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Special issue on

25 YEARS OF ECONOMIC REFORMS IN INDIA
(IC25YERI)

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**INTERNATIONAL CONFERENCE ON
25 YEARS OF ECONOMIC REFORMS IN INDIA (IC25YERI)
28 & 29 January, 2017**



Organized by
Department of Economics,
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Patented Pharmaceuticals and Pricing Mechanism in India: Role of Research Institutions and Regulatory Authorities

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Abstract: *The prices of Medicines which are listed in the essential medicines list are controlled in India while there is no control on prices of medicines, which are not listed, patented medicines and indigenously developed medicines. The opportunities and challenges posed by such market driven policy needs to be evaluated. There is need to understand whether the medicines listed in the essential medicine list are adequate to cater the needs of Indian population. Mechanisms and frequency to decide the inclusion and exclusion criteria for medicines in this list needs to be debated. The pharmaceutical industry develops produces, and markets drugs or pharmaceuticals for use as medications. Pharmaceutical companies may deal in generic or brand medications and medical devices. They are subject to a variety of laws and regulations that govern the patenting, testing, safety, efficacy and marketing of drugs. In these aspects the research paper concentrates on the regulatory and research instructions role in the patented pharmaceuticals pricing in India.*

Introduction

The Indian pharmaceutical industry has achieved an eminent global position in Parma sector and has been witnessing phenomenal growth in the recent years. India is fast emerging as a world leader in generic pharmaceuticals production, supplying 20 per cent of the global market for generic medicines.

In India, there are 300 large companies and over 10,000 medium and small-scale companies in the sector. About 77% of them make formulations and 23% APIs (Bulk drugs). While we are largely self sufficient in Formulations it is in APIs (active pharmaceutical ingredient) that the scenario is worrying. For APIs which hold the key to Formulations manufacturing we are dependent to the extent of 70% of requirements on China. Chinese bulk drug makers, with the active support of the state, have built

gigantic capacities which allow them economies of scale their Indian counterparts are unable to match.. It is in the above context that GOI had declared the year 2015 as year of Bulk drugs or APIs. A bulk drug manufacturing policy is also in the anvil.

India in Pharmaceutical Patents Regime

TRIPs, the intellectual property component of the Uruguay round of the GATT Treaty, have given rise to an acrimonious debate between the developed countries and less developed countries (LDCs). Business interests in the developed world claimed large losses from the imitation and use of their innovations in LDCs. They also asserted that IPRs would benefit the developing countries by encouraging foreign investment, by enabling transfer of technology and greater domestic research



and development (R&D). On the other side, LDC governments were worried about the higher prices that stronger IPRs would entail and about the harm that their introduction might cause to infant high tech industries. India was very actively involved in opposing the TRIPs component of the GATT agreement, especially the proposal for product patents on pharmaceutical innovations. Indira Gandhi succinctly summed up the national sentiment at the World Health Assembly in 1982: "The idea of a better-ordered world is one in which medical discoveries will be free of patents and there will be no profiteering from life and death." Now that India has signed the treaty, though most unwillingly, it is committed to introducing pharmaceutical product patents 2004, a value analysis i.e. cost-benefit analysis of this move is essential for India.

The Indian Patents Act 1970

This legislation implemented in 1972 made pharmaceutical product innovations, as well as those for food and agrochemicals, unpatentable in India thus greatly weakening IPR protection. It allowed innovations patented elsewhere to be freely copied and marketed in India. Therefore foreign firms did not find patenting in India worthwhile. This act further restricted import of finished formulations, imposed high tariff rates and introduced strict price control regulation with the 1970 Drugs Price Control Order. This gave a boost to the Indian pharmaceutical industry.

Research institutions in pharmaceutical industry

The global pharmaceuticals industry is highly research intensive and innovative firms spend on average about 15 per cent

sales turn over in R&D. However, R&D expenditure as percentage of sales turnover (R&D intensity) of Indian pharmaceuticals industry remained less than 2 per cent throughout the period till the beginning of the new millennium. The report of the Hathi Committee (Government of India 1975) observed that R&D intensity was only 1.1 per cent in 1973. Perhaps the low R&D intensity is explained by the fact that Indian companies were engaged primarily in the manufacture of generics and development of non-infringing processes and not in new drug development, which involves huge investments. The process patent regime under the Patents Act 1970 enabled Indian companies to manufacture and market patented drugs using non-infringing processes. With the change in the Government's approach to the private sector and the creation of new incentive mechanisms (product patent rights), the R&D intensity began to increase from 2000-01 and reached its peak in 2005-06. This increase has entirely been accounted for by the private sector and the R&D intensity of the public sector industry still remains below the 2 per cent mark. Since the R&D intensity of public sector industry is very low and its share in total industrial investment in R&D (public industry and private industry combined) is negligible our focus of analysis will be on private industry.

Indian Pharmaceutical Pricing

The pharmaceutical industry develops, produces, and markets drugs or pharmaceuticals for use as medications. Pharmaceutical companies may deal in generic or brand medications and medical devices. They are subject to a variety of laws and regulations that govern the



patenting, testing, safety, efficacy and marketing of drugs.

Considering the Indian population, the country's economic condition including the unequal distribution of wealth and particularly, the overall health issues faced by a substantially high number of people, the government is very active in ensuring equitable distribution and availability of medicines at fair prices. In respect of the price control of drugs, the central government acts through the National Pharmaceutical Pricing Authority (NPPA), a body that was set up in 1997 especially for this purpose.

The central government publishes a National List of Essential Medicine (NLEM) from time to time, the latest one being in 2011 which is also included in the Drug (Pricing Control) Order, 2013 (DPCO). This list contains a list of medicines, which ought to not be sold at the price beyond what is fixed by the central government. Additionally, the DPCO provides that in extraordinary circumstances, and in public interest, the government can fix the prices of the "non-essential drugs" as well.

Pricing of Patented Drugs

Regulating prices of patented drugs is an issue long debated in the country with no indication of an immediate decision in sight. The Department of Pharmaceuticals (DoP) had set up an expert committee in 2013 consisting of members from the ministry of commerce, ministry of health, National Pharmaceutical Pricing Authority and also one from the DoP to look into the pricing of patented drugs in the country. DoP has been attempting to regulate prices of patented drugs after the amendment of the Patent Act since 2005. It came out with a draft policy on pricing

of patented drugs in 2013 after consultations with all stakeholders. The draft policy was based on the report by the Committee on price negotiations for patented drugs appointed by the government eight years ago. This Committee was of the view that prices of patented medicines in the country are quite high considering the per capita income and purchasing power of the people. But, there was no action on the part of the government to implement the recommendations of this committee.

The multinational drug companies continue to launch more and more high priced patented drugs in most therapeutic groups taking advantage of the current policy vacuum. Patented drugs are expensive on account of excessive profiteering, loading of huge trade commissions and uncontrolled promotional expenses by the MNCs. Apart from high pricing of patented drugs; MNCs have been also claiming patent rights for products which are not actually new molecules since 2005. An ongoing patent dispute on several drugs in various courts in the country from 2005 testifies these unethical practices. In the absence of accountability and stringent regulations, doctors are at their own free will to prescribe these drugs, which cost much higher than generic drugs, to patients who have no option but to buy them. Doctors and pharmaceutical companies exploit this helplessness of patients to promote patented drugs which are sometime 10 times costlier than low-cost alternatives.

National Institute of Pharmaceutical Education and Research (NIPER)

National Institute of Pharmaceutical Education and Research (NIPER) is the



first national level institute in pharmaceutical sciences with a proclaimed objective of becoming a centre of excellence for advanced studies and research in pharmaceutical sciences. The Government of India has declared NIPER as an 'Institute of National Importance'. It is an autonomous body set up under the aegis of Ministry of Chemicals and Fertilizers, Government of India. The Institute is conceived to provide leadership in pharmaceutical sciences and related areas not only within the country.

Pharmaceutical Costs

With the introduction of patents, the inventor will try to maximize his profits and therefore price his drug higher than if there were no patents. Correspondingly the consumption of the drug will be lower. This represents an indirect welfare loss to Indian consumers because of higher prices associated with introducing product patents. In addition to this are the direct costs of administering the patent system and enforcing patentee rights through the courts in case there are infringement disputes.

Competition

Pharmaceutical products face intense competition from other pharmaceutical companies in India and abroad and introduction of new products by competitors may impair the Company's competitive advantage and lead to erosion of revenues. Instability in any one economy will not have a major influence on the Company. Overall, the healthcare industry is not price elastic and is hence, reasonably insulated from recession.

Regulatory & compliance risks

The pharmaceutical industry is constantly being challenged by critical

compliance risks viz. to comply with rigorous regulatory requirements and compliance is evolving from an isolated departmental initiative to an enterprise level risk management challenge. Some of the competitors, especially multinational pharmaceutical companies, have greater experience in clinical testing and human clinical trials of products and in obtaining regulatory approvals. This could render Pharmaceutical Company's technology and products noncompetitive or restrict the Company's ability to introduce new products thereby adversely impacting business.

Pharmaceutical Company's should a full-fledged EHS (Environmental, Health, and Safety) team which is continuously addressing the issues of environmental safeguards by conducting periodical safety audits and training programs.

Pricing risks

Pharmaceutical products are subject to price controls or other pressures on pricing. The price controls limit the financial benefits of growth in the life sciences market and the introduction of new products. Companies should be able to cope with pricing pressures and focus on quality assurance to minimize the possibilities of commoditization. The in-house R&D is striving to develop cost effective products by redefining the production process/facility.

Patent protection risks

Patent protection success depends on the Company's ability in future to obtain patents, protect trade secrets and other proprietary information and operate without infringing on the intellectual property rights of other pharmacy companies. Pharmaceutical companies' inability to obtain timely ANDA



(Abbreviated New Drug Application) approval, thus missing out on early launch opportunities and litigation outcomes could affect product launch date. Pharmaceutical companies should take adequate care to respect trade secrets, know-how and other proprietary information and ensure that the employees, vendors and suppliers sign confidentiality agreements.

Activity Based Costing (ABC)

The concept of ABC was developed in the manufacturing sector of the United States during the 1970s and 1980s. During this time, the Consortium for Advanced Management-International, now known simply as CAMI, provided a formative role for studying and formalizing the principles that have become more formally known as Activity-Based Costing. Robin Cooper and Robert S. Kaplan, proponents of the Balanced Scorecard, brought notice to these concepts in a number of articles published in Harvard Business Review beginning in 1988. Cooper and Kaplan described ABC as an approach to solve the problems of traditional cost management systems.

ABC has introduced for calculation of cost price product or services. ABC is one of the new costing methods with an increasing application throughout the world. These methods, in calculating the cost price, apply complexity, variety, product mix and specific features. A distinct feature of this method is the ability to diagnose exact costs and to present the non-financial information to improve the performance and efficiency of activities.

ABC Implementation in Pharmaceutical Company

Pharmaceutical companies operate in conditions of high volatility environment. The present trend of changes is leading to an increase of competitiveness of the pharmaceutical companies, an increase of products needs, as well as a rise of expectations of patients and payers. Pharmaceutical companies use cost accounting to estimate the unit cost of products they provide. Such information helps establish a realistic budget; price, identify inefficiencies and project the effect that changes in demand would have on resource requirement. Situation on global markets, which is changing dynamically, the field of pharmaceutical companies included, makes managers to be forced to constantly seek new and effective methods and management tools. Basic knowledge of the management should be provided by cost information. Information obtained on the basis of traditional cost accounting is full cost accounting and variable cost accountings are now insufficient models. It is therefore ABC is important to apply as can help to provide useful information about the type and amount of resources used and reduction possibilities in production. ABC systems in pharmaceutical companies focus on activities that require to producing products which consume resources by activities. Using ABC system, overhead costs are traced to pharmacy products by identifying the resources, activities and their cost objects of pharmacy products. An ABC system can be viewed in two different ways, they are: 1) The cost assignment view provides information about resources, activities and cost objects, and 2) The process view provides operational (often non-financial) information about cost drivers, activities and performance.



CMA's Role on Pharmaceutical Pricing Mechanism

In this increasingly complex global marketplace, manufacturers must use segmentation analysis, health outcomes research, parallel trade evaluation and demand analysis to frame a consistent pricing strategy for pharmaceutical companies. Thus CMAs by applying Benchmarking method in this regard can assist management to frame suitable pricing strategy by analyzing and comparing with other market leaders. Benchmarking helps to determine whether the company is performing particular functions and activities efficiently, whether its costs are in line with those of competitors, and whether its internal activities and business processes need improvement.

Indian government mulls price controls on patented drugs

The Indian government is looking to widen the scope of price controls on pharmaceuticals. In a move that could create another potential hurdle for multinational drug companies doing business in India, the Department of Pharmaceuticals is examining a proposal to look into the pricing of patented drugs in the country, reports The Pharma Letter's India correspondent.

"A committee constituted to look into the issue of price negotiation mechanisms for patented drugs had earlier submitted its report. This was shelved because the market dynamics had changed drastically. The matter is now being re-examined in the department," according to official sources. Currently, there is no system of price negotiation for patented drugs.

He pointed out that, though a committee was established several years ago to frame a mechanism that would serve to bring down the price of patented medicines in India, either by way of negotiation or reference pricing, the policy never saw the light of day despite repeated consultations with stakeholders.

This time, the government seems to be serious, with detailed information being sought from the National Pharmaceutical Pricing Authority (NPPA), which regulates drug prices in the country.

Seeking details

Pharmexcil (Pharmaceutical Export Promotion Council) pointed out that patented drugs currently constitute 9% of total market of \$21 billion.

The NPPA has been asked to tabulate data once again on the number of patented medicines currently available in India, their market share, prices, date of grant of patent and expiry. The aim is to co-relate it to the disease burden across the country to arrive at a suitable pricing mechanism.

The drug price regulator had earlier sought details of patented medicines imported or manufactured for sale in India. "Now, it wants to know the therapeutic use and current price, as part of a drive to cap their rates," adding that the NPPA would then study the growth of the drug industry over the past few years, since the earlier proposal was shelved.

India's domestic drug industry has also been growing. The Indian pharmaceutical market increased at a compounded annual growth rate (CAGR) of 17.46% in 2015 from \$6 billion in 2005, and is expected to expand at a CAGR of 15.92%.



Noting that India's rapidly growing pharmaceutical market is expected to grow to \$55 billion by 2020 and emerge as the sixth largest globally by size, the government official added the Indian pharma sector continues to have a competitive edge over others because its productions costs are significantly lower than that of the USA and almost half that of Europe.

Opposing views

However, there are many opposing views on the need to bring patented drugs under the ambit of price control. While a section believes that patented drugs, with the exception of those that qualify for exemption from price control under Para 32 of DPCO 2013, should be compulsorily brought under the price control mechanism, there is a divergent view that a pricing policy on patented drugs might affect the compulsorily license provisions in the country.

Underscoring India's competitive edge, at a multinational drug maker pointed out that India has been systematically implementing price controls on various aspects of the pharmaceutical market, "including medicines on the essential drug list. We are not opposed to price controls, but one has to take into account the detrimental impact such policies have on innovation."

Stating that controlling the price of patented drugs would have little to no meaningful impact for India's patients with respect to the cost of healthcare or access to medicines, given the small fraction it represents, the corporate official said the impact on the development of new products for the Indian market could be very significant.

Cheaper prices

The Department of Pharmaceuticals pointed out that some patented drugs have exorbitant pricing, and that any move to control the price would provide much needed affordability, especially to life-saving medicines. "There exists a huge price difference even between branded drugs and branded generic medicines," said the official, citing some examples.

Cetirizine tablets by Cipla cost 27.16 rupees, while a generic is available for 2.24 rupees. Similarly, alprazolam tablets from Cipla cost 11.85 rupees, while a generic is available for 2.20 rupees. Ciprofloxacin tablet from Cadila is available for 54.84 rupees, while a generic costs 15.00 rupees. Similarly, fluoxetine capsule from Cadila cost 29.80 rupees, while a generic costs 6.00 rupees.

Stalemate on Pricing Patented Drugs

The policy of price control in pharmaceutical industry continues to remain partial and unfair to patients in India as large number of expensive patented drugs still remains outside the purview of Drug Price Control Order. Indian Patent Act was amended in 2005 almost after 35 years of its notification allowing product patent to new drugs and pharmaceuticals. Since then multinational drug companies have been applying for patents for several hundreds of drugs for marketing in the country. The patented drugs are expensive on account of excessive profiteering, loading of huge trade commission and promotional costs. Apart from excessive pricing of patented drugs, MNCs have been also claiming patent rights for products which are not actually new molecules since 2005. The patent offices in the country have thus granted patents



to dozens of products which do not actually merit patent protection at all. Filing of multiple patent applications for various forms of the same drug is possible within the framework of the amended Patent Act. A study brought out by Indian Pharmaceutical Alliance in 2009 found that at least 86 cases of patents granted for pharmaceutical products were with just minor variations of existing molecules. And between 2005 and 2010, about 13,000 patents have been issued to various chemicals and pharmaceuticals by Indian patent offices. Granting a patent means allowing exclusive marketing right for the product for 20 years.

Principles of economics within the pharmaceutical industry

Prior to examining how principles of economics influence the "market" for pharmacy-related goods (e.g., prescriptions) and services (e.g., medication therapy management), we suggest beginning with a didactic review of the simple supply and demand for goods sold in a perfectly competitive goods market. The perfectly competitive market provides a baseline reference, against which certain aspects of pharmaceuticals and healthcare goods and services can be compared to typical goods and services.

The Imperfect Market for Drugs

In the real world, a perfectly competitive market rarely exists. One or more assumptions are violated in most markets and certainly this is the case in the pharmaceutical market. While many market distortions impact the cost of developing drugs and their market prices, we propose that the following 6 topics be discussed within a pharmacy education curriculum: (1) monopoly power, (2)

barriers to entry, (3) regulatory environment and the impact on supply and demand, (4) third party insurance, (5) asymmetric information, and (6) short-term shocks to supply and demand of pharmaceuticals.

Monopoly Power

Pharmacists often face questions from patients regarding how the prices of medications are determined and why, in some cases, they are so expensive. Unlike markets for other goods, in the pharmaceutical marketplace there are a limited number of manufacturers (often just one for a particular drug) and the medicines being sold are not identical (homogenous), but rather are differentiated (heterogeneous). The seller's market power for branded drugs arises because (1) there is just a single manufacturer; (2) there is no exact substitute for the medicine being sold; and (3) there is a guarantee via patent protection that no potential competitor may manufacture an identical drug and sell it at a lower price in the short run. As a result, the branded manufacturer is able to make profits.

Barriers to Entry

A number of factors allow a pharmaceutical manufacturer to act as a monopolist, giving the firm strong market power and the ability to set high prices. These factors create barriers to freely entering the pharmaceutical marketplace and limit market access. Barriers allow firms to obtain higher profits than would be realized in a purely competitive marketplace, but simultaneously provide incentives for introduction of new pharmaceuticals into the marketplace. Three key factors create barriers: (1) patents, (2) first mover



market advantage, and (3) economies of scale and high fixed costs.

Regulatory Environment and the Impact on Supply and Demand

The government influence on selling and buying of pharmaceuticals through supply-side and demand-side economics, respectively. Examples of supply-side economic impacts include the patent protection of branded pharmaceuticals, but also include the FDA review process, which serves as another barrier to entry (although arguably an intentional barrier to assure that only safe and effective medicines are sold). Other supply side regulations include an overall research and experimentation tax credit as well as an additional tax credit for orphan drug development. Perhaps the most significant demand-side regulation results from the 1960s when the Medicare and Medicaid programs were enacted.

Regulation can either move the equilibrium price closer to or further away from the perfectly competitive price. Clearly, patent regulations provide monopoly power to branded drug manufacturers in the short term and, therefore, raise prices in the short term. One could argue that the average price over the long term is much lower because the generic prices that emerge after patent expiration are an indirect result of the initial branded product.

Third Party Insurance

Any discussion of health care markets in the United States needs to address the complex insurance market by analyzing how the insurance market affects the supply and demand of health care goods and services. Insurance provides cost sharing and thereby reduces the price

that the patient perceives when purchasing prescription drugs. The out-of-pocket cost to the patient depends on the level of coinsurance and deductible. Coinsurance is the percentage of the total cost paid by the insured patient. The remainder is paid by the insurance company. A deductible is a fixed dollar amount that the patient must pay each year before the insurance company starts paying for any of the cost. Once the deductible amount is reached, coinsurance may apply.

Asymmetric Information:

The market for goods works under the assumption that all buyers and sellers have complete and accurate information about the price, quantity, and quality of the good being sold and no barriers to obtaining this information. In the pharmaceutical market, there is both incomplete and inaccurate information, as well as an imbalance in the amount of information about a drug possessed by the manufacturer, clinicians, and patients. Asymmetries in information may lead to suboptimal outcomes in the market. For example, if a clinician knows more about the treatment options than the patient, she may encourage the patient to adopt treatments that the patient would not otherwise have used. In most cases, this may be a good outcome.

Short-term Shocks to Supply and Demand of Pharmaceuticals:

Unpredictable disease outbreaks or shortages associated with unanticipated inventory problems also impact supply and demand. When new pandemics, natural disasters, or wars occur, there is a sudden increase in the demand for certain pharmaceuticals, such as antibiotics, vaccines, or wound care



products. In the short term, the supply of such pharmaceutical products is constrained.

Conclusion

The requirement for economics has increased in the pre-pharmacy and pharmacy, yet many still have trouble understanding and explaining what makes the market for drugs different in patented pharmaceuticals and its pricing mechanisms. The goods and services traded in the market economy pharmaceuticals are perhaps the most contentious. Though produced by private companies, they constitute a public good, both because they can prevent epidemics and because healthy people function better as members of society than sick ones do. They carry a moral weight that most privately traded goods do not, for there is a widespread belief that people have a right to health care that they do not have to smart phones or trainers. Innovation accounts for most of the cost of production, so the price of drugs is much higher than their cost of manufacture, making them unaffordable to many poor people. Firms protect the intellectual property (IP) that drugs represent and sue those who try to manufacture and sell patented drugs cheaply. For all these reasons, pharmaceutical companies are widely regarded as vampires who exploit the sick and ignore the sufferings of the poor.

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Education system in ancient India-an overview

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Abstract : Every civilization has been identified as having possessed some source of knowledge. This knowledge has been passed on to the future generations, which enabled further discoveries for the betterment of mankind, through modifications or adaptability, to newer trends and needs. Education as a science cannot be separated from the educational traditions that exist before. Education was the natural response of early civilization to the struggle of surviving and thriving as a culture. Adults trained the young of their society in the knowledge and skills they would need to master and eventually pass on. The evolution of culture, and human beings as a species depended on this practice of transmitting knowledge. In pre-literate societies this was achieved orally and through imitation. Story telling continued from one generation to the other. Oral language developed into written symbols and letters. The depth and breadth of knowledge that could be preserved and passed soon increased exponentially. When cultures began to extend their knowledge beyond the basic skill of communicating, trading, gathering food, religious practices etc, formal education and schooling eventually followed.

Key words: Education, Pandits, Vedic period,

Introduction:

Ancient India had been the land of inventions and innovations. India can boast of the establishment of the world's first university in 700 B.C. More than 10,500 students all over the world studied more than 60 subjects in Takshashila University. Aryabhata, the Indian scientist, invented the digit zero. Place value system and the decimal system were developed in India in 100 B.C. The value of "pi" was first calculated by the Indian Mathematician Budhayana, who also explained the concept of Pythagoras theorem. Trigonometry, algebra, calculus studies were originated in India; Shridharacharya used quadratic equations in the 11th century.

Bhaskaracharya calculated the time taken by the earth to orbit the sun hundreds of years ago, even before the astronomer Smart. Aayurveda was the earliest school of medicine known to the

mankind. The father of the Aayurved medicine Charak, consolidated Aayurveda 2500 years ago. Finally, Yoga and Pranayam for the physical fitness and mental peace are the universal gift of India to the entire human civilization.

The education system of ancient India was culturally and spiritually enriched and advanced. The foundation of ancient education system was religion. As religion played predominant part in the education system, the ultimate aim of the same was to seek "moksha" "*SavidhyayaVimuktaye*" The temples and the community centers formed the role of schools. Sanskrit was considered to be the mother of many languages and sciences was also the language of learned men and the language of teaching.

Review of Literature:

- Sri. Aurabindo (1948) in his edition titled Mahabharatha and Ramayana showed that the Ramayana embodied the



Indian imagination to its highest and tenderest human ideals of character, made strength courage gentleness; purity fidelity and self-sacrifice familiar to it in the most harmonious forms colored, so as to attract the emotion and the aesthetic sense.

- Saran (1954) attempted to analyse the Gurukula system of education and to explore the possibility of reinstating it in India in a modernized form. He has studied some peripheral concepts regarding the Gurukula system, in comparison with western models—in order to show the superiority of the rishi-aim of God realisation, and some suggestions and exhortations were given. His main suggestions are: (1) the pupil should read and question their guru in a homely atmosphere. (2) The students should develop a religious outlook and aim at God-realisation. (3) Education should be imparted in a democratic way and (4) it should help to strengthen the national solidarity along with international understanding.

- RadhakumudMookerji (1960) in his detailed study of Ancient Indian Education brings to light the educational ideas found scattered in Hindu thought. He has stated that the aim of life and education was the realization of the absolute truth known as God. Education must aim at self-fulfillment and not merely the acquisition of knowledge. Education must not be limited to the brain or to the development of the physical senses. The aim should be to transform the entire personality of man. Education is a process of control of the mind. The total individual is its chief concern. The pupils have to imbibe the qualities and ideals of the teacher. The students should catch the ideas of the teachers.

- Charle's study on Bhagavat Gita (1971) points out that Bhagavat Gita contains many ideas which could become the basis for a sound advanced philosophy and the same is quite significant for various aspects of Educational systems in India.

- The research in Indian universities in the field of the history of education is based on the three earlier surveys (Buch, 1974; Buch, 1979; Buch, 1986) and also the abstracts of the 51 doctoral theses included here.

- RadhaKumudMookerji establishes the standard in scholarly analysis and presentation of Vedic Education in his definitive statement, Ancient Indian Education (1989). He combines two important scholarly attributes; knowledge of the Sanskrit language, with a depth of historical insight into the development of educational concepts, methods, institutes and curriculum. He also highlights significant salient features of the Vedic educational system, which are especially relevant for an appreciation of their contemporary counterparts.

- Joshua David Stone(2003) pointed out that the Ramayana contains the essence of the more technical Vedic scripture with a simplistic treatment to reach the common men. He also asserted that the Ramayana is a text book of morals and ideals for youth and people of all ages to enjoy and aspire. He pointed out the high educational ideals that the Ramayana focuses.

- **APARNA BASU (2005):** According to him, to achieve their aim not only did Brahmans develop a system of education which, survived even in the events of the Crumbling of empires and the changes of society, but they, also Through all those thousands of years, kept a glow of torch



of higher Learning. In the words of AparnaBasu, Education in ancient India was free from any external control like that of the state and Government or any party politics. It was the kings duties to see that learned Pundits, pursued their studies and performed their duty of imparting knowledge without interference from any source what so Ever.

• **Swami Sunishthananda, October 2005: Vedic Concept Of Education:**

According to him, the best teachers are those who not only teach but also make their pupils worthy citizens possessing noble virtues. In an ideal educational process, a teacher is supposed to be a father figure, a role model. He attempted to interpret various aspects of education based on the teachings. Paul G. O'Sullivan(2008) in his Research Gurukula system of education examines the social dimension of Vedic education and considers the importance of a supportive culture. He Presents the Gurukula system of education (Gurukula) in a contemporary context. He has given in details about the Gurukula system of education and his main focus was that in modern education institution should be like gurukula type.

Objectives:

1. To Analyse the Aims of Education in ancient india
2. To Discuss fundamentals of Ancient Indian Educations
3. To explain the duties of teacher and student during Vedic & post Vedic period.
4. To explain The Method of Teaching in india

Research Methodology:

The study is total analytical .For this study data and information has been collected from secondary sources, with the help of Newspapers, Research Articles, Research Journals, E-Journals,

Aims of Education

Religion occupied a prominent place in the Vedic period. The ancient Indian literature is the vehicle of religion. It also had the trend of religious publicity. Ancient Indian education system also developed on the same line. In India the knowledge was gained to attain salvation (Moksha). Dr. R.K. Mukerji says, "Learning in India through the ages had been prized and pursued not for its own sake, if we may so put it, but for the sake and as a part of religion. It was sought as the means of salvation or self-realization, as the means of highest end of life, viz., Mukti or Emancipation".

The ultimate air of human society of that age was the achievement of Absolute (Brahma). It is fully pervaded in the entire visible world.

A man should engage in Karmopasana i.e. 'work of worship' and thus purify his inner senses and gain the 'Absolute'. The soul forgets the 'Absolute' due to ignorance and illiteracy and so it thinks itself as one who is neither born or dies and suffers in miseries. The Vedic Education was based on an organized and thought out scheme with a message to humanity.

The Form of Education:

Vedic Education is considered as the main basis for Vedic Education. The literal meaning of 'Vedas' is knowledge. The word is derived from 'Vid' root meaning 'to know'; thus 'Veda' means the knowledge of various types. Vedas are composed in verse but some portion of its



written in prose. The knowledge of Aryan culture is stored in them.

It is said that Vedas were not written in ancient times and they were traditionally inherited by disciples and also by sons from their teachers (Guru) and fathers. The four Vedas are Rig Veda, Yajur Veda, Sama Veda and Atharva Veda.

The Method of Education:

The hymns of Rig Veda show that Vedic Education was carried on verbally, but there were two methods of Vedic Education: (i) first, the Rig Vedic hymns were composed, and (ii) second, they were preserved.

The first was based on the inward meditation, which enabled the formation of the hymns. The second was based on outward learning method which enabled the presentation. In Rig Veda Acharya Guru is called 'Agnipracheta' which means specially learned.

Vedic hymns were the traditional properties of the various families of the Rishis. They were verbally preserved in the families of Vamdeva, Attri, Bharadwaja, Vashistha, etc.

Methods of Teaching:

Undoubtedly, Indian system of education was psychological. Verbal education was imparted in such a way that it could be preserved four thousands of years. Mr. K.M. Panikkar in his book *A Survey of Indian History* has said, "A unique degree of verbal authority has been maintained up to this time in the form the utterance and the 'matras' of the sacred texts."

The hymns were learnt outwardly by remembering and they were realized through meditation and

realization. Therefore, the 'Acharya' used to produce the hymns quite correctly and the student repeated them. Side by side their mistakes were also corrected. As the education was based on a settled line, so the sound (*Dhvani*), words (*Shabda*) and verses (*Chhanda*) were pronounced in their original form, and the practice made them perfectly efficient, not only in learning the hymns but also in the systematic line of learning.

To keep the hymns entirely correct the 'Samhita-path', 'Pad-path', 'Jay-path' and 'Gyan-path' were practiced. Moreover, there are 52 *Dhvanis*(sounds), 13 vowels and 39 consonants and the correct pronunciation of all these were attained duly. 'AitareyaBrahmana' describes the three methods of pronunciation as free words, double words, gradual pronunciations.

The general belief of the people in Vedic age was that the incorrect pronunciation of the hymns caused the sin and destroyed their effect.

The word 'Mantras' means worshipping hymns *i.e.*, the meditation helped preservation of the meanings of the 'Mantras' and development of the sound of the disciple. Therefore, the disciple tried to understand the sense and the echo of the scene by meditation of every word of the hymn and thus realized the spiritual elements and their experience. There were such students were called 'Shrutdhars' and the hymn says that ' I had met such regulated and royal life in which they kept their senses diverted away from worldly attraction and concentrated on the ultimate knowledge of Absolute. Thus, they realized the real light of spiritual knowledge. Being enlightened they entered the society as the Guru of the people.



In Vedic education, meaningless outwardly knowledge has been condemned and a person having meaningless outwardly knowledge has been compared with a donkey loaded with 'Chandan wood'. An also, "The mere crammer of Vedic texts has been condemned as Arvak by the Rigveda". It is true that to maintain the meditation system well the meritorious students were taught in this system. Similarly there are also evidence in Rigveda that many Rishis of Rifveda were Kshatriyas and Ambreesh. Treaadayu and Aswamedia, etc., composer of AitareyaBrahmana, Mahidas was the son of a shudra mother. In short all the four castes were eligible for gaining education in Vedic period. Dr. Mukerji says, "The non-Aryans and depressed classes of these days must have considerable access to Vedic learning to be able to take part in these scarifies.

Women education: According to a statement by Dr. Altekar "Home, of course, was the main centre of the education of girls in the domestic science." It is true that women were taking part I every ritual with their husbands, and this was indeed necessary. They used to take part openly in all the rituals and ceremonies. If girls, were looked after and education in the same way as the boys and many amongst them gained highest education and were called 'Brahma Vadini' and achieved the status of 'Rishika'. Some of the women were regarded as 'Devis' and even composed hymns. Apala, Homasha, Shashpati, GhoshalMamata, Lopamudra were notable among them. Women were given practical and useful education also as spinning weaving etc., which is mentioned in 'Rigveda' and 'Atharvaveda'. Word Duhita' used for

daughter is derived from 'Duh' root and means one who milks the cows, too. It shows that in Vedic age, women were milking the cows, too. Thus, it is clear that women were given 'Shastriya' as well practical education.

Characteristics of Vedic Education:

The following are the characteristic of Vedic Education:

1. Gurukul
2. Idea of Guru
3. Duties of Shishyas (students)
4. Relation between Guru and Shishyas.
5. Education.
6. Women Education.
7. Physical Education.

(1) *Gurukul:* In those days the wards were sent to 'Gurukuls' or the homes of the 'Acharayas' for education, just after the 'Upanayan' ritual. Then they were called 'Anteuasin' or 'Gurukuwasee'. There they led the life of chastity and purity, served the Acharya and gained knowledge. Naturally such a man acquired many qualifications of the teachers. Only 'Brahmacharis' were allowed in 'Gurukuls'. The 'Gurkuls' were fully free from the Government control and influence; therefore they continued fulfilling their aims. Dr. A.S. Altekar says, "The 'Gurukul' system which necessitated the stay of the student away from his home at the home of the teacher or in boarding house of ancient Indian education."

(2) *Ideal of Guru:* "Teachers of the Vedic age were men of highest caliber in society from the point of knowledge and spiritual progress. They possessed the



influence like fire (Agni) and chivalry like 'Indra'. Naturally they maintained general reputation. Living in their 'Ashramas' they always paid attention to the proper and spiritual development of their thoughts. They lodging and helped them in need. Thus, every responsibility of qualities of his taught as that he might become higher than himself.

(3) *Shishyas (students)*: Following were the duties of the students lived in 'Gurukul':

(a) A student had to do the service of the 'Guru' and necessary jobs of the 'Gurukul'. He had to keep 'Gurukul' tidy. He also prepared the necessities for the rituals (Yajnas) and grazed the cows of the 'Gurus'.

(b) The student had to go out for animals.

(c) Living in 'Gurukul', the students slept on the ground took simple food and obeyed the 'Guru' in all respect.

(d) His main duty was to study and he very gently learnt and attended to the instructions of the 'Guru'. Thus, it is clear that while living in 'Gurukul' he spent the life of an ideal student, which was simple and well regulated.

(4) *Relation between 'Guru' and Shishyas'*: In Vedic age, the relations between the Guru and Shishya was just like that of father and son. 'Guru' very affectionately looked after his taught". He never let them suffer in any way and always tried for their all round development and the students also tried to satisfy the teacher and so far as possible did not give any ground for displeasure to him.

In Vedic period education started in early life. They thought it essential to

begin the education in early age, for the full development of inner and outer talents of the students. The students were caused to learn the four Vedas by heart and side by side they studied ShikshaKalpa, Vyakaran, Jyotish, Chhanda, Nirukta and logic in general. They specialized in one subject. Form the view of course of the study and literature Vedic education was remarkable.

The Vedic education system was mostly psychological. Verbal and meditative, two systems were encouraged in that age. The teacher and taught were both careful. Students put forward their doubts before the teacher and he tried to remove them well. Side by side, self study and meditation was also encouraged, so that the students might realize the meaning and sense of the lesson. At completion of education *Samavartan* ritual was performed which was more or less like convocation of the Universities. Everyone without distinction of caste or creed was allowed to gain higher education. There is some evidence in Vedic literature that some Rishis were born of Shudra mother of father.

(6) *Women education*: Women education also received proper attention in Vedic age with the result that soon women became even Rishikas. They composed hymns too. They used to become part in religious rituals. They were also taught practical and useful handicrafts and households' duties.

(7) *Physical education*: Though, religious was the Vedic education, yet useful and needful subject for general public were not neglected. People could gain the education of various arts and crafts side by side. Agriculture, animal husbandry, etc., also developed well. The Rigveda mentions about stone built cities. It



means that these arts were in practical use in that age and people were aware of these sciences. The sea trade was also going on in those days and so in Vedic age education had its international and social form also.

The Aim of Education:

1. The education enables the realization of true knowledge and achievement of Absolute (Brahma)
2. The education was considered to be a process of inwardly meditation and thinking.

Importance of Guru:

Guru was given much importance during this period. Before self-study it is essential to hear from the teacher (guru) the spiritual knowledge. It is indeed, essential to sit at the feet of a 'guru' in order to gain 'Absolute knowledge'. Upanishads mention about 'Para-Vidya' i.e., physical knowledge. It is considered to be above all the knowledge (Vidyas). This knowledge enables the unity of soul and Absolute.

During this period the general duration of study was above twelve years.

Agencies of Education-Expansion:

1. *Branch or Shakha*- Denotes all the three branches of Vedas.
2. *Charans*- According to Panini only a group of disciples who studied in one branch or, 'Shakha' was 'Charan'
3. *Parishad*- The word parishad means all things expanded on all sides. In other words it has been used for a conference of learned men.
4. *Gotra or Kula*- It was based on family traditions which might be real or

imaginary. Various 'Gotra' or 'Kula' were related to ancient 'Rishis'

Samavartan Instructions: It means valedictory function. After completing education and at the time when the students were to leave 'Gurukul' for their home to enter into family life, Guru gave those final instructions and advice in order to guide them in their future life.

They were:

1. Always speaking truth
2. Fulfilling duties.
3. Never ignoring self-study.
4. Treating mother as goddess and father as god.
5. Treating Acharya (teacher) as God.
6. Never ignoring Religion.

These instructions are like the Torch Light guidance for the students. It gives the light which might enlighten the social life of the shishya.

Education of other Castes: In those days the domination of Brahmans was on the increase in the field of education. They were mainly authorized for Vedic study and spiritual knowledge but some 'Kshatriyas' had also become great 'Rishi' and learned philosophers like Janaka etc. In Post-Vedic age no reference is found about the education of 'Vaishyas' and 'Sudras'. The former engaged in cultivation, trade and commerce. The duty of the 'Sudras' was to serve the three highest castes.

Education of Women: In Post-Vedic period the women were not enjoying the social and educational privileges as they did in Vedic age. Neither they could now freely participate in social formation nor



could they inherit the family property, but their religious position was quite safe. They used to participate with their husbands in all the rituals and were authorized to gain higher education and spiritual knowledge. In the conference organized by Janaka, the famous discussion between Yajnavalkya and Gargi is well known even today. Another learned woman was Maitreyee of the wives of Yajnavalkya.

In short the women of Upanishad period were trained in dancing, music, fine arts etc. whereas men were not interested in these fine arts.

Education: Prior to education 'Upanayan Ritual' was performed to the boys. The word 'Up-nayan' means to bring near the 'Guru'. In other words the student (Shishya) was gaining the generous shelter and patronage of his guru. This ritual was performed in three days. Before the Sacred Fire he used to request the 'Guru' (teacher) to make him 'Brahmachari'. The 'Guru' used to ask certain questions about his caste and creed and when satisfied, accepted him as his 'Shisya' (disciple) and put his patronizing hand on his head.

Teacher-Disciple Relation: The disciple served his 'guru' faithfully and unflinchingly. He discharged his duties in the ashram for twelve years and during that period he got many opportunities to enrich his knowledge and put it into practical use. The teacher treated his disciple like his own sons and arranged for all facilities needed by the taught-boarding, lodging and clothing etc. The teacher would not conceal any knowledge for his disciple. It is beautifully mentioned in Taittiriya Upanishad. Knowledge of Absolute was given to the disciple after a thorough examination.

Conclusion:

Today, the importance of education is greater than ever. In today's world, students are learning about the world through new technologies and are also interacting with it. The twenty-first century has placed new importance on understanding cultures other than our own. New technologies are placing distant people only clicks into. The problem in achieving world peace is also fundamentally one of education.

Numerous individuals and groups have advocated various proposals for world peace.

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Information and Communication Technology (ICT) for Sustainable Rural Development and E-Governance in India

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Abstract: Information and Communication Technologies (ICTs) refers to systems for producing, storing, sending and retrieving digital files. These files can contain text, sounds and images, both still and moving. Information and communication technologies, and particularly the Internet, are transforming all human activities dependent on information, including those in rural areas. ICT is an integral part of the development strategy of developed and developing countries both. It is highly capable in bringing about social transformation by providing easy access to people, services, information and other desired technologies. It is highly useful for economic development, job-creation, rural development and poverty alleviation. ICT improved civil society participation in the governing process, which is also known as e-governance which opens new ways of participation of citizens and communities. It empowers them to develop their self sufficiency. ICT helps in improving living standards in rural areas by providing important social, educational, economic and health benefits. In a developing nation like India, the role of ICT in overall development becomes more important. It can contribute in almost every area such as human rights protection, health, environment protection, education and agriculture etc. Especially in rural context, it acts as an intermediary between the government and the people. This paper is focused on the role and importance of ICT for good governance and Sustainable rural development in India and made some of the suggestions to strengthen the e-governance and rural development sectors with effective ICT systems.

Key Words: ICT, Rural Development, e-governance, efficiency, participation.

Introduction:

Information and Communication Technologies (ICTs) refers to systems for producing, storing, sending and retrieving digital files. These files can contain text, sounds and images, both still and moving. Information and communication technologies, and particularly the Internet, are transforming all human activities dependent on information, including those in rural areas. ICT is an integral part of the development strategy of developed and developing countries both. It is highly capable in bringing about

social transformation by providing easy access to people, services, information and other desired technologies. Also it can empower the people by expanding the use of government services. It is highly useful for economic development, job-creation, rural development and poverty alleviation. ICT improved civil society participation in the governing process, which is also known as e-governance which opens new ways of participation of citizens and communities

Importance of ICTs for Rural Development given the importance of Information and Communication



Technologies (ICTs) in national development, countries across the globe have put in place mechanisms such as Universal Service Funds and other forms of Government intervention to achieve Universal Access to ICTs. These focus inter alia on bridging the digital divide between urban areas/populations and rural areas. The significance of bridging this divide in developing countries stems mainly from the fact that rural areas often lack or lag behind urban areas in terms of essential infrastructure and services such as transportation, health, education and government services. This creates a politically and ethically unacceptable inequality of services and opportunities for rural populations and prevents them from participating Role of ICTs in Rural Development. Rural isolation and deprivation can negatively impact growth and certainly growth cannot be sustainable unless it is inclusive. This is especially true of a nation like India where more than 70% of population resides in rural areas and is largely engaged in low productivity agriculture and allied activities. ICTs can overcome many infrastructural constraints. Through ICTs people in rural areas can connect with the local, regional and national economy and access markets, banking/financial services and employment opportunities. ICTs also serve as a instrument of awareness creation and feedback giving rural people a voice in the nation's sociopolitical life. ICTs can act as a channel of delivery of e-Government services including health and education. Thus bridging the digital divide also bridges the overall infrastructural gap and addresses other constraints faced by rural areas. ICTs can help mainstream rural populations.

Keeping in view these predominant features of rural India – Information and Communication Technology (ICT) has earned its reputation to be the key to information-flow for intensifying the development efforts in rural India and is being considered as an imperative strategy for achieving the goal of sustainable rural development. ICT and Sustainable Rural Growth Strengthening Rural Governance: Introduction of ICTs in rural India is expected to bring in changes in the whole process of rural governance by improving transparency, accountability and administrative efficiency of rural institutions, promoting participation of the poor in decision-making processes and improving the efficiency and responsiveness of rural service delivery. It can facilitate speedy, transparent, accountable, efficient and effective interaction between rural citizens - this not only promotes better administration but also saves time and transactions costs of government operations. At the same time, ICT improves interaction with and within civil society and encourages civil society participation in the rural governing process. Encouraging social transformation: Access to information is of fundamental importance to any development process. The recent development of ICT is greatly facilitating the flow of information and knowledge, beyond the border of social and economic status. In this context, ICTs are now widely recognized as a critical tool to tackle development issues in developing countries which ultimately lead to social transformation. Ensuring A Better Quality of Life: Application of ICT has the potential to improve living standards of people in remote and rural areas by providing important commercial, social and educational benefits. By expanding



the use of government services – ICT strengthens the livelihood opportunities for rural India. ICT can ensure a better quality of life for the rural poor with an improved access to markets, health, and education – which pushes rural India towards economic development, job-creation and poverty alleviation. Strengthening the Information-base of rural communities: ICT initiatives may be designed to provide support to local governance as well as to react to the queries generated by local needs of the rural communities. As rural poor are often unaware of their rights, entitlements and the availability of various government schemes and extension services, ICT can also improve their access to the information they need. It has the potential to ensure improved provision of short-term information required by the rural poor for effective livelihood strategies. Intensifying Effort towards implementation of the rural development initiatives: For ensuring effective implementation of the rural development programmes. ICT plays a crucial role through demand driven information and communication services. It has the potential to increase the benefits and reduce the opportunity costs of people's participation in the process of rural development.

Review of Literature

Duncombe and Heeks (1999) describe ICTs as an “electronic means of capturing, processing, storing and disseminating information”. **However Sen (1999)** argues persuasively that the development is not just about macroeconomic growth. He provides an alternative definition of development as an increase in the overall number and quality of choices available to the individuals in pursuing their lives and

livelihoods. **Malhotra, (2001)** explains rural economies can be benefitted from ICT by focusing on social production, social consumption and social services in rural areas . **Ashley and Maxwell, (2002)** explains the focus here is on the role and importance of ICTs in rural development. The context of rural development has changed rapidly in recent years. Around three-quarters of the world's poor still live in rural areas. In case of India rural development becomes most important because India is basically agriculture based country and almost 70% of Indians live in rural areas. **Naghavi, (2002, p.331)** explains Comprehensive training in agriculture, livestock and natural resources through promotion of ICT for rural residents and optimizing their decision making, and above all of these their participation in developing programs seems essential.

Objective of the Study

- 1) To analyse the role and scope of ICTs in rural development.
- 2) To study the ICT and its relevance to rural development.
- 3) To examine the role of e-governance and its importance for Rural Development
- 4) To find out the conclusion and a suitable suggestion to a better implementation of ICT and e-governance in rural areas.

Research Methodology

This research paper is carried out with the help of secondary data collected from different sources. Data are drawn classified from the Publications of books, monthly journals, article, news papers and magazines, produced by the central



government, comprising literature review. Some information is also added from internet search engines, website like Ministry of rural development of Government of India and department of Information Technology.

ICT in Rural Development & Applications in Rural Sectors:

ICT Play a vital role in rural development. Developments in Information and Communication technologies have introduced large number of opportunities in rural areas. ICTs have the potential to facilitate knowledge sharing and information can be easily exchanged by ICTs for rural development. This information could be readily available and used by the policy makers who develop policies for rural development. There are many aspects in which ICT can be effectively used such as agriculture, improving standard of living, imparting education, women empowerment and many more.

