVA table, tests the acceptability of the model from a statistical perspective. The F test confirms that predictor (independent variables) i.e Advances is *not a significant contributor* to the value dependent variable i.e Net profit. ($p = 0.117732774 > 0.05$).

Coefficients:

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	4273.670526	122.9380184	34.76280633	0.018308196	2711.594894	5835.746158	2711.594894	5835.746158
Net Profit	-11.36607867	2.126272196	-5.345542631	0.117732774	-38.38292851	15.65077117	-38.38292851	15.65077117

On the basis of Table following model is formulated:

Net Profit = 4273.671 + (-11.366) (Advances)

Interpretation:

The application of t test tells us that the Advances is *not a significant contributor* to the value of Net profit. Furthermore, it is observed that the *constant* is significant contributor to the value of y ($p = 0.018308196 > 0.05$)

The significance value is 0.117732774 which is more than 0.05 thus; the model is *not statistically significant*. For the given equation at the 95% confidence interval, the value of coefficient lies between -38.38292851 % (lower) and 15.65077117 % (higher).

Therefore, **since** ($p = 0.117732774 > 0.05$), we **fail to reject null hypothesis (H02)**.

Hence, it is concluded that advances **do not influence** profitability (net profit) of MGB.

Hypothesis Testing Through ANOVA:

H03: There is no significant impact of investments on profitability of the Bank.

Model 3: Net Profit = B₀ + B₁ (Investments)

ANOVA:

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	29716.97277	29716.97277	0.021648397	0.9069989
Residual	1	1372710.078	1372710.078		
Total	2	1402427.051			

Interpretation:

The ANOVA table, tests the acceptability of the model from a statistical perspective. The F test confirms that predictor (independent variables) i.e Investments is *not a significant contributor* to the value dependent variable i.e Net profit. ($p = 0.9069989 > 0.05$).

Coefficients:

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	3439.880826	3753.667821	0.916405231	0.527752151	44254.99102	51134.75267	-44255	51134.75
Net Profit	9.552154998	64.92149151	0.147133942	0.9069989	834.4579177	815.3536077	-834.458	815.3536

On the basis of Table following model is formulated:

$$\text{Net Profit} = 3439.881 + (-9.552) (\text{Investments})$$

Interpretation:

The application of t test tells us that the investments is *not a significant contributor* to the value of Net profit. Furthermore, it is observed that the *constant* is significant contributor to the value of y ($p = 0.527752151 > 0.05$)

The significance value is 0.9069989 which is more than 0.05 thus; the model is *not statistically significant*. For the given equation at the 95% confidence interval, the value of coefficient lies between -834.4579177% (lower) and 815.3536077 % (higher).

Therefore, **since** ($p = 0.9069989 > 0.05$), we **fail to reject null hypothesis (H03)**.

Hence, it is concluded that investments **do not influence** profitability (net profit) of MGB.

Findings:

Independent variables (Financial Factors)	Dependent variables (Profitability)	Correlation	Regression	Hypothesis	Result
Deposits	Net Profit	Negative	0.44% profitability is affected by deposits Model: Net Profit = 7555.643 + (-6.518) (Deposits)	H01: Deposits have no impact on Net Profit.	Fail to reject null hypothesis (H01)
Advances	Net Profit	Negative	96.62% profitability is affected by advances Model: Net Profit = 4273.671 + (-11.366) (Advances)	H02: Advances have no impact on Net Profit.	Fail to reject null hypothesis (H02)

Investments	Net Profit	Negative	2.12% profitability is affected by investments. Model: Net Profit = 3439.881 + (-9.552) (Investments)	H03: Investments have no impact on Net Profit.	Fail to reject null hypothesis (H03)
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Conclusions:

- On the basis of the study, it can be concluded that the rapid growth of RRBs has helped in substantial reduction in the regional disparities of banking facilities in India. It has further guided to draw a conclusion that MGB plays an indispensable role in rural development and has developed itself as one of the vital institutions with regards to rural financing.
- It can further be concluded that MGB has successfully achieved its objectives like to take banking to the door steps of rural households particularly in banking deprived rural areas, to avail easy and cheaper credit to weaker rural sections and to bring down the cost of purveying credit in rural areas.
- It is also inferred that the efforts made by the RRBs in deposit mobilization, rural development and credit development in the deprived sectors are appreciable. MGB being a vital institution for rural credit deployment is also successful in fulfilling the objective of providing adequate credit for rural upliftment.

The financial and statistical analysis conducted in the study leads to an inference that there is a negative relationship between financial factors and profitability. After application of correlation and regression, it is concluded that financial factors (Deposits, Advances, and Investments) shows a negative relationship with Profitability (Net Profit).

- There is a *negative* correlation between Deposits and profitability (Net Profit). The significance value is 0.957372939 which is more than 0.05 thus; the model is *not statistically significant*. Therefore, **since** ($p = 0.957372939 > 0.05$), we **fail to reject null hypothesis (H01)**. Hence, it is concluded that Deposits **do not influence** profitability (Net Profit) of MGB.
- There is a *negative* correlation between Advances and profitability (Net Profit). The significance value is 0.117732774 which is more than 0.05 thus; the model is *not statistically significant*. Therefore, **since** ($p = 0.117732774 > 0.05$), we **fail to reject null hypothesis (H02)**. Hence, it is concluded that Advances **do not influence** profitability (Net Profit) of MGB.
- There is a *negative* correlation between Investments and profitability (Net Profit). The significance value is 0.9069989 which is more than 0.05 thus; the model is *not statistically significant*. Therefore, **since** ($p = 0.9069989 > 0.05$), we **fail to reject null hypothesis (H03)**. Hence, it is concluded that Investments **do not influence** profitability (Net Profit) of MGB.

Suggestions:

- The bank should try to focus more on disbursement of advances from the borrowings procured from the apex institutions.
- The bank should try to increase more the amount of advances considering optimal interest rate structure to penetrate outreach of credit in the rural sector.
- The bank should strategise on deposit mobilisation in the target market by formulating conducive policies to encourage rural customers.
- The bank may focus on diversified investment portfolio to expand its asset block.
- The bank may continue with its robust credit expansion by further maintaining its CDR.

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Talent Management - Challenges And Opportunities In Rural India

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Abstract :

In the last two decades, the issue of talent management has been increasingly discussed. In today 's society, it has become more and more critical to work with talent management. Despite the growth in interest, there seems to be no clear explanation of what talent management is and how organizations should deal with it or implement it. Talent management lead to a shift from the idea of one single ladder (i.e. one talent pipeline focused only on (potential) leaders) towards the idea of multiple talent-ladders or pipelines (i.e. talent pipelines for different kinds of people in the organization, not exclusively leaders). Talent management starts with recruitment process, alignment of the workforce to the organization, develop the people and get constant feedback to help in performance of an individual or an organization. This paper focuses on the concept of talent management opportunities and commonly encountered challenges while implementing talent management in rural India. Compensation in rural areas tends to be low, perhaps because of a lower fiscal capacity in the region, thus, complicating efforts to attract and retain talent pool. Indeed, the rural economic base may be shifting to include more industries that are place-bound and that can make use of low-skill workers. Such shifting has far-reaching effects for the industries in general, and for their ability to recruit and retain high-quality employees in particular.

Keywords: *Talent Management, Retaining talent, Opportunities and Challenges, Rural India*

Introduction:

Talent management is a multi-faceted concept that is viewed differently in theory and practice. There are different definitions and different approaches to talent management in professional literature but also in organizations. Talent Management enables organizations to rapidly align, develop, motivate, and maintain a high-performance labor force. They also alleviate the hassle of writing performance reviews by automating the task and ensuring quality of reviews and reviewed on time. Companies that excel at talent management ensure internal consistency, complementarily, and reinforcement of the practices they employ to attract, select, develop, evaluate, and retain talent (i.e., "internal fit"). In addition, these practices align closely with the corporate culture (i.e., "cultural fit") and link to the business strategy and long-term goals of the organization (i.e., "strategic fit"). A high degree of internal, cultural, and strategic fit creates an inimitable system of practices and not only drives excellence in talent management but also contributes to organizational learning and knowledge management. Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles. Successful talent management is not just about recruiting, retaining and developing a high-performing workforce but also

aligning their talent management practices with their culture, values and strategic goals and the integration of these programmers across the entire organizations.

Getting the right people in pivotal roles at the right time should be nothing new to HR professionals, but done effectively, talent management can create long term organizational success. The challenge of global talent management is critical to firm success. Even with the global economic slowdown of 2008 and 2009, there are continuing challenges in attracting, managing, and retaining talent, especially in the developing regions of the world where economic activity.

Objectives of the Study:

- To analyze the role of Talent Management in India's emerging economy.
- To study the Challenges & Opportunities of Talent management in Rural India.

Research Methodology

The study is based on secondary sources of data/information. Different books, journals and relevant websites have been referred in order to make the study more effective.

Literature Review

M.Ravi Babu, (2014)

Talent Management comprises of three different conceptions which are as follows a) a collection of typical human resource department practices, b) the flow of human resources throughout the organization, and thirdly c) sourcing, developing and rewarding employee talent. The only way to retain a competitive edge in this cutthroat business world is to ensure that your organization is equipped with a talented and productive workforce. First mover's advantage last only so long and lower prices can only land you certain deals.

Srividhya. S, Subramani. R, (2018)

Although career depth is an important factor in retaining, attracting, and growing talent, this is not possible if there are limited economic opportunities for talent. Providing opportunities such as competitive wages and fringe benefits is quite possibly the most important factor for potential talent. Some researchers argue that equalizing rates of pay between rural and urban areas within state, especially when looking at lower paid professions such as teaching will allow rural areas to better compete against urban metros.

K C Chakrabarty, (2010)

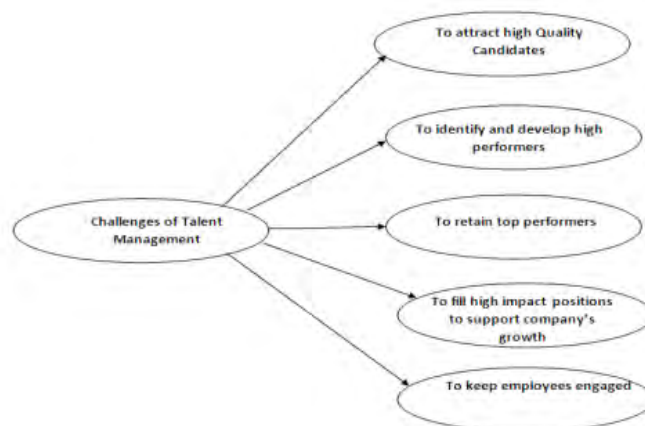
In many companies the transition process is becoming an important proving ground for the human-resources function, with many old-school HR executives finding that neither their training nor their experience has prepared them for a leading strategic role. The new reality is that people are increasingly the principal assets of any organization and institutions are dependent not just on the sum total of their individual human capital, but also on how effectively they are able to draw out the best from their talent bank.

Many rural areas in the India find it difficult to retain and attract talented individuals to their regions. Entrepreneurs, professionals, and others find urban areas to be desirable places to live, work, and play. They perceive these cities as having better job prospects and economic opportunities, more cultural activities, and generally, a higher quality of life. Conversely, rural regions of India are perceived as having few job prospects and economic advancement, little cultural activity, and generally, a low quality of life. Because of these perceptions rural regions of the India have found it difficult to retain and attract talented

individuals who are integral to the development of local economies, especially knowledge economies. In order for rural regions to grow and sustain knowledge economy development, it is essential that these regions understand how to retain and attract talent. Unfortunately, rural regions are facing an uphill battle. For example, most college students want to move to a city that is larger than the city in which they were raised, with reasons being cited such as diversity, access to opportunities, and social climate. However, despite these issues, rural regions can still compete for talent with urban metropolises. The focus here is to provide a framework for thinking about ways in which to retain and attract talent in rural regions with the goal of building and sustaining a knowledge economy. This report will provide a framework for thinking about general ways to retain and attract talent, including enhancing overall quality of life through social and cultural activities, the promotion of regional assets, and opportunities for economic advancement. This report then discusses ideas for retaining and attracting healthcare professionals by providing opportunities for educational advancement, professional and personal networking, and economic advancement. Finally, a framework for retaining and attracting entrepreneurial talent through educational support, networking, and financial support will be outlined.

Sixty-four percent of newly college-educated people say they will choose a place to live first then find a job although this may be changing under the pressures of the global economic downturn. They often cite physical attractiveness of an area as important such as clean, safe streets, and green space; the welcoming nature of a community; climate; professional opportunities; and cultural and recreational activities. Each element points to overall quality of life as important to talented individuals when choosing a place to live and work. Often, rural regions have difficulty competing with urban centers on some of these dimensions and therefore cannot retain and attract the talent needed to support economic development. In order to compete for talent in the global economy, rural regions should focus on three major elements that comprise quality of life: social and cultural activities, regional recreation, and career and economic opportunities. Moreover, some experts argue that a regional economy with a regional specialization is an important factor in retaining and attracting talent as well. By focusing on these quality of life elements as well as regional specialization, rural areas will be better equipped to compete for talent within a global market.

Challenges of Talent Management



Challenge of how to attract, manage and develop talent effectively for achieving organizations objectives/goals and grow their companies

Talent Management processes is typically found in numerous parts of an organization. Thus, many organizations struggle to align their talent management under one consistent strategy. It may be a considerable challenge to make this happen. The vivacious nature of global business is putting an ever-increasing pressure on companies to be constantly on the lookout for incomparable talent in a market where demand far exceeds supply. The benefits of an effectively implemented talent management strategy include improved employee recruitment and retention rates, and enhanced employee engagement. These outcomes in turn have been associated with improved operational and financial performance. The external and internal drivers and restraints for talent management are many. Of particular importance is senior management understanding and commitment.

Defining the philosophy, clear objectives and scope of Talent Management

Despite a significant degree of academic and practitioner interest the topic of talent management remains underdeveloped. Thus, there should be future research in the area of talent management through (1) helping researchers to clarify the conceptual boundaries of talent management and (2) providing a theoretical framework that could help researchers in framing their research efforts in the area. Additionally, it aids managers in engaging with some of the issues they face with regard to talent management. (Collings & Mellahi,2009). Good branding attracts prospective candidates' attention and creates a desire to apply to the company. It defines about the companies strengths relating to policies, procedures, culture etc and creates a loyalty among the employees and aids in retention management as well as generates an improvement in candidate attraction, engagement, commitment, and motivation. It serves as an HR perspective. Most managers today understand the strategic implications of the information-based, knowledge-driven, service intensive economy. They know what the new game requires: speed, flexibility and continuous self-renewal. They even are recognizing that skilled and motivated people are central to the operations of any company that wishes to flourish in the new age. And yet, a decade of organizational delayering, destaffing, restructuring and reengineering has produced employees who are more exhausted than empowered, more cynical than selfrenewing. Worse still, in many companies only marginal managerial attention — if that— is focused on the problems of employee capability and motivation. Somewhere between theory and practice, precious human capital is being misused, wasted or lost.

Investing in building talent and culture is a long term thing and ensuring that the top management stays committed is a practical problem and challenge.

The third major strategic task HR must undertake is to help management develop the engaging, motivating and bonding culture necessary to attract and keep talented employees. In such a culture, the potential in competent individuals and fully functioning networks can be converted into engaged, committed action. Companies must reject the notion that loyalty among today's employees is dead and accept the challenge of creating an environment that will attract and energize people so that they commit to the organization. Such advice flies in the face of conventional wisdom, which maintains loyalty has been replaced by a free-agent talent market that requires companies to convert their long-term trust-based relationships with employees to short-term contracts. Higher employee turnover, the use of temporary help and the expansion of outsourcing are all part of the envisioned future therefore, are unlikely to lead to any competitive advantage. And if recruitment and retention are based primarily on the compensation package, the person lured by a big offer will almost certainly leave for a

bigger one. Investment and commitment in talent management takes a back seat and especially in a recessionary or weak economic environment leaders tend to become more short term and cost focused and look at talent management as a cost rather than investment. Many and most talent management strategies and initiatives need a sustained (over medium to long term) investment and commitment. The current highly competitive and unstable business environment, the requirements of the knowledge society and the development of new technologies is a reality which presents new challenges directed at various areas of the society, including human resources, to organizations and their management. It is becoming increasingly evident that the quality of human capital and practical implementation of human resources development are ones of the decisive factors of organizations' success and competitiveness and a key source that considerably determines the operation and economic performance of organizations. The importance of the talent management concept for organizations is growing as a consequence of the ongoing globalization of the labour market and as a result of changes in the structure of labour force, particularly due to the aging and inadequate qualification structure of workforce on the one hand, and growing demands on the knowledge and skills of employees and the need, for skilled labour on the other hand. Talent Shortage and lack of qualified staff.

Opportunities given to Rural Area

Recruit Proactively: Actively Target Prospects Most Likely to Accept Offers and Fit In Culturally Corporate recruiting and turnover costs have been rising rapidly in recent years.⁶ Research has shown, however, that certain candidate profiles are more likely to accept offers in rural areas and to remain in their jobs once there. This includes:

1. Candidates who grew up in the region or have family ties nearby; candidates with rural and small town backgrounds; candidates who attended nearby colleges; candidates with military backgrounds; candidates with younger children. Companies should take steps to identify and target qualified candidates with these profiles.
2. Utilize and incentivize referrals from current employees; they can easily identify those in their networks and the networks of friends and family who would be good fits for the company and location.
3. Post open roles on niche and regional job boards. Be upfront and honest in conversations and career webpages about what the area does and does not offer; keep candidate expectations in line with reality.
4. Once candidates are identified, screen resumes to eliminate “job hoppers”. Conduct initial phone interviews to assess communication skills, longevity potential, community sense, professional interests, spouse's career needs (if applicable), and academic concerns for their children (if applicable). Take care however not to ask illegal interview questions.
5. Establish strong campus recruiting programs with regional schools and consider targeting universities in more rural states or countries with large rural populations. A recent HBR report notes companies often close themselves off to large and diverse talent pools by focusing too narrowly on a few core schools; to better screen for top talent at large state schools consider raising GPA or experience requirements. Consider partnering with schools in experiential learning and professional development programs.
6. Professional support from rural organizations has been identified as having a significant effect on recruitment of new graduates and retention across all stages of a career.

7. Rural employers should differentiate themselves by developing and promoting extensive formal development and mentorship programs that actively involve senior leaders.
8. Be able to articulate a realistic vision for future growth to prospective employees. Before taking a chance on relocating to an area with limited employment alternatives, they need to know that your company offers long-term career potential.

Conclusion:

While certain compensation and benefit offerings may increase the number of job acceptances, it is the cultural fit that will retain employees in the long-run and keep them highly motivated and engaged in their work. It is critical that corporate HR departments and recruiting teams continually analyze qualitative and quantitative data to learn which programs and benefits provide the most value. Weighing the costs of offer rejections and turnover against recruiting and compensation budgets grants organizations a better idea of the investments required to retain and attract the best people. Measuring recruiting initiatives' ROI is never an exact science, still, the more data that is collected in both qualitative surveys and budgetary analysis the easier it will be to make judgements about the efficacy of a given initiative. Keeping track of what works and what doesn't will help rural companies continue to improve and refine their strategies in the continuous war for talent.

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Analytical Study of Success Factors and Challenges of Skill India

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Abstract:

India is going to become the youth's country in the world till 2020. Our country will supply the manpower to the world, but still many problems are being faced by our country like unemployment, poverty, corruption, illiteracy & lack of technological knowledge. Skill India is campaign launched by PM Modi on 15th July 2015, which aims to train over 40 crore people in India by different skill, till 2022. Various schemes like "National Skill Development Mission" and many more launch to train the fresher youth & working class.

The skill ecosystem in India, is preparing the youth for job and growth opportunities in the international market. In the present scenario, it is found that due to lack of knowledge and technical skill, they are still unemployed. Skill India program launch by PM Modi, but most of the people don't know the benefits, advantages of Skill India & people are unaware about this government scheme. PM Modi have promotes & a lot of activities are implemented by the government to improve the skill and leadership qualities in youth. But still no improvement is found. So how the job creation (**Kaushal and Rozgar Mela**) & to make entrepreneur target is being failed.

In this paper, we have tried to explain that what are success and failure of Skill India development programmes and what are the major problems faced by the youth in initiating the skill development programmes launched by government.

Key words: Various schemes, Job Creation, Self development

1. Introduction

India is located in South Asia, area wise India is 7th largest country. You know very well India is the second-most populous country (with over 1.2 billion people), major challenge in India is unemployment.

Skill India is a campaign launched by Prime Minister Narendra Damodardas Modi on 15 July 2015 which aim to train over 40 crore people in Indian different skills by 2022. It includes various initiatives of the government like "National Skill Development Mission", "National Policy for Skill Development and Entrepreneurship, 2015", "Pradhan Mantri Kaushal Vikas Yojana (PMKVY)" and the "Skill Loan scheme". Skill India's aim is to reduce unemployment, lack of technological knowledge and bring development. Skill India also trained that person who is jobless, school dropout along with educated ones.

It highlighting on the concept of job creation, self development by which the youth undertake the responsibility and reduce the burden of economy and it raise their confidence. Rs. 17,000 crore is budgeted by government of India in the fiscal year 2017-18 in order to boost the Skill India Mission. Through this allocation the government aims at generating employment and providing livelihood to the millions of young Indians who enter the work force every year.

The government has invested Rs. 4000 crore in the launch of SANKALP (Skill Acquisition and Knowledge Awareness for Livelihood Promotion Programme), The Skill India concept provides support, training and guidance for all occupations like construction, textile, transportation, agriculture, weaving, handicraft, horticulture, fishing and various other sectors along with language and communication skills, life skills, personality development skills, management skills including job and employability skills.

2. Research Design

2.1. Objectives of the Study

The main objectives of the study are;

1. To bring **awareness about Skill development** concept.
2. To **analyze the problem** in self development.
3. To **render some direction** based on the study.

2.2. Research Methodology

This research is based on the primary data and the secondary data. Primary data is collected by distributing the questionnaires to respondents and through telephonic interviews. The data is collected from 20 respondents from various places around Nagpur city. Random sampling is been used in selecting the samples for the study. Secondary data has been collected from websites related to the topic.

2. Data Analysis and Interpretations

The data has been collected and interpreted in the following manner:

Table 1 Age

Age	No. of respondents	Percentage
Less than 30	04	20
30-40	11	55
41-50	03	15
Above 50	02	10
Total	20	100

Analysis and Interpretation:

The group of 30-40 has been more benefited from the Skill India Campaign.

Table 2 Gender

Gender	No. of respondents	Percentage
Male	17	85
Female	03	15
Total	20	100

Analysis and Interpretation:

A large number of male got benefits from Skill India Concept as compared to female.

Table 3 Educational Qualification

Educational Qualification	No. of respondents	Percentage
Illiterate	02	10
Primary	03	15
Matriculation	10	50
Degree	03	15
PG & Above	02	10
Total	20	100

Analysis and Interpretation:

Most of the people are below the matriculation level of education, we found in our research.

Table 4 School Dropouts

Dropouts	No. of respondents	Percentage
Yes	13	65
No	07	35
Total	20	100

Analysis and Interpretation:

Majority of people who have availed the benefits of skill India is school dropouts.

Table 5 Faced Unemployment Problems

Problem faced	No. of respondents	Percentage
Yes	18	90
No	02	10
Total	20	100

Analysis and Interpretation :

Majority of the respondents selected for the survey have faced unemployment problems.

Table 6 Awareness of Skill India Campaign

Awareness	No. of respondents	Percentage
Yes	15	75
No	05	25
Total	20	100

Analysis and Interpretation:

Few respondents says that, they did not know the Skill India concept launched by our Hon'ble Prime Minister Narendra Modi

Table 7 Training under the Skill India Campaign

Training	No. of respondents	Percentage
Yes	15	75
No	05	25
Total	20	100

Only 75% of the respondents have taken the training under skill India campaign.

Table 8 Training Benefits

Benefit availed	No. of respondents
Self-confidence	05
Entrepreneurship and skill development	05
Technical skills	07
Knowledge of technological development	03

Analysis and Interpretation:

The training benefits respondents said that, their Self Confidence, Technical skills & Technological Development improved by this program.

Table 09 Helpfulness of Training

Helpfulness	No. of respondents	Percentage
Setup a small scale industry	09	45
Employment generation	03	15
Sharing knowledge to the weaker sections	01	05
Self employment	07	35
Total	20	100

Analysis and Interpretation:

Most of the respondents have setup their own business after the completion of the program.

Table 10 Persistence of Problem even after Training

Problems	No. of respondents
Lack of awareness	09
Subsidy for purchasing commercial Vehicle	05
Raw material scarcity	03
Lack of technology	03

Analysis and Interpretation:

Majority of the respondents had faced problem after completion of training. The main problem which they are facing are like availing subsidy for purchasing commercial vehicle, lack of awareness, raw material scarcity and lack of technology.

On the basics of analysis and interpretation, the following are some findings of the study:-

- 1) The age group of 30-40 years people has taken benefits of skill India. In this age group category male have taken more benefit as compared to female.
- 2) The survey informs that most of the respondents are below the matriculation level of education, few are school dropouts, facing the problem of unemployment.
- 3) Most of the people are aware of the Skill India schemes but they have not taken the benefits of this campaign.
- 4) Training has been given to the respondents under these schemes, and what problems which they are facing while setting up their own business is being discussed.

Some Suggestion & direction based on the study:-

- 1) Female should be encourage to take benefit of the skill India program
- 2) School dropouts ratio should be minimize and take necessary action to reduce the school dropout's ratio.
- 3) To make aware people about Skill India Program
- 4) Practical exposure is the biggest problem facing in skill India program.
- 5) Proper financial benefits schemes and easy loan facility should be given to people after the completion of training to set up their own business.

Conclusion

India is going to become the biggest youth nation till 2020. Major problem now a day's is facing of unemployment. Many types of measures and promotional activity are taken by government to improve the current scenario of India. Various schemes are launched by government of India .PM Modi have promoted this schemes under the head of Skill India. To develop the nation and to make the bright future of youth. Now it's time for the youth to accept the responsibility and do not remain idle. They should be concentrated on job searching and to become entrepreneur.

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**Evaluation of Induction Training Program : An Empirical Study
of it Companies in Pune**

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Abstract :

The orientation training is an indispensable requirement for the new employees. It helps to decrease the time, asking price for the employees to remain with the company and make possible the new employees to perform well. It helps to add to the outcome in amalgamation of the new employees with the group & helps the employees to experience with superior self-confidence and they generate oneness and cohesiveness in the middle of the members of the organization. Training is the act of ever-increasing the acquaintance and dexterity of an employee for doing a meticulous work. The mounting rivalry increases the implication of training. Training matches the employee with the job from time to time. Additionally, the skilled employees encourage organizational modification and all set to take up new project. Induction is an important process and may simply get ignored in demanding organization. Induction is calculated as an imperative element of a company's human resource practices. While organizations are recruiting or increasing the internal talent, company's strategy or the policy should be not to inquire employees to perform certain job what they wish to do, but to allow them or show the way what they want to do. The organizations can empower the employee's talents to give their finest instead of imposing the orders what an organization wants to do. The organization must empower the employee to carry out their thoughts/dream if the vision is understandable as per the organization. At times the organization must not compel the employee for the performance if the worker is empowered or expert or has in deepness in knowledge which may profit for the organization. It may be observed by the employer whether the act of performance is suitable or not. Numerous aspects ought to be addressed while discussing the meaning and objectives of an induction process. Induction can be distinct method and support provided by the organization in order to facilitate a new worker to find out to know the new organization and its members as well as the prospect and errands of the job. Induction Program differs from one organization to the other and can depend on the kind of industry. Induction exercise can access the recruitment method, recruitment modus operandi and their strength and weakness. The induction can play a decisive function under the socialization to the organization in terms of performance, attitudes and managerial commitment. In adding well planned induction programs can radically amplify the speed to proficiency of new employees so that they are more industrious in a shorter time span. An organization must recognize the aptitude or knowledge at the time of induction. An origination may build up the faithfulness and develop the sense of possession. An employee can be given a challenge to do better in induction program which may contribute for the performance in future. Reason of induction is to bring in and get workers familiar with the organization viewpoint, Culture, Vision and Mission and very prominently the expectation from the recruiters. The evaluation in recruitments can be the organization, capability, understanding, advice in

learning. In Induction training program the organization can assess the competency, socio psychosomatic aspects and interface, team work and the leadership excellence. Training must aim to give human resources a all-purpose understanding of what they cant do to keep away from risks, and how the security policies and facilities of hte company can help them to reduce work sickness and accidents. The accomplishment of any organization to a superior degree depends on the quantity, superiority and appropriate training provided by an organization. Orientation training provides employees with an even entrance into the organization by giving them with the in sequence they need to get on track. It is typically conducted inside the place of work by proficient trainers and speakers. It is indispensable for any company since it helps a new recruit to develop inside the organization and motivates him/her to be enhanced and fine player. Training presents a major chance to increase the awareness of all employees. The study analyzes the factors that persuade the helpfulness of induction training program and the force of induction training program on employee performance. It provides about Induction training efficiency and how it contributes in increasing the employee performance and finally concludes along with proposal to give guidelines for prospect research by applying different level of analysis on exploring the impact of Induction training practices on employee performance. The primary data has been used for the study. The data was collected with the help of the questionnaire from IT sector in Pune. The data was analyzed using the T test and ANOVA.

Keywords: *Induction, Skills, Performance, Training Program, Training Outcome.*

Introduction :

Main principle of induction is to initiate and make employees familiar with the organization philosophy, Culture, Vision and Mission and very prominently their prospect from the company. It occurs what the company wants from the employees and what is the expected contribution to the company.

Peter Drucker says that ***“Profit is the byproduct of the Service. We render to the customer.”*** It is to be imbibed that we all here to render satisfactory service since customer is the back bone of the organization.

B Franklin Says,” *Tell me and I Forget, Teach me and I remember, involve me and I learn.*” Now we can say the importance of the induction is very essential for any employee to know the organization in a better way.

If one is not sure about the best way to get ahead of on the information, then leave it all to the employee’s immediate superior. However, one can decide it is appropriate to break down the information to be given by the concerned department. If the new employee is going to work with others employee, one can suggest the responsibility to one of his/her colleague/superior. This way is able to advantage the new employee since they can be making a new buddy at the similar instance and could perceive it as a entryway to their social participation. If this isn’t possible, then one can think it is best to that the induction can be handed over to the person who is most concerned on the usefulness of the induction format. Then the concerned person will ensure the responsibility for ensuring that the new employee integrates into the company with the accurate equilibrium. Whoever is due to do the induction, it will establish to shape a fine rapport among those concerned.

An employee has to toil with member employees and his superior. So do this he should be acquainted with them, the method they work and the policies and practices of the organization

culture. So that he can join together himself with the project. Any ignore in the locale of induction and orientation may lead to elevated labour turnover, perplexity, waste of time and expenses.

Induction plays a significant role in the process of socialization in the organization in requisites of performance, attitudes and organizational obligation. In accumulation sound design of the induction program can considerably augment the pace to proficiency of new employees thus confirming they are industrious in a shorter phase of time. Some important advantages like-

1. A good induction process leads to less turnover
2. It reduces worker's disappointment and grievance.
3. Develops a logic of belongingness and dedication to the business.
4. The induction process acquaints new recruits with the company and the people.
5. Induction training enables a new recruit to be useful as rapidly as possible.
6. Increased preservation rate
7. Enhanced employee moral
8. Higher productivity.

Objectives of the Study :

- a) To investigate the significance of Induction Training in IT companies.
- b) To assess the reason why induction training is an indispensable part of employee performance.
- c) To inspect which essentials of induction training are supposed to be important for employee.
- d) To estimate the part where Induction Training helps in augmenting the employee performance.

Literature Review :

Rani & Merga (2016), examined, the application of systems approach on employee training programs and involves qualitative analysis. The matching of mechanism of systems theory and mechanism of employee induction training programs were empirically discussed. The major findings of the research display systems approach can be used on employee training programs empirically for the future benefit of the employee as well as the organisation.

Chidambaram, Ramachandran & Thevar (2013) suggested that, by skills obtained by the new employees also determine the effectiveness of the program. Induction training is necessary since it is the platform laid in advance for the future performance and the success of the organization and retains the employees. The Impact of induction training programs is accomplished in the organization. Organizations have changed their view about these trainings as investments made on their (employee) assets rather than expenses. Especially Induction training is very important since it is the platform laid in advance for the future success of the organization by training the new employees as required by the organization.

Arthur Sherman, George Bohlander & Scott Snell (2002) suggested the Importance of Induction Program and its impact upon the employee performance. They stated that, Orientation programs are distinguished from socialization, Psychological contracts, training, and realistic job previews (RJPs). New employee orientation programs are commonplace in business, education, and the military.

Klein & Weaver (2000) stated that the degree of socialization was measured using six scales developed by Georgia Chao and colleagues. These measures were taken for group both before and after training group went through orientation (this is a pretest –post –test with control research design). Statistically significant differences were found between those who attended orientation and those who did not. More efforts needed on blending research and practice, especially to improve orientation programs and how they are evaluated.

Research Methodology

A descriptive research design was used for the study. It is Stratified random sampling method was employed to select the respondents, from different IT industries in Pune. The Sample Size of 140 was selected. Out of that 70 respondents were given their feedback. An online Survey method was employed and a structured questionnaire was developed to collect the primary data to take the inputs form the employees of their different views.

The questionnaire divided into two parts, Part- I questions related to demographic information of the respondent and Part -II questions related to the satisfaction, relation of the Induction Training & its performance, employee's attitude towards induction training. Statistical test was used to measure relationship between selected variables. The data was analysed using the T test and Anova in SPSS.

Hypothesis

H₀: There is no impact of demographic factors on satisfaction of Induction Training upon the employees of IT Sector in Pune.

H₁: There is an impact of demographic factors on satisfaction of Induction Training upon the employees of IT Sector in Pune.

Limitation

The Primary data was collected for the purpose of study only. The questionnaire was collected from different IT Industries in Pune.

Findings

Table 1:- Perception of Respondents on Induction Training (Content wise Analysis)

Sr. No	Content	Yes	Percentage (%)	No	Percentage (%)	Total	%
1	Are you satisfied the Induction Program arranged by the Company?	54	90.00	6	10.00	60	100.00
2	Are the Training Session is align with your Job Requirement	59	98.33	1	1.67	60	100.00
3	Were the Trainer qualified & Experienced person as per the requirement of the company?	55	91.67	5	8.33	60	100.00
4	Was the knowledge/Skill training effective?	55	91.67	5	8.33	60	100.00
5	Does Training Need Analysis done before the Induction Program	52	86.67	8	13.33	60	100.00
6	Do you think that the Induction Training Program is required before starting the Job?	55	91.67	5	8.33	60	100.00
7	Do you think the Training methods were appropriate?	59	98.33	1	1.67	60	100.00
8	Do you think that the Induction Training Program will effective for performing the job?	56	93.33	4	6.67	60	100.00

Source:- Survey Data

- 95% of the respondents suggested that, Induction training were aligned as per their requirement and the Training methods were appropriate for the employee.
- 90 % and above of the respondents remarked that, they are satisfied with the Induction Program. It will effective for performing the job, The Trainer were Qualified & Experienced, so that the program was successful to perform the skill. Also suggested it is required before starting the job
- 87 % of the respondents suggested that, the training should be analyzed before implementation & remaining 13 % of the respondents suggested it is not needed belonging to age group in between age group of 21-30 . Out of the age group only 10 % of the employees were agreed for the same. Only 19 % of the age group 31-40 were agreed that the training need analyzed before Induction Program.

Table 2:- Satisfaction of Respondents (Descriptive for Qualification)

Group Statistics					
	Qualification	N	Mean	Std. Deviation	Std. Error Mean
Rating	Graduate	54	1.0741	.26435	.03597
	Post Graduate	6	1.3333	.51640	.21082

Source: - Survey Data

Table 3 :- Satisfaction of Respondents (T Test for Qualification)

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Rating	Equal variances assumed	10.428	.002	-2.044	58	.045	-.25926	.12682	-.51311	-.00541
	Equal variances not assumed			-1.212	5.295	.277	-.25926	.21387	-.79993	.28141

Source:- Survey Data

P value is obtained as 0.045 (<0.05), thus it concluded that there is a significant difference between graduate and post graduate respondents with regard to satisfaction with induction training .

