

# ANVESHANA

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**Dr. A. K. Singh**

Migration, Employment and Working  
Conditions of Migrant Workers: A Study of  
Labour Chowks in Lucknow City

**Mr. R Srinivasan  
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A Sun Rise Sector for the Younger  
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The Pleasure of Reading



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- Articles should be of original nature and should not have been sent or accepted for publication elsewhere.
- A non-mathematical abstract of about 100 words to be sent in the case of articles.
- The manuscript length should be of 2500- 7500 words including figures and tables typed in 1.15 space with 11 font Times New Roman on 8.5" X 11" - A4 size papers.
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- Each table/ figure/ graph should have brief and self-explanatory title. Also, mention the source and explanation, if any, at the bottom of the table/ figure/ graph.
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## Foreword

Institutions bear great responsibility in designing the future we want for ourselves, our children and the grand children. One need to acknowledge the role that the educational institutions perform in economic growth through human resource development and knowledge management. This will be achieved by developing and sustaining best practices in teaching and publications. Hence, A.J. Institute of Management is bringing out this research journal to provide a platform for scholars and researchers to share their knowledge and experience in the field of management, economics, banking and other allied areas. With this backdrop, I am pleased to place before the learned readers Vol. 9, Number 1 of Anveshana, with the following scholarly articles.

- “Migration, Employment and Working Conditions of Migrant Workers: A Study of Labour Chowks in Lucknow City”, written by Dr. A.K. Singh.
- “Start-ups in Agriculture and Rural Sector: A Sun-Rise Sector for the Younger Generation”, jointly presented by Sri R. Srinivasan and Dr P Selvaraj.
- “A Study on Corporate Social Responsibility, New Business Models and Social Entrepreneurship: An Indian Context”, jointly authored by Dr. Vinod N Sambrani and Sri Jayadatta S
- “Micro Finance for Inclusive Growth”, jointly reported by Ms. Rakhi Ranjith, and Dr. Shripathi Kalluraya.
- “Opportunities and Challenges for Women Entrepreneurship in Rural India”, jointly reported by Prof. Mahesh P G and Prof. K. Deepak Rao.
- “Role of Social Media in Creating Awareness about Environmental Conscious Consumerism”, a joint report by Dr. Manjunath A Kotian and Ms. Chaitra H.
- Role of MUDRA Scheme in the Growth of Entrepreneurship: A Study in Relation to Present Scenario by Ms. Civia Dmello.
- “The Pleasure of Reading”, a write-up by Prof. Balakrishna H.

*J. Jayaprakash Rao*

**Dr. T. Jayaprakash Rao**

Editor in Chief

## **Migration, Employment and Working Conditions of Migrant Workers: A Study of Labour Chowks in Lucknow City**

**Dr. A. K. Singh**

### **Abstract**

*Migration of labour is an important factor affecting the course of socio-economic development in India. Rural-urban migration has also historically played a significant role in the urbanization process. At the same time, the economic, social and political marginalization of these migrant workers has been an area of concern. The internal migration in India accounts for a large population. Internal migrants are generally excluded from the economic, cultural, social and political life of society and are often treated as second-class citizens. The constraints faced by migrants are many fold which include lack of formal residency rights; lack of identity proof; lack of political representation; inadequate housing; low-payment/ wages , insecure or hazardous work; extreme vulnerability of women and children to trafficking and sex exploitation; exclusion from state-provided services such as health and education and discrimination based on ethnicity, religion, class or gender. In the absence of proofs of identity and residence, internal migrants are unable to claim social protection entitlements and remain excluded from government sponsored schemes and programmes. A holistic approach to addressing the multiple challenges associated with internal migration is yet to be developed. Against this backdrop present paper purports to examine the migration , employment and working conditions of migrant workers in Lucknow*

**Keywords:** Migration, Employment, Working Conditions.

### **Introduction:**

Migration of labour is an important factor affecting the course of socio-economic development in India. Rural-urban migration has also historically played a significant role in the urbanisation process. At the same time, the economic, social and political marginalization of these migrant workers has been an area of concern. The internal migration in India accounts for a large population. Internal migrants are generally excluded from the economic, cultural, social and political life of society and are often treated as second-class citizens. The constraints faced by migrants are many fold which include lack of formal residency rights; lack of identity proof; lack of political representation; inadequate housing; low-payment/ wages , insecure or hazardous work; extreme vulnerability of women and children to trafficking and sex exploitation; exclusion from state-provided services

such as health and education and discrimination based on ethnicity, religion, class or gender. In the absence of proofs of identity and residence, internal migrants are unable to claim social protection entitlements and remain excluded from government sponsored schemes and programmes. Children face disruption of regular schooling, adversely affecting their human capital formation and contributing to the inter-generational transmission of poverty. Migration and urbanization are an integral part of economic development and societal transformation, and historical experience has shown that it cannot be stopped. The rising contribution of cities to India's GDP would not be possible without migration and migrant workers. A holistic approach to addressing the multiple challenges associated with internal migration is yet to be developed.

The concept of migration is as old as human civilization. It is actually a cornerstone in human history. People migrate on account of economic, social, political, marital, educational and religious reasons. The migrants come from the most marginalized and impoverished sections of society including Scheduled Castes, Scheduled Tribes and OBCs. The dominant age profile of migrant labour is between 21 and 50 years of age, but older and younger people also accompany and contribute to family labour. Travel conditions between villages and work sites are often hazardous, especially over long distances. Migrants generally carry with them an initial supply of grains and provisions, utensils, and other household items. Agricultural migrations are usually short distance, within migrants' home districts or adjoining ones. Brick kiln migrants, however, cross several districts and cover 200 to 500 km on trucks or bullock carts over a week to ten days. While short distance migrants have the advantage of being able to visit their homes in between periods of work, long distance migrants are often cut off from their villages for the entire migration period. Substantial flows of labor migrants relocate from Uttar Pradesh to Maharashtra, Delhi, West Bengal, Haryana, Gujarat, and other states across northern and central India. Within the state of UP also there is significant intra state migration to Lucknow, Kanpur and Ghaziabad. A significant proportion of the migrants are employed in the construction industry, brick kilns or as rickshaw pullers. The magnitude of inter-state migration in India was close to 9 million

annually between 2011 and 2016, while [Census 2011](#) pegs the total number of internal migrants in the country at a staggering 139 million. Uttar Pradesh and Bihar are the biggest source states, followed closely by Madhya Pradesh, Punjab, Rajasthan, Uttarakhand, Jammu and Kashmir and West Bengal; the major destination states are Delhi, Maharashtra, Tamil Nadu, Gujarat, Andhra Pradesh and Kerala. Seasonal migrants dominate the low-paying, hazardous and informal market jobs in key sectors in urban destinations, such as construction, hotel, textile, manufacturing, transportation, services, domestic work etc. They have poor access to health services, which results in very poor occupational health. Since they cannot afford private hospitals, they often go back to their villages once they fall sick. This affects their employment opportunities, as well as the loss of wages. A large number of migrants find work as unskilled labourers since they enter the job market at a very early age, experience no upward mobility and remain stuck in the most unskilled, poorly paid and hazardous jobs for their whole work-life span. The migrant workers regularly face conflicts and disputes at worksites. The common issues they face are non-payment of wages, physical abuse, accidents and even death. The existing legal machinery is not sensitive to the nature of legal disputes in the unorganized sector. Many informal sector disputes never make their way to labour courts or keep languishing in courts for lack of proof.

Construction work constitutes a major area of work for short-term and vulnerable migrants. There are about 50 million building and other construction workers as per the estimates of the NSS 2011-12. Two principal legislations concerning the building and other construction workers are: the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996; and the Building and Other Construction Workers Welfare Cess Act, 1996. As per these, building and other construction workers are required to be registered with state-level Construction Workers Welfare Boards. Minimum safety standards and conditions of employment for construction workers have also been prescribed. The Building and Other Construction Workers Welfare Cess Act, 1996 mandates a cess (at 1 percent of the cost of construction incurred) which is pooled into a fund, managed at the state level by the Construction Worker Welfare Boards, to be used for the provisioning of social security

and related services for construction workers. The social security benefits involve medical assistance and accident cover, pension, maternity benefits, educational assistance for children of workers, assistance to family members in case of death (by accident, at worksite or even in case of natural death), funeral assistance, and in some states, marriage assistance for children of workers. However, as per information provided by the Ministry of Labour and Employment, an average of 15 percent of funds was utilized by states in 2013. In only seven states/ Union Territories (UTs), constituting 35 percent of the 22 million registered workers, viz., Kerala, Chhattisgarh, Tamil Nadu, Madhya Pradesh, Puducherry, Arunachal Pradesh and Sikkim, the share of spending to collections was more than 10 percent, in twenty other states/ UTs, constituting 59 percent of registered workers, it was less than 10 percent, at an average of 3 percent and in eight states, with 6 percent of registered workers, there was no spending. The highest cess utilization is by the state of Kerala followed by Chhattisgarh. By 2015, the situation had improved somewhat, with some of the zero spending states undertaking some expenditure, but the overall spending as a share of collection remained low, rising from 15 percent to 21 percent of collections.

The nature of work sites varies widely from sector to sector, although there are underlying common elements. Work sites are usually far from habitation, often without even a road nearby. As a consequence, these locations are usually bereft of any basic facilities such as access to water, markets, schools or health centres. In some cases, even when there is a habitation nearby, migrant labourers are shunned by the local population, who tend to regard them unfavourably. Local residents may even erect extra fences around their homes to keep migrants away. There is also typically no enforcement of labour laws at work sites. Working hours are long and difficult – labourers, including children, work for 14-16 hours daily and some are required to remain on call around the clock. Work norms are set according to physical capability, but everyone – including women, children and weaker, older men have to struggle to meet them. Contractors retain control of labourers, not only financially but also physically, forcing them to work even when sick or injured. Women are also expected to work during pregnancy and immediately following childbirth. Although working conditions are very difficult, living conditions are often even worse. Living

spaces are tiny and unhygienic. Most members of the family sleep under the open sky in weather conditions ranging from extreme heat to bitter cold. The available food is nutritionally inadequate. Each type of work site also has its own set of health hazards, ranging from infections and fevers, contamination and toxicity-related diseases, respiratory and gynecological problems, injuries and accidents, gradual loss of hearing, unwanted abortions among women, and malnourishment, especially among children. There are often no facilities for medical treatment and no compensation or insurance, and workers are not paid when they are unable to work even on medical grounds. The problems faced by migrants in the cities are manifold and stem from lack of identity, little or no access to social benefits and financial exclusion. These are compounded by lack of knowledge and perspective to deal with problems at destination. The families of migrant who stay behind in the villages are bereft of social, financial and emotional support provided by the male heads of the families and are increasingly vulnerable to exploitation. With a view to reducing vulnerability and empowering the migrant labours Tata Trusts has Programme Strategy towards empowering migrants and their families to optimize/utilize opportunities offered by migration, eliminate vulnerabilities and institutionalize service delivery for migrants who have in the past been excluded.