❖ Imparting education:

In the developed world, the ICT revolution has affected every sphere of life and has been of immense benefit to the people. Education is one of the strongest tools to develop the nation. The requirements are will to learn and a good teacher to teach. Online learning activities facilitate more effective education and offer significant benefits over traditional methods .Women are not aware of the existence of national organizations to support and protect them because awareness campaigns do not seem to reach them .In rural areas, it is seen that teachers are not much interested to teach the students. Additionally, teachers have to provide a plethora of learning strategies in order for the students to learn how to select

the one that is most appropriate for their desired learning outcome. Parent's don't know the importance of education for their children. Internet is one of the strongest tools to impart education. Industry needs professionals who are technically trained to deal with ICT tools, systems and information sources

❖ **Agriculture:** Agriculture is the primary occupation in rural India. However, in the recent years, the position of farmer financially is not so strong. The strategies can be changed by using ICT as using it by connecting to the experts in the European countries and taking guidance of them to improve the current situation. The large business investment can be done in agricultural occupation like animal husbandry. Rural information centers also provide a learning environment for farmer groups on the use of ICT but also on jointly solving problems in their livelihoods. The main thing in which our farmer is lagging is organization. For example, large investment can be done in milk production. For this, milk voluntary system can be used to increase the milk production. Also the Smartphone apps are developing and are being used on large amount by the farmers. When farmers are healthy then they can give in their best and increase their labour productivity.

❖ Improving standard of living:

The rural and urban gap is seen to be divided widely this decade. We need to improvise the standard of living. For this, money is the important source. The self-employment is the powerful way to achieve this. The small business like STD, book-stalls, .It is important for countries to develop a robust ICT industry, complete with the newest digital facilities.



❖ **Women empowerment:**

Women are a very dynamic personality of the society. Gender inequality is not a big issue in the today's 21st century. There are also opportunities to train some of these rural women for self employment in the IT sector. The handicraft art is preserved by the Indian women, especially the Indian rural women. Four features that have characterized India since Independence continue to characterize India's elementary education system: incomplete enrolment, inequalities, poor quality, and ineffective school performance. We just need to motivate them. Technology-based social empowerment especially for rural women is a new emerging concern in the present information world. The difficulty she faces right from her childhood is unsafe feeling and lack of motivation.

E-Governance

E-governance is a way of managing government electronically. With the introduction of information and communication technology e-governance has grown leap and bounds. In developed countries like USA, UK, China etc. the e-governance was initiated way back and now it is very well developed. But in developing countries it is still in growing phase. E-governance is a means by which the whole way of interaction between the citizen and the government changes, thus changing the manner of governance for better. In fact the motto behind e-governance is to provide SMART (Simple, Moral, Accountable, Responsible and Transparent) government. E-governance not only includes electronic interaction and exchange of information between the citizen and government but also

exchange of information between the governments (i.e. government to government). The ultimate goal of any government is to provide services to citizen for better and smooth conduct of administrative operations. In fact e-governance makes government more user-centered.

According to the World Bank : "*E-Government refers to the use by government agencies of information technologies (such as Wide Area Networks, the Internet, and mobile computing) that have the ability to transform relations with citizens, businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions.*"

Applications of e-Governance

In the end, e-Governance is about reform in governance, facilitated by the creative use of Information and Communications Technology. It is expected that this would lead to:

Better access to information and quality services for citizens: ICT would make available timely and reliable information on various aspects of governance. In the initial phase, information would be made available with respect to simple aspects of governance such as forms, laws, rules, procedures etc later extending to detailed information including reports (including performance reports), public database, decision making processes etc. As regards



services, there would be an immediate impact in terms of savings in time, effort and money, resulting from online and one-point accessibility of public services backed up by automation of back end processes. The ultimate objective of e-Governance is to reach out to citizens by adopting a life-cycle approach i.e. providing public services to citizens which would be required right from birth to death.

Simplicity, efficiency and accountability in the government:

Application of ICT to governance combined with detailed business process reengineering would lead to simplification of complicated processes, weeding out of redundant processes, simplification in structures and changes in statutes and regulations. The end result would be simplification of the functioning of government, enhanced decision making abilities and increased efficiency across government – all contributing to an overall environment of a more accountable government machinery. This, in turn, would result in enhanced productivity and efficiency in all sectors.

Expanded reach of governance:

Rapid growth of communications technology and its adoption in governance would help in bringing government machinery to the doorsteps of the citizens. Expansion of telephone network, rapid strides in mobile telephony, spread of internet and strengthening of other communications infrastructure would facilitate delivery of a large number of services provided by the government. This enhancement of the reach of government – both spatial and demographic – would also enable

better participation of citizens in the process of governance.

Findings & Conclusion

In the conclusion of this study, Technological advances in ICTs have reduced the cost and increased the quantity and speed of information transfer dramatically. Of course ICT in rural areas is the solution for gradual elimination of traditional barriers for development by increasing access to information, expanding their markets, increasing job opportunities and better access to the governmental services. India is growing economy in the world and to maintaining its development in different sector including rural development. Urban development is as fast as compare to rural development. Government is running several policies and programmes but rural development is still slow. As per observation it is found that awareness and information about the facilities and schemes is main cause of backwardness of rural areas. India needs to empower its rural people in accessing and using the IT so as to align them with the fast moving economy of the country. Rural people are most important asset of India as the Indian economy is an agrarian one, but rural people are beyond from benefits.

This paper highlighted some ICT technologies specially designed for application in rural sector considering cost, connectivity and knowledge base of potential end user. This paper also discussed the various applications of ICT and e-governance in the fields concerning rural sector such as e-governance, telemedicine, agriculture, risk management, women empowerment

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India's Economic Reforms and Its Impact on Unemployment, Poverty and Income Inequalities in India

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I. Introduction

Poverty can be defined as a social phenomenon in which a section of the society is unable to fulfill even its basic necessities of life. For estimating state specific poverty lines, the standardized commodity basket corresponding to poverty line at the national level should be valued at the prices in each state in the base year. Unemployment is a situation, in which those who are willing and able to work at the prevailing rate of pay are unable to find it. Income Inequality relates to relative standards across the whole society. In a study conducted jointly by the world bank and the institute of development studies at Sussex University (England), the extent of inequality was classified into three broad categories (1) High Inequality (2) Moderate Inequality and (3) Low Inequality. For analyzing relative inequality the study examined the income shares of the lowest 40 percent, the middle 40 percent and the top 20 percent of the households.

i) Objectives:

- a) To find out the Impact of Economic Reforms on Unemployment position in India.
- b) To find out the Impact of Economic Reforms on Poverty level in India i.e., % of people below Poverty line.

- c) To find out the degree of Income inequalities in India after the introduction of Economic Reforms in India.

II. Method of Analysis:

Hypothesis:

- a) UnEmployment increased during Economic Reforms.
- b) India's Economic Reforms resulted in reduction of poverty in India.
- c) Economic Reforms gave a spurt to the increase in the degree of Income inequalities in India.

Secondary data is the source for analysis. This study conducted for the following periods: Broad study period: It is from 1981 to 1991(to cover pre-reform period). Specific and intensive study period: It is from 1991 to 2001 to study the impact of economic reforms for first 10 years. This study applied simple statistical tools of central tendency.

India's Economic Reforms and Un Employment in India

1.Unemployment in rural and urban areas:

Here we have the picture of unemployment in the Pre-Reform and Post-Reform Periods.



Table – 1 :Unemployment in Rural & Urban Areas

In Millions Person Years

	1983	1993-4	1999-2000
All-India	21.76 (100.0)	20.13 (100.0)	26.58 (100.0)
Rural	16.25 (74.7)	14.33 (71.2)	19.47 (73.3)
Urban	5.51 (25.3)	5.80 (28.8)	7.11 (26.7)

Note: Figures in brackets are percentages of the total (All-India) figures.

Source: Planning Commission (2001), Report of Task Force on Employment Opportunities.

From Table - 1 we can analyze the unemployment position as follows:

The quantum of unemployment in India in the year 1983 is 21.76 million and it declined to 20.13 million by the year 1993-94 but increased to 26.58 million by the year 1999-2000. In the Rural segment the quantum of unemployed in the year 1983 is 16.25 million and figure declined to 14.33 million by the year 1993-94 and it increased to 19.47 by the year 1999-2000. In the Urban segment the quantum of unemployed in the year 1983 is 5.51 million and it increased to 5.80 million by the year 1993-94 further to 7.11 million by the year 1999-2000. The share of rural unemployment in the year 1983 is 74.7 and it declined to 71.2 percent by the year 1993-94 and it increased to 73.3 percent by the year 1999-2000. The share of urban unemployment in the year 1983 is 25.3 and it increased to 28.8 percent by the year 1993-94 after that it declined to 26.7 percent by the year 1999-2000.

The following conclusions can be drawn from the above analysis.

The quantum of unemployed in India declined during Pre-reform period (i.e. from 1983 to 1993-94). But it increased during reform period (i.e., from 1993-94 to 1999-2000). In the rural areas the quantum of unemployed decreased during Pre-reform period (i.e., from 1983 to 1993-94) and increased during reform-period i.e., from 1993-94 to 1999-2000). In the urban areas the quantum of unemployed increased during both in Pre-reform period and during reform periods. The share of rural unemployed declined during Pre-reform period and increased during reform period. In the reverse, the share of urban unemployed increased during Pre-reform period and declined during reform period. The high unemployment rate during reforms period has the explanation in low employment growth rate in reform period.



2. Unemployment rates in various concepts:
 Now let us compare the unemployment rate during Pre and

Post-reform period in various concepts.

**TABLE - 2: Unemployment Rates
 (Percentage of Labour Force)**

	UPS	UPSS	CWS	CDS
Rural				
1983	1.91	1.13	3.88	7.94
1993-94	1.80	1.20	3.00	5.63
1999-2000	1.96	1.43	3.91	7.21
Urban				
1983	6.04	5.02	6.81	9.52
1993-94	5.21	4.52	5.83	7.43
1999-2000	5.23	4.63	5.89	7.21
All-India				
1983	2.77	1.90	4.51	8.28
1993-94	2.56	1.90	3.63	6.03
1999-2000	2.81	2.23	4.41	7.32

Planning Commission (2001), Report of Task Force on Employment opportunities, p.26.

From the above table we can analyze as follows:

As a total the unemployment rate in India in usual principal status (UPS) in the year 1983 is 2.77 and it declined to 2.56 by the year 1993-94 and increased to 2.81 by the year 1999-2000. In Usual Principal and Subsidiary Status (UPSS) the unemployment rate in India in the year 1983 is 1.90 and in the year 1993-94 also it is 1.90 and it increased to 2.23 by the year 1999-2000. In Current Weekly Status (CWS) the unemployment rate in India in the year 1983 is 4.51 declined to 3.63 by the year 1993-94 and it increased to 4.41 by the year 1999-2000. And in Current Daily Status (CDS), the unemployment rate in India in the year 1983 is 8.28 it declined to 6.03 by the year 1993-94 and it increased to 7.32 by the year 1999-2000.

In the rural segment, the unemployment rate in India in Usual Principal Status (UPS) in the year 1983 is 1.91 it declined to 1.80 by the year 1993-94 and it increased to 1.96 by the year 1999-2000. In Usual Principal and Subsidiary Status (UPSS) in the year 1983 the unemployment rate in India is 1.13 it increased to 1.20 by the year 1993-94 and it further rose up to 1.43 by the year 1999-2000. In Current Weekly Status (CWS), the unemployment rate in India in the rural areas in the year 1983 is 3.88 it declined to 3.00 by the year 1993-94 and it increased to 3.91 by the year 1999-2000. And in Current Daily Status (CDS), the unemployment rate in rural areas of India, in the year 1983 is 7.94 it declined to 5.63 by the year 1993-94 and increased to 7.21 by the year 1999-2000.



3. In the urban segment, the unemployment rate in India, in Usual Principal Status (UPS), in the year 1983 is 6.04 it declined to 5.21 by the year 1993-94 and it increased to 5.23 by the year 1999-2000. In Usual Principal and Subsidiary Status (UPSS), the unemployment rate in urban areas of India in the year 1983 is 5.02 it declined to 4.52 by the 1993-94 and it increased to 4.63 by the year 1999-2000. In Current Weekly Status (CWS), the unemployment rate in urban areas of India in the year 1983 is 6.81 it declined to 5.83 by the year 1993-94 and increased to 5.89 by the year 1999-2000. In Current Daily Status (CDS), the unemployment rate in the urban areas of India in the year 1983 is

9.52 it declined to 7.43 by the year 1993-94 and it increased to 7.65 by the year 1999-2000.

The following inferences can be made from the above analysis:

During the Pre-reform period i.e., from 1983 to 1993-94 the unemployment rate in all measures and in all segments declined except in Usual Principal Subsidiary Status in rural areas and at India level, where in the former in Pre-reform period it increased in the later it is made no change.

B. During reform period i.e., from 1993-94 to 1999-2000 the unemployment rate increased in all the categories and in all segments.

3. Unemployment rates among male and female:

Let us now analyze the male and female angle in unemployment rates in India before reforms and during the reforms.

TABLE - 3

Unemployment Rates among Male and Female

(As percent of Labour Force)

Survey Period	Rural Areas			Urban Areas		
	Male	Female	Persons	Male	Female	Persons
1983	7.5	9.0	7.9	9.2	11.0	9.5
1993-94	5.6	5.6	5.6	6.7	10.5	7.4
1999-2000	7.2	7.3	7.2	7.2	9.8	7.7

* Unemployment rate on current daily status basis

SOURCE: National Sample Survey Organization Surveys



From the above table we can analyze as follows:

1. Unemployment rate among male in rural areas of India in the year 1983 is 7.5 and it declined to 5.6 by the year 1993-94 and it increased to 7.2 by the year 1999-2000.
2. Unemployment rate among female in the rural areas of India, in the year 1983 is 9.0 it declined to 5.6 by the year 1993-94 and it increased to 7.3 by the year 1999-2000.
3. Unemployment rate among male in urban India in the year 1983 is 9.2 it declined to 6.7 by the year 1993-94 and it increased to 7.2 by the year 1999-2000.
4. Unemployment rate among female in the urban areas of India in the year 1983 is 11.0 it declined to 10.5 by the year

1993-94 and it further declined to 9.8 by the year 1999-2000.

The following conclusions are drawn on the basis of above analysis.

A. In the Pre-reform period i.e., from 1983 to 1993-94 the unemployment rate has shown a declining trend among male as well as in female sexes and in rural areas and in urban segments also.

B. During the reforms i.e., from 1993-94 to 1999-2000 the unemployment rate signed a increasing trend among the male in the rural and in urban areas. However the unemployment rate among female sex increased in the rural areas but has shown a declining trend in urban areas. And it has the reason, as the urban female got some more opportunities in the electronic media and in software companies etc., during reform period.

IV. India's Economic Reforms and Poverty in India

1. Poverty in India: As, meaning, types, causes and measurements part has been covered in previous chapters now let us have the brief analysis regarding poverty in India during the reforms and pre-reform period.

TABLE -4: Poverty in India (Present)

Year	All-India	Rural	Urban
1983	44.5	45.7	40.8
1993-94	36.0	37.3	32.4
1999-2000	26.1	27.1	23.6

SOURCE: Ministry of Finance, Government of India, Economic Survey (2000-01), p.13.

The above table shows a clear picture as follows:

1. The percentage of people below poverty line in India in the year 1983 is 44.5 it declined to 36 percent by the year 1993-94 and to 26.1 percent by the year 1999-2000.
2. The ratio of poverty in rural areas of India, in the year 1983 is 45.7 it declined

to 37.3 by the year 1993 and it further declined to 27.1 by the year 1999-2000.

3. The incidence of poverty in the urban areas of India, in the year 1983 is 40.8 percent of total urban population of India. It declined to 32.4 percent by the year 1993-94 and to 23.6 percent by the year 1999-2000.



1. It is clear from the above analysis that the poverty in India declined during pre-reforms and during the reforms also.

Now we can draw the conclusion as follows:

In the year 1991 India's total population is 84.6 crore and in the year 2001 India's total population is 102.8 crore. Hence people under below poverty line in India in the year 1993-94 around 30 crore and the number declined to around 26 crore

by the year 1999-2000. This marginal decline can be attributed to low employment growth that taken place during the reform period as we have explained earlier.

One distinguishing fact is to be identified during India's economic reform period is that the economy has recorded high economic growth rate but low employment growth rate and marginal reduction in absolute poverty.

V. India's Economic Reforms and Income inequalities in India

Now we try to analyse how income distribution went during the reform period.

Table - 5: Percentage Share of Household Expenditure by Percentile Groups of Households

Percentile groups of households	1983	1994	1997
Lowest 20 percent	8.1	9.2	8.1
Highest 20 percent	41.4	39.3	46.1
Highest 10 percent	26.7	25.0	33.5

Source: The World Bank, World Development Report 1992, Table 30, pp. 276-7; World Development Report 1993, Table 30, pp. 296-7, and World Development Report 1999/2000 Table 5, pp. 238-9.

As the above table shows, the lowest 20 percent of people have the 8.1 percent of share in total house hold expenditure in the year 1983 and the share increased to 9.2 percent by the year 1994 but declined to 8.1 percent by the year. The highest 20 percent people have the 41.4 percent share in total household expenditure in the year 1983 and this share declined to 39.3 percent by the year 1994 but increased to 46.1 percent by the year 1997.

And the highest 10 percent people have 26.7 percent share in total house hold expenditure. This share declined to 25.0 percent by the year 1994 and increased to

33.5 percent by the year 1997. Now it is clear from the above analysis, that the haves are able to increase their position during reform period, where as the haven't didn't adjust to the changes that are taking place during the reforms.

As we have seen in the first chapter 5.1 table explanation, during the reforms period, employment growth and employment elasticity is more in two segments i.e., Transport, Storage and Communications and Finance, Insurance, Real Estate and Business Services. These two segments have such nature the better off section of society only can co-habit with them. And the sectors like



agriculture and public sector in which common people can test their fate were disturbed during the reforms. Thus, the rich has got the opportunity to increase their richness during the reforms and the poor yet to receive their share in highly growing economy.

VI. Conclusion

In the year 1991, India has adopted its New Economic Policy mainly due to the country faced the foreign exchange reserve crisis better known as India's economic crisis. And as, we have mentioned in summary, India has achieved a big success in attracting foreign capital inflows and recording high economic growth rate, and in reserving abundance of foreign exchange. But as this study proves, India's Economic structural adjustment programme is not panacea for all the problems that India has been facing. Specially on the front of employment potential, poverty reduction and the distribution of growth, India's Economic Reforms have abundance of limitations.

Though the country has been registering higher economic growth rate in the post-reform period, the economic reforms failed to register high employment growth rate and in absolute terms there is slight reduction in poverty level and income distribution has shown an unhealthy tendency.

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Demography and Health Status of Scheduled Tribes in Andhra Pradesh: (A Case Study on Tribes of North Coastal Andhra Districts in Andhra Pradesh)

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Abstract: *The world Bank Country on Poverty in India (1997) pointed out that “an illiterate rural women, a member of scheduled tribe, a person who lives in a landless household or is dependent on wage-earnings, all face a significantly higher than average risk of poverty”. This phrase explains the status of tribal people living in our country. The tribes when compared to other people are facing more problems. The tribes face the wrath of the nature without having necessary counter enhancement with them. They continue to exist in the vicious circles of poverty which makes them prone to each and every malady. They have less incomes because of traditional methods of cultivation, this less income, reduces their consumption expenditure, for their survival in the lean season they go for money lenders for credit. Then they fall in to the bondage of interest. Their ignorance and the fore-sightedness of the money lenders gamble with their lives. With less income they take less nutrient food. This causes them to be vulnerable to the vagaries of the nature. Keeping in view of this problems faced by the scheduled tribes, an attempt has been made in this study to analyse the Demography and Health status of scheduled tribes in the study area of North Coastal Andhra Districts in Andhra Pradesh.*

Introduction

Tribes are most marginalized and backward people in Indian society. They are very low on the three most important indicators of development: health, education and income. Development of tribal population of our country is a constitutional obligation of the state. The tribal development has been the vexed question baffling the country's policymakers, planners, administrators and all those concerned with the welfare and development of the tribal people. In Globalization context, some land lords and private/corporate firms were occupying tribal land and forests by human trafficking tribes from forest and In globalization process led

development which was reflected on tribes, through the large scale so called developmental projects, displacement from the forest, because of tribal people is displacement or travellers due to this effect some tribes are on the edge of the earth. Rural and urban per cent of population below poverty line for Scheduled Tribe 2009-10 is 47.3 and 33.3. As a result of the planned tribal development, only a small section has been able to take advantage of the developed programs. Because of the development programs were not implemented due to corrupt bureaucracy and inefficient and tribal acts and developmental programs at stagnation.



The size of the tribal communities varies greatly. There are 9 large tribes each having population over a million and Bhil is the largest tribe with a population of over 7.5 million. On the extreme, there are numerically small tribes like Jarawas, and Onges of Andaman and Nicobar islands, barely a hundred strong. The tribal population of India belongs to three racial groups; Negrito, Australoid, Mongoloid, Linguistically, the tribes are classified into four major language families: Austro-Asiatic, Tibeto-Chinese, Indo-European and Dravidian. The tribes in India speak over 105 different languages with 225 subsidiary ones. A clear picture of the areas of the tribal concentration in the national scene has emerged only thereafter. Two states, Haryana and Punjab, and the three Union Territories, Delhi, Chandigarh, and Pondicherry are those states where the President of India has notified no scheduled tribes. The tribal communities in India, belong to different ethno lingual groups profess diverse faith and are at various levels of socio-economic development, spread along the entire spectrum arranging from hunters and food gatherers of forest produce to the urbanized skilled or industrial wage earners. Planning is generally accepted as an indispensable means to promote development. The preference for it arose out of the inability of the poor and traditional societies to initiate and promote development processes on the one hand and the desire of the state to put an immediate end to human sufferings on the other.

Review of Literature

This literature contains the earlier studies on the Social-Economic, Demographic and Health development of Scheduled Tribes (STs) in India.

AparnaMitra and Pooja Singh (2008) in their study on "Trends in Literacy Rates and Schooling among the Scheduled Tribe Women in India", They analysed the high status of women among the tribal groups in the north eastern states has important effects on the literacy rates, enrolment ratios and dropout rates of girls in that region. Vani K. Borooah (2010) in her study on "Inequality in Health Outcomes in India: the role of cast and religion", MPRA Paper No. 19832. The author evaluated the relative strengths of economic and social status determining the health status of persons in India the existence of a social group effect would suggest that there was a "social gradient" to health outcomes in India. The national average, high incidence of sickle cell disease (HBSS) and glucose to Phosphate enzyme deficiency (G-6-80) in some tribal groups, and high fertility rate in tribal women compared to the national women and to the national average. Kupputhail U and Mallika N (1993): "Nutritional Status of Adult Women belonging to Khond, Gadaba and Porja Tribes of Andhra Pradesh", The Indian Journal of Nutrition and Dietetics, Vol. 30, pp. 173-179. In this article that tribal women were living in a state of great deprivation due to poor socio-economic status. Meera A, Nangia P and Roy TK (2003): "The Reproductive Behaviour of Tribal Women in Madhya Pradesh", Published in Adak (Ed.) "Demography and Health profile of the Tribes", Anmol Publications, New Delhi. The authors concluded that better education of women and their improvement in standard of living and prevention of child mortality can increase family planning acceptance and subsequent reduction in fertility among tribal population in the state. ShailaBhardwaj and Mary Grace



Tungdim (2010) "Reproductive Health Profile of the SC and Tribal Women of Rajasthan, India",

Objectives

The specific objectives of the present study area:

- To analyse the demography and health status and their determinants of tribes in the study area
- To suggest the appropriate strategies for the overall development of tribes

Methodology

The study is based on primary and secondary data. Mainly, this study is conducted in the tribal areas of North Coastal Andhra districts (NCAD-Srikakulam, Vizainagaram& Visakhapatnam) of Andhra Pradesh.

Data Collection

The primary data comprise of collecting information from the selected sample tribal households by way of canvassing a structured schedule among them. The data collection period is 2016. In addition, the secondary data are also taken from the various articles, journals, Government reports, NSSO reports, Indian census and others.

Sampling Design

A sample of 300 households is selected for the study. A multi-stage random sampling technique is employed to select the sample households. In the first stage, NCA (Srikakulam, Vizainagaram&

Visakhapatnam) districts of Andhra Pradesh were purposively been selected for the study. Then randomly twomandals were selected from each district. In the third stage, two villages were selected from the each mandal. In the fourth stage, from each village a sample size of 25 households was selected and all the tribal households in the sample villages were interviewed with a pre-prepared scheduled. The scheduled contains whole range of aspects from Social status, Demography and Health status.

Data analysis of demography and health status of scheduled Tribes

The scheduled tribes are most marginalised and very backward people in the society. They are isolated from the rest of the society due to poor transportation and communication facilities and have remained as educationally, culturally, economically and socially disadvantaged sections. Scheduled Tribes have been considered to be lowest in the social hierarchy. Low agricultural production and lack of an appropriate food distribution system are the reasons for low levels of the nutritional status. In addition to the low agricultural production, shortage of food and nutrient inadequacies leads to ill-health of the tribal people. This study deals with the health status of the sample households based on disease prevalence rate, distribution of infected persons by sex and age groups etc.



Table-1; Gender wise Head of the Households

Gender	Households	Per cent
Male	245	81.67
Female	55	18.33
Total	300	100.00

Source: primary data

Table-1 describes the gender wise classification of the head of the household in the sample. Out of the sample of 300 in NCA districts, male head households 245 and the remaining 55 are females. Here the male headed households are more as compared to the female headed households. In these communities about 18.33 per cent of the households are

headed by females. The existence of the female-headed does not indicate the existence of matrilineal societies but in those particular households, the males are not alive. This may be because of the reduced level of the life expectancy and epidemics being on rampage in those particular areas.

Table-2: Educational qualifications of the Head of the household

Educational qualification	No. of Households	Per cent
Illiterate	163	54.33
Primary	80	26.66
Secondary	20	6.66
Higher	37	12.33
Total	300	100.00

Source: primary data

Table-2 denotes the classifications of the educational qualifications of the head of the households in the total sample households. In the sample area, out of 300 households, the illiterate heads are 163 (54.33 %). 80 and 20 heads of the households had primary and secondary educational qualifications and 37 heads of the households had higher educational in the sample area. The literacy rate in this NCA districts, with regard to the head of the households is 45.67 per cent and it is indicating the success of the efforts of the authority in this area.

Table-3; Distribution of Sample Households based on their Specific Caste

Specific Caste	No. of Households	Per cent
Konda Dora	91	30.33
Manne Dora	30	10.00
Savara	35	11.66
Nooka&Mooka Dora	30	10.00
Gadaba	98	32.66
Yerukula	16	5.33
Total	300	100.00

Source: Primary data



Table-3 shows the classification of the total sample households with regard to their specific caste. Although this is not a predetermined one, only these types of tribes have been come across in the selected sample villages.

Mannedora, Savara, Nooka and Mookadaora Gadaba and Yerukula. In the sample, majority of the households are of the tribe of Gadaba of 32.66 per cent and next majority are Kondadora who are of 30.33 per cent.

In present analysis, we come across different tribes such as Kondadora,

Table-4; Mean age at marriage for the married women in the reproductive age

Age at Marriage	No. of Women in reproductive age	Per cent
< 15 years	53	26.5
15 to 20 years	147	73.5
Total	200	100.0

Source: Primary data

Table-4 classifies the married women in the reproductive age based on their mean age at marriage. In our study, 200 women are in the reproductive age group, among them 53 persons (26.5%) were married on or before 15 years of age. In this regard, the government should initiate more motivational measures about the demerits of the early marriage, like infant mortality, maternal mortality, stillbirth and early birth and stop the child marriages.

Table-5; Age at first conception for the women in the reproductive age

Age in ranges	No. of women in the reproductive age	Per cent
< 15	45	22.5
15 to 20	142	71.0
20 to 25	0	0
In fecund	113	6.5
Total	200	100.00

Source: Primary data

Table-5 brings out the classification of the women in the reproductive age based on their age at first conception. This is an important indicator in the demographical development in any society. In our study, around 23 per cent of the women in the reproductive age conceived before they attained the age of 15 years of age. The number of in fecund women existed here also. In this context, it is imperative of the government to initiate some motivational measures to eradicate this social evil of child marriage, which brings out unhealthy citizens of the future,

which brings down their health status and the level of their resistance towards some diseases.

Table -6 classifies the women in the productive age based on whether they have undergone the family planning operation or not. This indicates efforts made by the medical personal working in these areas and the level of enlightenment of the couples in these areas regarding family planning. In the sample, out of the eligible women of 200, 137 women are sterilized. In addition,



around 31.5 per cent of the sample is not sterilised.

Table-6; Sterilization for the women in the reproductive age group

Whether sterilized	No. of in reproductive age	Per cent
Yes	137	68.5
No	63	31.5
Total	200	100.00

Source: Primary data

In this regard, this study appreciate the efforts of the medical personnel working with service motto in these areas, and their efforts in sterilizing the women in the reproductive age without bothering the terrain and the situations prevailing there, but more is left behind. Therefore, the government should

encourage the non-governmental organisations in this area. These data clearly reveal that the planning program in Andhra Pradesh is a major success. Even among tribal families, family planning acceptance rate is more than 60 per cent, which is the target for the whole country.

Table-7; Any Abortions for the women in the reproductive age group

Abortion	No. of women in reproductive age	Per cent
Yes	45	22.5
No	155	77.5
Total	200	100.0

Source: Primary data

Table-7 brings out the classification of the women in the reproductive age based on the information on whether they had experienced any abortions in their life time. This is also an important indicator of demography. Around 22.5 per cent of the sample women experienced abortions in their life. Some of the causes are lack of proper medical attention (pre-natal care), and the armature handling done by the midwives in those areas. These are the outside causes. The main reason behind this is the social evil of child marriage widely prevalent here and lower age at first conception. In this regard apart from improving the services of the medical personnel, the government

should enlighten the people about this problem.

the sample households based on their awareness regarding the Acquired Immune Deficiency Syndrome, notoriously called AIDS, a cureless disease prevailing in the world in general and India and Andhra Pradesh in particular. The advent of this disease to a person has no need to be explained. Keeping in mind the consequences of this disease, this question tends to enquire about their awareness of this disease. More than 78.66 per cent of the sample opined of having been informed about this problem and the consequences.



Table-8; AIDS awareness on the sample households

Awareness	No. of Households	Per cent
Yes	236	78.66
No	64	21.34
Total	300	100.00

Source: Primary data

Table-8 brings out the classification of In this context, the government should initiate the measures to enlighten them about this problem, its advent, its consequences and the preventive measures to be followed. Surplus 38

samples are no awareness on the AIDS, because they are Primitive Tribal Groups (PTGs). They are living on the peak of the mountains and there is no any type of communications.

Table-9; Distribution of the afflicted population based on sex and type of Disease

Gender	Type of Disease				
	Fever	Malaria	Dengue	Others	Total
Male	64	78	9	2	153
Female	74	57	12	4	147
Total	138	135	21	6	300

Source: Primary data

Table-9 brings out the classification of the sick persons based on their gender and the type of disease from which they suffered from. In this area majority, there is a wide spread of Malaria attack and the others followed with of sufficient nutritional food and timely medical provisions, leading them to starve and wait for the outside help. That is the main reason for taking only some diseases in this regard. In our study, out of the 300 affected persons, 138 are with General fever, 135 are with Malaria, 21 are with Dengue fever and 6 are with viral fevers more than 49 per cent are females. So, the government should take some proactive measures in this regard, such as, enlightening them on hygienic surroundings and drinking boiled water and using the modern medicine. In the process of data collection, it is observed

that majority of the tablets given are simply set-aside in the house, and are not used for the intended purpose.

Table-10 brings out the gender differential classification of the disease-affected persons in the sample households based on whether they consulted the doctor or not. In the tribal areas due to the inaccessible terrain and the non-supporting atmosphere, many of the government doctors do not wish to serve in these areas. Owing to ignorance many a number of tribes believe in the traditional medicine, that too the private and unqualified doctors who take up that activity for their employment, take huge amounts of money and make the tribes believe that super natural elements are the cause for the disease. Mean, while the disease becomes severe and leads to death of the person.



Table- 10; Distribution of the patients on the basis of sex and consulting a doctor

Gender	Consultation of doctor		
	Yes	No	Total
Male	102	51	153
Female	96	51	147
Total	198	102	300

Source: Primary data

With regard our study, out of the affected 300 persons, 34 per cent of them did not consult the doctor. In that, 50 per cent are males and 50 per cent are females. In this regard, it is observed that there exist the gender differences in consulting the doctor. At outset, it is imperative to understand that due to lack of sufficient money or due to ignorance they are unable to obtain proper measures in this

regard. Proper motivational programmes are the need of the hour. If the tribal people approach the doctor, he or she may obtain proper medical attention for the disease. On the hand, if the affected tribal people, by lack of money cannot reach or approach the doctor, in some particular seasons, the government should allow them to reach the hospital free of cost.

Table- 11; Distribution of the patients on the basis of sex and type of doctor consulted

Gender	Type of doctor consulted			
	Govt. doctor	Private doctor	Not consulting doctor	Total
Male	28	74	51	153
Female	47	49	51	147
Total	75	123	102	300

Source: Primary data

Table-11 brings out the gender differential classification of the disease-affected persons based on the question of what type of doctor they consulted. The doctors are taken in two categories, government doctor and private doctor. As already explained, the tribal people approach the traditional superstitious healers and the unqualified doctors, who pay with their lives. In our study, out of the 300 samples of affected persons, 198 consulted the doctor. In this study 123 persons consulted to private or unqualified doctors. It is understood with a glance that majority are approaching the traditional and unqualified natural healers.

Table-12 brings out the classification of the sample households based on their expenditure on the medical care. Medical care is necessary in these inaccessible areas. People in these areas suffer from many a type of epidemics and are prone to diseases because of the atmospheric conditions and bad hygiene. With regard to our study, about 90 per cent of the sample is expending money. Therefore, it is advised that those measures that are intended for the welfare of the tribes must start with the motivation of their opinions with regard to the development.



Table-12; Distribution of the Sample households on their annual expenditure on medical care in 2015

Range (in Rs.)	No. of households	Per cent
0	55	18.33
1 to 500	163	54.33
501 to 2500	48	16.00
2501above	34	11.33
Total	300	100.00

Source: Primary data

Major Findings

In the study area, 81.67 per cent of the total sample households are male headed and 18.33 per cent of the total sample households are female headed. This denotes the predominance of diseases leading to death in these areas. The majority of the total sample households in the study area belong to Konda Dora, and Gadaba communities in the scheduled tribes. It is very sad to see that more than 54.33 per cent of the total sample population are illiterate. As majority of the heads of the households are illiterate their progeny or also illiterate. 26.66 per cent of the total sample population are having primary education. It is gruesome picture that 12.33 per cent of the total sample is educated. Only 3.33 per cent of the sample households have children not going to school. There are more eligible households who have their first conception before they attain 15 years of age. On an average 71 per cent women who have their first conception in the age group of 15-20 years. In fecund women are of 6.5 per cent of the total eligible sample married women. More than 64 per cent of the sample women in the reproductive age group in the sample have undergone the family planning operation. Around 22.5 per cent of the sample women who are in the

reproductive age group have abortions in their life time. More than 54.33 per cent of the sample households are spending more than rupees 500 on medical cares. In this regard, the government should initiate motivational programmes elucidating the importance and usefulness of modern medicine.

Conclusion and policy implications

Our society has been divided into a number of sections based on caste, age and sex. Some sections have been resource less and powerless in comparison to other dominant sections. But when they fail to adjust themselves to the changing times, the result is social disorganization leading to social problems. Thus discriminatory and inhuman behaviour appears in society. This gives rise to social problems in the form of deprivation. Social problems are defined as a situation that has attracted the attention of majority of people in any community and requires immediate attention of the administration and wider community for speedy solutions. In our society Scheduled Caste, Scheduled Tribe and other backward classes (OBCs) women and children constitute deprived sections. They are denied their due rights and freedom. If we take a quick look around the surroundings and identify the things that came from forest: papers, tables and windows, spices in food, tendu leaf in bidis, gum, honey, coffee, rubber



etc. Everything comes from the forests where the tribal people were living and makes our lives comfortable. So everyone in the civilized society must remember tribes at every point of time in our lives. But the tribes who are providing all these comforts to use are suffering in forests due to lack of roads, health facilities, economic inequalities, etc.

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Erasing the Margins: Women Empowerment through Judicial System

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Abstract: *"The term Women Justice originally coined in the United States by organizations that promote the rights of Native women and women of color". Justice for Women is made up of women from all walks of life, including legal practitioners, researchers, activists and women working in the field of male violence. Justice for Women was established in 1990 as a feminist campaigning organisation that supports and advocates on behalf of women who have fought back against or killed violent male partners. In the Indian context the violation of women's fundamental rights through physical, mental, emotional and sexual violence is rampant and prevalent in conflict zones more so in the communities like dalit and tribal marginalized populations. Customary discrimination in law against women's both by denying justice in criminal, civil judicial procedures. Law that protect woman from discrimination marred with inadequate or improper implementation. The Women's Justice Initiative is our national network of lawyers and social activists, increase women's access to the justice system as a vital means to their empowerment. In this paper we found out that how to achieve women empowerment through the judicial system.*

Key words: *Women justice, fundamental rights, feminism.*

Introduction

Women empowerment is basically the creation of an environment where women can make independent decisions on their personal development as well as shine as equals in society. Women want to be treated as equals so much so that, if a woman rises to the top of her field it should be a commonplace occurrence that draws nothing more than a raised eyebrow at the gender. It can only happen if there is a channelized route for the empowerment of women. It is no real surprise that woman empowerment in India is a hotly discussed topic with no real solution looming in the horizon except to increase our efforts and continue to target the sources of all the

violence and ill-will towards women. "It sounds as though we are dismissing or ignoring males, but the truth is, both genders desperately need to be equally empowered". Empowerment occurs through improvement of conditions, standards, events, and a global perspective of life. If women were empowered to do more, the possibility for economic growth becomes apparent. Empowering women in developing countries is essential to reduce global poverty since women represent most of the world's poor population. The intent of this paper is to address women concerns and issues, the heart of this paper should be applied to all the women. "Empowerment is not giving power to the



people. They already have plenty of power, in the wealth of their knowledge and motivation to do their jobs perfectly." It encourages people to gain the skills and knowledge that will allow them to overcome obstacles in life or work environment and ultimately, help them to develop within themselves. Empowering may be understood as enabling people, especially women to acquire and possess power resources, in order to make decision on their own or resist decisions that are made by others that affect them. A person may said to be powerful when he/she has control over a large portion of power resources in society. Customary discrimination in law against women's both by denying justice in criminal, civil judicial procedures. Law that protect woman from discrimination marred with inadequate or improper implementation. The Women's Justice Initiative is our national network of lawyers and social activists, increase women's access to the judicial system as a vital means to their empowerment.

Objectives

The study has been undertaken keeping in view of the following objectives.

1. To study the violation of women's fundamental rights through physical, mental, emotional and sexual violence is rampant and prevalent in conflict zones more so in the communities like dalit and tribal marginalized populations.
2. To study the legal practices of judiciary to achieve empowerment of women in India.
3. To study the customary discrimination in law against women both

by denying justice in criminal, civil judicial procedures.

4. To study the gender imbalance in the law is reinforced by impunity on the ground.
5. To study the protection of women's from discrimination marred with inadequate or improper implementation.
6. To study the violence against women in India.

Research Methodology: The collection of the data for this paper is only from secondary sources that include research papers, journals and various websites for analyzing the techniques.

Role of Judiciary: In our Country Judiciary is known as the independent wing of government. Independent Judiciary has two roles 1) the traditional role i.e. to interpret the laws, and another is 2) Judicial activism i.e. to go beyond the statute and to exercise the discretionary power to provide justice. These roles are as follows:-

1) The Traditional Role of Judiciary: - Basically the traditional role of the judiciary is interpretation of statutory and constitutional provisions for providing justice. The judiciary (also known as the judicial system or judicature) is the system of courts that interprets and applies the law in the name of the state. The judiciary also provides a mechanism for the resolution of disputes. Under the doctrine of the separation of powers, the judiciary generally does not make law (that is, in a plenary fashion, which is the responsibility of the legislature) or enforce law (which is the responsibility of the executive), but rather interprets law and applies it to the facts of



each case. This branch of government is often tasked with ensuring equal justice under law. It usually consists of a court of final appeal (called the "supreme court" or "constitutional court"), together with lower courts. In a democracy, the role of judiciary is crucial. Judiciary is a faithful keeper of the constitutional assurances. An independent and impartial judiciary can make the legal system vibrant. Our Indian judiciary can be regarded as a creative judiciary. Credibility of judicial process ultimately depends on the manner of doing administration of justice. Justice K. Subba Rao explains the function of the judiciary as thus:

- a) It is a balancing wheel of the federation;
- b) It keeps equilibrium between fundamental rights and social justice; It forms all forms of authorities within the bounds;
- c) It controls the Administrative Tribunals.

Justice – Social, economic and political is clearly laid down in the preamble as the guiding principle of the constitution. Social justice is the main concept on which our constitution is built. Part III and IV of Indian constitution are significant in the direction of Social Justice and economic development of the citizens. Judiciary can promote social justice through its judgments. When any question comes before the court related to the protection of women by the proper interpretation of the concern laws or statutes judiciary is able to express the meaning of provisions of the legislation and the intention of legislature and by this way judiciary can give justice and protection to the women. Under Indian

constitution women also have some special rights and equal rights in that case also judiciary by interpretation of the constitution can make clear about the constitutional rights of women.

2) Role of Judicial Activism: -

Law is powerless and requires a strong agency to maintain its existence. The level of implementation and the capability of the executor determine the fate of law. During the recent past, the term 'Judicial Activism' has assumed immense significance. It may be defined as dynamic process of judicial outlook in a changing society. The judicial Activism mainly stems from the failure of the other two wings of the state. When the democratic institutions are extinct or moribund court activism is the only hope of justice for the citizens. Where the government fails to govern, the civil services is neither civil nor service, the police is more an oppressor than a guardian of law, parliament is a costly debating society, the judiciary only remains the last hope for the people. Thus, the judicial activism is all about providing a good governance and ensuring the safety security and welfare of the society. The decision of Golakhnath vs. State of Punjab, Keshavananda Bharti vs. State of Kerala, Minerva Mills vs. Union of India the hue and colour of Judicial Activism changed with the supreme court's judgment in S.P. Gupta's case wherein it was pronounced that any person could file a public interest litigation for another affected person who was deprived or underprivileged and could not approach the court for the redressal of grievances. The acknowledged the legal process carried with itself certain disadvantages for the poor deprived and underprivileged. Hence, P.N. Bhagwati,



J., and Krishna Iyer J. initiated a stream of judicial activism.

In the traditional concept of judiciary, the judge is depicted by an image, where the eyes of the judge are covered by dark cloth with hands holding the balance. This obviously means that the judges are supposed to have a very open mind on every issue without having any personal opinions at all. Rightly or wrongly, Indian judiciary has now come to play a very vital role in influencing the various aspects of the administration and governance of the country. At one time, it was thought that the role of judiciary is only to interpret the laws and regulations and provide judgments exclusively from the legal point of view. This perspective regarding the judiciary has undergone sea change in recent times and this change is known as Judicial Activism.

Judicial Activism in this Area:

- The realist school of jurisprudence exploded the myth that the judges merely declared the pre-existing law or interpreted it and asserted that the judges made law. It stated that the law was what the courts said it was. This is known as legal skepticism and was really a reaction to Austin's definition of law as a command of political sovereign. According to analytical jurisprudence a court merely found the law or merely interpreted the law. Indian supreme court not only makes law, as understood in the sense of the realist jurisprudence, but actually has started legislating exactly in the way in which a legislature legislate. Judicial law making means in realist sense is what the court does when it expands the meanings of the words 'personal liberty' or 'due process of law' or 'freedom of speech and expression'.

Judges are applying the discretionary power to provide better justice to women in the new context of the Socio-Economic conditions. Judiciary has played an active role in enforcing and strengthening the constitutional goals towards protection/rights of the women of the land. The courts in India have tried to interpret laws in consonance with the international treaties and conventions. Judiciary has made immense contribution to strike the balance between discrimination caused to the working women and availing them of justice against such discrimination. Some of the major cases are enumerated below:

1) Air India vs. Nargesh Meerza: - The Air India and Indian Airlines Regulation were challenged as violative of Article 14. Regulation 46 provided that an air Hostess was to retire from service upon attaining the age of 35 years or on marriage if it took place within four years of her joining service or on first pregnancy, whichever occurred earlier. Regulation 47 empowered the Managing Director, at a time beyond the age of retirement, up to the age of 45 years, if an Air Hostess was found medically fit. The Supreme court struck down the Regulation providing for retirement of the Air Hostess on her first pregnancy, as unconstitutional, void and violation of Article 14. The Court explained that the Regulation did not prohibit marriage after four years of joining service and if an Air Hostess after having fulfilled the first condition became pregnant, there was no reason why pregnancy should stand in the way of her continuing in service. It was held not only a callous and cruel act but an open insult to Indian Womanhood. Court also said that it was not only manifestly



unreasonable and arbitrary but contained the equality of unfairness and exhibited naked despotism and was, therefore, clearly violation of Article 14.

2) *Vishakha vs. State of Rajasthan*:-

Vishakha, a non-governmental organization working for gender equality, had filed a writ petition seeking the upholding of the fundamental rights of working women under Article 21 of the constitution. The immediate reason for the petition was the gang rape of a saathin (a social worker involved in women's development programs) of Rajasthan in 1992. The assault was an act of revenge as the saathin had intervened to prevent a child marriage. Supreme Court provided a landmark judgment on the area of sexual harassment against women. As in his particular aspect there is no law or enactment by the legislature that is why here the judiciary applied its activist power and provides some guidelines. Some of the guidelines are as follows:-

1. Duty of Employer or other responsible persons in work places and other institution to women employees to prevent the commission of acts of sexual harassment.
2. Court also defines sexual harassment. Sexual harassment includes: such unwelcome sexually determined behaviour as:
 - a) Physical contact and advances.
 - b) A demand or request for sexual favour.
 - c) Sexually coloured remarks.
 - d) Showing pornography.

e) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

3. Court also provided guidelines to all employer public or private for taking preventive steps.
4. What type of criminal proceeding is required for this offence that is also suggested by the court?
5. Disciplinary action should be taken against the offender.
6. Complaint Mechanism is also suggest by court.
7. Complaint committee is required.
8. There is a need of worker's initiative.
9. There is need of awareness among female employees about their rights.
10. Court provided the guideline in case of third party harassment.
11. Central/ state Government are requested to enact the specific law in this regard
12. These guidelines will not prejudice any rights available under the protection of Human Rights Act, 1993.

After providing the guidelines court said "Accordingly, we direct that the above guidelines and norms would be strictly observed in all work places for the preservation and enforcement of the rights to gender equality of the working women. These directions would be binding and enforceable in law until suitable legislation is enacted to occupy the field".