Table 4:- Satisfaction of Respondents (Descriptive for Technical Qualification)

Group Statistics					
	Technical Qualification	N	Mean	Std. Deviation	Std. Error Mean
Rating	Yes	18	1.0556	.23570	.05556
	No	42	1.1190	.32777	.05058

Source:- Survey Data

Table 5:- Satisfaction of Respondents (T Test for Technical Qualification)

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Rating	Equal variances assumed	2.430	.124	-.742	58	.461	-.06349	.08556	-.23475	.10776
	Equal variances not assumed			-.845	44.252	.403	-.06349	.07513	-.21488	.08790

Source:- Survey Data

P value is obtained as 0.461 (>0.05), thus it concluded that there is **no** significant difference between Technical Qualified and non technical qualified respondents with regard to satisfaction with induction training.

Table 6:- Satisfaction of Respondents (Descriptive for Age group)

Descriptive								
Rating								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
21-30 Years	27	1.0370	.19245	.03704	.9609	1.1132	1.00	2.00
31-40 Years	27	1.1481	.36201	.06967	1.0049	1.2914	1.00	2.00
41-50 Years	3	1.3333	.57735	.33333	-.1009	2.7676	1.00	2.00
51 Years & Above	3	1.0000	.00000	.00000	1.0000	1.0000	1.00	1.00
Total	60	1.1000	.30253	.03906	1.0218	1.1782	1.00	2.00

Source:- Survey Data

Table 7:- Satisfaction of Respondents (ANOVA Test for Age Group)

ANOVA					
Rating					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.363	3	.121	1.345	.269
Within Groups	5.037	56	.090		
Total	5.400	59			

Source:- Survey Data

P value is obtained as 0.269 (>0.05), thus it concluded that there is **no** significant difference between respondents of different age groups with regard to satisfaction with induction training.

Table 8:- Satisfaction of Respondents (Descriptive for Experience group)

Descriptive								
Rating					95% Confidence Interval for Mean			
	N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
Below 5 years	30	1.0333	.18257	.03333	.9652	1.1015	1.00	2.00
6-10 years	15	1.1333	.35187	.09085	.9385	1.3282	1.00	2.00
11-15 Years	12	1.1667	.38925	.11237	.9193	1.4140	1.00	2.00
16-20 Years	3	1.3333	.57735	.33333	-.1009	2.7676	1.00	2.00
Total	60	1.1000	.30253	.03906	1.0218	1.1782	1.00	2.00

Source: Survey Data

Table 9:- Satisfaction of Respondents (ANOVA Test for Experience)

ANOVA					
Rating					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.367	3	.122	1.360	.264
Within Groups	5.033	56	.090		
Total	5.400	59			

Source:- Survey Data

P value is obtained as 0.264 (>0.05), thus it concluded that there is **no** significant difference between respondents of different experiences with regard to satisfaction with induction training.

With regards to the results of T Test and ANOVA it is found that, satisfaction of the respondents with different demographic profile is a significantly different. Thus Null Hypothesis is rejected and it is concluded that, there is an impact of demographic factors on satisfaction of Induction Training

- i. The average satisfaction level of all the respondents is **7.97**. It means the Induction training is required for the industry to improve the skill and performance.
- ii. According the age group it is observed that the above average is shown in between age group between 31-40. (Mean- **8.22**) and 41-50 (Mean- **8.50**) years and less than average of the age group 21-30 (Mean- **7.77**).
- iii. According to the Qualification point of view the satisfaction above average is for post graduate employee. It is **8.75** and less than average satisfaction shown in Graduate level employee. It is **7.88**
- iv. It is observed that the respondents between 11-15 years of experience (Mean- **9.00**) of employee and 16-20 years of experiences (Mean- **8.50**) were satisfied from their induction training program and less than satisfaction level of the age group Below 5 Years of Experiences (Mean- **7.70**) and the age group in between 6-10 years of experience (Mean- **7.60**).The total average is **7.97**

Table 10:- Demographic Profile of Respondents

Experience	No of Respondents	Percentage (%)	Age Group	No of Respondents	Percentage (%)
Below 5 Years	30	50.00	21-30 Years	30	50.00
6-10 Years	15	25.00	31-40 Years	27	45.00
11-15 Years	12	20.00	41-50 Years	3	5.00
16-20 Years	3	5.00	Total	60	100
Total	60	100			
Technical Qualification	No of Respondents	Percentage (%)	Qualification	No of Respondents	Percentage (%)
Yes	18	30.00	Graduate	54	90.00
No	42	70.00	Postgraduate	6	10.00
Total	60	100.00	Total	60	100.00

Source:- Survey Data

Suggestions :

Induction Training Program is a part of the employee satisfaction as well as to show the path and vision of the organization to perform the experience and knowledge. It focuses at introducing the job and organization to the recruit and him or her to the organization. Induction showing how the employee is interconnected to everyone else in the organization. It should be well planned which helps the better result for employee as well as the employer. The Induction focuses around these activities.

- Get to know the company
- Make the employee feel welcome
- Get Team Feedback in Minutes
- Encourage your whole team to be involved
- Talk about company values and vision
- Persuade social interaction with the team
- Outline of expectations clearly
- Look for creative ways to welcome the new hire
- Key policies, procedures and training and the expectations

The process of the training program should cover the employer and employee rights and the terms and conditions of employment. It is a part of the organization where the sign of the organization reflect upon the new employee and creates the good relationship in between the employee and the employer for future. Induction Training program creates the retention background among the new employees

Findings :

- 95% of the respondents suggested that, Induction training were aligned as per their requirement and the Training methods were appropriate for the employee.
- 90 % and above of the respondents remarked that, they are satisfied with the Induction Program. It will be effective for performing the job, The Trainer were Qualified & Experienced, so that the program was successful to perform the skill. Also suggested it is required before starting the job
- 87 % of the respondents suggested that, the training should be analyzed before implementation & remaining 13 % of the respondents suggested it is not needed belonging to age group in between age group of 21-30 . Out of the age group only 10 % of the employees were agreed for the same. Only 19 % of the age group 31-40 were agreed that the training need analyzed before Induction Program.
- It indicates that, the average satisfaction level of all the respondents is **7.97**. Means the Induction training is required for the industry to improve the skill and performance.
- It is concluded that the age group of above average is in between age group of 31-40. (Mean- **8.22**) and 41-50 (Mean- **8.50**) years means above 31 years of age are suggested that Induction training is the necessary thing for employees as well as the employer.
- The less than average of the age group 21-30 (Mean- **7.77**) means this age group require in different kind of training may be after the induction and during the working period.
- It is concluded that Post Graduate (Mean **8.75**)employees are more satisfied than the Graduates (Mean **7.88**) in the induction training program.
- It is observed that, the respondents between 11-15 years of experience (Mean- **9.00**) of employee and 16-20 years of experiences (Mean- **8.50**) were satisfied from their induction training program and

- It is concluded that, the respondents are less satisfied for their satisfaction of their induction training program of the age group of Below 5 Years of Experiences (Mean-7.70) and the age group in between 6-10 years of experience (Mean- 7.60) where the total average is 7.97
- It is concluded that there is a significant difference between graduate and post graduate respondents with regard to satisfaction with induction training .
- It is observed that there is **no** significant difference between Technical Qualified and non technical qualified respondents with regard to satisfaction with induction training. Hence the company should organize the Induction training program for the employee.
- It is concluded that there is **no** significant difference between respondents of different age groups with regard to satisfaction with induction training. So it is required to develop the faith in between the employee and the employer
- It is concluded that there is **no** significant difference between respondents of different experiences with regard to satisfaction with induction training. So it requires for the new employees
- With regards to the results of T Test and ANOVA it is found that, satisfaction of the respondents with different demographic profile is a significantly different. Thus Null Hypothesis is rejected and it is concluded that, there is an impact of demographic factors on satisfaction of Induction Training.

Conclusion :

Induction training is an important part for any company. It helps to motivate the employee in many ways to perform their duties and prove themselves in a different way. Interaction at this stage shapes an individual's nature and outlook for work and motivation levels. The importance of induction cannot be underestimated. It has the major role to polish or sharpen the knowledge or skill. The Human mind is like a Parachute, It only works when it is open. An open mind is like a sunny meadow where fresh ideas grow and blossom. The vision and mission must be clear in induction program. It is the art of seeing impossible and invisible. The individual grow must be show. It is not important happens to you but you do about it. Never stand begging for that which you have the power to earn. We polish our outside to prove ourselves. We should develop our personality, knowledge and intelligence. This research aims to improve the knowledge and skill for helping the organizational climate and provide the sign to improve the quality of the person. Induction Training consider as independent whereas demonstrating team work, communication skill, customer service, interpersonal relationship and bargain absenteeism and its progress areas i.e.; job-satisfaction, employee motivation, efficiencies in process and innovation in strategies as its levers. So Many factors affect the accomplishment of an induction process and it can have multiple objectives. It has a straight outcome on the quality and only trained employees who are up to date on relevant information can deliver quality. Induction also indicates how the company takes care of its employees and yet, induction is the first process that the new member of staff faces. So an organisation can generate a memorable first impression – in good or in bad. A Well executed induction considerably accelerates employees' learning as there is a clear program to be followed and the employee knows what is ahead. It also has an effect on employee turnover; as people are effectively oriented, they are more likely to stay in the firm for a longer time.

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Health Care Finance in Rural Area in India

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Abstract:

Rural Health care is one of the biggest challenge in India. Healthcare is the right of every individual but lack of quality infrastructure, dearth of qualified medical functionaries, and non-access to basic medicines and medical facilities thwarts its reach to 60% of population in India. A majority of 700 million people lives in rural areas where the condition of medical facilities is deplorable. Considering the picture of grim facts there is a dire need of new practices and procedures to ensure that quality and timely healthcare reaches the underprivileged corners of the Indian villages. Due to non-accessibility to public health care and low quality of health care services, a majority of people in India turn to the local private health sector as their first choice of care. If we look at the health landscape of India 92 percent of health care visits are to private providers of which 70 percent is urban population. However, private health care is expensive, often unregulated and variable in quality. Besides being unreliable for the illiterate, it is also unaffordable by low income rural folks.

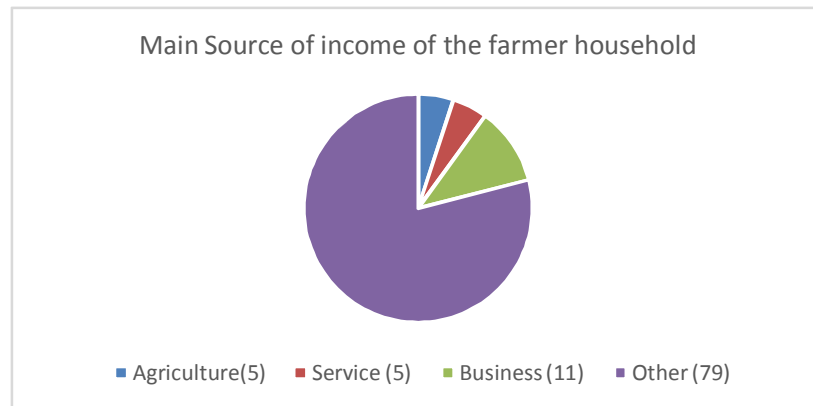
Keywords: Health Care Finance, Rural, Insurance

Introduction:

Health care or **healthcare** is the maintenance or improvement of health via the prevention, diagnosis, and treatment of disease, illness, injury, and other physical and mental impairments in human beings.

We are living in 21th Century and are talking about development, technology and rocket science, but it is not yet mandatory to have health '**Insurance**' in India. 80 % of Indian population are not covered under any health insurance. The condition of health insurance in India is pitiful, as a huge part of our population does not use health insurance to finance their medical expenditure. A large majority of people in India believe that health insurance is not a worthy investment and therefore, avoid buying such insurance products. National Sample Survey Organization (NSSO) envisages that the main reason for the indebtedness among the poor and middle class people is the escalating medical cost. A large proportion of people either avail loans

or sell their assets in order to settle colossal medical expenditures incurred. The principal reason behind this is that people in India, lack of knowledge of simple steps to take to secure our health care costs. The NSSO [National Sample Survey Organization] Survey also found that around 1% of poor in rural areas have to sell their physical assets to meet health expenditure. People in villages mainly depends on household incomes or savings (68%) and borrowings (25%).



Objectives of the Study:

The main objective of the study is to examine the role of healthcare in rural for tracking failures which may possibly lead to effective decision-making within the rural healthcare entities. To substantiate the main objective, the following secondary objectives of the study have been framed:

- To study the policies and practices of government of India for financing of rural healthcare
- To examine the management practices of rural health care with reference to W.H.O guidelines
- To assess the role of community participation in rural healthcare
- To suggest factors which influence the effective management of rural health care

Hypothesis of the study:

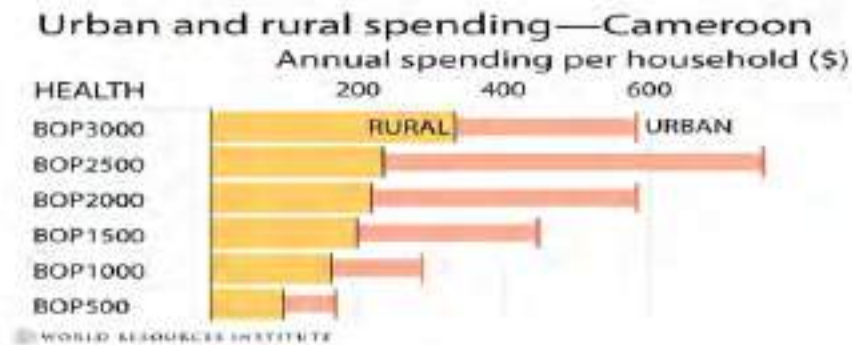
The following hypotheses are setup for study based on the review of the literature.

- **Hypothesis 1:** People in rural area are unaware about health care finance and policies related to it.
- **Hypothesis 2:** Only 20% people are known about healthcare finance and 80% people don't know about health care finance.
- **Hypothesis 3:** Government & Professional are taken less steps towards health care finance.

Limitations of the Study:

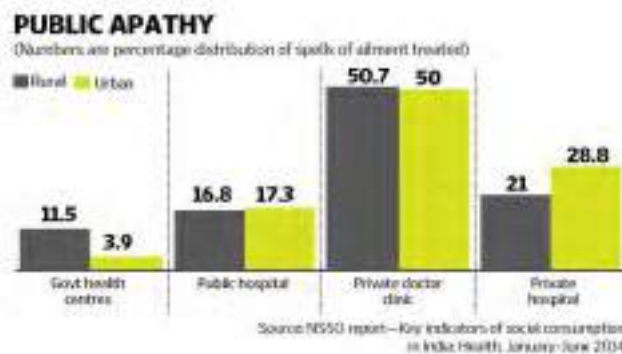
- As resource constraints did not permit a study at the national level. As the study cover one state in India, therefore the findings will be relevant only to those areas in India which reflect similar conditions

- The limitation of the study arises from its scope. The present study is conducted on secondary data and results may not be applicable to all places/ regions/States in which rural healthcare are being provided.
- This research is restricted to a few selected variables even though there are more such variables related to the study.

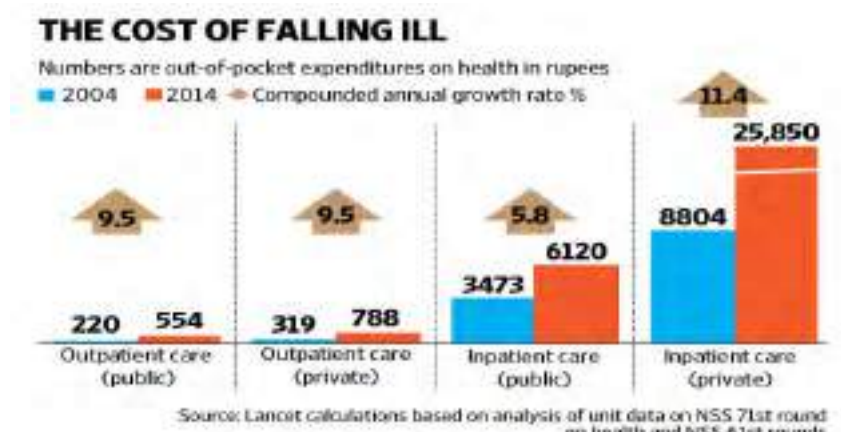


Analysis of the Topic :-

In cities, people rely much more on their income or savings 75% than on borrowing 18% to fund their treatments. In India, the Health care costs are immensely high and is on a continuous rise. The Planning Commission in 2012 stated that the people below poverty line in India account for 250 million, live in rural area. Such facts elucidate that poverty is very much a reality in India, and its further budgets many more troubles. One such issue is lack of health insurance awareness in our country. The latest estimate reveals that nearly 70% of all hospitals & 40% of all hospitals beds in the country are in the private sector with over 80% of them being urban areas.



The total value of health sector in India today is over Rs. 1500 billion or US\$ 34 Billion this works out to \$34 per capita which is 6% of GDP. Of this 15% is publicly financed, 4% is from social insurance, 1% private insurance and the remaining 80% being out of pocket as user-fees (85 % which goes to private sector). 2/3 of the users are purely out -of- pocket users and 90% of them are from the poorest sections.



Overall in India, we have 35,416 government hospitals which have 13,76,013 beds. But unfortunately, merely 2% of the doctors serves in rural India, which comprises 68% of our population.

Particular	Figures in Billions
Total Population of India	1.21 billion
Rural Population	833 million
% of total population	68.84%

Urban and Rural Population of India 2011: According to the provisional data released by Census India, below is the trend of Urban and Rural Population of India

Rural Population in India : 68.84%
 Urban Population in India : 37.80%

COUNTRY	Total population	Rural population	Urban population	Rural Pop. %	Urban Pop. %
INDIA	1,21,01,93,422	83,30,87,662	37,71,05,760	68.84%	37.80%

Table Census India 2011

While overall GDP growth (2016) was commendable at 7.9%, nearly 68% of India's population still resides in rural areas and needs to feel its positive impact. Health Insurance in India: Health insurance in the form of healthcare financing (Mediclaim) was introduced in India in 1986-1987 by four subsidiaries of General Insurance Company (GIC) to support the ailing healthcare industry. They are,

- The New India Assurance Company,
- Oriental Fire and Insurance Co.,
- National Insurance Co., and
- The United India Insurance Co.

Healthcare Executive Summary

Impressive Growth Prospects:

Indian healthcare sector, one of the fastest growing industry, is expected to advance at CAGR of 15% during 2011-17 to reach USD158 billion. There is immense scope for enhancing healthcare services penetration in India, this presents ample opportunity for development of health industry.

Strong fundamentals:

Rising income levels, aging population, growing health awareness & changing attitude towards preventive healthcare is expected to boost healthcare services demand in future.

Cost Advantage:

The low cost of medical services has resulted in a rise in country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

Favorable investment environment

Conducive policies for encouraging FDI, tax benefits, favorable government policies coupled with promising growth prospects have helped the industry attract private equity, venture capitals and foreign players.



Challenges:

Challenges effecting penetration of Health Insurance are:

- **Low Literacy Levels:** The literacy rate in the country is 74.04%. In the rural and the urban areas, the literacy rates are 68.9% and 84.9% respectively. Rural people common perception about insurance is „not required“ and more focus on savings.

- **Less Awareness:** Rural people have challenge in accessing to all the health insurance product features / prices available E.g.: online plans.
- **Income:** Low income groups and High levels of seasonal unemployment.
- **Poor Infrastructure and Transportation:** Rural India has difficulties in reaching the village and setting-up offices. And due to low literacy getting the agents/channels partners is also a challenge.
- **Relationship Management:** The agents may not have been sufficiently knowledgeable about the different products offered due to which best possible product is not sold to customer and chances of misguiding is huge.



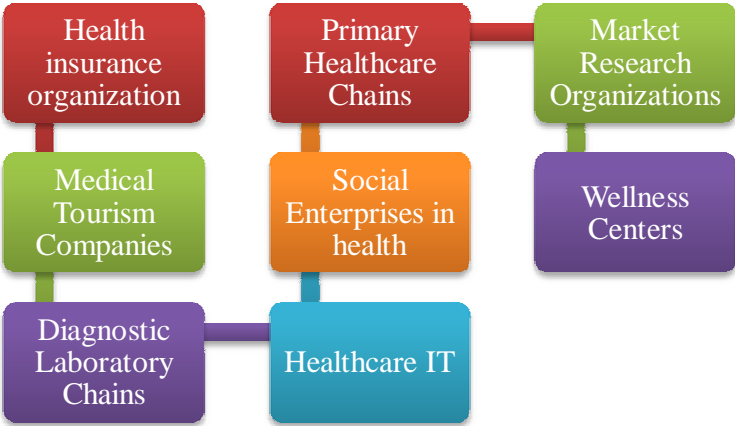
Opportunities:

- **Huge untapped Market and Low Competition:** The size of the market is predominantly untapped and lesser in competition.
- **Medical care is unbelievably expensive:** Healthcare in rural areas is substantially low compared to urban. Low supply of hospital beds, doctors and other facilities. Medical innovations have resulted in cures are available only to selected cities, which results in high operating expenses.
- **Saving Habit:** Several studies show that an average rural household saves about one third of their incomes.
- **Single Family Head:** In rural families, all the family members are financially dependent on key earning member of the family. Hence health insurance of the person is must.
- **Broad Distribution Network:** Rural areas have extensive network and coverage like District Co-op Banks, Co-op Societies, postal services and micro finance institutions etc.

Government Initiatives:

Universal Health Insurance Scheme (UHIS):

The four public sector general insurance companies have been implementing Universal Health Insurance Scheme for improving the access of health care to poor families. The scheme provides for reimbursement of medical expenses up to Rs.30,000/- towards hospitalization floated amongst the entire family, death cover due to an accident @ Rs.25,000/- to the earning head of the family.



Healthcare system in India requires a larger public outlay due to huge population base

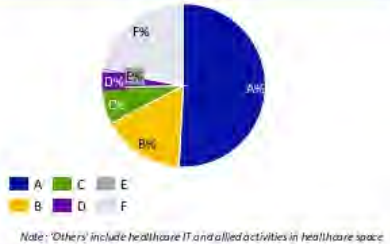
Healthcare Industry Overview

- According to "World Health Statistics 2011 Report, India", healthcare comprised 4.2% of India's GDP in 2008
 - Public and private expenditure on healthcare as percentage of GDP was 1.4% and 2.8% respectively
- Favorable demographics, increase in awareness levels and better medical care are some of the driving factors behind the healthcare sector in India
- Hospitals form the largest segment of overall healthcare market, followed by pharmaceuticals, medical devices, health insurance and diagnostics
- Gradual penetration of health insurance is making health services more affordable through increased demand for preventive and curative healthcare services
- Superior quality healthcare, coupled with low treatment costs in comparison to other countries, is benefiting Indian medical tourism which has, in turn, enhanced the prospects of the Indian healthcare market
 - Treatment for major surgeries in India costs approximately 20% of that in developed countries

Healthcare Sector – Market Size & Growth



Healthcare Market Segmentation: Overview



Annual growth in household spending

(%, at 2004-05 prices)

Consumption categories	FY94 to FY05	FY05 to FY15	FY15 to FY21
Food	3.0	4.2	5.3
Apparel & Footwear	3.3	6.1	6.2
Health Care	7.1	8.2	8.3
Education	11.5	8.9	8.9
Conveyance	8.7	9.1	9.1
Non-food FMCG	4.9	4.1	5.0
Durable goods	9.8	10.1	10.3
Consumer services	10.6	6.8	6.9
Others	8.4	5.8	6.8
Total consumer market	5.0	5.7	6.7

AVERAGE MONTHLY INCOME OF RURAL HOUSEHOLDS

Income Source	Agricultural Households	Non-Agricultural Households	All Households
Cultivation	3,140	NA	1,494
Livestock Rearing	711	NA	338
Other Enterprises	489	851	679
Wage Labour	3,025	3,940	3,504
Govt/Pvt Service	1,444	2,326	1,906
Other Sources	122	152	138
All Sources	8,931	7,269	8,059

Figures in Rupees

In Conclusion Providing the Following Suggestions

- **Awareness about Health Insurance:** Increasing awareness through Local Agents, Doctors, and NGOs, etc. would play a key role in sensitizing the public about such a healthcare system.
- **Relationship Management:** After sale support and assistance through local agent will increase trust on health insurance service provider. Education on Need of Health Insurance: Educate rural people on the need of health insurance by Local Agents, Doctors and Community Health Workers may surely create trust.
- **Human Resource Training:** Empowering agents, brokers, distributors, etc. with adequate knowledge on Health Insurance product and its features so that in return they can suggest right product to households to minimize chances of misguiding.

- **Distribution Network:** Tie-up with Cooperative Banks, Microfinance, Post Services, Healthcare Service Providers (like ASHA Worker, Anganwadi Workers, Doctors, RMPs etc.) Local Bodies to increase reach and create trust.
- **Simple Product:** Simple features, which better match the rural people needs.
- **Better Services:** Flexibility in premium paying facilities, easy and fast claim settlement process.
- **Infrastructure:** Better infrastructure to be given to agents and locals (rural area) insurance company employees for them to reach out to most remote areas also.
- **Wellness:** Insurance companies to get involved into Wellness activities, for example: spreading awareness on better sanitation, vaccinations for kids, precautions taken in case of any ailments or diseases. This helps them in marketing themselves also. Should work on better price for the rural areas that is the pricing, good understanding of the actuarial.
- **Support to Private Sectors:** Providing extra benefits to private sectors which will incline them to penetrate in rural area.
- **Government Support:** Government to provide special packages for health insurance being sold in rural markets, like tax rebate.

Health expenditure and vulnerability				
Population quintile based on per capita income	% household with NO or negative SURPLUS INCOME (current income-current expenditure)	% of households vulnerable if additional annual health expenditure is		
		₹1 lakh	₹3 lakh	₹5 lakh
India-Q1 (Bottom 20%)	54%	100%	100%	100%
India-Q2	38%	100%	100%	100%
India-Q3	29%	98%	100%	100%
India-Q4	25%	91%	100%	100%
India-Q5 (Top 20%)	14%	52%	89%	97%
All India	30%	86%	97%	99%

Source: ICE360° Survey (October 2014) from People Research on India's Consumer Economy (PRICE)

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FDI and its Impact on Rural Economy

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Abstract:

Foreign Direct Investment has been shown to play an important role in promoting economic growth, raising a country's technological level and creating new employment in developing countries. It is the process where resident of one country i.e the source country acquire ownership of assets for the purpose of controlling the production, distribution and other activities of a firm in another country i.e the host country. It is an investment that is made to acquire a lasting interest in an enterprise operating in an economy other than that of the investor. Prior to 1991 India was a closed economy and GOI followed socialist model of development. There had been "License Raj" and growth of different sectors of economy were controlled by Government. The coming decade begun with replacement of FERA by FEMA and LPG. And India witnessed an increase in FDI from 1991 onwards. Even though India has been a latecomer to the FDI scene, its considerable market potential and a liberalized policy regime has sustained its attraction as a favourable destination for foreign investors. This research paper aims to examine the impact of FDI on the Indian rural economy, particularly after two decades of economic reforms, and analyzes the challenges to position itself favourably in the global competition for FDI.

Keywords: *FDI, FERA, FEMA, GOI*

Introduction:

Foreign investment plays a significant role in development of Indian economy. Many countries provide many incentives for attracting the foreign direct investment (FDI). Need of FDI depends on saving and investment rate in any country. Foreign Direct investment acts as a bridge to fulfill the gap between investment and saving. In the process of economic development foreign capital helps to cover the domestic saving constraint and provide access to the superior technology that promotes efficiency and productivity of the existing production capacity and generate new production opportunity.

Keeping in mind the national interests the policy makers designed the FDI policy which aims FDI as a medium for acquiring advanced technology and to mobilize foreign exchange resources. With time and as per economic and political regimes there have been changes in the FDI policy too. The industrial policy of 1965, allowed MNCs to venture through technical collaboration in India. Therefore, the government adopted a liberal attitude by allowing more frequent equity. In the critical face of Indian economy the government of India with the help of World Bank and IMF introduced the macro-economic stabilization and structural adjustment program. As a result of these reforms India open its door to FDI inflows and adopted a more liberal foreign policy in order to restore the confidence of foreign investors. Further, under the new foreign investment policy Government of India constituted FIPB (Foreign Investment Promotion Board) whose main function was to invite and facilitate foreign investment.

Many changes have been made to the [Foreign Direct Investment \(FDI\) policy](#) in the last few years. Further, FDI is also allowed through two different routes namely, Automatic and the Government route. The erstwhile Foreign Investment Promotion Board (FIPB) has been [phased out](#) recently. In the automatic route, foreign entities do not need the prior approval of the government to invest. However, they have to inform the RBI about the amount of investment within a stipulated time period. In the government route, any investment can be made only after the prior approval of the government. Various other conditions as defined in the [consolidated FDI policy](#) are applicable to various sectors. In specific sectors, the FDI is prohibited.

FDI equity inflows to the services sector grew by 15.0% during 2017-18 (April-October). It has been possible because the Government has undertaken a number of reforms to ensure that India remains an increasingly attractive investment destination, which includes announcement of National Intellectual Property Rights (IPR) policy.

The survey points out that the scale of reforms can be gauged from the fact the during this period, 25 sectors also including services activities and covering 100 areas of FDI policy have undergone reforms. FDI policy provisions were radically overhauled across sectors such as construction development, broadcasting, retail trading, air transport, insurance and pension. At present, more than 90% of FDI inflows are through automatic route. After the successful implementation of the e-filing and online processing of FDI application by the Foreign Investment Promotion Board (FIPB), the Government announced to phase out the FIPB in the Union Budget 2017-18. Recently, on 10th January 2018, Union Cabinet approved amendments in FDI policy allowing 100% FDI under automatic route for Single Brand Retail Trading. Foreign airlines also have been allowed to invest up to 49% in Air India, the survey adds.

The survey further states that though there is ambiguity in the classification of FDI in services, it is the combined FDI share of the top 10 service sectors such as financial and non-financial services falling under the Department of Industrial Policy & Promotion (DIPP)'s service sector definition; as well as telecommunications; trading; computer hardware & software; construction; hotels & tourism; hospital & diagnostic centers; consultancy services; sea transport; and information & broadcasting that can be taken as the best estimate of services FDI. However, these could include some non-service elements. The share of these services is 56.6% of the cumulative FDI equity inflows during the period April 2000-October 2017 and 65.8% of FDI equity inflows during 2017-18 (April-October). If the shares of another 5 services or service related sectors like retail trading, agriculture services, education, book, printing and air transport are included, then the total share of FDI equity inflows to the services sector would increase to 58.5% and 69.6% respectively for the above two periods. In 2016-17, FDI equity inflows to the services sector (top 10 sectors including construction) declined by 0.9% to US\$ 26.4bn, though the overall FDI equity inflows grew by 8.7%. However, during 2017-18 (April-October), the FDI equity inflows to these services sector grew by 15.0%, as compared to 0.8% growth in total FDI equity inflows, mainly due to higher FDI in two sectors i.e. Telecommunications and Computer Software and Hardware.

Objectives:

The research paper covers the following objectives:

1. To study the trends and pattern of flow of FDI.

2. To assess the determinants of FDI inflows.
3. To evaluate the impact of FDI on the Indian economy.
4. To know the flow of investment in India.

Research Methodology:**Research Design:**

Research design is a framework of blueprint for conducting the dissertation. It details the procedure necessary for obtaining information needed to structure to solve problem. "A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure."

Data Collection and Research tool:

Research tools that were used for survey were as follow:

Secondary Data:

The secondary data are those which have already been collected by someone else and which have been already been passed through the statistical process.

Means of Secondary Data:

Journals, Books, Magazines and Newspaper; and other sources of published information.

Literature Review:

Vishwakarma (2015) analysed the relation between FDI into India and its economic growth after economic liberalisation. The period of the research was during 1991-2013. GDP was considered as a proxy for FDI inflow into India. The analysis concluded that there is a strong link between FDI into India and its GDP.

Prusty and Vishwakarma (2014) observed that FDI is a significant factor that has an impact on the GDP of Indian economy. Data for the study included the period during 1981 – 2013. The findings of the study indicate the FDI inflow into India was much stronger in the post-liberalisation period.

Singh and Paul (2014) investigated the FDI inflow into India during the period 1990-2012. GDP, outward FDI and export were found to have a significant impact on FDI inflow into India while imports were not found to be significant determinants of FDI inflow.

Azhar and Marimuthu (2012) analysed the flow of FDI into India for the period 2000-2010. The authors employed a descriptive research methodology using the data from the Department of Industrial Policy and Promotion (DIPP). The authors presented an analysis of year-wise inflow of FDI into India. Additionally, sector-wise FDI inflow into India was also analysed. The results indicated that electrical equipment industry attracted the highest FDI inflow with nearly 15.6 per cent of total FDI inflow into India.

Deshmukh (2011) analysed the FDI patterns in India during the post-economic reforms period after 1991. The study concluded that FDI into India increased sharply after the initiation of economic reforms. The research also presented an analysis of the countries which had been significant sources of FDI inflow into India.

Foreign Direct Investment (FDI) can be contemplated as one of the most decisive catalysts of generating employment in India. Opening up of trade barriers in India post trade liberalization in the year 1991 has witnessed the influx of **FDI** at a great extent. Focus on nationalized industries, import substitution and tariff raj were by far the major factors that had plagued the employment generation mechanism before liberalization. However, the scenario transformed drastically post liberalization. Unemployment was rampant before 1991 and there was a huge gap between demand and supply of jobs in the market. Due to unemployment, labour was cheap and abundant. Removal of trade barriers presented a massive opportunity for the foreign nations to foray into the Indian market. The local workforce also embraced the opportunity of **FDI** influx for making good fortune. Thus, the **FDI** inflow could be regarded as a win-win proposition on all fronts. However, the impact of **FDI** on all the sectors of the Indian economy has not been evenly distributed. Different sectors witnessed different fates.

Mixed Impacts on Different Sectors

The influx of **FDI** in India increased significantly after 1991 and rose to the peak in the year 2008. Majority of the existent literature on **FDI** in India revealed that there is a positive correlation between **FDI** and GDP (Gross Domestic Product). On average the net inflow of **FDI** as a percentage of GDP has hovered around 2%. This has significantly contributed to the growth and development of various sectors of the economy. However, the relationship between **FDI** and employment is very different. The figure below plots **FDI** as a percentage of GDP and employment for the post reform year.

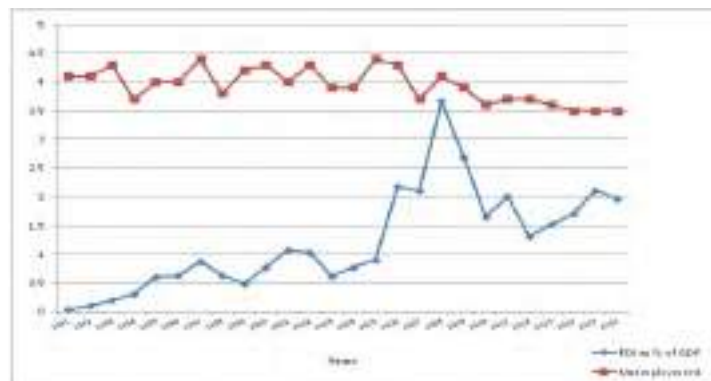


Figure above reveals that the aggregate impact of **FDI** on employment is not uniform. One of the major reasons for this is that the inflow has been majorly in brownfield projects (mainly start-ups) which failed to maintain job generation in a steady manner. Apart from that, another reason is that in India, the income inequality has been pretty high for which the aggregate impact has not been positive throughout. This mixed trend has been validated in the literature by a panel data analysis of the impact of **FDI** on employment in India. According to the data, there is lesser effect of **FDI** towards creation of employment as compared to other countries like Brazil, Russia, China and South Africa.

Impact on the Primary Sector:

India has always been an agrarian economy and the three sectors that are dominantly present in India are primary sector, secondary sector and tertiary sector. The primary sector is basically the agricultural sector, the secondary sector is the industrial sector and the tertiary sector is the service sector. The involvement of primary sector in output generation in India has

been the highest and not much has been done to transform the agricultural sector via **FDI**. There has been no significant impact of **FDI** on the sector.

Impact on the Secondary Sector:

There is a significant positive correlation between **FDI** inflows and growth and development of the secondary and tertiary sectors. The secondary or the industrial sector received a massive thrust from **FDI**. The employment generation has been also brisk. In the first decade of trade liberalization i.e. from 1991 to 1999, the industries that received maximum **FDI** inflows in secondary sector were automobile, air and sea transport, railways and ports. The automobile industry by far has received the maximum boost from **FDI** giving employment to approximately 25 million people directly and indirectly in the year 2016 rising from only 1.8 million people in the year 1991. The transportation industry includes air & sea transport, passenger car, ports and allied industries. As a whole, it received an aggregate of 9% of total **FDI** between 1991 and 1999. Following the transportation industry, the industry that received 8% of the aggregate **FDI** inflow is electric equipments. It includes materials like computer software and hardware, electrical equipments and associated products.