### **Review of Literature:**

In India, internal migration accounts for a large population of 309 million as per Census of India 2001, and by more recent estimates, 326 million (NSSO 2007-2008), nearly 30 per cent of the total population. Internal migrants, of which 70.7 per cent are women, are excluded from the economic, cultural, social and political life of society and are often treated as second-class citizens. The constraints faced by migrants are many - lack of formal residency rights; lack of identity proof; lack of political representation; inadequate housing; low-paid, insecure or hazardous work; extreme vulnerability of women and children to trafficking and sex exploitation; exclusion from state-provided services such as health and education and discrimination based on ethnicity, religion, class or gender. In the absence of proofs of identity and residence, internal migrants are unable

to claim social protection entitlements and remain excluded from government sponsored schemes and programmes. Children face disruption of regular schooling, adversely affecting their human\ capital formation and contributing to the inter-generational transmission of poverty. Further, migrants are negatively portrayed as a “burden” to society, discouraged from settling down and excluded from urban planning initiatives. Most internal migrants are denied basic rights,\ yet internal migration is given very low priority by the government in policy and practice, partly due to a serious knowledge gap on its extent, nature and magnitude.( UNESCO,2013) Migration in India is primarily of two types: (a) Long-term migration, resulting in the relocation of an individual or household and (b) Short-term or seasonal/circular migration, involving back and forth movement between a source and destination. Estimates of short-term migrants vary from 15 million (NSSO 2007–2008) to 100 million (Deshingkar and Akter, 2009). About 30 per cent of internal migrants in India belong to the youth category in the 15-29 years age group (Rajan, 2013; Census, 2001). Child migrants are estimated at approximately 15 million (Daniel, 2011; Smita, 2011). Furthermore, several studies have pointed out that migration is not always permanent and seasonal and circular migration is widespread, especially among the socio-economically deprived groups, such as the Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Castes (OBCs), who are asset-poor and face resource and livelihood deficits (Deshingkar and Akter, 2009). The intensity of migration is expected to increase in the future as a response to economic crises, political instability and global environment change (Deshingkar and Sandi, 2012). Estimates indicate that by 2050, 200 million people worldwide may become permanently displaced due to environmental factors such as sea level rise, floods, more intense droughts, and other climate driven changes (Myers, 2002). In such a scenario, migration should be seen as an appropriate and manageable adaptation strategy to cope with environmental, socio-economic and political stress (UNESCO, 2011; Foresight, 2011). Better inclusion of migrants in cities is a necessary step towards sustainable urban development, based on cultural diversity, social cohesion and human rights. Yet, most of the million-plus cities have recorded significant declines in their population growth, suggesting they

may have become less welcoming to migrants, revealing patterns of exclusionary urban growth (Kundu, 2012). There is a pressing need to ensure that urban settlements become inclusive spaces as they expand in size and diversity. This would require adequate and affordable housing, health and education services as well as infrastructure and sanitation. Improving migrants' access to government services and welfare programmes can improve the quality of life of migrants. This will in turn lay the foundations for a more inclusive and integrated society and balance economic prosperity and social diversity. Women migrants face double discrimination, encountering difficulties peculiar to migrants, coupled with their specific vulnerability as victims of gender-based violence, and physical, sexual or psychological abuse, exploitation and trafficking (UNISCO, 2013). Some of the important sectors in which migrants work include: construction, brick kiln, salt pans, carpet and embroidery, commercial and plantation agriculture and variety of jobs in urban informal sectors such as vendors, hawkers, rickshaw puller, daily wage workers and domestic work (Bhagat, 2012).

The existing protective legal framework for migrant workers is the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 (ISMWA), designed to protect the interests of labourers who are recruited and subjected to exploitation by contractors. It provides for registration of establishments employing inter-state migrant workmen, and licensing of contractors. Safeguards include non-discrimination in terms of wages vis-à-vis non-migrant workmen, payment of travel and displacement allowance, and suitable work conditions, in the form of obligations placed on the contractor. However, the Act is of limited utility to those who migrate on their own. While poor working and living conditions, marked by deplorable access to clean drinking water and sanitation facilities, are a grim reality for all construction workers, women and children particularly suffer multiple deprivations on account of lack of day care/crèche facilities, and lack of medical leave, health insurance and maternity benefits (Roy and Naik, 2017).

Brick kiln workers are also required to be registered with state-level Construction Workers Welfare Boards under the Building and Other Construction Workers Welfare Cess Act, 1996 and can thus benefit from the

mandatory cess to be used for the provisioning of social security and related services, as well as minimum safety standards and conditions of employment, but they are also subject to the same lacunae in their implementation. Working hours can stretch as much as 16 hours a day (Joshi and Khandelwal 2009; Guerin et. al. 2007). Typically, workers are tied to the contractor through an advance payment adjusted against wages and living costs at the brick-kiln, rendering them —bonded for the duration of the season□ (PCLRA 2012; Joshi and Khandelwal 2009). This bondage could be —mild□, with the ability to leave the site temporarily during a production season (Guerin et. al. 2007) or, at the other extreme, workers and families remain tied to the same brick-kiln for years, with periodic adjustment of previous advances (Majumder 2015; John 2014). In the literature, food insecurity, in certain cases, is seen a driver of migration.

Somewhat food-secure households send out single men with the strategy of livelihood-diversification, while extremely poor families, including tribals, landless, small cultivators, and backward castes, migrate as a whole and work in exploitative jobs in poor conditions (de Haan 2000). Thus, access to food has the ability to influence migration patterns. Migrants are exposed to health risks including communicable diseases like malaria and tuberculosis. They are also exposed to sexually transmitted diseases like HIV, and occupational health hazards such as respiratory problems, lung diseases, allergies, kidney and bladder infections, back problems and malnutrition. They are resultantly stigmatised as being carriers of disease. Poor access to healthcare and treatment facilities among migrants is a major issue.(MoHUPA, 2017) . Health care utilisation rates among migrants remain poor due to a number of factors:\ expensive private health facilities, conflict between time of work and availability of medical practitioners, cost of missing hours or days of work, long distance to access services and associated problems of transportation, perceived alienation from government health systems at the destination and language difficulties. Many urban migrant women also prefer having home childbirths. Among women and child migrants, maternal and child health indicators can remain poor due to early marriages, early pregnancies, giving birth in the absence of a trained birth attendant, frequent childbirth, poor

health after successive childbirths with little spacing, no exclusive breastfeeding for the first six months, and no complementary feeding thereafter (Borhade, 2012).

### **Objectives and Methods:**

Present paper is based on a major research study on Needs Assessment of Socio-Economic Conditions of Migrant Workers at Labour Chowks in Lucknow City: With Special Focus on PDS Linkages, supported by Tata Trusts, Mumbai. The paper has following main objectives:

- To study the patterns of migration including causes, duration ,sources and destinations of migration and problems faced by migrants in traveling , searching for employment / wages and staying ;
- To examine the working conditions , terms of wages/ employment, working hours, access to facilities at work sites etc.; and
- To study the outreach and access of social security schemes, government welfare programmes, health care and nutritional services etc.;

The present study is empirical in nature and based on mainly primary data collected through field survey. The field survey has been conducted at identified Labour Chowks of Lucknow city. Out of 36 Labour Chowks, Eight Labour Chowks viz. Chinhat, Patrakar Puram, C Block , Indira Nagar, Engineering College, Dubagga , Arjun Ganj, Bara Birwa, and Telibagh were identified for detailed survey. Overall, 1202 migrant labours were surveyed. A set of interview schedules was developed to interact and survey of labours. The survey was conducted with the help of structured interview schedules for migrant labours. However, Focused Group Discussions were also conducted to get the insights on the topic of research. Thus, the field survey was conducted on line as well as off line though mobile App and tabs. The data available in Excel sheets were processed through the use of SPSS package while the data have been analyzed and interpreted besides providing action plan and strategies. The social maps were also developed through sketching and interaction with stakeholders including migrant labours.

### **Discussion of Findings :**

Urban centers are engines of growth as these contribute significantly in national economy. The urban centers have better socio-economic infrastructure, opportunities of education, health care and employment and thus these attract people from rural areas. Internal migration is a cause of concern in India as there is no internal migration policy to deal with the problems arising out of internal migration in the country. Internal migrants face innumerable challenges viz. absence of proof of identity and residence leading to their inability to claim social protection schemes of the government, disruption in schooling of children, inadequate housing, low-paid hazardous work and discrimination based on class/gender etc. Improving the condition of internal migrants is an important issue in the contemporary development discourse. Mainstreaming of migration into the development strategies is extremely critical since they play an important albeit invisible role in our economy. Most of the respondents revealed that they have migrated within the state. However, about 13 per cent respondents were from other states. This was found more pronouncing in the labour chowk of Telibagh (32.8 per cent) followed by Patrakarpuram (31.8 per cent) and Indira Nagar C Block (14 per cent). Region-wise migration of respondents is shown in Table 1. Those who migrated within the state further reported that they are mainly from Central region. This was found more pronouncing in the labour chowk of Arjunganj (83.3 per cent) followed by Indira Nagar C Block (77.8 per cent), Dubaggas (75.8 per cent) and Patrakarpuram (75.5 per cent). About 20 percent respondents were from Eastern Region. This was found more pronouncing in the labour chowk of Telibagh (29 per cent) followed by Chinhat (27.5 per cent) and Barabirwa (26.5 per cent).

**Table: 1**  
**Region-wise Migration of Respondents**

<b>Labour Chowk</b>	<b>Central</b>	<b>Eastern</b>	<b>Western</b>	<b>Bundelkhand</b>	<b>Total</b>
Barabirwa	132	48	1	0	181
	72.9%	26.5%	0.6%	0.0%	100.0%
Telibagh	129	53	0	1	183
	70.5%	29.0%	0.0%	0.5%	100.0%
Chinhat	64	25	2	0	91
	70.3%	27.5%	2.2%	0.0%	100.0%
Patrakapuram	71	23	0	0	94
	75.5%	24.5%	0.0%	0.0%	100.0%
Indira nagar C block	56	15	0	1	72
	77.8%	20.8%	0.0%	1.4%	100.0%
Arjunganj	50	10	0	0	60
	83.3%	16.7%	0.0%	0.0%	100.0%
Engineering college	196	69	1	0	266
	73.7%	25.9%	0.4%	0.0%	100.0%
Dubagga	75	20	1	3	99
	75.8%	20.2%	1.0%	3.0%	100.0%
<b>Total</b>	<b>773</b>	<b>263</b>	<b>5</b>	<b>5</b>	<b>1046</b>
	<b>73.9%</b>	<b>25.1%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>100.0%</b>

**Source: Field Survey**

Most of the respondents reported that they are mainly from rural areas. However, a significant proportion of respondents in the labour chowk of Barabirwa (14 per cent) followed by Dubagga (12.6 per cent), Telibagh (8.8 per cent) and Arjunganj (7 per cent) have migrated from urban areas. The respondents were asked whether they have migrated alone. Majority of the respondents revealed that they have migrated alone. However, about 21 per cent respondents have migrated with family and about 7 per cent respondents further reported that they migrated with their spouses. Migration with family was reported to be high in the labour chowk of Patrakarpuram (40 per cent) followed by Barabirwa (34.8 per cent) and Telibagh (27.9 per cent). Poverty, lack of employment and low wages are some of the main reasons for leaving native place. Reasons for leaving native place vary across the selected labour chowks. Better wages, high demand for jobs, and better working conditions are some of the major factors which attracted migrant labours in Lucknow. However, reasons for migration to Lucknow vary across the selected labour chowks.

The respondents were asked that how they decided to reach Lucknow for work. About 75 percent respondents revealed that they decided their own to reach Lucknow for work. It was found more pronouncing in the labour chowk of Arjunganj (97.2 per cent) followed by Barabirwa (88.4 per cent), Dubagga (87.4 per cent) and Telibagh (81.4 per cent). Less than 1/4<sup>th</sup> respondents reported that they decided to reach Lucknow for work by persuasion of their friends and relatives. This was found more pronouncing in the labour chowk of Patrakarpuram followed by Chinhat and Indira Nagar C Block. A significant proportion of respondents in the labour chowk of Engineering College migrated to Lucknow on persuasion of agents and contractors (Table 2).