3) *Apparel Export Promotion Council vs. A.K. Chopra*:- The accused



–respondent tried to molest a women employee (Secretary to chairman of a Delhi based Apparel Export Promotion Council) Miss X. (name withheld), a clerk cum typist on 12th August, 1988 at Taj Hotel, Delhi. The respondent persuaded Miss 'X' to accompany him while taking dictation from the chairman, so that her typing was not found fault with. While Miss 'X' was waiting in the room, the respondent taking advantage of the isolated place tried to sit too close to her and touch her despite her objections; and tried to molest her physically in the lift while coming to the basement, but she saved herself by pressing emergency button, which made the door lift open. In appeal of the case supreme court held that "In a case involving charge of sexual harassment or attempt to sexually molest, the courts are required to examine the broader probabilities of case and not swayed away by insignificant discrepancies or narrow technicalities or dictionary meaning of the expression 'molestation' or 'physical assault'..... The sexual harassment of a female employee at the place of work is incompatible with the dignity and honour of a female and need to be eliminated and that there can be no compromise with such violation".

4) In Railway Board vs. Chandrima Das: - It was a case of gang-rap of a Bangladeshi national by the employees of the Indian Railway in a room at Yatriniwas at Howrah station. These employees managed the 'Yatriniwas' the government contended that it could not be held liable under the law of torts as the offence was not committed during the course of official duty. However, Hon'ble court didn't accepted this argument and stated that the employees of union of Indian, who are

deputed to run the railways and to manage the establishment, including the Railways station and Yatriniwas are essential components of the government machinery which carries on the commercial activity

5) Mohd. Ahmed Khan vs. Shah Bano Begum: - The judgment of this case created uproar in Muslim Community. A five Judges Bench of the Supreme Court declared that a Muslim husband having sufficient means must provided maintenance to his divorced wife who is unable to maintain herself. Such a wife is entitled to the maintenance even if she refuses to live with Muslim husband because he has contracted another marriage within the limits of four wives allowed to him by Quran. The Bench declared that a Muslim divorced woman who cannot maintain herself is entitled to get maintenance from her former husband till the time she gets remarried. They rejecting the plea that maintenance is payable for the iddat period only. Pointing to the aiyats of the Quran, the Judges declared that the Quran imposes an obligation to provide maintenance to the divorced wife. The judges also rejected the contention that deferred Mahr (dower) is a payment on the divorce of a wife and hence such payment under the personal law excludes the payment of any maintenance by the husband in consideration of marriage. They observed that according to Quran, the dower is a consideration and mark of respect for the Muslim woman instead of being a consideration for divorce. The learned judges stated that the religion professed by spouse has no place in the scheme of Section 125 Cr. P.C. which is measure of social justice to prevent vagrancy and destitution. The court held that if there is



any conflict between personal law and Section 125 Cr.P.C. then it is clear from the language of the Section that it overrules the personal law. This judgment created a storm and priests of Islam started agitation.

6) Bodhisattwa Gautam vs. Subhra Chakraborty:

The complainant Subhra Chakraborty was a student of the Baptist College, Kohima and the accused Sri Bodhisattwa was a lecturer in that college. According to the FIR filed by the complainant and cohabited with her, giving her a false assurance of marriage but also fraudulently went through a certain marriage ceremony with knowledge and thereby dishonestly made the complainant before the God he worshipped by putting her vermilion on her forehead and accepted her as his wife but later refused to recognize her as his life partner. The said ceremony made the complainant to believe that she was lawfully married wife of the accused. In this landmark case the Supreme Court ordered the accused to pay Rs. 1000 per month as an interim compensation to the victim of rape during the pendency of the criminal case. Referring to the pitiable condition of women in society Mr. Justice Saghir Ahmad observed that "unfortunately, a woman in our country, belongs to class or group of society who are in disadvantaged position on account of several social barriers and impediments and have therefore, been victims of tyranny at the hands of men with whom they, unfortunately, under the constitution "enjoy equal status". "Women also have the right to life and liberty; they also have the right to be respected and treated as equal citizens. Their honour and dignity cannot be touched or violated. They also

have the right to lead an honourable and peaceful life."

7) In Deelip Singh vs. State of Bihar:

Court held that consent given a woman believing the man's promise to marry her would fall within the expression 'without her consent' vide clause (ii) to section 375, I.P.C, only if it is established that from the very inception the man never really intended to marry her and the promise was a mere hoax. When prosecution had taken a conscious decision to participate in the sexual act only on being impressed by the accused's promise to marry her and the accused's promise was not false from its inception with the intention to seduce her to sexual act, clause (ii) to section 375 I.P.C. is not attracted and established. In such a situation the accused would be liable for breach of promise to marry for which he will be liable for damages under civil law. False promise to marry will not ipso facto make a person liable for rape if the prosecutrix is above 16 years of age and impliedly consented to the act.

8) Madhukar Narayan Mardikar vs. State of Maharashtra:

The High Court observes that since Banubi is an unchaste woman it would be extremely unsafe to allow the fortune and career of a Government official to be put in jeopardy upon the uncorroborated version of such a woman who makes no secret of her illicit intimacy with another person. She was honest enough to admit the dark side of her life. Even a woman of easy virtue is entitled to privacy and no one can invade her privacy as and when he likes. So also it is not open to any and every person to violate her as and when he wishes. She is entitled to protect her person if there is an attempt to violate it against her wish.



She is equally entitled to the protection of law. Therefore, merely because she is a woman of easy virtue, her evidence cannot be thrown overboard.

9) Role of Judicial Commission in Nirbhaya case:

The constitution of this committee was in response to the country wide peaceful outcry of civil society, led by the youth, against the failure of governance to provide a safe and dignified environment for the women of India, who are constantly exposed to sexual violence. The immediate cause was the brutal gang rape of a young woman in the heart of the nation's capital in a public transport vehicle in the late evening of December 16, 2012. On December 23 2012 a three member Committee headed by Justice J.S Verma, was constituted to recommend amendment to the criminal law as to provide for quicker trail and enhanced punishment for criminals accused of committing sexual assault against women. It made recommendations on laws related to rape, sexual harassment, trafficking, and child sexual abuse, medical examination of victims, police, electoral and educational reforms.

Verma Committee recommended that Punishment for Rape, Punishment for other sexual offences, Registering complaints and medical examination, Marriages to be registered, Amendments to the Code of Criminal Procedure, Review of the Armed Forces Special Powers Act, Bill of Rights for women, Police reforms and Role of the judiciary. In India, the empowerment process has already begun. We are now witnessing a steady improvement in the enrollment of women in schools, colleges and even in professional institutes. Their health is

better as compared to earlier decades. In this decade, women are entering into the job market in increasing numbers. They are showing their skills even in non-traditional sectors like police, defense, administration, media and research fields. Twenty-six laws have been enacted so far to protect women from various crimes. The recent law on the "protection of women against domestic violence" satisfies the long pending demand of the women activities. In the political field, the reservation for women is a significant step forward towards their political empowerment. When 33 percent of reservations for women in Parliament become a reality, women's voice will be heard in the highest forum of democracy, that day, women of India will reach zenith in their empowerment.

In Indian Mythology Shaanthy parva of *Maha bhāratha* where Bheeshma explains about women, who respects their husbands, worships elders and do their duties, sincerely with patience. the women are said as the mothers to the whole world, and it is also said that the house becomes a hell, where these women are not happy and these kind of women must be respected and treated kindly and Krishna also agrees this'.

"The judge infuses life and blood into the dry skeleton provided by the legislature and creates a living organism appropriate and adequate to meet the needs of the society". (Justice P.N. Bhagwati).

Findings

Thus, we have to finding out that not only the legislature but judiciary also plays a very pivotal role in women empowerment. The traditional role of judiciary is to



provide justice through interpretation of laws. Some times through the wide interpretation of provision of various legislations and also the provision of constitution judiciary is able to empower the women. Another role of judiciary is the activist role which is popularly known as "Judicial Activism". Where there is no specific law for a specific offence in that case, judiciary applies its activist power. There is always a gap between the advancement of the society and the legal system prevailing in it. This causes hardship and injustice to the people. Now women empowerment is a burning issue of our country. So, there are so many areas of women empowerment where there is no law for the protection of women, in that case judiciary is the last hope. Because only judiciary can give justice by applying its activist power e.g. we have already discussed in vishakha case. Where the question regarding the sexual harassment of women in working places was raised and on this area there is no law at that time judiciary by judicial activism declared some guidelines for the protection of women from sexual harassment of women in working place. In case of compensation jurisprudence also judiciary is realized need to compensate the victim but in criminal law there is no such specific law regarding the compensation jurisprudence. So, it is clear that through judicial activism judiciary is also able to provide progress in the area of women empowerment.

Suggestions

As we all know that India is a male dominated country where males are dominated in every area and females are forced to be responsible for only family care and live in the home including other many restrictions and are not empowered

and still restricted by many social taboos. In such condition, if we want to make our country a developed country, first of all it is very necessary to empower women by the efforts of men, government and law. The need of women empowerment arose because of the gender discrimination and male domination in the Indian society since ancient time. Women are being suppressed by their family members and society for many reasons. They have been targeted for many types of violence and discriminatory practices by the male members in the family and society in India. Wrong and old practices for the women in the society from ancient time have taken the form of well-developed customs and traditions. There is a tradition of worshipping many female goddesses in India including giving honour to the women forms in the society like mother, sister, daughter, wife and other female relatives or friends.

Gender inequality is the main social issue in India in which women are getting back in the male dominated country. Women empowerment needs to take a high speed in this country to equalize the value of both genders. Uplifting of women in all means should be the utmost priority of the nation. It is the birth right of the women to get equal value to the men in the society. To bring empowerment, every woman needs to be aware about their rights from their own end. They need to take positive steps and involve in every activities instead of only involving in the household chores and family responsibilities. Along with these some other suggestions also given below:

Building public awareness and support is crucial for the judicial activism to be successful. The National Commission for Women and the National Human Rights



Commission could be important allies in addressing violations of women rights. Judiciary should be more vigilant in protecting the rights of women. Judiciary should take stringent decision in punishing the offenders.

Conclusion: The most critical component of women empowerment is found to be education. It leads to improved economic growth, low fertility rate, health and sanitation and an awareness of factors that disempowered women. Work participation rate and political participation also grows in women education. Women are being pushed into less productive sectors. Increased pressure on rural resources accelerated migration to urban areas in search of livelihood. People from backward regions, tribal communities, disadvantaged castes and the displaced communities were being pushed against the wall. Women in such countries shouldered the brunt and this phenomenon was labeled feminization of poverty.

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Sustainable development and environmental legislative measures in India – A study

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Abstract: Environment connotes the primary resources such as land, water and air which sustain life on this planet earth. These resources are the home of a large number of ecosystems which are self sustaining communities of plant and animal kingdoms. Human being is just a part of the ecosystem as any other organism but due to his control over technology he has been able to become master of the universe in total, this regard of other organisms which inhabit the world. This arrogance of technological power has created severe ecological disturbances and destruction which has dangerous portents for the survival of human beings themselves. The transformation of commons in to commodities has two implications, first, it deprives . The politically weaker groups of their right to survive which they had through access to commons, second it ropes from nature its right to self renewal and sustainability by eliminating the social constrains on resource use that is the basis of common property management.

Key Word: Environment, Sustainable Development, Legislative Measures, Natural Resources, Destruction etc,

Introduction:

The Term 'sustainable development' gained wide international exchange in recent years. This was due to the growth of ecological understanding at the local, national and international levels not only among communities and movements but also among nation-states and governments. The economic expansion in the last century and half had alarming consequences for the global environment. Depletion of ozone layer, air pollution, loss of forests and biodiversity, extinction of animal and plant species, loss of marine life, soil and water pollution have occurred at an alarming rate, On realizing the importance of environmental variations, problems created by them and their impact on human settlement, quality of life, developmental problems, changes in fertility, mortality and morbidity, the concept of ecology acquired prominence during the 1980s. It brought forth the

realization that the ecosystem had to be protected for the betterment of life in general.

For centuries, viral natural resources like land, water and forests had been controlled and used collectively by village communities thus ensuring a sustainable use of these renewable resources. The first radical change in resource control and the emergence of major conflicts over natural resources induced by non-local factors was associated with colonial domination of this part of the world. Colonial domination systematically transformed the common vital resources into commodities for generating profits and growth of revenues. The first Industrial Revolution was to a large extent supported this transformation of commons into commodities, which permitted European industries access to the resources of South Africa. The transformation of commons into



commodities has two implications first, it deprives the politically weaker groups of their right to survive which they had through access to commons; second it robs from nature its right to self-renewal and sustainability by eliminating the social constraints on resource use to the basis of common property management.

With the collapse of the international colonial structure and the establishment of sovereign countries in the region, this international conflict over natural resources was expected to be reduced and replaced by resource policies guided by comprehensive national interests. However, recent changes in resource utilization have resulted in an acute conflict among the diverse interests. These changes, primarily guided by the requirements of the countries of the North and the elites of the South, have almost wholly by-passed the survival needs of these groups.

Development of an ideology allows the indirect entry of global market domination. It creates the need for international aid and foreign debt, which provide the capital for such development projects that commercialize or privatize resources. The massive involvement of international finance in the economic development of Third World countries changes the natural resource management strategies in drastic ways. Rapid growth of export-oriented resource utilization had led countries into the debt trap with its concomitant ecological degradation.

Review of Literature:

S. Shanthakumar (2007), discussed enormous increase in human population in the last sixty years, as well as changes in life changes in life styles, have necessitated that environmental issues be given more attention, Defending

and improving the human environment for present and future generations have become an imperative goal, Achievement of this environmental goals will demand the acceptance of responsibility by citizens, communities, enterprises and institutions at every level. The constitution of India has prescribed a fundamental duty for every citizen of India 'to protect and improve the natural environment, including forests, lakes, rivers and wildlife, and to have compassion for living creatures' (Article 51A (g)). To fulfill this obligation, citizens must be 'informed' and 'better educated, about the 'environment'.

Rachna Sucinmayee (2008), explores industrial activities, however, is a major source of air, water and land pollution, leading to illness and loss of life all over the world. The World Health Organization (WHO) estimates that air pollution alone accounts for around 2 percent of all heart and lung diseases and five percent of all lung cancers and about one percent of all chest infections. The question arises as to how best should industries manage productivity and at the same time increase profits without causing damage to the environment. This challenge is faced by Indian industries, and in addition, they have faced with the problem of how to effectively make use of their processes and deliver environmentally friendly products. T.Padma, K.P.C Rao (2013), elaborately discussed the concept of environment is as old as concept of itself. It is a composite term reflecting the conditions in which organisms consisting of air, water, food, sunlight etc., thrive and become living beings including plant life. The constitutional provisions are backed by a number of laws, acts, rules, and notifications. The EPA (Environment



Protection Act), 1986 came into force soon after the Bhopal Gas Tragedy and is considered an umbrella legislation as it fills many gaps in the existing laws. A large number of enactments came into existence thereafter.

Objectives:

The following are the objectives for the Environmental Protection.

1. To know the meaning and dimensions of Sustainable Development.
2. To find out the Legislative Measures and constitutional provisions to Protect Environment.
3. To study the kinds of Environmental Pollutions
4. To examine the Causes and Effects of Environmental Pollution.
5. To find out the conclusions and suggestions.

Hypothesis:

- When man started making tools out of stone and metals the use of fire, their impact of the environment came to be felt.
- Industrial revolution, invention of steam engines and other machinery the development of transportation and scientific technological advancements have contributed a lot to wards environmental degradation.
- The developments in agricultural science provided abundant and wealth, which helped people to settle firmly in one place and his lead to the growth of the size of the family.
- The large scale consumerism has bought the mankind at a stage where our

needs have gone beyond the means to fulfill them.

Methodology: The present paper is a theoretical paper divided in to two parts. In part I, the author tried to present the concept, meaning, objectives and dimensions of Sustainable Development and Part II gives a picture on the Environmental Protection laws and Institutions in India, Legislative Measures to Protect Environment, the kinds, objectives, its causes, and effects of environmental pollution, constitutional provisions, with different aspects of the environment. Finally the author tried to present the conclusions are drawn in the context of above discussions.

Part – I: Sustainable Development:

The concept of sustainable development was envisaged to bring environmentalist ideas into the central theme of economic development policy. It sought to modify the kind of unsustainable development strategies that were being pursued. It has been realized that the rate of consumption of natural resources is faster than their regeneration. The concept developed in the 1960s when people became aware of the detrimental effects of industrialization on the environment. Gradually, it became the most important socio-economic concept of the 1990s. Sustainable development has emerged out of the fears of depleting natural resources and a subsequent slowing or even closing down of much of the economic activities and production systems. It is the result of rapacious misuse of earth's precious and limited resource base by those few who had a control over production systems.

Sustainable development combines the two terms of 'sustainability'



and development' to indicate a pattern of growth which strengthens both the national capabilities to care for their people in relation to their total relationship with the resources of the earth. The most widely used definition of Sustainable Development was given by the Brundtland commission in its report "Our Common future" (1987). It defined Sustainable Development as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs". The Brundtland report, referred commonly as after the Commissions' Chairperson who was the Norwegian Prime Minister, Mr.Brundtland, was widely accepted as it was released at a time when a large ozone hole was discovered over Antarctica (1985) and the Chernobyl nuclear accident occurred in 1986 that spread radioactive nuclear fallout across Europe.

Sustainable Development has some forward looking and broad-based objectives which transcend class, caste, language and regional barriers.

- ❖ To maintain the standards of living of the largest number of people with equity and justice. The consideration of Tran's boundary and cumulative impact in decision making has to be realized.
- ❖ To conserve and protect earth's natural resources from misuse and wasteful consumption. This demands respect for the land and its diversity as the foundation for healthy communities.
- ❖ To innovate new technology and scientific techniques which work in unison with laws of nature and not opposed to it

- ❖ To respect diversity and involve local and indigenous communities for a more grass roots oriented and relevant development policies.
- ❖ To decentralize governance institutions and make them more resilient, transparent and accountable to people. They should have an open, inclusive and participative decision-making.
- ❖ To plan international institutions which recognize the requirements of poor nations and support them to achieve their growth targets without destroying their natural wealth and environment
- ❖ To seek peaceful coexistence of all nations of the world which may demand honouring of treaties and international agreements

Sustainable Development is, thus, a desired direction of change and provides a framework to decide developmental actions by nations, communities and individuals. There is a basic value inherent in this concept which everyone agrees to and that is the respect for human needs only in relation to the environmental capability to support the largest member of people to the longest time frame.

Part - II: Environmental Laws in

India: The goal of environmental protection seems to be high on India's priority list, going both by its participation in international efforts as well as by its efforts within the country. India has participated actively in international environmental conferences and has signed and duly ratified most of the important conventions relating to environmental protection, thereby taking on international legally binding



obligations in this direction. It has enacted a large number of environmental laws within the country, covering almost every sector of the environment. What is more, the Indian judiciary has taken the issue of environmental protection very seriously and through an expansive interpretation, has ensured, for all practical purposes, a 'right to environment'. There is also a place in India an institutional mechanism to take care of environmental issues. In real terms, however, it has not been easy to translate these initiatives effectively into reality. There are numerous problems in implementing this large body of law.

Environmental Protection Act, 1986:

The Environmental Protection Act (EPA) of 1986 is umbrella legislation with wide legislative coverage. It gives wide powers to the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment. Such measures include laying down standards for environmental quality, restricting areas of industrial operation laying down procedures for handling hazardous substances, etc.

Legislative Measures to Protect Environment:

An amendment of the Indian Constitution was inserted in 1976 provisions relevant to environment protection, Article 48A was added in Part IV of the constitution (Directive Principles of State Policy), calling upon the state 'to protect and improve the environment and to safeguard the forests and Wild life of the country". Also, Article 52 (A) (g) was inserted, imposing a fundamental duty on every citizen "to protect and improve the natural environment including forests, lakes,

rivers and wildlife, and to have compassion for living creatures".

Water Pollution: The Water Act of 1974 established an institutional structure to oversee and ensure the prevention and abatement of water pollution. The Act set up the Central Pollution Control Board (CPCB) and State pollution Control boards (SPCBs). As per the Act, any person who knowingly causes or permits any poisonous, noxious or polluting matter to enter water bodies in violation of stipulated standards is guilty of an offence, which attracts penalties laid down in the Act. The Water Rules were enacted in 1975, constraining schedules and forms for information to be furnished by industries. The Water Cess Act of 1977 provides for the levy and collection of Cess on water consumed by certain industries. These resources are used for prevention control of water pollution. The standard forms and schedules for the supply of information are prescribed in the Water Cess Rules of 1978.

Causes of Water Pollution:

The following are the two important causes of water pollution, namely:

- 1) Natural.
- 2) Anthropogenic.

In the natural process, decomposed vegetables, animals and weathered products are brought into water resources thereby influencing the characteristics of water. In the latter case, activities connected with or carried on by the industries agriculture, urbanization, domestic requirements radio-active phenomenon, mining, pesticides and fertilizers etc., deteriorate the natural characteristics thereby resulting in water pollution. Many river



waters are polluted due to heavy influx of sewage, industrial effluents, domestic and agricultural wastes, consisting of simple nutrients to highly toxic and hazardous chemicals throwing of dead bodies, sit deposits, poisonous wastes and pesticides are also contributors of water pollution,.

In India, waters of the fourteen major rivers, namely” Ganga, Yamuna, Godavari, Gomati, kosi, Cauvery, Ravi, Sone, Chenab, Jhelum, Narmada, Mahi, Tapti and Krishna, are said to be polluted in some form or the other

Water pollution is also one of the major recognized sources of causing and spreading of various diseases and of physical abnormalities.

Some Indian Rivers and their Major Sources of Pollution:

S. No.	River	Location	Major Sources of Pollution
	Ganga	Kanpur	Tanneries, textile mills, chemical industries, domestic sewage etc.
	Yamuna	Delhi	Industrial effluent, domestic sewage, Thermal Power Plant etc.
	Hoogly	Kolkata	Power Station, paper and pulp, jute, textile, chemical factories and domestic, sewage etc.
	Damoder	Bokaro	Fertilizer plant, steel mills, coal washeries and Thermal Power Plant etc.
	Gomati	Lucknow	Sewage, paper and pulp industries.
	Sone	Daklmiya Nagar	Cement, paper and pulp industries.
	Cauvery	Tamilnadu	Tanneries, distilleries, paper, textile and domestic sewage etc.
	Suwon	Balrampur	Sugar Industries
	Godavari	Rajahmundry	Paper mills.
	Ghaggar	Haryana	Domestic sewage, agricultural runoff and industrial effluent discharge.

Air Pollution: The Air Act of 1981 entrusts the power of enforcing its provisions to the Central Pollution Control Board (CPCB); In fact, the Air Act is, to a large extent, a mirror image of the Water Act. The objective of combating air pollution under the Air Act is undertaken by means of declaration of restricted areas, prohibition of use of polluting fuels and substances, etc. The penalties detailed in the Act. The Air Rules were adopted in 1982.

Causes of Air pollution: Air pollution is of two types:

- 1) Natural, such as volcanoes, wild fire, cyclones, etc.
- 2) Man-made such as noise, gas, smoke, dust etc.
 - (a) **Natural causes:** As already mentioned, certain natural calamities, such as volcanoes, forest wildfire, and cyclones cause natural air pollution.
 - (b) **Man-made:** industrial activity, such as energy generation Industrial production and vehicular traffic, pollution of natural sources, windblown dust, smoke, vegetation and sea salt spray, processing of mineral resources



such as coal, oil gas combustion in electric power station and industrial plants, roasting and smelting of ores in no-ferrous metal smelters, melting operations in ferrous foundries, refuse,

incineration and kiln operations in cement plants, internal combustion, engines construction works, etc., are some of the recognized causes of man-made causes of air pollution.

Sources of major air pollutants: The following table gives the enlisted sources of major air pollutants discharged especially by industries.

S. No.	Pollutant	Sources
1.	Sulphur dioxide (SO ₂)	Coal, fuel oil and petroleum combustion.
2.	Nitrogen dioxide (NO ₂)	high temp. Combustion of coal, oil, gas and gasoline in power plants and internal combustion engines.
3.	Hydrogen fluoride (HF)	Phosphate rock processing aluminum industry, Iron smelting brick and ceramic works and fiber glass manufacturing
4.	Chlorine (Cl)	Leaks in Chlorine storage tanks, hydrochloric acid.
5.	Ammonia (NH ₃)	Leak ages in fertilizer manufacturing factories, transfers and transport of the chemical.
6.	Hydrogen Sulphide (H ² S)	Decay and decomposition of organic wastes, dumps sewage., etc.
7.	Carbon oxides (CO and CO ₂)	Products of combustion of fuels.
8.	ethylene (C ₂ H ₄)	Incompletes combustion of coal, gas and oil heating and automobile and truck exhaust.
9.	Ozone (O ₃)	disassociation of NO ₂
10.	Peroxyacetyl	Ozonated olefin nitrate (PAN)
11.	Smog	Combination of fine particulates and NO in Air
12.	Acid Precipitates	Combination of NO ₂ and/or ASO ₂ with water vapor in the atmosphere.

Land Pollution:

Solid waste management systems adopted in Indian cities are highly inefficient and outdated, lacking public participation. Overall public apathy is observed in the matter of handling and disposal of Municipal waste. A system of throwing garbage on the streets by citizens and local bodies collecting the waste from the street and disposing of it is in the most unhygienic manner that is in vogue. These systems can be corrected

by taking concerted measures involving the public at large through their active participation in the process, and by local bodies performing their duties effectively. Various laws enacted by their respective states govern local bodies in the country. Many state laws governing urban local bodies do not have adequate provision for ensuring appropriate solid waste management system with the result that out dated system continue to affect the quality of life of the people. For



improving solid waste management practices in urban areas it was felt necessary to incorporate suitable provision to ensure public participation. With these objectives in mind the ministry of Environment and Forest under the powers conferred on it by the Environment Protection Act, 1986, has notified three important rules to regulate the practice of managing and handling hazardous waste, bio-medical waste and Municipal Solid Waste.

Noise Pollution:

Noise is the form of pollution, which causes great concern to the public. Hence, necessary steps shall be taken to combat noise pollution. The solution for problems created by noise pollution shall be both legal and non-legal. Some of the non-legal solutions like clean technologies to reduce noise at source, sound proofing to reduce noise emitted by industrial machinery and advocating use of noise protection devices like earmuffs, etc., shall be preferred to combat the problem of noise pollution. Some of the legal solutions for the problem exist in the legal regime in the form of one or two provisions in various legislations like the Indian Penal Code, 1860, the Police Act, 1861, the Madras City Police Act, 1888, the Motor Vehicles Act, 1939, the Factories Act 1948, the Code of Criminal Procedure 1973, the Air (Prevention and Control of Pollution) Act, 1981, the Environment (Protection Act) 1986. Apart from these legislations the Ministry of Environment and Forest, Government of India has notified the Noise Pollution (Regulation and Control) Rules, 2000. The Central Pollution Control Board has also prescribed a code of practice for controlling noise from sources other than industries and automobiles,

The provisions in the aforesaid legislations have been discussed elsewhere in this paper and the provisions under the Madras City Police Act, 1988 and the Noise Pollution (Regulation and Control) Rules, 2000 have been discussed hereunder.

The Forests (Conservation) Act, 1980:

The Forests (Conservation) Act, 1980 is an Act to provide for the conservation of forest and matters connected therewith or incidental there to. The Act applies to the whole of India except the State of Jammu and Kashmir. It is deemed to have come into force on the 25th day of October, 1980, i.e. the day when the President of India promulgated the Forest (conservation) Ordinance, 1980. In short, the Act has come into force retrospectively from the date of coming into force of the relevant Ordinance.

Wildlife Protection Act, 1972:

The Wildlife Protection Act of 1972 (WOPA) provides for the protection of wild animals, birds, plants and for matters connected therewith or ancillary or incidental thereto with a view to ensuring the ecological and environmental security of the country.

The objectives for which the Wildlife Protection Act was enacted:

- 1) Constitution of a Wild Life Advisory Board for each state;
- 2) regulation of hunting of wild animals and birds;
- 3) Laying down the procedure for declaring areas as Sanctuaries, national parks, etc.



- 4) Regulation of possession, acquisition or transfer of trade in wild animals, animal articles and trophies and taxidermy thereof.
- 5) Providing penalties for contravention of the Act.

Results and Discussion:

Developing countries must now learn from the mistakes of the developed nations, to save their environments from pollution damages for future generations. Some of the following pollution-control programs being pursued or implemented in many industrialized countries should be worldwide application. The present consciousness about the hazards of pollutants and contaminants in developed nations must be highly encouraged. Every effort must be made to reduce pollutant/contaminant loads into the environment through improvements in manufacturing techniques that could recycle waste products. More efficient techniques for the destruction of high-level pollutants and contaminants before they can reach the hydrospheric zones should be found through more research. Through more intense investigations, safe pedologic and geologic formations for disposal of wastes can be located. The present careless dumping of wastes into surface waters or the poorly engineered subsurface burial of wastes must be stopped. These practices have damaged many hydro geologic environments as these materials spread locally and regionally. The effects of geologic and pedologic structures and characteristics on the dispersion of pollution must be recognized in order to be able to apply the correct engineered control methods.

Suggestions:

- ✓ It is not enough to enact the legislations. A positive attitude on the

part of everyone in society is essential for effective and efficient enforcement of these legislations

- ✓ The Environment Protection Laws have failed to bring about the desired results. Consequently, for the purpose of efficient and effective enforcement of these laws, it is necessary to set up the Environment Courts; with one Judge and two technical experts from the field of Environmental Science and Ecology.

- ✓ There is a multiplicity of environment pollution control standards for the same type of industries. However, under the Environment (Protection) Act, 1986 now the power has been conferred upon the Central Government for laying down the standards for the quality of air, water and soil. It is hoped that this will ensure uniformity of standards throughout the country.

- ✓ It needs to be appreciated that keeping in view the magnitude of finance required, a judicious mix of incentives, phasing and awareness creating, programmes about cost-effective technologies is essential as the first prong of the strategy to control environment degradation.

- ✓ The traditional concept that development and ecology are opposed to each other is no longer acceptable, since 'sustainable development' is the answer. The Supreme Court has accepted sustainable development as part of the laws of the land and has affirmed the 'precautionary principle' and the 'polluter pays principle' are essential features of sustainable development.

- ✓ Finally, protection of the environment and keeping ecological balance unaffected is a task which not



only the government but also every individual, association and corporation must undertake. It is a social obligation and fundamental duty enshrined in Article 51 A (g) of the Constitution of India.

Conclusion

Although industrialization is seen as a solution to providing economic growth and increasing employment levels, irrespectively, industries, whether large or small, low-tech or hi-tech, manufacturing or agricultural, all inevitably produce discharges and wastes that are capable of polluting. Where high population and economic growth demands resources (inputs) and discharges (outputs) in the form of pollutants, not many industries have arrived at suitable suggestions on sustainable measures, thus putting pressure on the environment, Sustainable development challenges industry to produce high levels of output while using lower levels of inputs and generating less wastes with a more effective use of raw materials in production that would eventually result in diminishing costs.

Although Indian courts closed almost 1,000 factories for pollution problems and the Supreme Court fined 15 plants, including some multinationals, the effectiveness of these regulatory pressure and compliance has still to be realized. The Bhopal disaster was the result of a combination of legal, technological, organizational and human errors. The immediate cause of the chemical reaction was the seepage of this reaction was seepage of water (500 liters) into the MIC storage tanks. The result of this reaction was exacerbated by the failure of containment and safety measures and by a complete absence of community information and emergency

procedures. The long-term effects were made worse by the absence of systems to care for and compensate the victims. Furthermore, safety standards and maintenance procedures at the plant had been deteriorating and ignored for months. India's increasing population crossed the 1.2 billion mark in May 2010 placing an additional burden on the Indian environment. The contrast between India's successful economic development and rapidly deteriorating environments, particularly urban-industrial environments, makes this country a test for the sustainable vision.

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Human Accountancy through Mentor and Mentee Relationship: A Case Study of Tata Consultancy Services

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Abstract: *Human Accountancy is a sustainable relationship between a youth and an adult. It is a continuous involvement. The adult offer support, guidance and assistance to the younger person go through a difficult period, faces new challenges to detect earlier problem. Human Accountancy assumes significance in today's corporate world often organization starts feeling that executives are not as efficient as they expect them to be done. This is because both the organization and the individual employees turn out to be myopic situation over a period of time due to close proximity and fail to perceive the long-term relationship of each other. At the slightest friction, the relation sour leading to parting of ways. The present study explores how mentor and mentee relationship is there to construct the Human Accountancy. For this, a primary and secondary source of data of IT sector is used by taking sixty (60) as sample size.*

Key Worlds: *Human Accountancy, relationship, mentor and mentee, and IT sector.*

I. Introduction

Every organization has dynamic priority shifts and does not feel the need to spend time with an employee or it does not even recognize the need for such an approach. Even today some organizations are guided by the out dated dictums like "nobody is indispensable" organization is larger than individuals and so on. At times it happens that both the manager and the subordinate stand at two different poles, away from each other. It is here that the role of the mentor comes into play. The mentor is like a bridge connecting two shores as to do continuous tasks without any difficult. The employee on his part like a badly thinks that he is holding the roof of the organization and without him the function will collapse. It is paradoxical that both think away from each other and not in a closeness. It is well recognized that people in a business environment

fall into various personality types, each type differently in order to assist their growth, performance and productivity for the mutual benefit, where as the basic problem is that it tends to treat everyone alike.

Human Accountancy is a sustainable relationship between a youth and an adult. It is a continuous involvement. The adult offer support, guidance and assistance to the younger person go through a difficult period, faces new challenges to detect earlier problem. Human Accountancy assumes significance in today's corporate world often organization starts feeling that executives are not as efficient as they expect them to be done. This is because both the organization and the individual employees turn out to be myopic situation over a period of time due to close proximity and fail to perceive the long-term relationship of each other. At



the slightest friction, the relation sour leading to parting of ways.

II. Concept Of Human Accountancy:

The purpose of this paper is to investigate if human capital information voluntarily provided by German companies is value-relevant. By means of word-based content analysis, human capital information is extracted from German companies' annual reports. Subsequently, the value relevance of the disclosed human capital information is analyzed by applying two established valuation models. The results show that human capital information is value-relevant. Especially, information on qualification and competence issues is positively associated with firm value. Nonetheless, the disclosed information does not lead to short-term changes in market value. Consequently, human capital information is value-relevant but not immediately.

II(a). Practical Implications: First, companies can improve their valuation on the capital market by disclosing information on their human capital. Second, standard setters can use this paper's results in defining relevant information categories for human capital disclosures. Third, the amount of human capital disclosures is increasing over time.

II(b). Originality/value: This study explicitly evaluates the value relevance of the overall (especially nonfinancial) human capital information voluntarily provided in corporate annual reports.

II(c). Concept of Mentoring: "The facilitation of an individual's learning process, enabling the individual to take ownership for their own development." "Off-line help by one person to another in making significant transition in knowledge, work or thinking." "A mentor

is a friend, a coach, a judge and an encourager. Mentoring is understood as a sustained relationship between a youth and adult.

Review of Literature

Freeman (1984)¹ and has been defined as, 'any group or individual who can affect or is affected by the achievement of the organizations achievements... those groups who have a stake in or claim on the firm. Specifically we include suppliers, customers, employees, stockholders, and the local community, as well as management in its role as agent for these groups'. The concept has received growing acceptance and gaining popularity in the business world over a period of time. **Gerbman(2000)**² has described in his study that the Organizations design employee development programmes with the mutually beneficial purpose of helping them understand the vision of the organization, share the core corporate values and culture to ensure that through mutually productive ways both the employee and the organization may be able to contribute to each other's well being. **Whitener (2001)**³ has emphasized that a satisfied workforce organizations look at opportunities to contribute to the employee's work-life beyond merely providing employment such that they contribute productively to the organizations growth

¹ Freeman, R. E. 1984. Strategic management: A stakeholder approach. Boston: Pitman

² Gerbman, 2000. The external control of organizations. New York: Harper.

³ Whitener, 2001. A feminist reinterpretation of the stakeholder concept. Business Ethics Quarterly, 4: 475-497.



Objectives” The objectives of the study are to recognize the importance of effective mentoring system in the organization such as Tata Consultancy Services (TCS), Hyderabad. The important objectives are presented as under:

To know the awareness of organization culture.

To know the effecting factors of mentoring to understand organizational climate and develop interpersonal relations.

Hypotheses

H0: There is no impact of learning skills of mentor on mentoring.

H0: There is no impact of learning skills of mentee on mentoring.

Methodology

The data and information required for the study are collected both from primary and secondary sources. The major sources of secondary information are web sites and books. The primary data is collected

with the help of structured questionnaire which is administered among the employee of TCS, Hyderabad. Stratified random sampling method was used to collect the primary data. The sample of sixty (60) employees were served among them forty (40) employees as mentors and twenty (20) employees as mentees. The questionnaire is given to different departments like Human Resource, finance, materials, IT and ITES.

Analysis

VIII (a) Opinions of Mentors on Mentoring

The opinions of mentors and mentees relationship are collected through a questionnaire and the data is analyzed and presented in the following tables. With a view to understanding whether the mentoring creates self awareness of the respondents are asked to express their opinions.

Table-1: Opinions Of Mentors On Mentoring

S.No.	Particulars	SA		Agree		Neutral		DA		SDA	
		F	%	F	%	F	%	F	%	F	%
1	Self Awareness	23	57.5	12	30.0	5	12.5	0	0.0	0	0
2	Time Of Stress	21	52.5	13	32.5	5	12.5	1	2.5	0	0
3	Collecting Information	21	52.5	13	32.5	5	12.5	1	2.5	0	0
4	Mentoring Bonds	22	55.0	13	32.5	4	10.0	1	2.5	0	0
5	Learning New Skills	23	57.5	13	32.5	3	7.5	1	2.5	0	0
6	Decision Making	20	50.0	14	35.0	5	12.5	1	2.5	0	0
7	Psychological Skills	23	57.5	14	35.0	2	5.0	1	2.5	0	0

Source: Primary data

The above table reveals that the majority of mentors are having the self awareness i.e.57.5 per cent is strongly agreed. In case of time of stress 52.5 per cent of mentors felt that mentoring system helps more to youth. The majority of mentors 52.5 per cent are not bothered to collect information from their juniors. For mentoring bonds 55 per cent of the

mentors believe this mentoring system which creates a good relationship between senior and junior. The mentoring system facilitates to learn new skills. 57.5 per cent of mentors express that the mentoring concept is useful. The maximum mentors i.e. 50 per cent believe that the self mentoring will be helpful in personal career path to enter



or continue on a career path to take decision making. The majority of mentors 57.5 per cent believe that this mentoring helps in the attainment of psychological, Sociological, Personal and Physical efficiency and effectiveness.

H0: There is no impact of learning skills of mentor on mentoring.

To find out the impact of learning skills of mentor on mentoring a chi-square test was used and result of the test is shown in the following table.

Chi-Square Test

Pearson Chi- Square	Table Value	Calculated Value	df	P.Value	Remark
	36.415	47.36	24	0.00	Highly Significant

It is observed that the above table that the P value is less than 0.05 and hence the result is highly significant. Hence the hypothesis "There is no impact of learning skills of mentor on mentoring" does not hold well from the analysis it is concluded that there is highly significant association between the learning skills of mentor and mentoring.

VIII (b) Opinions Of Mentee On Mentoring

With a view to understanding whether the mentoring creates self awareness of the respondents are asked to express their opinions.

Table-2
Opinions Of Mentee On Mentoring

S.No.	Particulars	SA		Agree		Neutral		D A		SDA	
		F	%	F	%	F	%	F	%	F	%
1	self awareness	8	40.00	12	60.00	0	0.00	0	0.00	0	0.00
2	Time of Stress	12	60.00	6	30.00	1	5.00	1	5.00	0	0.00
3	Collecting information	10	50.00	7	35.00	3	15.00	0	0.00	0	0.00
4	Mentoring Bonds	9	45.00	7	35.00	3	15.00	1	10.00	0	0.00
5	Learning new skills	10	50.00	7	10.00	2	10.00	1	5.00	0	0.00
6	Decision Making	09	45.00	7	35.00	3	15.00	1	5.00	0	0.00
7	Psychological skills	07	35.00	08	40.00	3	15.00	2	10.00	0	0.00

Source: Primary data

The above table shows that the 60 per cent of mentees is in agree that means create self awareness. So that this indicates that the important of role of mentoring are accepting it. The 60 per cent of mentees believe that the mentoring system will supports the youth in the elimination of time of stress. For collecting information 50 per cent of mentees are willing to collect the information from their colleagues, 45 per cent of mentees felt that mentoring

system creates closeness among the employees, 50 per cent of mentees opined that mentoring is more helpful to learn more skills in organization. The majority of mentees i.e. 45 per cent felt that the self mentoring will also more helpful to get career opportunities and 40 per cent of mentees believe that mentoring system is more vital to obtain all necessary skills.



H0: There is no impact of learning skills of mentee on mentoring. To find out the impact of learning skills of mentor on mentoring a chi-square test was used and result of the test is shown in the following table.

Chi-Square Test

Pearson Chi-Square	Table Value	Calculated Value	df	P.Value	Remark
	36.415	80.23	24	0.00	Highly Significant

It is observed that the above table that the P value is less than 0.05 and hence the result is highly significant. Hence the hypothesis "There is no impact of learning skills of mentee on mentoring" does not hold well from the analysis it is concluded that there is highly significant association between the learning skills of mentee and mentoring.

III. Conclusions

Mentoring system provides opportunity to understand organizational culture. Mentoring system clarifies and helps to avoid misunderstanding in the work place and help to understand organizational climate and develop interpersonal relations. Mentoring provides an opportunity for mentor and mentee to share their experience and help to feel at home so that improves quality to work life. Self introspection and inner awareness among mentees will helpful to organization. Mentoring system facilitates learning as mentor and mentee will be from the same department and the new comer will learn things very easily. The mentoring system gives a plan for completing assignment which will lead to commitment building in an organization. It is voluntary from both

mentor and mentee. The employee takes feedback and will help to rectifying mistakes and improves the performance and also helps the mentee continuously to learn. The mentoring system always is a source of learning through discussions and from the experienced. It helps in problem analysis and solving techniques and approaches. This system trains and guides the juniors. It leads to refresh and reduce burden through proper delegation of work. The mentoring scheme also can be extended to all new comers into the organization irrespective of whether they are trainees or not. Employees going to other projects on promotion can also be given the opportunity.

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An Overview of Indian Capital Market

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Abstract: *Capital market plays a significant role in the growth of the economy and meeting country's socio-economic goals. A capital market is a network of financial institutions and facilitates that interact to mobilize and allocate long term savings in an economy. Therefore, it provides services that are essential to a modern economy, contributing to capital formation through financial intermediation, financial advisory services, and managerial skill development. In addition, the capital market facilitates portfolio diversification that allows savers to maximize returns on their assets and reduced risks. This paper is an attempt to know emerging trends in capital market and various issues & challenges faced by capital market in India.*

Keywords: *Financial System, Capital Market, Secondary Market, Economy,*

Introduction

A capital market is a financial market in which long-term debt or equity-backed securities are bought and sold. Capital markets are defined as markets in which money is provided for periods more than a year. A capital market can be either a primary market or a secondary market. In primary markets, new stock or bond issues are sold to investors. The main entities seeking to raise long-term funds on the primary capital markets are governments and companies. Governments issue only bonds, whereas companies often issue either equity or bonds. In the secondary markets, existing securities are sold and bought among investors or traders.

A good capital market is an essential pre-requisite for industrial and commercial development. But the development of a good capital market in a country is dependent upon the availability of savings, proper organization of its constituent units, and the business ability of its people. Broadly it may be classified into two categories Organized and Unorganized. In the organized sector

of the capital market the principal sources of finance are savings banks, investment trusts, industrial banks, the Unit Trust of India, the Life Insurance Corporation of India, the General Insurance Corporation of India, term finance corporations, government, international financing agencies, individual investors, and stock exchanges. Indigenous bankers and the moneylenders in the countryside constitute the unorganized sector of the capital market. The unorganized sector is also completely cut off from the organized sector and as far as the financing of industries is concerned.

Research Methodology

This study is completely based on the secondary data. This data is collected from various sources like journals, magazines, articles, books and the published and unpublished documents, official websites have been consider in the research.

Review of literature

There has been a wide range of studies concerning financial sector reforms in



general, and capital market reforms in particular, since mid 1980s in India. This section highlights certain important studies that are context relevant. Several studies such as Sahni (1985), Kothari (1986), Mookerjee (1988), Lal (1990), Chandra (1990), Franscis (1991), Ramesh Gupta (1991,1992), Raghunathan (1991), Varma (1991), Gupta (1992), and Sinha (1993) comment upon the Indian capital market in general and trading systems in the stock exchanges in particular and suggest that the systems therein are rather antiquated and inefficient, and suffer from major weakness and malpractices.

Objectives of the Study

- To know the role & importance of capital market in India.
- To know the position of capital market in India pre economic reforms and post economic reforms era.
- To know the issues and challenges faced by capital market in India.

Role and importance of capital market in India

Capital market plays a crucial and significant role in capital formation. For the growth of the economic development adequate capital formation is necessary. The role of capital market in economic development is as follows

Mobilisation of Savings and Acceleration of Capital Formation

Raising Long - Term Capital

Promotion of Industrial Growth

Ready and Continuous Market

Technical Assistance

Reliable Guide to Performance

Proper Channelisation of Funds

Provision of Variety of Services

Development of Backward Areas

Foreign Capital

Easy Liquidity

Revival of Sick Units

History of Indian Capital Market

Indian capital market before independence

Before independence, the capital market of India was ill developed. India during the British rule, exhibited most of the fundamental characteristics of an underdeveloped economy in a distinct manner. Its main task was to make India complementary to Britain's own economy and the maintenance of political control. The capital market in India suffered from certain defects in the pre-independence days.

➤ Agriculture, constituting the main occupation did not lend itself to the floatation of securities.

➤ The growth of securities market was hampered because the foreign business enterprises depended on the London Capital Market rather than on the Indian market.

➤ Due to underdevelopment of industries the total number of securities which were traded in on stock exchanges was not large.

➤ The poor investment habits of the individuals and the restrictions imposed on the investment patterns of the various financial institutions circumscribed the capital market.

Reforms in capital markets since 1991



The capital market in India has seen a large number of changes over the last few years and SEBI continues to move towards a more efficient market. All the measures introduced since July 1991 aims to improve the productivity and efficiency of the system. Recommendations of the Narasimham Committee were initiated in order to reform capital markets, aimed at removing direct government control and replacing it with a regulatory framework based on transparency and disclosure supervised by an independent regulator. The Securities & Exchange Board of India (SEBI) which was set up in 1988 was given statutory recognition in 1992 on the basis of recommendations of the Narasimham Committee. SEBI has been mandated to create an environment which would facilitate mobilization of adequate resources through the securities market and its efficient allocation. The government has taken several measures to develop capital market in post-reform period, with which the capital market reached new heights. Some of the important measures are

➤ SEBI became operational since 1992. It was set with necessary powers to regulate the activities connected with marketing of securities and investments in the stock exchanges, merchant banking, portfolio management, stock brokers and others in India. The objective of SEBI is to protect the interest of investors in primary and secondary stock markets in the country.

➤ The setting up to NSE is a landmark in Indian capital markets. At present, NSE is the largest stock market in the country. Trading on NSE can be done throughout the country through the network of satellite terminals. NSE has

introduced inter-regional clearing facilities.

➤ Demat of shares has been introduced in all the shares traded on the secondary stock markets as well as those issued to the public in the primary markets. Even bonds and debentures are allowed in demat form. The advantage of demat trade is that it involves Paperless trading.

➤ The Indian stock exchanges were modernised in 90s, with Computerised Screen Based Trading System (SBTS), it cuts down time, cost, risk of error and fraud and there by leads to improved operational efficiency. The trading system also provides complete online market information through various inquiry facilities.