Impact on the Tertiary Sector:

One of the major areas of growth and employment in the nation via the **FDI** route is the tertiary sector. The 'software revolution' or 'Information Technology (IT) revolution' in India can be attributed majorly to the **FDI** inflow in India. Before 2000-01, software business and communication services fell under the category of miscellaneous services. The software industry in India in the current scenario is the vehicle of enormous employment. Furthermore with **FDI** inflow, the net exports from sectors like IT/ ITeS gained a massive pace. IT/ ITeS has triggered the export promotion mechanism in India considerably post liberalization.

A new dimension to the trajectory of employment was developed with the inflow of **FDI** in the software industry. The BPO (Business Process Outsourcing) industry, an integral part of IT/ ITeS sector provided mass scale employment to the Indian youth. The Indian youth got a fresh lease of life through 'BPO boom' as bagging a job with a handsome salary after passing out of college has become a sought after trend. As per the data of the Reserve Bank of India (RBI), in the year 2011-12, the aggregate revenue from the BPO sector has been \$ 87.6 billion. It employed 2.8 million people directly and around 8.9 million people indirectly. With respect to proportions of national *GDP*, the development and growth of revenues from IT/ ITeS sector grew from 1.2% in 1997-98 to around 7.5% in 2011-12. The growth remains vibrant in the current scenario also.

Factors of FDI influence

The extent to which the foreign investment can contribute to the economic growth depends on a variety of factors. One of them is the host country characteristics, called "absorptive capacity", - a capability of the host economy to benefit from technological spillovers from the more industrialized nations and the ability to accumulate and best utilize technology and knowledge. The main determinant of the "absorptive capacity" is the quality of institutions, particularly, the rule of law and the property rights protection.

Trade openness, which is a measure of the competition level in the local country, also positively influences the level of **FDI** contribution to growth. Countries with more open trade

policy have less market distortions, high level of efficiency and competition which enhance the spillover effects of FDI.

The level of technological sophistication and human capital stock in the host country is also one of the main factors of FDI impact on growth. It has been found that FDI raised the growth in those countries that reached a minimum threshold level of technological sophistication or the stock of human capital. The technology gap between MNE and domestic firms in the host countries is the main attribute for the emergence of technology spillovers. A high technology gap along with a low competition reduces the spillover effects to the host country. Other determinants include economic power, industry, type of FDI, and regional integration, industry specialization, market size, R&D, geographical location, FDI policy of host country and etc.

Positive effects of FDI

1. Trade effects

FDI influences economic growth by increasing total factor productivity and the efficiency of resource use in the host country. It increases the capital stock of the host country and thus raises the output levels. The main trade-related benefit of FDI is that it contributes to the integration of host countries into the global economy by engendering and boosting foreign trade flows as well as the establishment of transnational distribution networks.

2. Human capital contribution

FDI's contribution to human capital in host countries is significant. MNEs increase workplaces, thereby reduce the unemployment in the host country. They usually provide higher wages and working conditions due to their higher productivity which is explained by greater technological know-how and modern management skills that enables them to compete effectively in foreign markets. The transfer of technological and managerial know-how through affiliates also gives rise to direct benefits and increases competitiveness in host countries.

3. Spillover effects

MNE's usually possess a higher level of technology, especially "clean", which is the main factor of their higher productivity. One of the positive effects of FDI is that it generates significant technological spillovers in the host countries. MNE's usually provide technical assistance, training and other information to increase the quality of the suppliers' products.

Local firms might increase their productivity as a result of gaining access to modern, improved, or cheaper intermediate inputs produced by MNE in upstream sectors.

4. Competition level

FDI exerts a significant influence on the competition level in the host country. The presence of MNEs assists the economic development by stimulating the domestic competition and thereby leading to higher productivity, innovation, lower prices and more efficient resource allocation.

5. Management and governance practises

FDI through acquisition of local firms result in the changes in management and corporate governance. MNEs generally impose their own company policies, internal reporting systems and

principles of information disclosure. This effect improves the business environment and develops the corporate efficiency. Moreover, different cases show that foreign investments also create a more transparent environment in the host country as MNEs encourage more open government policy, raise corporate transparency and assist in the fight against corruption.

Negative effects of FDI

1. Crowding out effect of FDI:

FDI can have both crowding in and crowding out effects in host country economy. The main negative effect of crowding out effect is the monopoly power over the market gained by MNEs. Empirical evidence in that regard is mixed. This diversity might be due to the fact that various economies attract different types of FDI. Countries that attract mostly domestic market-seeking investments will experience crowding out as the establishment of foreign subsidiaries results in tough competition with domestic firms. But for export-oriented investment, it might be less so. MNE with lower marginal costs increases production relative to its domestic competitor, when imperfectly competitive firms of the host country face fixed costs of production.

2. Negative wage spillovers:

Wage spillovers of the FDI are considered to be mostly positive as workers of MNEs can leave their workplace and become entrepreneurs in future, which will increase the competitiveness of domestic firms. However, it might cause negative consequences as well, especially, if MNEs hire the best workers due to their high wages and thereby leave lower-quality workers at the domestic firms. One possible reason of the negative results in some developing countries is that the gap between MNE and domestic firms is very large for one party to influence another. Moreover, the labour markets in some developing economies are too segmented for wages in one party to influence another.

3. Profit repatriation:

MNEs regularly repatriate their profits from investment to the account of their parent companies in the form of dividends or royalties transferred to shareholders as well as the simple transfer of accrued profits. It also helps them avoid larger taxes by using transfer prices. However, this profit repatriation results in huge capital outflows from the host country to the home country and negatively affects the balance of payment of the former. Thus the host countries often set limits on the amount of profits that MNEs can repatriate in order not to have balance of payment deficits or reduced foreign exchange reserves. Such policy can induce these MNEs to invest profits in different projects within the host country. But there is also a possibility that such limitations might discourage MNEs from investing in these countries, which will move FDI to the countries with less profit repatriation limitations. For example, a survey of chief executive officers from 193 American MNEs revealed that nearly 70% of them viewed profit repatriation as a main factor positively motivating the FDI behaviour of them. One of the biggest FDI receivers in the world, India, permits 100% profit repatriation for foreign investors in most sectors (NRI Repatriation).

4. Dual economy effect:

FDI, made in the developing countries can lead them to have a dual economy, which has one developed sector mostly owned by foreign firms and underdeveloped sector owned by domestic firms. Since the country's economy becomes overly dependent on the developed sector,

its economic structure changes. Often this developed sector is the capital-intensive, while another one is labour-intensive. Therefore, dual economy effect hampers the economic development of countries as most of their citizens are located in the non-developed labour-intensive sector. This effect is visible in most oil-rich countries, where foreign investments made in the oil and gas sector resulted in the resource boom and left the agriculture and manufacturing sectors underdeveloped. That negative effect of FDI can lead to Dutch Disease effect in natural resource abundance countries.

5. **Balance of payment effect:**

Empirical studies reveal that a bidirectional relationship exists between foreign investments and imports. An increase in FDI inflows from the home country will result in an increase in imports in the host country from the home country. It can be due the fact that the MNE purchases inputs from its traditional suppliers or increased inflation rate speeded up by foreign capitals in the home country. As more investment flows in, the host country economy becomes more and more dependent on the production technology of MNE's home country. The host country will have to import more inputs and intermediate goods from the MNE's home country, which might constrain the development in the domestic industry.

6. **Environmental issues:**

A large volume of FDI is concentrated in natural resource sectors of developing and less developed countries. Most of these countries have a less strict or non-existent regulatory regime. Sometimes countries deliberately attempt to exempt or loosen their regulatory requirements to attract FDI. However, while these countries can benefit from positive effects of investment, the negative effects of FDI on host country's ecosystems and environment might bring disaster in the long run.

Conclusion:

The impact of **FDI** on employment in India is phenomenal. Beyond reasonable doubt, the unconstrained flow of **FDI** has accelerated the growth dynamics of the nation generating enormous employment especially in the tertiary sector. The agricultural sector has not been significantly transformed by the **FDI** inflow. However, the long-run implications are uncertain. It can be summed up by saying that to attract FDI, India should use its advantages such as large domestic market, abundant supply of trained and low-wage labor, vast pool of technical professional, second largest nation, etc. FDI is a panacea for the economic ills of any country. As the Indian economy gears up for competition in the international market, overseas investors clearly see the potential for attractive returns from investment in India, which is also evident from the already achieved FDI success stories. FDI in India has contributed effectively to the overall growth of the economy in the recent times. FDI Policy permits FDI up to 100 percent from foreign/NRI investor without prior approval in most of the sectors including the services sector.

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Rural Entrepreneurship in India: Major Challenges and Remedial Actions

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Abstract :

India is a country of villages. About three-fourth of India's population are living in rural areas out of which 75% of the labour force is still earning its livelihood from agriculture and its allied activities. Land being limited is unable to absorb the labour force in agriculture. Therefore, there is a need to develop rural industries to solve rural unemployment and rural migration to cities. Growth and development of rural economy is an essential pre-condition to development of the nation as a whole. The gap between rural urban disparities should be lessened. The standard of living of the rural people should be increased. Indian rural sector is no longer primitive and isolated. Therefore, entrepreneurship in the rural and tribal areas looms large to solve the problems of poverty, unemployment and backwardness of Indian economy. Rural industrialisation is viewed as an effective means of accelerating the process of rural development. Government of India has been continuously assigning increasing importance and support for the promotion and growth of rural entrepreneurship.

“Rural Entrepreneurship can be defined as entrepreneurship emerging at village level which can take place in a variety of fields of endeavour such as business, industry, agriculture and acts as a potent factor for economic development”. But, these rural entrepreneurs are suffering with various problems like fear of risk, lack of finance, illiteracy, and competition from the urban entrepreneurs. Rural entrepreneurs may increase the standard of living and purchasing power of the people by offering employment opportunity to the people in villages. This paper is an attempt to understand the problems and challenges for rural entrepreneurship in the context of rural development in India and possible suggestions to overcome the same.

Keywords: *Entrepreneurship, emerging market, Development*

Introduction

“Entrepreneur means one who creates a product on his own account, whoever undertakes on his own an industrial/trading enterprise in which work men are employed”. If entrepreneurs really encouraged in rural area it would, of course, be instrumental in changing the face of rural areas by solving the problems of unemployment, poverty, economic disparity, poor utilization of rural capacity, low level of standard of living. Majority of the population still lives in rural India and the large chunk of population in urban areas still live through the learning of a village life. For the strength of the country there is a necessity to develop the villages. Development of a country is a choice loaded on its people, whether urban or rural. It is individuals who shape up a society and decide its progress and performance. Urban and rural are two sides of the same coin of economic development. While the urban sector has witnessed phenomenal growth and development, fuelled by the post-independence era of industrialization, the rural sector saw little corporate growth.

Rural Entrepreneurship

Rural entrepreneurship is defined in border sense “as the willingness of a villager to organize their economic activities whatever it may be with the help of appropriate technology and practices conceived for a sustainable living.

Rural entrepreneurship implies entrepreneurship emerging in rural areas. In other words, establishing industries in rural areas refers to rural entrepreneurship. This means rural entrepreneurship is synonymous with rural industrialization. Many examples of successful rural entrepreneurship can already be found in literature. Diversification into non-agricultural uses of available resources such as catering for tourists, blacksmithing, carpentry, spinning, etc. as well as diversification into activities other than those solely related to agricultural usage, for example, the use of resources other than land such as water, woodlands, buildings, available skills and local features, all fit into rural entrepreneurship. The entrepreneurial combinations of these resources are, for example: tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing (consultancy), value added (products from meat, milk, wood, etc.) and the possibility of off-farm work.

Rural industries and business organisations in rural areas generally associated with agriculture and allied activities to agriculture. According to KVIC (Khadi and Village Industry Commission), "village industries or Rural industry means any industry located in rural areas, population of which does not exceed 10,000 or such other figure which produces any goods or renders any services with or without use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed a thousand rupees".

The modified definition of rural industries has been given by Government of India in order to enlarge its scope. According to Government of India, "Any industry located in rural area, village or town with a population of 20,000 and below and an investment of Rs. 3 crores in plant and machinery is classified as a village industry."

Rural Entrepreneurship and Development of Villages:

Rural entrepreneurship certainly implies entrepreneurship emerging in rural areas. In other words, establishing the industry in rural areas is referred to as rural entrepreneurship. This means that rural entrepreneurship is synonymous with rural industrialization. Many such examples of successful rural entrepreneurship can already be found in literature. Diversification into non-agricultural uses of available resources such as blacksmithing, catering for tourists, carpentry, spinning etc. as well as diversification into Activities other than those solely related to agricultural usage like use of resources other than land such as water, woodlands, buildings, local features and available skills all fit into rural entrepreneurship. The entrepreneurial combinations of these resources are for example tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing (consultancy), value added (products from meat, milk, wood etc.) and the possibility of off-farm work. Equally entrepreneurial are new uses of land resources that which enable a reduction in the intensity of agricultural production, for example, organic production. Some of the major opportunities in rural entrepreneurship are:

- A. Better distribution of farm produce which results in rural prosperity
- B. Entrepreneurial occupation for rural youth resulting in reduction of disguised employment opportunities and alternative occupations for rural youth

- C. For optimum and maximum utilization of farm produce formation of big co-operatives like Amul
- D. Optimum utilization of local resource in entrepreneurial venture by rural youth

On the contrary, Indian agriculture is characterized by low productivity, flood, and exposure for vagaries of nature like drought, other natural disasters and weaknesses like mismatch between agricultural and cash crops, inadequate infrastructure to provide for value addition, wide disparity which exists between public private partnership in agricultural development. Land being limited is unable to absorb the entire labor force throughout the year leading to large scale underemployment and unemployment. Rural people, in search of jobs and better livelihood opportunities often migrate to urban centers creating unwanted slums and also live in unhygienic conditions of living. In the above-mentioned trend if employment opportunities are made available in rural areas along with basic amenities of life.

Objectives of study:

1. To analyze the roles of rural entrepreneurs in economic development
2. To study the problems in rural entrepreneurship
3. To suggest some remedial measures to solve the problems faced by rural entrepreneurs
4. To study the major challenges faced by rural entrepreneurship in India

Research Methodology:

The study is based on secondary source of data/ information. Various books, journals, Newspapers, and significant websites have been consulted in order to make the study an effective record for the learners.

Literature Review:

Anil Aggarwal.(2013),Enterprises in rural environments are operating in an arena of extreme and rapid change. However, despite the recognition that entrepreneurship is one of the primary facets through which rural economic development can be achieved, empirical research on rural entrepreneurship is relatively sparse and this concept remains largely unknown. Appreciating the need for and relevance of understanding conceptual paradigm of rural entrepreneurship, Rural Entrepreneurs and the role plays by the selected Developmental institutions in the creation of Micro and small village enterprises has been proved very much significant. Rural entrepreneurship is currently at the focus of much theoretical, practical and political interest. This paper examines and evaluate the performance of select government sponsored self-employment generating programs for rural people as well as the performance of developmental institutions (like NABARD, KVIC & HKVIB, HSIIDC, HFC, SIDO, DICs and DRDA) and their role in developing and fostering rural enterprises in the state of Haryana. The appraisal of these entrepreneurship development Institutions in Haryana will certainly provide a comprehensive picture of various institutional set up to promote the growth of entrepreneurship in rural areas as well as the programs and activities that help promoting potential entrepreneurs especially in rural areas and foster rural entrepreneurship.

Dr. Kalpana P. Nandanwar (2011),Rural entrepreneurship should not only set up enterprises in rural areas but should be also using rural produce as raw material and employing rural people in their production processes. Rural entrepreneurship is that entrepreneurship which

ensures value addition to rural resources in rural areas engaging largely rural human resources. In other words, this means that finished products are produced in rural areas out of resources obtained in rural areas by largely rural people.

Sophia Sathopoulou (2004), The present work provides an integrated view of rural entrepreneurship and sets the agenda for future research in the area. Rurality defines a territorially specific entrepreneurial milieu with distinct physical, social and economic characteristics. Location, natural resources and the landscape, social capital, rural governance, business and social networks, as well as information and communication technologies, exert dynamic and complex influences on entrepreneurial activity in rural areas. Rurality is viewed as a dynamic entrepreneurial resource that shapes both opportunities and constraints. Rural entrepreneurship is depicted as a three-stage sequential process highly influenced by specific territorial characteristics. The proposed research agenda addresses issues related to theoretical studies concerning entrepreneurial processes in rural areas and more applied issues concerning the formulation of integrated and competent policies support entrepreneurship in such areas.

I. Roles of Rural Entrepreneurs in Economic Development

According to Joseph Schumpeter, the rate of economic progress of a nation depends upon its rate of innovation which in turn depends on rate of increase in the entrepreneurial talent in the population.

According to Meir and Baldwin, development does not occur spontaneously as a natural consequence when economic conditions in some sense are right.

A catalyst is needed which results in entrepreneurial activity to a considerable extent. The diversity of activities that characterizes rich countries can be attributed to the supply of entrepreneurs. They play a vital role for the economic development of a country in the following ways.

1. Formation of Capital

Entrepreneurs by placing profitable business proposition attract investment to ensure private participation in the industrialization process. The otherwise idle savings are channelized for investment in business ventures which in turn provides return. Again, the savings are invested giving a multiplier effect to the process of capital formation.

2. Balanced Regional Development

The entrepreneurs always look for opportunities in the environment. They capitalize on the opportunities of governmental concessions, subsidies and facilities to set up their enterprises in undeveloped areas. The setting up of still plant at Tata nagar, Reliance Petrochemicals at Jamnagar (Gujarat) have resulted in the development of Good Township and peripheral regional development. Thus, entrepreneurs reduce the imbalances and disparities in development among regions.

3. General Employment

This is the real charm of being an entrepreneur. They are not the job seekers but job creators and job providers. With the globalization process the government jobs are shrinking leaving many unemployed. In the circumstances, the entrepreneurs and their enterprises are the

only hope and source of direct and indirect employment generation. Employment is generated directly by the requirement of the large enterprises and indirectly by acceleration and consequential development activities.

4. Improvement in Standard of Living

Entrepreneurial initiative through employment generation leads to increase in income and purchasing power which is spent on consumption expenditure. Increased demand for goods and services boost up industrial activity. Large scale production will result in economies of scale and low cost of production. Modern concept of marketing involves creating a demand and then filling it. New innovative and varying quality products at most competitive prices making common man's life smoother, easier and comfortable are the contribution of entrepreneurial initiative

5. Increase in per Capita Income

Entrepreneurs convert the latent and idle resources like land, labour and capital into goods and services resulting in increase in the national income and wealth of a nation. The increase in national income is the indication of increase in net national product and per capita income of the country.

6. National Self-reliance

Entrepreneurs are the corner stones of national self-reliance. They help to manufacture indigenous substitutes to imported products which reduce the dependence on foreign countries. There is also a possibility of exporting goods and services to earn foreign exchange for the country. Hence, the import substitution and export promotion ensure economic independence and the country becomes self-reliance

Impediments to the Formation of Rural Entrepreneurship

Ecosystem

The concept of entrepreneurial ecosystem recognizes the fact that entrepreneurial opportunities exist at the confluence of markets, people and technologies. The concept of ecosystem also takes into consideration that the opportunities are not static and that Rural Entrepreneurship in Developing Countries: Challenges, Problems 1037changing environmental conditions can sometimes create and destroy value chains. These problems are exacerbated in rural regions due to geographic distance, isolation and in the view of above the challenges and problems faced by the rural entrepreneurship in developing countries such as that of India are discussed which have to be overcome for successful implementation of self-employment.

(a) Knowledge Gap:

The possibility of existence of knowledge gap is higher in rural regions which may slow down the emergence of new ventures although its extremity depends upon the types of ventures and the conditions under which they are developed. For example, those ventures founded by the individuals who migrated from outside the region for the exploitation of rural endowments are likely to be challenged by the lack of geographic and cultural knowledge of the region and those founded by indigenous entrepreneurs may suffer from the lack of knowledge of demand markets or how to access those markets efficiently.

(b) Finance :

Finance is considered as lifeblood of an enterprise. Most of the rural entrepreneurs fail to get external funds due to absence of tangible security and credit in the market. Besides this, the procedure to avail the loan facility is too time-consuming that its delay often disappoints the rural entrepreneurs. Subsidies are also being provided by the government in rural areas but due to the high cost of finance, these subsidies are not giving fruitful results. Various schemes like composite loan scheme, tiny unit scheme, scheme for technical entrepreneurs etc. had started but they are unable to meet the expectation of rural entrepreneurs. Raising funds through equity is little bit difficult for rural entrepreneurs because of lack of financial knowledge and also, their financial corpus is also low, so loans are the primary source of finance for them which proved to be a great obstacle in developing rural entrepreneurship.

(c) Technology:

The challenges of agricultural growth in developing countries mostly include the lack of access to technology and infrastructure. It has been suggested that the barriers for the development of an enterprise is lack of interest, lack of coordination, disadvantage of geographic location for market access which results in high transportation cost etc. it can thus be stated that the geographic and social isolation leads to the lack of scale and scope economies that constraint capital accumulation and innovation.

(d) Human Resource:

It is difficult for an entrepreneur to search for workers who are skilled enough and agree to work in rural regions. If the workers are not skilled enough, the entrepreneur has to provide job training which is a serious problem as they are mostly uneducated and they have to be taught in local language which they easily understand. Also, the family environment, society and support system is not conducive to encourage rural people to take entrepreneurship as a career which is mostly due to lack of awareness and knowledge of entrepreneurial opportunities.

Management Problems :**1. Lack of Knowledge of I.T.**

Information technology is not very common in rural areas. Entrepreneurs rely on internal linkages that encourage the flow of goods, services, information and ideas. The intensity of family and personal relationships in rural communities can sometime be helpful but they may also present obstacles to effective business relationships. Business deals may receive less than rigorous objectivity and intercommunity rivalries may reduce the scope for regional cooperation. Decision making process and lines of authority are mostly blurred by local politics in rural areas.

2. Legal Formalities

Rural entrepreneurs find it extremely difficult in complying with various legal formalities in obtaining licenses due to illiteracy and ignorance.

3. Procurement of Raw Materials

Procurement of raw materials is really a tough task for rural entrepreneur. They may end up with poor quality raw materials, may also face the problem of storage and warehousing.

4. Lack of Technical Knowledge

Rural entrepreneurs suffer a severe problem of lack of technical knowledge. Lack of training facilities and extension services create a hurdle for the development of rural entrepreneurship.

5. Poor Quality of Products

Another important problem in growth of rural entrepreneurship is the inferior quality of products produced due to lack of availability of standard tools and equipment and poor quality of raw materials.

Remedial Measures to Solve the Problems Faced by Rural Entrepreneurs

Different organizations like IFCI, SIDBI, ICICI, NABARD etc. are trying to sort the major problems faced by rural entrepreneurs. Marketing problems are mainly related with pricing, distribution channels, product promotion etc. In order to make the rural entrepreneurs to state the business venture, following measures may be adopted:

a. Creation of finance cells :

Banks and financial institutions which provide finances to entrepreneurs must create special cells for providing easy finance to rural entrepreneurs

b. Concessional rates of Interest:

On easy repayment basis and at concessional rates of interest the rural entrepreneurs should be provided finances. The cumbersome formalities should necessarily be avoided in sanctioning the loans to rural entrepreneurs.

c. Offering training facilities:

Training is essential for the overall development of entrepreneurs. It also enables the rural entrepreneurs to undertake the venture successfully as it certainly imparts required skills to run the enterprise. At present the economically weaker entrepreneurs of the society are necessarily offered such training facility by government of India regarding skill development of the existing entrepreneurs so that rural entrepreneurs can indeed generate income as well as employment opportunities in rural area especially in north east and south India region

d. Power supply of raw materials:

Rural entrepreneurs should be surely ensured of proper supply of scarce raw materials on a priority basis. Subsidy may also be offered at times to make the products manufactured by rural entrepreneurs reasonable and cost competitive.

e. Setting up marketing co-operatives:

Proper assistance and encouragement should be provided to rural entrepreneurs for setting up marketing co-operatives. These co-operatives shall help in getting various inputs at reasonable rate and they are helpful in selling their products at remunerative prices. Thus, comprehensive training, proper education, setting up of separate financial Institutions,

development of marketing co-operatives to a large extent help to flourish the rural entrepreneurs in India.

Major Challenges Faced BY Rural Entrepreneurship in India

Some of the major challenges faced by rural entrepreneurship in India can be described below as follows:

1. Family challenges:

Convincing to opt for business over job is certainly not an easy task for an individual.

The first thing compared is- will you make more money in the business of your choice or will you work as a successor of family business. This is certainly a stage where it becomes almost impossible to convince that you can generate more cash with your passion than doing what your dad is doing.

2. Social challenges:

Even tough family challenges are always at the top because as it matters the most but attimes social challenges also are very important. Let us consider an example wherein say you and your friend graduated at the same time. You opted for entrepreneurship and your friend opts for a job. After few years he now has a flat, car and what not because he could easily get those with a bank loan but you still have nothing to show off and this is where the challenge comes in

3. Technological challenges:

Indian education system certainly lags too much from the job industry as a whole but then it lags even much more when it comes to online entrepreneurship. What technology would be ideal and how to use that technology effectively and efficiently is the question which needs to be answered by entrepreneur

4. Financial challenges:

This necessarily refers to difficulty in borrowing fund. For online entrepreneurs, financial challenges are a lot different in India. When you are starting as an entrepreneur you don't opt for venture funding but definitely try to go to funding for small to medium business people. Many nontechnical business people don't understand the online business models as a whole and so getting an initial business funding from them becomes very much challenging. Other option what entrepreneurs can think of is a loan but bank loan as such is not at all an option in India for new online entrepreneurs.

5. Policy challenges:

Now and then there are not of changes in the policies implemented by the government. Problems of TRIMS and TRIPS to pose policy challenges. Major problems of availing raw materials, problems of raising equity capital, Problems of obsolescence of indigenou and outdated technology, increased pollutions, ecological imbalance, exploitation of small and poor countries etc.

Conclusion :

Rural entrepreneurs are certainly act as a key figure in economic progress of India. They play a vitalrole in converting developing country into developed nation. In today's global market a country's economic policy environment must always be favorable for an organization to

achieve efficiency. Economic policy of a country should also enable entrepreneurs to provide magical touch to an organization irrespective of public, private or joint sector in achieving innovativeness, speed, flexibility and also strong sense of self determination. Rural entrepreneurship however is the best answer for removal of rural poverty in India. Hence government should stress and emphasize more on integrated rural development programs. Also, majority of the rural youths do not think of entrepreneurship as a career option. Hence organizations and government should come with training and sustaining support systems providing all necessary assistance so that rural youth can be motivated to take up entrepreneurship as a career. Besides there should also be efficient regulated markets and governments should also lend its helping hand in this context. Standardization and grading should be promoted and also promotional activities should be enhanced to encourage rural entrepreneurs. NGO's should also be provided full support by the government. In the present context study of entrepreneurship helps entrepreneurs not only to fulfill their personal needs but also help in economic contribution of new ventures. More than increasing the national income by creating new jobs, rural entrepreneurship also acts a force in economic growth by serving as a major bridge between innovation and marketplace. To conclude to bring change institutions need to focus on synergies between education, innovation and entrepreneurship.

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MGNREGA and Employment Generation: A Study in The State Of Maharashtra, India

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Abstract :

National Rural Employment Guarantee Act (NREGA) is one of the progressive and transformative legislation passed by Indian Parliament in the year of 2005 by UPA government for ensuring employment guarantee and livelihood security to each rural household. In year 2007 it is renamed as Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA). The fundamental goal of this right based policy initiative is to provide employment guarantee and promote infrastructural development in the villages for the well-being rural household, it has also been considered as an integrated approach for rural poverty eradication and sustainable development. Since nine years MGNREGA is being implemented in all 623 districts of the country, MGNREGA has been a breakthrough in the history of independent India particularly in terms of economic empowerment of rural poor. It is one of the major legislative measures taken by the government during its 10th Five Year Plan with a view to ameliorating poverty in rural India by generating 100days guaranteed employment to each member of rural households who demand for it. This Act has been calculatingly designed for poor unskilled labour force of the rural areas of the country who are basically dependent on agriculture which is mostly seasonal in most of the parts of the country. The decentralized three-tier implementation process of the Act is its most remarkable aspect. Apart from the key role played by the Central Government, the state governments have also been empowered a lot to monitor and implement the Act through various levels of administrative structures from district to panchayat levels via development blocks. The paper basically focuses on one aspect of this epoch-making legislation, i. e, employment generation in the state of Maharashtra, a major component of western Region of India. Secondary data have been collected from different books, research papers, reports, journals, news papers and online data base. Particularly the analyses comprise the details of job cards issued and employment provided, employment generation to various social groups, average mandays of employment provided, increase in job card issued and job provided as well as the fund expended on wage and the data furnished against all these aspects cover the period of last five years .

Keywords: *MGNREGA, Rural Development Programmes, Employment Generation, Households, Mandays, Job Card.*

Introduction:

Public employment programmes have been introduced in various developed and developing countries across the globe from time to time with a view to tackling certain crises arising out of depression, postwar reconstruction, economic crisis, recession as well as floods and earthquakes having the objective of providing a kind of social security through income generation via labour intensive employment which in turn contributes to public assets. Mention may be made of certain such welfare programmes introduced in a number of developing countries since early 1970s in Asia, Africa and Latin America- i) Indonesia's PadatKarya,

relaunched in 1998 after the economic crisis, ii) Bangladesh's Food for Work Programme, iii) India's Maharashtra Employment Guarantee Scheme, iv) Argentina's Jefes De Hogar in 2002, v) Botswana's labour-based relief programmes, vi) South Africa's expanded public works programme from 2004 etc. These are „last resort wage employment“ opportunity for vulnerable groups who are unemployed and underemployed over the year; if properly planned, labour intensive public works programme can not only alleviate poverty but can bring about economic growth and social equity. According to Sukti Dasgupta and Ratna M. Sudarshan (2011), these programmes are based on a Keynesian aggregate demand strategy of direct job creation for ensuring a full employment economy. Minsky (1986) speaks in favour of these programmes and opines that these are usually targeted job programmes, paying minimum wages, with an aim to create a social floor and have the potential to reduce poverty „in a politically digestible manner“ (1971, 20) as quoted in Papadimitriou, 2008, 4). Antonopoulos (2009) while describing the rationale of such programmes states that government has an active role to play in promoting full employment in developing economies by assuming the role of the market-maker for labour. The maximum benefit can be derived if factors like planning of the programmes, the wage rate, the nature of works, the types of jobs generated and the access and availability of work for women and men are well-planned and taken up in a systematic manner. But the programmes are not above criticism as often the charge of expensiveness and corruptions are leveled against these. The National Rural Employment Guarantee Act (NREGA) of India came into being mostly with a noble mission by the government of India to be delivered finally to the respective state governments to be implemented from the very grassroot level making the panchayat a primary implementing agency. For the first time ever, it makes an effort to ensure „right to employment“ for the rural poor unskilled labourers through some legislation.

In keeping with the ideology of Mahatma Gandhi regarding the human resources of a nation particularly the poor ones that the National Rural Employment Guarantee ACT (NREGA) has been renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) which is a landmark legislation in the history of independent India in government's continuous effort to eradicate poverty by generating employment to the rural population (both BPL and APL) who are basically dependent on agriculture, mostly a seasonal occupation for them. Moreover, a developing country like India with the experience of years of colonization and population explosion has huge upsurge of unskilled labour and for them, this particular Act is a boon whatsoever. Moreover, it is a demand-driven scheme and all willing members of rural households are to be provided with some work within a stipulated period of time. Despite all the major employment generating programmes introduced in various five year plans like Training of Rural Youth for Self Employment (TRYSEM) in 1979, Integrated Rural Development Programme (IRDP) and National Rural Employment Programme (NREP) in 1980, Development of Women and Children in Rural Areas (DWCRA) in 1982, Rural Landless Labour Employment Guarantee Scheme (RLEGP) in 1983, the Employment Assurance Scheme (EAS) in the period 1992-93, Swarna Jayanti Gram Swarajgar Yojana (SJGSRY) and Jawahar Gram Samridhi Yojana (JGSY) in 1999, the eradication of unemployment problem has been a far cry for a vast country like India where poverty is a chronic disease, difficult to be tackled with. With the introduction of economic reforms in the early 1990s, though an impressive growth rate of GDP has been perceptible, statistical evidences show that the benefits of the growth have not affected the overwhelming majority of India's poor in a remarkable manner. Thus unlike the previous programmes of employment generation and poverty alleviation, it aims at mitigating rural poverty along with some other factors like inclusive growth, transparency, decentralized

development and participation of civil society in rural and national development etc. Apart from that the Act intends to empower the most disadvantaged and deprived sections of the society including women without intermediaries and to create demand-based local level community assets in order to bridge the infrastructural gaps in rural area. It has turned out to be a tool of gender equity and socio-economic empowerment. It cannot be forgotten that the least advantaged in a democracy are the ones, most in need of democratic support as has been the crux of the ideology of the great political philosopher John Rawls and MGNREGA seems to be a positive response to the ethical task set by him.

The National Rural Employment Guarantee Act (NREGA) was enacted on August 23, 2005 and got presidential assent on September 5, 2005, came into force in 200 districts of India on February 2, 2006 out of a total 593 in the country, 130 districts in the financial year 2007, and in the third and final phase it was expanded to cover the entire nation including the study area. As has already been said, it is considered an “employer of last resort”, initially called the National Rural Employment Guarantee Act (NREGA) which is rechristened on October 2, 2009 as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) having the twin objectives of rural development and employment. Basic entitlements of MGNREGA include i) employment within 15 days of application, ii) unemployment allowance, iii) work within a 5 km distance from home, iv) minimum wages, v) payment within 15 days, vi) no gender discrimination, vii) basic worksite facilities whereas eight categories of work permitted under MGNREGA include i) water conservation and water harvesting, drought proofing, ii) irrigation canals, iii) provision of irrigation facility on the lands of the disadvantaged sections-SCs and STs and others, iv) land development, v) renovation of traditional water bodies (tanks etc), vi) flood control and protection works, vii) rural connectivity to provide all-weather access and viii) forestry preservation for bio-diversity.

Among the salient features of this epoch-making Act, mention may be made of the provisions like

- i) Payment of wages every week or at least within a fortnight
- ii) Compensation to be paid in case of delay as per the Payment of Wages Act
- iii) Gender bias to be discarded
- iv) Compensation and treatment in case of injury
- v) On-site safe drinking water, care of small children, periods of rest, and a first-aid box
- vi) Banning contractors and labour displacing machines
- vii) At least 60 percent of expenditure should be on wages
- viii) At least 50 percent of the projects should be implemented through gram panchayats which must prepare a development plan
- ix) The Programme Officer to be responsible for the implementation of the employment guarantee programme in the block.

The main impetus behind the Act might be the social movements for ending hunger by guaranteeing right to food to the poor supported by various civil society movements such as the

right to information etc. and also the influence three-decade-long track record of the Employment Guarantee Scheme (EGS) has in Maharashtra. MGNREGA thus marks a paradigm shift from all the precedent wage employment programmes as it i) provides a statutory guarantee of wage-employment right-based framework for wage employment, ii) employment provided on workers' demand unlike the earlier programmes which were based on budget allocation, iii) inbuilds transparency safeguard documents-job card entitlements which are in the custody of the workers, iv) written application for employment, muster rolls, measurement books and asset register processes, acceptance of employment application, issue of dated receipts, time-bound work allocation and wage payment, Citizen Information Boards at worksites, Vigilance Monitoring Committees, regular block, district and state-level inspections, and social audits, v) public delivery system made more accountable as both the Central Government and the State Governments are obliged to present annual reports on the outcomes of MGNREGA to the Parliament and the State Legislatures respectively.