**Table: 2**  
**How you decided to reach Lucknow for work**

Labour Chowk	By Own Will	By Persuasion Of Friends/ Relatives	By Persuasion of Spouse	Through Agents/ Contractors	Through Mason	Others
Barabirwa	183	19	17	0	9	3
	88.4%	9.2%	8.2%	0.0%	4.3%	1.4%
Telibagh	166	34	10	0	13	0
	81.4%	16.7%	4.9%	0.0%	6.4%	0.0%
Chinhat	75	49	3	0	1	0
	68.2%	44.5%	2.7%	0.0%	0.9%	0.0%
Patrakarpuram	75	58	10	0	0	0
	68.2%	52.7%	9.1%	0.0%	0.0%	0.0%
Indira Nagar C Block	65	29	1	0	1	0
	75.6%	33.7%	1.2%	0.0%	1.2%	0.0%
Arjunganj	69	11	0	0	1	0
	97.2%	15.5%	0.0%	0.0%	1.4%	0.0%
Engineering College	166	79	27	40	10	1
	54.8%	26.1%	8.9%	13.2%	3.3%	0.3%
Dubagga	97	12	1	0	2	0
	87.4%	10.8%	0.9%	0.0%	1.8%	0.0%
<b>Total</b>	<b>896</b>	<b>291</b>	<b>69</b>	<b>40</b>	<b>37</b>	<b>4</b>
	<b>74.5%</b>	<b>24.2%</b>	<b>5.7%</b>	<b>3.3%</b>	<b>3.1%</b>	<b>0.3%</b>

**Source: Field Survey.**

Place of stay in Lucknow city is shown in Table 3. About 29 per cent respondents reported that they are staying in rented house. This was found more pronouncing among the respondents from the labour chowk of Barabirwa (53.1 per cent) followed by Dubagga (43.2 per cent) and Telibagh (33.3 per cent). About 21 per cent respondents revealed that they are staying in open space /parks. This was found more pronouncing in the labour chowk of Indira Nagar C Block (43 per cent) followed by Patrakarpuram (38.2 per cent) and Chinhat (27.3 per cent). About 15 per

cent respondents were found living in slums mainly in the areas of Patrakarpuram, Arjunganj, Engineering College and Telibagh. About 12 per cent respondents were found living in shelter, set up by Lucknow Nagar Nigam under DAY-NULM. This was found more pronouncing in labour chowk of Chinhat, Engineering College and Indira Nagar C Block.

**Table: 3**  
**Place of stay in Lucknow City**

Labour Chowk	Rented Room	With Relative's/ Friend's House	Retail Shop/Store Of Raw Materials	Shelter	Open Space/Park	Worksite/Work Place	Slum	Jugg/Jhopdi	Others	Total
Barabirwa	110	11	1	2	39	4	7	13	20	207
	53.1%	5.3%	0.5%	1.0%	18.8%	1.9%	3.4%	6.3%	9.7%	100.0%
Telibagh	68	5	1	1	52	5	7	28	37	204
	33.3%	2.5%	0.5%	0.5%	25.5%	2.5%	3.4%	13.7%	18.1%	100.0%
Chinhat	16	2	2	40	30	1	0	11	8	110
	14.5%	1.8%	1.8%	36.4%	27.3%	0.9%	0.0%	10.0%	7.3%	100.0%
Patrikarpuram	16	1	0	0	42	0	0	50	1	110
	14.5%	0.9%	0.0%	0.0%	38.2%	0.0%	0.0%	45.5%	0.9%	100.0%
Indira Nagar C Block	22	1	0	18	37	0	0	3	5	86
	25.6%	1.2%	0.0%	20.9%	43.0%	0.0%	0.0%	3.5%	5.8%	100.0%
Arjunganj	6	3	0	2	10	2	0	17	31	71
	8.5%	4.2%	0.0%	2.8%	14.1%	2.8%	0.0%	23.9%	43.7%	100.0%
Engineering College	63	21	4	82	20	47	1	51	14	303
	20.8%	6.9%	1.3%	27.1%	6.6%	15.5%	0.3%	16.8%	4.6%	100.0%
Dubagga	48	2	3	0	24	2	0	3	29	111
	43.2%	1.8%	2.7%	0.0%	21.6%	1.8%	0.0%	2.7%	26.1%	100.0%
<b>Total</b>	<b>349</b>	<b>46</b>	<b>11</b>	<b>145</b>	<b>254</b>	<b>61</b>	<b>15</b>	<b>176</b>	<b>145</b>	<b>1202</b>
	<b>29.0%</b>	<b>3.8%</b>	<b>0.9%</b>	<b>12.1%</b>	<b>21.1%</b>	<b>5.1%</b>	<b>1.2%</b>	<b>14.6%</b>	<b>12.1%</b>	<b>100.0%</b>

**Source: Field Survey.**

More than 50 percent of the respondents reported that they have toilet facility in their current dwelling. It was found more pronouncing in the labour chowk of Engineering College (67 per cent) followed by Barabirwa (59.4 per cent). About 62 per cent respondents reported that they have electricity facility in their current dwelling. It was found more pronouncing in the labour chowk of Engineering College (91.1 per cent) followed by Barabirwa (62.3 per cent). About 40 percent respondents further reported that they have pipe water supply in current dwelling. It was found more pronouncing in labour chowk of Engineering College (73.6 per cent) and Barabirwa (49.3 per cent). It is to be noted that a large proportion of respondents in the labour chowk of Engineering College and Indira Nagar C Block were from shelter house and therefore, basic civic facilities in these centres were reported to be good (Table 4).

**Table: 4**  
**Availability of civic facilities in your current dwelling**

Labour Chowk	Electricity	Toilet	Piped Water	Hand Pump/ Submersible Pump	Others	None Of The Above
Barabirwa	129	123	102	30	0	63
	62.3%	59.4%	49.3%	14.5%	0.0%	30.4%
Telibagh	107	91	78	39	2	79
	52.5%	44.6%	38.2%	19.1%	1.0%	38.7%
Chinhat	57	53	22	23	0	47
	51.8%	48.2%	20.0%	20.9%	0.0%	42.7%
Patrakarpuram	36	31	25	44	2	37
	32.7%	28.2%	22.7%	40.0%	1.8%	33.6%
Indira Nagar C Block	46	43	5	33	0	40
	53.5%	50.0%	5.8%	38.4%	0.0%	46.5%
Arjunganj	25	12	12	11	0	41
	35.2%	16.9%	16.9%	15.5%	0.0%	57.7%
Engineering College	276	203	223	40	1	21
	91.1%	67.0%	73.6%	13.2%	0.3%	6.9%
Dubagga	66	58	44	22	0	32
	59.5%	52.3%	39.6%	19.8%	0.0%	28.8%
Total	742	614	511	242	5	360
	61.7%	51.1%	42.5%	20.1%	0.4%	30.0%

**Source: Field Survey.**

The respondents were asked how much they are spending for a month on their stay in Lucknow. Slightly more than 40 percent respondents reported that they do not spend money for stay in Lucknow. It was recorded to be high in the labour chowk of Indira Nagar C Block (66.3 per cent) followed by Arjunganj (63.4 per cent) and Patrakarpuram (58.2 per cent). About 48 per cent respondents further reported that they are spending in between Rs. 500 to Rs. 3000 in a month. About 14 per cent respondents were commuters. It was found more pronouncing in the labour chowk of Arjunganj (28 per cent) followed by Telibagh (24 per cent) and Dubagga (19.8 per cent). About 1/3rd respondents further reported that they are living in Lucknow for less than one month. It was found more pronouncing in the labour chowk of Indira Nagar C Block (75.6 per cent) and Chinhat (45 per cent). About 20 percent respondents revealed that they are staying in Lucknow for a period of 1-3 months. Similarly, about 12 per cent respondents were found staying in Lucknow for a period of 3-6 months. It is to be noted that a large proportion of respondents are from neighbouring districts and thus, they migrate to Lucknow and stay in the city for short duration.

The respondents were asked how many times they migrate in a year. About 55 per cent respondents reported that they migrate more than three times in a year. It was found more pronouncing in the labour chowk of Chinhat (83.6 per cent) followed by Indira Nagar C Block (79.1 per cent), Patrakarpuram (67.3 per cent) and Arjunganj (60.6 per cent). About 21 per cent respondents reported that they migrate 2-3 times in a year. However, about 9 per cent respondents revealed that they migrate once in a year. It was found more pronouncing in the labour chowk of Barabirwa (20.3 per cent) and Telibagh (18.1 per cent) (Table 5).

**Table: 5**  
**How many times you migrate in a Year**

Labour Chowk	Commuter	Once	Twice	Thrice	More Than Three Times	Total
Barabirwa	27	42	33	22	83	207
	13.0%	20.3%	15.9%	10.6%	40.1%	100.0%
Telibagh	49	37	27	19	72	204
	24.0%	18.1%	13.2%	9.3%	35.3%	100.0%
Chinhat	5	5	6	2	92	110
	4.5%	4.5%	5.5%	1.8%	83.6%	100.0%
Patrakarpuram	3	7	14	12	74	110
	2.7%	6.4%	12.7%	10.9%	67.3%	100.0%
Indira Nagar C Block	6	6	5	1	68	86
	7.0%	7.0%	5.8%	1.2%	79.1%	100.0%
Arjunganj	20	1	3	4	43	71
	28.2%	1.4%	4.2%	5.6%	60.6%	100.0%
Engineering College	37	6	15	65	180	303
	12.2%	2.0%	5.0%	21.5%	59.4%	100.0%
Dubagga	22	6	11	17	55	111
	19.8%	5.4%	9.9%	15.3%	49.5%	100.0%
<b>Total</b>	<b>169</b>	<b>110</b>	<b>114</b>	<b>142</b>	<b>667</b>	<b>1202</b>
	<b>14.1%</b>	<b>9.2%</b>	<b>9.5%</b>	<b>11.8%</b>	<b>55.5%</b>	<b>100.0%</b>

**Source: Field Survey.**

Frequency of migration is shown in Table 6. More than 75 percent respondents revealed that they migrate as per their convenience. It was found more pronouncing in the labour chowk of Patrakarpuram (83.6 per cent) followed by Dubagga (82.9 per cent). About 6 per cent respondents reported that they migrate during the peak season of agriculture while about 6 per cent respondents further reported that they migrate during off season of agriculture.