➤ The Central Government notified the establishment of Investor Education and Protection Fund (IEPF) with effect from 1st Oct. 2001: The IEPF shall be credited with amounts in unpaid dividend accounts of companies, application moneys received by companies for allotment of any securities and due for refund, matured deposits and debentures with companies and interest accrued there on, if they have remained unclaimed and unpaid for a period of seven years from the due date of payment. The IEPF will be utilised for promotion of awareness amongst investors and protection of their interests

➤ Rolling settlement is an important measure to enhance the efficiency and integrity of the securities market. Under rolling settlement all trades executed on a trading day (T) are settled after certain days (N). This is called T + N rolling settlement. Since April 1, 2002 trades are settled' under T + 3 rolling settlement. In April 2003, the



trading cycle has been reduced to T + 2 days. The shortening of trading cycle has reduced undue speculation on stock markets.

➤ The CCIL was registered in 2001, under the Companies Act, 1956 with the State Bank of India as the Chief Promoter. The CCIL clears all transactions in government securities and repos and also Rupee / US \$ forex spot and forward deals All trades in government securities below Rs. 20 crores would be mandatorily settled through CCIL, while those above Rs. 20 crores would have the option for settlement through the RBI or CCIL.

➤ Indian companies are allowed to access global finance market and benefit from the lower cost of funds. They have been permitted to raise resources through issue of American Depository Receipts (ADRs), Global Depository Receipts (GDRs), Foreign Currency Convertible Bonds (FCCBs) and External Commercial Borrowings (ECBs). Further Indian financial system is opened up for investments of foreign funds through Non-Resident Indians (NRIs), Foreign Institutional investors (FIIs), and Overseas Corporate Bodies (OCBs).

➤ Mutual Funds are an important avenue through which households participate in the securities market. As an investment intermediary, mutual funds offer a variety of services / advantages to small investors. SEBI has the authority to lay down guidelines and supervise and regulate the working of mutual funds.

➤ Trading on stock exchanges is allowed through internet, investors can place orders with registered stock brokers through internet. This enables the stock

brokers to execute the orders at a greater pace.

➤ Since 1999, companies are allowed to buy back of shares. Through buy back, promoters reduce the floating equity stock in market. Buy back of shares help companies to overcome the problem of hostile takeover by rival firms and others.

➤ Derivatives trading in equities started in June 2000. At present, there are four equity derivative products in India Stock Futures, Stock Options, Index Futures, and Index Options.

➤ Derivative trading is permitted on two stock exchanges in India i.e. NSE and BSE. At present in India, derivatives market turnover is more than cash market.

➤ In order to strengthen the "Know your client" norms and to have sound audit trail of transactions in securities market, PAN has been made mandatory with effect from January 1, 2007.

Issues and Challenges faced by Indian capital market

Indian Economy is the tenth largest economy in the world by nominal GDP and the fourth largest by purchasing power parity (PPP). As the LPG policy was implemented in 1991 for international competition and for foreign investment. There is fast growth & economic development in Indian capital market instead of that faces following issues and challenges is as follows

➤ **1) Inflation** – Inflation is the rate at which the prices for goods and services are rising and subsequently, purchasing power is falling. The inflation situation in the economy continues to be a cause of concern. Despite tightening of



the monetary policy by the apex of India, RBI and other steps taken by the government, inflation continues to remain close to the double digit mark. High international oil prices, high global food prices are some of the causes of high inflation.

➤ **2) GDP** – The growth figures for Indian economy are highly disappointing and highlight an unmistakable downward trend. GDP is expected to grow by ~5-6% 2012-13. Sectors like manufacturing and mining have seen a considerable erosion of growth momentum.

➤ **3) Index of Industrial Production** – Weakness in industrial production trend continues to be a point of concern for the economy. The recent IIP numbers was registered below expectation. Weakness was seen with growth in the capital goods segment, intermediate goods segment and consumer goods segment which slowed down drastically during these months.

➤ **4) Population** – The current population of India is over 1.23 billion, making it the second most populous country in the world after China, with over 1.35 billion people. India represents almost 17.31% of the world's population which is a serious concern. If the trend of growth continues, the crown of the world's most populous country will move on India from China by 2030. The population growth rate is at 1.58% with which it is predicted India would reach 1.5 billion mark by 2030.

➤ **5) Non uniform Tax reforms** – With the non uniformity in the tax system across the states it is a difficult task to carry out the businesses which resulted in undergrowth of the same. The different tax rates implemented in some states across pan India is a major

challenge to carry out the business smoothly and also it accounts for a reason of increasing prices of goods and services.

➤ **6) Foreign Policy** – Foreign investment flows into India saw a dip of about 17% in the year 2010-11 over the previous year. This dip is largely on account of a slowdown seen in case of FDI. In 2009-10, FDI inflows totaled US\$ 37.7 billion which was reduced to US\$ 27 billion in 2010-11. Of the top 25 sectors, 15 sectors have seen a dip in FDI flows during April – Feb 2010-11, compared to the same period in 2009-10.

➤ **7) Education and Unemployment** – 9.4 % of the population is unemployed which is yet another alarming issue for the growing nation. The literacy rate in India is 74.04% as of April 2011 which constitutes of 65.46% females and 82.14% males. The literacy rate is increasing but the rate of increment is low, which again is a matter of concern.

➤ **8) Poverty** – About 37 % of Indian population lies below poverty line which is a very alarming situation for a growing economy like India. The main reason for such diversity is the uneven distribution of wealth in the economy where a handful of people are the owner of maximum revenue and the majority of the population is too poor to even arrange for their daily bread. The distribution of wealth in India resembles the pyramid model. The pyramid states that the base of the pyramid is the poor people which are maximum in number, while the high net worth people is very few in numbers which resembles to the top of pyramid. As the wealth increases the number of people in the category decreases.

Conclusion



India has successfully implemented the first phase of reforms in 1990s which slowed down. India needs to follow through with deeper and more wide ranging reforms which will bring the regulatory environment and the framework of the economy to a level which can cope with the challenges of growth. Indian capital market is a booming market it has scope of development in sectors like Pharmaceuticals, Retail industry, Automobiles, Education, etc. FDI should be allowed in sectors to attract the foreign investors though keeping our own economy stable of its own and not mostly dependent on global market. Thus, there is the need to develop its capital market especially its bond market which is underdeveloped because of policies constraint. Also, India has a huge market for the infrastructure which requires huge funds.

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Role of Indian agriculture: performance and challenges

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Introduction

Agriculture is the dominant sector of India economy, which determines the growth and sustainability. About 65 per cent of the population still relies on agriculture for employment and livelihood. India is the first in the world in the production of milk, pulses, jute and jute – like fibers; second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production; and is a leading producer of spices and plantation; and is a leading producer of spices of spices and plantation crops as well as livestock, fisheries and poultry. In the past few years, Indian agriculture has done remarkably well in terms of output growth. The 11th Five Year Plan (2007-12) witnessed an average annual growth of 3.6 per cent in the Gross Domestic Product (GDP) from agriculture and allied sector. The growth target for agriculture in the 12th Five Year Plan is estimated to be 4 per cent. Indian agriculture is benefiting much from rising external demand and the sector's wider participation in the global economy. Department of Agricultural Cooperation under the Ministry of Agriculture is the nodal organization responsible for development of the agriculture sector in India. The organization is responsible for formulation and implementation of national policies and programmes aimed at achieving rapid agricultural growth through optimum utilization of land, water, soil and plant resources of the country.

The Indian agriculture sector is now moving towards another green revolution. The transformations in the sector are being induced by factors like newfound interest of the organized sector, new and improved technologies, mechanized farming, rapid growth of contract farming, easy credit facilities, etc. The Ministry of Agriculture is promoting a new strategy for farm mechanization through its various schemes and programmes. A dedicated Sub-Mission on Agricultural Mechanization has been proposed for the 12th Plan which includes custom – hiring facilities for agricultural machinery as one of its major components. In the 12th Plan which includes custom-hiring facilities for agricultural machinery as one of its major components. In the 12th Five Year Plan, the Government intends to increase the share of expenditure on agricultural research and development (R & D). The Government will focus on strengthening the Agricultural Technology Management Agencies (ATMA) concept through improved integration with Krishna Vikas Kendras (KVKs).

Crop imbalance should be removed and regional differences in agricultural development should be minimized. Priority should be given to value addition. Wastage needs to be minimized. Organic farming should be encouraged. Improving agricultural marketing can help farmers in a big way.



Rural infrastructure has a direct bearing on agricultural growth. Boosting agricultural production is important. Food grain production has been fluctuating over the years. It was 209.8 million tones in 1999-2000, 198.4 million tones in 198.4 million tones in 2011-12. It is estimated at 255.4 million tones 2012-13. The per capita availability of food grains per day was 465.7 grams in 1999-2000, 462.7 grams in 2004-05, 436.0 grams in 2008-09, and 462.9 grams in 2011-12. Per capita net availability of pulses was 36.5 gams per day I 1999-2000, 31.5 grams per day in 2005-06, and 39.4 grams in 2011-12. India certainly requires second green revolution. Growth in productive employment is the best means to curb unemployment. Even a high rate of growth could not solve the unemployment problem.

All the antipoverty programmes should from an integral part of local level planning. This alone will strengthen the local economy. Good governance is the key to the success of anti-poverty programmes which have run into rough weather for want of political will to eradicate poverty completely. Mere provision of funds for scheme is not going to deliver the goods. Their effective implementation is equally important.

Need for the study:

Government introduced many crops insurance schemes. However the utilization of these by farmers is very low due to some many flaws in those schemes and lack of awareness among the farmers about these schemes. so a detailed study is needed to find out the flaws to rectify them.

Objectives of the study:

To Examine the food grain production in our country .

- To study the analyze development in Indian agriculture.
- To High light the Agriculture was the main contribution to the National income and GDP.

Methodology:

The study is based on secondary data which will be collected from books, research articals, reports of government of India and journals.

Findings

Growth of other sectors depends on Agriculture sector and it is the main source of livelihood and food security for a large majority of Indian population. The sector is more useful to the economy directly and indirectly. However, the agricultural sector remains the principal source of livelihood for more than 52 percent of the population through its contribution national GDP had declined to 14.2 percent due to the high growth in the industries and services sectors. Further, the farmers are changing their cropping pattern, giving more importance to commercial crops than the traditional crops. Besides, the price of foodgrains are increasing continuously. In this scenario, the study aimed to assess the performance and challenges of the agricultural sector in India.

Recent Developments in Indian Agriculture

Agricultural policy focus in India across decades has been on self – sufficiency and self – reliance in foodgrains production. Considerable progress has been made on this front.



Foodgrains production rose from 52 million tones in 1951-52 to 244.78 million tones in 2010-11. The share of agriculture in real GDP has fallen given its lower growth rate relative to industry and services. However, what is of concern is that growth in the agricultural sector has quite often fallen short of the plan targets. During the period 1960-61 to 2011-12, foodgrains production grew at a compounded annual growth rate (CAGR) of around 2 percent.

Agriculture sector during the Current Five Year Plan (2007-2012)

The average annual growth in agriculture and allied sectors realized during the first four years of the Eleventh Plan Period, i.e. 2007-08 to 2010 -11, is 3.5 percent as against the targeted growth rate of 4 per cent. Agriculture and allied sectors recorded slightly lower average growth than targeted in the Eleventh Plan period due to severe drought experienced in most parts of the country during 2009-10 and drought / deficient rainfall in some states, namely Bihar, Jharkhand, eastern UP and West Bengal in 2010-11. However, timely and corrective measures taken by the government helped boost agricultural production and growth in agriculture and allied sectors reached 7.0 per cent in 2010-11, the highest growth rate achieved during the last six years.

Agriculture and allied sectors have made substantial process in terms of production and productivity since the beginning of the Planning process. The successive Five Year plans have emphasized growth in the agriculture sector, as a result of which foodgrains production reached a record level of 244.78 million tones in 2010-11. However, the challenges are far from

over. Agricultural growth in the current Five Year Plan is expected to be less than the target. A number of supply – side constraints exist and thereby achieving the food and nutritional security is a challenge. In order to make 4 per cent agricultural growth a reality, adequate efforts are required to focus on the challenges in this sector.

Crisis of Indian Agriculture

The agricultural sector in India is facing a crisis today. The globalization process, which started in the 1990s, is the main reason for this crisis. The solution of the problem is not in a few “packages” but in drastic changes in the present economic policies related to agriculture. For this, the government should be ready to take bold steps. Farmers, agricultural labourers and people’s organizations in civil society should work collectively to assist and persuade the government to make the necessary changes. It is high time that the government and the people realised that India can become a real “superpower” only when the vast majority of the people, especially the farmers in the rural areas, become prosperous and are really empowered. The words of Dr M.S. Swaminathan are relevant here: “In a country where 60 percent of people depend on agriculture for their livelihood, it is better to become an agricultural force based on food security rather than a nuclear force.”

India is an agricultural country and its 70 percent population are staying in rural area. The co-operatives which are the life blood of the Indian economy and mechanism for any development programs. Especially in agriculture dominated rural sector co-operative banks play a pivotal role in bolstering the common individual and financing his



business and personal needs The Primary Agricultural Co-operative Banks came in to being after the enactment of the Co-operative credit societies Act in 1904.

Co-operative banks belong to the oldest form of the collective action in India playing essential role in the realization of the agricultural and in local development. They serve both rural and urban population and are main banks in Tamil Nadu supporting development of agricultural and rural areas. Most of PACCSs have capitalized opportunities better and fared well. However PACCS form an important part of the short term credit structure. PACCSs directly interface with individual farmers, provide short term and medium term credit most of the PACCSs are facing overdue problems. It is essential on the part of PACCSs to take appropriate step to improve their recovery performance. PACCSs should change their loan policies on the basis of the crop loan system. Agriculture plays an important role in the process of economic development of India. Besides providing food to the nation, agriculture releases labour, provides savings, contributes to market of industrial goods and earns foreign exchange. However, agriculture was the main contribution to the National Income at the time of Independence of India.

Sustainable agriculture

Food security, nutritional security, sustainability and profitability are the main focus of present and future agricultural development. Fertilizers have played a prominent role increasing food grain production of the country. About 50 per cent increase in agricultural production in post green revolution era (After 1970) is attributed to the use of

fertilizers. The use of chemical fertilizers would remain the mainstay of agricultural production in future as well, given the increasing food demands of growing population and insufficient of food availability to feed around 1.4 billion populations.

Most of soils contain nutrients that are required by plants but the quantity and availability of such nutrients will vary with different soils depending upon their origin, composition and percent use. The sufficiency of such nutrient stocks for crop production will depend upon the crop species and targeted output of the economic produce of that crop. So, the farmer has to find out how much of nutrients could be supplied by his farm soil for the crop to be grown by him and then determine how much he has to additionally supplement. The reasons for declining soil fertility are decline in the organic manure content in the soil and use of imbalanced fertilizers and not practicing the integrated use of organic, bio-fertilizer along with inorganic fertilizers. Soils of India are generally poor in fertility as these are low in organic matter and have consistently been depleted of their nutrient resource due to continuous cultivation after introducing the high yielding and high nutrient demanding crop varieties. The organic matter content of soils has drastically reduced on an average from 1.2% to 0.68% from 1970 to 2000. The low and declining soil fertility are the main causes of low productivity of most of the cultivated lands.

Globalization and agriculture: The term 'globalization' means integration of economies and societies through cross country flows of information, ideas, technologies, goods, services, capital, finance and people. To realize the



expected gains from trade liberalization, apart from improvement in infrastructure, Indian agriculture would need to become more competitive. The recent deceleration of growth in Indian agriculture both in production as well as in crop productivity has however been a cause of worry. Unless this trend is reversed, India may not be able to take on the opportunities that may be made available to it in the wake of globalization. Reversal of this trend would however require action on a number of fronts the most important being reversing the trend of declining public investment in agriculture and extending the coverage of irrigation to a much larger cultivated area.

Agriculture Growth Rate in India's GDP: India is the second fastest growing economy in the world. The growth rate of India's GDP is 6.8 percent

in 2009-10. Agriculture, including crop and animal husbandary, fisheries, forestry and agro processing provides significant support for economic growth and social transformation of the country. As one of the world's largest agrarian economies, the agriculture sector in India accounted for 13.9 per cent of the GDP in 2011-12, compared to 24.7 per cent in 2000-01. The shares of agriculture in the India's GDP are given in Table - 1.

The agricultural sector has always been an important contributor to India's GDP. The agricultural sector contributed around 17.8 per cent to India's GDP in 2007-08. In the early 1950s, more than half of India's GDP came from the agricultural sector. By 2009-10, that contribution was halved again to about 15 per cent only. The share of Agriculture and Allied Sectors in GDP is estimated to be 13.9% in 2011-12.

Table - 1: Share of agricultural output in India's GDP

Year	1950-51	1970-71	1984-85	1990-91	2000-01	2005-06
% Share in GDP	56.5	45.9	35.2	34.0	24.7	19.6
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	18.5	17.8	15.7	14.7	14.5	13.9

Summary and conclusion

Indian gained highly form the LPG model as its GDP increased to 9.7 per cent in 2007 – 2008. In respect of market capitalization, India ranks fourth in the world. But even after globalization, the condition of agriculture has not improved. The share of agriculture in the GDP is only 14 per cent. The number of landless families has increased and farmers are still committing suicide. But

seeing the positive effects of globalization, receiving g the international market for the agricultural goods of India, there is need for an increase in farmer's agricultural products, new technology, new seeds etc. that help to grow the agricultural products, and it can be said that very soon India will overcome these hurdles too and march strongly on its path of development.



India is a much affected country in terms of socio – economic status since independence. We can observe the Chinese economy and their efforts for growth of agriculture sector. The Chinese government has recognized that agricultural growth is necessary but not sufficient for alleviating poverty. The country has given much importance for agricultural growth, rural non-farm employment, public investment and human development, infrastructure, literacy and credit access are favourable inputs to develop the rural areas. The Central and State governments would do well to take special care to revitalize the agricultural sector and try to improve the growth rate and its share to the GDP through different favorable policies and programmes.

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Food Security In India

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Abstract: *Everybody needs food for survival, but in our country the most of the people are suffering for the food. Most of them are eating only one time meal per day and also lot of food is wasting in so many ways. People they don't know that they are wasting the food but if we have the awareness on the securing the food definitely some of them will eat three time per day. The UPA government has introduced the food security scheme in the year 2013. The main aim is to full fill the gap of the hungers in the country and nobody will feel hunger. And in this process most of them are benefited. India is a net agricultural exporter, particularly of milk, fruits and vegetables and cereals. However, food availability is threatened by the effects of climate change and declining water resources on agricultural output. Economic access to food by about a fourth of the population living below the poverty line is problematic. The paper is written with an objective to discuss food security measures with reference to recent national food security act, its challenges, benefits, limitations and to give suggestions to ensure food security in India.*

Keywords: *food security, consumption, house hold sector.*

Introduction:

Currently, millions of people around the world suffer from hunger and malnutrition. In 2007, the United Nations (UN) estimated about 850 million people worldwide who suffer from malnutrition. It also estimated that African and Asian continents have 799 million undernourished people, most of them living in developing countries. The main cause of this problem is food insecurity. India has over 120 million people and the second most populous country in the world. To feed this population farmers are working very hard for centuries. Well, we have achieved self-sufficiency in food production; the majority of the Indian population does not get enough food or balanced food. Due to the increase in

average cereal production per capita consumption of cereals is satisfactory, but there is a decrease in consumption per capita pulse. Production and consumption of fruits and vegetables is relatively low. Until now, specific efforts are not been taken to improve the production and distribution of vegetables at an affordable cost in both urban and rural areas. Food insecurity is a condition, where very less food is available for the household member. In such situation, the food intake of household members is reduced and their normal eating pattern is disrupted because the household lacked money and other resources for food. The paper is written with an objective to discuss food security measures with reference to recent national food security act, its challenges,



benefits, limitations and to give suggestions to ensure food security in India.

❖ According to the Organization for Food and Agriculture (FAO) of the United Nations, food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for active living and healthy life.

❖ According to the European Crop Protection Association, food security often refers to food availability and an individual's access to food. A person can be considered "food secure" if they do not live in hunger or fear of starvation. In addition to hunger and starvation, food security can also refer to the availability of a sufficient nutrition to ensure a healthy diet, avoiding the health impacts of malnutrition.

❖ According to the Department of Agriculture of the United States, "Food insecurity is a situation of limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways."

Food Security at Global Level:

combination of mainly short-term factors, including harvest failures, higher oil prices and the associated acceleration of US ethanol production exacerbated by excessive reactions to rising prices by limiting exports and restocking in tight markets. The spike, however, was superimposed on a medium term trend of rising real prices caused partly by the falling value of the US dollar, rising aggregate demand and monetary expansion, and the slow-down in the grow Agricultural prices have fallen

heavily since their peaks in the first half of 2008: some are already at the levels seen in early 2007 before the recent spike began. Thanks in part to economic downturn; prices are expected to continue falling in 2009. Prices of inputs such as fertilizer and oil, and ocean freight rates, have also come down; and by even larger fractions than those of outputs. Increasingly it seems that the price spike was an extraordinary event caused by an unusual the of cereals outputs since the mid-1980s in which production has fallen behind population growth. The economic downturn and outright recession in OECD countries can be expected to depress growth in the developing world, through reduced financial flows — investment in stock markets, banking capital, foreign direct investment and remittances, and through lower demand in markets pushing down commodity prices and reducing tourism receipts. Some countries will see their currencies depreciate as their current accounts weaken. While this will raise the threat of inflation, it will also stimulate exports and depress demand for imports and so help correct trade imbalances. Overall, the impacts will be almost certainly be deflationary. World Bank forecasts see reduced growth across all regions of the developing world, although growth will still be positive and recessions are not expected. Wider variations in impacts can be expected from country to country, depending on economic structure, integration into global financial markets, and the strength of the economy as seen in foreign exchange reserves, fiscal deficits, and external debt. Marked differences between middle and low income countries are likely, with further differentiation depending on the trade balance in oil and foods. Food security and nutrition depend



on the incomes of the poor and local price levels of foods, as well as general health conditions. So many intermediate variables intervene that making ex ante prediction risks too much guessing. Hence here the experiences of Indonesia, Mexico and Zambia when facing economic recessions in the 1990s have been reviewed.

Food security in India:

The green revolution initiated in the late 1960s was a historic watershed that transformed the food security situation in India. It tripled food grain production over the next three or four decades and consequently reduced by over 50 percent both the levels of food insecurity and poverty in the country, this was achieved in spite of the increase in population during the period, which almost doubled. The country succeeded in the laudable task of becoming a food self-sufficient nation, at least at the macro level.

Review of literature:

In the views of Patel and Mishra (1998) food security would mean ensuring all people to have physical and economic access to the basic food they need to work and function normally. Physical access to food can be increased by proper infrastructure, proper marketing and storage facilities. Economic access would imply the ability of nations to generate the foreign exchange and the ability of households to generate income necessary to buy enough food. George (1999) while reviewing various concepts about food security finally concluded that physical access must be accompanied by economic access that determines peoples' ability to acquire food to have food security with the inclusion of quality aspects of the diet as determined by the consumption habits. Swaminathan (2000) considered

biological absorption of food in the body to recognize food security along with availability and access. In his views, availability is a function of production while access is conditioned by purchasing power and biological absorption is determined by the availability of safe drinking water, primary health care and environmental hygiene Sarbapriya Ray and Ishita Aditya Ray (2011) stated that food security means availability, accessibility and affordability of food to all people at all times. The poor households are more vulnerable to food insecurity whenever there is a problem of production or distribution of food crops. Food security depends on the Public Distribution System (PDS) and government vigilance and action at times, when this security is threatened. Gulati (2006) expressed food security at national to household level as it is more a matter of economic access than that of physical availability in developing and developed countries.

Objectives:

The objective of this paper is to examine the performance, challenges, and policies in food security in terms of availability, access, and absorption over the last three decades.

1. To study food safety measures taken in India.
2. To anticipate the challenges of food insecurity in India.
3. To discuss limitations and propose measures to reduce food insecurity in India.

Methods: The research paper is prepared using a research library with online access to books, journals, articles, surveys and encyclopedias. Hypothesis :Null Hypothesis (Ho): Food safety measures



taken in India are enough to ensure the availability of sufficient food for all and also to avoid malnutrition. Alternative Hypothesis (H1): Food safety measures taken in India are not enough to ensure the availability of sufficient food for all

and also to avoid malnutrition. The present study analyzed the sustainable improvement in promoting efficiency and effective functioning of food security sector based on collection of secondary data from Economic survey 2011.

Results :

Table-1: Food grain production in India (million tonnes)

Year	Rice	Wheat	Other Cereals	Pulses	Total	Increase Per Year
2000-01	84.98	69.68	31.07	11.08	196.81	-
2001-02	93.34	72.77	33.37	13.37	212.85	8.1
2002-03	71.82	65.76	26.06	11.13	174.77	-17.8
2003-04	88.53	72.16	37.59	14.91	213.19	21.98
2004-05	83.13	68.64	33.46	13.13	198.36	-6.95
2005-06	91.79	69.35	34.08	13.38	208.60	5.2
2006-07	93.36	75.81	33.91	14.20	217.28	4.2
2007-08	96.69	78.57	40.76	14.76	230.78	6.2
2008-09	99.18	80.68	40.04	14.57	234.47	1.6
2009-10	89.09	80.80	33.56	14.66	218.11	-7.0
2010-11	95.98	86.87	43.4	18.24	244.49	12.2
2011-12	105.30	94.88	42.02	17.09	259.29	6.1
2012-13	104.40	92.46	40.05	18.45	255.36	-1.5

Source- Economic Survey,2011-12

Table-2 Growth rates of Population and net food grain production

year	Population (in million)	Net production of food grains(inMT)	CGR per decade of the growth of population	CGR per decade of the growth of food grains
1951	363.2	48.1	-	-
1961	442.4	72.0	1.99	4.12
1971	551.3	94.9	2.23	2.80
1981	688.5	113.4	2.25	1.80
1991	851.7	154.3	2.15	3.13
2001	1027	172.2	1.95	1.10
2011	1210.2	210.2	1.65	2.89
Average	733.47	123.59	-	-
S.D.	28.9	53.57	-	--
C.V.	39.40	43.34	-	-

Source: The relevance of the concept of food security in the context of the Indian economy, Dharendra Nath Konar, 201



Table-3 India's food grain(Rice,wheat, coarse grains and pulses) production

India's food grain(Rice,wheat, coarse grains and pulses) production(Million Tonnes)	
year	Food Production
1950-51	50.8
1960-61	82
1970-71	108.4
1980-81	129.6
1990-91	176.4
2000-01	196.8
2011-12	259
2012-13	255
Source: Ministry of agriculture, India	

The above tables Reveals that food production in India has increased tremendously from the last two decades except few years. Economic reforms has been introduced in Agriculture to increase food grain production in India since 1991. India has achieved self sufficiency in the Food production.

Discussion:

Hunger is referred to food deprivation and it is caused by insufficient food energy consumption. Malnutrition results deficiencies, excesses or imbalances in the consumption of macro and micro nutrients. Malnutrition may be outcome of food insecurity. The major snag in PDS system has been the delivery of poor quality food grains in the ration shops. Superior quality food grains are sold in the open market at a premium through the back door. Unscrupulous and bogus fair price shop owners have issued duplicate and illegal ration cards in the open market and so the deserving under privileged customers are denied. The Climate change is a crucial factor affecting food security in many regions of India. The sky-scraping investment in research and infrastructure requires

technological innovations for escalating crop yield in special areas of agriculture. Crop production techniques have also undergone transformation, having implication for food security in India. The decentralization of procurement and distribution has become necessary to improve and strengthen the PDS. A greater and more active involvement of the panchayats in the PDS can significantly improve access at the village level. A comprehensive review of the functioning of the FCI and the modernization of its operations is overdue and the greater involvement of cooperatives, self help groups, and other community organizations in procurement as well as distribution should be a top priority. Improving the turnover and margins of fair price shops, provision of credit to enable regular lifting and sale of supplies, and the regular monitoring of retail sales is necessary for effectively tackling and plugging diversion as well as other malpractices such as adulteration. Concerted efforts are needed for computerization of records, and the issue of smart cards to beneficiaries is essential for greater accountability and transparency. Evolving a comprehensive



criterion for the selection of agencies and individuals for retail FPS operation, and the strictest enforcement of these criteria would significantly improve effectiveness of the retail network.

Conclusion:

National self-sufficiency in food grain has been a major achievement in post-Independence India. Having remained a severely food deficit economy over two decades after Independence, India managed to achieve self-sufficiency in food grain production at the macro or national level. During the last decade the MSP has increased sharply as compared to the earlier decade. The MSP for paddy of common variety increased by as much as nearly 70 percent during the short span of 2004-05 to 2009-10 as compared to a rise of only 9.8 percent for the period 2000-01 to 2004-05. Similarly there has been a sharp increase of MSP for wheat by 71.0 percent in the second half of the last decade as compared to the first half wherein the MSP for wheat grew at a mere 8.6 percent. To avail food security in India, the Government distributing goods through PDS (Public Distribution System) and running midday meal programme effectively in all states to provide food security in schools. Though, the Government has taken certain measures to strengthen PDS in India, Government should enforce certain laws to verify the implementation of the programmes. Effective measures should be taken to enhance the production in the primary sector and to generate employment opportunities to cope up the problem.

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Self-help groups – empowerment of rural women An empirical study in Mahaboobnagar dist.

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Abstract: In India women constitute nearly 50 percent of total population. Majority of them, especially in the rural areas, depend upon agriculture for their livelihood, to be voiceless section through economic value is not attached to women's role. In bringing up the family, women contribution is very significant, in Indian agriculture sector. Since house hold health and nutrition are generally in the hands of women the empowerment of them is necessary for ensuring their own welfare. Real empowerment of women, the empowerment of them is necessary for ensuring their own welfare and also the well being of the entire house hold. Real empowerment of women would happen only by adding more value on their contribution to the family and the society. Women there fore is a powerful part of social and economic setup of the country. Women empowerment through self-help groups (SHGs) constitutes an emerging and fast growing tends toward social and economic development of the nation. Self help groups (SHGs) are one of the innovative an much needed. Schemes to accelerate the women's self employment and women empowerment. This concept was successfully implemented in Bangladesh and now in India. It has become the effective tool to improve the economic development of women. To Strengthen the Self Help Groups (SHGs) the government is providing all financial assistance. An attempt was made in two villages of Mahabubnagar dist. To study the effect of Self Help Groups for the development of rural women.

Introduction

Empowerment is relevant at the individual and collective level, and can be economic, social or political. The term can be used to characterise relatives within house holds or between poor people and other actors at the global level. There are important gender difference in the cases, forms, and consequents of empowerment. Hence, there are obviously many defintiers of empowerment. ¹. Most difficulties focus on issues of giving power and control over decisions and reasons that determine the

quality of one's life. In broad sense, empowerment is the expansion of freedom of choice and action. It means increasing one's authority and control over the reasons and decision that one's life. "Empowerment is the expansion of assets and capabilities of poor people to participate in, negotiable with, influence control, and hold accountable institutions that effect their lives ² women's empowerment and economic development are closely related development itself will bring about Women's empowerment, empowering women will bring about changes in decision making which will



have a direct impact on development. For the development of women the Government of India and state Govt. implement and co- ordinary programs for the development and welfare of the women. There has been a shift in policy approaches from the concept of "Welfare" in the services to development in the eighties and now to "empowerment" in the nineties³

In the welfare approach, women were taken as vulnerable sectors of the population, whose situation could be ameliorated through the provision of support services like health nutrition and child care the economic self reliance puts emphasis on income generative property for women, the empowerment looks at unequal genges and power relatives and uses concretisation mobilization soldiery and collective action. The empowerment approach arises from strong commitment to women's capacity to make this own decisions about development strangers that would lead to this empowerment.

Review of literature

Various studies have been conducted which lights the positive trends and impact of self help groups on empowerment. T. chiranjeevulu has analyzed and concluded that women have developed abundant self confidence and self- esteem through SHG. Further he said that SHG movement has achieved economic development but also social and gender issues and faceted exoterically. H.D. Dwaraka nath has observed that SHG has created confidence away the women and have mostly created the attitudinal changes and transter and the social out look of the women. VMS permal study revealed that the income of the SHGs members has increased after joining the self help groups. The family

expenditure has increased due to activities of SHGs.

Objectives of the study:

1. To asses the impact of SHGs in the economic empowerment of women
2. To examine the relationship between socio economic factors and the empowerment of women.
3. To examine the factors that influence the women empowerment though self help Groups.

Hypothesis

1. There is a significant impact of Self Help Groups on over all development of rural women.
2. Education level of rural women play positive role in functioning of Self Help Group.

Methodology

Tools of Data collection: Both primary and second data are used for the study, the primary data was collected by using by interview schedule and the secondary data was collected from various publications of both central and state Govts.

Sample Design: Two villages were chosen for the study 50 (1. Mogiligidda 2. Errabirusu Thanda) SHGs are randomly selected and from each SHG 2 members interviews thus a total number 100 of SHG members are taken from both the villages.

Scope of the study: The present study covers only the SHG members in Mahabubnagar Dist. It is confined to demographic and economic aspects of the sample respondents and the empowerment of women in the study area.



Results and discussion

It is observed that more than 80 percent in Mahabubnagr dist belongs to the age group of 30-40 years. It is also found that 60 percent of the respondent are illiterates 20 percent of the respondents are completed 10th class only few respondents have degree or plus two qualification. Our field data shows that 30 percent of the respondents have completed 5 years in SHG 40 percent of the respondents have 5-10 years experience with SHG only 5 percent of the respondents have more than 10 years of experience with SHG.

It is observed that 90 percent of the respondents have married. 8 percent of the respondents have not married and 2 percent of the respondents are widows. It is found that nuclear families are more. Our field investigation reveals that majority of the respondent do not have any agriculture land only 25 percent of the respondents possess less than 2 acres of land. Most of the respondents are small land holders and land less labours.

It obviously reflects the incidence of poverty low income, low productivity and low standard of living of the respondents living in these villages. In order to get some extra income for their survival they are working as casual labours and agricultural labours.

Conclusion and suggestions

(a) **Conclusion:** Poverty and unemployment are Major twin problem of area facing India. To reduce poverty and unemployment several programs were implemented in India. But the more attractive scheme with less efforts is of self help groups. SHG program have been recognized as effective and useful tool to help the rural women. It is observed that

self help Groups are main source of inspiration for lower income group to improve this living conditions. More than 60 percent of the respondents have said they get increase social awareness, improvement in this self confidence, desire to save, educating this children and ultimately to increase their family positions. They consider self help groups have become spring board for their future.

Thus self help group are contributing for the upliftment of socio-economic conditions of village folk in rural areas some more measures are required for the better functioning of the self help groups as ultimately it helps to improve the progress and prosperity of people in rural area in general and weaker sections in particular.

The study was under taken to identify women empowerment through self help group in Mahabubnagar dist of Telangana State. It is found that the social economic factors had been changed after joining the self help Groups SHGs have been identified as a way to alleviate poverty and women empowerment. The real empowerment is possible only when a women has increased access to economic resources. More confidence and self motivation more strength, more reorganization and say in the family matters and more involvement through participation all though it is gradual and consistent process but women should built this mind set for taking additional effect willingly for their over all development SHGs have potential to have an impact on women empowerment. The study suggests that for effective implementation self help groups and this contribution for rural development, it is necessary that self help groups should be



provided more seed money, loan facilities and subsidy component.

(b) Suggestions

1. More schemes can be introduced by the Government and it has not be communicated and advertised proper way to reach the Self Help Groups. So the Non Government Organizations and other support agencies to deals with Self Help Group with periodical intervals. In the aspects, Self Group members more satisfied and benefited.
2. In order to strength the women empowerment, female literacy has to be promoted.
3. It is suggested that the Non Government Organisation should be prevented from interfering with Self Helg Groups movement. Steps should be taken to keep them as voluntary organizations and they should not be allowed to use extraneous influences.
4. In many of the Self Help Groups , the same person is continuing in the offices as group secretary . So , rotation of the group's secretary is necessary for equitable exposure to the banking transaction.

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Functions and Problems of Human Resource Development: Some Observation

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Abstract: Indian economy is more than a decade ago sparked off a series of events that have impacted the way of perceiving the available resources especially human resources. Human resources have unique capacity to formulate and consciously transmit knowledge from one generation to other. In recent era knowledge has taken new forms because of advancements in technology and relevant applications. Thus, the knowledge form change brought fundamental change in human development form being limited to material processes to the infinite and creative potential of human processes. Human resource development is the process of developing the human resource working in an organization by modernizing their knowledge and upgrading their skills, attitudes and perceptions in order to meet out the changing trends of the globalised economy and also to utilize those developments for the attainment of the organizational goals. In this connection this paper focuses on the structural transformation of human resource in Indian economy why the transformation of human resource, how these are transformed one sector to another sector and how these are led to the economic development in the Indian economy. These are the basic research questions for this paper. This paper purely based on the secondary data source and it has been collected from various official reports and websites publications and books etc of the (Michael, 1995).

Keywords: Human resource development, economic development, transformation,

Introduction:

The economic development of the any economy directly or indirectly depends on different factors of production such as land labour capital and organization. Among these the land and capital are natural related and the labour and organization are the human related resource. Until and unless these two are essential for the production of any sector, it is well known fact that the production is the combination of different factors including the natural and human resource. In the globalization era the human resources play an important role in the economic development of the developing countries like India. Human

resource including the physical and mental health, education, training, skill development programmes good environments, safe drinking water, sanitation, safe housing and even the food security. These are all directly or indirectly influenced the Human Resource Development. In the development of HR includes such opportunities as employee training, employee carrier development, coaching, succession planning, key employee identification, tuition assistance and organizational development. The relationship between human capital theory and human resource development stems from their focus on the use of the



labor force in the process of economic activities (Michael, 1995).

Human Resources transformation refers to the massive restructuring of corporate human resources (HR) departments that took place in the decade or so after LPG period. Before LPG period, the man power in HR departments had generally been seen as administrators, not as people to be involved in high-level strategic discussions. HR staff motto themselves as lifetime career specialists with little need for knowledge or experience of what the rest of the business was about. After the 1995 the number of companies started their journey with the revamp their Human Resource department as separate. The HR managers in every sector or company have been influenced by the ideas of Dave Ulrich, professor of business at the Ross School of Business at the University of Michigan. As per his concepts on HRM, the transforming the HR function have been divided into three, such as Shared Service Centers, Center of Expertise and Business Partners. These three sectors of man power together easily function their departments and companies in various phases of their duties.

Globalization is the dynamic process of any economy; in the process of dynamic the resources are mobile from one place to another, one region to another, one country to another and one sector to another sector. The transformation of work force from primary to secondary and service sectors is the indicator of the economic development. According the transformation theory of human resource 85.0 percent population in primary sector have to change as 15.0 percent and the

15.0 percent of secondary and service sectors have to be employed of 85.0 percent, this is the development scenario of the developed countries. Thus it is clear that historical development of economy directly influenced the transformation of the human resource. When we look into the historical development of the developed economies like USA, UK, USSR, Japan and Canada are having the Karl Marx and WW Rostow growth models, in the two doctrines they mentioned the transformation of human resource from the primary sector to secondary and tertiary sector (W.W. Rostow 1960).

Review of Literature:

Pareek and Rao: (1981) the definition of HRD India including the acquire or sharpen capabilities required to perform various functions associated with present and future needs of the job. Develop their general capabilities as an individual and enable them to exploit their inner potential. Develop a congenial organizational climate in which dyadic relationship and team collaborations among sub-units are strong and contribute to the professional wellbeing of employees. **M.N. Khan (1987)** in the form of HR transformation, it is the process of increasing knowledge, skills, capabilities and positive work attitude and values of all people working at all levels in different stage of their duties and functions by the human resource in any sector and company. **Ulrich, D. (1997)** the great expectations that HR transformation aroused, however, were largely irritated. After a decade, around 5.0 percent of executives have been opined that they thought that their organization's management of people was not in need of their improvement. Part of



the problem lay in making traditional HR people think strategically. **Kelly, (2001)** has expressed his concept on HRD expansion of human capital within an organization through the development of both the organization and the individual to achieve performance.

Objectives:

- i) To explain the role of human resources development.
- ii) To examine the human resource functions.
- iii) To identify challenges in Human Resource Development.

Methodology:

Present research article purely based on the secondary data it has been collected from the different source like, publications, edited books, official reports, and different opinions of the HR managers through the web sources at National and International levels. Even though this study has its own limitations why because the available data is only the point of time not for the period of time, in the interpretation information the views of other may not be generalized. In this regard the scholar expressed her thoughts through the general disruptive mode.

Discussions and Results:

Human resources are vital from the point of view of economic development. In the first place, people are used as an instrument of production and are available as factors of production to work in combination with other factors. Secondly, they are the consumers and the objective of economic development is to maximize their economic welfare. In other words, people are the means to

achieve economic development and also the end in them. The nature and size of population, therefore, is a crucial factor determining economic development of a country.

The service industry forms a backbone of social and economic development of a country. It has emerged as the largest and fastest-growing sectors in the world economy, making higher contributions to the global output and employment. Its growth rate has been higher than that of agriculture and manufacturing sectors. However recently in June, 2013 it has been observed that Indian services firms lost momentum as new business trickled in at the slowest pace in nearly two years, dashing hopes of a sustained pick-up in economic growth. So a big question that arises is how the sustainable growth of service sector can be maintained? And for achieving the growth one factor which can help a lot is Human Resource and their continuous development. Among the different factors of production in any type of economy the significance of Human Resource have been identified as the major role in the development of any sector, company, region, and even the nation, it was already mentioned in the introduction part. Human Resource Development- A Conceptual Exposition Page 56 & HRD perceives improved performances as the cause of improved job satisfaction and morale of employees on work (Gupta, 2008)

In any sector in a country or in a company should have to follow the above mentioned features of human resource, those have to lead to the all round development of the human resource. Then it is easy to overcome the long standing problems in the economy like



poverty, unemployment and other issues. A successful strategy of poverty and unemployment reduction must have at its core measures to promote rapid and sustained economic growth in the form of mobilization of human resources. The challenge for policy is to combine growth-promoting policies with policies that allow the poor to participate fully in the opportunities unleashed and so contribute to that growth. This includes policies to make labour markets work better, remove gender inequalities and increase financial inclusion along with the inclusion of human resource. Right from 10th five year plan to till to date Indian economy has followed the strategy on the development of human resource development in the form of inclusive growth. Through various programmes, schemes and projects, especially in health and education for work for inclusive growth and continues to spend heavily on health and education, which have a major impact on poor people's ability to take part in growth opportunities in the country. The function of the human resource in different stages in any sector and any MNC are commonly enabling the following duties such as setting work priorities, Encouraging Good Performance, Providing Meaningful Work, Staff Development Responsibility etc

Managerial responsibility is making sure that all managers and staff apply personnel policies on a day-to-day basis and distribute tasks and responsibilities fairly and equitably among employees. When developing an integrated human resource management system, you should review your organization's job classifications and related salary scales to ensure that

salaries are appropriate to the level of responsibility and are competitive when compared with local economic conditions. They should also review your organization's personnel policies, update them as needed, and make the updated information available to all staff. One of the steps you can take in strengthening an HRD system is to make sure that all staff has a current and up-to-date job description that provides them with information about their general duties and responsibilities. The job description provides the supervisor with a starting place in developing a work plan with the employee. An important element of a work planning and performance review system is holding joint work planning and performance review meetings on a regular basis. This system allows both the supervisor and the employee to evaluate performance and to plan ahead for training or other career development activities, if needed. A work planning and performance review system can improve individual staff performance and increase staff motivation.

Making staff development a priority is an importance component of a comprehensive HRD system (Astuty Mulang, 2015). A well-managed program of training and staff development can broaden the skills and competencies of your staff and reap many pay-offs. Formal, organized training is only one vehicle for staff development. Other staff development strategies include: job learning through mentoring relationships, Cross-functional assignments and Membership in task forces and committees.

Conclusion and Suggestions



Based on the forgoing analysis this paper concludes that the all the three objectives have been fulfill by this study. The first objective is to explain the role of human resource development, in this direction the article reweave the some of the important points relating to the human resource. Human Resource have been identified as the major role in the development of any sector, company, region, and even the nation, it was already mentioned in the introduction part. In the form of HRD it can be solve the major long strong problems of poverty and unemployment even in the inequalities in the social sector. All these things have been covered under the first objective. The second and third objectives are to examine the functions and challenges of HRD. In these aspects, the major functions of the HRD are setting work priorities, encouraging good performance, providing meaningful work, staff development responsibility etc. in the aspect of problems are in two ways one in from the management side low level of skills, knowledge, adoption of technology, conducting the training progremmes and miss management, on the workers side job security, wage payments, low level of education, mobilization etc have been observed from the study. Thus it can be conclude that the HRD have to link-up to the economic development, major HR departments are in the informal way it should be converted as the organizational way, the separate health and education development programmes, schemes and projects have to implement by the public and private partnership mode. The education system should be change as the dynamic changes across the global level. The higher, technical vocational and professional education systems have to

modify on the action and need based of the contemporary society. Then only the HRD should be led to the economic development of any nation.

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The Impact of Self Help Groups on Inclusive Growth of The Poor - A Case Study of Nalgonda District In Telangana

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Abstract : Access to finance for those belonging to poor and vulnerable group is a prerequisite for poverty reduction and social cohesion. Self Help Groups are working in Telangana at grass root level especially among poor on the principles of mutual help, joint responsibility and self-reliant, Still they behind in achieving their full potential, significant and impressive, so they need inclusive growth which include common people into the orbit of development. Social and economic justice can be provided only with the inclusion of hitherto excluded deprived section of people. Many measurers were taken by the Government to overcome from their problems. It leads to overcome from some extent but we need inclusive development of those people. This paper is a modest attempt to find out the impact of Self Help Groups on inclusive growth of the poor, so that they can manage economic and social activities by themselves without any distraction and organises socio economic activities which play a major role in increasing income, saving, standard of living, quality of life, equal treatment, mutual cooperation.

Introduction

Mahatma Gandhi once said that the real progress of India did not mean simply the growth and expansion of industrial urban centres but mainly the development of the village. This idea of village development being at the centre of the overall development of the nation is relevant even today. More and half of the population of Telangana state live in rural area and large number of population live in below poverty line. The only way to develop rural areas is to provide socio-economic support to the rural people through the self-help group. Providing socio-economic support to strengthen their position and also empowered them both economically and socially.

SHGs are not a new concept in development. The traditional Telangana society functioned mainly on the basis of self help and mutual aid. However in

present times SHGs are emerging as a major group to provide mutual help and to get credit from formal sources with-out collateral to the poor which are also getting support from Government. The main aim of the Self-Help group is to provide economic opportunities to the economically disadvantaged groups to improve their socio-economic status by organising and participating in the own voluntary and democratic associations.

Self Help Group is a small voluntary association of poor people, preferably from the same socio-economic background who are voluntarily coming together to save a small amount regularly, mutually accepting to contribute to a common fund and to meet their emergency needs on mutual help basis. A self Help Group is a group that consist of about 10 to 15 persons of a homogenous class who come together with a view to address common problems.



They collect voluntary savings on a regular basis and use the pooled resources to make small interest bearing-loans to their members.