It has a three-tier planning and implementation system. The Gram Panchayat is the pivotal body for implementation at the village level which is responsible for planning work, registration of applicants, issuing job cards, executing works, and monitoring the implementation of the scheme. The Programme Officer who is answerable to the DPC is responsible for the implementation of the Act at the block level. At the district level, the District Panchayat will be responsible for finalizing the district plans and for monitoring and supervising the EGS in the district, DPC, who can be the Chief Executive Officer of the District Panchayat, or the District Collector, or any other district-level officer of appropriate rank would be responsible for the proper implementation of the various provisions of the Act. At the state level, the responsibility is with State Employment Guarantee Council (SEGC) which shall advise the State Government on the implementation of the Scheme, evaluate and monitor it. Finally at the central level, the Central Employment Guarantee Council (CEGC), set up under the chairmanship of the Minister of Rural Development is the major stakeholder, its function being advising the government on MGNREGA-related matters, monitoring and evaluating the implementation of the Act as whole and preparing annual reports to be submitted to the parliament. The state governments are mandated to provide sufficient staff and technical support to the DPC and Programme Officer for the effective implementation of the Act. The Ministry of Rural Development has suggested certain administrative pattern which can be followed or adapted by the state governments according to their needs and contexts. The funding agency for the maintenance and management of the implementation of the Act at different levels and stages lies with the government of India. From Government reports, it is found that in last few years after the implementation of the Act, more than 3.12 crore households have been provided with employment throughout the country, around 122.45 crore person days have been created and 7.32 lakh assets have been built out of 26.14 lakhs taken up under this programme whereas national bulletin of MGNREGA discloses that out of the total person days created, 50 percent of the person days have been occupied by women labourers. In terms of the inclusion issues, the data generated under MGNREGA gives a bright side of the picture but the state-wise performance analysis brings out the other side of the whole affair and persistent malpractices seem to be working against the proper implementation of the Act. The state of Andhra Pradesh seems to be the topper with the reports of providing 100 percent employment continuously under the Act, followed by Tamil Nadu, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh etc. with a very low performance on the part of Himachal Pradesh. Moreover, more or less 99 percent of

demanded work has been fulfilled by the government with minor variations in various financial years.

Despite the government effort to spread the benefits of the Act to every nook and corner of the country, much remains to be done yet for which governance system has to be strengthened and awareness drives must be given for the better planning and implementation of the programme. But then universalizing and homogenizing the whole affair will be wrong as interstate variations in executing the Act are perceived. Certain states have performed well in terms of employment provided as against employment demanded. Kannan (2005) stresses that the potential of MGNREGA could be more fully realized if human development had been more fully prioritized, for instance, improved health care facilities would help mothers to work better under the Act. Taking the fact into consideration that a well-designed employment guarantee programme can promote job creation, gender equality and pro-poor development, MGNREGA has been introduced to the end of developing personal competencies and skills, challenging the existing power relations, household decision-making, gaining access, control over resources like credit, income, land knowledge, and subjective variables like sense of personal power and self efficacy among the rural population of the country. When it was observed that performances in Andhra Pradesh, Tamil Nadu, and Rajasthan were rather encouraging, factors like strong political will, presence of civil society agencies and NGOs, higher levels of awareness among the communities, prior experience and capacities of civil servants and officials regarding the implementation of similar programmes like drought relief schemes were identified to be responsible. The Scheme has improved the lives of the people and has brought stability and assured incomes to the families that were until recently desperately poor (Vidya Subramanian, 2009). In a study conducted by the Institute of Applied Manpower Research covering a sample of 6,000 households across 20 states in the country (300 samples per state), it is derived that the low earning level of a number of beneficiaries declined and the number of households reporting marginally higher income has increased (K.Balchand, 2009). In certain places, especially during the lean season, MGNREGA has been the only source of income (Sudha Narayan, 2008). It positively checked migration which was more perceptible before the implementation of MGNREGA among rural population. With the increase in additional income, total consumption and nutritional intake are also found to be increasing following which savings and investments have also risen to a remarkable extent helping the poor to be involved in diverse productive activities. Most of the benefitted households can utilize their income for accessing children's education or improving the quality of education by providing additional facilities. Again special provisions made for women under the various schedules of the Act can play a substantial role in economically empowering women and laying the basis for greater independence and self-esteem. This programme, though centrally funded is a locally decentralized job generating, rural public work one aiming at securing an elastic demand for labour along with ensuring full employment and price stability. The public works are supposed to play a positive role as income insurance due to the presence of seasonality in agrarian labour market (Basu, 2011), for building long-term capital assets (Basu, 1981), preventing dislocation of families in search of jobs and food (Dreze and Sen, 1991), and arresting rural-urban migration (Ravallion, 1999).

Employment Scenario in India under MGNREGA:

Employment Generation under MGNREGA in India

Year	No. of HHs Registered	Employment Demanded by HHs	Employment provided to HHs	Employment provided (percent)
2012-2013	135478282	50101754	48251564	96.30
2013-2014	136578935	51765569	47684864	92.11
2014-2015	127209600	46485800	41337900	88.92
2015-2016	127308665	56458600	52462873	92.92
2016-2017	138423400	59452360	56483200	95.00

Source: www.nrega.nic.in

The table shows year-wise employment scenario in India from 2012-13 to 2016-17.

In India, no of households (HHs) registered from 2012-13 onwards till 2016-17 have been 135478282, 136578935, 127209600, 127308665, 138423400 respectively.

Total no of HHs demanding job during the period from 2012-13 to 2016-17 are respectively 50101754, 51765569, 46485800, 56458600, 59452360

Employment provided to HHs during the period is 48251564, 47684864, 41337900 , 52462873, 56483200 respectively.

Thus total employment provided during the period (in percent) is 96.30, 92.11, 88.92 , 92.92, 95.00 respectively.

Now when a discussion is to be ensued on the study area, it seems to be necessary to introduce the area to the readers at large. According to 2011 census, the geographical area (in Sq km) of Maharashtra (our study area) has been measured to be 307731 The number of districts is 35 tehsil 355, towns 534, census towns 278, villages (total) 43665, villages inhabited 40960, no of households (total) 6406471 out of these number of rural households is 5420877, urban 985594, population (total in persons) is 112374333, male 58243056, female 54131277, rural 61556074 urban 50818259 Now the decadal growth rate of population is estimated to be 11.24, annual exponential growth rate is 15.99 percentage of urban population 45.2 sex ratio (per „000 male) 929 density of population per sq km. 365child (0-6year) population(in persons) 13326517 male 7035391 female 6291126, child (0-6 yr) sex ratio (per „,000 male) 894 Total literacy rate in the state (in persons) is 82.3 male 88.4 female 75.9 rural 70.34 and urban 88.47.

Among the total population of Maharashtra the Hindus are 79.83%, Muslims 11.54%, Christians have total population of around .096 %, Sikh are 0.20 %, Buddhist 5.81 %, 1.25 %, Others are 0.16 % and religion not declared (0.25%). Out of total number of 49427878 workers, main workers are 43762890 ,cultivators workers 11478075, agriculture labour 11068928 Total number of marginal workers is 5664988, and household industry 991310 .While considering total households and amenities (in %), as per 2011 census, total households constitute 7506471, drinking water facilities 60.8, drinking water near premises 31.7, electricity as source of

lightening 40.0, latrine facilities with premises 60.9, SC total population 13275898, out of which male 6767759, female 6508139; ST population is 10510213, out of which male is 5315025, female 5195188; total slum households is 2499948 and total slum population 11848432 out of which males are 6328217 and female is 5520206, total disabled population amounts to 2963392 .

Review of Literature:

Shekhawat (2002) in his study on “Impact of Employment Generation Programmes (Eggs) in Jaipur district of Rajasthan”, reported that disbursement of assistance to beneficiaries was delayed and assistance given under Eggs was insufficient, and these were the major problems faced by the respondents in taking advantages of Eggs.

Borgohain (2005) finds MGNREGA as a bold step towards the problem of acute unemployment in the rural areas.

Sood (2006) studied the challenges involved in implementation of NREGP and reported that in Jashpur block, Chhattisgarh, lack of staff is having a negative impact on the working of the NREGA. Moreover, sub-engineers were being burdened with the task of maintaining job cards for which their primary tasks suffered. Such additional appointments are a rare opportunity to provide employment to the youth in villages and should not be allowed to be squandered due to administrative hurdles.

Mathur (2007) argues in favour of NREGA and says that it has marked the beginning of momentous changes in the lives of the rural poor. He shows that migration has reduced in several villages in Andhra Pradesh, Chhattisgarh, Orissa and Rajasthan. Minimum wages were raised in many states; the participation of women increased significantly even in the districts of Rajasthan and Uttar Pradesh.

Chakraborty (2007) observes that employment guarantee is abysmally low in Maharashtra, Karnataka, Bihar, and Jharkhand. It is noted that while for Andhra Pradesh and Gujarat the supply of employment has met the demand, for most other states enrolment falls far short of demand. He further presents a budgetary appraisal of MGNREGA and as the utilization of funds is not satisfactory, it suggests that devolution of responsibilities and strict accountability criteria which may accelerate the effective implementation of it at the panchayat level and can function as a demand-driven programme more suitably if attention is paid on capacity building at the village level, social audits on a regular basis, accountability of functionaries and an effective redressal mechanism etc and better co-ordination among various stakeholders of the governments.

Central Guarantee Council (2007) reviewed the implementation of MGNREGA in Burdibeda village of Jharkhand district and revealed that Job Cards were handed over to the workers only 2 days prior to the visit of the social audit team in the same village. Two community development works have been sanctioned on the same land owned by the Pradhan of the village, construction of well and a farm pond are both being carried out on the Pradhan’s land.

Datt (2008) revealed that out of 20.1 million households employed in the MGNREGA, only 2.2 million (10.5%) received the full 100days’ employment and wages. The average employment per household was 43 days in 2006-07 and 35 days in 2007-08 respectively. He further reported that main constraints under MGNREGA were lack of professional staff, lack of proper project

planning, bureaucratic resistance to MGNREGA, inappropriate rates of payment, lack of worksite facilities and lack of transparency and social audit.

Jandu (2008) carried out a research in four states namely Chhattisgarh, Madhya Pradesh, Orissa and Tamilnadu. Survey data showed that women workers were more confident about their roles as contributors to family expenditure and their work decisions and it gave them speech in public sphere. Most of the respondents felt that the Act is very important for them. The study found positive impact of the MGNREGA in migration patterns.

Jacob (2008) observes that the MGNREGA Programme has immense potential to improve the gap between urban and rural India and lead to rural development in the form of building infrastructure like roads, in terms of agricultural productivity from irrigation works etc. It is said to provide a stable income for workers.

Goswami (2008) describes the positive impact of NREGA on the lives of the people in Sikkim and Meghalaya in the form of raising their confidence level and guaranteeing some degree of financial independence.

Hazarika (2009) examined the impact of MGNREGA on gender empowerment in Morigaon and Bongaigaon districts of Assam. This study showed that almost 70 to 80 of sample workers had meaningful income other than unpaid family work during the Pre- NREGA. Majority of the workers felt that they were now in better position to fulfill their own requirements without looking at others.... In Bongaigaon district, a large number of job card holders were found who had become Panchayat representatives

Basu et al (2009) argue that the success of an employment guarantee scheme (EGS) in safeguarding the welfare of poor is related to wage given and the ease with which any worker can gain access and power enjoyed by local bureaucracy and political elements and proper implementation of socially productive public works.

Ramesh & Kumar (2009) in their study also found that the scheme holds the powerful prospect of bringing major changes in the lives of women. NREGA is playing a substantial role in empowering women economically and laying the basis for greater independence and self esteem. It has become a beacon of light in the empowerment of rural women, and has contributed substantially for the increased living and economic conditions by creating equal wages for male and female workers and increasing the minimum wages. Their study was conducted in 2009-10 on selected 500 women beneficiaries. The beneficiaries expressed that this programme helped in eradicating the debt burden to some extent.

In a NCAER-PIF study conducted by Sharma et al (2009), MGNREGA has slightly improved share of ST households in employment and has outshined the earlier programme as far as participation of women is concerned. They find a number of anomalies related to the hike in wages, disbursing compensation to the labourers in cases of delayed payments and nonpayment of unemployment allowances, selection of works, execution, estimates and measurements as well as delays in release of funds etc.

Kareemulla et al (2010) evaluated the scheme in four states, that is, Rajasthan, Andhra Pradesh, Karnataka and Maharashtra with a specific focus on desirability, quality and durability of assets created and the effect of the programme on the livelihood generation of beneficiaries. They

conclude that scheme was achieving its primary objective of employment generation but the assets created were generally seen as a by-product in the study areas. They further opine that NREGS has significantly brought down the migration levels in rural areas who are now available for local work.

Chhabra and Sharma (2010) consider the NREGS as a landmark in the economic history of independent India which provides legal rights on employment to the rural citizens.

Pankaj (2011) compares between Bihar and Jharkhand on the progress of NREGA and argues that implementation was tardy and the effort was driven by the supply side

Shah, Ambustha and Shankar (2011) argue that NREGA had great promise but it could not be realized if it was implemented in the same framework of governance which has been serving the country since independence.

In the survey conducted in the four sample districts of Assam, Panda and Umdor (2011) find no significant changes in the status of women except Tinsukia. Bordoloi (2011) finds a more or less positive impact of MGNREGA on the life of the rural poor and by restructuring the social relationship contributing ultimately to the nation-building. It has also minimized the gender difference in some works commonly practised in rural areas. Ministry of Home Affairs in 2011 finds a hopeful situation for the remote states like Manipur and Nagaland as NREGA has been gradually transforming the „Geography of Poverty“. The two-proned functions of tackling both hunger and poverty.

According to Encyclopedia of NREGA and Panchayatiraj, B.R.Trivedi and B.S.Aswal (2011), argue that in states like Uttar Pradesh, Madhya Pradesh, Maharashtra, Bihar, Jharkhand and Chhattisgarh, out of total families in the sample villages, 47.69% families have been registered under the scheme whereas, the national average obtained from the secondary data suggests that more than 70% rural households have been registered under NREGA. Out of the total registered families, approximately 90% families have received the job cards. In Maharashtra and Uttar Pradesh, about 96% BPL families have job cards. Chhattisgarh and Jharkhand have the lowest figures at 32.33% and 39.82% respectively. In Jharkhand and Madhya Pradesh, people reported that they were unaware of the fact that they had to apply for jobs. In Jharkhand, it was observed that people thought that having a job card automatically makes the workers entitled for 100 days employment. It has also been observed that the whole concept of demand for job is rather fictitious as people are turning up for work as in any other Government scheme and while they are at work, the secretaries fill up their applications to demand jobs as a mere formality. Thus, though it is conceived as a demand-driven scheme, lack of proper awareness and lack of motivation after all make it a supply-based scheme. Now, in most of the states, it is evident that most of the works sanctioned are on water conservation and water harvesting structures, followed by rural connectivity. Only 9.7% of the total works undertaken has been on the provision of irrigation facilities to the land owned by SC/ST. In Jharkhand and Madhya Pradesh, it was observed that works were undertaken as per the priorities stated by the block officials. Works on SC/ST farms do not figure as a priority of the Panchayats in any of the six states. In Madhya Pradesh, more than 90% works have been undertaken by panchayat in the state. From the analysis of the primary data, it is found that only in Chhattisgarh and Madhya Pradesh; more than 50% respondents have received jobs in less than 15 days. In the case of Maharashtra, it was found that none of the respondents had got jobs within 15 days.

Dutta et al (2012) uses National Sample Survey (NSS) data for 2009-10 to verify the guarantee of employment at the stipulated wage rates to the households seeking employment under the Act. They observe considerable un-met demand for work in all states under MGNREGA. Interestingly, the extent of the un-met demand is greater in the poorest states where the scheme is needed the most. Though the men are more in demand according to the local level rationing processes, the scheme is virtually attracting poor women into the workforce.

In the paper entitled “MGNREGA scheme implementation in Assam disappointing” published in the Assam Times dated 18/06/2012, Daya Nath Singh terms MGNREGA as a revolutionary Act of the Government of India with tremendous potentiality of eradicating unemployment situation in the country. In the first phase of the implementation of the Act in 2006, along with 200 districts across the country, 7 districts of Assam were also incorporated. In the year 2007, the second phase of NREGA had started where 5 districts of Assam were included and in the third phase starting from April 1, 2008, remaining 14 districts of Assam came under the purview of the Act. On March 31, 2012, Assam completed 6th year of MGNREGA implementation. But as stated by the author, in a survey conducted by the North East Social Trust (NEST) and a few other voluntary organizations of Assam monitoring the impact of this Act and its implementation during last couple of years, the result found out was not very encouraging.

Bhowmik (2013) talks about the impact of the scheme in the state of Tripura. The state has been doing quite well in ensuring equity and efficiency. The stakeholders feel that the scheme suffers from the lack of sufficient monitoring and implementing staff.

National Sample Survey Organization (NSSO) in a survey conducted in 3 states, observes that the scheme provides work at a time when no other work or alternate employment opportunities are available (MGNREGA Sameeksha, 2013).

In a paper entitled “Is the MGNREGA being set up for failure?” published in the Hindu dated May 31, 2015, G. Sampath and Rukmini.S find that MGNREGA has generated more rural employment than any other government scheme on private initiative in the history of independent India. If the critics call it wasteful, ineffective, leaky and argue that it is fuelling inflation and the assets created by MGNREGA are of poor quality, the researchers agree to its manifold successes as an anti-poverty, pro-growth intervention in the rural economy. The Hindu brings the field reports from four different states- Uttar Pradesh, Telengana, Chhattisgarh and Bihar that document the experiences of those who have actually used the scheme. The reports of various field studies have been endorsed and published by the Union Ministry of Rural Development (MoRD) in a volume entitled MGNREGA Sameeksha where it is revealed that far from being a wasteful expenditure, the works under the MGNREGA have helped create rural assets and infrastructure, ranging from anganwadis, toilets for individual households, crematoria, cyclone shelters, and playgrounds for children, to drought proofing, flood protection and control, water conservation and harvesting and rural road connectivity. Contrary to the claim that it distorts the rural economy, the MoRD’s „Report to the people on MGNREGA, 2014“ acknowledges that the scheme has actually boosted agricultural productivity through development of wasteful/fallow land, and construction of post-harvest storage facilities and worksheds. The MoRD report further says that the number of households that received the legally guaranteed 100 days of work fell from 51.73 lakhs in 2012-13 to 46.73 lakh in 2013-14 (under the UPA) and then dipped sharply to 23.24 lakh in 2014-15 (under the NDA). One

explanation for this could be that funds are not being released by the Centre. A look at the data on amount sanctioned, it shows a similar steep decline under the NDA government, from Rs.27, 484 crore in 2013-14 to Rs. 17, 074 crores in 2014-15. It is observed that basically delay in payments is disappointing the people.

Significance of the Study:

Maharashtra, being an important state, dominated by rural population facing a large-scale unemployment followed by acute poverty in the rural sector in the western Region of the country has been purposively selected to examine the extent to which employment generation has been made to the unskilled labour of rural Maharashtra under the Act.

Objectives of the Study:

- i) To find the trend in Job Cards issued.
- ii) To find the trend in demand for work among the rural HHs.
- iii) To find out the trend in employment in various social groups.
- iv) To find the range of employment generation for women labourers in the study area.
- v) To find out the expenditure specifically on wages of the Job Card holders as well as the materials used.
- vi) To give an overview of the status of MGNREGA at the national level referring to the analyses of a few selected surveys of last five years .

Methodology:

Only secondary data have been used in the present study. The sources for these data are various types of books, government publications, journals, research articles, articles in papers and different websites etc.

Analysis:

MGNREGA has been implemented since February 2006 in 12 districts of Maharashtraas the first phase districts. Second phase 6 district covered and third phase districts 15 district of Maharashtra were covered under the programme. The table reveals the amount of Job Cards issued, Households demanded employment, Households provided employment, HHs provided 100 days of employment, disabled persons provided employment from the financial year 2012-13 to 2016 to17

Year-Wise Job Cards Issued and Employment Provided in Maharashtra (In Nos)

Year	Job Card Issued	Households Demanded Employment	Households Provided Employment	Households Getting 100 days of Employment	Disabled Persons Provided Employment
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2012-2013	7256892	1023596	956892	122698	16597
2013-2014	7421540	1146711	1052678	145269	17598
2014-2015	7620765	1281163	1159651	165373	19306
2015-2016	7839994	1420648	1274961	218390	18710
2016-2017	8173351	1613022	1433334	167832	18271

Source: Directorate of Panchayat and Rural Development, Maharashtra in Statistical Abstract, Maharashtra 2016, Government of Maharashtra, Directorate of Economics and Statistic and official site of nrega.nic.in

1023596 Job Card holders out of cumulative total of 7256892 Job Card holders demanded for job in MGNREGA in Maharashtra in the financial year 2012-13 of which 956892 (93.48 percent) were provided with employment , 122698 (12.82 percent out of HHs provided employment) Job Card holders were provided 100 days of employment and 16597 disabled persons were provided job. Though the employment of Job Card holders increased to 1052678 out of 1146711 HHs who demanded it where cumulative total of job card holders were 7421540 HHs providing 100 days of employment increased to 145269 (13.79 percent of total HHs provided employment) during the financial year 2013-2014.

During the year 2014-15 number of Job Cards issued and the number of HHs provided employment under MGNREGA, were 7620765 and 1159651 respectively and HHs provided 100 days of employment were 165373. During the year 2015-16 , total Job Card holders increased to 7839994 of which 1420648 Job Card holders demanded works and 1274961 Job Card holders were provided with employment out of which 218390 Job Card holders were provided 100 days of employment.

During the financial year 2016-17 the total amount of Job Card holders became 8173351 and 1433334 got employment out of demanded 1613022 Job Card holders. 167832 Job Card holders got 100 days of employment

SC ST employment status Under MGNREGA in Maharashtra

Year	No. of persondays generated				
	SC	ST	Others	Total	Women
2012-2013	5626463	9976863	36479269	55226465	22459923
2013-2014	6021589	10246893	40125679	59566249	24569763
2014-2015	6214092	11461134	43710036	61385262	26681451
2015-2016	7016006	14735164	54586155	76337325	33985944
2016-2017	6254544	14355091	50288955	70898590	31809896

Source: Directorate of Panchayat and Rural Development, Maharashtra in Statistical Abstract, Maharashtra 2016, Government of Maharashtra, Directorate of Economics and Statistic and official site of nrega.nic.in

The table reveals the year-wise total person days of employment generation under MGNREGS, to the women, SC, ST categories of beneficiaries as well as beneficiaries belonging to other social groups.

The total person days 55226465 in the financial year 2012-13 out of which 22459923 are women, 5626463 SC, 9976863 ST, 36479269 belonged to others respectively.

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In 2013-14, out of the total person days of ,59566249 employment generated for women, SC, ST and Others are 24569763, 6021589, 10246893 and 43710036 respectively.

Total persondays of 61385262 lakhs employment distributed among SC, ST, Others and Women are 6214092, 11461134, 43710036, 26681451 respectively in the year 2014-15.

In 2015-16, total person days created have been 76337325 out of which SC have got 7016006, ST 14735164 , Others have got 54586155 whereas Women are provided 33985944 jobs respectively

The data of 2016-17 shows that out of total person days of 70898590 lakhs generated, SC has got 6254544, ST 14355091, Others 50288955 and Women 31809896 respectively.

Average days of employment provided per household

Year	Average days
2012-2013	49.78
2013-2014	51.47
2014-2015	52.93
2015-2016	59.87
2016-2017	49.46

In the year 2007-08, averaged days of employment provided per household in Maharashtra under MGNREGA is 49.78 , in 2012-13 , 54.47, in 2013-14, 52.93, in 2014-15, 59.87, in 2015-16, 49.46, in 2016-17.

Expenditure on Wages and Materials

In the financial year 2012-13, Rs.1,50,225.09 lakhs is spent for both wage and materials whereas in 2013-14, the amount is 99,587.25 lakhs which is spent on wage and 50,369.24 lakhs on materials only. In the financial year 2014-15, an amount of Rs. 1,03,175.19 lakhs is spent on wage and 47,369.44 lakhs on materials. The expenditure wage increased and materials decreased upto 130931.52 lakhs and 44511.07 lakhs respectively in the financial year 2015-16 and 2016-2017 1,33,611.83 lakhs on wages and 63,338.33 on material .

Findings:

- i) The employment provided under the Act was far below in comparison with Job Card issued.
- ii) Though 100 days of employment is to be guaranteed according to the provision of the Act, in Maharashtra, it is seen that since 2012 to 2013 till 2015-16, the highest average days provided is approximately 60 percent. After that a decreasing trend has been marked which has culminated at 49.46. in the year 2016-17
- iii) Total amount of fund spent on the disbursement of wage and materials under the Act has been found highest in the financial year 2016-17 and the lowest in 2013-14 having 2,08,905.49 lakhs and 1,49,956.49 lakhs respectively. That is, there has been an increasing trend in the whole affair in the studied period .

- iv) With respect to the total number of person days created for the various social groups like SC, ST, Others and Women, a sudden increase in it has been observed upto the financial year 2015-16 and though a meager amount of increase for all the groups has been observed in 2015-16 , gradually there has been a steady decline in 2016-17 .
- v) Keeping in mind that 100 days“ guaranteed employment has been the main feature of MGNREGA, the present paper reveals satisfactory picture in the study area. In the financial year 2012 -13, 122698 HHs were provided employment, after which fluctuations can be observed. there has been a increasing trend till 2015-16 after that in 2016 -2017 there is a rapid decline 167832HHs employment provided .
- vi) Among the disabled persons getting employment during the studied period, the highest number of employment generation to this group can be marked in 2014-15 with 19306 beneficiaries getting jobs with the lowest number being in 2012-13 with 16597 disabled beneficiaries getting employment under the Act.

Conclusion:

- i) Though MGNREGA guarantees 100 days“ employment to each rural household demanding job in each financial year, the analyses of the present paper reflect that not more than 60 average days (in 2015-16) could be provided to the beneficiaries of the state during the whole studied period, and moreover, Thus it can be concluded that the MGNREGA in Maharashtra has been partially successful.
- ii) To have a complete impact of MGNREGA initiative, an active involvement of national and state level experts like engineers, architects and planners is a must in identifying land masses requiring proper management, arriving at topographic specificities, effective flood/drought proofing methods and disaster management measures
- iii) It is necessary to further strengthen service delivery, improve access and governance structures.
- iv) A review of the criteria for determination of wage rates is essential.
- v) A consistent positive political support is needed.
- vi) Though the states have introduced payment through bank accounts but this system may not be convenient for women if they have no control over family bank account. Thus it may be better if provisions can be made of different job cards for each adult member of the households and different bank accounts for both men and women in their respective households.
- vii) As there is the possibility of exhaustion of the village-level works, an urgent need is there to invent new and innovative works for retaining the labour and providing productive employment minimizing the need for such programmes in the long run.
- viii) Innovations in work opportunities, organization of the labour force and community planning and execution with greater involvement of the farmers at all stages are necessary for sustaining the momentum brought about by MGNREGA in rural economy.
- ix) The Panchayati Raj system must be strengthened. Administration must be further decentralized to deliver the best to the remote villages situated far away from Development Block.
- x) Intervention from other departments and agencies associated with panchayats must be curtailed.

- xi) To minimize the migration, minimum wage rates must be maintained which is at par with other rates in the market.
- xii) More transparency in handling of the programme is required.
- xiii) Auditing can be done by some outside agencies.
- xiv) Political intervention must be checked.
- xv) An effective and prompt grievance redressal mechanism is a must.
- xvi) Right to Information Act must be made more effective and widely popular.
- xvii) IT sector must be more and more integrated with the Act.
- xviii) A good and healthy co-ordination among Academia, Mass Media, Law, Administration, NGOs and Financial Institutions will pave the way for better implementation of MGNREGA
- xix) MGNREGA has the potentiality to be proved as a truly welfare scheme on the part of the government.
- xx) Proper and frequent training of panchayat officials, people's representatives and local level bureaucrats is needed for better outcome of the monitoring and implementation of the Act.
- xxi) Appropriate financial management approach must be made for the accurate utilization of the sanctioned amount and avoiding misappropriation of MGNREGAFs.
- xxii) Much more initiative must be taken on the part of the government to increase people's participation for the better performance of the Act.
- xxiii) As the Act has more or less failed to provide 100 days employment to the rural demanding poor beneficiaries, much more intensive scrutiny and effort must be made to get the desired goal.
- xxiv) The schedule of payments should be such to provide job on demand. Jobs must be provided for longer days and the time rate of payment needs to be fair.
- xxv) There should be active participation of the Job Card holders in Gram Sabha for the better participation in and implementation of the Act.
- xxvi) The role of Civil Society must be realized and applied in letter and spirit for getting the desired result out of the Act.

Suggestions:

- i) The provisions of MGNREGA need to be publicized in simple and easy-to-understand local dialects.
- ii) Dissemination of core message of the Act through print, electronic media and innovative street plays would help in generating awareness and building capabilities among the rural employable poor households on the Act.

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Rural Infrastructure: A Contemporary Issues and Challenges for Development

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Keywords: *Rural infrastructure, financial facilities, Infrastructural development, Connectivity, Agriculture and Allied services*

Introduction:

Rural infrastructure plays an important role in the development of Rural India. Rural infrastructure comprises basic facilities like food, clothing and shelter to the people who are living in far away from the cities, financial facilities and availability of credits, rural roads for connectivity, providing them electricity and housing facilities. People who are living in villages, their livelihood is solely depending on the agriculture and allied services. To produce more and to make things available to their farm, they need basics infrastructural facilities.

Infrastructural Global Overview

According to the International Labor Organization, the organization which is working in the field of rural infrastructural development and also experienced in formulating and implementing rural infrastructure programmes, reveals that “In many countries in the Asia Pacific region, the provision of authentic and fruitful infrastructure remains a major challenge. The basic infrastructural needs in rural areas for local population to make their livelihood productive socially and economically are health centers, irrigation schemes, water supplies, schools, tracks, rural roads, bridges and markets.”^[1] The organization is providing support to its member countries in development of rural facilities like assisting them in strengthening the capacity at local levels, providing technical assistant and designing and supervising technical assistance projects at country level. The organization is supporting the agencies to formulate and design policies and implementation of the rural infrastructural programmes with the coordination with central government.

Indian Perspective of Rural Development

In India Ministry of Rural development is initiating and implementing the programs and plans related to providing infrastructural facilities in villages.

To reach the nooks of the Indian rural area, it is very essential to develop good condition roads. According to the world bank report it has been mentioned that around 74 percent of Indians rural population are not much economically sound. In the construction of rural road concern, It is the coordination between the state and central funding agencies to build connecting roads between villages and cities. Most of the villages are not connected with the road or any National or State Highways. Employment, Education, health facilities and access to the market has become very inaccessible.

To give the rural connectivity to the people of rural India, government had made and implemented many schemes . The Pradhan Mantri Gram Sadak Yojana, Under the ministry of Rural Development government have implemented Pradhan Mantri Gram Sadak Yojana.

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Under this programme through the construction of 3,70,000 kms of the roads they have given new connectivity to 180000 occupancy.

PMGSY was implemented as a fully centrally funded programme to connect rural part of the India. It covered hills, deserts and tribal area as well. To provide the professional and technical support to the states the Central Government have set uped National Rural Development Agency(NRRDA).

Data Collection:

Secondary data has been collected for the analysis. Data was taken from the website of Pradhan Mantri Gram Sadak Yojana, Online Management, Monitoring and Accounting System (OMMAS).

Progress and analysis

The progress of the development work done by the ministry have been presented in the form of graphs. five year data (Secondary) of targeted length and the completed length have been collected for the website and analyzed here.

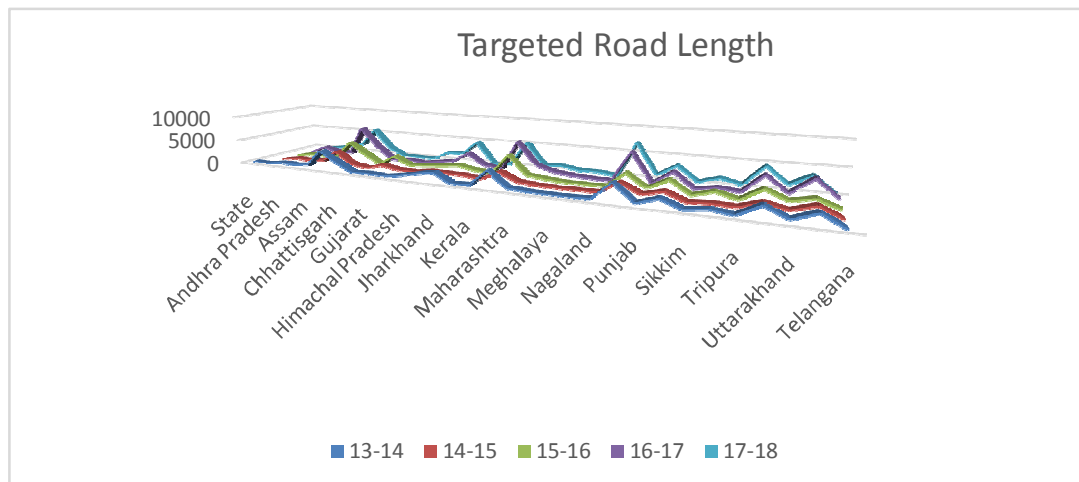
Objective of the Study

- To Study the concept of Rural Infrastructure.
- To know the efforts taken by Government of India for developing rural infrastructure.

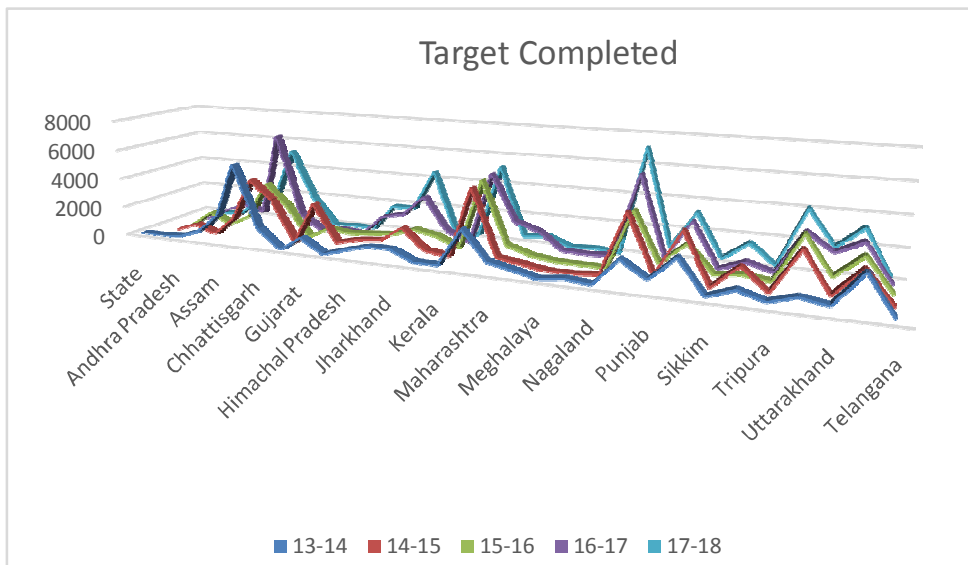
Hypothesis

Infrastructural development and construction of Rural Roads plays a vital road in rural development.