**Table : 6**  
**Frequency of Migration**

Labour Chowk	During Peak Season Of Agriculture	During Off Season Of Agriculture	As Per Convenience	Not Applicable	Total
Barabirwa	8	3	157	27	207
	3.9%	1.4%	75.8%	13.0%	100.0%
Telibagh	13	2	142	49	204
	6.4%	1.0%	69.6%	24.0%	100.0%
Chinhat	3	20	86	5	110
	2.7%	18.2%	78.2%	4.5%	100.0%
Patrakarpuram	12	4	92	3	110
	10.9%	3.6%	83.6%	2.7%	100.0%
Indira Nagar C Block	18	2	65	6	86
	20.9%	2.3%	75.6%	7.0%	100.0%
Arjunganj	0	3	50	20	71
	0.0%	4.2%	70.4%	28.2%	100.0%
Engineering College	2	37	233	37	303
	0.7%	12.2%	76.9%	12.2%	100.0%
Dubagga	11	2	92	22	111
	9.9%	1.8%	82.9%	19.8%	100.0%
<b>Total</b>	<b>67</b>	<b>73</b>	<b>917</b>	<b>169</b>	<b>1202</b>
	<b>5.6%</b>	<b>6.1%</b>	<b>76.3%</b>	<b>14.1%</b>	<b>100.0%</b>

**Source: Field Survey.**

The respondents were asked whether how many days they get work in a month. About 58 per cent respondents reported that they get work for 15-20 days in a month. This was found more pronouncing in the labour chowk of Chinhat (80 per cent) followed by Telibagh (75.5 per cent), Barabirwa (74.9 per cent) and Arjunganuj (71.8 per cent). About 25 percent respondents reported that they get work for more than 20 days in a month. It was found more pronouncing in the labour chowk of Engineering College. Thus, a large proportion of respondents in the labour chowk of Indira Nagar C Block, Patrakarpuram and Dubaggaget work for less than 15 days (Table

**Table: 7**  
**How Many days work you get in a month**

Labour Chowk	Less Than 15 Days	15-20 Days	20-25 Days	More Than 25 Days	Total
Barabirwa	22	155	28	2	207
	10.6%	74.9%	13.5%	1.0%	100.0%
Telibagh	29	154	21	0	204
	14.2%	75.5%	10.3%	0.0%	100.0%
Chinhat	12	88	8	2	110
	10.9%	80.0%	7.3%	1.8%	100.0%
Patrakarpuram	42	61	7	0	110
	38.2%	55.5%	6.4%	0.0%	100.0%
Indira Nagar C Block	56	26	4	0	86
	65.1%	30.2%	4.7%	0.0%	100.0%
Arjunganj	10	51	10	0	71
	14.1%	71.8%	14.1%	0.0%	100.0%
Engineering College	15	92	145	51	303
	5.0%	30.4%	47.9%	16.8%	100.0%
Dubagga	32	69	10	0	111
	28.8%	62.2%	9.0%	0.0%	100.0%
<b>Total</b>	<b>218</b>	<b>696</b>	<b>233</b>	<b>55</b>	<b>1202</b>
	<b>18.1%</b>	<b>57.9%</b>	<b>19.4%</b>	<b>4.6%</b>	<b>100.0%</b>

**Source: Field Survey.**

The respondents were asked whether they are aware about Building And Other Construction Workers Act (BOCW). About 28 percent respondents were found aware about Building and other Construction Workers Act. This was found more pronouncing in the labour chowk of Telibagh (48 per cent) followed by Barabirwa (43 per cent) and Engineering College (37 per cent). Thus, majority of labours are not aware about the BOCW Act (Table 8).

**Table: 8**  
**Awareness about Building and Other Construction Workers Act (BOCW)**

Labour Chowk	Yes	No	Total
Barabirwa	89	118	207
	43.0%	57.0%	100.0%
Telibagh	98	106	204
	48.0%	52.0%	100.0%
Chinhat	13	97	110
	11.8%	88.2%	100.0%
Patrakarpuram	9	101	110
	8.2%	91.8%	100.0%
Indira Nagar C Block	8	78	86
	9.3%	90.7%	100.0%
Arjunganj	4	67	71
	5.6%	94.4%	100.0%
Engineering College	112	191	303
	37.0%	63.0%	100.0%
Dubagga	5	106	111
	4.5%	95.5%	100.0%
<b>Total</b>	<b>338</b>	<b>864</b>	<b>1202</b>
	<b>28.1%</b>	<b>71.9%</b>	<b>100.0%</b>

**Source: Field Survey.**

The respondents were asked whether they have registration under BOCW Act. About 16 per cent respondents were found registered under BOCW Act. The registration under the Act was found to be higher in the labour chowk of Telibagh (36.3 per cent) followed by Barabirwa (31.4 per cent). Thus, the overwhelming majority of the respondents were not registered under BOCW Act (Table 9).

**Table : 9**  
**Whether you have registration under Building and**  
**Other Construction Workers Act**

Labour Chowk	Yes	No	Total
Barabirwa	65	142	207
	31.4%	68.6%	100.0%
Telibagh	74	130	204
	36.3%	63.7%	100.0%
Chinhat	11	99	110
	10.0%	90.0%	100.0%
Patrakarpuram	4	106	110
	3.6%	96.4%	100.0%
Indira Nagar C Block	6	80	86
	7.0%	93.0%	100.0%
Arjunganj	1	70	71
	1.4%	98.6%	100.0%
Engineering College	34	269	303
	11.2%	88.8%	100.0%
Dubagga	3	108	111
	2.7%	97.3%	100.0%
Total	198	1004	1202
	16.5%	83.5%	100.0%

**Source: Field Survey.**

About 11 per cent respondents reported that they have new registration while a large proportion of respondents (61.1 per cent) reported that their registration was renewed during 2016-17 to 2017-18. However, a large proportion of respondents revealed that their cards were renewed before 2015-16. Most of the respondents were found interested in registration and renewal under BOCW Act if camp is being organized at labour chowks..About 7 per cent respondents were benefited under various schemes under BOCW Act. These schemes are mainly cycle support scheme, maternity benefit scheme, medical facility scheme, SantRavidas Education Support scheme, Solar energy assistance scheme, health scheme and child benefit scheme (Table 10).

Table: 10

**Whether you or your family has got Benefits Under any Scheme of Building and other Construction Act**

Schemes	Barabirwa	Tellbagh	Chinhat	Patrakarpuram	Indira Nagar C Block	Arjunganj	Engineering College	Dubagga	Total
Child Benefit Scheme	0	2	1	0	0	0	1	0	4
	0.0%	50.0%	25.0%	0.0%	0.0%	0.0%	25.0%	0.0%	100.0%
Maternity Benefit Scheme	1	2	0	0	0	0	12	0	15
	6.7%	13.3%	0.0%	0.0%	0.0%	0.0%	80.0%	0.0%	100.0%
Girl Help Scheme	1	0	0	0	0	0	1	0	2
	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	0.0%	100.0%
Meritorious Student Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SantRavidas Education Support Scheme	2	4	0	0	0	0	0	0	6
	33.3%	66.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Construction Workers Housing Assistance Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medical Facility Scheme	2	4	0	0	0	0	2	0	8
	25.0%	50.0%	0.0%	0.0%	0.0%	0.0%	25.0%	0.0%	100.0%
Residential School Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Daughter Marriage Grant Scheme	0	1	0	0	0	0	3	0	4
	0.0%	25.0%	0.0%	0.0%	0.0%	0.0%	75.0%	0.0%	100.0%
Skill	0	0	0	0	0	0	1	0	1

Development Technical Up Gradation And Certification Scheme	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Solar Energy Assistance Scheme	0	0	4	0	0	0	1	0	5
	0.0%	0.0%	80.0%	0.0%	0.0%	0.0%	20.0%	0.0%	100.0%
Construction Workers Food Assistance Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension Scheme	0	0	0	0	0	0	1	0	1
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Critical Illness Assistance Scheme	0	0	0	0	0	0	1	0	1
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Disability Pension Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction Worker Unitary Assistance Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction Worker Death And Disability Assistance Scheme	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Health Scheme	4	2	0	0	0	0	0	0	6
	66.7%	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Cycle Support Scheme	3	9	5	1	1	0	6	1	26
	11.5%	34.6%	19.2%	3.8%	3.8%	0.0%	23.1%	3.8%	100.0%

**Source: Field Survey**

The respondents were further asked whether their family gets benefits under social development schemes. About 25 percent respondents revealed that their family gets benefits under social development schemes. These schemes were mainly Pradhan Mantri Jan Dhan Yojana, Ujjawala, Janni Suraksha Yojana, Pradhan Mantri Housing for All, Lohia Awas Yojana and Indira Gandhi Old Age Pension Scheme (Table 11).

**Table: 11**  
**Whether you or your family has got Benefits under the Social Development Schemes**

Schemes	Barabirwa	Telbagh	Chinhat	Patrakarpuram	Indira Nagar C	Arjunganj	Engineering College	Dubagga	Total
Ujjawala	5	7	11	3	8	5	29	5	73
	6.8%	9.6%	15.1%	4.1%	11.0%	6.8%	39.7%	6.8%	100.0%
Janani Suraksha Yojana	0	3	2	1	1	0	35	2	44
	0.0%	6.8%	4.5%	2.3%	2.3%	0.0%	79.5%	4.5%	100.0%
Pradhanmantri Housing for All	0	2	3	1	2	2	10	1	21
	0.0%	9.5%	14.3%	4.8%	9.5%	9.5%	47.6%	4.8%	100.0%
DAY-NULM	0	0	0	0	1	0	0	0	1
	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Indira Gandhi Widow Pension Scheme	1	1	0	1	0	0	3	0	6
	16.7%	16.7%	0.0%	16.7%	0.0%	0.0%	50.0%	0.0%	100.0%
Indira Gandhi Disability Pension Scheme	0	0	0	0	0	0	2	0	2
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Indira Gandhi Oldv Age Pension Scheme	1	4	0	0	0	0	4	0	9
	11.1%	44.4%	0.0%	0.0%	0.0%	0.0%	44.4%	0.0%	100.0%
Pradhanmantri Jan Dhan Yojana	16	13	0	0	0	0	78	0	107
	15.0%	12.1%	0.0%	0.0%	0.0%	0.0%	72.9%	0.0%	100.0%
RashtriyaSwasthyaBima Yojana	0	0	0	0	0	0	0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
LohiyaAwasyojna	5	9	4	2	4	2	5	2	33
	15.2%	27.3%	12.1%	6.1%	12.1%	6.1%	15.2%	6.1%	100.0%
Others	1	0	3	1	0	0	0	0	5
	20.0%	0.0%	60.0%	20.0%	0.0%	0.0%	0.0%	0.0%	100.0%

Source: Field Survey.

The respondents were asked how they get present job. More than 75 percent respondents revealed that they get job by their own efforts. This was found more pronouncing in the labour chowk of Dubagga (94.6 per cent) followed by Indira Nagar C Block (94.2 per cent), Arjunganj (88.7 per cent), Barabirwa (87.9 per cent) and Telibagh (85.8 per cent). About 13 per cent respondents revealed that they get present job through their friends and relatives (Table 12).

**Table: 12**  
**How do you get this present job**

Labour Chowk	By Own Efforts	By Own Merit	By Friends And Relatives	Through Contractor	Through Mason	Total
Barabirwa	182	0	20	1	4	207
	87.9%	0.0%	9.7%	0.5%	1.9%	100.0%
Telibagh	175	1	17	3	8	204
	85.8%	0.5%	8.3%	1.5%	3.9%	100.0%
Chinhat	83	0	26	0	1	110
	75.5%	0.0%	23.6%	0.0%	0.9%	100.0%
Patrakarpuram	83	3	21	3	0	110
	75.5%	2.7%	19.1%	2.7%	0.0%	100.0%
Indira Nagar C Block	81	0	5	0	0	86
	94.2%	0.0%	5.8%	0.0%	0.0%	100.0%
Arjunganj	63	1	7	0	0	71
	88.7%	1.4%	9.9%	0.0%	0.0%	100.0%
Engineering College	136	11	57	79	20	303
	44.9%	3.6%	18.8%	26.1%	6.6%	100.0%
Dubagga	105	1	3	1	1	111
	94.6%	0.9%	2.7%	0.9%	0.9%	100.0%
<b>Total</b>	<b>908</b>	<b>17</b>	<b>156</b>	<b>87</b>	<b>34</b>	<b>1202</b>
	<b>75.5%</b>	<b>1.4%</b>	<b>13.0%</b>	<b>7.2%</b>	<b>2.8%</b>	<b>100.0%</b>

Source: Field Survey.