A rural SHG enables members to become self-dependent and self-reliant and provides a forum for members to exchange ideas. It fosters a spirit of self-help and co-operation among members and gives them strength and confidence to solve their socio-economic problems. Participation in income-generation activities is believed to increase status and decision-making power. Rural development tries to build upon the existing Self-Help potential of the rural poor and assists them as producers in the identification of occupations and activities which provide a high net return on invested labour and capital. The poor can internalize production possibilities in groups only. It provides a forum in which the poor can critically analyse the situation and devise collective strategies to overcome their difficulties. Present paper examines the impact of Self Help Groups on inclusive growth of the poor in Nalgonda district of Telangana State. Said district has been purposively selected reason being number of Self Help Groups are more in number is 28764, among them poorest of the poor SHGs 10786, poor SHGs are 15963, non-poor SHGs are only 383 and other SHGs are 1632. Number of poor SHG members are considerably high and line of economic activities are improved.

Review of Literature

Gurumurthy (2000) Self Help Groups empower women. Kurukshetra, Vol 48 (5) February. He mentioned that SHGs is a viable alternative to achieve the objective of rural development and to get community participation in all rural

development programmes. Chiranjeevulu T (March, 2003), "Empowering Women through Self Help Groups Experience is Experiment", found that women have developed abundant self confidence and self-esteem through SHG movement. Not only economic poverty but also social and gender issues can be tackled effectively through this process. U.M.S. Perumal (2005) SHGs empowering the women at the gross roots' has conducted a study with an objective of studying the income expenditure and saving behavior of the members after joining the SHGs and to know the role of SHGs in providing rural credit. The study revealed that the income of SHGs members has increased after joining the SHGs. The family expenditure has increased due to positive in the income of SHGs members. Frances Sinha (2006) Self-Help Groups in India – A study of the lights and shades. EDA Rural System in association with Andhra Pradesh MahilaAbivrudhi Society. This study seeks to examine the development of self-help groups and their role in financial services delivery in India. ShibalalMeher (2007) Impact of Micro finance on poverty, a study of SHGs in Orissa. The findings from this study SHGs have the potential to tackle poverty and can be important weapon for poverty alleviation in Orissa. There is increase in income and assets and reduction in the level of poverty as a result of intervention through SHG based micro finance. It can e concluded from the result of the present study that SHG based micro finance has better outreach positive impact on poverty. Tanmoyee Banerjee Chatterjee (2009) Economic impact of Self Help Groups-A case study, his paper he found that the rate of school dropout has significantly lowered in the families of group members than the families who do not belong to SHGs. It



has been also observed that in the SHG members run the group activities in groups created under SGSY programme. SGSY programme as a positive impact on poverty alleviation, employment generation, income generation and awareness regarding better health habits and also overall development of the society. ME dakkandi Meethal Reji (2012) Social mobilization, saving habit and access to credit for the poor through SHGs in Odisha. Social mobilization, saving habit and access to credit for the poor through SHGs were instrumental for mobilizing a large number of poor into groups and developing saving habits and gaining access to credit from financial institutions including commercial banks and cooperatives. A large number of members were yet to receive any loan except the small loans from their group savings.

Objectives of the study

1. To assess the role of SHG to overcome from debt-trap.
2. To examine how the SHG has diversified livelihood activities of rural poor.
3. To examine the economics of activities managed by women SHG's.
4. To find the impact of SHG's on the inclusive growth of the poor women.

HYPOTHESES OF THE STUDY

1. The economics of SHG based enterprises is insignificant.
2. The impact of SHG's on the inclusive growth of the poor is insignificant.
3. SHGs approach builds the capacity of individuals and increase the savings of

the rural poor by improving assets holding and also allowing proper and effective utilization of credit.

4. Self Help Groups are an effective instrument for the development of poor.

METHODOLOGY

Towards the end of the objectives and hypotheses mentioned, 50 SHG members were selected based on stratified random sampling from Anumula Mandal and Kanagalmandalin Nalgonda District. Research is a systematized body of knowledge. It is marketed by accurate classification of facts, discovery of new facts and logical conclusion. The reliability and validity of research findings depend upon methodological framework. The present study made use of both primary and secondary sources of data. The secondary source of data includes the District Rural Development (DRDA) of the Nalgondadistrict concerned and reports of Ministry of Rural Development Government of Telanga. Towards the end of primary sources of data, a pre-designed interview-schedule was administrated among the respondents and the necessary data were collected from 50 respondents directly.

RESULTS

Inclusive growth of the poor is essential for today's contest to maintain sustainability. There are more than half of the people are unable to reach their minimum standard of living, so it is the duty of the Government, NGO's and society to bring them to the mainstream to inclusive growth. The working of SHG has helping for inclusive growth of the poor in various ways.



Table-1
 Main source of borrowing of SHG members

Sr. No.	Name of the source	Before joining in SHG	%	After joining in SHG	%
1	Cooperative bank	2	4	9	18
2	Commercial bank	3	6	12	24
3	Regional Rural Bank	1	2	5	10
4	Other banks	0	0	2	4
5	Money lenders	17	34	7	14
6	Traders	11	22	3	6
7	Business men	6	12	5	10
8	Relatives	3	6	1	2
9	Friends	2	4	0	0
10	Any other	5	10	4	8

Source: Primary data

Above table provides information regarding main source of borrowing of member's of SHG respondents. Before member in SHG they depended mostly on informal sources of credit but after joining in SHG most of the members depending on formal sources of credit because they have access to get credit with-out collateral. Before joining in SHG as members, most of them have taken credit from money lenders 34%, traders 22% and business mem12%, but after joining in SHG, members are

defending mostly on formal sources like commercial banks 24%, co-operative banks18%. Before joining in SHG as a member they use to take lone from informal sources and unable to repay lone because of high rate of interest. Most of the members of SHG were faced problems like debt-trap, suicide attempts and many more. SHG as a mission it helped many poor women to overcome from all those hurdles and improve their life for betterment.

Table-2
 Ever-changing SHG members in to different employment actives

S. No.	Occupation	Before	%	After	%
1	Agriculture	9	18	5	10
2	Agriculture & Allied activities	3	6	11	22
3	Agriculture Labour	10	20	5	10
4	Industrial worker	5	10	3	6
5	Shopkeeper	1	2	2	4
6	Service Provider	4	8	5	10
7	Handicrafts	2	4	7	14
8	Other income activities	8	16	10	20
9	No occupation	7	14	2	4

Source: Primary data



We can draw following conclusions from the above table:

1. The percentage of female with no occupation are reduced from 14% to 4% indicating that they are finding gainful employment after joining in SHG as a member and contributing to their family income. 2. The activities where the employment has increased are agriculture related activities like dairy,

poultry, animal rearing so on from 6% to 22%, these activities helped them to earn better payment for their livelihood. 3. The amount of work with multiple activities are also significant. It shows that members who are depending on labour or worker as service prodder changed as service holder and improved their social and economic status in the society.

Table-3: Consolidation of Economics of enterprises managed by SHG women

Item	Industry(N=14)	Service(N=5)	Agri-business(N=31)
Investment from own sources	11750	12000	12187.10
Investment from borrowed sources	38735.71	37440	37670.97
Total investment	50485.71	49440	49858.06
Total income	60537.43	57426.80	58145.61
Profit	9980.3	7986.8	8287.6

Source: Primary data

Above table expresses the information that those respondents who are all dependant on economics of enterprises of SHG member's. It is observed that mean investment from own sources is the highest in agri-business and least in

industry. The average total investment is highest in industry and least in services. The average total income is highest in industry and least in services. The average profit is highest in industry and least in services.

Table-4: Averages of Economics of enterprises managed by the SHG members

Item	Mean	Median	Mode	Standard Deviation
Investment from own sources	12046.0	12500	15000	2130.8
Investment from borrowed sources	37946.0	37300	36000	3260.4
Total investment	49992.0	50100	48000	3745.8
Total income	58743.0	58784.8	49840	42939
Profit	8731.40	8576.5	3872	2480.96

Source: Primary data

Table 4 refers to the distribution of the descriptive of the economics of enterprises managed by the SHG women respondents. It is observed that mean investment from borrowed sources in

higher than that of investment from own sources. Total investment which is required to continue economics of activities is mainly borrowed from formal sources and gained profits which are



insufficient. It is understood that inclusive growth of the poor through the mode SHGs may remain to be dream as the income and profit profile of the enterprises led by women in SHGs

indicate an insignificant and unimpressive picture. SHGs at the most are institutions capable of addressing the problem of absolute poverty and unemployment problem.

Table-5

Impact of SHGs on Inclusive growth of the poor SHG members

Items	Opinion			
	Agree	Disagree	No opinion	Total
Increased income generation	39 (78)	8 (16)	3 (6)	50 (100)
Increased Saving capacity	42 (84)	6 (12)	2 (4)	50 (100)
Easy access to borrowing	32 (64)	12 (24)	6 (12)	50 (100)
Knowledge on bank activities	28 (56)	7 (14)	15 (30)	50 (100)
Improvement in assets holding	30 (60)	9 (18)	11 (22)	50 (100)
Awareness on sanitation	34 (68)	10 (20)	6 (12)	50 (100)
Improved quality of life	31 (62)	14 (28)	5 (10)	50 (100)
Improved in community participation	40 (80)	3 (6)	7 (14)	50 (100)
Awareness on health and education	27 (54)	10 (20)	13 (26)	50 (100)
Effective participation in decision making	23 (46)	15 (30)	12 (24)	50 (100)
Efficiency in business operations	37 (74)	4 (8)	9 (18)	50 (100)

Source: Primary data, Note: Figures in the brackets denote percentage

Table-5 reflects that the members of SHG are getting several benefits which stimulates their inclusive growth. Most of the SHG members poor, they were not aware many things but when they joined in SHG they got opportunity to learn many things so they improved in many areas like increase in income generation, increased saving capacity, easy access to borrowing which helped to invest in economic activity. These are all economic indicators which helped them in inclusive growth of the in economic aspects. Not only economic growth but also social improvement of the SHG members like improving community participation, better knowledge on health and education, improved quality of life, effective participation in decision making and business operations so on. SHG is an organisation it helps in all directions for

the all-round betterment of a person it leads to inclusive growth.

Suggestions

In the context of the present living evidence of the relevance and usefulness of SHGs to address the socio-economic problems encountered by the low income groups, the following suggestions are made to strengthen the architecture of SHGs with a focus on inclusive growth of the poor, by the poor and for the por.

- Government should focus on capacity building of poor SHG members.
- There is need to focus on concern of women under the SHG programme and credit lending.
- SHGs should create alternative sources and ensure optimum



utilization of resources while undertaking income generation ventures.

- Government should give emphasis to the poor women for increasing their economic as well as entrepreneurial activities.

Conclusion

Present study is an attempt to examine the inclusive growth of poor members through the Self Help Group in Nalgonda district. The present study analysis was done to know the condition of the poor SHG members in Nalgonda district of Telangana. The ideology of SHGs encourages enrolment and participation of people from lowest economic strata for their socio-economic empowerment. It is prove towards effective and optimum utilisation of existing community resources for creation of new livelihood opportunities, strong integrity and cohesion among SHG members lead to social movement and it helps for inclusive growth of the poor, which ultimately become instrumental in establishing social justice in society.

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Development and empowerment of tribal women in Telangana state – A study

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Introduction:

Women's empowerment in India is heavily dependent on many different variables that include geographical location (urban/rural), educational status, social status (caste and class), and age. Policies on women's empowerment exist at the national, state, and local (Panchayat) levels in many sectors, including health, education, economic opportunities, gender-based violence, and political participation. However, there are significant gaps between policy advancements and actual practice at the community level. In India as per 2011 census, women constitute 48% of the total population. Women as an important human resource were recognized by the Constitution of India which not only accorded equality to women but also empowered the State to adopt measures of positive discrimination in their favour. The Constitution, the Government of India has been engaged in committed and continuous endeavours towards ensuring all-round well being, development and empowerment of women. One of the six basic principles of governance laid down in the National Common Minimum Programme is to empower women politically, educationally, economically and legally also. The progress of Department of Women and Child Development to a Ministry under the independent charge of Minister of State for Women and Child Development with effect from 30.01.2006 is an important mile stone in that direction. The

capacity of the Ministry has been striving for the holistic empowerment of women by reviewing the laws to remove gender bias, bringing new legal measures aiming at gender justice and implementing programmes to achieve the social and economic empowerment of women.

The empowerment of the tribal population has been a major concern. Past three decades have witnessed a steady increase in the awareness regarding need to empower women through increasing the social, economic and political equity, and broader accessibility to fundamental human rights along with improvements in nutrition, basic health and education. In the current article, an attempt has been made to evaluate the roles of educational attainment, economic participation, social capital, knowledge and wealth in women empowerment, and their links to health outcomes with special reference to tribal population in India. Present study is based on published articles and reports on women empowerment. It was found that the health status was poor among the primitive tribal women due to their low proxy empowerment indices, i.e., illiteracy, low exposure to media and impoverished living. Consequently, female empowerment bears a positive influence on the health outcomes. This information is vital for the researchers, government and voluntary agencies, NGOs, social reformers and social activists to take appropriate measures to improve the health outcomes of the tribal population.

Tribals in India are widely



different from each-other geographically, culturally and in terms of their levels of social as well as economic development, and their problems vary from area to area within their own groups. Several commissions and committees in recent past have recommended a variety of measures to remove the socio-economic imbalances among them and also to break down their age old psychological barriers confined to the tribal areas. Scheduled tribes (STs) constitute the weakest section of Indian population from the ecological, economic and educational perspectives. They compose the matrix of poverty and represent one of the most marginalized and economically impoverished groups in the nation. The development of the tribal population has been a major concern for the government, voluntary agencies, NGOs, social reformers, social scientists etc.

Review of Literature:

Archana Sinha (2004) opined that "Non-governmental organisations micro finance for women's empowerment" analyzed micro- credit or micro- finance for women has received extensive recognition as a strategy for poverty reduction and for economic empowerment of women. Tamil Mani. B (2002) studied the "People Centered Development Projects through PRA" analyzed development programmes of different types have been designed and implemented aiming at enhancing the socio-economic conditions of the down trodden also. Many programmes do not succeed as people's voice is often ignored. Participatory approach must be introduced at all stages, if we are really concerned with people's empowerment in rural India. Swaleha Sindhi (2012) observed that "Prospects and Challenges in Empowerment of

Tribal Women" and she opined that Tribal development in India has been a success as the primitive societies living in remote rural areas are now educating their children and living in desirable. The study brings out the cases of tribal women who are successful in empowering themselves by making use of education and training. It reviews vocational and skill based training among the women of several tribal villages in Gujarat in India. Puttaraja and O. D. Heggade (2012) in the joint study of "Economic Empowerment of Tribal Women in Karnataka: A Case Study in Mysore and Chamarajanagara Districts" observed that Women in a tribal society play a significant role in their social, cultural, economic and religious ways of life and are considered as an economic asset in the society. And they are still lagging far behind in the various walks of life like education, employment, good health and economic empowerment etc. Susanta Kumar Barik (2012) in the study of "Are Tribal Women Empowered: understandings from Sustainable Tribal Empowerment Project (STEP) and IKP in ITDA Paderu of Visakhapatnam districts, Andhra Pradesh" opined that tribal are self-sufficient and self-contained by nature also. The demand for life sustenance originates at home and ends from the supply of nature at most of the cases. Empowerment and dis-empowerment is always viewed and weighted with outside lenses. Dimension of well-being of tribal women is captured in the study through the level of household income, food security, institutional participation and access to credit facilities and leveraging resources based on the principle of inclusion of the excluded in the society.



Objectives:

The specific objectives of the study are:

- i) to analyze the status of tribal women in Telangana in terms of their development and empowerment,
- ii) to evaluate the trends in the progress of women towards human development and accessibility to health facilities;
- iii) to discuss the effect of deforestation as well as mining activities on their survival, empowerment and development;
- iv) to suggest policy measures on the basis of the findings of the study to achieve women's development and empowerment.

Hypothesis:

Further the following hypotheses will be tested in the study:

1. There is a positive relationship between level of poverty and the role of tribal women for the development of their families.
2. There is a positive relationship between extent of poverty and the dependence on forests.

Methodology:

The present inquiry mainly depends upon primary as well as secondary sources of data. The data will be analyzed by using statistical techniques like mean, variance and other statistical measures. The secondary data related to the problem will be collected from periodicals journals other published literature. The study would be undertaken at the exclusively micro level

based on the field investigation of the tribal villages of Warangal district.

Status of Tribal Women in India

The status of women in a society is a significant reflection of the level of social justice in that society. Women's status is often described in terms of their level of income, employment, education, health and fertility as well as their roles within the family, the community and society. In tribal communities, the role of women is substantial and crucial. They constitute about half the total population but in tribal society women are more important than in other social groups, because they work harder and the family economy and management depends on them. Even after industrialization and the resultant commercialization swamped the tribal economy, women continued to play a significant role. Collection of minor forest produce is done mostly by women and children. Many also work as laborers in industries, households and construction, contributing to their family income. Despite exploitation by contractors and managers, tribals are more sincere and honest than non tribals.

Theoretically, the low status of women has been accepted in a majority of tribal societies. But still according to Dhebar Commission Report (1961), the tribal women, in most cases is not a dredge or a best of burden but exercises a firm hand in family matters. The position of women seems to be even better in matriarchal, matrilineal and polyandrous societies, though some indepth studies do not provide very positive picture. In most of these tribes men seem to be pulling the strings from behind the curtain. However, tribal women in matriarchal and matrilineal societies are undoubtedly better off in comparison to tribal women



in patriarchal and patrilineal societies. And tribal women as a whole seem to enjoy comparatively more freedom and are devoid of many constraints that are imposed on caste Hindu women. The might lead a very hard life as far as physical labour is concerned but they certainly enjoy more freedom than their counterparts among caste Hindus. They can roam about freely, visit markets or friends, cut jokes with men without reservations and are usually free to select their life partners. Many of them can divorce and remarry without social sanctions. Divorce and widowhood is not taken as a stigma in tribal society. The bride-price itself is considered a mark of respect and value for tribal women. They have a firm hand in most of the family matters and their social participation is not much curtailed as in the case of caste women. But even among tribals especially among patriarchal communities, a woman customarily cannot become a religious or political head. Similarly, she is ineligible for family headship. She cannot participate in many religious rituals, cannot make important decisions, so on and so forth. Thus in every society a woman's status can be compared to a moving equilibrium at various times. This fact will be borne out if we review some known facts about a tribal woman's life in her particular community.

The detailed status explained by eminent thinkers on Toda Women pygmy Women, Gonds, Maria Gonds Women, Sema Haga Women, Khasis Women, Tharus Women, Polyandrous Women, Bhotias Women, Garos Women and the important position they occupy. The women take initiative in all family affairs. The husbands are a co-earners, and partners.

The health of the Tribal Women

is another aspect which needs attention because the Tribal Women work very hard and the income of the family depends on efforts of the tribal women. Among the tribal women, infant mortality rate is found to be higher as compared to national average, which is mainly due to their lack of awareness and facilities of child care. Tribal Women suffer from nutritional deficiency. They have lower life-expectancy than the national average because they do not take the required amount of food and rest. From various reports it has been found out that, illiteracy is a cause of lack of awareness about health. If economic, educational and health aspects are given adequate attention, then these factors may contribute to an increase in the decision making abilities of the tribal women. If they are convinced about the significance of financial institutions and if the banks extend their co-operation to these women then their security about financial matters will be enhanced. Moreover, if efforts are given to make women literate then that may help them to face the outside world in a confident manner, which in turn will enrich their lives.

Opportunities associated the education of the Tribal Women :

There is a saying that "if you educate a boy, you only educate an individual; if you educate a girl you are educating the whole family". Education imparts knowledge, and knowledge of self identity and human environment will infuse a sense of confidence, courage and ability among the weaker sections of the society to know and overcome their problems associated with exploitation and deprivation, and avail socio-economic and political opportunities extended to them (Pradhan 2011). On November 28, 2001



the Government enacted the 93rd Amendment of the constitution making the Right to Education a Fundamental Right. There are number of studies exposed the educational development of Tribal Women by quantitative indicators in the form of enrolment, literacy rate and educational facilities. Though the governments have taken several steps in the development of tribal education projects and schemes much need to be exercised. The social welfare programmes have been ineffective due to deficiency in the administrative scheme, lack of sore trained management, lack of general preparedness for large investments, lack of accounting systems, procedural delays and insufficient of proper monitoring and evaluation.

The constitutional directive to allow for free and mandatory education for all children up to the age of fourteen years has not yet been fulfilled. Experts from the educational field acknowledge that this lack of success is mainly due to the slow progress of education among girls, SC and STs. It is observed that the literacy among the Tribal Women has falling behind all other section. The low educational condition of the Tribal Women is excogitated in their lower literacy rate, lower enrolment rate and higher dropouts in the school. When women want to deal with issues like wages, savings, accessing government schemes, skills up gradation, interacting with socio-political structures the literacy have to be propelled. The dropout rate for tribals at the secondary level is as high as 87 percent and for the girls it is almost ninety percent.

There are various factors responsible for the slow advance of the development of tribal women. The factors like poverty (Poorness), unbiased attitude

of the parents, irrational and bias, problem of suitable teacher, language and communication, inadequate infrastructure facilities in education institution, high loss and stagnation. First and foremost indicator is poor economic status is a great deterrent to successful education of the tribal children especially for female children. In tribal communities, the role of women is substantial and crucial and women are more important than in other social groups, because they work harder and the family economy and management depends on them (Awais, Alam and Asif 2009). Tribal and non-tribal teachers feel hard to convert the tribal parents to send their youngsters to school. The tribal community feels that there is no need for the girls to go to school and waste their time. Psychological and social factors like illiteracy of the parents and their indifference to education, lack of encouragement by the community, motivation and "insecurity" of future for being educated. Other factors like low social interaction between students and teachers, and between teachers and parents, suspicion over the sincerity of the non-tribal teachers and in many cases shortage of tribal teachers also discourage parents to send their children to school.

Irrational and bias acts a damaging role in contributing education in the tribal areas. The tribals thinks after becoming educated and earning jobs, their children may alienate from them and cut off their links with their families and villages. Some tribal groups trust that their almighty shall be furious if they send their children to schools run by outsiders. The non tribal teachers in many cases treat themselves, civilized and tribals as uncivilized and savage (Pradhan 2011). The relationship between teachers



and children is poor. In a tribal group, a positive thinking teacher, has a special power in the village setting for which tribals are afraid of him. Most of the teachers unwilling to stay near the school or in the village, where as teachers stay in nearby towns. Most of the tribal area schools do not have sufficient teachers and the schools are depending on stop-gap arrangement teachers.

Deficiency of communication becomes a problem between student and teachers. It is found that tribal students are often ridiculed, humiliated and reprimanded for speaking in their own language, and are punished for failing to talk in their standard language or continuously lapsing back in the mother tongue (Nambissan 1994). The basic infrastructure facilities in the tribal school building are very poor which results the children stay away from the school. Some of the hostel constructions are very slow, poor with substandard quality of materials. In reality, most of the primary schools in the tribal areas are single teacher-managed whose presence in the school is more of exception than a rule (Hasnain 2004). A data revealed at the Primary level, the dropout rate among STs in 2003-04 was 48.9 percent and 70.1 percent at the Upper Primary level. School timing i.e. clash of class hour with the working hour particularly, during the harvesting period, formal education, poverty, lack of academic atmosphere, unwillingness of the teachers to convince the parents and parental apathy towards education and lack of proper medical aid, balanced diet and suitable self-employment opportunities are the major factors for which there is wastage and stagnation.

Issues and challenges:

Tribals are still devoid of modern facilities like education, electricity, proper drinking water health care, ample transportation, etc. problems associated with education of Tribal Women needs immediate attention and early resolution. Tribal Women need to face lots of challenges in the society. Skills training, increased growth, productivity and innovation, in particular for the informal sector are linked with poverty re-education (Fluitman: 2002). The first and foremost challenge to the tribal is that they are still not much exposed to the outside world and are confined to their community only. If we closely analyze functioning of educated tribal's, we notice two traits of transformation. One group of educated tribal argues that tribal's should reform themselves with the mainstream society. The other group of tribal's wants to maintain its tribal identity. Most of the primitive tribes still live in hills, dense forest with difficult terrain and many a times, it is difficult to reach them because of lack of road and transport facilities. It is a challenge to provide education to tribals and setting up school and institutions in small, scattered and remote tribal habitations. High school drop-out rate among tribals is another reason for their lagging behind in education (Vinoba Gautam, 2003).

The issues and challenges in tribal education can be categorized as external, internal, socio-economic and psychological. The external constraints are related to issues at levels of policy, planning, and implementation while internal constraints are with respect to education system, content, curriculum, pedagogy, and medium of instruction, etc. The third set of problems relates to social, economic, and cultural background of tribals and psychological aspects of first



generation learners. It is important to address the problems of low literacy among Tribal Women severely at national level and resolve the peril through confident and effectual means.

Tribal women often face the problems of food insecurity, malnutrition, lack of access to health care services and education and the victim of domestic violence and rape. Unlike the well organised modern communities, the tribal communities and tribal women lag far behind in social networking. This is the nature and dimension of socio-economic disempowerment problem among the tribal women in India. Sen has advocated human capabilities approach to the development process. The human capabilities include social, economic, cultural and political capabilities of the human beings. Sen (2001) has identified the following seven types of gender inequalities in his public lecture delivered at Radcliffe Institute at Harvard University in 2001. They are:

- Mortality inequality
- Natality inequality
- Basic facilities inequality
- Special opportunity inequality
- Professional inequality
- Ownership inequality
- Household inequality

Constitutional Provisions:

Article 46 of the Constitution of India has promised special care for educational and economic interests of STs and protection from social injustice and exploitation. But despite this constitutional promise 29th report of Commission of SC & ST have recorded that STs have become completely helpless

on account of criminalization of their social and economic system, denial of rights over resources and non recognition of their Special governing systems. With due reference to above Constitutional provisions and observations, we can study the position of tribal women in society and nation. Here we can use two words: (1) Status, and (2) Condition. The popular image of tribal women is better than their non Tribal counterpart since there is no child marriage. She selects here partner by choice, there is bride price instead of dowry all indicating high social status of the tribal girl⁹. The birth of tribal child is never seen as curse. She is helper of her mother and is never a burden to the family.

There are many facts which indicate poor conditions of tribal female. They do not have property rights except in matrilineal society. There is higher percentage of child labour in the tribal society. She generally does not gets nutritious food, and proper health care. Her labour in assisting her mother is always unrecognized and un accounts for.

In the present study an attempt is made to focus the attention of all concerned on some of vital aspects such as

1. Education
2. Health / Sanitation
3. Nutrition
4. Social status
5. Political Evolution
6. Economic condition

Strategy for tribal development in the planning era:

"The advent of independence saw a plethora of Governmental programmes



launched by various officials and non-official agencies for the welfare and development of the tribal people. But the first systematic effort for the Development of tribal areas was initiated in 1955 in the form of Special Multipurpose Tribal Development Blocks to speed up the process of development in the areas of the largest tribal concentration. These blocks were jointly sponsored by the Ministries of Home Affairs and Community Development. The State Governments were incharge of implementation of these programmes. Various centrally-sponsored as well as state sponsored schemes were taken up under these Special Multipurpose Tribal Development Blocks. However, it was realized that the programmes implemented under these blocks were not yielding desired results.

Conclusion

To conclude, the lives of tribal in the study area. It has brought in positive changes in terms of social, economic, political developmental aspects of the tribal women concerned. It has created awareness which has broadened their intellectual faculties to take part actively in the decision making process at domestic and society level as well as their sense of confidence and self-reliance have got improved. As a result the women have become capable to encounter with the constraints that come across in their way of development process. Moreover, their urge for their sustainable development has given them strong hold to withstand against the obstacles and hindrances. Thus, the women of tribal area have attained empowerment in terms of socio - economic and politico-cultural aspects to a remarkable extent, especially in respect of decision-making

process at domestic level with their predominant role.

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A Study on Rural Indebtedness among Indian Farmers

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Abstract: *The paper examines the credit flows and rural indebtedness among the Indian farmers which has to be taken after the implementation of economic reforms. Farmers in India and Telangana borrow year after year but they are not a position to clear off the loans as their incomes are not sufficient and sometimes uncertain. Non-institutional agencies charge high rates of interest. Interest and principal go on increasing. The debt of the farmers goes on increasing year after year and this situation is called Rural Indebtedness. Rural Indebtedness depends on various factors which influence and reinforce others. Consequently, farmers remain in debt trap. The famous saying "Indian farmer is born in debt lives in debt and dies in debt" is true in letter and spirit. The main reason of the indebtedness of the farmers is their poverty. Their incomes are low and asset values are low. Past savings of the households are meager. Constant crop failures force them to borrow. The study concentrates only on the weaker sections and analyses the inter-district and intra-district facets of the problem of the indebtedness. Khamman and Warangal districts of Telangana Region have been taken for the study. 6 mandals, 3 from each district and 2 villages from each mandal comprising 300 respondents are analysed.*

Introduction

Farmers in India and Telangana borrow year after year but they are not a position to clear off the loans as their incomes are not sufficient and sometimes uncertain. Non-institutional agencies charge high rates of interest. Interest and principal go on increasing. The debt of the farmers goes on increasing year after year and this situation is called Rural Indebtedness. It depends on various factors which influence and reinforce others. Consequently, farmers remain in debt trap. The famous saying "Indian farmer is born in debt lives in debt and dies in debt" is true in letter and spirit. The main reason of the indebtedness of the farmers is their poverty. Their incomes are low and asset values are low. Past savings of the households are meager. Constant crop failures force them to borrow. Sometimes they taken loan to develop and purchase cattle and

agricultural implements. Poverty drives the farmer to borrow and due to poverty they are not able to repay adding interest to the principal. Agricultural marketing is not remunerative and it every stage there are middle men to sallow a part of farmers income sometimes farmers may borrow to purchase additional land as land ownership is a matter prestige in rural India. They have a strong passion to posses land. Social customs, religious functions, marriages, festivals, child birth, death of family members, guest feeding and the like are all accepted in the traditional rural economy and all these items come under un-productive expenditure. Loans are taken and incomes are not generated to repay. Therefore, rural indebtedness is the cause and effect of the growing poverty of the Indian farmers. Indebtedness creates psychological problems like depression, loss of interest in agriculture and frustration resulting in low concentration



on agriculture. Agricultural production is thus effected. The bargaining power of the indebted rural household becomes weak and economic transactions are always not beneficial to them.

Rural indebtedness tells upon the overall personality of the borrowers. It's cancerous effects spread over the family members of the indebted household. The customary social norm in rural India is "No borrowing for the Dal Rice". It implies traditions ordain the Indians to live within means and not to go in search of lush, green fields in dream like situations.

Review of Literature

Some earlier studies of significance are reviewed here under to examine the findings, to observe the methodology and the identify the gaps in analyzing the problem so as to fit in this research study into the mainstream on the subject. **Dr.R.K.Panda** examined the problems of indebtedness of the farmers in 1980-81 by taking Puri District in the State of Odisha. In this study the source of borrowing, the pattern of credit distribution, utilization of borrowed funds and the chronic over dues are all analyzed. According to this study there is discrimination in credit delivery and the farmers in the irrigated areas are benefited. **Jayasheela and Vishwanatha** in their article "Agricultural Credit in the Post W.T.O period" have observed that credit has a positive relationship with agricultural output. In their opinion commercial banks, RRBs and co-operatives play a leading role in credit delivery. It is also observed that financial institutions in the post W.T.O period are not positive in providing credit to agriculture. Urgent policy interventions are imperative to

stem this trend in there opinion. **Dr.Y.D Pujari** in his article rural indebtedness "Causes and consequences" has elaborated the causes of rural indebtedness. The author states that settlement of old debts, reduction of dependence on money lenders and control of new loans help to reduce the burden of indebtedness. It is also stated by the author that institutional finance should be arrange for social and religious functions. **Sibashankar Mohanathi** has taken the Seventh Rural Labour Enquiry Report, 1999-2000 to state that there is a significant drop in the agricultural credit flow from Government and other institutional sources over the 1990's, share of commercial banks has declined from 21 to 16.6 per cent between the 6th and 7th RLES. Money lenders still continue to be the biggest source of credit in rural India. Their share has increased from 27.6 to 31.7 per cent. **Dr. C.Shivarama Krishna Rao** in the paper "Credit Policy and Rural Development-A Note" states that Post 1991 Reforms have witnessed the neglect of priority sector, discrimination of public sector banks and the general slowness of the rural credit delivery system. The author states that SHGs should play an active role in rural credit and to improve recovery performance. Procedural reforms to ensure access to credit for farmers is essential in the opinion of the author. The author also suggest cooperatives and RRBs are to be revitalized to encourage thrift and fill up credit gaps. **Prf. T.Jyothi Rani and K.Manuja Devi** in the paper "An Overview of the Rural Credit System in India" have examined the rural branches of the commercial banks, priority sector advances, service area approach, lead bank scheme, cooperative societies, regional rural banks and IRDP advances



up to 1996-97 spread over the rural credit system in India. In their opinion a vast network has been created with adjustment from time to time by taking the experience of East-Asian countries. They state that the provision of cheap and subsidized credit is not the prime requirement of successful rural credit programs. Adequate credit on timely basis at reasonable interest rates will help the farmers. In this connection, they suggest the involvement of SHGs (Self-Help Groups) and Non-Governmental Agencies (NGOs) in the rural credit delivery system.

Objectives

1. To assess the share of institutional and non-institutional sources in the flow of credit to the respondent households.
2. To quantify the overall debt burden of the respondent households.
3. To propose valid suggestions to the policy makers.

Methodology

The present research study attempts to explore the daunting problems of rural indebtedness from close corners in its depth by taking two adjoining districts

i.e., Khammam and Warangal of the Telangana State.6 mandals, 3 from each district and 2 villages from each mandal comprising 300 respondents are analysed. After analyzing the socio-economic conditions in the study area sources of the credit and credit flow are estimated. Caste category wise perception applied to identify the weaker sections for the analysis. Indebtedness is estimated in relation to land ownership, caste, asset and income levels and per household indebted quantum also been worked out. Utilization of the credit purpose wise is examined. Implications of indebtedness from social, economic and personal points of view are examined. Both primary and secondary data are collected for this study.

Data analysis and Interpretation

Credit flow to the 300 respondents from both institutional and non-institutional sources is examined first. Reasons for borrowing and the repayment details are also worked out. Outstanding dues payable by the respondents are estimated to arrive at the magnitude of indebtedness, caste wise. All the sample respondents are taken as a single unit for the purpose of analysis.

Table-1: Credit particulars of the respondents

Caste	Institutional	Non-Institutional	Both	Total
BC	28 (40.0)	36 (30.0)	37 (33.6)	101 (33.7)
SC	25 (35.7)	47 (39.1)	40 (36.3)	112 (37.3)
ST	17(24.2)	37 (30.8)	33 (30.0)	87 (29.0)
Total	70 (23.3)	120 (40.0)	110 (36.7)	300 (100.0)

Source: Field study



All the 300 respondents have taken loans and are indebted as per the above table. 70 (23.3) respondents have borrowed from institutional sources exclusively while 120 (40.0) respondents have approached the non-institutional sources. It is clear that 40 per cent of the respondents, still, depend on non-institutional sources of credit. 110 (36.7) respondent have availed credit both from institutional and non-institutional sources. Taken together non-institutional

credit, in some form or other, is to a large extent despite the expansion of the institutional sources over the period. More BC respondents in both the districts have accession to institutional credit followed by SC and ST respondents.

Borrowings by the respondents for different purposes are analyzed in the following table. For analytical purpose borrowings are divided into productive activities and un-productive activities.

Table-2: Purpose of borrowing by the respondents

Caste	Productive activities		Un-Productive Activities					Total
	Agriculture	Non-agriculture	Children Education	Marriage	Religious & Family Functions	Purpose of durable goods	Ill health	
BC	39 (38.1)	15 (36.5)	25 (46.2)	5 (18.5)	2 (14.2)	4 (57.1)	11 (19.2)	101 (33.7)
SC	33 (33.0)	11 (26.8)	19 (35.1)	15 (55.5)	9 (64.2)	3 (42.8)	22 (38.5)	112 (37.3)
ST	28 (28.0)	15 (36.5)	10 (18.5)	7 (25.9)	3 (21.4)	—	24 (42.1)	87 (29.0)
Total	100 (33.3)	41 (13.6)	54 (18.0)	27 (9.0)	14 (4.6)	7 (2.3)	57 (19.0)	300 (100.0)

Source: Field study

As stated earlier all the 300 respondents have outstanding debts. Farmers take loans for different purposes. Each respondent was asked to give only one, major purpose for taking loan. However, rural households borrow for different purposes, both productive un-productive. As per the above table 100 (33.33) respondents have given agricultural investment as a major reason. 41 (13.6) respondents state that non-agricultural productive activities as purpose for borrowing. In other words 141 (46.9) respondents have borrowed for productive activities. It implies that 159 (53.0) respondents have borrowed for unproductive activities. Among the unproductive activities ill health is stated as a major reason by 57 (19.0) respondents.

Medicines and medical treatment have become costlier over the years with the entry of corporate hospitals. Problems of ill health are perennial in rural India. Then comes child education which has also become costlier in view of privatization and corporate setups 54 (18.0) respondents have given child education as the most important purpose. Performance of marriage along with dowry is a costly affair in the Indian society 27 (9.0) respondents have taken loan for this purpose. 14 (4.6) respondents have given religious and family functions as a major reason while 7 (2.3) respondents have stated purchase of durable goods as the most important purpose. More BC respondents have taken productive loans followed by SC and ST respondents. Similar trend is



observed with child education and respondents are ahead of the SC and ST purchase of durable goods. The data in respondents and are in a better condition. the table clearly shows that BC

Table-3

Reasons for Non-Institutional credit of the respondents

Caste	Prompt delivery	Flexible repayment	Easy approach	Personal relations	Unproductive purposes	Total
BC	14 (38.8)	13 (28.8)	14 (32.4)	22 (50.0)	38 (35.1)	101 (33.7)
SC	12 (33.3)	17 (37.7)	20 (37.8)	16 (33.3)	47 (43.2)	112 (37.3)
ST	10 (27.7)	15 (33.3)	18 (29.7)	7 (16.7)	37 (21.7)	87 (29.0)
Total	36 (12.0)	45 (15.0)	52 (17.3)	45 (15.0)	122 (40.7)	300 (100.0)

Source: Field Study

Non-institutional agencies never insist on the purpose of the loan as they just estimate the repaying potential of the borrower. It is evident from the above table that 122 (40.7) respondents give "Un productive purposes" as the major reason for borrowing from the non-institutional agencies, commercial banks and other institutions deny loans for unproductive purposes. "Easy Approach" is given as reason by 52 (17.3) respondents as the most important reason for non-institutional credit. Middlemen are not necessary, local language can be used and the leaders are easily accessible to the rural people

The dominance of non-institutional sources in rural indebtedness. BCs are more indebted when compared to the other two castes. Indebtedness is to be viewed in a relative context by taking movable and immovable assets. The levels of indebtedness among the weaker sections are variations from caste to caste.

Land-debt quotients are also worked out to examine the relationship between one acre of land and outstanding debt these quotients are ratios indicating one acre of land and outstanding debt. The following table shows the land-debt ratios.

Table-4

Average land under the control of the respondents in the study area

Caste	No. of Respondents	Total land (In. acres)	Average land for respondent (In acres)	Average out standing debt (in Rs.)	Land-Debt Quotient
BC	101	359	3.5	34,934	9981
SC	112	397	3.5	30,788	8796
ST	87	534	6.1	26,199	4294
Total	300	1290	4.3	30,365	7061

Source: Field Study



As per the above table there are 1290 acres of land in the study area and the average land per respondent is 4.3 acres. Average outstanding debt per respondent is Rs. 30,365. Land-debt ratio in the study area=1:7061. It implies that the outstanding debt per one acre of land is Rs. 7061. Land-debt ratio per the BC respondents is 1:9981. It implies that the outstanding debt is Rs. 9981 per one acre of land. Land debt ratio for SCs is Rs. 8796. Surprisingly ST respondents possess 41.3 per cent asset of the total land in the study area. As such land-debt ratio for STs is bound to be low. The ratio for ST respondents is 1:4294.

Land-debt ratios provide a rough measure only. Value of land depends on so many factors like fertility, location, irrigation facilities, nature of the soil, accessibility and the like. Land in the plain area has higher market values than in the hill areas. BCs with higher land-debt ratio cannot be construed as bearing heavy debt burden.

Findings of the Study

Institutional sources provide credit to a limited extent and 76.7 per cent of the respondents borrow from non-institutional sources to bridge the gaps in credit needs. Credit delivery to the BC respondents is more since, they are upcoming among the weaker sections. Most of the respondents are not aware of the nature and recovery strings of MFIs. Around half of the respondents pay more than 20 per cent annum as rate of interest.

More than half of the respondents take new loans to repay the old ones and thus remain in debt trap.

Quotients of indebtedness showing the relationship between asset values and outstanding dues are worked out. The overall quotient of indebtedness in the study area is 2.5 and for the BC, SC and

STs the quotients are 3.5-2.5 and 2.04 respectively. It implies that the ST respondents have more burden as their asset values are low. Outstanding debt per one acre of land is also worked out in the form of land-debt ratios which are 1:9981 for BCs, 1:8796 for SCs and 1:4294 for STs. Land-debt ratios may not give correct picture of debt burden as there are variations in the value of land within a village not to speak of village to village.

Inadequacy of institutional credit and procedural delays in credit delivery by the institutional agencies drive the farmers to hover around non-institutional sources coughing out high rate of interests. Sometimes grain loans are also taken on the condition of selling the agricultural produce to the lenders.

Credit diversion to unproductive activities has taken place to a large extent. Child education, medical treatment, marriages, family functions are the important areas of diversion.

Low confidence level, less concentration on agriculture, negligence of family, tension, irritation, loss of credibility, lack of courage, affective the personal, domestic, social, lives of the respondents due to indebtedness. Sometimes private lenders may coerce, the political options of the indebted rural folk during elections.

Suggestions

Illiteracy is the root cause for all the evils in civil societies. Illiteracy can be wiped out by encouraging adult education and in this effort the help from NSS, NCC and NGOs be taken by the Government at the grass root level. Promotion of literacy is the panacea for all the problems of the rural societies. Dry land is more in the districts of study. Most of the farmers are of small and marginal categories. Hence, irrigation facilities be



extended and crops suitable to the dry lands be identified through research as such problem cripples the country as a whole. Incomes from commercial crops are more than the incomes from food crops. This may lead to food crisis if farmers are inclined to allocate more land to commercial crops. Food security is very vital to a country like India. Remunerative prices to the produce and incentives to the food crop growers go a long way to stem the tide. Co-operative societies, SHG linkages help the farmers to get loans at low rates of interest. SC and ST farmers be encouraged to become members by creating awareness. Then only weaker sections can get the benefit of low interest rate. Inadequacy of institutional credit be checked. Procedures and documents be simplified. Timely credit be provided by the institutional agencies to the farmers. Moratorium and interest subsidies be extended to more number of weaker sections. In 1975, the then Prime Minister Smt. Indira Gandhi took a bold decision to declare moratorium even on private loans in the old 20 point economic program. Strong political will is needed to initiate such measures. Counseling by village panchayath, SHG group leaders, NGOs and Panchayaths from time to time be provided to the indebted farmers. Their mental balance is to be restored. Their human dealings be improved through guidance and counseling.

Conclusion

Ever since, independence much has been said about agriculture and farming community. Policy measures by the Central and State Governments have been attuned to develop the cultivators and change the rural scenario. But from time to time problems change and change is the order. Until and unless the Indian farmers feel confident with all happiness,

Indian economy cannot be on firm foundations. Rural Indebtedness is to be checked to in fuse such confidence in the farming community. A strong agriculture provides a strong base not only to rural India but also to the nation. Gandhiji dream of self sufficient, Grama Swaraj can be realized on that day. Till then, let us all wait and hope.

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Evaluation of Microfinance Models – A Study

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Abstract :Microfinance is the provision of financial services such as loans, savings, insurance and training to people living in poverty. Economically and socially weak sections of the society lack collateral securities and identify requirements which are important to apply for loan from bank. So these sections of the people find it difficult to approach bank to avail financial services which will help in their economic development and social enrichment. Hence, the SHRs have been organized in which the group jointly takes the responsibility for group borrowing and group repayment. A microfinance institution is measured for financial sustainability, based on its good financial accounts and the recognized accounting practices. The study will be confined to the State of Telangana and it is proposed study the Microfinance programmes of selected areas. It is proposed to have a sample of 250 SHGs members and 250 MFIs members will be chosen by adopting the random sampling method. The study were analyzed under following objectives have been set for the present study. Objectives: to evaluate the regulatory system of microfinance, to study the models of microfinance, impact of SHGs-Bank linkage programmes on households, impact of MFIs-Bank linkage programs on households, to analyze the impact of legal policies on performance of microfinance programs and to suggest the recommendation for effective regulation and functioning of SHGs and MFIs. The various sources used to collect primary and secondary includes research papers, journals, status of microfinance in India reports published by NABARD and various one way ANOVA.

Keywords: Microfinance, SHGs, MFIs, NABARD, Bank-linkages, Micro credit, Micro savings and Micro insurance.

Introduction:

Finance provided to benefit the low income women and men is called 'Microfinance'. Microfinance is the provision of financial services such as loans, savings, insurance, and training to people living in poverty. Microfinance, (MF) as a financial service innovation, is fast emerging as an important method of bettering the lot of the poor and the downtrodden. Microfinance has become a subject of interest in the recent past especially in the context of reaching the poorest families in a more effective way.

For a country like India, where substantial number of population is poor, access to credit facility is not only necessary but also indispensable for optimizing their contribution to the growth of national economy.

Microfinance is defined as "provision of thrift, credit and other financial services and products of very small amount to the poor in rural, semi-urban or urban areas for enabling them to raise their income levels and improve living standards". The emphasis of support under Microfinance is on the



poor in 'pre-micro enterprises' stage for building up their capacities to handle large resources. No specific limit for 'small' amount of financial services is envisaged. Microfinance broadly refers to the practice of "the supply of loans, savings, and other basic financial services to the poor". Most developed countries and some developing countries, particularly India, have a long history of microfinance and it may not be entirely correct to believe that microfinance was invented by credit NGOs thirty years ago. It is very important to acknowledge this fact, especially when we are looking for suitable methods and models to expand delivery outreach of microfinance in India. Attributing the origin of microfinance to recent initiatives misses the historical depth and scale of microfinance. As a consequence, centuries of experience, of learning from trial and error, failure and success in the past are being missed."

Scope of microfinance: Microfinance approach attempts to overcome the defects of the traditional approaches through sustained credit innovations. An ideal Microfinance system aims at balancing both social and financial intermediation, by ensuring credit access to poor people and yet making it sustainable for the lending institution. The balancing between social intermediation and financial intermediation is necessary, for overcoming the vulnerability imposed by continual reliance on subsidies (finance as charity), by establishing a market based system (finance as business), that can operate on its own. Effective and sustainable micro financing system requires good social intermediation and prudent financial intermediation.

Objectives of the Study:

- To study the highlights of SHGs Bank-Linkage programme in India.
- To evaluation of SHG-Bank Linkage Programme.
- To study the MFIs Bank-Linkage programme in India.
- To study the functioning and Sustainability of MFIs.