Data Analysis & Interpretation

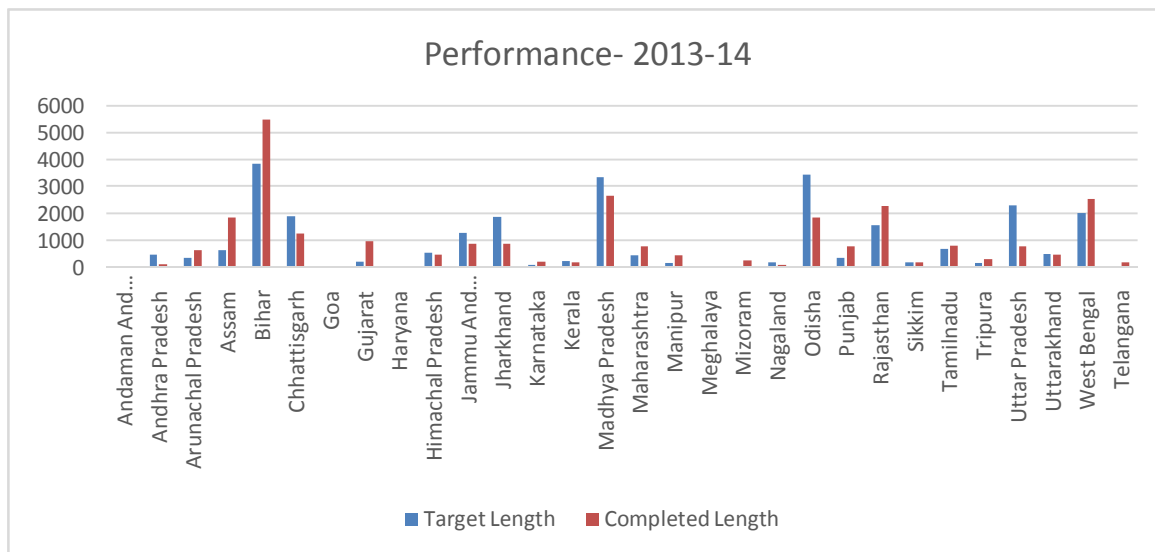


Source: <http://omms.nic.in/>



Source: <http://omms.nic.in/>

Performance- 2013-14

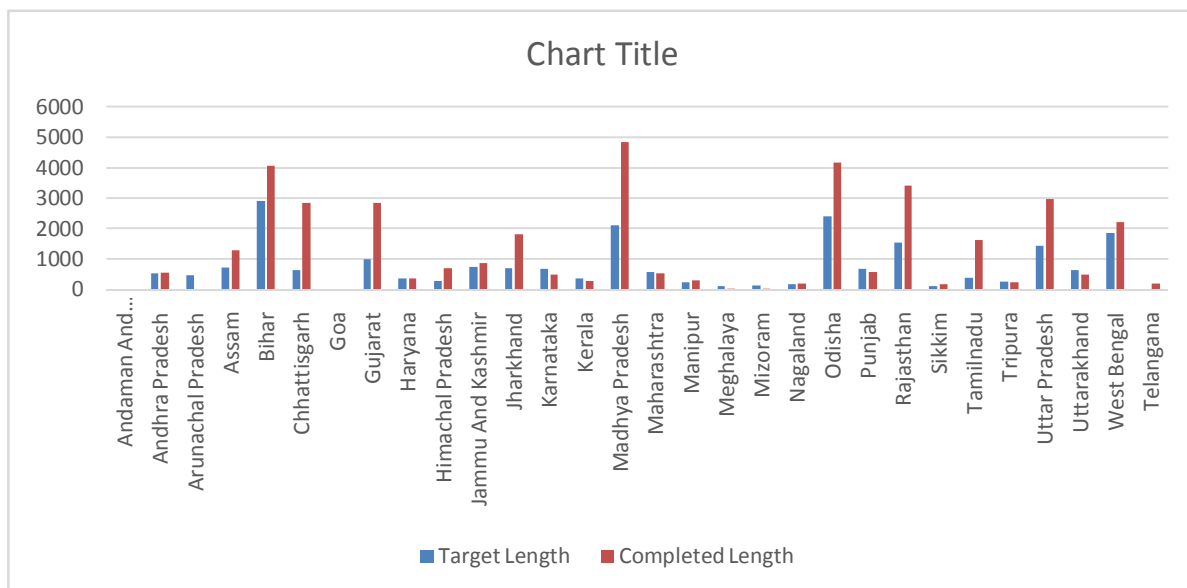


Graph 1. Targeted and Completed Length 2013-14

Source: <http://omms.nic.in/>

The target to build the road was height in Bihar, Madhya Pradesh and Odisha. whereas it was zero in Anadaman and Nikobar and Meghalaya. In Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Punjab, Rajasthan, West Bengal and Telangana was more than the set uped target. In overall the target length was 26,950 km and the completed length was 27,357.48 which was more than the targeted length.

Performance- 2014-15

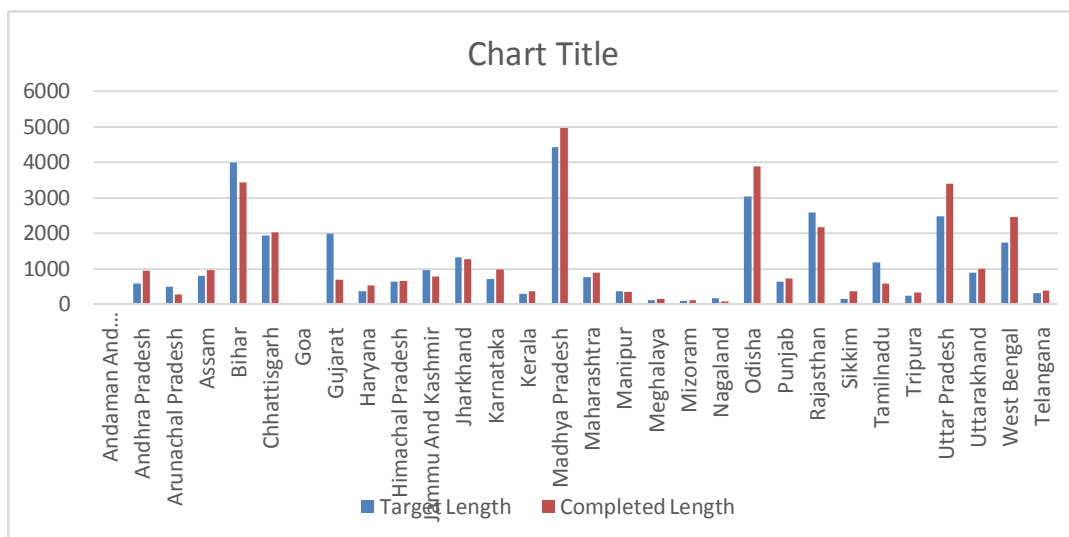


Graph 2. Targeted and Completed Length 2014-15

Source: <http://omms.nic.in/>

Here we can analyze that the work completed in the year is more than the target length in most of the states in India. Those states includes Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Jharkhand, Madhya Pradesh, Manipur, Nagaland, Orissa and Tamilnadu. Some states have not achieved the targeted length. those states includes Arunachal Pradesh (only 1.5% is completed), Karnataka, Kerala and Meghalaya are among others.

Performance 15-16

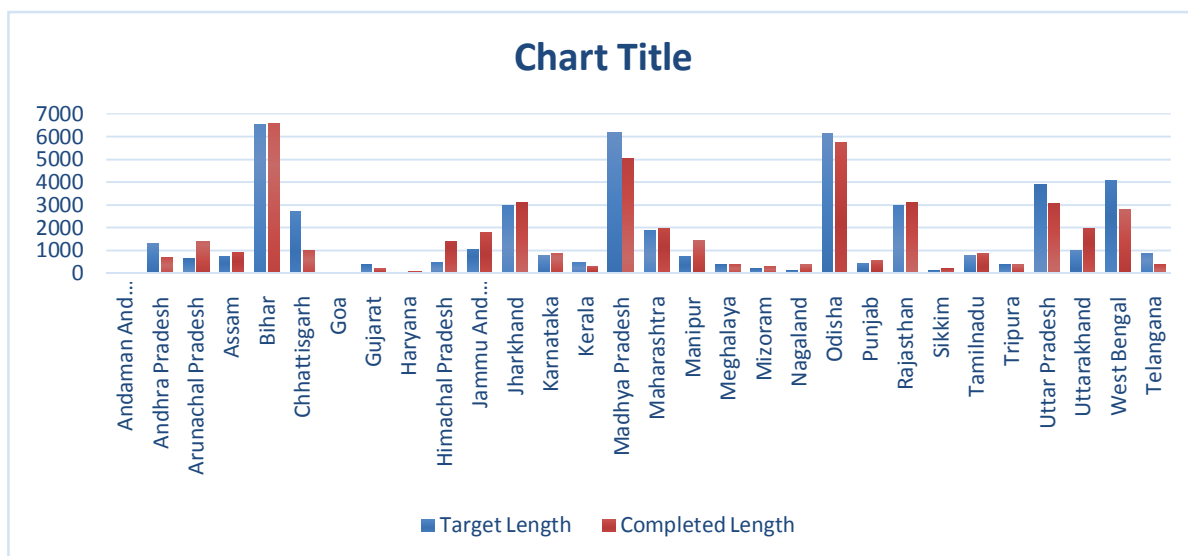


Graph 3. Targeted and Completed Length 2015-16

Source: <http://omms.nic.in/>

In the graph we can clearly see that Andhra Pradesh, Assam, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Mizoram, Odisha, Uttar Pradesh, Uttarakhand, West Bengal and Telangana have achieved more than the target length. At the same period of time no development of roads were there in Andaman and Nikobar, Arunachal Pradesh, Gujarat, Nagaland and Rajasthan have recorded in these states.

Performance 16-17

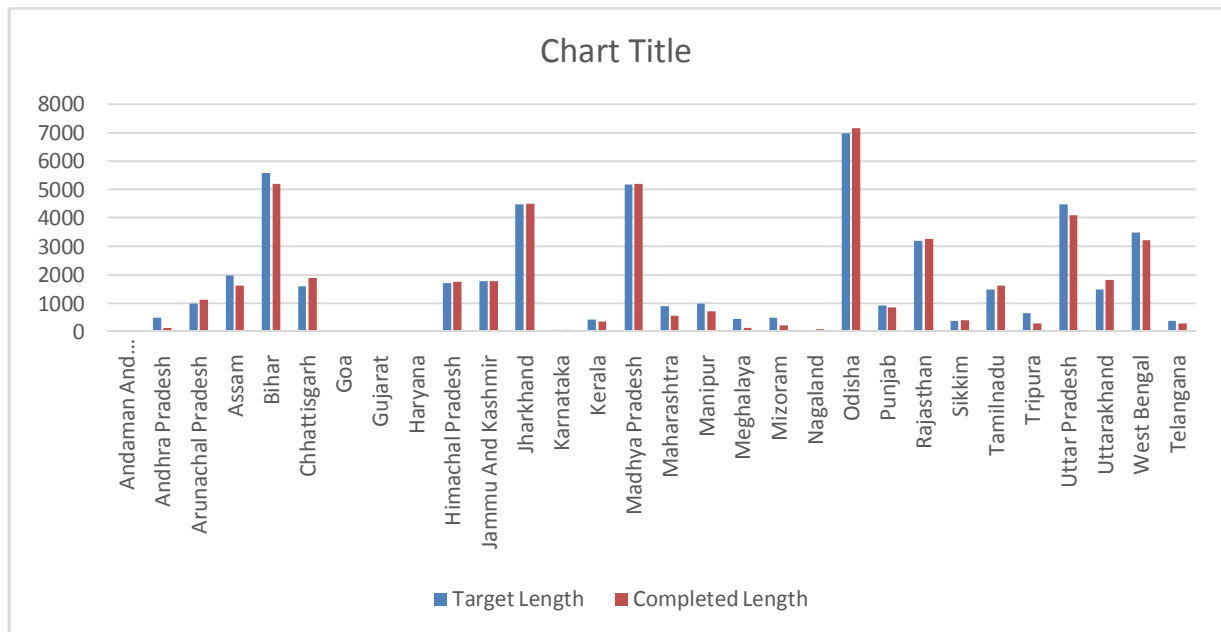


Graph 3. Targeted and Completed Length 2016-17

Source: <http://omms.nic.in/>

Here, we can interpret that Arunachal Pradesh, Assam, Bihar, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Karnataka, Maharashtra, Manipur, Rajasthan, Tamilnadu and uttarakhand have shown the development in the construction of roads. Whereas some states like Andhara Pradesh, Chattisgarh, Gujarat, Kerala and Telangana was not able to complete the target.

Performance 17-18



Source: <http://omms.nic.in/>

Here Some states like Andhra Pradesh, Assam, Bihar, Kerala, Maharashtra, Manipur, Meghalaya Mizoram, Tripura, Uttarpradesh, West Bengal and Telangana were not able to complete the target. Himachal Pradesh, Odisha, Rajasthan, Tamilnadu and Uttarakhand have shown the more work than the target.

Interpretation and challenges:

- Proper Planning should be there so that the work can function appropriately.
- Employment of skilled and unskilled people in the construction process can be given.
- By the use of current technological improvement the work can be executed in the specified time.
- From the procurement side, Proper and appropriate provision should be there for construction from contractors, technicians and engineers side.
- Cost is also an important factor through which the expenses can be cut down, it includes the procurement of raw material from nearby available places.
- To ensure the quality of the construction, Third party quality audit can be done.
- Proper connectivity from rural areas as well as the involvement of local community can be there for proper maintenance of the roads.

Conclusion:

Rural India is having a huge scope and need for the development. Main object to build the roads was to provide all weather connectivity in any geographical area. By the development and doing some progression activities in rural areas, facilities in the form of access and transportation can be given to the rural people.

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**A Study to Understand the Use of Internet of Things (IoT) in Agriculture
in Different Geographical Regions of the World**

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Abstract:

The food production of India is around 280 Million Tons, which includes cereals, pulses and mainly the staple food crops. If we consider total production, including the vegetables, fruits and other food products, it will be around 800 million tons. Agriculture is always considered as backbone of the economy. Though the contribution of agriculture in the Nation's GDP has been reduced but still it is much higher than the world's average. India is the most populous country after China and by 2025; India is going to surpass China and will be the largest populous country. On one hand we have to increase the production and on the other hand Indian agriculture is facing the problem of availability of labours. So it is the need of the hour to adopt the modern technologies in agriculture to enhance the production and productivity. IoT (Internet of Things) is the application of modern Information and Communication Technologies into agriculture. IoT enabled agriculture is highly efficient when compared with the traditional approach. Traditional agriculture relies mainly on the climate, whereas the Iot based agriculture makes the agriculture practice more controlled and precise. The study has done to understand the uses of IoT in agriculture among different countries. This paper aims to provide the understanding of IoT based agriculture.

Introduction:

The Wikipedia definition of IoT Is - The Internet of Things (IoT) is the network of physical devices, vehicles, home appliances and the other items embedded with electronics, software, sensors, actuators, and connectivity which enables these things to connect and exchange data creating opportunities for more direct integration of the physical world into computer-based systems, resulting in efficiency improvements, economic benefits, and reduced human exertions.

In 2017, the numbers of total IoT devices are around 8.4 billion [ref1]. By 2020 the number will be approximately 30 billion [ref2]. Now a day's IoT is being used in every field be it computer science, technology, management, health care, logistics, home automation, fitness, automotive, security, sports and many more. IoT has the ability to transform the world, the application IoT in agriculture could have the best impact. The world population is set to touch 10 billion by 2050; to feed this much huge population will be a herculean task. IoT technologies in agriculture includes precision farming, agriculture drones, livestock monitoring, smart greenhouses, smart fertilizer management, soil sensors, automated vehicles, smart equipments, robotics and many more. The Internet of Things (IOT) enables the sensors to send data over the internet in a real time. For proper monitoring of the field, a sensor based system is developed and

then the farmers can see the conditions of the field anytime and from anywhere. This information can be used to improve decision making [ref3].

In every region of the world, precision farming is expected to grow in coming years.

Region	Compound annual growth rate 2014-2020 in Percentage
North America	5
Europe	15
Asia	21
South America	20
Rest of the world	21

Table 1: Forecasted compound annual growth rate (CAGR) of the precision farming worldwide between 2014 and 2020, by region

(Source: Statistica.com)

IoT in agriculture can help in many ways. The data collected through the sensors like climate conditions, soil quality, livestock health, crop health can be used to track the overall performance of the farming system. The planning and decision making process can be improved through these information. The risk can be mitigated and the wastages can be minimized and product quality and quantity can be maximized.

IoT in agriculture helps in increasing the productivity of the crop by way of managing the farming activities. Few of them are listed below-

- 1. Water Management**– Water is essential for the crop growth and development. Both the conditions are harmful for crop development either excess water supply or lack of water. So adequate water supply is essential for the Agriculture Internet of Things with integration of **Web Map Service (WMS)** and **Sensor Observation Service (SOS)** provides a solution to manage water requirement for crop irrigation[ref4].
- 2. Precision Agriculture**-Agriculture depends on the climate.Accuracy in forecast plays a crucial role here. IoT in agriculture ensures accurate and timely communication of real time information like plantation, harvesting, weather forecasts. Farmer’s can plan their activities based on these information.
- 3. Use of Sensors**- With the use of the sensors in the crop fields, farmers can get real time data about their crop stage, livestock and dairy.
- 4. Drones**- Drones can be used for spraying the chemicals in the fields. They can also used for the monitoring of the farming system.
- 5. Integrated Pest Management**- To prevent the insect pest infestation in the crop fields IoT has a system that can monitor and scans the environmental parameters & plant growth.The data can be utilized by the pest control sensors, which can predict the pest behavior. This information will help the framers to reduce the infestation.
- 6. Food Safety**- To ensure food safety IoT can be used in monitoring the factors like shipping time, storage temperature and will help in enhancing the shelf life of the food produce.

7. **Livestock Monitoring-** IoT can be used as monitoring tool i.e. an ear tag for cattle's that is able of detecting diseases in them.
8. **Robots-** Shortage of labour in agriculture industry is a problem everywhere; robotics has emerged as a solution for this problem. Though it is in a budding stage but in certain parts of India, the start ups are working towards this. For picking the coconut from the tree is a tedious and labour and cost consuming work. Robot for doing this job is now available in market. Saino Engineering Pvt. Ltd. is a leading manufacturer, supplier and service provider. Their innovative engineering solutions comprises of Sugarcane Sampler and harvester , Coconut Tree Climbing Robot, Reset Cord and Overload Relay, Coconut Pith Coal Drying System, Lantern Carriage Safety Device, Safety Gear, and many more.

Literature Review:

A brief introduction of use of IoT in agriculture in different countries is given here.

Agriculture plays a central role in the New Zealand's economy. The local farmers are using the precision tools for farming and Vodafone is helping local farmers to improve performance and reduce costs. Precision Farming solution is made to allow farmers to use only the required doses of fertilizer. A GPS device is installed in the vehicle spreading the fertilizer and data is sent via Vodafone's network to the secure server. The data is then transmitted to the computer so the farmer can see the application done. Through this the farmers can trace any waste and adjust next schedule. The Precision Farming system relies on GPS and machine-to-machine technology. Vodafone supplies the special SIMs and the Farming system is linked to SIM's network to ensure continuous transmission of data from the farming field. The system provides continuous monitoring of the width and rate of fertilizer application, so farmers can set their farm activities accordingly [ref 5].

In 2012, V.C. Patil, et al. has revealed that in China, IoT was officially listed among the five new strategic industries and this was included in "Government Work Report" also. China is one of the first adopter country to adopt these kinds of technologies in farming. IoT are used in agricultural production (Beijing, Shouguan and Shanghai), orange farms (Chongqing), and precise husbandry farms (Beijing). It is also used in the process of storage, transportation and tracing of agricultural produce, etc. in China. IoT has the capability to change the whole supply chain scenario. Cloud Computing can ensure corporate sector to provide all the needed services at reasonable cost to farmers in rural areas [ref 6].

Juan Pedro Tomás has published an article in 2018, in which he mentioned nearly 250,000 farmers across the United States are using the IoT techniques in agriculture. Alpha Brown, an agricultural technology market research firm did a study on IoT in USA. This study has included around 1600 farmers and ranchers in USA. The study has mentioned that the IoT solutions are mainly used in the livestock and crop farming. Almost 50 % of the farmers have shown interest in purchasing these kinds of solutions. A report by Beecham Research revealed that the agriculture industry desires to adopt IoT tools in order to meet the expected food demand by the increasing population globally. According to Beecham Research, the adoption of smart farming tools will intensify from 2017 to 2020[ref 7].

In 2018 Nachankar, et al. has conducted a project in five crops (wheat, cotton, groundnut, sorghum and rice) and generated a model to meet the need of farmers. This model was able to solve the problems of excess water application, improper application of fertilizers and obtain

optimal yield. This model was also able to calculate the irrigation schedule based on the inputs given by the farmers [ref 8].

As per the project Internet of food and farm IoF2020, IoT European Large Scale Pilots Programme, major challenges in agriculture are food safety and security. The IoF2020 project is dedicated towards the adoption of IoT in agriculture for securing sufficient, safe and healthy food. It is also bound to strengthen the competitiveness of farming and food chains in Europe. They are working towards the use of IoT technologies in dairy, meat and farming industries. The main arena of their work is; large scale applications of IoT technologies in farming develop business models to open new revenue sources, Cross-sector relationship for open standards in networking and expand standard procedures and guidelines to handle sensitive information and to protect IP. They have also prepared a roadmap to achieve all these objectives[ref 9].

YEAR	Activities
Early 2017	Setup of test farms in all over Europe and technological development.
Mid 2017	Development of a technical platform solution to collect the KPI data.
Late 2017	Product development, Business model and market testing.
Early 2018	Issue of an open call for new use-case on IoT in agriculture.
2018- 2020	Market tests , Product development, Business model testing
2020	Lighthouse effect of use cases and legal framework for data privacy

Table 2: Roadmap of IoF2020

(Source: Statistica.com)

They are using the cases like:

Intelligent fruit logistics - Usage of sensors for temperature, vibration, light, gases and location to offer quick services to logistical providers. It will be helpful to the box based logistics service providers.

Hydroponic farming- Vertical hydroponic farming in the urban cities will provide the optimal growth conditions. It will be fully automated horticultures to grow functional vegetables.

In European Union, the number of IoT units in agriculture is expected to increase through the years.

Year	Number of IoT units in millions
2015	7.8
2020	14
2025	16

Table 3: Number of IoT units in agriculture in the European Union in 2017, 2020, 2025 (in millions)

(Source: Statistica.com)

In Australia, with the increasing labour cost, farmers are looking for the IoT to provide them sustainable and cost-effective solutions. The initiative taken by the Victoria Government is commendable. The government has announced \$15 million of funding in 2018 for IoT based farming, and trials are also begin in the regions of Maffra, Birchip, Serpentine, and Tatura in July 2018. Sensors and IoT networks will be installed for both farmer and public access. These sensors will provide information of weather and soil conditions, which will help the dairy, grain, sheep, and horticulture sectors. The vision of government is to connect the field with the harvesting robots to drone-assisted aerial surveys and field sensors. The state has also made a \$12 million investment into IoT and agri technology in 2016-17[ref 10].

Agriculture in Japan is facing a range of troubles, such as the increasing average age of the farmers, shrinkage of agriculture area but new technologies from fully new and unpredicted sectors are being useful to find new solutions. Kubota Smart Agricultural System (KSAS) is providing these solutions to the farmers in Japan. KSAS is basically a system that helps to estimate the agriculture business operations. Data is collected from the fields, and uploaded to the cloud server. The information is accessible through a personal computer, or a device connected via wireless. The farmer need not have to input the data; the data is collected by the agricultural machinery while carrying out the normal operations in the real time. At the initial stage the device was provide only to 500 numbers of farmers, but now the demand has also increasing for the technologies [ref 11].

The below table shows the number of IoT units installed in Japan from 2015 to 2020.

Year	Numbers of IoT units in Millions
2015	624
2016	698
2017	777
2018	861
2019	956
2020	1,057

Table 4: Number of IoT units in Japan (in millions)

(Source: Statistica.com)

Canada is expanding a lot in IoT initiatives. The farmers are very positive towards the precision farming. Remote control farming experiments has already been started in Canada [ref12]. Farmers Edge is an agriculture solution company in Canada, established in 2005, which has introduced a Smartphone’s app for the farm mangers. This app provide all the information regarding the field and neighbor farms, weather update and makes the decision making very easy for the farmers. . Farmers Edge is on a mission to provide the benefits of precision agriculture to farmers across the world[ref13]. Government has also supporting these kinds of initiative, in 2018 a federal investment of more than \$340,000 has approved to Ontario Soil and Crop Improvement Association for the development of a tool that farmers can use to make more precise decisions on the economic benefits of their individual farm[ref14].

Internet of Things in India is a growing trend in agriculture, but currently it is in very nascent stage. Opencube Labs, Bengaluru are currently working towards creating the farmer friendly IoT based agricultural products. AgNext Technologies, a Punjab based startup is also using IoT based solutions towards precision farming. Energy Bots Private Limited, another Gurgaon based startup has come up with automation of motor pump in farms i.e smart watering system[ref15].

According to Statista.com, Smart agriculture market in Asia contributes 40 percent to the total global market but the contribution of India is very nominal. As per National Association of Software and Services Companies (NASSCOM) report around 40 IoT startups are working towards the smart agriculture in India. Most of these startups are in the in research and development (R&D) phase only.

Findings Conclusion & Recommendations – Through the several studies, it is found that IoT in agriculture is the need of the hour. IoT in agriculture provides numerous advantages to the farmers. The major benefits are briefed below.

1. Increase in use efficiency of agri inputs like nutrients, water, pesticides, and fertilizers. 2. Sustainability in production. 3. Reduction in cost of production 4. Increase in overall profitability of the farming system. 5. Food security 6. Better decision making. 7. Protection of environment.

There is a lot of scope exists in IoT applications in agriculture. IoT, cloud computing, precision farming, big data & smart farming are the future of agriculture. There is a need to turn tradition knowledge to new technologies to meet the growing demand for food production in the world. Internet of Things is the ultimate solution of the problem.

There is a need of a common platform where farmers and scientists can jointly work towards the farming problems. Traditional knowledge of the farmers should be used to develop the new technologies. Innovations in agriculture should be promoted via different subsidies, easy loans and financial assistance. Young entrepreneur and innovators should be made available with the information of Intellectual Property Rights and Patents to preserve the information.

Future Scope-IoT is expected to touch every industry and people in every domain. IoT technology has the caliber to transform India in many ways. IoT applications in agriculture are not very much popular in India. While the progress on IoT acceptance in India is in the budding stages, IoT assure economic and social growth. Indian government's Make in India initiative is anticipated to boost GDP contribution from 16 percent in 2017 to 25 percent by 2022. Researches should be done jointly by the scientist of agriculture & technology. Ultimately the technology has to come to the farmer's field. Now a day's IoT is receiving an increasing level of attention but it is still in its infancy in the agriculture through the world wide.

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An Exploratory Study of Manpower in Oil Retail in Rural India

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Introduction:

The BP Statistical Review of World Energy 2017 announced that India's primary energy consumption rose to 753.7 mtoe (million tonnes of oil equivalent) in 2017 taking its share of global primary energy consumption to 5.6% (BP, 2018), with that we become the third largest consumer of energy in the world behind only US & China (Refer Table 1).

India continues to draw a large percentage of its energy needs from coal, but petroleum products constitute a sizeable chunk of its energy pie. Most of the petrol and diesel is consumed through retail outlets or petrol pumps. India has recorded a 45% jump in the number of petrol pumps in the last six years, the highest growth rate in the world (Refer Table 2). As on October 2017 India has 60799 outlets dispensing petrol and diesel. As the sale of fuel in India has once more been deregulated many private players have reentered the fray like Rosneft led Nyara Energy, Shell and the Reliance BP partnership. The state run Oil Marketing Companies are working towards adding 25000 new outlets mostly in rural and underserved regions to retain their market share.

The oil retailing outlets are one of the few points of contact between the multimillion dollar Oil Marketing Companies and the consumer, hence the interaction between the attendants and consumers at these outlets plays a critical part in forming the brand's image. This underlines the important position the manpower at oil retail outlets have.

The minimum service obligation (MSO) requires oil marketing companies to set up at least 11% of their retail outlets in rural areas.

The rural retail outlets are positioned as a one stop shop for multiple needs of the population to help the revenue stream as the fuel sale in rural areas is limited. Like the Kisan Seva Kendra run by IOCL and "Hamara Pumps" run by HPCL, rural outlets have taken initiative and tied up with non-fuel retailing partners to enhance their revenues significantly from both fuel as well as non-fuel activities on a sustainable basis. Some of the Non Fuel Activities at KSKs are national level product and service providing agencies such as Exide Batteries, JK TYRES, Apollo Tyres, Mahindra, PepsiCo, Bajaj Allianz General Insurance Co Ltd, Patanjali Ayurved Limited. Similarly HPCL, which has a tie-up with Godrej Aadhara, the agricultural services arm of Godrej Agrovet Ltd, plans to set up small format stores at its rural retail outlets to sell agro-products like seeds and fertilizers. It has tied up with Tractor and Farm Equipment Ltd for tractor sales and service and Hindustan Insecticides, Rashtriya Chemical Fertilizers and Maharashtra State Seeds Corporation for insecticides, fertilizer and seed sales, respectively. HPCL also has got together with Mahindra & Mahindra Financial Services for helping farmers to arrange

finance for purchase of fertilizers, seeds, farm equipment and household items in addition to providing credit for fuels. This puts emphasis on training & empowering the manpower on these outlets. Yet there has been no consideration on this aspect of the problem even while multiple aspects of the petrol industry have been scrutinised.

Each one of us visits fuel stations regularly & frequently, the price of fuel being a steady constant at any given time in our country, our decision of which outlet to purchase fuel from is often based on the location of the fuel station and the service dispensed at these outlets. The promptness, neatness of the staff along with our perception of the outlets "trustworthiness" go into shaping customer choice. Clearly then the service at the oil retailing outlets emerges as the key driver for leveraging a competitive advantage. This puts the dispenser of fuel and the service in the limelight. The need of the hour is to judiciously utilize this key resource to gain a stronger foothold in the industry. A step before utilizing them is to understand them but not much information is available on the forecourt salesman.

Literature Review:

Looking upon the past research work one realizes there has been very little work done to understand the plight of forecourt salesmen at fuelling stations across not just India but the world. Secondary sources do not provide data of the working conditions and socio economic aspects of the workers (P.Gopinath, 2010). The fact that in not so populated developed nations the cost of employing manpower exceeds the cost of automated machines might be the reason that many gas stations are unmanned and hence there is not much manpower employed there. However, in India where the cost of employing manpower is lesser than the cost of installing a fully automated machine as well as the banes of a developing country such as unsteady electric supply mean our dependence on manpower in fuel retailing is heavy. Moreover, with service standards emerging as a possible competitive advantage in the largely undifferentiated fuel retailing sector the need to interpret and harness this manpower well is high.

With paucity of literature in this particular sector we look at a few generic heads: such as informal employment, informal employment in the formal sector also unorganized sector (Datt, 2007), front line employees etc. to understand the situation and interpret trends.

85.8% of the total Indian labour force comprised of informal workers as on 2011-12 (Narayanan, 2015). The size of the informal economy in India is large: according to the criterion of legislation for social protection up to 92 per cent of the total workforce is engaged in the informal economy. In the urban areas this figure is close to 65-70 per cent. Not all of these workers are poor or destitute, but crude estimates suggest that close to half this number is in dire need of occupational upscaling (P.Gopinath, 2010).

Thakur & Venkataratnam in their paper "Conditions of Work in the Unorganized Sector in India" point out that employers have started paying attention to the context of extended employment relationship and focusing on how the dealers and supplier's workers are hired trained and motivated. This has become largely necessary in contexts where technology has rendered product differences less critical or striking and the person at the end consumer contact point is seen to making a difference to company's bottom line. (Ratnam, 2007). This holds true in the oil retailing sector where the competitive edge the dealer and consequently the organization can gain is through the service standards at the petrol pump, this puts the manpower at oil retailing outlets-the dispenser of this service in a critical position.

PPAC (petroleum planning and analysis cell) an attached office of the ministry of petroleum and natural gas collects the data on the oil and gas sector and publishes aggregated data on an industry basis however there is no mention of manpower employed at oil retailing outlets in the statistics shared. The oil marketing companies don't account for or share this data. Niti Aayog's Energy security scenarios 2047 does not mention any data on the people manning oil retail outlets. Ministry of petroleum and Natural Gas is silent on this aspect too in its otherwise comprehensive annually published Indian Petroleum and Natural Gas statistics.

This research is an attempt to understand this rapidly growing manpower at oil retailing outlets. We study attrition, morale, wages, training, work environment and aspects thereof. This study intends to delve into issues related to this manpower employed at the outlets and how to engage them best. The research should be of help to management to understand base level issues faced by dealers and also be of aid in inducting a new dealer into the manpower realities of the petroleum industry. Also the research work will help outlets better manage their human resources.

Research Methodology:

We have utilised an in-depth consideration of available literature as well as an experience survey of the OMC official, dealer and salesperson at a rural outlet to gain insights into the various variables of this research problem. Also we have analysed records at the outlets to gain insight stimulating experiences.

Indian Oil Retail Scenario:

The retail fuel sector can essentially be broken into four key constituents the oil companies, the retailers, the consumers and the petrol attendants.

Most outlets are leased by oil companies to independent dealers; Often a Dealer appoints a manager to handle the everyday operations at the outlet. A Dealer or the manager handling the outlet can expect to work for over 80 hours a week, as the gross profit is directly related to pump sale volume. The outlets can be divided into three categories on the basis of their ownership:

- DODO-Dealer owned Dealer operated, where the land & operation is owned by the dealer & the company provides the equipment.
- CODO-Company owned Dealer operated, where the franchise pays a rent to the company for the lease of property but operate the site themselves.
- COCO-Company owned Company operated, the oil companies enjoy maximum authority over such sites.

At the beginning of this year India Oil Corp (IOC) operated 26,489 petrol stations, of which 7,232 are rural outlets called Kesan Seva Kendra. Hindustan Petroleum Corp Ltd (HPCL) is the second biggest fuel retailer with 14,675 outlets, 3,159 being rural sites. Bharat Petroleum Corp Ltd (BPCL) owned 14,161 outlets, of which 2,548 were rural outlets. (PTI, 2018) This translates to 20% of the fuel retailing business belonging to the rural market. However this percentage is set to increase as the OMCs have set the target of adding 25000 outlets in the course of next few years mostly in rural markets.

Petrol pumps are generally similarly structured with most of the fueling installation underground and the pump machines & point of service in the forecourt. The forecourt is the part of a filling station where vehicles are refueled. Single or multiple fuel tanks are usually

deployed underground. Fuel is offloaded from a tanker truck into the tanks through a separate valve, located on the filling station's perimeter. Fuel from the tanks travels to the dispenser pumps through underground pipes. For every fuel tank, direct access must be available at all times. Most tanks can be accessed through a service canal directly from the forecourt.

Fuel dispensers are placed on concrete plinths, as a precautionary measure. Additional elements may be employed, including metal barriers. The area around the fuel dispensers must have a drainage system. Since fuel sometimes spills on the ground, as little of it as possible should penetrate the soil. If a filling station allows customers to pay at the register, the data from the dispensers may be transmitted via RS232, RS485 or Ethernet to the point of sale, usually inside the filling station's building, and fed into the station's cash register operating system. The cash register system gives a limited control over the fuel dispenser, and is usually limited to allowing the clerks to turn the pumps on and off. A separate system is used to monitor the fuel tank's status and quantities of fuel. With sensors directly in the fuel tank, the data is fed to a terminal in the back room, where it can be downloaded or printed out. Sometimes this method is bypassed, with the fuel tank data transmitted directly into an external database. Refer table 3 to understand the manpower recommendations at oil retail outlets.

Despite a large number of population employed in this profit making sector, the workplace is far from organised. Turnover in the outlets is significant and new manpower on a daily basis is not uncommon. Indeed it is true that retail outlets in spite of being profit making ventures are characterised by insufficient focus on manpower issues. Most of the time is spent on day to day crisis management leaving little if any time for planning, organising people and actively motivating and controlling business. There is no distinction between grades of petrol attendants though many dealers and managers do pay their longer serving staff extra and also deem cashiers to hold more responsible positions than forecourt workers. Overall there is little differentiation between attendants and there are virtually no career paths and very few opportunities for growth.

The efficiency & morale of the workers suffers both as a result of heavy work pressure on certain days and ennui on others. The health hazards as well as physical demand on the workforce are steep. Work related & Safety information is provided by oil companies & dealers but little effort is made to reinforce and buttress this important information.

Attendants are often hired off the street. Very rarely are their work records or personal details kept. Employee contracts are scarce. The organisation mandates hiring above 18 years of age and also sets up some educational qualification thresholds (office staff and manager as graduates; FSM supervisor as class 12; FSM salesman as class 10). These educational standards are rarely adhered to.

The sector is characterised by insufficient marketing management poor record keeping and inadequate overall controls. Most of the time is spent in day to day crisis management leaving little if any time for planning organising people and actively motivating and controlling business.

Conclusions & Suggestions:

From the above consideration of the industry and the working conditions at petrol pump outlets the need to consider and upgrade the working conditions of the workers is clear. These workers are the single point of contact between the multimillion dollar oil companies and their

customer and hence the need to train and “treat” them well is high. Also with many new private players entering the market the need to up the ante to retain customers has increased. Further with the price of fuel being de-regularised once again there is a need to create a competitive advantage which can come from the service provided at these outlets, hence the focus on the dispenser of this service.

We suggest a group insurance scheme for petrol pump workers such as the one done for khadi workers named “Janashree Bima Yojana for Khadikarigar” which was started in 2003 with an add on benefit of Shiksha Sahayog Yojana for the education of artisans children. Also OMCs must provide the dealer financial support for building better workplaces.

Further Scope of Study:

The need of the hour is to give due focus to the manpower employed at these outlets, hence the turnover rates, productivity standards, engagement practices etcetera need to be studied highlighted and analysed. We suggest sectoral studies that look at certain regions such as large cities and small towns in varied states to be able to draw generic trends and study differences and best practices. This will enable concentrated work to improve the plight of the lakhs of forecourt salesmen employed across the country and also improve the consumer experience of purchasing fuel that each of us undergo regularly and frequently.