The respondents were further asked how they do work. Most of the respondents reported that they are working on the basis of daily wages. However, about 12 per cent respondents reported that they work on wage and contract. Most of the respondents were found satisfied with their present work. However, a higher proportion of respondents in the labour chowk of Indira Nagar C Block, Patrakarpuram and Chinhat were found dissatisfied with their present work. Low wages, insecurity of work, hard nature of work and non-conducive work environment are some of the main reasons for dissatisfaction among labours. However, a reason for dissatisfaction varies across the selected labour chowks. Most of the respondents reported that they get their wages in cash. Most of the respondents reported that they get their wages daily. However, about 25 percent respondents in the labour chowk of Engineering College revealed that they get their wages on weekly basis. About 12 per cent respondents reported that their wages are deducted. This was found more pronouncing in the labour chowk of Telibagh (20.6 per cent) followed by Dubagga (13.5 per cent) Fine, damage or loss and advances are deducted from wages. However, types of deductions vary across the selected labour chowks. Most of the respondents revealed that sometimes there is delay in payment of wages. Similarly, a higher proportion of respondents in the labour chowk of Dubagga, Patrakarpuram and Indira Nagar C Block reported that occasionally there is delay in payment of wages. About 46 per cent respondents reported that they get holiday always as per their requirement during the course of employment. Similarly, about 1/3<sup>rd</sup> respondents further reported that sometimes they get holidays as per their requirement during their course of employment. However, a large proportion of respondents in the labour chowk of Chinhat, Arjunganj, Patrakarpuram and Dubagga revealed that they never get holidays as per their requirement during the course of employment

### **Conclusion:**

The analysis shows that most of the respondents are from neighbouring districts of Lucknow. They frequently migrate to Lucknow in search of better employment opportunities. They stay in rented houses, open spaces/parks, slums/ thatched houses, shelter houses, and work places/ work sites. A large number of migrant labours do not have basic civic facilities such as drinking water, toilet, and electricity. Majority of labours get employment for 15-20 days in a month. Most of the labours are not registered under BOCW Act and thus a negligible proportion of labours have received benefits under

various schemes of BOCW Act. However, a significant number of labours have received benefits under various social development schemes. Majority of the labours were found satisfied with their present job. In view of the holistic development and empowerment of the migrant labours and their dependents, multiple approaches and multi pronged strategies are required. The conditions of migrant labours are pathetic while labour chowks lack basic civic facilities, hence single scheme or PDS intervention will not serve the purpose. A well equipped Mobile Van for organizing special camps for health check up and distribution of subsidized medicine or referral services for migrant workers should be organized time to time at Shelter Homes / Labour Chowks . In these camps migrant workers may also be encouraged and motivated for health insurance. This may be undertaken in collaboration with NGOs, Department of Health and Family Welfare, Government of Uttar Pradesh and insurers. Mobile Creche Centres Scheme in partnership with NGOs at nearby labour chowks and other places to provide care and protection services to children of migrant workers may be re- started as BoCW Board has already such a scheme and it was also implemented by State Social Welfare Board earlier. In these centers, provision of midday meal / nutrition may be extended to pregnant women labours in order to curb the malnutrition among children and pregnant women labours through Department of Health and Family Welfare , Department of Women and Child Development, Government of Uttar Pradesh . In order to provide quality and nutritious food to the young children, proper arrangement of ration, fresh vegetables, seasonal fruits etc. should be made available to the crèches.

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## **Start-Ups in Agriculture and Rural Sector - A sun Rise Sector for the Younger Generation**

**R Srinivasan<sup>1</sup>**

**Dr P Selvaraj<sup>2</sup>**

### ***Abstract***

*Agriculture is the backbone of India's economy and it is yet to emerge as a lucrative sector as youth are shying away from taking up farming. The field level problems faced by farming community crying for innovative solutions provide opportunities for youth to launch Start-Ups. The next green revolution in agriculture shall come from technological evolution only. Agri start-ups will play a significant role in creating rural employment and at the same time come out with solutions to the challenges faced by farmers through innovative ideas to boost agriculture production, market linkage and decongest various bottlenecks of the sector. This in turn will also lead to Government of India's policy of doubling farmer's income by 2022. This article highlights the potential and facilities available for innovations and youth to set up start-ups.*

**Key words :** Agriculture, Start-Up, Rural Sector.

### **Introduction**

Even though Agriculture is the backbone of India's economy it is yet to emerge as a lucrative sector as youth are shying away from taking up farming. Hence there is an urgent need to think out of box to transform agrarian and rural sector into an area worth aspiring for by the younger generation. Agriculture employed 50 per cent of the Indian work force and contributed around 17 to 18 per cent to country's GDP according to the India economic survey 2018 and is the most important sector in our country's economy as it provides income security to the 1.2 billion population and also livelihood to the majority of the rural populace. Modern methods of agriculture management, coupled with technology, have improved agricultural practices and productivity. The Agriculture sector has registered an impressive growth in the last few decades. It has been characterized by many revolutions that changed the very face of this sector. The green revolution, blue revolution, yellow revolution and white revolution have been important milestones in Indian agriculture. There is huge scope for employment generation through start-ups in agriculture particularly plantation and horticulture sectors and allied sectors like animal husbandry, fisheries which remain untapped.

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### **Definition of Start-Up**

A start up is a new entity created to develop or grow rapidly for addressing an emerging market need. A start up usually comes up with a new offering that can be sold to a large market.

Start-Up is any entity that is in the stage of development and incorporated or registered or to be registered in India with the aim to address challenges of the identified sector with the following features

1. It shall be registered as a private limited company or partnership firm or a limited liability partnership run by an Individual or group of founders. It should be incorporated/registered up to 07 years and in case of Startups in Biotechnology sector it is up to 10 years
2. It should be recognized by Department of Industrial Policy & Promotion (DIPP) as a start up entity
3. It should have an annual turnover not exceeding Rs.25 crore for any of the financial years since incorporation/registration
4. It shall work towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation
5. It may be a company with new technology, process, service, platform, Infrastructure etc. with the main focus on Agriculture and rural sector and it shall have or target more than 90 per cent of revenue generation from the Agriculture and rural sector.

An entity formed by splitting up or reconstruction of an existing business shall not be considered a 'Start-Up'. It should also be differentiated from other MSME units, which aims to grow within the ambit of existing market and technology. These MSME are not disruptive or path breaking but still fills the gap. While every Start-Up is a MSME, every MSME need not be a Start-Up.

## **Scope in Agriculture**

Our agriculture sector is facing many challenges; which are hurdles in realizing its full potential. These challenges have arisen out of fragmented land holding, poor penetration of technology in farming, changing consumption pattern, poor storage and logistic infrastructure, poor farming infrastructure, inadequate post-harvest technologies, the impact of climate change, growing instability associated with land, water and energy shortages etc. The need of the hour is of farm level Innovation in all fields of agriculture viz. natural resource management, technological interventions, crop production, seed quality, soil conservation, irrigation, mechanization, storage, marketing etc. Start-ups are possible in each and every areas indicated above. In other words, the problems indicated are opportunities for starting a start-up. The next green revolution shall come from technological evolution only.

Agri Start-Ups will play a significant role in solving the humongous challenges faced by farmers through innovative solutions to boost agriculture production, market linkage and ease various bottlenecks of the sector. This in turn will also serve the purpose of doubling farmer's income by 2022, the ambition of the Government.

Today farmers have started using precision farming techniques for conservative use of resources and take advantages of data analytics, Internet of Things (IOT) and drones and robotics. Considerable increase in yields is recorded through adoption of these latest technologies. Optimizing inputs through the use of data-driven and automated technologies can bring a paradigm changing solution to reduce this gap and maximize overall agricultural yield in India. Agritech represents a huge potential for innovation, investment and impact.

The agriculture sector in the last one decade has been thronged by stream of educated youth, fired by the ideas, passion and innovation to launch newer kinds of technology and business models to lift the face of agriculture from primitive to hi-tech one. These start-Ups are providing missing links in the agri value chain and delivering efficient products, technologies and services to farmers on one hand and the consumers on the other hand.

## **A Few Illustrations**

The following three illustrations could give an idea to our younger generation to think and act towards start-Up ventures in Agriculture.

	<b>Start up</b>	<b>How they got idea</b>
1	<b>Oxen Farm Solutions</b>	Mechanisation is the solution to labour problem, which is faced by every farmer across India. But mechanisation can be a costly affair for farmers, due to limited hours of own use. To address this issue Shri. Vishwajeet Sinha, founded a start-up called Oxen Farm Solutions in 2016 by bringing together farmers and farm equipment manufacturers, on to one platform aiming to help farmers rent out equipment at affordable prices. This has not only reduced farmers' labour cost by 50 percent but also provides high-tech mechanisms, such as IoT, satellite images to look into the health of the crops and harvesting status. The company is now established in Five states namely Chhattisgarh, Madhya Pradesh, Odisha, Punjab, and Uttar Pradesh and planning to expand its services to other states.
2	<b>Gold Farm</b>	Serial entrepreneur Abhilash Thirupathy (38 years old), a dentist by qualification, who co-founded Surya Power Magic with his friend Karthic Ravindranath in 2012 and was involved in solar pump irrigation. Farmers were moving away from the farming due to the hardships coupled with the lack of income and equipment. In 2016, the duo co-founded Gold Farm, based on Farming as a Service (FaaS) model, with the aim to provide farmers the access to book any farm equipment according to their requirement through a mobile application and a call centre service.  Till date, the Start-Up has converted 7,500 hectares of barren land and 25,000 hectares of land has been ploughed and harvested in Kolar and Chikbellapur district in Karnataka. Although the firm is established only in Karnataka and Tamil Nadu, it plans to expand across 8 more states, and into Bangladesh.
3	<b>Arya</b>	Mr. Krishna Kotak and his two friends started a company Arya Collateral Warehousing Services Private Limited (ARYA) in Noida, extending expertise to various constituents of the agriculture supply chain.
3	<b>KhethiNEXT</b>	It is a mobile app that enables procurement of farm inputs. The unit offers a farmer-centric app that enables procurement of farm inputs at lower cost, improve quality of produce, create demand and facilitate selling of produce at higher margins. The app also connects with financial institutions and improve their crop productivity through virtually connecting with rest of the agriculture ecosystem, such as agriculture experts, policymakers, and government extension officers.

Compiled from Websites

Padmaja Ruparel founding partner at Indian Angel Network, one of the leading start up agency says that Agritech start-ups can focus on developing farmer-inclusive business models to ensure positive, long-term economic outcomes and leveraging the full potential of agri-tech and thus could evolve mechanism to find solutions to some of the problems in India's agriculture sector, with private capital.

### **Challenges of a Start-Up Enterprise**

Key Challenges before Start-Up sector are

- ✓ Ideas
- ✓ Market research
- ✓ Market Strategy/Mentorship Crisis/Revenue model/Other Startup
- ✓ Government Policies
- ✓ Funding
- ✓ Long gestation period
- ✓ Regulatory compliance
- ✓ Fixed cost of operation
- ✓ Ideation vs execution
- ✓ Lack of affordable technology/licensing

The biggest challenge for any Start-Up is to test their ideas before investing further. However, owing to lack of research, high cost involved in Market research, poor funding in the beginning, and lack of such facilities at incubation center, most of the times, products and Start-up are launched without proper market research or sometimes based on sheer gut feeling. This issue needs to be addressed. While most of the entrepreneurs, youths are brimming with one Ideas or the other, owing to the uncertainty indicated above only a few manages to take plunge and others are lost. Incubation center plays a vital role in this. NABARD has opened two incubation centers in Hisar and Madurai in order to provide the support and solve the issue, Agri-Udaan a GOI initiative is an Accelerator program with aim to provide such support. The next biggest challenge for a Start-up is to secure funds at various level of its development.