1. SHG - Bank Linkage Programme:

The SHG - Bank Linkage Programme was launched by NABARD in 1992, with the policy support of the Reserve Bank of India (RBI), the Central Bank of the country. The programme has been designed and nurtured by NABARD for over 15 years. The pilot phase was followed by the setting up of a Working Group on NGOs and SHGs by the RBI in 1994 which came out with wide ranging recommendations on SHG - Bank Linkage as a potential innovation in the area of banking with the poor. The programme was mainstreamed with Commercial and Cooperative banks in 1996. The main objective of the programme has been financial inclusion by extending outreach to poor households in rural areas, making available credit services at their door step with easy and self engaged access to formal financial services on a sustainable basis and in a cost effective manner.

Under the SHG model, usually women members in villages are encouraged to form groups of around 10-15. The members contribute their savings in the group periodically and from these savings small loans are provided to the members. In the later period these SHGs are provided with bank loans generally for income generation purpose. The group's members meet periodically when



the new savings come in, recovery of past loans are made from the members and also new loans are disbursed. This model has been very much successful in the past and with time it is becoming more popular. The SHGs are self-sustaining and once the group becomes stable it starts working on its own with some support from NGOs and institutions like NABARD and SIDBI.

• **Self-Help Group:**

A self-Help Group [SHG] is a small, economically homogeneous and affinity group containing 10 to 20 poor persons which comes together to:

- Save small amounts regularly.
- Mutually agree to contribute to a common fund.
- Meet their emergency needs.
- Have collective decision making.
- Resolve conflicts through collective leadership and mutual discussion.
- Provide collateral free loans on terms and conditions decided by the group at market driven rates.

The SHG is formed and grouped by a Non-Governmental Organisation (NGO) or a bank branch or a government agency acting as a Self Help Promoting Institution (SHPI). The members are encouraged to collect regular thrift on a weekly to monthly basis and use the pooled thrift to provide interest bearing small loans to needy members. The SHPI trains the members to maintain simple accounts of the collected thrift and loans given to members.

NABARD has been playing the role of propagator and facilitator by

providing conducive policy environment, training and capacity building besides extending financial support for the healthy growth of the SHG linkage programme. Over the years, NABARD has initiated the following steps which have resulted in the development of the world's largest microfinance programme.

- i) Conceptualizations and introduction of Pilot Programme in February 1992 for linking 500 SHGs with banks after consultations with Reserve Bank of India.
- ii) Introduction of Bulk Lending Scheme in 1993 for encouraging the NGOs which were keen to try group approach and other financial services delivery innovations in the rural areas.
- iii) Developing a conducive policy framework through provision of opening Savings Bank Accounts in the names of SHGs [though they are informal groups], relaxation of collateral norms, simple documentation and delegation of all credit decisions and terms to SHGs.
- iv) Training and awareness building among the stakeholders.
- v) Provision of capacity building support of NGOs/SHGs/Banks.
- vi) Mainstreaming the SHG Linkage Programme as part of corporate planning and normal business activity of banks in 1996 and internalizing training, monitoring and review mechanism Linkage between Self-help Groups (SHGs) and Banks in India.
- vii) Encouraging Regional Rural Banks and Cooperative Banks to act as Self Help Groups promoting Institutions.



viii) Support to NGOs for promotion of SHGs.

ix) Dissemination through Seminars, Workshops, Occasional Papers and media.

x) Constitution of a High Powered Task Force to look into the aspects of Policy and Regulation of microfinance sector and suggest policy, legal, regulatory measures for smooth, unhindered growth of microfinance sector in India.

xi) Setting up of a Microfinance Development and Equity Fund in NABARD for meeting the promotional costs of upscaling the microfinance interventions.

Banking industry has exhibited tremendous growth in volume and complexity during the last few decades. Despite making significant improvements in areas relating to financial viability, profitability and competitiveness, there are concerns that banks have not been able to reach and bring vast segment of the population, especially the underprivileged sections of the society, into the fold of formal banking system. Internationally also efforts are being made to study the causes of financial exclusion and design strategies to ensure financial inclusion of the poor and disadvantaged.

In the above backdrop, the National Bank for Agriculture and Rural Development (NABARD) initiated a search for alternative policies, systems and procedures, savings and loan products, other complementary services and new delivery mechanisms that would fulfill the requirements of the poorest, especially of the women members of such households. The emphasis was on

improving the access of the rural poor to an integrated Microfinance services covering both savings and credit rather than providing just micro credit facilities. As a wide network of bank branches already existed, the strategy focus was not on creating alternate organizations, but on finding ways and means to improve the access efficiency of the poor to the existing banking network, through design of new products and delivery mechanisms. The SHG Bank Linkage Programme has its origin in a GTZ - sponsored project in Monesia. Launched in 1992 in India, early results of such a programme achieved by SHGs promoted by NGOs such as MYRADA, prompted NABARD to offer refinance to banks for collateral free loans to groups, progressively up to four times the level of groups savings deposits. SHGs thus "linked" with banks function as micro-banks that were able to access funds from the formal banking system. The linkage has resulted in the reduction of transaction costs of banks through the externalization of costs of servicing individual loans and also ensuring their repayment through the peer pressure mechanism. The three broad models of linkage are:

Model I: SHGs Formed and Financed by Banks: SHGs are formed directly by banks under this model, the banks themselves act as SHIPs in forming and nurturing groups, opening savings accounts for them and providing them with bank credit after satisfying itself about their maturity to absorb credit.

Model II: SHGs Formed by NGOs and Formal Agencies but Directly Financed by Banks: These SHGs are called as NGO facilitated SHGs. This appears to be the most



popular model amongst bankers. Under this model, NGOs and formal agencies in the field of microfinance act as facilitators. They propagate the message, organize groups, train them in thrift and credit management and nurture them over a period. Banks in due course link these groups, by directly providing loans to them. More than 70 per cent of the SHGs are linked through this model.

Model III: SHGs Financed by Banks using NGOs as Financial Intermediaries:

In this model, NGOs take the dual role of facilitators and financial intermediaries. They help in formation of SHGs, nurture them and train them in thrift and credit management. Eventually, the NGOs approach banks for bulk loan assistance for on lending the SHGs. In areas where a very large number of SHGs have been financed by bank branches in remediate agencies like Federations of SHGs are coming up as links between bank branch and member SHGs. These Federations are financed by banks which in turn, finance their groups, by directly providing loans to them. More than 70 per cent of Self Help Groups exist under the three models.

• **Evaluation of SHG-Bank Linkage Programme:**

The SHG-Bank Linkage programme has been accepted as an effective tool for inclusive growth by extending various financial services to the hitherto excluded category of poor rural households. Based on the data on the SHGs linked to the banks and their membership covered under the SHG-Bank linkage programme. The Census 2011 data and the Tendulkar Committee recommended norms for rural poverty were taken as the benchmark for the

analysis. The analysis indicates that the membership of SHGs in all the southern States and in Andaman and Nicobar Islands and Chandigarh is more than the number of rural households in these states! The SHG membership is almost 5 times the rural households in Pondicherry while it is almost 200 per cent in Tamil Nadu. This anomaly could be attributed to the prevalence of multiple memberships within the same households. In the case of Chandigarh and Andaman and Nicobar islands, this could also be required to make corrections in the final assessments. The analysis, however, offers a ready tool for assessing the comparative performance of the states in terms of coverage of rural households under the SHG-Bank linkage programme.

This section provides aggregated picture of the progress achieved under SHG Bank linkage programme. The following parameters have been considered for the purpose of analysis:

1. Savings of Self Help Groups (SHGs) with banks
2. Loans disbursed by banks to SHGs
3. Loans outstanding of the banking system against the SHGs

2. MFI-Bank Linkage Programme:

Those institutions which have microfinance as their main operation are known as Microfinance institutions. A number of organizations with varied size and legal forms offer microfinance service. These institutions lend through the concept of Joint Liability Group (JLG). A JLG is an informal group comprising of 5 to 10 individual members who come together for the purpose of availing bank loans either individually or through the group mechanism against a



mutual guarantee. The reason for existence of separate institutions i.e. MFIs for offering microfinance are as follows:

- High transaction cost – generally micro credits fall below the break-even point of providing loans by banks.
- Absence of collaterals – the poor usually are not in a state to offer collaterals to secure the credit.
- Loans are generally taken for very short duration periods.
- Higher frequency of repayment of installments and higher rate of Default.

Microfinance Institutions (MFIs) act as an important conduit for extending financial services to the microfinance sector in the country by raising resources from Banks and other institutions and extending loans to SHG members. MFIs could be either of the following legal entities.

- NGO MFIs – Registered under Societies Registration Act, 1860 and / or the Indian Trust Act, 1880 – They are not for profit entities with a wider development agenda and had been among the first class of institution to extend micro credit to SHGs even before the SHG-Bank linkage programme was conceived.
- Cooperative MFIs – Registered under State Cooperative Societies Act or Mutually Aided Cooperative Societies Act (MACS) OR Multi state cooperative Societies Act.
- NBFC MFIs incorporated under section 25 of Companies Act, 1956 – These NBFCs are working “not for profit”, but on sound business principles

by complementing the efforts of the Banking system to extend the outreach of microfinance and help in financial inclusion.

- NBFC MFIs incorporated under the companies Act, 1956 and resisted with RBI – Link other companies incorporated under the companies Act, these NBFCs work of purely business lines laying emphasis on return on investment. “Doing good business while extending microfinance to the poor”.

The Emerging MFI Model:

While the SHG Bank Linkage model of NABARD, the largest Microfinance programme in the world, is the dominant model of Microfinance in India, financing by MFIs is coming up as an emerging model. In India, we have the following types of MFIs operating in the Microfinance market.

- Societies registered under Societies Act, 1860
- Trusts registered under Indian Trusts Act, 1882
- Section 25 non-profit Companies under Companies Act, 1956
- Mutually aided Cooperative Societies
- Non-Banking Finance Companies

Functioning and Sustainability of MFIs: A vast of MFIs in India is non-profit MFIs which are registered as Societies or Trusts, under the Societies Registration Act, 1860 or the Indian Trust Act, 1882. These Acts provide relative ease of registration, have no minimum capital requirement, and prescribe neither capital adequacy nor



any prudential norms. Accountability is structurally limited in case of these legal forms as they are not designed for running financial entities.

Majority of the MFIs deliver only loan products through groups. Both Self Help Group model as well as Grameen approach is adopted by MFIs for purveying loans. The analysis of 36 leading MFIs (partners of SIDE I) revealed that 77 per cent were registered as societies and trusts, 8 per cent as cooperatives, 6 per cent as companies and 9 per cent as NBFCs. Volume of business was small, only 5 MFIs had loan outstanding more than Rs.200 million. 89 per cent MFIs were subsidy dependent. Only 9 MFIs (25 per cent) were able to cover more than 80 per cent of their costs. High share of savings to loan outstanding, long experience, right type of organization form and high repayment rates, etc. tended to improve operational self-sufficiency. Majority of the MFIs are young (average experience of about 5 years) and small with loan outstanding less than Rs.10.0 million. They mostly enjoy good reputation among clients and have confidence of local communities.

Following the RBI guidelines to banks in its circular dated 18th February, 2000 to all scheduled Commercial Banks including Regional Rural Banks, MFIs are availing bulk loans from banks for on-lending to various Self-help groups and other small borrowers. On the basis of returns received from banks for the year 2010-11, 27 public sector Commercial Banks, 19 private sector Commercial Banks, 81 Regional Rural Banks and 318 Co-operative Banks have reportedly financed MFIs for on-lending for microfinance activities.

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Economic reforms in India since 1991: does FDI play a role?

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Abstract: World economic growth was slower in the second half of the 1990s, and that would have some dampening effect, but India's dependence on the world economy is not large enough for this to account for the slowdown. New developments in the world economy have triggered research designed to better understand the changes in trade and investment patterns, and the reorganization of production across national borders. Global economic environment is changing rapidly in the last 21 years. This change is reflected in widening and intensifying international linkages in trade and finance. A foreign direct investment is an investment in the form of a controlling ownership in a business in one country by an entity based in another country. It is thus distinguished from foreign portfolio investment by a notion of direct control. An increase in FDI may be associated with improved economic growth due to the influx of capital and increased tax revenues for the host country. Host countries often try to channel FDI investment into new infrastructure and other projects to boost development. Greater competition from new companies can lead to productivity gains and greater efficiency in the host country and it has been suggested that the application of a foreign entity's policies to a domestic subsidiary may improve corporate governance standards. Both the Government and RBI have been engaged in the last few years in restoring macroeconomic stability to the economy. Opinions on the causes of India's growth deceleration vary. Export growth in India has been much faster than GDP growth over the past few decades. Several factors appear to have contributed to this phenomenon including foreign direct investment (FDI). FDI has played a significant role in the growth and development of Indian economy.

Keywords: Foreign direct investment, Economic reform, macroeconomic stability

Introduction:

Foreign Direct Investment is an investment in the form of controlling ownership in a business in one country by an entity based in another country. The origin of the investment does not impact the definition as an FDI: the investment may be made either "inorganically" by buying a company in the target country or "organically" by expanding operations of an existing business in that country. FDI is one example of international factor movements. Foreign direct investment is

distinguished from foreign portfolio investment, a passive investment in the securities of another country such as public stocks and bonds, by the element of "control". FDI has played a significant role in the growth and development of Indian economy. GDP has been grown for fold since the year 1991. FDI play multidimensional role in the overall development. It may generate benefits through bringing non-debt creating foreign capital resources, technology up gradation, skill enhancement, new employment, spillovers and allocate efficiency effects. This indicates that



liberalization had a positive impact on FDI inflows in India. Since 1991 FDI inflows in India has increased approximately by more than 165 times. FDI is not necessarily a movement of funds from a home country to a host country, and that it is concentrated on particular industries within many countries. In contrast, if interest rates were the main motive for international investment, FDI would include many industries within fewer countries.

FDI is the sum of equity capital, other long-term capital, and short-term capital as shown the balance of payments. FDI usually involves participation in management, joint-venture, transfer of technology and expertise. The foreign direct investor may acquire voting power of an enterprise in an economy through any of the following methods:

1. By incorporating a wholly owned subsidiary or company anywhere.
2. By acquiring shares in an associated enterprise.
3. Through a merger or an acquisition of an unrelated enterprise.
4. Participating in an equity joint venture with another investor or enterprises.

Review of Literature:

A large number of restricted research studies have been conducted on FDI in general and FDI policy in different countries and sector in particular. Almost all the studies are based on secondary data. Some scholars have also focused the significance of FDI in different angles. The review of some important and relevant studies have facilitate in identifying some of the issues in this paper. Narayana (2012) explain that one

of the major concerns of planners and policy makers in India is attracting more and more Foreign Direct Investment. He analyzed the Foreign Direct Investment and its flows into India. He highlighted the basic constraints to investment in general and Foreign Direct Investment in particular. Jampala, Lakshmi and Srinivasa (2013) discussed Foreign Direct Investment Inflows into India in the Post-reforms period. They concluded that as far as the economic interpretation of the model is concerned; the size of domestic market is positively related to Foreign Direct Investment the greater market, more customers and opportunities to invest."

Methodology: The present study is a secondary data collected from various sources such as Annual reports of RBI, UNCTAD report, Economic Survey (Various Issues), Business line, Consolidate of RBI policy, Handbook of Statistics on Indian Economy (Various Issues), Journals, Books, Working Papers, etc. and various research articles published in reputed journals, magazines, daily news.

Objectives: The objectives of the study are-

1. to study the flow of FDI to India during post reform period.
2. to evaluate the FDI flow in different countries wise and industry wise.
3. to study the Systematic View of FDI Policy (1991-2016).

FDI flow into India: The 1991, New economic policy measures reversed the past policies to rebuild foreign investors confidence in making investment outlets in India. During initial years of the reform periods, there used to be a large gap between FDI pledged during FDI



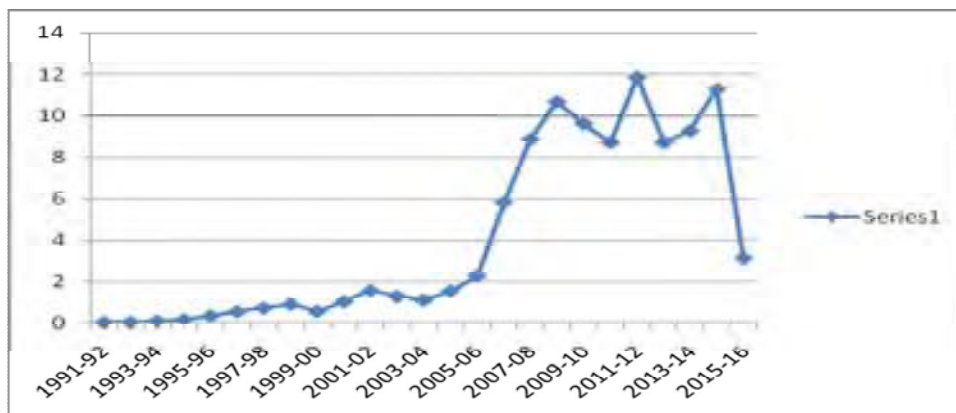
inflows realized in the country in (table1).

Table: 1: FDI flows into India: (Amount US \$ million)

Financial year	Total FDI flows	Percent (%)	Financial year	Total FDI flows	Percent (%)
1991-92	97	0.02	2004-05	6,051	1.54
1992-93	129	0.03	2005-06	8,961	2.28
1993-94	315	0.08	2006-07	22,826	5.80
1994-95	586	0.15	2007-08	34,843	8.86
1995-96	1,314	0.33	2008-09	41,873	10.65
1996-97	2,144	0.54	2009-10	37,745	9.61
1997-98	2,821	0.72	2010-11	34,298	8.72
1998-99	3,557	0.90	2011-12	46,556	11.84
1999-00	2,155	0.55	2012-13	34,298	8.72
2000-01	4,029	1.02	2013-14	36,460	9.27
2001-02	6,130	1.56	2014-15	44,291	11.27
2002-03	5,035	1.28	2015-16	12,362	3.14
2003-04	4,322	1.10	Total	393201	100

Source: RBI's Bulletin

Figure: 1





Result and Discussion:

The table 1 reveals that FDI inflow into India 1991 was minimal with the US \$ 97 million. During this period, foreign investments into India were restricted and allowed moderately in few sectors. This is mainly because of the kind of policies which the government of India has adopted over the years which includes inward looking strategy and dependence of external borrowings. In turn, the borrowings resulted in foreign debts which were preferred to the foreign investments to bridge the gap between domestic savings and the amount of investments required. In 1991, when the government of India started the economic reforms program, FDI had suddenly become important for India which was looked upon as a key component of economic reforms package. The New Industrial Policy of 1991 gave utmost priority in attracting FDI inflows. In this process, the government started opening up of domestic sectors to the private and foreign participation which was earlier reserved only for the public sector. This was followed by slow but with significant relaxation of regulatory and entry restrictions on FDI inflows. Later substantial increase in the volume of FDI inflows into India was observed during the Post Liberalization period. During the initial phase of post liberalization period i.e., from 1991 to 1999, there was continuous increase in the FDI inflows. The total amount of the FDI inflows during the period 1991-92 amounted to US\$ 97 million and in 1998-99 was US\$ 3,557 million. The increase was largely due to the expanded list of industries or sectors which were opened up for foreign equity participation. FDI inflows declined to the level of US\$ 2,155 million in the year 1999-2000 and further to US\$

12,362 million in 2015-16. The reasons for the declining of FDI inflows were due to various set of factors. This fall in flow of FDI into the country was due to the Global economic recession. Then, from 2000-2001 onwards, there has been steady increase in the flow of FDI into the country with highest annual growth rate which has reached US \$ 46,556 million (11.84) percent during 2011-12 and US\$ 44,291 million (11.27) percent in 2014-15.

The figure 1 shows the trends of FDI inflow into the country over a period of 25 years is observed and the importance of FDI into the country is realized by the Government during the Post liberalization period.

Foreign Direct Investment Flows to India - Country-Wise: Country-wise FDI inflows during post-reform period have been an important change in country wise inflows of FDI to India in post reform period (Table 2). During the first decade of economic reforms USA was the biggest direct investor in India while in second decade Mauritius turned out to be largest direct investor in India. Another significant feature is the emergence of Singapore as second largest direct investor in India in second decade of economic reforms. Further it shows that slowly direct investments from developed countries are falling while that of developing is increasing. One possible reason could be often emergence of recessionary phases in developed world in the past years are growing and developing newly industrialized economies.

Result and Discussion:

The table2 reveals that country-wise flow of FDI to India has changing composition of FDI inflow by country of origin is



another feature observed during post-reform period. The important feature is that almost all the leading investing countries have responded positively in response to liberalization policies. Mauritius is a major source of FDI inflows because of its tax haven status. Double taxation avoidance agreement that India entered with Mauritius had become an additional benefit in the form of reducing tax liability for TNCs from the USA and the UK to route their investments through Mauritius. Although the shares of USA has declined considerably, however these countries are still the largest source of FDI inflows. During the period 1992-2016 percentages of shares of FDI inflows from top 10 countries underwent a compositional shift in favour of Mauritius, Singapore and the USA comprising 22.7 percent, 38 percent and 12.6 percent of the total inflows of FDI in 2015-16. With the shares of the Netherlands 5.2 percent, Japan 9 percent, Germany 1.9 percent, South Korea 0.5 percent and other countries 29.2 percent so on.

The figure 2 shows the trends of country-wise flows to India, that Singapore and Mauritius is the highest FDI investment in shares inflows and USA, UK, Netherlands, UAE, Cyprus, China, Hong Kong, Spain and Malaysia respectively.

Foreign Direct Investment Flows to India - Industry-Wise

FDI during pre-reform period many industries were kept outside the FDI and those industries that were available for FDI were tagged with upper limit and other terms and conditions in the form of special case by case approved if the FDI proposal was outside the automatic channel. Besides, investors were cautious about continuity of the policy changes in future. These factors led to the large

difference in FDI and made gradual changes in post reform period. Together these are the top industries accounted for FDI inflows.

The table 3 reveals that liberalization of policy is also responsible for a changing industrial distribution of FDI inflows in India. Manufacturing and other industries which were dominating the aggregate FDI inflows whereas manufacturing, computer services, construction, retail and wholesale, financial services, business services, communication services are highly invested. The electricity, transportation, miscellaneous services, restaurants, mining, education, research and development, real estate activities, trading and other industries are low. Manufacturing industries are highly inflow US\$ 8,439 million (23.4) percent in 2015-16 and trading industry has slow and no inflow.

Systematic View of FDI Policy (1990-2016)

1990-1991: In 1991 automatic approval of up to 51% of foreign ownership was introduced in 34 priority sectors, including mostly manufacturing industries and a few services sectors.

1992-1993: Indian mining sector was opened to foreign direct investment

1993-1994: Permission was granted to foreign investors and Non-Residents Indian (NRI) investors to repatriate their profits and capital.



Table: 2: Foreign Direct Investment Flows to India - Country-Wise (US \$ million)

Source Years	Singapore	Mauritius	USA	Netherlands	Japan	Germany	UK	France	South Korea	Switzerland	Others	Total
1992-93	3 (1.1)	NA	22 (7.8)	21 (7.5)	26 (9.3)	21 (7.5)	7 (2.5)	9 (3.2)	NA	35 (12.5)	136 (48.6)	280 (100)
1993-94	10 (2.5)	NA	99 (24.5)	47 (11.6)	37 (9.2)	35 (8.7)	98 (24.2)	10 (2.5)	NA	23 (5.7)	45 (11.1)	404 (100)
1994-95	25 (2.9)	197 (22.6)	203 (23.3)	45 (5.2)	95 (10.9)	35 (4)	144 (16.5)	14 (1.6)	12 (1.4)	26 (2.9)	76 (8.7)	872 (100)
1995-96	60 (4.2)	507 (35.7)	195 (13.7)	50 (3.5)	61 (4.3)	100 (7)	71 (5.1)	NA	24 (1.7)	NA	351 (24.8)	1419 (100)
1996-97	76 (3.7)	846 (41.1)	242 (11.8)	124 (6)	97 (4.7)	166 (8.1)	54 (2.6)	NA	6 (0.3)	NA	446 (21.7)	2057 (100)
1997-98	NA	900 (30.5)	687 (23.2)	159 (5.4)	164 (5.5)	151 (5.1)	NA	NA	333 (11.3)	NA	562 (19)	2956 (100)
1998-99	NA	590 (29.5)	453 (22.6)	53 (2.6)	235 (11.7)	114 (5.7)	NA	NA	85 (4.3)	NA	470 (23.6)	2000 (100)
1999-00	NA	501 (31.7)	355 (22.5)	82 (5.2)	142 (9)	31 (1.9)	NA	NA	8 (0.5)	NA	462 (29.2)	1581 (10)
2000-01	22 (1.2)	843 (44.1)	320 (16.7)	76 (4)	156 (8.2)	113 (5.9)	61 (3.2)	93 (4.9)	24 (1.3)	8 (0.4)	194 (10.1)	1910 (100)
2001-02	54 (1.8)	1863 (62.3)	364 (12.2)	68 (2.3)	143 (4.7)	74 (2.5)	45 (1.5)	88 (2.9)	3 (0.1)	6 (0.2)	280 (9.4)	2988 (100)
2002-03	39 (2.4)	534 (32.2)	268 (16.2)	94 (5.7)	66 (3.9)	103 (6.3)	224 (13.5)	53 (3.2)	15 (0.9)	35 (2.1)	227 (13.7)	1658 (100)
2003-04	15 (1)	381 (26.1)	297 (20.4)	197 (13.5)	67 (4.6)	69 (4.7)	157 (10.7)	34 (2.3)	22 (1.5)	5 (0.3)	218 (14.9)	1462 (100)
2004-05	64 (2.8)	820 (35.3)	469 (20.2)	196 (8.4)	122 (5.3)	143 (6.2)	84 (3.6)	44 (1.9)	14 (0.6)	64 (2.8)	300 (12.9)	2320 (100)
2005-06	166 (5.2)	1363 (42.2)	346 (10.7)	50 (1.6)	86 (2.7)	45 (1.4)	261 (8.1)	12 (0.4)	61 (1.9)	68 (2.1)	762 (23.7)	3220 (100)
2006-07	582 (6.6)	3780 (42.6)	706 (7.9)	559 (6.3)	80 (0.9)	116 (1.3)	1809 (20.4)	100 (1.1)	68 (0.7)	57 (0.6)	1014 (11.6)	8871 (100)
2007-08	2827 (15.2)	9518 (51.4)	950 (5.1)	601 (3.2)	457 (2.5)	486 (2.6)	508 (2.7)	136 (0.8)	86 (0.5)	192 (1.1)	2780 (14.9)	18541 (100)
2008-09	3360 (16.6)	10165 (50.4)	1236 (6.1)	682 (3.4)	266 (1.3)	611 (3)	690 (3.4)	437 (2.2)	NA	135 (0.7)	2597 (12.9)	20179 (100)
2009-10	2218 (10.8)	9801 (47.6)	2212 (10.7)	804 (3.9)	373 (1.8)	602 (2.9)	1623 (7.9)	283 (1.4)	137 (0.7)	159 (0.8)	2374 (11.5)	20586 (100)
2010-11	1540 (12.2)	5616 (44.6)	1071 (8.5)	1417 (11.3)	188 (1.5)	163 (1.3)	571 (4.5)	486 (3.9)	209 (1.7)	136 (1.1)	1184 (9.4)	12581 (10)
2011-12	3306	8142	994	1289	2089	368	2760	589	226	211	890	20864



	(15.8)	(39)	(4.8)	(6.2)	(10)	(1.8)	(13.2)	(2.8)	(1.1)	(1)	(4.3)	(100)
2012-13	1605 (9.5)	8059 (47.8)	478 (2.1)	1700 (10.1)	1340 (7.9)	467 (2.8)	1022 (6.1)	547 (3.2)	224 (1.3)	268 (1.6)	1156 (7.6)	16866 (100)
2013-14	4415 (31)	3695 (25.9)	617 (4.4)	1157 (8.1)	1795 (12.6)	650 (4.6)	111 (0.8)	229 (1.6)	189 (1.3)	356 (2.5)	1015 (7.2)	14229 (100)
2041-15	5137 (23.3)	5878 (26.7)	1981 (8.9)	2154 (9.8)	2019 (9.2)	942 (4.3)	1891 (8.6)	347 (1.6)	138 (0.6)	292 (1.3)	1251 (5.7)	22030 (100)
2015-16	12479 (38)	7452 (22.7)	4124 (12.6)	2330 (7.1)	1818 (5.5)	927 (2.8)	842 (2.6)	392 (1.2)	241 (0.7)	195 (0.6)	2016 (6.2)	32816 (100)

Source: RBI Annual Reports, P-Provisional, note-includes FDI through SIA/FIPB and RBI routes only.

Table: 3: Foreign Direct Investment Flows to India - Industry-Wise

(US \$ million)

Industry/Year	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Manufacturing	426 (18.6)	924 (37)	1257 (29.9)	1610 (9.3)	4,777 (21.7)	5,143 (25.1)	4,793 (32.1)	9,337 (39.3)	6,528 (35.7)	6,381 (39.8)	9,613 (38.9)	8,439 (23.4)
Computer services	166 (7.4)	372 (14.9)	770 (18.3)	823 (4.8)	1,647 (7.5)	866 (4.2)	843 (5.6)	736 (3.2)	247 (1.4)	934 (5.8)	2,154 (8.7)	4,319 (11.9)
Construction	172 (7.6)	209 (8.4)	191 (4.5)	968 (5.6)	2,23 (10.2)	3,51 (17.2)	1,599 (10.7)	2,634 (11.2)	1,319 (7.2)	1,276 (7.9)	1,640 (6.7)	4,141 (11.5)
Retail & wholesale trade	456 (20.3)	NA	NA	NA	294 (1.3)	536 (2.6)	391 (2.6)	567 (2.4)	551 (3)	1,139 (7.2)	2,551 (10.4)	3,998 (11.1)
Financial services	NA	7 (0.3)	159 (3.8)	21 (0.1)	4,43 (20.3)	2,20 (10.8)	1,350 (9)	2,603 (11.1)	2,760 (15.1)	1,026 (6.4)	3,075 (12.4)	3,547 (9.8)
Business services	456 (20.3)	283 (11.3)	881 (20.9)	7,382 (42.7)	643 (2.9)	544 (2.7)	569 (3.8)	1,590 (6.8)	643 (3.5)	521 (3.2)	680 (2.7)	3,031 (8.4)
Communication services	172 (7.6)	209 (8.4)	191 (4.5)	968 (5.6)	2,06 (9.4)	852 (4.2)	1,228 (8.2)	1,458 (6.2)	92 (0.5)	1,256 (7.7)	1,075 (4.3)	2,638 (7.3)
Electricity & Other energy Generation, Distribution & Transmission	90 (3.9)	14 (0.6)	83 (1.9)	111 (0.6)	669 (3)	1,87 (9.2)	1,338 (8.9)	1,395 (5.9)	1,653 (9)	1,284 (7.9)	1,284 (5.2)	1,364 (3.8)



Transportation	20 (0.9)	70 (2.8)	66 (1.6)	140 (0.8)	41 (0.2)	220 (1.1)	344 (2.3)	410 (1.7)	213 (1.2)	311 (1.9)	482 (1.9)	1,363 (3.8)
Miscellaneous services	2 (0.1)	10 (0.3)	49 (1.2)	455 (2.6)	1,45 (6.6)8	888 (4.3)	509 (3.5)	801 (3.4)	552 (3)	941 (5.9)	586 (2.4)	1,022 (2.8)
Restaurants & Hotels	67 (2.9)	22 (0.9)	95 (2.3)	277 (1.6)	343 (1.6)	671 (3.3)	218 (1.5)	870 (3.7)	3,129 (17.1)	361 (2.3)	686 (2.8)	889 (2.5)
Mining	18 (0.8)	11 (0.4)	6 (0.1)	3 (0.01)	105 (0.5)	268 (1.3)	592 (3.9)	204 (0.9)	69 (0.4)	24 (0.1)	129 (0.5)	596 (1.6)
Education, Research & Development	0	2 (0.1)	4 (0.1)	95 (0.5)	243 (1.1)	91 (0.4)	56 (0.4)	103 (0.4)	150 (0.8)	107 (0.7)	131 (0.5)	394 (1.1)
Real Estate Activities	206 (9.3)	363 (14.6)	452 (10.9)	4,41 (25.79)	1,886 (8.6)	2,191 (10.8)	444 (2.9)	340 (1.4)	197 (1.1)	201 (1.2)	202 (0.8)	112 (0.3)
Trading	NA	NA	NA	NA	40 (0.2)	198 (0.9)	156 (1.1)	6 (0.02)	140 (0.8&)	0	228 (0.9)	0
Others	NA	NA	NA	NA	1,097 (4.9)	384 (1.9)	506 (3.5)	419 (1.78)	43 (0.2)	292 (1.9)	232 (0.9)	215 (0.7)
Total	2251 (100)	2496 (100)	4204 (100)	17269 (100)	21977 (100)	20451 (100)	14936 (100)	23473 (100)	18286 (10)	16054 (100)	24748 (100)	36068 (100)

Source: RBI Annual Reports, P-Provisional, note-includes FDI through SIA/FIPB and RBI routes only.



1997-1998: Non-Resident Indians (NRI) and Overseas Corporate Bodies (OCB) were given automatic approval for equity in priority industries. In January 1997 FDI policy in mining was further liberalized. Automatic approval upto 50% was granted in foreign equity participation in mining projects while this limit was raised to 74% in services incidental to mining. In January, 1998 simplified procedures for automatic FDI approvals were announced by Reserve Bank of India. This in turn implied that there is no need for Indian companies to acquire prior clearance from the Reserve Bank of India for inward remittance of foreign exchange or for the issuance of shares to foreign investors.

1998-1999: FEMA replaced FERA revealing change in government attitude towards FDI.

1999-2000: Foreign Investment Implementation Authority (FIIA) was set up for providing a single point interface between foreign investors and the 129 government machinery, including state authorities. This body was also empowered to give comprehensive approvals.

2000-2001: The dividend balancing condition on consumer goods was finally abolished.

2005-2006: In March 2005, the government announced a revised FDI policy, an important element of which was the decision to allow FDI up to 100% foreign equity ownership under the automatic route in townships, housing, built-up infrastructure and construction-development projects. The year 2005 also witnessed the enactment of the Special Economic Zones Act, which entailed a lot of construction and township development that came into force in February 2006.

2009-2010: FDI norms in various sectors such as commodity exchanges, credit information, and aircraft maintenance were relaxed. Hundred percent foreign direct investments in Maintenance, Repair and Overhauling, (MRO) were allowed. Hundred percent FDI permitted in mining of titanium bearing minerals. Hike in the ceilings on public sector oil refineries. Foreign investors were exempted from minimum capitalization and a three year lock-in period.

2011-13: The FDI Policy, 2011, specifies that all payments should be made directly to the company by the foreign investor. Payments to third parties in the absence of bank accounts or otherwise are not permitted and removal of no objection certificate from previous ventures and downstream investment.

2012-13: This year in Indian FDI policy impact a number of key business sectors, and in many instances eliminate the need for foreign investors to obtain approval from the Indian Government before investing and the acquisition of shares or other securities in an Indian company. Foreign Institutional Investment (FII) Investment by foreign institutional investors (such as hedge funds, insurance companies, or mutual funds) registered with the Securities and Exchange Board of India (SEBI) through recognized stock exchanges.

2014-15: The government taken the steps to improve ease of doing business and attracting investments, FDI inflows into the services sector grew by over 46 per cent to \$ 3.25 billion. The services sector, which includes banking, insurance, outsourcing, R&D, courier and technology testing, had received foreign direct investment (FDI) worth \$ 2.22 billion. However, the total foreign inflow in 2014-15 in the services sector was low as compared to when it was \$ 4.83 billion,



according to the Department of Industrial Policy and Promotion (DIPP) data.

2015-16: The government has announced a series of steps such as fixing timeliness for approvals to improve the ease of doing business in the country and attracting domestic as well as foreign investments. To attract investment in the services sector, the government has raised the FDI cap in insurance sector to 49 per cent from 26 per cent. The policy was also relaxed in other sectors such as defence, railways and medical devices. Foreign investments are considered crucial for India, which needs around \$ 1 trillion in the next five years to overhaul its infrastructure sector such as ports, airports and highways to boost growth. Growth in foreign investments helps improve the country's balance of payments (BoP) situation and strengthen the rupee.

FDI play an important role in economic reform in India

Economy reforms have created a very different competitive environment for India's industry than existed in 1991, which has led to significant changes. Indian companies have upgraded their technology and expanded to more efficient scales of production. They have also restructured through mergers and acquisitions and refocused their activities to concentrate on areas of competence. New dynamic firms have displaced older and less dynamic ones: of the top 100 companies ranked by market capitalization in 1991, about half are no longer. Foreign investment inflows increased from virtually nothing in 1991 to about 0.5 percent of GDP. The presence of foreign-owned firms and the products in the domestic market is evident and has added greatly to the pressure to improve quality. India's

success in export area is one of the most visible achievements of trade policy reforms which allow access to imports and technology at exceptionally low rates of duty, and also of the fact that exports in the area depend primarily on telecommunications infrastructure, which has improved considerably in the post-reforms period.

Liberalizing foreign direct investment was another important part of India's reforms, driven by the belief that would increase the total volume of investment in the economy, improve production technology, and increase access to world markets. The policy now allows 100 percent foreign ownership in a large number of industries and majority ownership in all except banks, insurance companies, telecommunications and airlines. Procedures for obtaining permission were greatly simplified by listing industries that are eligible for automatic approval up to specified levels of foreign equity (100 percent, 74 percent and 51 percent). Potential foreign investors investing within these limits only need to register with the Reserve Bank of India. For investments in other industries, or for a higher share of equity than is automatically permitted in listed industries, applications are considered by a Foreign Investment Promotion Board that has established a track record of speedy decisions. In 1993, foreign institutional investors were allowed to purchase shares of listed Indian companies in the stock market, opening a window for portfolio investment in existing companies.

Conclusion:

FDI has played a significant role in the growth and development of the developing economy, particularly in India. India's capacity as a host nation in attracting FDI has been enhanced during



the post reforms period. It is universally acknowledged that FDI inflow offers many benefits to an economy. UNCTAD (1999) reported that by increasing financial resources for development, the export competitiveness; generate employment and strengthening to fulfill commitments towards social responsibilities and enhancing technological capabilities through transfer, diffusion and generation. FDI inflow into the country over a period of 25 years is observed and the importance of FDI into the country is realized by the Government during the Post liberalization period. Mauritius is the highest FDI investment in shares inflows and Singapore, USA, UK, Netherlands, UAE, Cyprus, China, Hong Kong, Spain and Malaysia respectively. Manufacturing industry has highest inflow and trading has slow inflow in India. Mr.Modi's iconic "Make in India" campaign is structured to attract more FDI to India and make the country a global manufacturing and industrial hub. This campaign has garnered global attention as encouraging foreign investor to private key industries such as the railway, defence manufacturing and insurance as well as the liberalization of medical devices.

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Information and Communication Technology (ICT) for Sustainable Rural Development and E-Governance in India

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Abstract: *Information and Communication Technologies (ICTs) refers to systems for producing, storing, sending and retrieving digital files. These files can contain text, sounds and images, both still and moving. Information and communication technologies, and particularly the Internet, are transforming all human activities dependent on information, including those in rural areas. ICT is an integral part of the development strategy of developed and developing countries both. It is highly capable in bringing about social transformation by providing easy access to people, services, information and other desired technologies. Also it can empower the people by expanding the use of government services. It is highly useful for economic development, job-creation, rural development and poverty alleviation. ICT improved civil society participation in the governing process, which is also known as e-governance which opens new ways of participation of citizens and communities. It empowers them to develop their self sufficiency. ICT helps in improving living standards in rural areas by providing important social, educational, economic and health benefits. In a developing nation like India, the role of ICT in overall development becomes more important. It can contribute in almost every area such as human rights protection, health, environment protection, education and agriculture etc. Especially in rural context, it acts as an intermediary between the government and the people. This paper is focused on the role and importance of ICT for good governance and Sustainable rural development in India and made some of the suggestions to strengthen the e-governance and rural development sectors with effective ICT systems.*

Key Words: *ICT, Rural Development, e-governance, efficiency, participation.*

Introduction:

Information and Communication Technologies (ICTs) refers to systems for producing, storing, sending and retrieving digital files. These files can contain text, sounds and images, both still and moving. Information and communication technologies, and particularly the Internet, are transforming all human activities dependent on information, including those in rural areas. ICT is an integral part of the development strategy of

developed and developing countries both. It is highly capable in bringing about social transformation by providing easy access to people, services, information and other desired technologies. Also it can empower the people by expanding the use of government services. It is highly useful for economic development, job-creation, rural development and poverty alleviation. ICT improved civil society participation in the governing process, which is also known as e-governance



which opens new ways of participation of citizens and communities

Importance of ICTs for Rural Development given the importance of Information and Communication Technologies (ICTs) in national development, countries across the globe have put in place mechanisms such as Universal Service Funds and other forms of Government intervention to achieve Universal Access to ICTs. These focus inter alia on bridging the digital divide between urban areas/populations and rural areas. The significance of bridging this divide in developing countries stems mainly from the fact that rural areas often lack or lag behind urban areas in terms of essential infrastructure and services such as transportation, health, education and government services. This creates a politically and ethically unacceptable inequality of services and opportunities for rural populations and prevents them from participating Role of ICTs in Rural Development. Rural isolation and deprivation can negatively impact growth and certainly growth cannot be sustainable unless it is inclusive. This is especially true of a nation like India where more than 70% of population resides in rural areas and is largely engaged in low productivity agriculture and allied activities. ICTs can overcome many infrastructural constraints. Through ICTs people in rural areas can connect with the local, regional and national economy and access markets, banking/financial services and employment opportunities. ICTs also serve as a instrument of awareness creation and feedback giving rural people a voice in the nation's sociopolitical life. ICTs can act as a channel of delivery of e-Government services including health and education. Thus bridging the digital

divide also bridges the overall infrastructural gap and addresses other constraints faced by rural areas. ICTs can help mainstream rural populations.

Keeping in view these predominant features of rural India – Information and Communication Technology (ICT) has earned its reputation to be the key to information-flow for intensifying the development efforts in rural India and is being considered as an imperative strategy for achieving the goal of sustainable rural development. The recent development of ICT is greatly facilitating the flow of information and knowledge, beyond the border of social and economic status. In this context, ICTs are now widely recognized as a critical tool to tackle development issues in developing countries which ultimately lead to social transformation. Ensuring A Better Quality of Life: Application of ICT has the potential to improve living standards of people in remote and rural areas by providing important commercial, social and educational benefits. By expanding the use of government services – ICT strengthens the livelihood opportunities for rural India. ICT can ensure a better quality of life for the rural poor with an improved access to markets, health, and education – which pushes rural India towards economic development, job-creation and poverty alleviation. Strengthening the Information-base of rural communities: ICT initiatives may be designed to provide support to local governance as well as to react to the queries generated by local needs of the rural communities. As rural poor are often unaware of their rights, entitlements and the availability of various government schemes and extension services, ICT can also improve



their access to the information they need. It has the potential to ensure improved provision of short-term information required by the rural poor for effective livelihood strategies. Intensifying Effort towards implementation of the rural development initiatives: For ensuring effective implementation of the rural development programmes. ICT plays a crucial role through demand driven information and communication services. It has the potential to increase the benefits and reduce the opportunity costs of people's participation in the process of rural development.

Review of Literature

Duncombe and Heeks (1999) describe ICTs as an "electronic means of capturing, processing, storing and disseminating information". **However Sen (1999)** argues persuasively that the development is not just about macroeconomic growth. He provides an alternative definition of development as an increase in the overall number and quality of choices available to the individuals in pursuing their lives and livelihoods. **Malhotra, (2001)** explains rural economies can be benefitted from ICT by focusing on social production, social consumption and social services in rural areas .

Ashley and Maxwell, (2002) explains the focus here is on the role and importance of ICTs in rural development. The context of rural development has changed rapidly in recent years. Around three-quarters of the world's poor still live in rural areas. In case of India rural development becomes most important because India is basically agriculture based country and almost 70% of Indians live in rural areas. **Naghavi, (2002, p.331)** explains Comprehensive training

in agriculture, livestock and natural resources through promotion of ICT for rural residents and optimizing their decision making, and above all of these their participation in developing programs seems essential.

Objective of the Study

- 1) To analyse the role and scope of ICTs in rural development.
- 2) To study the ICT and its relevance to rural development.
- 3) To examine the role of e-governance and its importance for Rural Development
- 4) To find out the conclusion and a suitable suggestion to a better implementation of ICT and e-governance in rural areas.

Research Methodology

This research paper is carried out with the help of secondary data collected from different sources. Data are drawn classified from the Publications of books, monthly journals, article, news papers and magazines, produced by the central government, comprising literature review. Some information is also added from internet search engines, website like Ministry of rural development of Government of India and department of Information Technology.

ICT in Rural Development & Applications in Rural Sectors:

ICT Play a vital role in rural development. Developments in Information and Communication technologies have introduced large number of opportunities in rural areas. ICTs have the potential to facilitate knowledge sharing and information can be easily exchanged by ICTs for rural



development. This information could be readily available and used by the policy makers who develop policies for rural development. There are many aspects in which ICT can be effectively used such as agriculture, improving standard of living, imparting education, women empowerment and many more.

❖ **Imparting education:**

In the developed world, the ICT revolution has affected every sphere of life and has been of immense benefit to the people. Education is one of the strongest tools to develop the nation. The requirements are will to learn and a good teacher to teach. Online learning activities facilitate more effective education and offer significant benefits over traditional methods. Women are not aware of the existence of national organizations to support and protect them because awareness campaigns do not seem to reach them. In rural areas, it is seen that teachers are not much interested to teach the students. Additionally, teachers have to provide a plethora of learning strategies in order for the students to learn how to select the one that is most appropriate for their desired learning outcome. Parent's don't know the importance of education for their children. Internet is one of the strongest tools to impart education. Industry needs professionals who are technically trained to deal with ICT tools, systems and information sources

❖ **Agriculture:** Agriculture is the primary occupation in rural India. However, in the recent years, the position of farmer financially is not so strong. The strategies can be changed by using ICT as using it by connecting to the experts in the European countries and taking guidance of them to improve

the current situation. The large business investment can be done in agricultural occupation like animal husbandry. Rural information centers also provide a learning environment for farmer groups on the use of ICT but also on jointly solving problems in their livelihoods. The main thing in which our farmer is lagging is organization. For example, large investment can be done in milk production. For this, milk voluntary system can be used to increase the milk production. Also the Smartphone apps are developing and are being used on large amount by the farmers. When farmers are healthy then they can give in their best and increase their labour productivity.

❖ **Improving standard of living:**

The rural and urban gap is seen to be divided widely this decade. We need to improvise the standard of living. For this, money is the important source. The self-employment is the powerful way to achieve this. The small business like STD, book-stalls, .It is important for countries to develop a robust ICT industry, complete with the newest digital facilities.

❖ **Women empowerment:**

Women are a very dynamic personality of the society. Gender inequality is not a big issue in the today's 21st century. There are also opportunities to train some of these rural women for self employment in the IT sector. The handicraft art is preserved by the Indian women, especially the Indian rural women. Four features that have characterized India since Independence continue to characterize India's elementary education system: incomplete enrolment, inequalities, poor quality, and ineffective school



performance. We just need to motivate them. Technology-based social empowerment especially for rural women is a new emerging concern in the present information world. The difficulty she faces right from her childhood is unsafe feeling and lack of motivation.