Table 1

Annual Oil Consumption of Nations		
Oil Consumption (Million tonnes oil equivalent)	2016	2017
US	2228	2234.9
Canada	339	348.7
Brazil	293	294.4
Belgium	62.4	62.3
Finland	28.3	27.6
France	238.9	237.9
Germany	328.2	335.1
Italy	153.8	156
Netherlands	85.2	86.1
United Kingdom	192.2	191.3
Russia	689.6	698.3
Iran	259.8	275.4
Iraq	46.1	49.2
Saudi Arabia	264.5	268.3
United Arab Emirates	109.6	108.7
Australia	139.5	139.4
China	3047.2	3132.2
India	722.3	753.7
Japan	451.2	456.4
Singapore	83.6	86.5
South Korea	292.2	295.9
Thailand	126.9	129.7

Source:BP Statistical Report of World Energy 2018

Table 2

Statewise Number of Retail Outlets					
State/UT	01.04.2012	01.04.2013	01.04.2014	01.04.2015	01.04.2016
Andaman & Nicobar	9	9	9	9	10
Andhra Pradesh	4002	4502	4710	2811	3004
Arunachal Pradesh	67	70	71	71	71
Assam	684	720	753	759	788
Bihar	1942	2167	2316	2385	2511
Chandigarh	41	41	41	41	41
Chhattisgarh	752	886	998	1040	1108
Dadra & Nagar Haveli	21	21	27	31	31
Daman & Diu	24	25	31	31	31
Delhi	408	408	403	394	393
Goa	105	104	109	111	114
Gujarat	2524	2770	2910	3050	3384
Haryana	1989	2151	2333	2419	2536
Himachal Pradesh	358	359	361	382	396
Jammu & Kashmir	422	453	469	475	485
Jharkhand	918	1027	1062	1082	1151
Karnataka	3068	3306	3621	3737	3836
Kerala	1844	1880	1900	1932	2009
Lakshadweep	0	0	0	0	0
Madhya Pradesh	2349	2630	2873	3005	3269
Maharashtra	4160	4644	5025	5207	5419
Manipur	67	73	80	83	85
Meghalaya	162	170	175	179	190
Mizoram	27	30	32	33	36
Nagaland	67	68	68	68	69
Odisha	1230	1369	1438	1464	1560
Puducherry	139	144	150	153	156
Punjab	3058	3193	3229	3248	3316
Rajasthan	2932	3135	3327	3465	3736
Sikkim	35	43	44	46	47

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Tamil Nadu	3889	4340	4541	4616	4702
Telangana	0	0	0	2088	2228
Tripura	49	56	63	64	67
Uttar Pradesh	5302	5680	6013	6247	6616
Uttarakhand	461	483	505	514	551
West Bengal	1999	2120	2183	2178	2244
All India	45104	49077	51870	53418	56190

Source - PPAC & Oil Companies

Table 3

Manpower Recommendations		
Type of Manpower	Number	Criterion
Manager	1	Irrespective of sale volume
Office staff	1	Volume of sale between 300KL (MS) or 500KL (MS+HSD)
Office staff	2	Volume of sale between 500KL (MS) or 600KL (MS+HSD)
Office staff	3	Volume of sale between 600KL (MS) or 1000 < KL (MS+HSD)
Forescourt Salesman	1	For every 60KL of HSD sale or For every 25KL of MS sale (2/3 wheeler)
Forescourt Salesman	1	For every 50 KL sale (4 wheeler)
Air Personnel	1	For 200 KL (MS) or 300KL (MS/HSD) sale
Security	1	Irrespective of sale volume
Housekeeping	1	per shift
Forecourt Supervisor	1	for sales upto 200KL (MS/HSD)
Forecourt Supervisor	2	for sales above 250KL (MS/HSD)
Mechanic	1	at Quickcare point
Windshield cleaning	1	for every 250KL
Windshield cleaning	2	for above 250 KL

Source: Authors estimation based on primary research conducted

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“India’s Emerging Economy: E-Learning: Challenges & Opportunities in Rural India”

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Abstract

Mobile phones, internet, tablets, iPads, their applications, social media even travelling, cooking, communication etc are part of our lives from the start till the end of the day. Technology is touching every aspect of society and changing it dramatically. But there is one very important and indispensable part of the society that has also been tapped by new innovations and discoveries and that is education with the concept of E learning. Like all other areas, in this case also urban areas are influenced to a greater extent than rural one. So much more could have been done to bring the revolution in learning process in rural areas of India. E-learning is an effective tool for development of educational sector in India. E-learning is learning, utilizing electronic technologies to access educational curriculum outside of a traditional classroom. In most cases, it refers to a course, program or degree delivered completely online. The basic objective of this research paper is to understand concept of e-learning and to examine the type of e-learning. The research paper focused on classroom learning and e-learning in rural India.

Keywords: *Education, educational development, e-learning, formal e-learning, informal e-learning*

Introduction:

India is a young country on the move. More than half of the country’s population is under 25 years of age and every year 10 million people join the workforce. India already has one of the largest education systems in the world. The country has 1.4 million schools, 35,500 colleges, and 600 universities. Right to Education is the primary right of every citizen of India, whether a child resides in a high profile society or in a far away not so developed secluded village, according to the Article 45 of Indian Constitution the basic elementary education must be provided to all the children up to the age of fourteen years. Even after 68 years of independence some States in India are still struggling to achieve Universal enrolment, retention and quality education. There are more than one million rural schools among 6,38,000 villages in India. Schools in rural areas are promoted to raise the level of education and literacy in rural India. The main aim of running these types of schools in India is to increase the rate of literacy in rural areas. More than 30 percent of India’s population is illiterate and cannot read or write. Schools in rural areas are inadequate and often equivalent to being non-existent. Thus, government’s initiative to set up schools in rural areas came into picture. India’s education sector is being revolutionised by rapid increases in Internet penetration and the availability of low-cost mobile devices. Technology has the potential to multiply reach. E-learning is a combination of learning services and technology to provide high values. Internet plays a vital role in e-learning. E-learning is attaining significance in the world of internet. Due to the advantages of in internet, e-learning reached at anytime and anywhere. E-learning clearly has a role to play in resolving the problem.

Objectives:

- 1) To understand the concept of online education.
- 2) To understand Elearning challenges faced by Rural area.
- 3) To study opportunities/ growth of digital learning in Rural India.
- 4) To study current state of e learning in rural India.

Research Methodology:

This research paper is conceptual and Exploratory in nature. In order to meet such objective secondary method is adopted. The secondary data was collected through books, periodicals, journal and published material related E-learning for the study.

Review of Literature:

According to **Deepali Pande**, et al (2016) with respect to e learning, poor quality procurement practices (in all sectors but especially in the public sector) are a barrier to growth and adoption. So it is necessary to make a thorough evaluation when it comes to choose an e learning software for education in order to improve the knowledge of learners, the learning outcomes, the performance outcomes, the business and policy impact and in order to value the money spent.

Hardik Patel, et al (2014) Using E-Learning Tools you can tremendously improve learning process and earn learn in very easy hassles free environment. Another major benefit of the ELearning is that you can make learning always ON. ELearning is not restricted to any place and environment; you just need to connect with group or community, after you will receive all updates.

Deep shikha Aggarwal (2009) The social implications of online learning center around one primary requirement that students need to feel a part of the class, regardless of where they are located physically or geographically. The —missing of connection to the other students in the class and with the institution can impact the success of an online student. Bottom line: the Indian market is still young, but it will continue to adopt the concept of eLearning in order to meet its communication needs and seize business opportunities.

Concept of E- Learning:

Definition E-learning is defined “as acquisition of knowledge and skill using electronic technologies such as computer and Internet based courseware and local and wide area networks.” The term was introduced in 1995 when it was all called "Internet based Training", then "Web-based Training" (to clarify that delivery could be on the Inter- or Intra-net), then "Online Learning" and finally e-learning, adopting the in vogue use of "e" during the dot com boom.

Challenges faced by e -learning in Rural India:

Majority of population staying in rural areas and making them aware about the concept of elearning is a major challenge. Lack of infrastructure in terms of connectivity, availability of Internet, etc. is another issue. The government is taking various measures to improve the communication systems and new technologies like 3G in the telecom space have already started to be implemented to make things better. Social Implications of E-Learning are another segment of study that is very important to be understood for the success of elearning in India. The social

implications of e-learning may be categorized into the following types of issues: cultural, gender, lifestyle, geographical, religious/spiritual, literacy, disabilities, and digital divide. Within the cultural issues category are content, multimedia, writing styles, writing structures, Web design, and participant roles. Some content, although crucial to the course, may be either unacceptable or unfavorable with certain members of the class. If faculties are aware of a sensitive component of the discussion or material covered, how can that faculty member lead the class to include or exclude the materials? Even writing styles can impact the process of holding an online course. The students and instructor need to know the —rules of the road of written assignments. And, what participant roles are expected and/or tolerated; and, if the expectations are not met, who is responsible for keeping discussions and homework on track? Gender issues continue to be a part of class, even though people are separated by miles and even continents. Possibly it is the instructor's responsibility to monitor facilitation and rotate leadership roles in groups to assure gender neutralization. Any behavior issues must be addressed and corrected immediately. Lifestyle differences take on any number of forms, and the instructor will need to be on guard to assure equal treatment of class members, regardless of their respective lifestyles and preferences. In some situations the students themselves will take on this monitoring role, while in other situations the instructor must step in. The —different strokes for different folksadage must be maintained— preferably with a minimum of disruption to the entire class. Geographical issues and differences make be very apparent, especially when we are looking at a global perspective. For example, if a chat room activity is to take place, all impacted time zones need to be accommodated.

In some communities, dial-up access is the only possible means of interconnect; there are no alternatives. Religious and spiritual considerations must be addressed and honored. Perhaps it would be unwise for an instructor to require work be done on certain days, given that these days may be religious days for some religions; suggest, perhaps, a block of time when activities might be assigned. A sensitivity to religions is critical. Literacy should be a —given for an online course, but it cannot be overlooked. Regardless of the level of the course, there will very possibly be people who lack certain skills (or at least could use improvement): reading, writing, information, and keying (typing) are skills which are necessary but may need improving. Disabilities must not be overlooked. The Digital Divide is the last category within these social implications to be discussed in this presentation and paper. Regardless of how the term —digital dividel is defined, it means there is a gap, whether this difference is between general and minority groups, men and women, persons with disabilities and the remainder of the population, young and older members of the class. It comes down to differences—those without something (whatever this something happens to be) and those without it. Accessibility to technology and the training to use this technology will help reduce the digital divide, the gap between the haves and the have-nots.

Opportunities/Growth of Digital Learning:

With nearly a billion people on mobile phones and over 200 million mobiles connected to the internet, there has been a considerable rise in digital learning. The use of best-in-class content, real-time learning and feedback methods, and personalized instructions has encouraged online learning. People are stepping towards digital learning as the edutech firms are providing them the comfort of 'live and interactive' anywhere learning in digital format, through its online programmes. These online courses knowledge which will enable children and adults to learn with a purpose and instil a sense of belief in them. Such offerings are changing the way India

learns by giving students an edge in learning, along with an opportunity to progress in their career Online education increases the applicability power.

- The impact of new technologies in educational contexts has been mostly positive as new technologies have given educators the opportunity to enhance their knowledge, skills, and therefore, enhance the standard of education through constructivist learning environment with digital storytelling.
- Audio visual aids, interactive, educational simulations help understand concepts and theories enabling better learning.
- The students gain knowledge from masters of the subjects from world class institutes which is something they have always desired.
- They also benefit by learning from eminent corporate leaders, business academicians as well as the industry connoisseurs. These experts share their valuable insights on the relevant, practical and must know aspects of the corporate world, enabling the students to gain comprehensive and specialized knowledge Social media as a learning tool.
- Social media as a tool can be used to enhance e-learning experience and make it more engaging, relevant and culturally diverse.
- Students can critique and share feedback on each other's assignments, work in collaboration to create content that can be easily accessed. This also gives them an opportunity to ask questions and have multiple responses shared on real-time basis.
- Social media helps in making the students aware of the current happenings, concerns, issues, social activities and prospective employment. Thus the relationship between classroom-based learning and social media is significant in the fast pacing modern day world Rural India and digital education Digital education is breaking the numerous barriers that are preventing students in rural India from receiving quality education in the physically bound classrooms:
- 'Direct to Device' technology will empower these students to get quality education, anytime and anywhere. It will enable them to save time, by having more freedom to move at their own pace as well as help them save money by avoiding "hidden costs" of education, like transportation fees etc.
- By not having to be at a certain class at a certain time, it will assist working students to not limit their work schedule, helping them to not lose on wages that they can potentially earn.
- With the flexibility of online courses, students can conserve more hours and more money, enabling them to learn with a purpose and instil a sense of self-belief in them are affordable and easily accessible.
- 'Live and interactive' digital learning empowers the learners to receive par excellence, quality education anytime and anywhere. Whether it is career and technical education or project-based learning, it gives learners a more interactive platform for learning and assessment.
- Free online courses open up avenues for both education providers and students. People are more confident to take these courses and when they see results, they do not hesitate to pay for more .Online education gives students an opportunity to plan their future course of action and fast track their careers.

According to studies, India and China will lead the growth in project management roles, generating about 4 million and 8.1 million roles, respectively, by 2020. Hence, the business looks to grow from now on. Another reason why online training will gain momentum is because of the need for re-skilling.

The future of digital learning With the Digital India programme's vision to transform India into a digitally empowered society and knowledge economy, the education sector in India is poised to witness major growth in the years to come. Technology-led reach and easy access will bring about a socio-economic difference in the lives of Indian learners.

Current state of E-learning in India:

Although the foundation of education is still reading, writing and arithmetic, today's students need broader education. Contemporary classroom, hence, needs to deliver live instruction, video content delivery, student to- student interactions via videoconferencing, remote test administration, up-to-date materials, self-learning etc. Digital India campaign is likely to benefit education by bringing many of these and other important elements together.

Even as the previous government tried to bridge the digital divide, Modi's masterstroke offers a lot of positivity for the Indian education market which is estimated to be worth Rs 5.9 trillion in 2014-15 against Rs. 3.33 trillion in 2011-12. With nearly half the population of India below the age of 25 and increasing penetration of Internet and mobile devices in this demography which is expected to reach 250 million soon, rivaling the US and second only to China, India's potential as a huge market for e-learning is enormous. Indian corporate sector having hold on tech world such as Intel, Qualcomm and Tata are also making strides in this direction. Intel recently launched 'Digital Skills for India' initiative under which it introduced Digital Skills Training Application that is comprised of modules on Digital Literacy, Financial Inclusion, Healthcare and Cleanliness in five Indian languages. Qualcomm has launched Play 'n' Learn program for school children ages 5-8. It is providing 3G tablets under the Qualcomm wireless Reach initiative. Similarly, Samsung recently started on a Smart Learning initiative to provide interactive study materials to students.

But despite its shortcomings Digital India project is worth exploring and implementation and will raise India to newer heights on the international scene. The availability of high-speed internet to every citizen, easy access to government services through CSCs and allocation of private space on public cloud are some the DI features that will revolutionize the lives of rural populations pan India While the government's aggressive National Optical Fibre Network (NOFN) is all set to be spine of the Digital India drive, spreading out of broadband connectivity is going to aid growth of e-learning. Availability of high quality wireless internet speed is still a challenge. Penetration is also an issue.

Conclusion:

In a market such as India where the concept is still new, one crucial element that will make a difference in generating a good response is marketing. This not only holds true for segments such as government and education, but for the corporate sector as well. Experts are of the view that there needs to be a mindset for the adoption of e-learning.

Development of any society depends on its access to information and the same is applicable to rural India too. E learning can work wonders in this direction and help the socially marginalized community to attain their entitlements. Launch of Digital India Programme is a welcome step in

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this direction. It is anticipated that with dedicated leadership, willpower and control and an integrated framework comprising of the government, technology industry and society, E-learning interventions in the rural areas will undoubtedly pave way towards sustainable growth.

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Micro-Finance In Rural India

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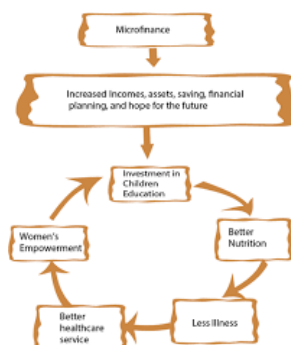
Abstract:

Microfinance emerged as a noble substitute for informal credit and an effective and Powerful instrument for poverty reduction among people, who are economically active, but financially constrained and vulnerable in various countries. Microfinance covers a broad range of financial services including loans, deposits and payment services and insurance to the poor and low-income households and their micro enterprises. Microfinance institutions have shown a significant contribution towards the poor in rural, semi urban or urban areas for enabling them to raise their income level and living standards in various countries. In developing countries like India the structure of economy is dualistic. The rich get richer and the poor get poorer. This worsens the access of poor to economic opportunities and reaches for formal financial services. Small enterprises in India suffer from a great deal of indebtedness and are subject to exploitation in the credit market through high interest rates and lack of convenient access to credit. They need credit to fund their working capital needs on a day-to-day basis as well as long term needs like emergencies or other income related activities. So the need for financial assistance and business development services for the micro and small enterprises is essential to alleviate poverty for consistent economic growth. The focus of the study is to find out whether these micro and small enterprises in and around Nagpur city of Maharashtra were able to access Micro Finance Institutions (MFIs) for capital loans and services and utilize it for their growth and development MICROFINANCE.

Keywords: MFI's ,NBFC ,NABARD ,SHG

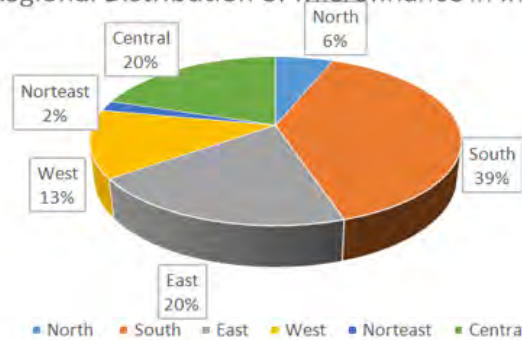
Introduction:

Microfinance is not a new concept. It dates back in the 19th century when money lenders were informally performing the role of now formal financial institutions. Over the past two decades, various development approaches have been devised by policymakers, international development agencies, non-governmental organizations, and others aimed at poverty reduction in developing countries. One of these strategies, which have become increasingly popular since the early 1990s, involves microfinance schemes, which provide financial services in the form of savings and credit opportunities to the working poor (Johnson and Rogaly, 1997).



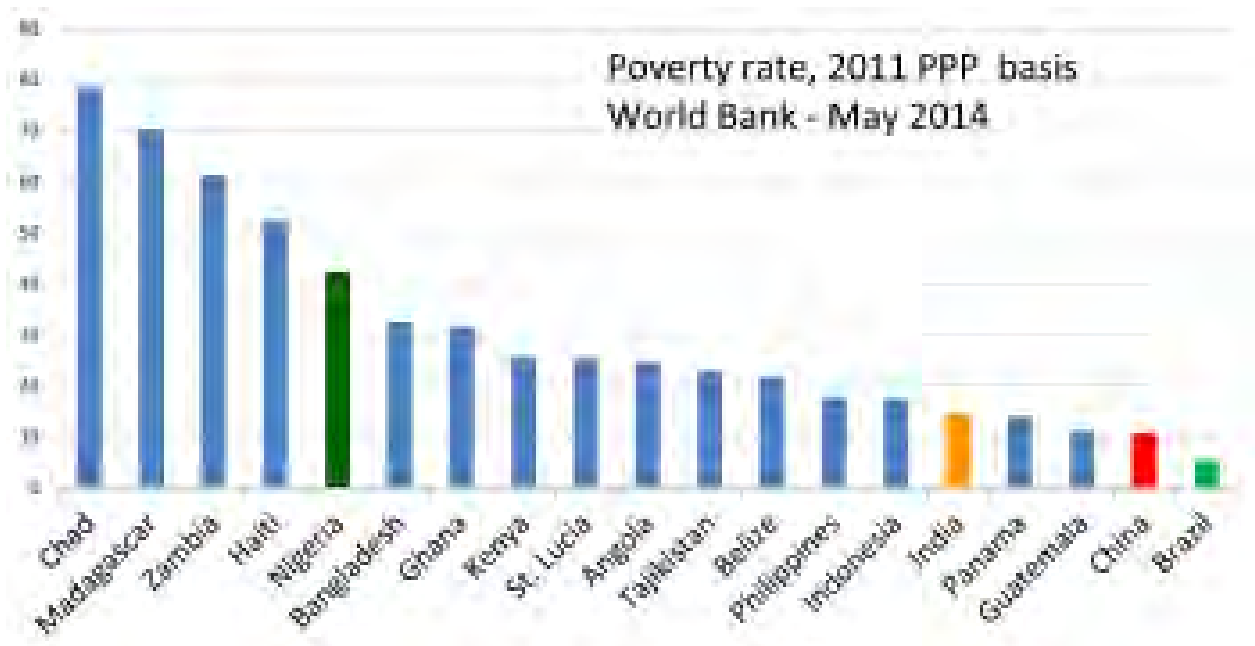


Regional Distribution of Microfinance in India



India falls under low income class according to World Bank.

It is second populated country in the world and around 70 % of its population lives in rural area. It is second populated country in the world and around 60% (2011) of its population lives in rural area. 60% of people depend on agriculture, as a result there is chronic underemployment and per capita income is only \$ 3262. Result is abject poverty , low rate of education, low sex ratio, exploitation. Low asset base-According to Reserve Bank of India, about 51 % of people house possess only 10% of the total asset of India. Resulted low production capacity both in agriculture (which contribute around 22- 25% of GDP) and Manufacturing sector. Rural people have very low access to institutionalized credit (from commercial bank).



Objectives:

- 1) To highlight the meaning and concept of micro finance.
- 2) To study the development of microfinance services in India and selected regions.
- 3) To have clear idea of Regulatory Frame-work initiated for microfinance in India.
- 4) To study microfinance and credit lending models for effective development of micro finance.
- 5) To study and examine the role of microfinance implementing organizations in rural sector development of selected region.
- 6) To examine and analyse the impact of microfinance on the socio-economic development of rural people of India.
- 7) To investigate the factors responsible for abysmal position of microfinance and socio-economic development of rural people of India.
- 8) To examine and analyse various issues and challenges related to microfinance in rural areas of selected regions of India.
- 9) To detect out the problems in the way of promoting micro financing in India.
- 10) To give some concrete suggestions, this may help microfinance institutions to make an overall improvement in microfinance services in the rural areas of Indian economy to accelerate the socio-economic up-liftment of rural people.

Basic Assumption of the Study:

There is scope for substantially improving the quality and efficiency of service delivery by the organizations providing micro finance services. It is assumed that increasing urbanization poses new challenges and opportunities. It is assumed that there is dis-appropriate reliance on group lending and microfinance institutions offer individual-based lending options. It is assumed that the commercial principle cannot be applied in lending to poor. It is assumed that the poor people are more honest and sincere in repayment of microcredit in comparison of other urban / metro and large borrowers. It is assumed that the government takes control over interest payable by money lenders to help poor people. It is assumed that government officials ,firms & gram panchayat work together.

Limitations of Microfinance:

- They deal with low volume of money; there is a limitation on the amount that they can deal with
- They provide loans against no collateral and at any times, the risk of non-payment can arise
- Their bad debts are quite high
- They can't service more than a certain number of customers.

Need for financial inclusion:

A great need for a 100% financial inclusion is being felt by the economists and practitioners. The un-bankable population of India promises a huge market in itself. Poor people are trapped in poverty, because, Commercial banks will not lend them money as they are often neither in position to offer collaterals nor are they considered “creditworthy” enough; while Local money-lenders, who are often their only source of credit, charge exorbitantly high interest rates, thereby depleting them of whatever little possible savings they can manage. Hence, there is a need for micro credit institutions offer small amount of loans to the people in the bottom of the pyramid. There is a tremendous demand from 100mn poor & vulnerable households in India.

Important of Micro-Finance in India:

1. Creating a platform for inculcating the habit to save money.
2. Providing formal credit avenues.
3. Plug gaps and leaks in public subsidies and welfare programmes

Concept Of Microfinance:

Microfinance enables the poor and excluded section of people in the society who do not have an access to formal banking to build assets, diversity livelihood options and increase income, and reduce their vulnerability to economic stress. In the past, it has been experienced that the provision for financial products and services to poor people by MFIs can be practicable and sustainable as MFIs can cover their full costs through adequate interest spreads and by operating efficiently and effectively. Microfinance is not a magic solution that will propel all of its clients out of poverty. But various impact studies have demonstrated that microfinance is really benefiting the poor households (Littlefield and Rosenberg, 2004).

Microfinance is defined as a development tool that grants or provides financial services and products such as very small loans, savings, micro-leasing, micro-insurance and money

transfer to assist the very or exceptionally poor in expanding or establishing their businesses (Robinson, 1998).

In addition to financial intermediation, some MFIs provide social intermediation services such as the formation of groups, development of self confidence and the training of members in that group on financial literacy and management (Ledgerwood, 1999). There are different providers of microfinance (MF) services and some of them are; Non Governmental Organizations (NGOs), savings and loans cooperatives, credit unions, government banks, commercial banks or non banking financial institutions. The target group of MFIs are self employed low income entrepreneurs who are; traders, seamstresses, street vendors, small farmers, hairdressers, rickshaw drivers, artisans blacksmith etc (Ledgerwood, 1999).

Evolution Of Microfinance:

Microfinance as an industry evolved in all the third world countries almost at the same time span. World over, it was getting widely recognized that improving income levels of low-income community is essential to improve their well-being. During the 1970s and 1980s, the microenterprise movement led to the emergence of Non- Governmental Organizations (NGOs) that provided small loans for the poor. One of the significant events that helped it gained prominence in the 1970s was through the efforts of Mohammad Yunus, a microfinance pioneer and founder of the Grameen Bank of Bangladesh. In 2006, Prof. Yunus was awarded Nobel Peace prize for his efforts to create economic and social development.

Microfinance in India started in the early 1980s with small efforts at forming informal Self Help Groups (SHGs) to provide access to much-needed savings and credit services. From this small beginning, the microfinance sector has grown significantly in the past decades. National bodies like the Small Industries Development Bank of India (SIDBI) and the National Bank for Agriculture and Rural Development (NABARD) are devoting significant time and financial resources to microfinance. The strength of the microfinance organizations (MFOs) in India is in the diversity of approaches and forms that have evolved over time.



Structure Of Existing Microfinance Institutions In India

Indian Microfinance Institutions are predominantly NGOs i.e., nearly 80 % of the Microfinance Institutions operate under the Society/Trust form which is for the not-for-profit sector with a clear development agenda. Apart from this, other important legal forms are being used by Indian Microfinance Institutions. 10 % of organizations operate under the company structure; 5% are section 25 companies (Section 25 of the Indian Companies Act, 1956); 2% as Cooperatives; 2% as Non Banking Finance Companies (NBFCs); and 1% as Local Area Banks (LAB). The Organization Structure of existing Micro Finance Institutions in India is given below (http://www.nabard.org/microfinance/mf_institution.asp) accessed on June 25, 2012

- a) Not for Profit Microfinance Institutions
 - a.) NGO - Microfinance Institutions - 400 to 500 – Registered under Societies Registration Act, 1860 or similar provincial Acts Indian Trust Act, 1882
 - b.) Non-profit Companies - 10 – Registered under Section 25 of the Companies Act, 1956
- b) Mutual Benefit Microfinance Institutions
 - a.) Mutually Aided Cooperative by State Government Societies (MACS) and similarly set up institutions - 200 to 250 – Registered under Mutually Aided Cooperative Societies Act enacted by State Government
- c) For Profit Microfinance Institutions
 - a.) Non-Banking Financial Companies (NBFCs) - 6* - Registered under Indian Companies Act, 1956 Reserve Bank of India Act, 1934

Steps taken to promote Financial Inclusion

1. Opening of branches in unbanked rural areas.
2. Micro Finance
3. RRB's were planned to cater the needs of the rural areas
4. Various government schemes like:-
 - i. Pradhan Mantri Jan Dhan Yojana.
 - ii. Pradhan Mantri Suraksha Bima Yojana.
 - iii. Pradhan Mantri Jeevan Jyoti Bima Yojana.
 - iv. Kisan credit card (KCC) or General credit card (GCC).
5. Promotion of small banks and payments banks.
6. Relaxation in KYC guidelines.
7. Use of extensive technology in banking.



Various Models Of MFI's

- Various models of MFIs differ on basis of: • Lending model
- Loan repayment structure:
 - Weekly or fortnightly repayment structure (JLR model).
 - Monthly repayment structure (SHG model).
- Mode of interest rate calculation.
 - JLR model charges flat 12-18% interest on loans.
 - SHG model charges 18-24% interest on reducing balance method.
- Product offering.
 - Micro credit, investments, insurance, saving, etc..
- Legal structure.
 - Cooperatives, NBFC, unregistered, societies, trusts, for-profit, non- profit

Products And Services By Microfinance Institutions

Products and services offered by microfinance institutions in and around Coimbatore for the development of Micro and Small Enterprises are basically classified as two i.e. Financial Intermediation and Enterprise development services. Financial intermediation: Providing financial assistance for small business groups in the form of business loans and those loans can be utilized for further investment in the existing business or setting up new tiny business ventures. Since the rate of interest and the repayment schedule are formulated to suit the requirements of the loan takers, there exists enormous demands for this product. MFI s extends such microloans ranging from Rs.5000/- to Rs.25,000/- for such income generating activities and few MFIs categorized their clients activities as farm based activities which includes Agriculture, Poultry, Sheep-rearing, Goat-rearing, sericulture, mushroom cultivation etc and non – farm based activities which includes Petty-shop, Catering, Provision shop, Tailoring, Embroidery work, Beauty shop Vegetable vendor, Fruit Vendor, Textile shop, Xerox machine, Brick making, Gold covering work, Jewelers work and others etc.,. The loans are taken by poor households directly as well as through groups to meet their diverse needs. Enterprise development services: MFI s provides cost efficient microfinance coupled with knowledge and information services that raise human capacity and organizational capability and create open access to markets result ing in more productive loans. MFIs provide skill development services, business training, marketing and technology services to their clients based on their occupation which helps them use their resources more productively.

Growth And Development Of Micro And Small Enterprises

The term growth in this context can be defined as an increase in size or other objects that can be quantified or a process of changes or improvements. The firm size is the result of firm growth over a period of time and it should be noted that firm growth is a process while firm size is a state (Penrose, 1995). The growth of a firm can be determined by supply of capital, labour and appropriate management and opportunities for investments that are profitable. The determining factor for a firm's growth is the availability of resources to the firm (Ghoshal, Halm and Moran, 2002.)

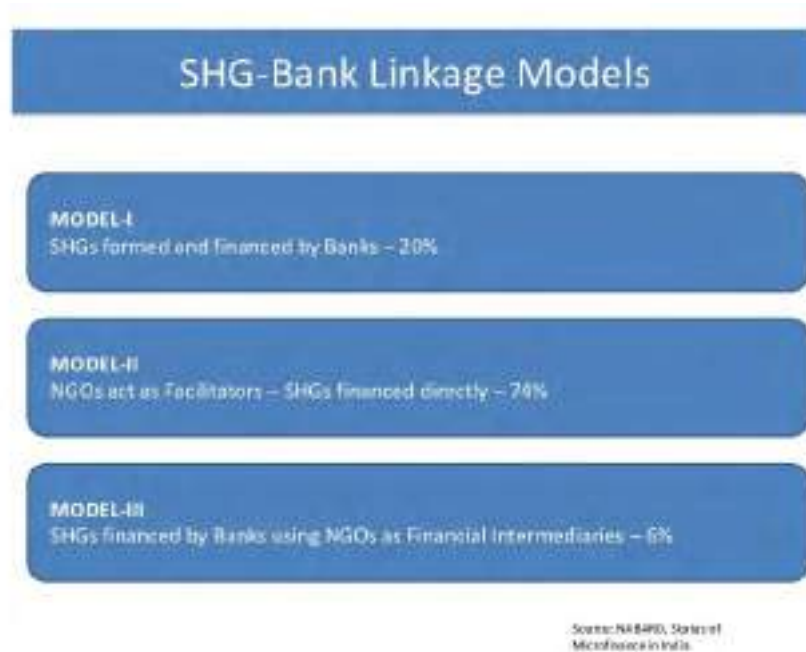
MFIs considering the growth of Micro and Small enterprises developed large-scale operations by offering a few highly standardized products with few advantages like Streamlined loan administration, Simplified decision-making for field staffs, Reduced information requirements from clients, Low operational costs, Simplified repayment obligations. But this standardization also had its own disadvantages. So MFIs paid closer attention to product flexibility. Individual need-based loans are more suitable as they can be designed to cater to the specific requirements of the clients.

Government Initiatives

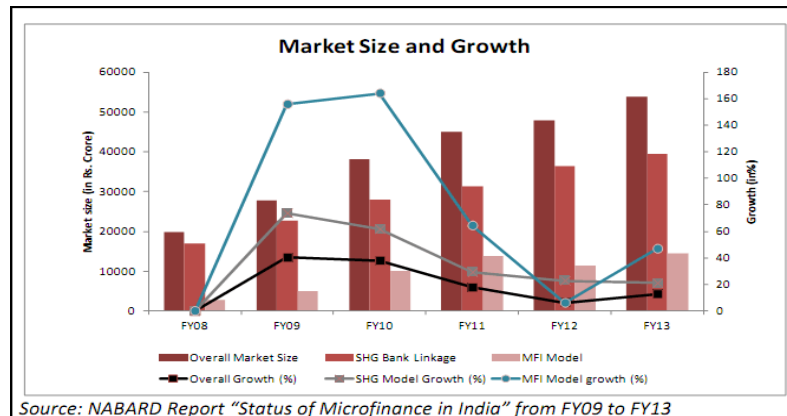
Dominant Models of Microfinance in India

SHG-Bank Linkage Model: This model involves Self Help Groups (SHGs) which are financed directly by the Commercial Banks (Public Sector and Private Sector), Regional Rural Banks (RRBs) or Co-operative Banks. Microfinance programmes focus on organisation at the grassroots level through a process of social mobilisation that enables the poor to build Self Help Groups (SHGs) amongst themselves, consisting of 10-20 persons. They participate fully and directly and take decisions independently in such organisations. These groups are formed,

developed and strengthened to evolve into self-managed people's organisations which provide internal loans to its members from the group corpus. The group corpus is supplemented with Revolving Fund sanctioned as cash credit limit by the banks.



MFI-Bank Linkage Model: This model covers financing of Microfinance Institutions (MFIs) by banking agencies for on-lending to SHGs and other small borrowers covered under microfinance sector. MFIs combine flexibility, sensitivity and responsiveness of the informal credit system with technical & administrative capabilities and financial resources of the formal financial sector which rely heavily on collective strength and closeness of social groups for effective social mobilisation to enable financial empowerment. MFIs have adapted themselves to circle around the shortcomings of traditional financial organisations, by forming a partnership between socially focussed NGOs, which invest in human and social capital at the grass roots, and economically sensitive banking institutions, experienced in mobilizing funds for graduating and enabling rural communities. MFIs enable commercial banks to overcome the formal requirements of paper-work to support transaction costs, information asymmetries and risk, making lending to the poor a commercially attractive proposition. The role of the MFIs therefore is to act as the guarantor to the bank, to support the credit worthiness of the poor.



Conclusion

In the current political and economic environment, jobs are at the center of political debates in both developed and developing economies. There are many expectations that small enterprises can create new jobs, recent studies also suggest that small enterprises contribute more to the employment share in low-income economies than in high-income countries. International development agencies want to promote and finance small enterprises while the G-20 is also committed to improving access to finance for small businesses in developing countries. Embedded in these efforts is the assumption that access to finance is a key constraint to small business expansion. In this concluding chapter, we examine the experience and role of microfinance institutions (MFIs) in serving small enterprises. The basic idea of microfinance is to provide credit to the poor people who otherwise would not have access to credit services. Micro-credit programme extend small loans to very poor people for self-employment projects that generate income and allow them to take care for themselves and their families. This programme is working in many developing countries. Microfinance has been recognized as a development tool for sustainable rural development by alleviating poverty and facilitating empowerment of the poor with the main focus on rural women. In all developing countries it is now recognized that sustainable development is possible only through the active participation of local people and community based organizations which again is possible only through microfinance. Facilitating the formation of informal groups, simplification of procedures and systems, democratic functioning and addressing the social and economic needs of women are the major achievements of the SHG movement and it is the best suited model for India.