### **Ranking**

The result of first ever Start Up state ranking were announced in December 2018 by the Department of Industry and Internal Trade, Govt of India based on the criteria of policy, incubation hubs, seeding innovation, scaling innovation, regulatory change, procurement, communication and other factors like North-Eastern states, and hill region. The 2018 Start-up State Ranking are as follows

- Best performer: Gujarat
- Top performers: Karnataka, Kerala, Odisha, and Rajasthan

- Leader: Andhra Pradesh, Bihar, Chhattisgarh, Madhya Pradesh, and Telangana
- Aspiring leaders: Haryana, Himachal Pradesh, Jharkhand, Uttar Pradesh, and West Bengal
- Emerging states: Assam, Delhi, Goa, Jammu & Kashmir, Maharashtra, Punjab, Tamil Nadu, and Uttarakhand
- Beginners: Chandigarh, Manipur, Mizoram, Nagaland, Puducherry, Sikkim, and Tripura

In recent times, there have been instances of some techies leaving lucrative jobs abroad and do farming in our country, understanding the profitability of agriculture with professional approach. Few examples are

- Shri Vanket Iyer who left job in IBM in Australia to become organic farmer in Coimbatore
- Telangana-based techie Shri. Hari Krishna Devarapalli (38) a B Tech graduate quits his lucrative job in the USA to cultivate paddy, coconut, oil palm and cocoa organically, making nearly Rs 10-15 lakh a year

## **Few Initiatives for Encouraging Start-Ups**

### **1. a-IDEA**

a-IDEA (Association for Innovation Development of Entrepreneurship in Agriculture), is a Technology Business Incubator(TBI) hosted by ICAR-NAARM & Department of Science & Technology, Govt. of India (DST, GOI). a-IDEA has been housed in the Centre for Agri-Innovation at ICAR-NAARM for fostering innovation and entrepreneurship in agriculture in India. a-IDEA aims to help entrepreneurs ideate, incubate and accelerate their innovative early stage startups that are scalable to become competitive food and agri-business ventures through capacity building, mentoring , networking and advisory support.

### **2. NAB Venture**

Recognising the need for early-stage support for agriculture and rural enterprises and the lack of adequate institutional support, NABARD has launched NABVENTURES Limited, a separate subsidiary to support start-ups. It is incorporated to operate and manage SEBI registered Alternative Investment Funds (AIF) with a primary investment objective to contribute to the development of agriculture, allied sector, Food Processing and sectors contributing to rural development. The objective of the Company is to make investments, on behalf of other in portfolios operating in agriculture and rural space at the start up/early stage/growth stage, in accordance with the investment objectives and parameters defined by the investors.

### **3. Agri Business Incubation Centers**

The incubation centres have a role in promoting start-ups and enterprises to commercialise/upscale innovations. While India is witnessing the emergence of Start-Ups, very few start-ups have come up in the rural space. The following Services are to be provided at ABIC

- Infrastructure
- Capacity Building
- Consultancy
- Incubation & Pilot Scale Production
- Technical Mentoring & Technology Transfer
- Business Plan Preparation
- Business Mentoring & Networking
- Regulatory & Advisory Services
- Intellectual Property Rights (IPR) Cell

Following are the Focus of the Agriincubation centres

- Production and Protection of Crops
- Development of New Varieties
- Organic/Precision Farming
- Farm Management
- Artificial Intelligence in agriculture
- Processing and Value Addition
- Tissue Culture
- Bio-Waste/Agri. Waste Management
- Mushroom and Bio-pesticide Production
- Bio-Gas/Bio Fertilizer Production
- Nursery Raising
- Floriculture
- Apiculture
- Quality Assurance Certification and Branding
- Marketing

Recognising the need for more Agri Business Incubators in the country, NABARD has supported establishment of 'new' Agri Business Incubation Centers (ABICs) in Government Agriculture Universities by providing them with financial assistance and other need based support during 2017–18.

### **4. Start-Up Hub**

It is a one of its kind online platform for all stakeholders of the start-up ecosystem in India, including start-ups, investors, mentors, incubators, accelerators, aspiring entrepreneurs, service providers and government bodies. It not only provides an opportunity to connect with other members of

the ecosystem but also gives access to important resources such as its Learning & Development program, information about relevant Government Schemes, a Forum to brainstorm and discuss, News and Blogs among others. The Hub is developed under Start-up India, the flagship initiative of the Government of India. It is hosted under Invest India – the national investment promotion and facilitation agency of India that also hosts the 'Make in India' campaign. Invest India is a not-for-profit company and is promoted by DIPP, Ministry of Commerce and Industry (GoI), State Governments, NASSCOM, CII and FICCI.

### **5. SIDBI Start-Up Mitra**

It is a digital initiative that address gaps in the Start-up ecosystem. Launched in 2016, it acts as a virtual platform to bring together all stakeholders, start-up entrepreneurs, incubators, investors (Angel networks/ Venture Capital Funds), industry bodies, mentors/advisors and banks to meet the financing and developmental needs of the early stage start-ups and entrepreneurs. The portal also facilitates entrepreneurs to engage with incubators, investors, mentors and spreads awareness about the government schemes for start-ups in India by becoming the knowledge partner for State and Central Governments. The portal is supported by Department of Science and Technology, (DST), GoI

### **6. Fund of Funds for Start Ups**

In line with the Start-Up India Action Plan unveiled by Hon'ble PM on January 2016, the Cabinet approved the establishment of Fund of Funds for Start-Ups at SIDBI for contribution to various Alternative Investment Funds (AIFs) with a corpus of Rs.10000 cr. Introduced with a focused objective of supporting development and growth of innovation driven enterprises the Fund of Funds facilitates funding needs for Start Ups through participation in capital of SEBI registered venture funds.

### **7. ASPIRE Fund**

The Aspire fund provides support to various Angel / Venture Capital Funds (VCFs) for investing in start-ups /early stage enterprises in the areas of innovation, entrepreneurship, forward backward linkage with multiple value chain of manufacturing and service delivery, accelerator support in the agro-based Industry verticals and sectors, which would galvanize the rural economy. The ASPIRE fund has a corpus of Rs. 310 crores.

## **8. Venture Capital Funds**

Venture capital is financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential. Venture capital generally comes from well-off investors, investment banks and any other financial institutions. However, it does not always take a monetary form; it can also be provided in the form of technical or managerial expertise also. Venture capital funding has become very popular with start-ups these days. The following are few venture funds

1. Biotechnology Venture Fund (BVF)
2. Ventureast Life Fund III
3. SEAF India Agribusiness Fund (SEAF)
4. Omnivore India Capital Trust (Omnivore)
5. Tata Capital Innovations Fund (TCIF)
6. India Opportunities Fund (IOF)
7. IvyCap Ventures Trust Fund – I (IvyCap-I)
8. TVS Shriram Growth Fund (TVS)
9. Golden Gujarat Growth Fund (GGGF)
10. India Nivesh Growth & Special Situations Fund
11. IvyCap Ventures Trust Fund – II (IvyCap-II)
12. India Advantage Fund
13. IFMR Fimpact Long-Term Fund
14. Orios Partners
15. Avishkar Bharat Fund

M/s Omnivore Capital India is floated by M/s Omnivore Partners, India's first venture capital fund for early-stage companies targeting food and agriculture technology. The Godrej Group is a major investor in the fund and has a corpus of Rs261.25 crore. The investors are Godrej Agrovet Limited, General Insurance Corporation SBI, LIC, and SIDBI.

### **Conclusion**

“Farming is a profession of hope.” and India holds the record for the second-largest agricultural land in the world, with around 60 percent rural Indian households making their living from agriculture. In recent days, the modernisation of agriculture is happening in our country. The youth do not show interest to take up agriculture as their profession due to various reasons discussed above. The silver line in the dark clouds is the scope of starting star ups in agri and rural sector. Opportunities lie in areas like how to increase crop production, improving the nutritional value of the crops, reduction in input prices for farmers, improving the overall process-driven supply chain, and reducing wastage in the distribution system, among others. Agritechstart-ups are also leveraging technology in the area of

market linkages such as retail, farm mechanisation, marketing and digital agronomy start-ups. Agritech became the new buzzword in the Indian start up ecosystem in 2017 and a hot topic for discussion in most of the start-up conferences and events in India. They are now able to address input challenges of agriculture in India from the very beginning. Thus comes a massive opportunity for agritechstart-ups in rural India.

Hon'ble Finance Minister Smt. Nirmala Sitharaman in her budget speech in July 2019 said that the government will set-up a new TV programme on DD, exclusively for start-ups in the country and the 'Stand up India' scheme, launched in 2016, to support entrepreneurship among women and marginalized segment of the society, would be further extended during the entire period of 2020–25. Further, several measures to streamline labour laws, education, and rental housing segment which will have a direct impact on start-upswere also announced. This would be helpful in creating a conducive eco system for promoting more start-ups. Promotion of agri start up in our country will lead to a win win situation ie., on one side it generates employment potential for the energetic and enthusiastic younger generation and on other side it is addressing the vital issues and problems faced by our farmers.

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## **A Study on Corporate Social Responsibility, New Business Models and Social Entrepreneurship: In Indian Context**

**Dr. Vinod N Sambrani<sup>1</sup>**

**Prof. Jayadatta S<sup>2</sup>**

### **Abstract:**

*The present disclosure on corporate social responsibility (CSR) is dominated by 'middle path' approach, establishing synergy and collaboration as well as attempting to define the balancing roles of business. CSR is a way of an organisation to monitor its internal operations so as to ascertain that local laws, ethical standards and international norms are complied with. Besides CSR is also considered to be a vital element in a corporates relationship within the society in which it functions and operates with its stakeholders including governments and governments. In light of this the present research paper presents critical points of view on existing CSR practices in India. It also argues that due to society's awareness, people's expectations from government and companies have significantly increased due to various reasons. From past studies it can also be interpreted that CSR research is also skewed towards western and developed countries. At the present juncture to gain corporate sustainability companies should invariably perform on all three parameters of 'triple bottom line'- financial, social and environmental. Thus in such a changing context, traditional form of CSR seems no longer relevant. A few unique and successful CSR projects, their design and implementation with a strategic 'entrepreneurial orientation' are also discussed. Present article also points towards a new paradigm for CSR implementation that is beyond pure philanthropy. Presently there is also a need of thinking of more innovative models of CSR, so that business benefits and social benefits can be combined in true sense. Few such examples of innovative models of integrating CSR and social entrepreneurship are also discussed in the paper. Authors personally believe that social entrepreneurship can support CSR and also effectively bridge the gap between business and society.*

**Keywords:** Social Entrepreneurship, Corporate Social Responsibility, innovative models, business and society

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## **Introduction:**

Today society's expectation from government and corporates has been gradually changing in India. To ease the tension between business and society government is indeed expected to act as a mediator. Society, on the other hand desires that the business considers them as an active stakeholder. Hence in this context a simple charity form of corporate social responsibility (CSR) is not that adequate. In this regard Kudankulan Nuclear power plant in Tirunelveli district of Tamilnadu in India is one such example. The construction of the plant in 2002 faced continuous protests from local villagers on safety concerns thus delaying the project (Press trust of India, 2013). Another similar case is that of Vedanta, a bauxite mining project in the Niyamgiri hills in the eastern state of Orissa has been facing opposition from civil society organizations raising concerns about livelihood and environment due to extensive mining operations (Helyar, 2009). Truly speaking in all the above cases media played an important role in creating mass awareness and also influencing the policymakers. Companies nowadays are often stuck with stereotypical activities while retaining their profit maximization objective generally in pursuing CSR. This approach in common parlance is called as defensive CSR, a kind of public relation (PR) activity for the concerned company and also one which remains ineffective for the society at large

(Kramer and Kania, 2006). Further companies have far greater ability to generally lead social progress than they currently exercise from narrow and defensive role into which they have retreated. Exploiting the full potential to develop and implement solution not only offers powerful benefits to society but also enables companies to establish themselves as well as earn reputation for corporate responsibility that which can enhance their brands, also motivate their employees as well as strengthen their licenses to operate. Hence unless both social and business goals are aligned it is quite difficult to fulfill the needs of society (Porter & Kramer, 2006). The capitalist system is sinking through a major crisis that which is driving the need to revise the logic which is underlying the traditional business models. Thus the purpose should arise not out of charity but yes out of a deeper understanding of competition and economic value creation. The next evolution in the capitalism model necessarily recognizes new and better ways to develop products, serve markets and build productive enterprises. Another major phenomenon is the increasing role of emerging market economies (EME's) in the global economy and the growing importance of the bottom of pyramid market segment.