E-Governance

E-governance is a way of managing government electronically. With the introduction of information and communication technology e-governance has grown leap and bounds. In developed countries like USA, UK, China etc. the e-governance was initiated way back and now it is very well developed. But in developing countries it is still in growing phase. E-governance is a means by which the whole way of interaction between the citizen and the government changes, thus changing the manner of governance for better. In fact the motto behind e-governance is to provide SMART (Simple, Moral, Accountable, Responsible and Transparent) government. E-governance not only includes electronic interaction and exchange of information between the citizen and government but also exchange of information between the governments (i.e. government to government). The ultimate goal of any government is to provide services to citizen for better and smooth conduct of administrative operations. In fact e-governance makes government more user-centered.

According to the World Bank : *"E-Government refers to the use by government agencies of information technologies (such as Wide Area Networks, the Internet, and mobile computing) that have the ability to transform relations with citizens,*

businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/ or cost reductions."

Applications of e-Governance

In the end, e-Governance is about reform in governance, facilitated by the creative use of Information and Communications Technology. It is expected that this would lead to:

1. **Better access to information and quality services for citizens:** ICT would make available timely and reliable information on various aspects of governance. In the initial phase, information would be made available with respect to simple aspects of governance such as forms, laws, rules, procedures etc later extending to detailed information including reports (including performance reports), public database, decision making processes etc. As regards services, there would be an immediate impact in terms of savings in time, effort and money, resulting from online and one-point accessibility of public services backed up by automation of back end processes. The ultimate objective of e-Governance is to reach out to citizens by adopting a life-cycle approach i.e. providing public services to citizens which would be required right from birth to death.
2. **Simplicity, efficiency and accountability in the government:**



Application of ICT to governance combined with detailed business process reengineering would lead to simplification of complicated processes, weeding out of redundant processes, simplification in structures and changes in statutes and regulations. The end result would be simplification of the functioning of government, enhanced decision making abilities and increased efficiency across government – all contributing to an overall environment of a more accountable government machinery. This, in turn, would result in enhanced productivity and efficiency in all sectors.

3. Expanded reach of governance:

Rapid growth of communications technology and its adoption in governance would help in bringing government machinery to the doorsteps of the citizens. Expansion of telephone network, rapid strides in mobile telephony, spread of internet and strengthening of other communications infrastructure would facilitate delivery of a large number of services provided by the government. This enhancement of the reach of government – both spatial and demographic – would also enable better participation of citizens in the process of governance.

Findings & Conclusion

In the conclusion of this study, Technological advances in ICTs have reduced the cost and increased the quantity and speed of information transfer dramatically. Of course ICT in rural areas is the solution for gradual elimination of traditional barriers for development by increasing access to information, expanding their markets, increasing job opportunities and better

access to the governmental services. India is growing economy in the world and to maintaining its development in different sector including rural development. Urban development is as fast as compare to rural development. Government is running several policies and programmes but rural development is still slow. As per observation it is found that awareness and information about the facilities and schemes is main cause of backwardness of rural areas. India needs to empower its rural people in accessing and using the IT so as to align them with the fast moving economy of the country. Rural people are most important asset of India as the Indian economy is an agrarian one, but rural people are beyond from benefits.

This paper highlighted some ICT technologies specially designed for application in rural sector considering cost, connectivity and knowledge base of potential end user. This paper also discussed the various applications of ICT and e-governance in the fields concerning rural sector such as e-governance, telemedicine, agriculture, risk management, women empowerment

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Working of Prime Minister Employment Generation Programme In Telangana State

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Abstract: *The generation of productive and adequately remunerated employment is an indispensable component in the fight against poverty. The task of employment generation requires fruitful action by several ministries and Government departments both at national as well as at state levels. For employment generation, various programmes are introduced by the Government to make the youth self-employed. PMEGP is one of employment generation programme designed to provide employment to educated unemployed youth of rural and urban area. The PMEGP have been designed to provide employment to more than a million people by setting up of 7 lakhs micro enterprises by the educated unemployed youth. It relates to the setting up of the self-employment ventures through industry, service and business routes. Women entrepreneur can opt to specific lines of trade which are found out as highly suitable for the success. From this background the researcher has been developed two objectives to analyze the implementation of the PMEGP Scheme in Karimnagar District of Telangana State. This paper focus on working of Prime Ministers Employment Generation Programme and it's impact of employment generation and net income earned by the beneficiaries etc.*

Key words: *Unemployment, Employment, poverty Alleviation, PMEGP, Business Ventures.*

Introduction

The number of unemployed and underemployed has been increasing over time. In excess of 44 million families existing in rural India are accounted to beneath the poverty line and the main reason behind this is lack of employment or less work and low efficiency. Employment prospects in rural province for labour are largely limited to agriculture oriented and development is achievable, if special efforts are made to generate work. In goals of planning of

India, suppression of poverty and hunger through employment in the community has been one of the main objectives. To achieve this objective, various rural improvement strategies have been intended by the government to get better socio-economic life of the poorer segments of the society. To deal with the twin problems of unemployment and poverty, generation of employment opportunities and equality in income distribution are the two solution factors that are of paramount importance¹.



In fact, the problem of unemployment has become more acute in India as the anticipated additions to the existing unemployed persons' backlog have been increasing at a disquieting pace over the last few years. The expected unemployment additions are mainly due to the difference between the high growth of labour force and the low growth of employment opportunities in the economy. Even the planned estimates of overall growth rate of the labour force in the country vis-à-vis created employment opportunities have been conscious of this reality. For example, during 1997-2011, while the growth rate of labour force was estimated around 2.51 per cent per annum as compared with the 2.24 per cent per annum growth rate of planned employment growth opportunities. Consequently, the labour force, which was 397.22 million in 1997, increased to 469.87 million in 2009-10. This means an addition of about 72.65 million of labour force in just twelve years. Recently, the Planning Commission, on current daily status basis, has recorded the growth rate of 2.06 per cent per annum in the labour force as compared to the employment growth rate of 1.96 per cent per annum in Indian economy during the period from 1993-94 to 2009-10².

An important objective of development of planning in India has been to provide for employment opportunities for the skilled and unskilled people. Poverty alleviation and employment generation remain a prime challenge for systematic economic development right from the beginning of the planning process in India. During the 1980s and 1990s few programmes focusing on alleviation of rural poverty and employment generation were formulated and implemented by the

Central Government. India has a rich experience of initiating and implementing employment promotion skill for educated unemployed youth who are estimated around 106 million³.

The Government of India has initiated various other unemployment alleviation schemes like Integrated Rural Development Programme (IRDP), Jawahar Rozgar Yojana (JRY), Prime Minister Rozgar Yozana (PMRY), Khadi and Village Industries Corporation (KVIC), Supply of Improved Tool kits for Rural Artisans (SITRA), Self-Help Groups (SHGs)⁴, etc. However, the PMEGP scheme is specially designed to suit the educated unemployed youth, who constitute a large chunk of, part of unemployed figure. The distinct characteristic of the scheme is to assist financially in establishing business ventures in the field of industry, service and business sectors.

Review of Literature

In the part of research work pertaining to this topic, there were significantly less literary reviews. The earlier studies related directly or indirectly to the present investigation are reviewed.

Shukla and Mishra (2013)⁵ in his study focus on Employment generation and poverty alleviation in developing countries challenges and opportunities special reference to India tried to establish a link between employment generation programmes with the eradication of poverty. Secondary data was used. Various employment generation schemes were mentioned in his work. They found employment growth transfer from primary sector to secondary sector.



Corruption, political rivalry, illiteracy, reservation were some of the challenges in employment generation in India were highlighted. Researchers found high work force, economic work force, liberal exchange rate etc. are some of opportunities in Indian economy for employment generation.

S. S. Sarkar and K. Pandey (2014)⁶ in their work CMJSY and PMEGP an Instrument for Rural in Assam. Both the schemes are quite effective in promotion of rural entrepreneurship in the state of Assam. The implementing organization viz. SIRD and KVIC are doing their best in disseminating the benefits to the masses for creating entrepreneurship. However, a strict vigil on the utilization of released amount and its continuous monitoring will definitely help in achieving the desired objectives.

Shoba Ajithan K (2014)⁷ in his research paper Perception of the Beneficiaries of PMEGP: A Micro Level Study discuss the beneficiary can directly approach Bank, Financial Institution along with his/her project proposal or it can be sponsored by Khadi and Village Industries Commission (KVIC), Khadi and Village Industries Boards KVIBs, District Industries Centre (DIC) and Panchayat Karyalayas etc. The applications received directly by the Banks are referred to the Task Force Committee, constituted at district level under the chairmanship of District Magistrate, Deputy Commissioner or Collector to scrutinize the applications based on the experience, technical qualification, skill, viability of the project etc. and hold quarterly meeting with the Banks at district level to review the status of the project proposals. Today, Prime Minister's Employment

Generation Programme is the most important self-employment programme of the Government and a household name in every corner of the country.

Fatima Hasna Hasnat Unisa Begum and Basvaraj Kumnoor (2015)⁸ in their research paper Performance of Prime Minister's Employment Generation Programme Scheme In Gulbarga District Development of a backward region is hidden in the proper utilization of human resources and natural resources available in particular region. To utilize available human and natural resources it is necessary to have suitable planning in backward areas. In this connection Prime Minister Employment Generation Programme (PMEGP) is playing an important role to promote self employment opportunities through micro and small industrial development by encouraging new entrepreneurs. Therefore it is necessary to study the non-farm employment generation activities which are taking place through KVIB (Khadi and Village Industrial Board) and DIC (District Industrial Centre) (i.e. PMEGP) are the most important instrument to reduce unemployment and poverty in this region.

Satrajeet Choudhury and Anupam Ghosh (2015)⁹ in their study Economic Development through Prime Minister Employment Generation Programme in India: An Analysis Gandhiji often said that village economics is different from industrial economics and the nation can progress only, when the villages are self reliant. In their study investigate the performance of Prime Minister Employment Generation Programme in the economy of India as well as Jharkhand State in the 11th Five



Plan (2007 -2012) in terms of numbers of project started, production, sales, employment and earnings. The correlation analysis shows a very strong relationship between the selected variables in India.

Shallu (2015)¹⁰ in his study Prime Minister Employment Generation Programme: Solution to Punjab's Unemployment studied the generation of productive and adequately remunerated employment is an indispensable component in the fight against poverty. The task of employment generation requires fruitful action by several ministries and Government departments both at national as well as at state levels. The findings indicate that PMEGP is on much rooming stage.

Thus many studies conducted at individual scholars and banks have brought out the direct and indirect functioning of PMEGP scheme. Hence, the present study has been undertaken to fill up the gap in the existing literature and to examine the Working of Prime Ministers Employment Generation Programme on reduction of rural and urban educated unemployment levels by using both primary and as well as secondary data.

Statement of the Problem

The economic policies of the country continued to undergo changes in the form of shifting the focus from economic growth to employment or vice-versa, in accordance with the changing needs of the society over a period of time, the mounting pressure of unemployment, particularly educated unemployment compelled the governments to undertake special employment programme mainly supplementary to the main five years plans. The main objective of the

scheme was to encourage the educated unemployed to undertake self-employment ventures in industry, service and business sectors using the provision of financial packages. It needs some empirical study to enable both unemployed youth and Government to get a better feedback on the implementation of the schemes.

Therefore, it is indeed essential to examine the extent to which beneficiaries are benefited through rise in per capita income by income generating activities. The extent to which in rural and urban areas especially educated unemployment and the utilization of funds derived for self and productive purposes, assessment of beneficiaries of PMEGP needs an in depth study to put the necessary active, rapid, strict and radical measures for the upliftment of educated youth. In the light of this study makes a sincere attempt to measure how far the PMEGP scheme, and working in Karimnagar district, has made contribution to the economic and social progress of beneficiaries.

Methodology

The present study is based on primary as well as secondary sources of data. Studies on anti - unemployment programmes in general and on PMEGP in particular at the level of individual researchers, voluntary organizations and concurrent evaluation studies conducted by respective DIC are taken as background information. In order to elicit the information in regard to the socio-economic impact of PMEGP on educated unemployment youth, a structured interview schedule is prepared and administered to a selected sample. In addition, observation and interview methods were also used to



collect the information pertaining to the inner realities of beneficiaries.

Objectives of the Study

1. to analyze the implementation of the PMEGP Scheme in the selected area;
2. to identify the working of Prime Minister Employment Generation Programme on employment generation, income and asset creation of the sample beneficiaries.
3. to derive the policy implications which may emerge from the study and suggest policy measures for the strengthening of the PMEGP scheme.

Hypotheses of the Study

The hypotheses of the study are formulated as follows

1. Prime Minister Employment Generation Programme is

increasing self-employment opportunities in rural and urban areas;

2. There is a positive relationship between success of business ventures and repayment of loan.

Selection of the Sample

256 beneficiaries were selected from the study area in three stages. First stage at two mandals in the district. Second stage, the units were stratified into rural and urban areas in each mandal. Here mandal headquarters are the urban areas and inhabitant villages are the rural areas. While selecting rural locations, villages with the highest number of beneficiaries are selected. The third and final stage involves distribution of sample beneficiaries according to category and reservations. Such a classification is useful to analyze the effects of PMEGP scheme on different section of the society.

Classification of Beneficiaries

Particulars	No. of total respondents		No. of selected respondents	
	Respondents	Percentage	Respondents	Percentage
Location wise				
Rural	1280	100	128	10
Urban	1280	100	128	10
Total	2560	100	256	10
Classification of Beneficiaries				
Industry	210	100	21	10
Service	980	100	98	10
Business	1370	100	137	10
Total	2560	100	256	10

Source: Field study



The sample size covers all the community groups i.e. Forward Castes, Backward Classes, Schedule Castes and Schedule Tribes.

Period of Study

The research study covers a period of eight years of the working of PMEGP scheme in Karimnagar district. Accordingly, the period of study is from 2008-09 to 2015-16.

Sources of Data

The researcher took bold initiative of consulting DIC officials, bank officials, expert in the field of economics and management on the structure of the questions asked in the schedule. All necessary changes were made to make the interview schedule an optimum one. In addition to the primary data, the study extensively focused on secondary data for evaluation of schemes and programmes at all levels.

Data Analysis

The community of a person is an important variable in selection and success or failure of an avocation. Indian society is caste ridden society; community has a considerable impact on the individuals. The table-1 shows the community wise distribution of sample beneficiaries. The study makes an attempt to classify the beneficiaries of Scheduled Castes, Scheduled Tribes, Backward Classes and Forward Castes maximum utilization of Scheduled Castes / Scheduled Tribes beneficiaries were 36 (26.28 per cent) in business sector. But in industry sector it was only 13 (61.90 per cent). The table also indicates that the maximum utilization of benefits by all categories i.e. 137 (53.52 per cent) in business sector and followed by service sector beneficiaries who were 98 in all 98 (38.28

per cent). Industry sector had 21 (8.20 per cent) beneficiaries.

The level of family income indicates the financial capacity of the beneficiaries to invest in the chosen activity receiving the benefit under the scheme. It also indicates whether the scheme has reached the targeted persons or not. Further, table-2 indicates the family income of beneficiaries. It is clear that more than half 178 (69.53 Per cent) of sample beneficiaries belong to below poverty level (BPL) families. It is 100 (78.132 per cent) BPL families have opted for the scheme. 78 (60.94 per cent) families income exceeds below Rs. 15486 per annum in urban area. As compared to rural area it is 100 (78.13 per cent) in rural areas there is no one beneficiaries who reached the Rs. 24100 to Rs. 75000 income. The possible reasons may be either the taskforce has failed to identify the beneficiaries from BPL families or the persons from poor families may be unaware of the scheme or due to the existence of someone corruption at institution level.

The graduates and under graduates are in majority as compared to the other educated persons as shown in table-3 shows that the majority of PMEGP beneficiaries who were benefited have graduation qualification followed by undergraduates and technical holders. The percentages of beneficiaries in rural and urban areas are almost all the same. The PMEGP scheme is meant for SSC and above educated persons. As a result, the higher educated and vocationally trained beneficiaries are relatively less in number.

The success of welfare or progress involving sanctions of public money to target beneficiaries depends not only on the



identification of the real beneficiaries, early availability of the loan and provision of training and infrastructure facilities and also the recovery of the loan amount sanctioned under the scheme play an important role. The officials' perceptions on the percentage of loans recovery from beneficiaries is presented in table- 4 the highest per cent of loan recovery is 226 (88.28 per cent) in monthly payment basis. But very lowest loan recovery is 4 (1.56 per cent) by yearly basis. Both in rural and urban areas loan recovery is 96 (75.00 per cent) and 110 (85.94 per cent) respectively in monthly payment basis.

The following analysis table 5 shows that the beneficiaries utilized to repayment of loan by activity income and non activity income. Activity income sources are related to running units and non-activity income includes money lenders, relatives, friend's agricultural income etc. A table also reveals that in aggregate 55.08 per cent (141 out of 256) beneficiaries had main source of activity income for repayment of loan amount, followed by 44.92 (115 out of 256) per cent beneficiaries for non-activity income. Both in rural and urban areas slightly variations are found for repayment of loan.

The income generated is an indicator of the success of beneficiaries. The basis philosophy behind the self-employment scheme is to generate reasonable income at least to meet out their basic needs i.e., repayment of loan installments and to some extent to make reinvestments in their activities. The following table-6 shows the net income earned in post scheme period. Out of 256 sample beneficiaries 117 (45.70 per cent) of the beneficiaries had less than the projected income. In inter category comparison 98 (38.28 per cent)

beneficiaries had more than projected income, 29 (11.33 per cent) of the beneficiaries were having no proper activity planning and only few (4.69 per cent) beneficiaries revealed that they are near to the project income. From the above analysis it can be noted that 46 (64.79 per cent) of SC/STs beneficiaries were having less than the projected income, minorities and others equaled the project income.

During the field survey study it has come to the notice of the researcher that a majority of beneficiaries opined limited loan component against the projected amount and the small subsidy also being the major reason for remaining unsatisfied about the scheme both in rural and urban areas. The following table-7 shows the beneficiaries opinions for being unsatisfied with the scheme. It can be stated that 23 (17.96 per cent) beneficiaries opinion was positive, it meant that they were satisfied by the scheme in rural area. Remaining 105 (82.03 per cent) beneficiaries were not satisfied by the scheme. But, a majority of the beneficiaries i.e., 116 (90.62 per cent) were not satisfied by the scheme in urban area, only 12 (9.37 per cent) beneficiaries were satisfied by the scheme. The table-8 shows that 74.65 per cent opined repay the loan in future. Followed by minority beneficiaries i.e. 95.24 per cent and Other Backward Classes 75.38 per cent respectively. Some 18.36 per cent beneficiaries replied in the negative opinion.

Conclusion and Suggestions

Indian economy has been facing challenges with regard to unemployment and economic growth. By and large, unemployment in India is structural,



during the past five decades; population of India has grown at an alarming rate of around 2.2 per cent per annum, whereas employment opportunities have not been increased correspondingly due to slow economic growth. An economic activity formed under the scheme has to generate sufficient income for the beneficiaries for the continuous progress and repayment of loan amount.

The study indicates that the new units have generated income in lower and middle ranges both in rural and urban areas, but their incremental income is more than that of old units, since majority of old units used the loan amount for repayment of old debts they had also reached the saturation point. Generally, the success of the units sponsored under the scheme is measured through the percentage of repayment of loan amount. In this regard the study found that repayment habit is poor in rural and urban area counterparts. It is hypothesized that higher the income level; higher would be the extent of loan repayment. In this regard majority (88.28 per cent) of beneficiaries have used the mode of repayment on monthly basis, both in rural and urban areas.

It can be inferred that no one is willful defaulter; it is the lower income which makes one to become loan defaulter. Therefore, the hypothesis, i.e., higher activity income propels the beneficiary to return loan installments are proved. Further, the substantial positions of units are regular in repayment of loan amount because of strict insistence by the bankers to make regular repayments. Among all the sectors, the service and business sectors are having little bit better position in regular repayment of loan, due to regular income from these units.

The activity income constitutes to be the major source of loan repayment, and loan repayments tend to increase with activity income. All this indicates that rural areas need to be given more streams on PMEGP scheme implementation. The large per cent of population of India lives in rural areas with no employment opportunities. The PMEGP scheme is a key to solve most of the problems of rural areas. A proper implementation is what needs to be done to make the scheme more popular in rural areas.

The study has concluded that

1. The study concluded by the researcher indicates that there is a significant improvement in the socio-economic status an improvement of the living conditions of the members.
2. The success of ventures is positively associated with the Rural and Urban educated youth economic status.

Suggestions:

- 1) The PMEGP benefit is only part finance and not a total finance i.e. it is only a seed money and not a free it self.
- 2) The scheme money is a social resource and social resources are scarce and have their own cost. Timely repayment and better utilization and social responsibilities.
- 3) Educated unemployed in business should be offered loans and subsidies for encouraging the industrial activities. The financial institutions should provide more working capital



assistance both for small scale and large scale ventures.

- 4) PMEGP ventures of educated unemployed youth to mobilize resources and pooling capital funds in order to help the youth in the field of industry, trade and commerce can also play a positive role to solve this problem.

A well conceived, managed and followed up scheme on one side and emancipated and positive beneficiaries on the other side are the two pillars on which the socio-economic impact of the scheme can be well-built.

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Table - 1
Community-wise Distribution of Sample Beneficiaries

Community	Industry	Service	Business	Total
SC / ST	13 (61.90)	22 (22.45)	36 (26.28)	75 (27.33)
OBC	4 (19.05)	31 (31.63)	30 (21.90)	65 (25.39)
Minority	4 (19.05)	24 (27.55)	53 (38.69)	84 (32.81)
Others	0 (0.00)	18 (18.37)	18 (13.14)	36 (14.06)
Total:	21 (8.20)	98 (38.28)	137 (53.52)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.

Table-2
Family Income in Pre- scheme Period (Income range P.A)

Particulars	Rural	Urban	Total
Below Rs. 15846	100 (78.13)	78 (60.94)	178 (69.53)
Rs. 15847 to Rs.24000	28 (21.88)	13 (10.16)	41 (16.02)
Rs. 24100 to Rs.40000	-	20 (15.63)	20 (7.81)
Rs. 40001 to Rs.75000	-	17 (13.28)	17 (6.64)
Total	128 (100.00)	128 (100.00)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.

Table-3
Educational Profile of Sample Beneficiaries

Particulars	Rural	Urban	Total
SSC	11 (8.59)	2 (1.56)	13 (5.08)
Intermediate	37 (28.91)	35 (27.34)	72 (28.13)
Graduation	42 (32.81)	57 (44.53)	99 (38.61)
Technical/Others	38 (29.69)	34 (26.56)	72 (28.13)
Total	128 (100.00)	128 (100.00)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.



Table-4
Mode of Repayment

Particulars	Rural	Urban	Total
Monthly payment	112 (87.05)	114 (89.06)	226 (88.28)
Quarterly	8 (6.25)	4 (3.13)	12 (4.69)
Half yearly	4 (3.13)	10 (7.81)	14 (5.47)
Yearly	4 (3.13)	-	4 (1.56)
Total	128 (100.00)	128 (100.00)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.

Table-5
Sources of Loan Repaid

Working Units	Rural	Urban	Total
Activity income	81 (63.28)	60 (46.88)	141 (55.08)
Non-activity income	47 (36.72)	68 (53.13)	115 (44.92)
Total	128 (100.00)	128 (100.00)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.

Table-6
Net Income Earned

Category	Equals the project income	More than the project income	Less than the project income	No proper activity planning	Total
SC/STs	4 (5.63)	15 (21.13)	46 (64.79)	6 (8.45)	71 (100.00)
OBC	8 (12.31)	30 (46.15)	20 (30.77)	7 (10.77)	65 (100.00)
Minority	-	36 (42.86)	40 (47.62)	8 (9.52)	84 (100.00)
Others	-	17 (47.22)	11 (30.56)	8 (22.22)	36 (100.00)
Total	12 (4.69)	98 (38.28)	117 (45.70)	29 (11.33)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.



Table-7
Unsatisfied with the Scheme

Particulars	Rural	Urban	Total
Yes	23 (17.96)	12 (9.37)	35 (13.67)
No	105 (82.03)	116 (90.62)	221 (86.32)
Total	128 (100.00)	128 (100.00)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.

Table - 8
Loan Amount Recovery
 (in Future)

Category	Yes	No	Total
SC / ST	53 (74.65)	18 (25.35)	41 (100.00)
OBC	49 (75.38)	16 (24.62)	65 (100.00)
Minority	80 (95.24)	4 (4.76)	84 (100.00)
Others	27 (75.00)	9 (25.00)	36 (100.00)
Total:	209 (81.64)	47 (18.36)	256 (100.00)

Source: Field study

Note: Figures in brackets denote percentages.



Socio-economic conditions of Dalit women Agricultural labours in Andhra Pradesh

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Abstract : *Dalit women are a deprived section and at the lowest of economic and educational structures. They are poor, illiterate, sexually harassed, faced state, caste violence and exploited. Doubly, triply or multiply discriminated, Dalit women face a lot of struggles in daily bases otherwise just being overwhelmed with those surges of discrimination up to them. Without being struggling, Dalit women would be just left in despair. Indian society has been bound by culture and tradition since ancient times. Sons are regarded as a means of social security. It is an unpleasant truth that harassment of India working women at the place of working is very common. There are about 10 million women who have entered into all fields of an Indian economy from medicine to politics but most of them face the same problem of sexual harassment at the work place. Women's role in economic development, in most countries of the world, cannot be undermined. In the third world countries, especially, where agriculture still constitutes the main source of livelihood and the main area of work for most people, women's contribution is quite high. The female population in India forms 48.26 per cent of the total population. Nearly 75 per cent of the female population is rural and mostly belong to the subsistence sector. In this regard, the objective is to examine the socio-economic conditions and self esteem of agricultural dalit women labours in the study area.*

Key Words: *Agriculture, Dalit, Labour,*

Introduction:

In Indian Society, caste is still the most power full factor in determination a person's dignity in terms of socio-economic indicators. The Dalit women agriculture labour will be untouchables at the bottom of the list and actually outside the list. In Indian society, the dalit women are not treated as a human being. Both economically and socially these women are marginalized. They are helpless beings and their life is cheap and unimportant in this castes had been most common during per and post independence. The Dalit women agriculture labour share common

problems of gender discrimination with their high caste counterparts, will be also suffer from problems specific to them dalit women agriculture labour are the worst affected and suffer the three forms oppression caste, class and gender. The dalit women agriculture labour will be face more atrocified from the upper caste men and women. There will be no end in India for the sexual violence against Dalit women Agriculture labour.

Dalit women agriculture labour will be worked down upon in our society because she is a women. She is a women. She will be looked down upon because Dalit women agriculture labour belongs to



lower caste and she is also looked down upon because she belong an economically lower class. India is primary an agricultural country. The importance of agriculture in Indian Economy is evidence agriculture is largest and most important industry in India. Nearly 75% of people in India depend on Agriculture either directly or indirectly for their living. Dalit women agriculture labour will be most important to increase agriculture production and productivity increase in agricultural production and productivity leads to increase in the income of the farmers. This increase income of the rural community lead to more savings which can be used for either further development. But there will be paid low wages. So Dalit women agriculture labour will be very backward and marginalized at all levels in our society.

Dalit women produce between 60 to 80 percent or the food in most developing countries and are responsible for half the worlds food production, therefore, women role in food production ensure the survival of millions of people in all regions. Women's livelihood strategies, and their support and means of ensuring food security are diversified and complex, from cultivating field crops to live stock rearing home gardening, gathering ect, hand, input and information. If at all there is any enterprices, since the down of civilization in which women played a significant role or participated in large number it is nothing but agriculture women played an important role because agriculture is largely a house hold enterprise. That women in India are major producers of food in terms of value, volume and number of hours are engaged in agriculture as compared to 78 percent of women almost 50 percent of rural

female workers are classified as agriculture labour and 37 percent as cultivators. About 70 percent of farm work was performed by women of the female marginal workers 47.91 percent are cultivators 41.43 percent are agriculture blowers and 1.64 percent are engaged in livestock, fisheries and forestry remaining 17.62 percent female main workers and 9.02 percent female marginal workers are in non-agriculture sector.

Research problem:

All research development and extension programmes in agriculture and all services must be engendered, in addition to working in the fields women not only ensure fuel, fodder water and food, but also have to look about the emotional needs of their families the children, elders and husbands. The nurturing caring and reproductive responsibilities are the dimension that have never been computed economically but are essential and significant aspect of women's work load. So my aim is (i) to made an attempt to examine the employment and wages of dalit agriculture women labour simultaneously on the basis of different area conditions and (ii) an attempt to study the economic contribution of agriculture working women to household income and the pattern of expenditure and savings of agriculture women labour. Women in the Indian labour force have been widely researched since the mid seventies. Dalit women are the backbone of the village economy of rural India. Dalit women take up different works to out their livelihood and the majority of the rural Dalit women depends on agriculture which is the major unorganized sector in India.

Review of Literature:



Prasad & Singh (1992), Women have played and continue to play a key role in the conservation of basic life support systems such as land, water, flora and fauna. They have protected the health of the soil through organic recycling and promoted crop security through the maintenance of varietal diversity and genetic residence. According to the Misch (2001), the post-colonial reading of the slave narrative or the autobiography of women questions the autobiography subject who is generally assumed to write autobiography. Aggarwal (2003) studies on women in agriculture conducted in India and other developed contribute far more to agriculture production that has generally been acknowledge. Prasad & Gajian, (2007), Dalit literature is not a literature of vengeance. Dalit Sahitya is not a literature which spreads hatred. Dalit sahitya first promotes men's greatness and man's freedom and for that reason it is an historic necessity. Linbale (2012), the central concern of the Dalit literature is how best to represent the authentic of the Dalits.

Diwan (1995), Mies (1986), Parmar (1987), in spite of the development attempts made to elevate the status of rural women, they continue to get lower wage than men. A number of studies have tried to gauge of rural women with regard to their wages. These studies have clearly established that women employed as wage labourers of domestic servants were generally paid lower wages than the male labourers. Tuteja (2000), According to revealed that the female agriculture workers contribute significantly in house hold income on all farm sizes and their craning is found most crucial for the landless and small form household. The proportionate contribution of female declined with increasing form size while vice versa is true for absolute income.

Objectives:

- 1.To analyse the status of Dalit women in India and Andhra Pradesh.
- 2.To examine socio-economic conditions and self-esteem of agricultural Dalit women labours in the selected area.
- 3.To find out the status and problems associated with Dalit women agriculture labours in Andhra Pradesh.
- 4.To improve the wages, income and expenditure of dalit women agriculture labours in Andhra Pradesh

Methodology: in the light of the above objectives, the present study will be based on the secondary data. The secondary data will be collected through ministry of agricultural state and central government reports, articles and women agricultural labour related books and NSSO etc.

Hypothesis:

- 1.Status of Dalit women in the society is low
- 2.The wages discrimination is high when compare to men.
- 3.Poverty is also high.

Status of Dalit women agricultural labours in the society :

In Indian society , the Dalits women is not treated as a human being. Both economically and socially, these women are marginalized. The truth that cannot be ignored is a sizeable contribution of womenfolk to agricultural production. World profile of women shows that they represents 50 per cent of the population and 40 per cent of the world farms are managed by women. According to 1981 censuses, women accounted for 48 per cent of the rural



population of India and they perform up to two-thirds of the manual work in rural areas. Of the total population of 249 million of rural women, 39.6 million (16 per cent) are scheduled caste women. This section of downtrodden is fully exploited as agricultural labour force and being ignored for their betterment by the society in several developmental programmes initiated by the Government of India. The achievements of these projects are encouraging but not very encouraging because of the unsystematic study of their problems.

By the Government of India in 2011 the literacy rate among agricultural Dalit women labours are 56.05 per cent. Dalit women study up to primary level and normally drop out of middle school. Thus, the literacy rates of scheduled caste women are at the bottom and it did not exceed 43.35 per cent in 2001. It is due to lack of education that Dalit women are not able to come out of their poverty and marginalized situation. Being not educated and trained properly, they cannot go for a good job and they can't make entry into the organized sector. So their economic status remains low. They are also denied in more basic and elementary areas of nutrition, health and survival. This is reflected in demographic features of high female mortality rate. Though medical evidence shows that given similar care, women tend to have lower age specific mortality rates than men.

Importance of the study :

Dalit women are a deprived section and at the lowest of economic and educational structures. They are poor, illiterate, sexually harassed, faced state, caste violence and exploited. Dalit women face a lot of struggles in daily bases

otherwise just being over with those surges of discrimination up to them. Without being struggling, Dalit women would be just left in despair. Indian society has been bound by culture and tradition since ancient times. Sons are regarded as a means of social security. Throughout life, a woman remains under male domination; Subjected to the confines of her home. The gender discrimination and violence against women have a profound effect on the sex ratio in India. It is an unpleasant truth that harassment of India working women at the place of working is very common. There are about 10 million women who have entered into all fields of an Indian economy from medicine to politics but most of them face the same problem of sexual harassment at work place.

Women's role in economic development, in most countries of the world, cannot be undermined. In the third world countries, where agriculture still per cent of the households have main source of livelihood and it contributes above 17 per cent of the GDP and provides employment to over 60 per cent of the rural population. Of the country's almost 100 million Dalit woman, approximately three fourths live in rural areas. Nearly 75 per cent of the female population is rural and mostly belong to the subsistence sector. In agriculture women mostly undertake labour intensive and drudgery prone activities like transplanting, weeding, harvesting, post harvesting operations, animal husbandry, forestry, plantation and fishing, etc. This is one factor why India, women's participation in the labour force has been relatively low and stagnant while in most countries it has been increasing, during the last few decades. Agriculture work is seasonal in nature



and during the off season women in agriculture have to struggle hard to find alternate source of income.

However, empowerment of women in agriculture may be envisaged in terms of improvement of awareness, knowledge and skill that makes effective use of local resources and takes account of local needs and constraints. Agro based entrepreneurial activities could facilitate farm women in enhancing family incomes their own socio-economic positions.

According to Census 2011, Dalit make up 16.2% of the total India population but their access and control over resources of the country is marginal less than 5% close to half of the Dalit population lives under the poverty line and even more than (62%) are illiterate. Among the Dalit women agricultural labourers most of those engaged in agricultural work are landless or nearly landless agricultural labourers. The Dalit women agricultural labour average income was of Rs. 17,465 in 1998, just 68% of the national average less than 10% of Dalit households can afford safe, drinking water, electricity and toilets which is indicative of their deplorable social conditions.

Conclusion:

Dalit women agricultural labour is estimated to contribute eighty per cent of social labour to strengthen the Indian Economy women also bear the burden of farm suicides. Dalit women agricultural labour is very poor and live below poverty line. The Dalit women have to go out and work. Dalit women agriculture labour wear patched clothes even in the 21st century Dalit live on outskirts of the villages. They live in dirty areas where there are no facilities for drainage facilities watching or drinking water and

so on. They don't have enough food to eat. Though they are poor to keep up traditions, they spend so much money on the occasions of marriage and rituals and festivals. For this they have borrowed money from the landlords on high interest and it is hard for them to repay the principal amount and so they work as bonded labourers and their children automatically taking their place as a servant, when they die.

Dalit women agriculture constitutes a significant part of the work force in the country. Amongst rural women workers a majority are employed in agriculture as labourers and cultivators. The Dalit women agricultural labourers will be more likely to be involved in productive activities, it is necessary to recognize their income contributions in the household. The analysis with regard to wage rates of men and women labourers shows that there exists gender based wage differentials in the agricultural sector it will be dealt separately between men and women labourers in each operation.

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Role of Small Scale Industries in Indian Economy

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Abstract: *The small scale industries play a vital role in the growth of the country. It contributes almost 40% of the gross industrial value added in the Indian economy. By less capital intensive and high labour absorption nature, SSI sector has made considerable contribution to employment generation and also rural industrialization. Under the changing economic scenario, SSI has to face number of diverse problems like vast population, large scale un-employment and underemployment and scarcity of capital resources and the like. Hence, the government has been providing some special facilities through different policies and programmes to overcome the problems and for the growth and development of small scale industries. The efforts of the government have resulted in the phenomenal increase in the number of units in the SSI. The government also introduced various schemes and incentives for the promotion of SSIs. In such a context, this paper attempts to highlight the importance of SSI in Indian economy. It also analyze the impact of economic reforms on growth pattern and productivity performance of SSI in the country.*

Key words: *Small scale industry, scale of operations, employment generation, industrialization, problems.*

Introduction

In a developing country like India, the role and importance of small-scale industries is very significant towards poverty eradication, employment generation, rural development and creating regional balance in promotion and growth of various development activities. It is estimated that this sector has been contributing about 40% of the gross value of output produced in the manufacturing sector and the generation of employment by the small-scale sector is more than five times to that of the large-scale sector.

This clearly shows the importance of small-scale industries in the economic development of the country. The small-scale industry has been playing an important role in the growth process of Indian economy since independence in spite of stiff competition from the large

sector and not very encouraging support from the government. The small scale sector has played a very important role in socio-economic development of the country during the past five decades. It has significantly contributed to the overall growth in terms of the Gross Domestic Product (GDP), employment generation and exports. The performance of the small scale sector, therefore has a direct impact on the growth of the overall economy.

Despite the global and domestic recession, small-scale industries registered a higher growth rate than the overall industrial sector in terms of number of units, production, employment and exports. The Small Scale Industrial sector (SSI) continues to remain an important sector of the economy with a noteworthy contribution to GDP, industrial production, employment



generation and exports. The MSME sector covers both the registered and informal sectors. The classification of micro, small and medium enterprises at present is based on the criteria of investment in plant and machinery by each enterprise. Detailed information for the registered MSMEs on the various economic variables such as employment, investment, products gross output, and exports is available. The small scale sector consists broadly of 1) the traditional cottage and household industries viz., khadi & village industries, handicrafts, handlooms, sericulture and coir industries; and 2) modern small scale industries.

The traditional village and cottage industries as distinguished from modern small scale industries are mostly unorganized and located in rural areas and semi-urban areas. They normally do not use power operated machines/appliances and use relatively lower levels of investment and technology. But they provide part-time employment to a very large number of poorer sections of the society. They also supply some essential products for mass consumption and exports.

Review of Literature

Kawadiz, Dashnrishra and Bargal (2005) attempted to examine the factors affecting employment productivity of small sector in Indian context and observed that industrial sector in general and small enterprises in particular are to be exposed to meet the International competitive environment.

Subrahmanya (2005) examined implications of globalization and domestic economic liberalization in small-scale industries and analyses its growth performance in terms of units,

employment, output and exports. He concluded with policy recommendations to ensure the sustenance and competitive growth. **Raj and Mahapatra (2009)** studied the growth and productivity performance of small manufacturing enterprises in India. They identified a few lacunae and found that the capacity utilization, manpower problem and other strategic issues etc are the major deterrent for productive performance of this sector. Rai (2009) observed that the MSE sector has been accorded special status. **B.Nitin Shingal in Development of Small Scale Industries (2013)** all these schemes taken by the Government have made the small scale industries a real source of strength to the entire economy of the country. In 1999-2000 they accounted for the total production of goods valued about Rs. 578,470 crores and offered direct employment to 17.85 million workers. Their output has been increasing at the rate of 10% per year. In fact, the small industries have grown in size and acquired sophistication and modernity to such an extent that it is a misnomer to call them small.

Objectives of the Study

1. To analyze the performance of small scale industries after liberalization era.
2. To study the performance of number of small scale units under registered and unregistered sectors.
3. To study the supportive measures taken by Government for the development of Small scale industries

Methodology



This paper is based on Secondary data collected from government reports, books, journals, newspaper articles etc. regarding the small scale industrial development.

Small Scale Industries Play Important Role in Following Ways

1. Employment Generation:

The basic problem that is confronting the Indian economy is increasing pressure of population on the land and the need to create massive employment opportunities. This problem is solved to larger extent by small-scale industries because small-scale industries are labour intensive in character. They generate huge number of employment opportunities. Employment generation by this sector has shown a phenomenal growth. It is a powerful tool of job creation..

2. Mobilization of Resources and Entrepreneurial Skill:

Small-scale industries can mobilize a good amount of savings and entrepreneurial skill from rural and semi-urban areas remain untouched from the clutches of large industries and put them into productive use by investing in small-scale units. Small entrepreneurs also improve social welfare of a country by harnessing dormant, previously overlooked talent. Thus, a huge amount of latent resources are being mobilized by the small-scale sector for the development of the economy.

3. Equitable Distribution of Income:

Small entrepreneurs stimulate a redistribution of wealth, income and political power within societies in ways that are economically positive and without being politically disruptive. Thus small-scale industries ensure equitable distribution of income and wealth in the

Indian society which is largely characterized by more concentration of income and wealth in the organized section keeping unorganized sector undeveloped. This is mainly due to the fact that small industries are widespread as compared to large industries and are having large employment potential.

4. Regional Dispersal of Industries:

There has been massive concentration of industries in a few large cities of different states of Indian union. People migrate from rural and semi urban areas to these highly developed centers in search of employment and sometimes to earn a better living which ultimately leads to many evil consequences of over-crowding, pollution, creation of slums, etc. This problem of Indian economy is better solved by small-scale industries which utilize local resources and brings about dispersion of industries in the various parts of the country thus promotes balanced regional development.

5. Provides Opportunities for Development of Technology:

Small-scale industries have tremendous capacity to generate or absorb innovations. They provide ample opportunities for the development of technology and technology in return, creates an environment conducive to the development of small units. The entrepreneurs of small units play a strategic role in commercializing new inventions and products. It also facilitates the transfer of technology from one to the other. As a result, the economy reaps the benefit of improved technology.

6. Indigenization: Small-scale industries make better use of indigenous organizational and management capabilities by drawing on a pool of entrepreneurial talent that is limited in



the early stages of economic development. They provide productive outlets for the enterprising independent people. They also provide a seed bed for entrepreneurial talent and a testing ground for new ventures.

7. Promotes exports: Small-scale industries have registered a phenomenal growth in export over the years. The value of exports of products of small-scale industries has increased to Rs. 393 crores in 1973-74 to Rs. 71, 244 crores in 2002-03. This contributes about 35% India's total export. Thus they help in increasing the country's foreign exchange reserves thereby reduces the pressure on country's balance of payment.

8. Supports the growth of large industries: The small-scale industries play an important role in assisting bigger industries and projects so that the planned activity of development work is timely attended. They support the growth of large industries by providing, components, accessories and semi-finished goods required by them. In fact, small industries can breathe vitality into the life of large industries.

9. Better industrial relations: Better industrial relations between the employer and employees help in increasing the efficiency of employees and reducing the frequency of industrial disputes. The loss of production and man-days are comparatively less in small-scale industries. There is hardly any strikes and lock out in these industries due to good employee-employer relationship. Small scale industries are now defined

under the Micro, small and Medium Enterprises Development Act, 2006, which has specifically categorized small scale sector enterprise based on the value of investment in plant and manufacturing and investment in equipment for service sector. At present 20 items are strictly reserved for manufacture the small scale sector they are (i) pickles and chutneys; (ii) bread;(iii) mustard oil (iv) ground nut oil (v) wooden furniture and fixtures; (vi) wax candles ; (vii) exercise books and registers; (viii) laundry soap ; (ix) safety matches; (x) fireworks (xi) Agarbatis (xii) Glass bangles (xiii) Steel Almarah (xiv) rolling shutters;(xv) Steel chair; (xvi) Steel table; (xvii) Steel furniture; (xviii) Padlocks (xix) Stainless steel utensils and (xx) Domestic utensils – aluminum.

For inducing participation of foreign players and big corporates in Small scale industries, the government has formally announced doing away with the 24% investment ceiling in the sector. To make this more effective the government has taken a decision to repeal a restrictive clause which limits equity participation in SSIs to 24 percent. This government notification will enable big industrial houses, both from the country and abroad, to set up SSI units in the sector which has been restricted because of a limit of 24% equity participation by other companies.



Table- 1 Performance of Small Scale Sector

Year	Units (million no.s)	Production in Constant Prices	Production in Current Prices	Employment (million Nos)	Production per employee	SSI Export (Rs.Billion)
2005-06	12.34	4188.84	4978.42	6.38	142	1502.42
2006-07	36.18	11,988.18	13,513.83	7.10	149	1825.38
2007-08	37.74	13,229.60	4351.79	15.83	157	2020.17
2008-09	39.37	13756.99	15242.35	19.79	156	-
2009-10	41.08	14883.90	16193.56	24.09	161	3911.59
2010-11	42.87	16555.81	17215.53	29.49	172	5077.39
2011-12	44.77	17908.05	18343.32	80.52	177	6301.05
2012-13	46.76	18600.01	18900.99	84.20	187	6973.18
2013-14	48.87	19400.02	19456.22	88.08	196	7321.11
2014-15	49.02	19800.01	19876.34	92.18	211	8654.00

Source: Growth and performance of MSME sector

Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.

In our country the position of small scale industries is in increasing level in recent years. The small scale sector continues to remain as an important sector of the economy with a noteworthy contribution to GDP, industrial production, employment generation and exports. The MSMEs sector is now contributing 38 percent to India's GDP and 45 % to manufactured output of the country. The sector also

provides employment to over 8 crores people engaged in more than 8.6 crore MSME units producing 6,000 products. Coir Industry is an agro-based traditional industry, which originated in the state of Kerala and proliferated to the other coconut producing states like Tamil Nadu, Karnataka, Andhra Pradesh, Odisha, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry and has great potential to enhance exports by value addition through technological interventions and diversified products like Coir Geotextiles, Coir Pith, Coir Composites etc. The acceptability of Coir products has increased rapidly due to its 'environment friendly' image.

Khadi is the proud legacy of our national freedom movement and the Father of the nation. Khadi and Village Industries (KVI) are two national heritages of India. One of the most significant aspects of KVI in Indian economy is that it creates employment at a very low per capita investment. The KVI Sector not only serves the basic needs of processed goods of the vast rural



sector of the country, but also provides sustainable employment to rural artisans. KVI today represent an exquisite, heritage product, which is 'ethnic' as well as 'ethical'. The Sector has a potentially strong clientele among the middle and upper echelons of the society.

The primary responsibility of promotion and development of MSMEs is of the State Governments. However, the Government of India, supplements efforts of the State Governments through various initiatives. The role of the MSME and its organizations is to assist the States in their efforts to encourage entrepreneurship, employment livelihood opportunities and enhance the competitiveness of MSMEs in the changed economic scenario. The schemes/programmes undertaken by the

Ministry and its organizations seek to facilitate/provide: i) adequate flow of credit from financial institutions/banks; ii) support for technology upgradation and modernization; iii) integrated infrastructural facilities; iv) modern testing facilities and quality certification; v) access to modern management practices; vi) entrepreneurship development and skill upgradation through appropriate training facilities; vii) support for product development, design intervention and packaging; viii) welfare of artisans and workers; ix) assistance for better access to domestic and export markets and x) cluster-wise measures to promote capacity-building and empowerment of the units and their collectives.

Table -2Results of MSME'S Survey

Sl. No.	Characteristics	Registered Sector	Unregistered Sector	Economic Census-2005	Total
1	Size of Sector (in Lakh)	15.64	198.74	147.38	361.76
2	No. of rural units (in Lakh)	7.07 (45.20%)	119.68 (60.22%)	73.43 (49.82%)	200.18 (55.34%)
3	No. of Women Enterprises((in Lakh)	2.15 (13.72%)	18.06 (9.09%)	6.40 (4.34%)	26.61 (7.36%)
4	Total Employment((in Lakh)	93.09	408.84	303.31	805.24
5	Per Unit Employment	5.95	2.06	2.06	2.23
6	Total original value of Plant & Machinery (` in Lakh)	10502461	9463960	-----	19966421
7	Per unit original value of Plant & Machinery (` in Lakh)	6.72	0.48	-----	-----
8	Total fixed investment (` in Lakh)	44913840	24081646	-----	68995486
9	Per Unit fixed investment (` in Lakh)	28.72	1.21	-----	-----
10	Total Gross Output (` in Lakh)	70751027	36970259	-----	107721286

Source: Growth and Performance of MSME Sector



The latest census conducted was Fourth All India Census of MSME. The Census was conducted with reference year 2006-07, wherein the data was collected till 2009 and results published in 2011-12. The results made use of Economic Census, 2005 (EC, 2005) conducted by Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MoSPI) for activities excluded from Fourth All India Census of MSMEs: 2006-07 for Unregistered Sector, namely wholesale/retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage).