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Skill Development in India

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Abstract:

This paper reviews the current state of rural/urban youth where Skill development plays a vital role in recognizing and enhancing the hidden and unexplored skills and knowledge based competence to generate employment and livelihood at both national/International levels. Skill is the ability and knowledge of a particular work that a person can possess. Skill development encompasses the rural and urban youth's endeavour to enhance their skills through skill development courses and various government schemes to be self-employed or for the employment opportunities in nearby villages or districts. Skill development programmes and schemes should be effectively implemented in the rural areas so that to achieve the desired target of enhancing the knowledge of the educated/uneducated unemployed youth which eventually contributes to the growth of the economy as a whole. We have discussed here various challenges of skill development training programmes, importance of skill development and effective implementation of the skill based schemes by government since 5 years which proves beneficial for the rural/urban youth in India.

Keywords: Skill development, growth, economy, schemes, programmes.

Introduction:

Rural areas contribute significantly to employment and economic growth in many countries especially in India where 70% people depend on agriculture for their livelihoods. Yet poverty is more extensive and severe in rural than urban areas. An ability and capacity or competency of a particular person's systematic and sustained efforts to carry out complex activities or job functions (cognitive skills), things (technical skills) and/or people (interpersonal skills) at work place.

Flourishing rural areas are vital to regional and national development. Many aspects play an important role in the fields like Education, entrepreneurship, and physical and social infrastructure in developing rural regions. Skills are central to improving employability and livelihood opportunities, reducing poverty, enhancing productivity and promoting environmentally sustainable growth in the country's economy as a whole.

In considering skills development for youth, India is particularly interesting for several reasons. First, it is expected to have the world's largest population in the next several years, as it outgrows China. Unlike China's population, which is aging, India enjoys a large "demographic dividend": the majority of its population is young. Secondly, India's labour market has traditionally been characterized as highly hierarchical and segmented, with 86% of total employment in the informal sector, including self-employment (World Bank 2012b). Third, India has recently experienced rapid economic growth, largely led by the service sector. Yet, despite its rapid economic growth since the introduction of economic reforms in 1991, employment has grown slowly, particularly in the private sector, making the 1990s and 2000s a period of "jobless

growth.” This has had serious implications for youth, as most new entrants in the labour markets, including the majority of youth, have ended up working in the informal sector, often for low wages without social security benefits and long-term job security. Fourth, though education opportunities in primary and lower secondary education have expanded rapidly, the majority of Indian youth, particularly in rural areas, still have very limited education and training opportunities. Finally, the Indian government has recently made drastic changes in its policy and institutional setups for promoting skills development. It is of interest to understand how India’s system of skills development has changed, with different dynamics among the government, the private sector, and training institutions.

Review of literature:



The 2001 census indicated that 72.2% of the total population is distributed in about 638,000 villages while the remaining 27.8% lives in more than 5,100 towns and over 280 urban agglomerations.

With a meagre 2.4% of existent landmass, India has been a homeland for 17.5% of total population of the globe. The distribution of Indian population is concentrated more in urban landscapes throughout the country. After almost eight decades after independence, though India is gradually making her way to be among economically developed nations, the pace of development can be accelerated largely with a right approach to an all-inclusive progress. Diversity has been a unique identity of the nation, but the populace is largely diversified being clustered based on multiple verticals such as economy, education, location, caste and community.



Skilling through MAHARASHTRA STATE SKILL DEVELOPMENT SOCIETY (MSSDS): a Government of Maharashtra Initiative- To leverage India’s demographic dividend more

substantially and meaningfully, the government launched the “Skill India “campaign which aims to provide a job-ready workforce to the industry to boost up productivity and ultimately propel economic growth of the country. Given the fact that India is labour rich economy, it cannot only fulfil its own requirement but also cater to labour shortages in other countries, there is a clear opportunity to train India’s labour force in globally competitive skills. To achieve this Skill Development Mission in the state of Maharashtra, Maharashtra State Skill Development Society has been registered on 15th February 2011 under the Societies Registration Act 1860. The Society is the Nodal Agency for planning, coordination, execution & monitoring of Skill Development Initiative of Government of Maharashtra. The society is functioning under the Skill Development and Entrepreneurship Department, Government of Maharashtra.

Objectives:

1. To explore skill and train people to overcome the problem of unemployment and earn adequate livelihood for basic necessities of their life.
2. To create opportunities for all to acquire skills throughout life and especially for youth, women and disadvantaged groups.
3. To educate and train the basic skills required for the Industrial employment and self-employment as well eventually raising the economic growth of the nation.

The only mission of Skill Development is :

- a) Infrastructure b) Institutional training c) National and overseas –employment
- d) Convergence e) Sustainable Livelihoods f) Leveraging Public Infrastructure

Discussion:

We shall discuss here some Govt. schemes and programmes that have helped many country youths to achieve their desired goals and accomplish their dreams through training and development under various expertise knowledge based courses run by government and NGO’s.

1. PMKVY (Pradhan Mantri Kaushal Vikas Yojna):



Started for four years (2016-2020) to benefit 10 million youth.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, Training and Assessment fees are completely paid by the Government.

2. DeendayalAntyodayaYojna-National Urban Livelihoods Mission (DAY-NULM)- through skilling and updating of urban poor for salaried employment or self – employment opportunities.

3. Director General of Training – Modular Employable skills (DGT-MES)- scheme for school dropouts and prevailing workers in the unorganized sector for improving gainful employment through vocational training and apprenticeship programmes.

4. Aajeevika- National Rural Livelihood Mission (NRLM)- initiative of Ministry of Rural Development, Govt. of India that aims to provide opportunities to rural youths to upgrade and enhance their skills and provide placement facility as well.

5. Atal Innovation Mission (AIM)- a very good opportunity to promote a culture of innovation and entrepreneurship by providing a platform for generating ideas and mentor support.

6. National Skill Development Corporation (NSDC)- PPP model was developed under Ministry of Skill Development and Entrepreneurship which aims to promote skill development by creation of huge number and quality oriented training institutes; acts as stimulus in skilling by providing funding to organizations that provide skill training, NSDC's Industry –led Sector Skill Council's (SSCs) create occupational standards, develop competency framework, conduct skill gap studies and assess and certify trainees on the curriculum aligned to National Occupational Standards(NOS) developed by them.

7. National Skill Development Agency(NSDA)- independent body under Ministry of Skill Development and Entrepreneurship; coordinates skill development endeavor of the Government and private sector for achieving skilling targets by 2022. It works in partnership with agencies like the NSDC, Sector Skill Councils and State Skill Development Missions.

8. Startup India- a scheme to enhance Indian Startup ecosystem. The action plan of this gambit is based on simplification and handholding of Startups, funding support and impetus, industry-academic life and development support.

9. SANKALP (Skills Acquisition and knowledge Awareness for Livelihood Promotion)

This Project is an outcome oriented project supported by World Bank which will focus on the overall skilling ecosystem covering both Central and State agencies.

10. UDAAN:

UDAAN is a special Industry initiative for Jammu and Kashmir providing skills training and enhance the employability of unemployed youth of J&K. The scheme covers graduates, post graduates and three year engineering diploma holders.

11. STAR :

Standard Training Assessment and Reward scheme known as STAR was operational between August 2013 and September 2014.

Outcomes:

Enrolled	-	1,400,848
Training completed	-	1,400,844
Assessment completed	-	1,362,296
Passed	-	915,242
Certified	-	861,077
Reward Money Disbursed	-	833,144



Scope of the National Skill Development Policy:

- Institution-based skill development including ITI's/ITCs/vocational school/technical schools/polytechnics/professional colleges.
- Formal and informal apprenticeships and other types of skill based training by small as well as big Enterprises and Industries and companies.
- Training for self-employment and entrepreneurial development of educated/unemployed youth of the nation.
- Adult learning, retraining of retired or retiring employees and lifelong learning .
- Learning initiatives of sectorial skill development organized by different ministries and departments .
- E-learning web-based learning and distance learning.

Challenges to Skill Development Policy in India:

1. The biggest challenge of this Policy is that proper propaganda should be made to reach out the various Govt. schemes to the needy people who are really seeking jobs and have not been trained to develop their skills to get proper employment in India.
2. One of the challenges faced is that funds not reaching out to the needy people for whom these training and skill development programmes are being run. The related officials should be responsible for successfully running these courses and training needy people so that they could earn their livelihood properly. The high requirement of capital and low returns on investments, skill development is often looked at as a non-scalable model and remains underinvested. Even the bank's willingness to lend for skill development activities is quiet low as educational loans are perceived as high risk products due to uncertainty with respect to future employment.
3. Empowering women through skill development is one of the challenges today where orthodox culture is still prevailing in some rural areas where women are not allowed to go out and work or even are deprived of the basic primary education.
4. More than 20 different government bodies in India run skill development but with very little convergence. Hence there is a substantial duplication of work .
5. Young people nowadays even face a mismatch of education and skills that they acquire and what incorporates actually required them to possess. Most of the curriculum is outdated, rudimentary and lacks orbit.
6. Approachability for the disadvantaged and the rural section of the society is difficult due to high costs involved and other social barriers.
7. Apart from various challenges Skill development is not the responsibility of governments, training centres and corporates alone; students too should be equally responsible and need to recognise the changing scenario of employment for their better future.
8. Better training and learning opportunities with the accessibility to holistic development i.e soft skills can help India become a truly skilled country.
9. Insufficient scale, limited capacity-

The prevailing infrastructure, both physical and human is totally not adequate considering the required demand for skilled labour. While there is definitely a need to create extra capacity in existing training Institutes, simultaneously there is also a need to create an adequate infrastructure even in small towns and villages for the needy people.

In terms of faculty also, the training infrastructure is not sufficient. For instance, corresponding to the present seating capacity of about 1.7 million trainees at it is, there is a need of almost 85,000 trainers(considering 20:1 student/faculty ratio). As against this, the seating capacity for various trainer's programme of DGET is just 4,438, which is far from the adequate to meet the requirement.

India adds 12 million people annually to its workforce but very few have any formal skill based training. Today only 4 % of the Indian workforce is skilled in contrast to the 80 % in Japan, 42% in US, 76% in Germany and 96% in South Korea. We need to change this position of India by reaching out more people with quality learning opportunities and reshuffle our existing

infrastructure and implement plans more effectively by making better use of monetary and resources available.

Importance of Skill development in India:

The National Skill Development Corporation provides skill development funding either as loans or equity, and supports financial incentives to select private sector initiatives to improve financial viability through tax breaks etc. NSDC's financing initiatives provide funding through:

- ✚ Loan
- ✚ Equity
- ✚ Grants

India has more than 50% of its population below the age of 25. More than 65% below the age of 35. It is expected that, in 2020, the average age of an Indian will be 29 years, compared to 37 for China and 48 for Japan; and, by 2030, India's dependency ratio should be just over 0.4.

Developing your inner skills through further training provides significant benefits which includes the following:

1. Employment opportunities increases:

Training provides without any doubt the increase employment opportunities which every youth of India should avail at his workplace to develop its skills through which he can prepare himself for better job opportunities in the today's world of competition. By completing a training course, your employment opportunities become wider

2. Individual growth:

Every individual going through a training period and successfully accomplishing it can definitely feel the personal growth in himself. Training not only provides you with skills in a particular area but it builds your networking, time management, communication, confidence level and negotiation skills also.

3. Increase in career development opportunities:

Many of us aspire to develop a career in a chosen field with a good pay scale and at a better workplace environment. In many cases, experience alone can't help always to promote your career ;for that employers also seek skilled and trained employees to promote their staff. By undertaking on job training, the opportunity to boost your career is enhanced.

4. Increase in knowledge and understanding of your local Industry:

In small/big Industries interskills trainers are experts in their fields and they are closely connected within their functional departments. This really provides a great knowledge to supplement your growing skills in the industry.

5. The importance of skill development:

Training is very important in today's world for employment and better earning. But through recognising skills and brushing up one's talent at school level only can be of great help for developing student's salient employable skills that employers seek are: self-management, self-motivation, lifelong learning, communication skills (verbal and written), team work, problem

solving, attitude towards work and people, problem solving, adaptability, initiative, commercial awareness, technological skills, creativity, stress management, interpersonal skills, self-reliant.

At school and college level also there must be a provision made or options available for skill development courses in the secondary stage of schooling.

Some courses in the fields such as Handicraft, IT, Banking, Hospitality and Tourism, Healthcare, Textiles, Insurance, Photography, Retail can be added that would interest students to learn from educational institutions.

To make India the skill capital of the world, the curriculum of school will have to go through a dynamic change so that skill development can be achieved at a very tender age .

6. Improvement in employee's satisfaction and morale-

HRM department is always vigilant about their company's prospective employees whose promotion is based on their work performance and therefore conducting regular training sessions the employee's satisfaction and morale gets boost up at the work place and they feel accepted and safe overthere. Employees who feel appreciated and challenged through training opportunities may feel more satisfaction towards their jobs.

7. Improved employee performance at workplace:

If an employee gets proper training through expertise is more able to perform well in their job. Training will definitely give the employee a greater sense of understanding of their responsibilities within their role and in turn build their confidence level also. This confidence will enhance their overall performance and this can only benefit the company. Employees who are competent and wish to change the company or Industry standards help your company hold a position as a leader and strong competitor within the Industry.

8. Vocational Training:

By undertaking vocational training one can not only acquire a set of skills but also lead down a satisfying career path that will help you become a valued and needed member of any community. Good communication skills and customer service are very much important in any job and studying in English medium is a worthwhile addition to any vocational training. You should have a well-rounded education that is important to an employer as well as customers, and being able to extend yourself in other areas of your job will be highly beneficial in the long run. These are some types of skills which could definitely lead you to running your own business in the future. If you can bring a range of skills to your vocational training you are setting yourself up for a much wider range of opportunities within your job. For example, as an apprentice hairdresser you may normally find yourself washing hair and answering the phone when you first start out, but instead, with portable skills, your job description could soon be extended to include customer relations or creating marketing opportunities for the business. Imagine how delighted your employer would be if you could multi-task effectively and handle more than one position.

Conclusion:

An attempt has been made to discuss the schemes of the Government for Skill development both at rural and urban sectors. The schemes are run on various platforms to help the disadvantaged and unemployed youth of India. Government's Skill Development schemes have helped so many rural sector women as well as youth to acquire a decent job for their

livelihood and of course starting their own business venture also. The education system should be well rounded so that the problem of communication could not arise at the time of employment where the employees are expected to work in a much acceptable environment. P.M's one liner "Beti bachao Beti padhao" is playing a significant role in educating girl child where in some areas of the country girls are still considered as the heap of responsibilities and not investing in her education is common. The language barrier should be curtailed before taking job in a corporate sector through attaining various personality development programmes held at educational level and professional level as well.

We have discussed here the challenges in short and how the people should actually learn to overcome these challenges in order to achieve the desired goals set by today's youth. Some educational institutions must run the vocational training courses so that the youth of today's generation be prepared for their future prospects in gaining employment and self-employment of their choice. Educational Institutions like schools and colleges should encourage students to take admissions in Vocational courses where they are trained overall in various fields like commerce, arts and science so that before they complete their graduation and search for the jobs ; they are well equipped with the outer world's expectations in any company or firm where employers seek work knowledge and capacity of handling the job inside the Industry or company of private or public sector.

The importance of Skill development and Vocational training courses discussed above shall definitely convince the readers to encourage the unemployed youths around our society and build their career in any field of their choice.

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Impact of GST on Different Industrial Sectors

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Abstract:

GST has brought in 'one nation one tax' system, but its effect on various industries is slightly different. The first level of differentiation will come in depending on whether the industry deals with manufacturing, distributing and retailing or is providing a service. This paper aims to study different impact of GST on important sectors like FMCG, Pharma, Hotel, Automobiles Industry etc.

Keywords: GST, Impact, FMCG, pharma, Hotel, Automobiles Industry.

Introduction:

About GST:

GST – Goods & Service Tax was proposed by Kelkar Task Force approximately thirteen years back. By subsequent recommendations and then a broad consensus reached with the Empowered Committee on the outline of the draft amendment bill, the Cabinet in the month of December, 2014 approved the proposal.

Goods and Services Tax was introduced in India on July, 1st 2017 and is applicable throughout India. It is introduced as The Constitution (One Hundred and First Amendment) Act 2017. According to the previous tax policy every sector had to pay many taxes like VAT, Service Tax, Excise Duty, Central Sales Tax etc. GST is an indirect tax that has replaced multiple cascading taxes levied by the central and state governments, like Central Excise Duty, Additional Excise Duty, Service Tax, Octroi and Entry tax, Purchase Tax etc with a unified tax. The GST is governed by a GST Council and its Chairman is the Finance Minister of India, at present Mr. Arun Jaitley.

Literature Review:

- Dr. Banamali Nath (2017) has expressed his view in the research paper titled “Goods and services tax: A milestone in Indian economy “that GST will reduce cascading effect of current indirect taxation system that will provide relief to the producers and consumers by subsuming the several indirect taxes. After introduction of GST, manufacturer, wholesaler and retailer can easily recovered input taxes in form of tax credits. Moreover, GST has a positive impact on different sectors like manufacturing sector, employment sector, FMCG sector, I.T sector and soon. Thus implementation of GST will lead commercial benefit, more employment opportunities and would essentially lead to economic development that will improve GDP of the country. It is noteworthy to mention that GST will give India a world class tax system by grabbing different treatment to manufacturing and service sector. But these will critically depend on a neutral and rational design of the GST. Further, tax payer

education or public awareness programmed, workshops, training and various seminars on GST must be conducted in all states by the irrespective state governments.

- Mrs. Rizwana Begum and Dr. K. S. Sarala (2017) has observed in the research paper titled Brand Positioning of Men Apparel Brands in Karnataka that brand positioning constituting of different attributes positively influence consumer and the apparel brand Louis Phillippe has a profound positioning compared to other apparel brands considered for the study.

Brand positioning determines the distinctive features around which the brand has to be couched and communicated to the consumer.

- Dr. Vikas Kumar (2016) has analyzed in the research article titled GST: Positive and Negative Effects on Common Man in India that real success of GST depends upon the impact on the common Indian consumer. The essence of GST is that all goods and services be taxed at moderate rate. Single tax for one India proves to be a game changer in a positive way and proves to be beneficial not only to the common man, but to the country as a whole. It is our expectation that impact of GST will be positive and will bring positive effect to Indian economy and convert India into a unified national market with simplified tax position. The main expectation is that this land mark will go a long way in facilitating ease going business and enabling India to compete with World Trade.

Objectives of the study:

1. To study impact of GST on different Industrial sectors.
2. To analyze overall impact of GST.

Hypothesis of the study:

H₀ : There is no significant difference between GST and its impact on different industrial sectors.

H₁ : There is significant difference between GST and its impact on different industrial sectors.

Research Methodology:

This study is exploratory in nature and secondary data based study, different secondary source of data like as books, journals, research papers, etc are studied for the completion of the research work. This study is based on Indian growth & development performance under globalised situation. Appropriate methodology is the main requisite for completion of research work.

Data Analysis & Interpretation:

Segment	Excise	State excise	VAT	Road tax	Motor vehicle tax	Total	CGST	SGST	TOTAL	Difference
Small Cars <1200cc	12.50%	1.1%	14%	State based	State based	28%(approx)	9%	9%	18%	10%
Mid-Size Cars from 1200cc to 1500cc	24%	1.1%	14%	State based	State based	39%	9%	9%	18%	21%
Luxury Cars >1500cc	27%	1.1%	14%	State based	State based	42%	14%	14%	28%	14%
SUV's >1500cc; >1700mm ground clearance	30%	1.1%	14%	State based	State based	45%	14%	14%	28%	17%

Source: <https://cleartax.in> > GST

It will result in 10-17 percent of fall in prices assuming 18 percent GST rate. Lesser benefits might be accrued by the tractors as these are against the taxes paid on input. Though looking on the bright side the automobile sector will emerge as the tax that this field is paying a much higher tax than the tax that will be acquired from it after the GST implementation.

It will lead to the easy and direct transfer of vehicles to the dealer. The stock will be transferred to your own warehouse and further will be transferred from warehouse to dealer.

Hotels	
Type of Restaurants	GST Rate
All restaurants	5% no ITC
Restaurants within hotels (room tariff <7,500- 5% without ITC	5% no ITC
Restaurants within hotels (room tariff >7,500) still 18% with ITC	18% with ITC
Outdoor catering	18% with ITC

Source: <https://cleartax.in> > GST

In the GST regime, the Service Tax and VAT amount will be subsumed into one single rate, but you may still find service charge doing rounds on your food bill.

Thus we can fairly conclude that GST will bring reasons to rejoice for both consumers and restaurant owners under the new regime and we will have more reason to explore the new food joints in our neighbourhood and pamper our taste buds.

Pharma Industry

<p style="text-align: center;">POSITIVES</p> <ul style="list-style-type: none"> ✦ Most medicines and medical technology products are bracketed in the 5 or 12 percent bracket ✦ Bring in benefits in terms of compliance, reduced corruption and greater operational smoothness ✦ Reduction in cost of production and distribution leading to 20%-increase in after-tax free cash flow 	<p style="text-align: center;">NEGATIVES</p> <ul style="list-style-type: none"> ✦ GST shall be applicable on Contract Manufacturing ✦ It will be applicable on the movement of Pharma Goods for re-labelling, packaging and destruction ✦ Exemptions of few Life saving drugs removed thus increasing prices
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Source: <https://cleartax.in> > GST

In general, the impact of GST on the Healthcare segment is still indeterminate. However, the Industry specialists have confidence that post implementation of GST customers and industry

players will be in a win-win situation. The Healthcare Industry would profit from the GST implementation as it would diminish the complexities and various obstacles to the growth of business. Healthcare sector including the medical tourism is on the way of expanded profitability and promising development.

FMCG			
Products	Current Rate	GST Rate	Companies affected
Detergents	23%	28%	HUL, P&G, Jyothy Labs.
Hair oil	22-25%	18%	HUL, Dabur
Toothpaste,	22-25%	18%	Colgate, HUL
Shampoo	24-25%	28%	HUL, P&G, Dabur, Himalaya
Skin Care	24-25%	28%	HUL, Dabur
Ayurvedic Medicine	7-10%	12%	Dabur, Emami
Soaps	22-25%	18%	HUL, Emami, P&G
Paints	25-26%	28%	Asian Paints, Berger Paints, Berger
cigarettes	40-45%	28+ 5-21% Cess (As per the Size)	ITC, Phillip Morris

Source: <https://cleartax.in> > GST

The FMCG will receive a positive for household and personal care space. It will reduce 200 to 500 basis points, apart from reducing the warehousing and logistical requirements. However the working capital for retailers and additional tax rates for jewelry and cigarette manufacturers are negatives and will attract higher GST regime than companies like ITC which are going to be affected adversely.

Overall impact of GST tax in India

According to the prediction the economic growth of at 2% is expected once GST is implemented

- It will widen the tax regime by covering goods and services and increase its transparency
- It will subsume all the indirect taxes at the center and state level
- It will free the manufacturing sector from cascading effects of taxes and leading to the improvement of cost competitiveness of goods and services
- The prices of goods and services will go down thus increasing the tax GDP ratio
- Doing business in India will be much easier as the rules and structure will be made much simpler
- Taxes on manufactured goods will come down to 24- 25 percent to 20- 21 percent
- Taxes on retail will go up from present 12.5% to 20%
- Local taxes (counter vailing duty) on imported items would go up by around from present 16% to 20%
- Manufacturers and service providers will have to register separately in each state

- There will be a dual control on the GST where state and central authorities will
- All the invoices will be captured online by GSTN
- Only three accounts will have to be maintained CGST, SGST, IGST. This will simplify all the tax system that we currently have.
- GST is beneficial for both economy and corporations as it will reduce several burdens on production cost and making exporters more competitive.
- It will reduce corruption as it will help in building a transparent and corruption free tax administration. There will also be a reduction of departments which will reduce corruption
- The entire country market will be unified market which will make every cost lower for doing business in other states and importing or exporting.

Conclusion:

- GST is the most logical steps towards the comprehensive indirect tax reform in our country since independence. GST is leviable on all supply of goods and provision of services as well combination thereof. All sectors of economy whether the industry, business including Govt.
- Departments and service sector shall have to bear impact of GST. All sections of economy viz., big, medium, small scale units, intermediaries, importers, exporters, traders, professionals and consumers shall be directly affected by GST... One of the biggest taxation reforms in India – the Goods and Service Tax (GST) -- is all set to integrate State economies and boost overall growth. GST will create a single, unified Indian market to make the economy stronger. Experts say that GST is likely to improve tax collections and Boost India's economic development by breaking tax barriers between States and integrating India through a uniform tax rate.
- Under GST, the taxation burden will be divided equitably between manufacturing and services, through a lower tax rate by increasing the tax base and minimizing exemptions.

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Microfinance-A Case Study of Bandhan Bank

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Abstract:

Microfinance emerged as a noble substitute for informal credit and an effective and powerful instrument for poverty reduction among financial constrained people. Microfinance has infused an entrepreneurial spirit in tiny entrepreneurs like clay-brick makers, seamstresses, and vegetable sellers. Microfinance covers a broad range of financial services including loans, deposits, payments services, and insurance to the indigent, low-income household, and pocket-sized enterprises. There is need to counterbalance the camber between rich and poor people because, in developing countries like India, the texture of economy is dualistic which means that -"Rich becomes richer and poor becomes poorer". The locus is to find out whether rural India is open-armed towards microfinance institutions for capital loans and services and to check whether they bestow it for their growth and development or not. Microfinance is the provision of microloans to penniless entrepreneurs, compact merchandisers, and agriculturalists on the grounds that the lack of access to banking and other numeric related services.

Keywords: MFI – Micro Finance Institution, NBFC – Non Banking Financial Company, NABARD – National Bank for Agricultural and Rural Development, JLG – Joint Liability Group, SHG – Self Help Groups, SEWA – Self Employed Women Association, JRY – JawaharRojgarYojna, WWF – World Wide Fund

Introduction:

Bulletin of Microfinance

It all started in mid 1970's to provide credit to the poor and necessities, people who were generally excluded from formal financial services. The model regained its lionization and has since been replicated in low and high income countries.

It was getting widely recognized that improvising in the income level of low-income community is essential to improve their wellbeing. Numerous savings clubs and burial societies were found all over the world, this led to the emergence of micro-financing.

It's puzzling to elucidate the origin of microfinance all over the world, yet low lying is the heterogeneous parts of the globe who hitched with microfinance movements they are - microfinance in Europe, Germany, United Kingdom, Latin America, India and many more.

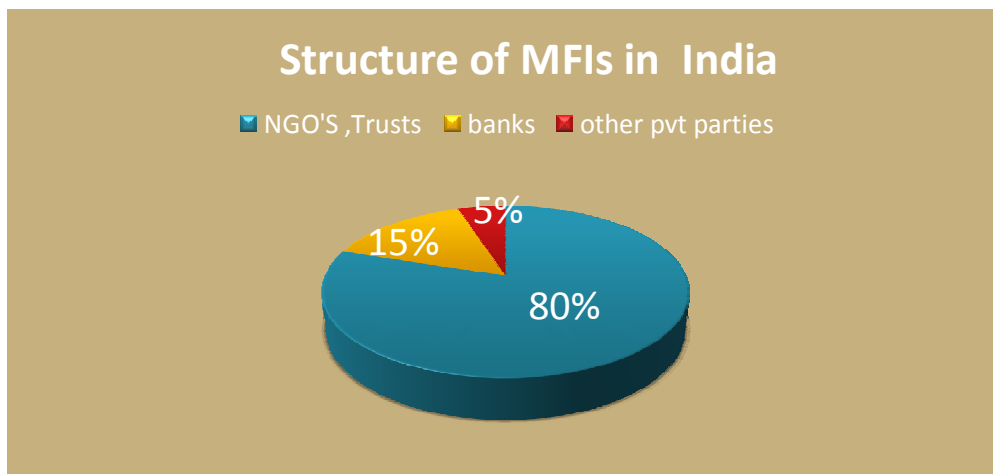
Microfinance :

- Loans are given without security.
- Loans are given to those who lie under below poverty line.
- Members of Self Help Group enjoys microfinancing.

Debut of Microfinance in India

Muhammad Yunus Nobel prize winner, introduced the concept of microfinance in Bangladesh in the form of Grameen Bank. NABARD took this idea and started the concept of microfinance in India. First official interest in informal syndicate lending in India was taken up by NABARD in 1986-87.

Indian micro-financing institutions today are predominately NGOs ie; 80% of microfinance institutions are operating under Trusts with clear developmental agenda.

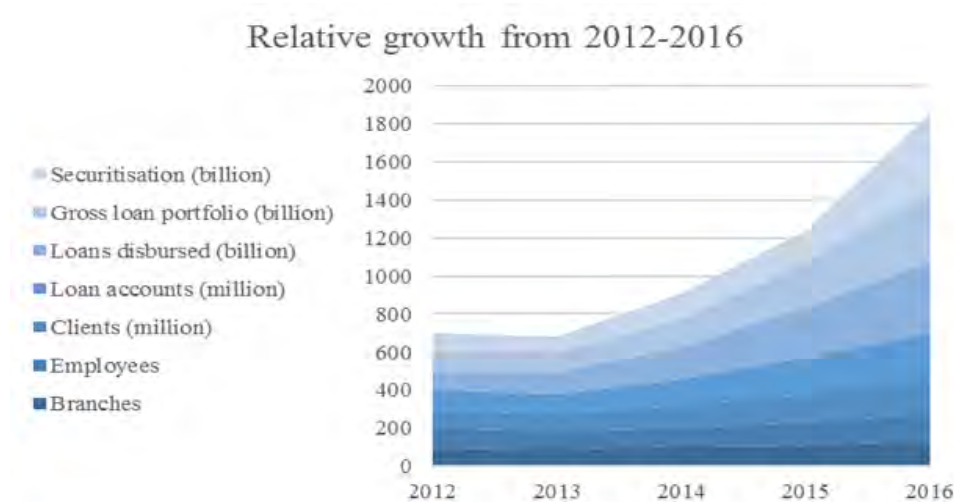
Graph representing the % share of banks and NGOs in the Microfinance sector.

To fill the vacuum in financial system *SEWA Bank in Ahmedabad and WWF, Chennai* and paramounting number of NGOs came in sync .JRY skewed towards agricultural labour in 1960's. Government and RBI played their proactive role through branch expansions in rural areas and village development programmes to sow the seeds of development in the urban sector.

Reasons for vast Growth of microfinance institutions :

“ The success of MFI does not comes from the capital that is disbursed but, comes from the developed network and principle to provide lasting change for low income group”.

/



Collateral Security – banks don't entertain tiny crumps of people demanding loans for their startup or any other related financial help because they lack collateral security .thus, gets restricted from financial support. Rather this is not with the MFI's , they disburse loans without mortgaging the borrowers property

Cutting Tenure on Loans lending–“ Longer the tenure , the higher is the compound interest that the institute earns from borrowing”. MFI's provides short tenure loans rather than compared to those 20-25 yrs loan deposit , this helps towards free flow of cash among institution.

Three model – minimum entry requirement, manageable risk , with joint liability models and non-profit loans that are close to percentage claps towards success of MFI's.

Collaborative Ties – Learning from experience, collaborative ties with NGO's , SHG, social enterprises, through banks help towards extending services beyond financing.

Digital Wind – “ the willing of rural customers to accept the digital model has been very high.” Micro loans disbursal in rural areas is undergoing digital transformation with MFI's preferring cashless modes .as per MFI network the loan amount disbursed through cashless mode was 87% in first quarter of FY19.

“Demonetization and awareness created by Jan dahn Yojna on financial inclusion of bank accounts has boosted digitalization.”

Microfinance Bill 2012 :

The MFI Bill 2012 was introduced in lok Sabha in MAY 22,2012.

- The bill aimed to provide development and regulation of MFI's.
- Also, the bill allows Central Government to form State Council for better involvement and coordination of states.
- RBI will construct **Microfinance Development Fund** for funding of MFI's . This will be partly funded by the central government.
- Proposes to create **Credit Information Bureau** for collection of database regarding clients of microfinance services .

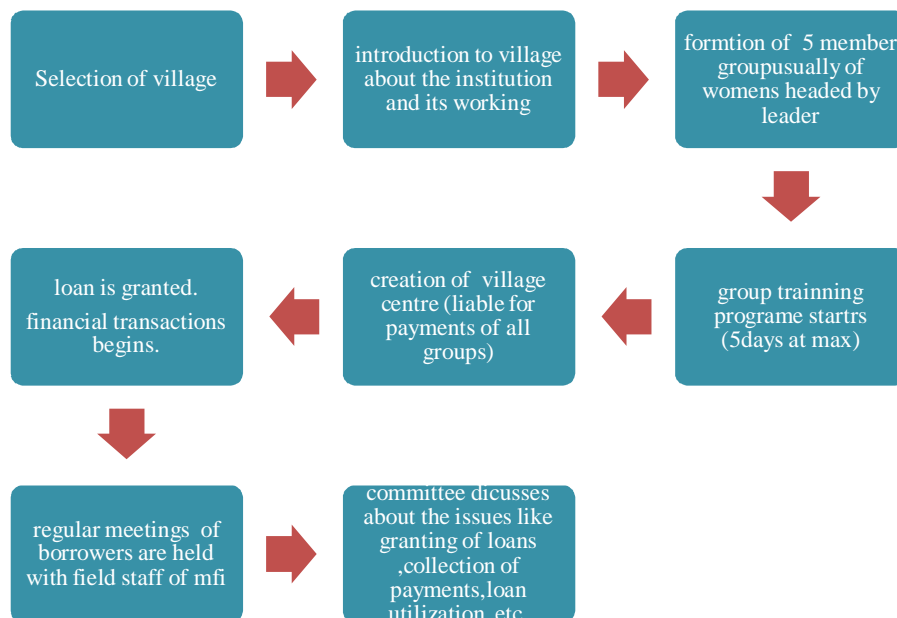
- To form a **redressal mechanism** for solving grievances between client and MFI.

Working Hookups :

While MFI offer solution to banking exclusion, they also play a vital role in society which forces them to **operate differently than traditional banking institutions**. The eligibility criteria assessed before granting each loan, do not focus on strong financial guaranties but rely more in human criteria.

MFI's can operate under different status, they may function as

- A non-profit (often a NGO)
- A mutual fund or cooperatives.
- A commercial company (banks or other companies such as NBFC's)



Shoppers of Microfinance

In microfinance loans, savings and insurance are delivered in small denominations to poor clients who lack collateral security, credit history or other assets to enter the formal financial system.

Low-income mobs who are self-employed but are void towards methodical financial indulgences are typically the clients of micro-financing institutions. **Majority of borrowers come from the rural and semi-urban areas.**

Funders in Microfinance :

- **Shareholder's equity** – They are the founders of organization, they start the ongoing activity and helps towards various formal duties such as acquiring the license , setup offices.

- **Venture Capital** – venture capitalists are another set of people who invest money in MFI’s , startups for their expansion.
- **Private Equity investments** – The most common types of investors are usually the private equity firms, venture capital firms or an angel investors.
- **Grants and Donations** – They are donated equity in the terms of MFI’s books of recipients. Donations from foundations, NGO’s ,charities, CSR activities are received by MFI.
- **Bank Loans** – MFI’s do borrow loans from bank to generate initial working capital of company.

Case Study on Bandhan Bank

“Bandhan Bank is one of India’s new universal bank, focused on serving the unbanked and underbanked population in India. At Bandhan Bank our values revolve around our transparent business ethics, unwavering consumer focus and corporate responsibility towards society at large .”

-----**Bandhan Bank**

History :

NGO took birth in 2001 under the leadership of Chandra Shekhar Ghosh. Until now it has successfully completed 18 years of service to society. Started its work with delivering microfinance services to women of rural and semi urban areas , with initial capital of 2 Lakhs In 2006, achieved status of NBFC. In JUNE 2005, this leading MFI was granted Banking Licence. Institution follows Grameen Model of banking i.e. to take credit decisions at branch level, unlike other MFI’s. Majority of customers are poor economically backward with annual income of less than Rs. 50,000.

Offerings by Bandhan Bank :

NAME	LOAN AMT	LOAN TERM (mth)	INT. RATE	% OF RURAL	PURPOSE
Suchana loan	1000 -25,000	12	18.80 %	60%- 80%	Business
Shrishti loan	25,001- 1lac	48	18.80%	60%- 80%	Business
Suraksha loan	1000 -10,000	12	10.52%	60%- 80%	Medical emergencies
Sushiksha loan	1000 -10,000	12	10.52%	60%- 80%	Children education
Kisan Credit Card	Upto 3lacs	60 mths from one business cycle	12.35% - 17.28%	80% -100%	Agriculture

Interest rates :

MFI’s generally have higher interest than banks. This is because of following main reasons-

- They provide loans without collateral security.
- MFI’s usually lend money they have themselves borrowed from somewhere else.

- Interest rates of MFI's generally range between 10 - 25%.