### **CSR in India:**

CSR concept is not new in India and it is important to note that it was always practiced as a corporate philanthropy. According to Sundar (as cited in Chahoud et.al, 2007) the first phase of CSR (1850- 1914) was predominantly determined by religion, culture, family, tradition and industrialization. Though the concept of 'CSR' did not exist in the form as it is know today, business operations and CSR were governed by corporate self-regulation. The pioneers of industrialization in the 19<sup>th</sup> century (mainly business families like Tata, Birla, Lalbhai, Bajaj, Sarabhai, Godrej, Singhanian, Modi and Mahindra) were devoted to philanthropically motivated CSR. The major underlying fact was that businesses donated money (to schools or hospitals) without any long term engagement (ibid) and there has also been a disconnect between society and the business. While doing CSR planning and implementation community needs are not given importance or significance. Today CSR plans and programs are yet to align with the realistic needs of society (Majumdar and Saini, 2013). It is however also reported that a large majority of CSR projects and corporate family-individual foundations operate without a clear social change strategy and more importantly very few companies today carry out society's need assessment and also monitor the progress or impact of their CSR activities thereof. CSR expenditure generally lacks planning and decision most often are driven by factors like promoter's wish or even family tradition that which neglects the ground reality or even community needs (ibid).

Thus in such fragmented and disconnected practices, mutual benefits for both business and society cannot just be created or even imagined.

### **An Interventionist Approach:**

Today in order to meet the increasing expectations of society, it becomes evident as government acts as a mediator between society and business. In this context the government of India (GOI) made two major attempts. As part of CSR activities in 2010, it was made very much compulsory for state owned enterprises to spend around 2-5 percent of their net profit. Besides it also provided guidelines for the implementation of need based community projects while considering community as a major stakeholder. Later in 2013, under section 135 of the Companies act, 2013 GOI made CSR very much mandatory for all the major companies operating in India. The companies were also required to spend 2 percent of their average net profit for last three years or so, provided if they meet one of the conditions: a). Sales turnover is equal to or more than 10,000 million Indian rupees b). Net profit of the

company is equal to or more than 50 million Indian rupees and c). Net profit is equal to or more than 5,000 million Indian rupees. Schedule VII of the Act details possible CSR activities and also suggests communities to be the major focal point for any major CSR initiative. Some of them are poverty alleviation programmes including livelihood and skill training, health care, nutrition, water and sanitation, education and sports, ecology and environment, and programmes specifically designed to address the needs of women, disabled and aged people, and marginalized groups of society for the overall rural development. Though the author could not find any authentic adverse report on companies reporting low profit to avoid CSR activities, sometimes companies seek alignment between their business and the CSR projects. Sourcing materials from community-based organisations are very common practices wherein companies claim to provide training and similar support to the communities to get the benefit of cost-effective and reliable sources for its products and services. The provisions of the Act are designed to balance both the objectives of the corporation and its shareholders, and that of the society and its stakeholders as well (Sarkar & Sarkar, 2015). Such regulations attempts to channelise corporate resources for need-based community projects which did not exist earlier. But, there is no clarity as to where and how to draw the line to demarcate between the community interest and the business interests, to avoid any possible exploitation. On the other hand, there is an increasing interest among companies in India to measure their performances in terms of the 'triple bottom line'. Due to various reasons attributed to corporate governance, companies also realised that the financial performance, social interests and environmental concerns need to be addressed together for sustenance of their business. Hence, 'sustainable corporate performance' (SCP) includes three measurement elements, namely: (a) financial, (b) social and (c) environmental (Fauzi, Svensson, & Rahman, 2010). The business achieve higher financial performance because of their expertise, however, fulfilment of the other two requirements needs different competences which most of the Indian businesses do not possess. The discipline of social entrepreneurship (SE) offers competences required in these two areas.

### **The Emergence of Corporate Social Entrepreneurship:**

As the academic field of entrepreneurship has matured, it has benefited from a broad array of theoretical traditions and methodology endeavors. The elite functionalist discourses in entrepreneurship have been greatly

challenged by those who argue that much entrepreneurship is a team and/or community endeavor (Gartner, Shaver, Gatewood, & Katz, 1994) and acknowledge the socially dependent and constructed nature of entrepreneurial performance (Grant & Perren, 2002). This has allowed entrepreneurship researchers to develop and refine an understanding of the social processes involved in entrepreneurial action, which has also led to novel and incremental advances in theory development. Revolutionary change comes when entrepreneurship is applied in solving social problems—social entrepreneurship.

Although social entrepreneurship is gaining in popularity, many still struggle to define it. Over the past few years, debates varying in both content and approach have arisen over the definitional and domain issues of social entrepreneurship (Mair & Marti, 2006; Martin and Osberg, 2007; Peredo & McLean, 2006). Generally speaking, social entrepreneurship includes social purpose ventures and enterprising nonprofits (Neck, Brush, & Allen, 2009); still, it means different things to different people (Ghauri, Tasavori, & Zaefarian, 2014). For nonprofit organizations, it refers to the application of business expertise and market-based skills, such as when nonprofit organizations develop innovative approaches to earn income (Thompson, 2002; Zaefarian, Tasavori, & Ghauri, 2015).

For corporations, it means to innovatively create social value by relying on their own positions as market players (Sagawa & Segal, 2000). Still others use the term *social entrepreneurship* to describe any form of money-making enterprise with a social mission (Light, 2006). Previous research has identified social entrepreneurial efforts as community, regional and in some cases, national in scope (Weerawardena & Mort, 2006; Sharir & Lerner, 2006).

### **Social Entrepreneurship:**

Generally in attempting to apply the principle of creating shared value approach, that which is characterized by the concept of generating mutual value, majority of the companies have today generated and started to create alternative models of governance and strategies or such management schemes, which can refer to social entrepreneurship (SE) and corporate social entrepreneurship (CSE) field of study. Social entrepreneurship as a concept is a relatively new field of study. Social entrepreneurship is defined broadly in some cases and narrowly in many others, thus literature has not yet achieved a consensus in this regard. SE is by far considered as a response

to failure of market, state or both in meeting social needs (Nicholls, 2006; Yujuico, 2008). Social entrepreneurs as individuals are change agents (Dees 1998, Dees, Emerson & Economy, 2001; Elkington & Hartigan, 2008; Nicholls, 2006). There is rapid growth of Social entrepreneurship in all sectors including public, private and non-profit (Johnson, 2000). More importantly its constituent elements, strategic focus on social impact and also innovative approach to achieve its mission, reflect the combination of social mission and entrepreneurial creativity and this combination makes Social entrepreneurship distinct from public, private or civil sector activity (Nicholls, 2006). Also by employing innovative business models SE's are addressing India's vast developmental needs while maintaining sustainability through viable revenue models (Asian Development Bank, 2012, page 8). Also by associating with social entrepreneurs, companies in long run can not only fulfil expectations of CSR but in turn can also enhance their corporate reputation among communities and build brand. This is also similar to the notion of strategic CSR wherein companies do integrate their social goals with that of business goals, in turn benefitting both business and society (Porter & Kramer, 2006).

### **The Prime Drivers of Entrepreneurship:**

Traditionally egoism has been considered a primary driver of motivated entrepreneurs. As Schumpeter (1934) pointed out, the personal profit motive is the engine that powers private enterprise and social wealth. Herein lays the key difference between commercial and social entrepreneurs. In social entrepreneurship, entrepreneurs are motivated by altruism. They are in pursuit of social justice (Kuratko, Hornsby, & McMullen 2011), work out social problems in the public interest, and are concerned with public welfare (Drayton, 2002). Other related traits include self-efficacy, hope, resilience, identity, and insight, as well as high scores on all the Big Five personality dimensions (conscientiousness, extraversion, emotional stability, agreeableness, and openness to experience). A social entrepreneurship orientation (Wood, 1991; Burton and Goldsby, 2009), made up primarily of pro social and proactive personality traits, has been proposed as a key dispositional driver of social entrepreneurship. There has also been discussion of how social entrepreneurs can simultaneously have mixed motives-for example, altruism and self-actualization (Mair & Marti, 2006). Likewise, in the process of pursuing self-centered ends, commercial entrepreneurs can enhance social wealth by creating new markets and

technology and improving productivity.

Corporate social entrepreneurs share the traditional entrepreneurs' drive to be in control (Hemingway, 2005) and possess a similar dominant sense of responsibility (Dennis, D'Intino, Houghton, Neck, & Boyles, 2008; Olson & Currie, 1992; Chapman, 2000). There is also a connection between corporate social entrepreneurs and a need for self-actualization (Hemingway, 2005). Above all, they have altruistic motives and are CSR-oriented. Having a pro-social personality and the right business environment enables them to devote more energy to social causes. They flourish when multinational business provides them with an effective base from which to create and leverage innovative societal solutions.

Even when formally appointed to a role focusing on social responsibility, traditional managers cannot be classified as corporate social entrepreneurs (Hemingway, 2005). That is why it is essential to probe the underlying motives of corporate social entrepreneurship. Once these individuals realize the power they have to change society through business, they go out of their way to devote themselves to social causes. These corporate social entrepreneurs signal two broader trends:

- Greater number of people- especially young leaders in particular view companies and individuals as ever more integral to solving societal challenges
- Individuals are quite increasingly looking to align their personal values and their careers

### **Innovative approaches: Combining CSR and Social entrepreneurship:**

Integration of social and business goals can be done in different ways. Social entrepreneurs can conceptualise, innovate and implement CSR projects of the companies, and companies can support them to achieve the social mission. Ramana Babu Killi, a social entrepreneur (founder of Green Basics, website: [greenbasics.co.in](http://greenbasics.co.in)) successfully conceptualised and implemented major CSR projects in agriculture and dairy sectors, for a Central Public Sector Enterprise, Goa Shipyard Limited (GSL) in Goa (India). These projects aimed to enhance livelihood opportunities, and also increase agricultural and milk productivity. These projects benefited small and marginal farmers, women farmers, landless agricultural labors, unemployed tribal youth and micro-entrepreneurs. Under these initiatives, Khotigao and Gaondongari Collective Farming Cooperative Societies were formed which benefited 724 households (till November 2013) (Killi, 2014).