The results reveal that the gross output of the registered sector is more than the unregistered sector. Numbers of women enterprises are more in registered sector. But the employment is generated is more in unregistered than in registered sector. MSMEs have been playing a pivotal role in the country's overall economic growth and have increased potential to grow but major obstacle is that they have been facing the constraint of adequate or timely finance. Issues related to sickness of MSMEs, Non-Performing Assets and exit policy have been raised from time to time in different quarters. Keeping in view these issues, the Ministry of Micro, Small & Medium Enterprises has notified a Framework for Revival and Rehabilitation of MSMEs on 29th May, 2015. Under this framework any enterprise can seek revival and rehabilitation benefit through a committee constituted by banks with representatives from State Governments, experts and others.

The main features of the framework are as below:

(a) **Identification of incipient stress:** Before a loan account of a MSME turns into a Non Performing Asset (NPA), banks/creditors are required to identify incipient stress in the account. Any Micro, Small or Medium enterprise may also voluntarily initiate proceedings under this framework if enterprise reasonably apprehends failure of its business or its inability or likely inability to pay debts and before the accumulated losses of the enterprise equals to half or more of its entire net worth.

(b) **Committees for Distressed Micro, Small and Medium Enterprises:** All banks shall constitute one or more Committees at such locations as may be considered necessary by the board of directors of such banks to provide reasonable access to all eligible Micro, Small and Medium enterprises which have availed credit facilities from such bank. The Committee shall comprise of representatives of the bank, independent expert and representative of the State Government.

(c) **Corrective Action Plan (CAP) by the Committee:** The Committee may explore various options to resolve the stress in the account. The intention is to arrive at an early and feasible solution to preserve the economic value of the underlying assets as well as the lenders' loans and also to allow the enterprise to continue with its business.

During the period of operation of Corrective Action Plan (CAP), the enterprise shall be allowed to avail both secured and unsecured credit for its business operations.

(d) **Options under Corrective Action Plan (CAP):**



The options under Corrective Action Plan (CAP) by the Committee may include: (i) Rectification - regularize the account so that the account does not slip into the non-performing asset (NPA) category, (ii) restructuring the account if it is prima facie viable and the borrower is not a willful defaulter, and (iii) recovery - Once the first two options at (i) and (ii) above are seen as not feasible, due recovery process may be resorted to.

(e) Restructuring Process:

If the Committee decides restructuring of the account as CAP, it will have the option of either referring the account to Enterprise Debt Restructuring (EDR) Cell after a decision to restructure is taken or restructure the same independent of the EDR mechanism. If the Committee decides to restructure an account independent of the EDR mechanism, the Committee should carry out the detailed Techno-Economic Viability (TEV) study, and if found viable, finalise the restructuring package within 30 days from the date of signing off the final CAP.

(f) Prudential Norms on Asset Classification and Provisioning:

While a restructuring proposal is under consideration by the Committee/EDR, the usual asset classification norm would continue to apply. The process of re-classification of an asset should not stop merely because restructuring proposal is under consideration by the Committee/EDR. However, as an incentive for quick implementation of a restructuring package, the special asset classification benefit on restructuring of accounts as per extant instructions would be available for accounts undertaken for restructuring under these guidelines.

(g) Wilful Defaulters and Non-Cooperative Borrowers: Banks are required to strictly adhere to the guidelines issued by RBI from time to time regarding treatment of Wilful Defaulters.

(h) Review: In case the Committee decides that recovery action is to be initiated against an enterprise, such enterprise may request for a review of the decision by the Committee within a period of fifteen working days from the date of receipt of the decision of the Committee. Application filed under this section shall be decided by the Committee within a period of thirty days from the date of filing and if as a consequence of such review, the Committee decides to pursue a fresh corrective action plan for revival of the enterprise shall apply accordingly.

ASPIRE - A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship was launched on 16.03.2015 to set up a network of technology centers and to set up incubation centers to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in rural and agriculture based industry with a fund of ` 210 crore. Under the scheme: i) 80 Livelihood Business Incubators (LBI) and 30 Technology Business Incubators (TBI) to be set up by March 2017.

ii) A total of 1,04,000 incubates adequately skilled and trained would be ready for taking the program forward.

Achievements

1st Livelihood Business Incubator (LBI) has been set up in Deoria, Uttar Pradesh on 15.04.2015 by NSIC. Subsequently 21 LBIs have been approved with sanction of



funds of ` 20.67 crore and ` 7.21 crore has been released. The 2nd Centre was inaugurated on 18th December 2015 at Rajkot Gujarat. 2 TBIs have been approved in the States of Tamil Nadu (Tiruchirappalli) and Maharashtra (Pune). For creation and setting up of ASPIRE Fund of Funds, ` 60 crore has been released to the SIDBI. In the first year of the scheme, as of now, LBIs and TBIs are set up/proposed across 12 States of the country including NER.

Conclusion: Every industrial and business organization has to take up the responsibility to meet the challenges posed by globalization. Not only the big business, but even a small business enterprise in India has to take up the responsibility to meet the standards, qualities, technological up gradation, skills technical know-how needed in the global market. Forty years ago, economist Ernst Friedrich Schumacher published in Britain his book 'Small is Beautiful' in which he argued in favor of human-scale, decentralized and appropriate technologies which small businesses could harness effectively It means that even a small scale unit operating anywhere in India has to fulfill the standards set by the global giants which operate in India. This is not only in respect of a unit that produces final products but even the one which functions as ancillary or artisan.

It is observed through the study that the growth of small scale sector has increased tremendously due to the various schemes provided by the government and employment opportunities increased, products contributed to exports also increased women enterprises also raised , rural areas also developed through small scale sector ,in this context it can be concluded that small scale industries

contributed to the growth of Indian economy.

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Structural Transformation in India – A Paradigm Shift is Needed

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Introduction: The structural transformation is the defining characteristic of the development process, both cause and effect of economic growth. One of the processes to define the structural transformation is characterised by a shift of predominant share of agriculture to manufacturing activities and a moderate to high level of increase in the share of services both for the national product and the work force. This pattern has not only been observed historically, but also holds across the countries with different levels of development. In case of India, the major failure of the development process has been its inability to shift a high rate of occupational structure of labour force from agriculture to non-agricultural sector which could not generate a high employment growth in the economy. As the structural changes in the national output accompany economic growth a similar shift is expected in employment too. Thus, with the decline in the share of agricultural output, a decline in the share of agricultural employment can also be expected by shifting of labour from agriculture to industry.

Objectives

Objectives of the study are as follows:

- 1) To study the structural changes

of highly agrarian based economy and its effect on various facets.

- 2) Assess the trends of structural transformation on poverty and unemployment.
- 3) To know the impact of transformation from agriculture to service sector.
- 4) To suggest suitable measures to overcome the implication of transformation which the societal needs of our Country.

Review of Literature

Economic growth is characterized by patterns of changing shares of different sectors in the national income and labour force. The most common structural transformation observed historically, as well as in the economic development of nations, have been mentioned in the works of Fisher (1939), Clark (1940), Kuznet (1971), Chenery and Syrquin (1975). The shift of predominant share of agriculture to manufacturing activities and a moderate to high level of increase in the share of services both for the national product and the work force. Kuznet demonstrated that growth is associated with changes in sectoral composition which is due to demand and supply side factors. Fisher and Clark argued that income elasticity



of demand for agricultural products being low, with rising levels of income, the demand for agricultural products relatively declines; while on the other hand income elasticity for industrial sector is high and for services, it is still higher. As a result, the demand for industrial goods increases and, after reaching reasonably high levels of income, demands for services increases sharply. It is thus that the share of different sectors in the national product gets determined by the changes in the patterns of demand accordingly.

Bamoul (1967) and Fuchs (1968) see a rise in the share of services in employment primarily due to productivity differentials between industry and services sectors, demand shifts playing a minor role. Increase in the share of services in employment is also explained in what is seen as change in the "inter-industry division of labour". Industry has increased the use of services as intermediate inputs and many of the processes and activities of a "service" nature, which were carried out by manufacturing firms as part of their activity and, therefore, accounted for as part of manufacturing and industry, are increasingly outsourced to enterprises included in the "service" category (Papola, 2005). In this way, labour from industry will shift to services. The acceleration in growth of GDP in India is not accompanied by a commensurate growth in employment. This asymmetry is noted by plethora of studies like Rao (1979), Bhattacharya and Mitra (1997), Kuldeep and Dhindsa (2000), Gandhi and Gansan (2002), Papola (2005), and Dev (2008). However, there is some increased movement in the structural transformation in the last three decades since 1983, as 23.21 per cent shifted away

from agriculture. This is much higher magnitude of shift compared to what was achieved in the first 30 years after Independence where only 4.7 per cent could come out of agriculture. There is an increased share of agricultural workers are moving out of agriculture and joining non-agricultural sector every decade.

Growth and Structural Change in India

Over the past century, the link between structural transformation, growth, and poverty reduction has changed as the policy orientation moved from a free trade regime to a relatively closed, protectionist regime following independence, until the 1980s when the country began to move back towards an open, increasingly liberal regime. Initially in this period policy focused solely on achieving high rates of growth, but from 1968-69 onwards the issues of aggregate poverty, income distribution and hunger started to dominate the attention of the policy makers.

Since 1980-81, there has been a clear shift adopted in favour of the market-led growth regime. In the early 1990s, the introduction of sweeping reforms assigned the private sector the role of commanding heights of the economy. A market led growth model with increasingly liberalized regime aimed at growth with efficiency through domestic decontrols from 1980-81 to 1990-91; and was followed by fuller economic liberalization and globalisation from 1991-92 onwards. A series of policy shocks make India an interesting case for an analysis of structural change induced growth and poverty effects.

The emergence of services as a leading sector raises questions but is not entirely surprising as in a market led



growth regime resource allocation and technical efficiency is driven by competitive advantages. India appears to have developed competitive advantages in services due to the presence of a large pool of skilled labour which the education and technology policies adopted in the early phases helped to create a large pool of trained workforce (see Kumar 2001; Kumar and Joseph, 2005). That India did not enjoy competitive advantages in industry is amply demonstrated by the near stagnant industry share. Poor investment climate, poor infrastructure, unfavourable attitude towards large industrialisation, rising costs, and scarcity of land have been the major obstacles in the promotion of industry. Indeed, several attempts have been made to promote manufacturing. But, the results have been disappointing. A key

question in this context is whether an unusually large service share is a bane for growth potential in India, or not.

Growth and structural change: analysis of causality

A Granger-Causality analysis of the link between structural change, as well as the broad sectoral growth rates and growth helps disentangle the direction of causality between structural change and growth during the periods of economic growth and structural change described above. The results of this analysis by sector are reported in Table 1 below. Overall, there is no significant relationship between growth and structural change during the state led growth regime whereas the causality runs from structural change to growth in the market driven growth regime.

Table 1: Granger causality test: change in sectoral share and rate of growth

Year	Results	F statistics	Sign of relationship
1950-1980	GDP Growth causes agricultural share change	14.826*	-ve
1981-2010	Agricultural share change causes GDP growth	10.804*	-ve
1950-1980	No causality between industrial share and GDP growth	-	-
1981-2010	No causality between structural change and GDP growth	-	-
1950-1980	GDP Growth causes service share change	6.2956*	+ve
1981-2010	Service-share change causes GDP Growth	5.3986*	+ve
1981-2010	GDP Growth causes services share change	7.1629*	+ve
1950-1980	No causality between structural change and GDP growth	-	-
1981-2010	Structural change causes GDP growth	6.112*	+ve

Note: It is represented by Norm of Absolute Values (NAV) where $NAV = 0.5 \sum |x_{it} - x_{is}|$; * significant at 1%

Source: Own calculations based on Central Statistical Organisation, Ministry of Statistical Planning and Implementation, India.



Sectorally, during the initial period of India's post-independence growth, structural change in services and agriculture was driven by economic growth. As the state-engineered growth proceeded, demand for both services and agricultural products rose. But given the demand elasticities of the two sectors, services grew rather rapidly. As a result, while services expanded, the agricultural sector diminished in importance. In the later stages of growth, Granger causality instead runs from structural change to agriculture sector. It could be that supply side linkages have become more important than the demand linkages at higher levels of growth. Thus, low productivity in the agricultural sector implies that a decline in the share of agriculture has a positive effect on growth. Perhaps due to very slow changes in the share of industry throughout this period, there is no granger causality between growth and the industrial sector. In the case of the service sector however, a two-way Granger causality exists between the service sector and GDP growth mutually reinforcing each other.

A question arises whether this service oriented growth sustainable? Evidence suggests that almost all of the growth miracles of the last 60 years have been based on rapid industrialization (Rodrik, 2012). The development of the modern industrial sector contributes more in *dynamic* terms to overall output growth, because of its higher productivity growth which results from increasing returns to scale and gains from innovations and learning

by doing. Further, it is found that the industrial sector rather than service sector has the strongest links to the domestic economy in India. Table 2 shows production and demand linkages of the three sectors with the domestic economy for the selected years during 1968-69 to 2003-04. The total linkage of each sector with the economy is calculated by summing up its linkages with each sector. Production linkages report value of inputs to each sector required per unit of output while demand linkages represent the total value of demand generated by one unit of demand in each sector. The results amply demonstrate that the industrial sector has the strongest production and demand linkages with the domestic economy. It contributes to the economy more through its inter- industry and inter-sectoral linkages than the service sector. These linkages moved somewhat downwards in the 1980s after the process of deregulation started but they still are rather large as compared with the service and agricultural sectors. This supports the view that the industrial sector tends to have larger potential to induce deeper domestic integration by processing raw materials and semi-industrial inputs and requiring a number of ancillary services. The most recent 'IO table' (2003-04) shows that even agricultural sector's linkages have increased faster than that of services due to increasing technological and organization sophistication in this sector.



**Table 2: Production and demand linkages across sectors in selected years:
 1968-69 to 2003-04**

	Production linkages			Demand linkages		
	Agriculture	Industry	Service	Agriculture	Industry	Service
1968-69	0.241	0.595	0.245	1.352	2.046	1.43
1979-80	0.248	0.624	0.24	1.398	2.13	1.413
1989-90	0.357	0.603	0.392	1.683	2.237	1.77
1993-94	0.317	0.561	0.385	1.589	2.142	1.76
1999-00	0.248	0.624	0.24	1.659	2.122	1.715
2003-04	0.421	0.591	0.374	1.854	2.282	1.775

Source: Based on Kaur et al (2009)

Service led growth may not be a sustainable source of further growth also stems from the fact that the service sector is characterized by a high informality in India. A shift of economic activity to high productive modern sectors, in particular to non-agricultural sectors, is often argued to drive economic growth. However, the organizational structure of non-primary sectors is often neglected. The estimates of value added for the informal sector, show that between 40 to 75 per cent of the value added in the service sector is generated in the informal sector which has strong negative implications both for efficiency and equity in the economy. There is evidence that there are significant productivity differences between the informal and formal sectors (Kochhar et al. 2006, Mazumdar and Sarkar 2008; Kathuria et al, 2010). The lack of significant structural change that reallocates activity from the low-productivity informal sector to the high-productivity formal sector can constrain the growth of aggregate productivity in the economy. Since the degree of informality is lowest in manufacturing,

this is an additional reason for a shift in favour of manufacturing leading to increased productivity growth.

Discussion: Structural change can also be placed at the core of economic development with causality running from the former to the latter. While a heavy dependence on agriculture may create a vicious circle of low productivity and poverty, it is believed industrialisation can break this vicious circle by raising incomes to levels that raise saving and investment rates high enough to produce self-sustained growth (Lewis, 1954; Kaldor, 1966, 1967; Fei and Ranis, 1964). Shifting resources out of primary activities thus sustains the productivity gains that characterize economic development. Economic growth and structural change can also be seen as mutually reinforcing phenomena. Inter-linkages between growth and structural changes mean growth both leads to structural shifts and is inconceivable without them, (Kuznets 1966, 1971). In such a two-way relationship between structural change and growth, growth causes structural shift from agriculture



to industry and then to services. In turn, structural changes promote growth. Agriculture being mainly dependent on a fixed factor of production, namely land, faces a limit on its growth and is subject to early operation of the law of diminishing returns. Industry, especially manufacturing, on the other hand, offers large scope for the use of capital and technology, which could be augmented almost without limit with human effort to push growth.

More recent approaches to structural change view economic growth as a process of transformation and not convergence to a steady state growth path. Technological changes are seen to lie at the heart of economic growth as they provide the incentives for capital accumulation to drive efficiency and yield the benefits of increasing returns to scale. The evolution of the industrial structure should involve technological sophistication and up gradation, which generates a premium for aggregate productivity growth in the manufacturing sector. This means that economic growth is characterized by the creation of high tech industries and the replacement of old industries. The former drive growth processes by accelerating the pace at which output, employment and productivity in the economy grow.

Conclusion and Suggestions

Structural occupational transformation process in India seemed to have begun since post-Reforms period. The transformation is led by a growth of service-sector employment, not industry-led. It has begun since 1983, much prior to 1991 Reforms, but slightly slowed down during 1993-04, but has picked again at much faster pace. If the present trends continue, the

agricultural dependent workers might decline substantially in the coming two decades. This imply that the new employment opportunities are unlikely to generate in the unorganised sector belonging to poor work conditions without any social security in the coming times. Even within the organised sector an increasing number of workers are being employed in a "flexible" manner on casual or contract basis, without the social security benefits available to regular workers. Thus quality of work creation, in terms of earnings and social security, may become further scarce, the share of the unprotected workers will be on increase. The challenge of poverty and unemployment would only worsen. Provision of a minimum social protection to this large mass of workers is, therefore, likely to emerge as a much greater challenge. It would only sharpen the class struggle with the market driven high-growth-informal-employment.

The nature of structural change can have implications for the effect that the ensuing growth will have on poverty reduction. A structural transformation that leads to creation of more jobs in more productive sectors can be expected to have larger poverty reduction impact than one creating jobs in low productivity sectors. A structural transformation that pulls unskilled workers or relatively lower skilled workers out of low productivity primary sectors to relatively higher productivity non- primary sectors is likely to have greater poverty reduction potential. Therefore, production structures should be the starting point for economic analysis and the design of appropriate policies . The production structure need to continuously shift further and further away from low productivity production to higher and



higher productivity activities shedding the former to nations further down in the hierarchy. This is a dynamic process and not a static one.

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Empowerment of women in Self Help Groups (SHG's) - A micro Level Study

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Abstract: *The participation of women in Self Help Groups (SHG's) made a significant impact role on their empowerment both in social and economical aspects. United Nations Organization (UNO) Sustainable Development summit on 2nd September, 2015 world leaders adopted the 2030 Agenda for sustainable development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, women empowerment, fight inequality and tackle climate change by 2030. In this context women empowerment a key factor of for the development of women. A SHG is a small group of persons who come together with the intention of finding a solution to a common problem with a degree of self-sufficiency. Within development initiatives, SHGs can be formed around various issues related to livelihoods and resources. The present study addresses women empowerment through self help groups in Bhupapally district of Telangana state. The objectives of the study is to ascertain the status of rural women in India as well as in Telangana state, to study the socio-economic conditions of the women beneficiaries and their family characteristics, to analyze the joining for the reasons of the members in Self Help Groups, Finally this paper examine the impact of SHGs in Empowerment of Women in rural areas.*

Keywords: SHG's, Empowerment, SDGs.

Introduction

Women constitute half the world's population, perform nearly two-thirds of its work hours but still receive only one-tenth of world's income and one hundredth of world's property. Gender discrimination is distinct and common in all developing countries. Agricultural wages paid to women are on an average 30-40 per cent less than those of men in India. Despite several attempts by government after independence, Indian women are still in disadvantage in relation to survival, health, nutrition, literacy and productivity.

Self Help Groups are considered as development tool to alleviate poverty in Asian, African and south American

countries. Self help groups give quick and tangible results to the poor people, especially women. Self help Groups when extended to women, particularly in rural areas coupled with supporting activities like training, raw material supply, marketing of products, microfinance, etc, leads to investment in micro enterprises, thereby aiding women becoming entrepreneurs, which enable generation of main and additional income to the family for reducing poverty, and promoting development. Hence, self Help groups aid women get the self- confidence to go of enterprising activities with social, economic, and political empowerment, and gain increased knowledge and awareness through exposure, due to



which all round progress takes place (Dr. Joy Deshmukh-Ranadive,2004).

The State of Telangana newly formed state would soon become a role model for other states in motivating self help groups, initiatives aimed at women's empowerment, early child hood education, health and nutrition for pregnant women and newly born to improve quality of life(The Hindu,2016). The government had sanctioned Rs. 485.44 crore for the scheme for 2014-15 against Rs. 344.66 crore released in the last year and also to continue implementation of the scheme would benefit about 30 lakh women enrolled in 3 lakh SHGs. It would lessen the financial burden on women who were taking up livelihood activities on their own. Though there were about 4.15 lakh SHGs in the state, only 3 lakh groups who were repaying the loans in time were eligible for interest benefit.

Review of literature

The number of studies had been undertaken by researchers thereby bringing out different perspectives in respect of self help groups and women empowerment. **Pitt, Khandkar and Cartwright(2005)** in their study examined the effects of men's and women's participation in group based microcredit programs on various indicators of women's empowerment using data from a special survey carried out in rural Bangladesh. The results have shown that women's participation in micro credit programs helps to increase women's empowerment. Credit programs lead to women taking a greater role in household decision making, having greater access to financial and economic resources. **Amutha (2011)** in her study in Tuticorin District in India found that

the self help groups really helps the women folk to participate in organizational activities apart from helping members to mobilize funds. The women have been economically and socially empowered due to their becoming the members of self help groups. **Singhal, Divya (2014)** Studied women empowerment through social initiatives in India attempted to highlight women empowerment through various social initiatives programs in India and brought out that promoting women empowerment and widening their contributions in decision making roles have been key strategies for sustainable development. Srilatha (1992) in her study on employment generation, income and expenditure pattern of Development of Women and Children in Rural Areas (DWCRA) beneficiaries in Mahaboobnagar district of Telangana state found that majority of the rural women were middle aged (27 – 43 years), illiterate, belonged to backward classes. Snehathatha (1994) in her study on impact of thrift and credit groups in improving the status of rural women reported that majority of the beneficiaries were illiterate (89.17 percent).The above studies are covering various aspects of women empowerment. The present study conducts in particularly of rural women empowerment in Telangana.

Objectives

- i) to ascertain the status of rural women in India as well as in Telangana state
- ii) to study the socio-economic conditions of the women beneficiaries and their family characteristics.



- iii) to analyze the reasons for the joining of the members in Self Help Group
- iv) To find the impact of SHGs in Empowerment of Women in rural areas

The present study conducted in Rangapur village, Govindarao pet mandal Bhupalapally district in Telangana state. The secondary data had been collected various research journals, UNO Reports, GOI Reports and Human Development Reports, and independent Researchers opinions.

Methodology

The present study based on Primary data as well as secondary data.

Discussions & Results

Table-1 Age particulars of the Respondents

S.No	Age	No. of respondents	Percnetage
1	Below 30 Years	56	28.00
2	31 – 40 Years	75	37.05
3	Above 40 Years	69	34.05
Total		200	100.00

Source: Primary Data

Table-1 indicates that the out of total respondents taken for the study, 28 percent of them belong to the age group of 30 years, 37.5percnet of the respondents are 31 to 40 years, and remaining 34.5 percent of them belong to age group of above 40 years. Majority of the respondents falls under the age group of 31 to 40 years.

Table-2 Educational status of the Respondents

S.No	Educational status	No.of Respondents	percentage
1	Illiterate	48	24.00
2	Literate	152	76.00
Total		200	100.00

Source: Primary Data

Table 2 shows that educational status of the Self Help Group members, 76% of the members are literate and remaining 24% of the members are illiterates. In this study, the maximum respondents are literate 76 Percent among 100 Percent.

Table – 3 Family Particulars of the Respondents

S.No	Marital Status	No. of respondents	Percentage
1	Joint	65	32.05
2	Nuclear	135	67.06
Total		200	100

Source: Primary Data



Table-3 The above table reveals that out of the total respondents taken for the study, 32.5 percent of them are joint family and remaining 67.5 percent of the respondents is nuclear family. Majority of the respondents are nuclear family.

Table- 4 Know the Self Help Groups

S.No	Know about SHG's	No. of respondents	Percentage
1	Non-government organization	98	49.00
2	government	33	16.05
3	Bankers	40	20.00
4	others	29	14.05
Total		200	100.00

Source: Primary Data

The table -4 shows that the knowledge about to start in the self help groups from 49 per cent of member's opinion by the Non-Government Organization, 16.5 per cent of members opinion government and 20 per cent only Bankers.

Table- 5 Reasons for Joining SHG's

S.No	Statement	No. of respondents	Percentage
1	To attain the economic independence	42	21.00
2	For passing time	12	06.00
3	Social status of the society	30	15.00
4	Money saving	78	39.00
5	To exhibit the ability	22	11.00
6	Other reasons	16	08.00
Total		200	100.00

Table-5 it can be seen that the opinion for joining the self help group as a members, the table 4.1.5 shows that 39 per cent of the respondents opinion regarding for enriching the saving, the second importance for to attain the economic independence 21 per cent, and remaining to recognition from the society, show the talents, and others. Only 6 per cent of the member's opinion reveals that for passing time. Most of the respondents are joining for saving purpose.

Conclusion

Women in rural India are the major work force in agriculture and live stock sector and play a significant role in domestic socio- economic sphere. But still they are deprived of family wealth and stay aside from major decision making of family matters. Microfinance through women SHGs is a paradigm shift towards development of women through increase in income and employment generation leading to poverty alleviation. When



women become empowered society develops towards betterment. It is a fact that poor do not need charity or alms but helping hands to the path of self- reliance and prosperity. Micro-credit through SHGs constitutes a viable bottom- up option in lieu of macroeconomic poverty alleviation policy. Self Help Group is powerful tool to enrich the savings activities and poverty alleviation. In this context to support by the government and uplift the women through Self Help Group oriented developments. More schemes can be introduced by the government and it has not been communicated and advertised proper way to reach the Self Help Groups. So the Non Government Organizations and other support agencies to deal with Self Help Group with periodical intervals. In these aspects Self Help Group members more satisfied and benefited.

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Challenges in Pomology: A Case of Solapur District in Maharashtra

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Abstract: *In last four decades there were huge technological developments in the Agriculture and allied sector. Indian farming transformed a lot from Green revolution in mid-sixties to Globalization and present Information Technological Era. At national level horticulture sector has emerged as a potential player in the Indian economy contributing 30% to GDP in agriculture from more than 13% area under horticultural crops as well as a means of diversification in overall development of agriculture. Although, Indian agriculture especially Horticulture sector especially fruit crops (Pomology) has been characterized by low productivity growth despite periods of strong growth in the past. Major challenges must be addressed in order to achieve faster productivity growth. The challenges include infrastructure and input constraints, supply chain inefficiencies, information asymmetry, and problems in extension, information dissemination and technology adoption. Solapur district in Maharashtra state is known for diversity in fruit production. Pomegranate, Grape and Banana are the major fruit crops in this district. Present study is carried out in Solapur District to find out challenges in fruit production and progress made so far.*

Key Words: *Agriculture, Economy, Extension, Fruit crops, Horticulture, Pomology, Technology, Information*

Introduction

Agriculture is the principle source of livelihood for 2 billion of the world's population. Over 80% of the labour force in the world's low-income countries depends on agriculture. In India alone, there are 600 million agrarian people. India is an agrarian country, around 58% population depends on Agriculture & 18% GDP is coming from this sector (Patel, N., 2011). Horticulture is the branch of agriculture that deals with the art, science, technology, and business of plant cultivation. It includes the cultivation of fruits, vegetables, nuts, seeds, herbs,

sprouts, mushrooms, algae, flowers, seaweeds and non-food crops such as grass and ornamental trees and plants. Horticulture, which was more of a secondary activity before independence, has emerged as a core sector in Indian agriculture. After attaining independence in 1947, major emphasis by the Government of India was laid on achieving self-sufficiency in food production especially in cereals. After the Green Revolution in mid-sixties, it became clear that horticulture, for which the Indian topography and agro climate are well suited, is the best option.



Pomology is the branch of horticulture which deals with the fruit cultivation and production. Mittal et al (2010) pointed that Indian agriculture especially in Horticulture sector, fruit crops (Pomology) has been characterized by low productivity growth despite periods of strong growth in the past.

Review of Literature

The horticulture sector has emerged as economically rewarding and most viable option in diversification of agriculture. It refers to a wide variety of crops suitable for cultivation under different agro-climatic conditions and terrain with the possibility of multi-tier cropping, thus enhancing the returns per unit of land, generating employment and providing food and nutritional security. The shift in the dietary patterns with preference to horticulture products has resulted in increasing demand. In economic terms, the horticulture sector contributes 29.5 per cent to GDP originating from agriculture from 8.5 per cent of cultivated land. After achieving self-sufficiency in food production horticulture received focused attention during the nineties and plan allocation increased many fold from Rs. 25 crore in the Seventh Plan to Rs. 2105 crore in the Tenth Plan. Changes in technology, policy, knowledge diversification have impacted the horticulture development (Singh H.P., et al 2004).

National Horticulture Mission (NHM)

National Horticulture Mission (NHM) was launched during the year 2005-06 to provide a thrust to the development of horticulture in the country. It was expected that adoption of an integrated approach covering production, post-harvest management, processing and

marketing would help attain the objectives enhanced improved nutrition and holistic growth of horticulture production. National horticulture mission was launched during the year 2005-06 to provide a thrust to the development of horticulture in the country. It is a centrally sponsored scheme in which government of India contributes 85% and 15% is met by the state governments. For its successful implementation mission is divided into three levels: 1) National level 2) State level 3) District level (NHM Web.).

India, with its wide variability of climate and soil, is highly favourable for growing a large number of horticultural crops. It is the fastest growing sector within agriculture. It contributes in poverty alleviation, nutritional security and have ample scope for farmers to increase their income and helpful in sustaining large number of agro-based industries which generate huge employment opportunities. The national goal of achieving around 4.0 per cent growth in agriculture can be achieved through major contribution from horticulture growth. India is the largest producer of fruits in the world and second largest producer of vegetables. This sector is likely to grow rapidly in the future both on account of internal demands and export opportunities (Choudhary, Sunil kumar 2013).

Fruit Production in India

Fruits have a great demand in the international market. Therefore, they are one of the potential earners of foreign exchange. As per the estimates, of 1991-92, the total area under fruit crops in India is 3.20 million hectares with an annual production of 32.07 million tones and an average yield of 9.7 tons per



hectares. The important fruits grown on commercial scale in India are mango, banana, citrus, guava, grape, pineapple, papaya, Sapota, litchi, and apple. As per Food and Agriculture Organization (FAO) estimates, in 1990, India emerged as the second largest producer of fruits in the world after Brazil with a production estimate of 27.88 million tonnes which accounts for roughly and per cent of the world production. As a result of the above efforts, significant progress has been made in area expansion resulting in higher production. Besides, use of modern technologies has also brought about improvement in productivity. More than 50 per cent increase in production is seen in many of the horticulture crops between 1991-92 and 1998-99.

Area and production of fruit crops in Maharashtra state

Maharashtra is one of the leading states in the country in Horticulture Development. The diverse agro-climatic conditions of the state are very congenial for cultivation of various horticultural crops. The area under fruit crops which was 2.42 lakh ha. in 1990 has gone up to 12.89 lakh ha. in 2002. Similarly, the area under various vegetables, spice crops and floriculture has also increased substantially. This is mainly due to the Govt. policies like establishment of separate Department of Horticulture in 1981 and linking horticulture development with Employment Guarantee Scheme in 1990. Creation of various infrastructure facilities like establishment of horticulture nurseries, irrigation facilities also helped for horticulture development.

With the expansion of area under horticulture, production of fruits has

increased substantially. However the marketing of fruits could not be organized simultaneously. At present markets are dominated by middlemen and they decide the prices of fruits. Unless the farmers form cooperative and open their sale outlets in urban areas, the exploitation from middlemen would not be reduced. The farmers in some areas have organized themselves and formed fruit producer's cooperatives. Due to lack of cold chain, considerable losses are incurred in fruits and vegetables. Cold chains have been established in some limited areas of grapes. This has helped to increase shelf life, storage, transport and export of grapes. Due to lack of processing facilities, great losses occur in fruits and vegetables. It is therefore necessary to give thrust on processing of fruits and vegetables both in informal and organized sectors. The processed products have great demand both in domestic and export markets. The exports of processed products of fruits and vegetables have increased which shows that there is increasing demand for these products.

The Maharashtra State Government has started an ambitious programme of Horticulture Development through Employment Guarantee Scheme in 1990. The most important aspect of state's agriculture growth is the addition of more than 14 lakh hectares in horticulture during the last decade. It has also led to considerable exports of horticultural produce mainly grapes, mangoes, onion, fresh vegetable. Even though area is increase many fold, the quality of the produce as well as productivity per unit area has remained the constraints.

The National Horticulture Mission (NHM) was launched in the Maharashtra



state in 2005-06 with an objective of bringing a holistic and integrated development in the horticulture sector. It is based on cluster approach, focused development of selected crops, improvements in production and productivity, adoption of good agricultural practices aimed at promotion of exports and thrust on post-harvest management. So far, the area expansion programme for fruit crops was undertaken in convergence with EGS Horticulture scheme and thus an area of 1341359 ha was brought under fruit crops till 2009-10. However, since 2010-11, the only fruit crops outside EGS Hort scheme such as Banana, Grapes, Papaya, Strawberry and Pine Apple were included in 2010-11 and an area of 9553 ha is covered during year 2010-11 (NHM, 2011).

Recently in May 2014 the integrated horticultural development mission has sanctioned Rs 170 crore for the Maharashtra state government. The importance of the mission, launched by the Union government, is that most of the beneficiaries are from the western

Maharashtra. The Rs 170 crore are to be utilized to bring more area under horticultural crops, including mango, grapes, pomegranates and cashew. The Marathwada area is known for Kesar mangoes, while Pune, Nashik, Sangli and Solapur have emerged as major grape and pomegranate producers. More than 1,800 hectares of land is under turmeric cultivation. The Kolhapur district has the largest flower growers and the business is expanding in the district (Times of India, May 15, 2014). So far, the area expansion programme for fruit crops was undertaken in convergence with EGS Horticulture scheme and thus an area of 1341359 ha was brought under fruit crop still 2009-10. However, since 2010-11, the only fruit crops outside EGS Hort scheme such as Banana, Grapes, Papaya, Strawberry and Pine Apple were included in 2010-11 and an area of 9553 ha is covered during year 2010-11. Thus total area of 217104 ha is brought under various fruit crops since inception of the NHM programme. The crop-wise details of the new plantation area are follows:

Table 1 : Fruit crops Area in Maharashtra (Area in Ha)

Sr. No.	Crop	Prior to NHM	Area (ha.)Expansion in NHM		TotalArea
			During year	Since beginning	
1	Mango	416226	-	46139	462365
2	Cashew	147321	-	16344	163665
3	Sapota	63795	-	1957	65752
4	Pomegranate	88986	-	26109	115176
5	KagziLime	29645	-	8593	38238
6	SweetOrange	85688	-	33299	118987
7	MandarinOrange	109337	-	38124	147461
8	CustardApple	33097	-	7133	40230
9	Aonla	13575	-	9119	22694
10	Guava	26731	-	2622	29353
11	Grapes	45054	2122	7549	52603
12	Banana	73150	5176	14098	87248
13	Papaya	1122	2255	6018	7140
Total		1133727	9553	217104	1350912



Report of NHM Joint Inspection Team (JIT) to Maharashtra 25 June to 30 June, 2011

The climate of Maharashtra is conducive for horticulture, as inadequate rainfall does not have an adverse effect on production of fruits. The horticulture scheme that became effective in Maharashtra from 1990s onwards has helped in the transformation of the drought-prone as well as rain-shadow regions. Fruit-production constitutes 25% of the total agricultural produce in the State. Approximately, 103 lakh tons of fruits are produced every year. Maharashtra ranks first in the country in the production of fruits. Bananas constitute 25% of the total fruit-production in the country, whereas the production of grapes, pomegranates and oranges is highest in Maharashtra as compared to other parts of the country. Other fruits like mango, coconut, cashew-nuts are also produced to a large extent in Maharashtra. The fruits from Maharashtra are in great demand in other States as well as in other countries. Hence, seven export centres have been established under the Maharashtra State Agricultural Marketing Board to raise the quality of production, to take care of export-related problems and provide for basic facilities. These seven centres are:

Methodology

This research is conducted using quantitative and qualitative methods. Focused Group Discussions, Questionnaires based interviews were conducted. Research is primary based on series of field investigations conducted in Sangola, Pandharpur, South Solapur, Malshiras and Karmala talukas (Dist: Solapur, State: Maharashtra). Fruit crops for this research Study are Pomegranate, Grape and Banana. For pomegranate Sangola and Pandharpur, for grape Pandharpur and South Solapur and for banana Malshiras and Karmala talukas were selected. Samples were collected intensively from the villages covering all types (marginal, small, medium and large) of the fruit growers. Village names were shortlisted based on the secondary data (Area under crop, No. of fruit growers, Intensity/density of the particular crop). Around total 10 Farmers from each village were interviewed. This field investigation comprises a series of individual fruit grower’s interviews and focus group discussions (FGD) with fruit growers.

Results and Discussion

Fruit Farming in Solapur District: Type of Fruit Grower

Semi-medium and Medium farmers together form 69.3 per cent from the surveyed sample followed by 18 per cent large farmer and 9.3 per cent small farmer. Only 3.3 per cent farmers are marginal farmers from the data. **Table 2:**

	Frequency	Valid Percent	Cumulative Percent
Marginal (Below 1 ha)	10	3.3	3.3
Small (1-2 ha)	28	9.3	12.7
Semi-medium (2-4 ha)	81	27.0	39.7
Medium (4-10 ha)	127	42.3	82.0
Large (10 and above)	54	18.0	100.0
Total	300	100.0	

Source: Data from field work



Type of the Soil: 42.3 per cent farmers have light soil followed by 37.3 percent black soil. Thus fruit crop can thrive well in all types of soils.

Type of the Soil	Frequency	Valid Percent
Black	112	37.3
Red	5	1.7
Clay	39	13
Loamy	14	4.7
Sandy	1	0.3
Light	127	42.3
Salty	2	0.7
Total	300	100

Source: Data from field work

Major Fruit Crops in Solapur District

Pomegranate, grape and banana are the major fruit crops in Solapur District. Agro-climatic condition of Solapur District is suitable for these crops.

	Frequency	Valid Percent
Pomegranate	156	52
Grape	102	34
Banana	42	14
Total	300	100

Data from the Field Work

What the farmer doing at the time of visit: When research scholar visited to the field, around 44.7 per cent farmers were working on the farm. So, the fruit farmers are serious towards their farm business.

	Frequency	Valid Per cent
On farm	134	44.7
At home	55	18.3
In village	32	10.7
Seating	78	26
At Krishi seva Kendra	1	0.3
Total	300	100

Source: Data from field work

Major Constraints in Fruit Production: 68.3% fruit growers are said that water shortage is the major constraint followed by disease pest outbreak and marketing problem and marketing problem. During focused group discussions (FGD) in Kandar (Tal:

Karmala), Shripanhalli (Tal: South Solapur), Mahalung (Tal: Malshiras), farmers also asserted the major constraints in fruit production are water problem, drought, untimely rains and hailstorms, price fluctuation and credit problem.



	Frequency	Valid Per cent
Water Shortage	205	68.3
Disease Pest Outbreak	66	22.0
Marketing Problem	21	7.0
Labour Shortage	1	.3
Capital and Credit Problem	5	1.7
Load shedding-Less power supply	2	.7
Total	300	100.0

Source: Data from field work

How farmers deal with above constraints: Fruit growers are dealing with constraints, by adopting micro-irrigation, timely pesticide spraying and by adopting good agriculture practices like drip irrigation, liquid fertigation and integrated pest-disease management.

	Frequency	Valid Per cent
Drip Irrigation	213	71.0
Pesticides Spraying	63	21.0
Purchasing water (Tankar)	17	5.7
Adopting GAP (Good Agriculture Practices)	3	1.0
Farm Pond	1	.3
Crop Loan	3	1.0
Total	300	100.0

Source: Data from field work

Which High-Tech methods farmers use for improving farming...

	Frequency	Valid Percent
Drip-for Irrigation and Fertigation	260	86.7
HTP for spraying	23	7.7
Blower for spraying	16	5.3
Other	1	.3
Total	300	100.0

Source: Data from field work

Source of irrigation : As fruit crops are perennial crops, require the need base assurance of the water to avoid the shock from drought and moisture stress. Saving the crop during drought is biggest challenge to the fruit growers. As per the above table, only 2.5 per cent of farmers have farm pond and 1.9 farmers have water storage tank.



Source of irrigation				
		Responses		Per cent of Cases
		Numbers	Per cent	
Source of irrigation	Well	268	40.1%	89.3%
	Canal	109	16.3%	36.3%
	Borewell	244	36.5%	81.3%
	River	17	2.5%	5.7%
	Farm Pond	17	2.5%	5.7%
	Water storage Tank	13	1.9%	4.3%

Problems during Fruit Production

58.7 percent farmer feels that disease-pest is the major problem during crop growth stage.

	Frequency	Valid Percent
Problem of disease pests	176	58.7
Untimely rains/hailstorm	78	26.0
Market price fluctuation	46	15.3
Total	300	100.0

Source: Data from field work

Infrastructure/input facility/supply chain status...

30.7% fruit farmers said that costly input is major constraint in fruit production followed by capital problem.

	Frequency	Valid Percent
Road Problem	5	1.7
Capital Problem	27	9
Credit problem	31	10.3
Costly Inputs	92	30.7
No problem	74	24.7
No response	71	23.7
Total	300	100

Source: Data from field work

Net Profit from Pomegranate, Grape and Banana

46.7% Pomegranate, 80.3% grape and 81.6% banana farmers get below 1 lakh net profit per acre per season. 10.5% farmers have newly cultivated crop. Out of 300 farmers only 214 farmers are responded to this question. Here is scope for improving the net profit by adopting GAP (Good Agriculture Practices) and Post Harvest Technology.



Net Profit from Pomegranate, Grape and Banana crop (per season) in Lakh					
		Name of Crop			Total
		Pomegranate	Grape	Banana	
Net Profit from this crop (per season) in Lakh	below 1 lakh	49	57	31	137
		46.7%	80.3%	81.6%	64.0%
	1.1 – 2	32	12	6	50
		30.5%	16.9%	15.8%	23.4%
	2.1-4	6	1	1	8
		5.7%	1.4%	2.6%	3.7%
	Above 4	7	1	0	8
		6.7%	1.4%	0.0%	3.7%
	Newly cultivated crop	11	0	0	11
		10.5%	0.0%	0.0%	5.1%
Total		105	71	38	214
		100.0%	100.0%	100.0%	100.0%

Source: Data from field work

Why farmers are focusing on these crops only...

According to the Farmers, fruit farming is profitable, so they are focusing on fruit crop.

	Frequency	Valid Percent
Profitable	209	69.7
Requires less water	20	6.7
Good water availability	2	0.7
Light Soil	10	3.3
Other	2	0.7
livelihood	29	9.7
Heavy Loss	28	9.3
Total	300	100

Source: Data from field work

Why Fruit Farming is Profitable...

Fruit crops requires less water and climatic condition of Solapur District is suitable for fruit cultivation.

	Frequency	Valid Per cent
Requires less water	146	48.7
Climatic condition suitable	138	46
Perennial Crop	4	1.3
No alternative	12	4
Total	300	100

Source: Data from field work



XXI. Which High-Tech farmers use for improving farming

86.7 per cent farmers have adopted the drip irrigation method. During focused group discussions (FGD) in Kandar (Tal: Karmala), Shripanhalli (Tal: South Solapur), Mahalung (Tal: Malshiras), farmers expressed that government schemes, drip irrigation and fertigation and credit supply contributes in success of fruit farming.

	Frequency	Valid Percent
Drip-for Irrigation and Fertigation	260	86.7
HTP for spraying	23	7.7
Blower for spraying	16	5.3
Other	1	0.3
Total	300	100

Source: Data from field work

Which ICT Tool farmers use in day to day life: 96.3 per cent fruit farmers are using mobile phone in day to day life to take farming decisions like pesticide spraying, labour management, and seeking advice from krishi seva Kendra, friends and relatives.

	Frequency	Valid Percent
Mobile	289	96.3
Computer	3	1
Other	3	1
Mobile and computer	4	1.3
NA	1	0.3
Total	300	100

Source: Data from field work

Is Agri. information is critical for getting higher quality production and its marketing

Weather forecast, market prices and crop advisory are major information needs of the fruit growers. During focused group discussions (FGD) in Kandar (Tal: Karmala), Shripanhalli (Tal: South Solapur), Mahalung (Tal: Malshiras), farmers said that weather forecast and market price information is helping to take day to day farming decisions.

	Frequency	Valid Percent
Weather forecast for farm planning	176	58.7
Disease pest management advisory	44	14.7
Market prices	74	24.7
Helping for taking farming decisions	3	1
NA	3	1
Total	300	100

Source: Data from field work



How information is critical for risk mitigation...

Weather forecast and market information are the most critical for risk mitigation of growers. The risks include, crop failure due to severe incidence of disease pests, down trend in market, crop damage due to untimely rains and hailstorms etc.

	Frequency	Valid Percent
Weather forecast	153	51
Market information	128	42.7
weather forecast for labour management	3	1
Weather forecast for pesticide spraying decisions	9	3
Other	2	0.7
Only talking	5	1.7
Total	300	100

Source: Data from field work

Are farmers satisfied with traditional extension machinery of Agriculture Department: Majority of the fruit growers are not satisfied with traditional extension machinery of Agriculture Department on knowledge dissemination and technology transfer and Officers visit to farm.

What is the availability of ICT tools with reference to demand and preferences of the fruit growers: 45.7 per cent farmers said that availability of ICT tools like mobile phone, TV and Radio are not adequate.

Coherence and effectiveness of interactions of government, service providers and farmer: 54.3 per cent farmers said that no coherence among government, farmer and service providers. This adversely affecting on the higher quality fruit production of the growers.

Conclusion: The horticulture sector has been emerging as economically rewarding and viable option in diversification of agriculture. The period from 1991 to 2003 has been a period of leading towards sustainable horticulture development in India. At national level

horticulture sector has been emerged as a potential player in the Indian economy as well as a means of diversification in overall development of agriculture. In spite of the major constraints and low productivity, horticulture invariably improves the economic status of farmers. Horticulture sector especially fruit crops (Pomology) has been characterized by low productivity growth despite periods of strong growth in the past. Major constraints and challenges should be addressed in order to achieve faster productivity growth. The challenges include infrastructure and input constraints, supply chain inefficiencies, information asymmetry, and problems in extension, information dissemination and technology adoption.

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