NAMES	INT.RATES (max)
Bandhan Bank	18.80%
Ujjivan SM bank	23.25%
SKS Finance	19.15%
Janalakshmi Fin.	25%
Grameen Bank	20%
Equitas	25.5%
SUM =	131.7%

Hence,

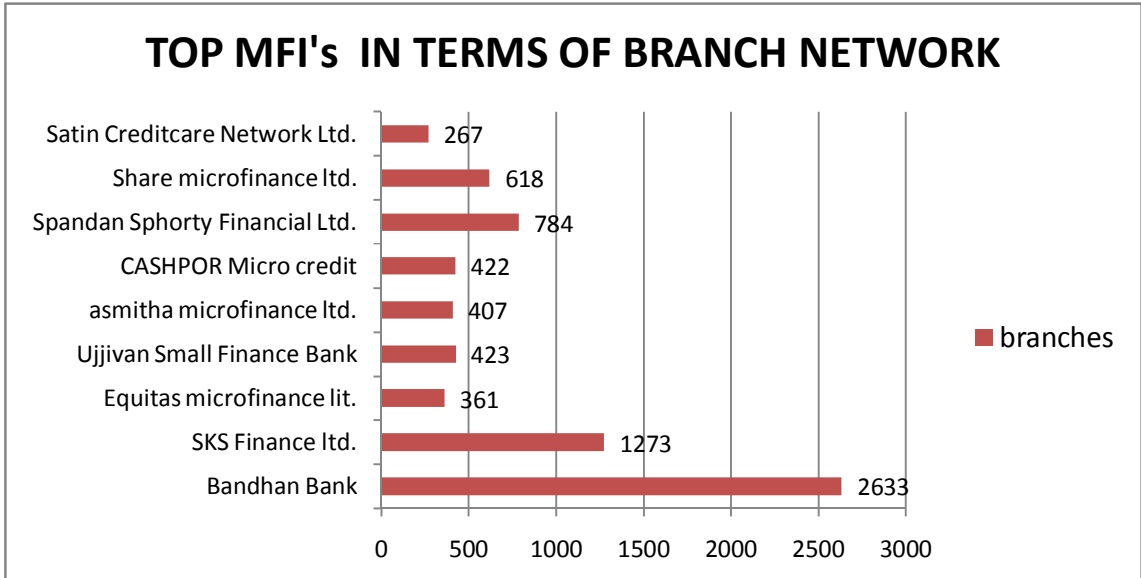
Average rate of interest = $131.7\% / 6$

=21.95%

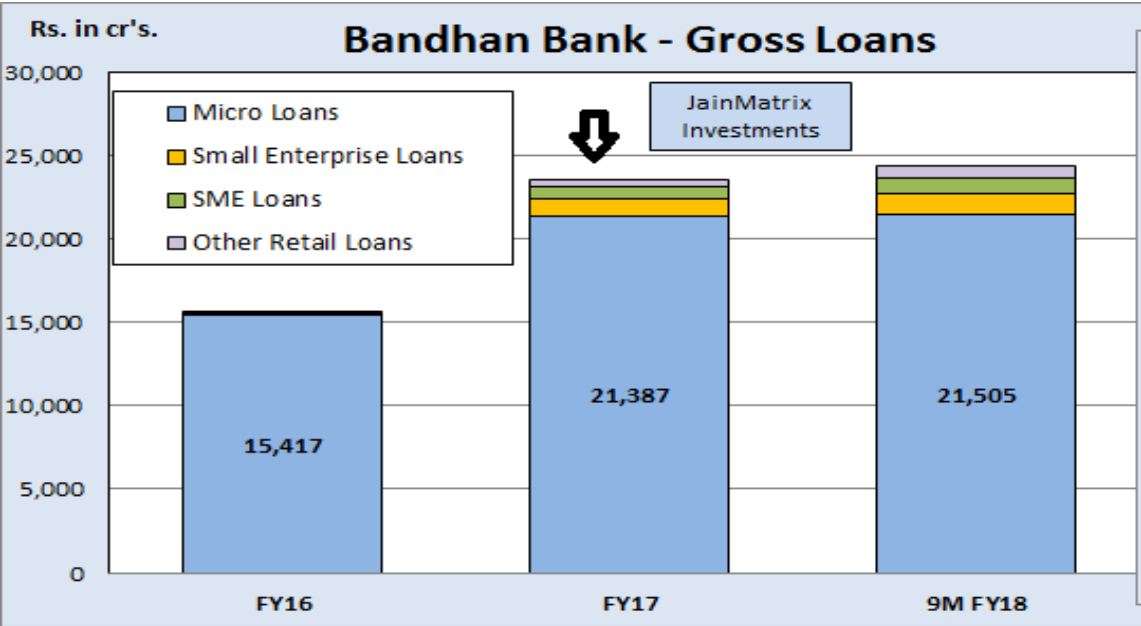
Driving Inclusive Growth Through and Extensive Network :

Its branches offer a full range of banking services. These branches are strategically located across India. Bandhan Bank is leveraging digital technology solution to enable growth and reduce cost

	Semi urban and Rural areas	Urban cities	Metro cities
Branches	54%	29%	17%



Even though Bandhan Financial Services LTD. has obtained the status of bank , but still their major work of field remains micro-financing. This can be studied through the following figures.



The Financial Year 2017-18 in Retrospect :

“During this year we consolidate our bond with customers with an expanded range of offerings, benefits, and services. We grew up by expanding our reach, onboarding more

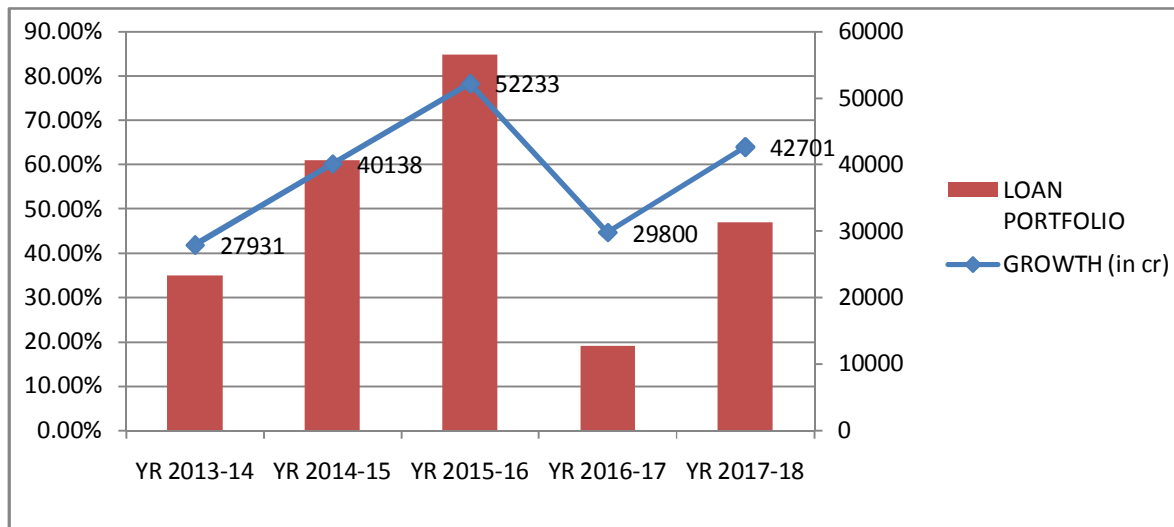
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customers and ensuring customer satisfaction by catering to their requirements.”
Annual report, Bandhan Bank

45.81% growth in liability books.	55.40% increase in small enterprise loan portfolio.	35.71% increase in term deposits.
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According to the annual report of year 2017-18 :



Bandhan Bank began its journey among women in rural West Bengal. Ghosh founded bank 2001 as Bandhan Financial Services Ltd. at a time when most established banks were wary about lending to small borrowers without credit history unlike other players in microfinance industry Bandhan join the league of big banks only in Aug 15.

“ A single bank can lend so much to a MFI , but if we become a bank then my funding is unlimited. Small is beautiful but big is necessary.”

- Ghosh

“ I am excited to share our first -IPO result 2017-18. This financial year was a great landmark in the bank’s history as we successfully completed 4,473 crores rupees in IPO in March 2018. We value the trust and confidence our investors have reposed on us .”

-----Chandra Shekhar Ghosh

MD & CEO

Bandhan's Road Ahead :

- Persistent focus on micro-lending, while expanding further.
- Continue to reinforce our liability franchise.
- Strengthen our digital platform.
- Bank aims at launching of HTM’s (Human Teller Machine)

Summary :

- Thus, from this study work we found that Bandhan Bank over the period of time has constantly grown with increase in the loan portfolios and profits.
- The NGO which initially started with 2lakhs and was giving micro credits to poor women by itself borrowing funds from others is currently making huge profits.
- In the July-September quarter of this financial year, the bank posted a net profit of Rs331 crore and its gross non-performing assets stood at 1.26% of its total loans.
- Another major reason behind the success is, lower interest rates as compared to its competitors available in the market.

Conclusion :

Through case study and analysis of topic we confirm that yes, Bandha Bank played an eminent role towards growth of rural economy and development of rural women in India. Thus, our hypothesis is achieved. Microfinance hence helps in the uplifting rural poor. This is certainly proved by our figures and graphs.through digitization model and JandhanYojna , the sector of microfinance has boosted.

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Failure of Brands in Indian Market

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Abstract:

The commodity marketplace is flooded with various brands. The requirement of the seller's brand to stand out among other parallel brands is crucial. Hence, there is a fierce competition among the sellers to make their products or services stand out in the market, thereby winning new consumers and retaining the existing ones. At times, it even leads to diverting the consumers following other brands to the seller's brand. To remain competitive in the marketplace, strong brand management is required.

Introduction:

“A product is something made in the factory; a brand is something the customer buys. A product can be copied or imitated by a competitor; a brand is unique. A product can be outdated; a successful brand is timeless.”

– Stephen King (WPP Group, London)

Brand Management

Brand management is a concept which deals with strategizing and evaluating brands in terms of brand positioning, target customers, brand perception and brand image. For brand management, the company should maintain a good image among the customers. The main objective of brand management is to ensure that the product and service highlight the quality of the brand.

The brand image component of brand management can be maintained by tangible as well as intangible aspects of the product. Tangible aspects of brand management include the core product, price, packaging, augmented product etc. The intangible aspects of brand management include product positioning, customer experience, value added services, customer relationship with the brand. Brand manager is responsible for all these.

Literature Review:

Brand Management Process

Brand management process includes the following steps:



Reference: www.mbaskool.com

1. Identify Brand Positioning and Value

The first step in the brand management process is to understand the product and service offering in terms of positioning and brand value it offers to the customers. This is the foundation for companies as how they want the customers to perceive their product or service is a part of brand development.

2. Brand Marketing Planning

Brand building is the next step in brand management for a product/service. This process includes creation of the brand by creating components like pricing, packaging, customer service etc. Also, brand awareness techniques like marketing, branding & advertising also come under this step.

3. Measuring Brand Performance

It is not simply important to create brand but to also measure its performance vis-à-vis competitors & other market dynamics. This step in brand management identifies parameters like brand recall, brand preference, brand recognition etc.

4. Growth & Sustainability

The final step in the brand management process post evaluation is to improve the brand performance to ensure growth and sustainability. Brand equity is the measure of the quality offered by a product and service.

Conclusion:

1) Advantages of Brand Management

There are several benefits of brand management, some of which are highlighted below:

1. Brand management helps create an emotional connect between customers and products.
2. Effective brand management helps the business grow as consumers become loyal and advocate for the products & services. Customer loyalty further helps boost business.
3. Taking critical and important feedback helps companies improve based on consumer insights.
4. Brand management helps companies adapt their strategies with changing times based on the needs and requirements of the customers.

2) Brand Failure

Brands can inhibit the performance of companies if they are not properly managed. For example, one mistake a new company can make is to undermine the importance of the brand and dismiss establishing a brand.

Some reasons behind brand failure:

- 1) Brands usually fail because they break the established bond between the brand and its customers.
- 2) Brand failure can also relate to the traditional view on branding in the modern business environment.

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- 3) Branding can be harmful if the company is being branded on the wrong basis. This includes branding on price, level of service or quality.
- 4) Branding can fail if company is unable to understand the market situation.
- 5) It is important to have analytical plan for brand management and market competition, if company is not able to calculate and understand market competition than branding fails.

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ग्रामिण भागांच्या विकासात वृद्धाश्रमांचे योगदान

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Abstract

भारत हा विकसनशील देश असून भारतीय अर्थव्यवस्था ही शेतीवर आधारित आहे. कृषीप्रधान देशात 68.84: जनता ही ग्रामिण भागात राहते. मात्र आजच्या घडीला तरुण पिढी शिक्षण, नौकरी, चांगले जिवन जगण्याच्या शोधात शहराकडे धाव घेऊ लागले आहेत. आणि ग्रामिण भाग ओस पडत आहे. एकुण लोकसंख्येचा विचार करता 35% वृद्धसंख्या देशांतर्गत आहे. त्यातील 23% वृद्धसंख्या ग्रामिण भागात असल्याचे आढळते. विविध कारणांमुळे देशातील 12% वृद्ध निराधार असल्याचे आढळतात.

18व्या शतकात औद्योगिक क्रांती घडून आली. नविन तंत्रज्ञानाचा शोध लावून दळणवळणची साधने निर्माण झालीत. या औद्योगिक अवस्थेत मानवाने बरिच प्रगती केली मात्र या उद्योग प्रधान अर्थव्यवस्थेतून पर्यावरण वि-यक प्रश्न निर्माण झालेत. कुटुंब विघटनाचा मोठा परिणाम वृद्धांवर होऊ लागला. स्वतःची व कुटुंबाची गरज पूर्ण करण्यासाठी वृद्धांचा आधार दूर जाऊ लागला. आणि वृद्धांना आधारासाठी वृद्धाश्रमांची पायरी ओलांडावी लागली.

देशाच्या कोणत्याही कानाकोपऱ्यात वृद्ध राहात असतील तरी त्यांना विशिष्ट वयानंतर आधाराची गरज असते. एकाकी जिवन जगणे शक्य नसते त्यामुळेच वृद्धाश्रमांची निर्मिती झाल्याचे स्पष्ट होते. 2 ऑक्टोबर 1952 रोजी ग्रामिण विकास योजना ग्रामिण भागाचा विकास साधण्यासाठी हा विकास नियमित व्हावा याकरिता जर वृद्धाश्रमांची स्थापना सरकारद्वारा व समाजसेवी संस्थांद्वारा ग्रामिण भागात झाल्यास ग्रामिण भागाच्या विकासाला अधिक हातभार लागेल.

सामाजिक आधार, शिक्षण, धैर्य यावर सामाजिक परिवर्तन अवलंबून असते. सामाजिक परिवर्तन हा सांस्कृतीक परिवर्तनाचा एक भाग आहे. सांस्कृतीक परिवर्तनाचे क्षेत्र हे सामाजिक परिवर्तनापेक्षा व्यापक आहे. सामाजिक दृष्ट्या एकात्मक आणि विभेदात्मक प्रक्रिया समाजात आढळतात. एकात्मक प्रक्रियेत मिळून मिसळून राहणे, परस्परांशी जुळवून घेणे, नव्या व जुन्या पद्धतीचा संगम करून ऐक्य राखणे आपणास आढळते. आणि याचाच चांगला परिणाम समाजावर, कुटुंबावर, ग्रामिण व शहरी भागावर होत असतो. आधुनिक काळात संपुर्ण कुटुंब नौकरीच्या किंवा इतर कारणाने एकत्रित राहू शकत नाहीत. त्यामुळे त्यांची चांगली व योग्य सुविधा होणे आवश्यक आहे. या गरजेमधून वृद्धांप्रती आत्मीयतेच्या भावनेतून व समाजसेवेच्या सहकार्यातून वृद्धाश्रमाची स्थापना होऊ लागली.

वृद्धांना सहकार्य करणे हा हेतू समोर ठेवून बरेच व्यक्ती, संस्था, सामाजिक संस्था पुढे येऊ लागल्यात. वृद्धाश्रमांचे स्वरूप साधारणतः वृद्धांना आधार विसावा देणारे असावे त्यांच्या पैशांचा व भावनांचा दुरुपयोग करणारे नसावे. वृद्धांना आनंदी ठेऊन त्यांना उद्योगक्षम ठेवणारे, सतत जीवनाची व जगण्याची

प्रेरणा देणारे असतात. उर्वरित आयु-य सुख-समाधानाने घालविण्यासाठी अनेक उपाय-योजना वृद्धाश्रमात असाव्यात. त्यांचे मन रमेल भावी आयु-य सुखमय होईल आणि ज्यांच्यापासून वृद्ध दुरावल्या गेलेले आहेत त्यांच्याशिवाय चांगले सुखमय जिवन जगणे त्यांना सहज शक्य व्हावे यासाठी सर्वोत्तोपरी प्रयत्न करणे आवश्यक आहे.

वृद्धाश्रमाच्या स्वरूपाचा विचार करता प्रत्येक देशातील लोकसंख्या, तेथील वृद्धांचे प्रमाण, तेथील आर्थिक परिस्थिती, सरकारी मदत अशा विविध घटकांवर वृद्धाश्रमांचे स्वरूप अवलंबून असते. विकसित देशांच्या तुलनेत अविकसित देशात व्यक्तींचे आर्युमान कमी असते. दारिद्र्य, बेकारी, सकस आहाराचा अभाव, आरोग्यविषयक सोयींचा अभाव अशा अनेक कारणांमुळे व्यक्तींचे आर्युमान कमी झाल्याचे आढळते. त्यामुळे वृद्धांच्या एकुण लोकसंख्येशी असलेले प्रमाणही कमी झालेले आहे. याऊलट विकसित देशात सर्व सुख सोयी उपलब्ध असल्या कारणे वृद्धांच्या आर्युमानात वाढ झाल्याचे दिसून येते. देशाला विकसित देशांच्या यादीत नेण्याकरीता आणि वृद्धांना चांगले जिवनमान देऊन त्यांचे आर्युमान वाढविण्याकरीता, तसेच जगण्याची नविन संधी, उमेद निर्माण करण्याकरीता जर वृद्धाश्रमांची निर्मिती ग्रामिण भागात केली तर वृद्धांच्या समस्या दूर होण्यासोबतच ग्रामिण भागातील समस्या दूर होण्याकरीता एक चांगली सुरुवात होईल.

भारतीय अर्थव्यवस्थेचा विचार केल्यास ब्रिटीशपूर्व भारतीय अर्थव्यवस्था ही ग्रामिण भागात असून स्वयंपूर्ण होती. साधारणतः खेडेगावातच लोकांच्या गरजा पूर्ण होत असत. खेडी ही स्वयंपूर्ण होती आणि भारतीय अर्थव्यवस्थेचा पाया हा शेती होता. 1818 मध्ये पेशवाईचा पाडाव झाला आणि इंग्रजी अंमल सुरू झाला. पेशव्यांच्या नौकरीत असलेले अनेक लोक बेकार झालेत. मराठी राज्यात कुटुंबातील काही लोक ब्रिटिशांची नौकरी तर काही शेतीवर जगत. तेव्हा एकत्र कुटुंबव्यवस्थेमुळे व शेतीच्या आत्मीयतेमुळे शेतीला क्रय-विक्रयाची वस्तू कधीच मानली नाही. याच काळात ग्रामिण भागातील छोटे-छोटे उद्योगधंदे ग्रामिण अर्थव्यवस्थेचा एक महत्वपूर्ण अंग होते. गावे स्वयंपूर्ण होती. तसेच पिढीजात जातीनिहाय उद्योग असल्याकारणे कारागीरांच्या वस्तूंना स्पर्धा नव्हती. मात्र आधुनिकीकरण, यांत्रिकीकरण यामुळे निर्मित वस्तूंची स्पर्धा वाढली व स्पर्धेत उतरण्यासाठी ग्रामिण भागातील तरुण शहराकडे येऊ लागले. आणि खेडी ओसाड पडू लागलीत. शहराप्रमाणेच खेड्यात सुद्धा एकाकी वृद्धांची संख्या वाढू लागली.

ग्रामिण भागाला ओसाड पडू न देणे, अर्थव्यवस्थेत ग्रामिण भागाचा हातभार लागणे याकरीता सरकार आणि समाजसेवी संस्था द्वारा ग्रामिण भागात वृद्धाश्रमांची निर्मिती करणे होय. संपूर्ण देशांतर्गत वृद्धांचे 7.45% प्रमाण आहे. त्यापैकी 2.5% वृद्ध एकाकी उदासीत, दुःखी जिवन जगत आहेत.

पाश्चिमात्य देशात 19व्या शतकात सुद्धा वृद्धांच्या समस्या होत्या भारतात 20 व्या शतकात वृद्धांच्या समस्या उद्भवू लागल्यात या समस्येकडे समस्या म्हणून न बघता एक चांगला व प्रशस्त मार्ग काढण्याचा प्रयत्न झाला पाहिजे. प्रत्येक देशात वृद्धापकाळात चांगले जिवन जगण्याकरीता विविध प्रयत्न केले जातात. आपल्या देशातसुद्धा शिवसेना सरकारच्या काळात 'मातोश्री' नावाने अनेक वृद्धाश्रमांची स्थापना झाली. आणि प्रयत्नांसोबतच अनेक सामाजिक, खाजगी वृद्धाश्रमांना सुरुवात झाल्याचे दिसून येते.

वृद्धांच्या अनुभवाच्या आधारे व त्यांच्या आवडीनुसार लघू गृह उद्योगाची सुरुवात करता येईल. ग्रामिण भागातील तरुण पिढीला व ज्यांना स्वयंरोजगाराद्वारा उद्योग व व्यवसायाची निर्मिती करणे आहे त्यांना योग्य मार्गदर्शन करण्यासाठी होईल. त्यामुळे खेडी ही स्वयंपूर्ण होऊन ग्रामिण विकासात वृद्धाश्रमांचे योगदान प्राप्त होईल.

मुख्यशब्द/सुचनक शब्द/Keywords :- वृद्धाश्रमे, वृद्धांचे समाधान, ग्रामिण साधनसामग्रीचा उपयोग, ग्रामिण विकास

संशोधन कार्यपद्धती :- संबंधित विषयाच्या संशोधनाकरीता नागपूर जिल्हयातील ग्रामिण भागातील जनता व वृद्धाश्रमातील वृद्ध अशा एकूण 50 जणांचा विचार जाणून घेण्यात आला.

संशोधनाचा उद्देश :-

- 1) वृद्धाश्रम निर्मितीची गरज आहे काय जाणून घेणे.
- 2) ग्रामिण भागाचा विकासाच्या कारणांचा शोध घेणे.
- 3) ग्रामिण भागातील वृद्धाश्रम निर्मितीचे फायदे जाणून घेणे.
- 4) वृद्धांना सशक्त आधार देऊन उद्यमशिल व आनंदी ठेवणे.

प्रस्तावना व अर्थ :

वृद्धाश्रम : जे.पी.पचौरी यांच्या मते, “भारतातील वृद्धावस्था ही एक सामाजिक समस्या म्हणून पुढे येत आहे. जी एक स्वाभाविक जैविक प्रक्रिया आहे. वृद्धावस्था ही मानविय प्रक्रिया व समस्या असून त्याचा योग्य समाधानासाठी मानणिय दृष्टीकोण असणे आवश्यक आहे. या समस्या शारिरीक, मानसिक, मनोसामाजिक, पारिवारीक, व आर्थिक समायोजनेसंबंधी असतात. या अवस्थेलाच वृद्धावस्था म्हणतात. आणि जेथे वृद्धांना राहण्यासाठी योग्य व्यवस्था केलेली असते असे ठिकाण म्हणजे वृद्धाश्रमे होय.

हेन्नी व क्युमिंग यांच्या मते

“जीवनातील महत्वपूर्ण तसेच पुर्णपणे उपयोगी आणि ज्या विषयी अभिलाषा असते अशा आंरभिच्या काळापासून दूर जाण्याच्या प्रक्रियेस वृद्धावस्था व या वृद्धावस्थेत आश्रय देणाऱ्या संस्थांना वृद्धाश्रमे असे म्हणतात.

वृद्धाश्रमे ही फक्त वृद्धांची निवासस्थाने न बनता वृद्धाश्रमे ही कुटुंबे बनवित या संकल्पनेप्रमाणेच तेथे विरंगुळा, करमणूक, तसेच तेथील लोकांमध्ये व निसर्गात रमनात होता येईल असे वातावरण तेथे असावे. परिसरातील लोकांमध्ये आत्मियता प्रेम, जिद्दाला असणे आवश्यक आहे. सोबतच उर्वरीत आयुष्य जर उद्यमशिल राहून वृद्धांनी व्यतीत केले तर ते आनंदी राहातील ज्या उद्योग व्यवसायात वृद्धांना आवड आहे, तसेच कला-कौशल्य, हस्तकला, त्यांच्या छंद यापासून नवनिर्मिती करणे सोबतच स्वतःच्या आयुष्यभर केलेल्या कार्याचा मोठा अनुभव त्यांच्या पाठीशी असतो. त्याचा चांगला उपयोग ते स्वतःसाठी व तरुण पिढीला मार्गदर्शन करण्यासाठी करू शकतात. त्यामुळे वृद्धाश्रमांची निर्मिती ही ग्रामिण भागात झाल्यास विविध नैसर्गिक सौंदर्याचा आस्वाद घेत शांततापूर्ण व आनंदी जिवन जगुन ग्रामिण भागाचा उजाडपणा दूर होण्यास मदत प्राप्त होईल व ग्रामिण भाग परत बहरून येईल.

सरकारद्वारा वृद्धांसाठी तरतूदी :

1973 कोड ऑफ क्रिमिनल प्रोजिसर च्या कलम 125 प्रमाणे सर्व कमवित्या आणि पुरेशी प्राप्ती असणाऱ्या व्यक्तींवर आपल्या आई-वडीलांचे पोषण करण्याची जबाबदारी टाकण्यात आली आहे. या कायद्यानुसार, वृद्धांना सामाजिक सुरक्षा देण्याचा दृष्टीने वृद्धाश्रमे, दिनकेंद्रे, गृहसेवा व्यवस्था, निवृत्ती वेतन,

भविष्य निर्वाह निधी, वृद्धापकालीन निवृत्ती वेतन इत्यादी अनेक उपक्रम सुरू केलेले आहे. आज भारत देशात वृद्धांसाठी वृद्धाश्रमे ही काळाची गरज म्हणून बघण्यात येते. त्यामुळे सरकारी, खाजगी पातळीवर वृद्धाश्रमे निर्मितीवर भर दिल्या जात आहे.

पुणे शहरात 1947 मध्ये सवहक्षणात असे आढळले की, 23% वृद्ध वृद्धाश्रमात जाण्यास उत्सुक होते. ते प्रमाण आज 2018 मध्ये डबल झाल्याचे दिसून येते.

निवृत्तीनंतर आणि संसाराच्या मुक्ततेनंतर प्रत्येकाला निवांत ठिकाणी उर्वरित आयुष्य घालवयाचे असते. तसेच अनेक वृद्ध विविध कारणांमुळे शहरात एकाकी व रूक्ष जिवन जगत असतात. अशा परिस्थितीत त्यांना मोकळ्या जागेची, हवेची, निसर्गाची, जिद्दाळ्याच्या लोकांची व लहान-मोठ्या कार्यात गुंतून राहण्याची नितांत गरज असते. वृद्धाश्रमाची निर्मिती जर ग्रामिण भागात मोठ्या प्रमाणात झाली तर आज ओसाड पडलेली गावे पुन्हा बहरून येतील व गावांच्या विकासाला अप्रत्यक्षपणे नविन वाट मिळेल.

आजच्या घडीला 2018 प्रमाणे भरतात. 5,97,464 गावे असल्याचे आढळते. सर्वात अधिक लोकसंख्येचे गाव उत्तर प्रदेशातील गाजीपूर हे आहे. तेथे जवळपास 25000 लोकसंख्या आहे.

भारतातील प्रमुख वृद्धाश्रमे :

भारतातील पुढील ८ शहरातील ग्रामिण भागात वृद्धाश्रमांची स्थापना फार पुर्वीपासून झालेली आहे.

वर्ष	शहर	वृद्धाश्रमाची नावे
1840	बंगलोर	द फेन्डस इन निड सोसायटी
1865	पुणे	डेव्हिस वृद्धाश्रम
1885	कलकत्ता	लिटिल सिस्टर फॉर पुअर
1890	दिल्ली	होम फॉर ऐजेड हॅन्डीक्राफ्ट
1912	सुरत	अशक्त व्यक्तीसाठी आश्रम

वृद्धांच्या ऐकाकपणाची समस्या ही देशामध्ये फार पुर्वीपासूनच अस्तितवात होती हे लक्षात येते. त्यामुळे देशातील विविध शहरांमध्ये वृद्धाश्रमांची स्थापना करण्यात आली.

एका विशिष्ट पहाणीनुसार दर दहा वर्षात वृद्धांच्या संस्थेमध्ये वाढ होत असल्याचे लक्षात येते.

वर्ष	वृद्धाश्रमांची एकूण संख्या	टक्केवारी
1961	21 दशलक्ष	5.63%
1971	32 दशलक्ष	5.96%
1981	44 दशलक्ष	6.49%

1991	56 दशलक्ष	6.80%
2001	76 दशलक्ष	7.45%

वृद्धांच्या वाढत्या संख्येसोबतच समस्यांमध्ये वाढ होत असल्याचे लक्षात येते. व एकाकी जीवन जगणाऱ्या वृद्धसंख्येत वाढ होत असल्याचे दिसून येते. म्हणून ग्रामिण निमशहरी भागात वृद्धांमध्ये निर्माण करून त्यांच्या सुरक्षितते बरोबरच ग्रामिण भागाचा विकास होऊ शकतो.

भारतातील वृद्धांमध्ये :

भारतात आजच्या घडीला 728 वृद्धांमध्ये आहेत. त्यापैकी योग्यप्रकारे सुरू असलेली 547 आश्रमे आढळतात. 325 वृद्धांमध्ये वृद्धांकडून कोणताही शुल्क आकारले जात नाही. 95 वृद्धांमध्ये वृद्धांना किंवा नातेवाईकांना नियमित शुल्क भरावे लागते. शैजल - चंल ही सुविधा प्राप्त होते. 101 वृद्धांमध्ये फक्त महीलांकरीता स्थापन झालेली आहेत. महाराष्ट्रात 124 वृद्धांमध्ये आढळलीत अकरी कोटीवर लोकसंख्या असणाऱ्या महाराष्ट्राच्या लोकसंख्येच्या बाबतीत दुसरा क्रमांक लागतो. 2011 च्या सर्वेक्षणानुसार महाराष्ट्रात 43,665 खेडी आहेत. तर नागपूर जिल्हात 1899 खेडी असल्याचे लक्षात येते. या विस्तृत ग्रामिण भागाचा वृद्धांमध्ये निर्मितीमुळे फक्त वृद्धांची समस्या दूर होणार नाही तर ग्रामिण भागाचाही विकास घडून येईल

ग्रामिण भागात वृद्धांमध्ये निर्मितीचे फायदे/महत्त्व

1) संसाधनांचा महत्त्व उपयोग :-

ग्रामिण भागात नैसर्गिक साधन संपत्ती मोठ्या प्रमाणात उपलब्ध असते. प्रशिक्षण, शिक्षण, अनुभव यांच्या अभावामुळे त्याचा योग्य त्याचा योग्य उपयोग होत नाही. वृद्धांमध्ये शि्षित व अनुभवी वृद्धांच्या मार्गदर्शनाखाली त्या साधन-संपत्तीचा पुरेपुर उपयोग ग्रामिण भागाच्या विकासाकरिता करता येईल.

2) दळणवळणाच्या सोई व साधनात वाढ :-

ग्रामिण भागात वृद्धांमध्ये सरकारी, निमसरकार, खाजगी अधिकारी, नातेवाईक, देणगी दाते, सेवाभावी संस्थांचे अधिकारी असे अनेकजण ग्रामिण भागाला भेटी देणार त्यामुळे दळणवळणाच्या सोयीमध्ये वाढ होईल.सोबतच नियमित ये-जा असल्यामुळे वाहतुकीच्या साधनात वाढ होऊन व्यवसाय निर्मिती होईल.

3) विविध सोयीमध्ये वाढ :

रस्ते, वाहतूक,वाहणव्यवस्था, वीज, पाणी इत्यादी अनेक सोयी वृद्धांमध्ये निर्मिती मुळे घडून येतील आणि आज पर्यंत ग्रामिण भागातील लोकांना ज्या संकटाना सामोरे जावे लागते अशा सोयींची निर्मिती होणे शक्य होईल.

4) वृद्धांच्या अनुभवांचा उपयोग :

वृद्धांमध्ये बरेच वृद्ध चांगल्या नौकरी व व्यवसायात कार्यरत असतात. निवृत्ती नंतर त्यांच्या आयुष्यातील अनुभव ग्रामिण भागातील तरुण विद्यार्थी महीला यांच्या मार्गदर्शनासाठी होऊ शकतो. व त्या आधारे भावीपीढी कार्यरत व कार्यकुशल तयार होऊन ग्रामिण भागाच्या विकासासोबत देशाच्या विकासाला हातभार लागेल.

5) तरुण पिढीला मार्गदर्शक :

वृद्धाश्रमातील वृद्ध स्वतःच्या कार्याचा अनुभव तरुण पिढीला सांगून त्यांना योग्य मार्गदर्शन करून प्रेरीत करण्यास साहाय्य करू शकतात. प्रेरीत व प्रोत्साहीत झालेले तरुण नवीण संकल्पना व नवीण तंत्राच्या साहाय्याने नवनिर्मिती घडवून आणू शकतात. व ग्रामिण भागाच्या विकासाला हातभार लावू शकतात.

6) विविध छंदाद्वारे गृह-लघु उदयोगांचा विकास :

वृद्धाश्रमातील वृद्धांना आयुष्यभर आपली आवड व छंद जोपासने शक्य होत नाही. मात्र निवृत्ती नंतर ग्रामिण भागाच्या सानिध्यात राहून विविध छंद जोपासून ग्रामिण कारीगीर व लोकांच्या मदतीने त्याचे रूपांतरण गृह-लघु उदयोगात करणे सहज शक्य होते.

7) स्थलांतरणाचा व्हास :

शिक्षण, रोजगार, व्यवसाय तसेच नौकरीच्या शोधात ग्रामिण भागातील मुले, तरुण, महिला शहराकडे स्थलांतरण करित असतात. वृद्धाश्रमाच्या व वृद्धांच्या मदतीने या सर्वांना ग्रामिण भागातच योग्य शिक्षण प्रशिक्षण दिल्यास त्यांच्यावर स्थलांतरणाची वेळ येणार नाही.

8) ग्रामिण भागाचा विकास :

सतत ग्रामिण भागातील जनता शहराच्या मोहपाशात अडकून शहराकडे येत असतात. मात्र ग्रामिण भागातच वृद्धाश्रमांची निर्मिती झाल्यास शहरामधूनच वृद्धांचे नातेवाइक, डॉक्टर, समाजसेवी संस्था, सरकारचे सहाय्य, देणगीदार जर ग्रामिण भागाकडे भेट देत असेल तर ग्रामिण भागाचा विकास झाल्याशिवाय राहणार नाही.

तात्पर्य :

उर्वरीत आयुष्य सुखी-समाधानी जगण्याचे स्थान ग्रामिण भागात वृद्धाश्रमाच्या निर्मितीमुळे सहज शक्य होईल. शहरी वातावरण, गोधळ प्रदुषण, भेसळ यापासून दूर नैसर्गिक वातावरणात राहण्याचा आनंद वृद्धांना नक्कीच प्राप्त होईल. त्यामुळे त्यांना दिर्घआयुष्य लाभून एकटेपणाची जाणीव नष्ट होईल. तसेच वृद्धांच्या अनुभवाच्या आधारे ग्रामिण लोकांचा विकास होण्यास सुरुवात होईल. आज ओसाळ पडलेला ग्रामिण भाग पुन्हा फुलायला लागेल. वृद्धांचे अनुभव शिक्षण तेथील लोकांना मार्गदर्शन करणे प्रशिक्षण देणे याकरीता होईल. त्यामुळे ग्रामिण भागात उदयोग व्यवसायाची वाढ घडून येईल. स्थलांतरण थांबेल. ग्रामिण भागातील अर्थव्यवस्था सुदृढ होण्यास मदत होईल. वृद्धाश्रम निर्मिती मुळे ग्रामिण भागाचा विकास होऊन देशाचा विकास होण्याकरीता योगदान प्राप्त होईल.

संदर्भसूची :

- 1) भारतीय अर्थव्यवस्था - डॉ. गुप्ता
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