Similarly, 80 micro-entrepreneurs/farmers were involved in the dairy projects (ibid.). This has significantly enhanced the reputation of GSL among the local communities and interaction with the provincial government (ibid.). The company has also won Skoch1–2014 award under the public sector undertaking (PSU) category. This is acknowledged as an innovative model of CSR implementation that adopted a model of convergence of values of multiple stakeholders—the company (GSL), social entrepreneur, civil society, the communities, and district and state administration—to catalyze social innovations and promote sustainable development. To implement CSR in India, DBS Bank India (a Singapore-based bank operating in India) has developed partnership with the Centre for Social Entrepreneurship, Tata Institute of Social Sciences (TISS), Mumbai (India) to support start-up social ventures. Recognising the potential of SE as a unique market-driven mechanism in which technological, managerial, and social knowledge and skills are deployed to affect social change, TISS pioneered a Two Years Masters Programme on Social Entrepreneurship. The graduates are supported with CSR fund as grant capital and also expert mentorship, to launch social ventures to address complex social problems. Till January 2015, 22 such ventures have already been benefited, touching nearly half a million people. Also, under the collaboration Bharat Calling, a non-profit initiative to address the gaps in accessing higher education by the rural poor launched by social entrepreneur Sandeep Mehto has already touched more than 20,000 rural students while supporting them to seek entry in reputed Indian universities (TISS, n.d.). On the other hand, Sampurn (e) arth Private Limited provides decentralized waste management solution to urban residents and businesses while associating with about 300 waste pickers through Stree Mukti Sangathana, an NGO, providing them employment and better working condition (ibid.). These are few innovative models of combining CSR and SE, benefitting the societies as well as the businesses. Under this model, the companies not only enhance their corporate reputation but also simultaneously help the society to meet its own needs. Observing such innovative models of CSR, Majumdar and Saini (2016) also mentioned, 'Innovative models are being discovered and designed with pro-activeness and reasonable experimentation which provide these corporates unique competitive advantage' (p. 1). Majumdar, Rana and Sanam (2016) also observed a shift towards a more responsible form of growth in companies in India, taking a long-term view of sustainability and social responsibility which is creating competitive advantages and managing risks.



Above image shows various dimensions of corporate social responsibility (CSR)

### **A New Kind of Entrepreneur for a New Age:**

The CSE process represents a significantly different corporate approach to some of the great socioeconomic and environmental challenges of our time. It also has the potential to accelerate the evolution of strategies, business models, and engagement processes that will be crucial in helping organizations understand and capitalize on emerging areas of risk and opportunity. To effectively address the broad range of profound challenges they face, corporate social entrepreneurs must have strong convictions and multiple skill sets, such as those outlined here:

- **Idealists and Pragmatists:** As social advocates, entrepreneurs of this age should be extrovert, open to new ideas and also committed to their convictions. As organizational change agents, they should also be in a position to assess how fast and far they can actually move the transformational process within the broader realities of the organization
- **Bold dreamers and shrewd calculators:** They are the ones who are not afraid to take risks and also sensitive to any opportunities that which help them achieve their goals. At the same time they must also be cognizant of the realities of the corporate environment, cost-conscious and also mindful of the bottom line
- **Constructors and disruptors:** The budding new generations entrepreneurs must be effective leaders who can help build

innovative solutions: New resource configurations, actions and relationships. They should not remain satisfied with managing the status quo but also seek to create new, sometimes disruptive scenarios. They should also strive to be catalysts for change that which inspire and create synergies in the work of others.

- **Internal champions and external co-coordinators:** They should continuously advocate for integration of both social and business values as a central tenet of the company. As coordinators they also need to be effectively able to reach across internal and external boundaries, mobilizing and also extending resources as well as integrating them into their own business models
- **Effective leaders and team supporters:** As strategic leaders they must be in a position to lead the company towards a more strategic form of CSR and also commit themselves to carry out it. Meanwhile, they also need to be good team players, motivating and also drawing out the best from others as they foster an atmosphere that which supports the success of all the concerned.

### **Future Trends and Concluding Notes:**

Indian business for decades has been focusing on shareholder value creation while a section of society generally keeps struggling with problems of unemployment, poverty, malnutrition, illiteracy (wordpress.com, 2012). Indian economy growth pattern is based on the exclusion of vast masses of people from growth process, which are generally forced to bear the cost of this growth (Aggarwal, 2012) In India, there is a widespread feeling that the high GDP growth rate of past decade has remained confined to urban areas and has not reached to the poor section of the society (wordpress.com, 2012). This gap needs to be addressed. While the government undertakes extensive developmental initiatives, the business sector also needs to take some responsibility of exhibiting socially responsible business. Corporates have the know-how, strategic thinking, manpower and financial strength to enable widespread social transformation (ibid.). The new provision in the Act aims at ensuring distribution of wealth and the well-being of the communities in which the business operates. As discussed, historically, CSR has been practised as corporate philanthropy in India (Majumdar & Saini, 2016), which mostly included setting up schools, hospitals, community centres, planting trees, and nurturing art and culture.

Such initiatives are unsustainable (worldpress.com, 2012). Thus, the need for CSR implementation beyond philanthropy is realised, and, 'social entrepreneurship' is proposed to create a balance between community interest and business interest (Majumdar & Saini, 2016). We submit that newer trends are emerging in re-conceptualization of CSR in India in which SE is considered to be suitable for effective implementation of CSR projects. The examples cited in the article are the testimony of this change. We believe that the SE approach can support CSR projects irrespective of size (small and large) and ownership (public or private) of companies.

Such approach not only creates better corporate image but also adds social value. SE is expected to effectively bridge the gap between business and society. Though a study on 217 companies (167 private companies and 50 public sector companies, selected from the ET-500, an annual ranking of the largest companies in India based on their revenues) shows that only top 33 per cent of the companies believe in taking the long-term view on responsible business (Majumdar, Rana, & Sanam, 2016), we are optimistic that more such innovative approaches would emerge in near future resulting in newer models of CSR as against the conventional ones. 'The ecosystem in India is relatively well developed with social enterprises active across all major sectors of the economy' (British Council, 2015, p. 7). This provides opportunities for social enterprises to develop greater partnership with the corporates. It is in the interests of both (business and society) to gear up for such collaborations while utilizing the core competences of the business organisations, and the entrepreneurial skills (of the social entrepreneurs) for larger public good. We believe, such partnerships between corporations, social enterprises and the government would further accelerate India's economic growth and contribute towards achieving inclusive development. As in other emerging fields, further development of research on corporate social entrepreneurship will involve creating consensus regarding the definition and key elements of the construct. Empirical studies are also needed for further exploration. From the perspective of individual entrepreneurs, it would be valuable to explore the psychology of how personal values affect the application of entrepreneurial discretion in the context of CSR (Hemingway, 2005).

From the perspective of organizations, the societal, organizational, and individual antecedents of CSE also require careful analysis. The various interactions among these variables could also spark the recognition of different social opportunities and how entrepreneurs might best exploit

them. As research matures, greater attention to theory building on the antecedents of different social ventures should also become a priority. At present, most research on social entrepreneurship, particularly in terms of corporate social entrepreneurs, involves case studies (for example, Alvord, Brown, & Letts, 2004; Thompson, 2002). Moving toward more rigorous empirical studies and establishing major theoretical perspectives by which researchers may explore these questions should benefit both practitioners and academics.

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## Micro Finance for Inclusive Growth

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### **Abstract:**

*Micro finance activities emerged in nineties and have become more popular approach for financial inclusion particularly in rural areas. Micro financial institutions and Self-help Groups mobilized people in the grassroots level to join together and take up the responsibility of providing banking services like savings, credit, and managing fund collectively. It encouraged people to take up micro enterprises and to get into main stream of economics. Its impacts have been multifaceted and the experiences have been analyzed variously. Most important strategy of micro finance is its linkage with commercial banks which in fact catalyzed the whole moment in the last three decades. With this backdrop, this paper attempts to analyze the growth, savings, loan disbursed, loan outstanding and NPAs among the bank linked SHGs]*

**Key words:** Micro finance; SHGs; Savings; NPAs; Inclusive growth

### **Introduction**

Inclusive growth encompasses ideas related to basic needs and equity thereby taking all sections of the society with growth. It focuses on broad-based growth, results of which reach all strata of society. It aims at reduction in poverty and disparities of income and ensuring everyone a basic minimum standard of living. Improvement of the standard of living results from access to productive assets and finance to utilize assets in income generating activities. It has to become an integral part of the efforts to promote inclusive growth. In fact, providing access to finance is a form of empowerment of the vulnerable groups.

Financial inclusion denotes delivery of financial services like savings, credit, insurance and payments and remittance facilities at an affordable cost to the vast sections of the disadvantaged and low-income groups. The objective of financial inclusion is to extend the scope of activities of the organized financial system to include people with low incomes within its ambit. This is an attempt to lift the poor to higher level of income so that they come out of poverty. Financial inclusion may, therefore, be defined as a process of initiating access to timely and adequate credit and other financial services by vulnerable groups such as weaker sections and low-income groups at an affordable cost.

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In Indian context to provide rural financial services strong institutional network has been established during the Five Year Plans. The institutions which currently provide financial services in the rural areas include branches of commercial banks, regional rural banks, cooperative societies and micro-finance institutions. Now, there is a need to find ways and means to effect improvements within the existing formal credit delivery mechanism and evolve new models for extending inclusive growth policy. In a broad sense, we need to address issues on the supply side as well as demand side. The formal banking system, the rural cooperatives and non-governmental organizations need to evolve a model to reach the excluded section of the society. The financially excluded sections require products which are customized to meet their needs. Unless steps are taken on the “real sectors” (demand side), mere supply side solutions from the financial sector will not work. Credit has to be an integral part of an overall programme aimed at improving the productivity and income of such farmers and rural households. Putting in place an appropriate credit delivery system to meet the needs of marginal and sub-marginal farmers need go hand in hand with efforts to improve the productivity of such farm households.

With this background, in this paper attempts provide discussions on the financial inclusion programmes in India basically with reference to finance to poor and women empowerment.

### **Objectives**

Main aim of this paper is to analyze the experience of microfinance activities in India. The specific objectives of this paper are;

1. To analyze national agenda for reforms in the financial sector
2. To discuss key issues on financial inclusion, and
3. To evaluate the financial inclusion programmes in India in terms of financing poor, financing women empowerment activities

### **Method**

Paper provides descriptive analysis of financial sector reforms and key issues related to financial inclusion followed by analyze the performance of microfinance in Indian, based on secondary data. Savings, Loan dispersed, loan outstanding and NPAs among the bank linked SHGs are analyzed.

### **Financial Sector Reforms**

The imperatives of reforms in the domestic financial sector have been explicitly recognized since the 1990's. The Narasimhan Committee Reports and the Chelliah Committee Report on Fiscal reforms, among

others, stand out distinctly in this regard.

Reflections on the select issues of reforms in the financial sector may be seen in the form of following questions;

- (i) Is the Indian Banking System ready for a rigorous competition from the highly sophisticated and large-sized multinational banks? Is the approach of Consolidation and Convergence of the Public Sector Banks a sure remedy for inducting competitive strength in the Indian Banking Sector?
- (ii) Even after mergers and acquisitions, would the resulting large banks, be large enough to use size as a factor for competition?
- (iii) What about the factors, such as, degree of sophistication in technology, work culture, managerial efficiency, research capability, product-diversification, and cross-border accounting adjustments, with which the competing banks are endowed?
- (iv) What steps are required to be taken, to make the banking sector strong enough to withstand the financial market turbulences, originating, essentially, in the equity markets-both within and outside the country?
- (v) How to introduce greater transparency and objectivity in the accounting and disclosure practices of the banks?
- (vi) One of the factors of weakness of the Indian Banking sector, is the persistence of large levels of NPA's; How could the process of Mergers and Acquisitions, average out the strengths and the weaknesses of the different Banks, unless some proactive measures are taken to reduce the levels of NPA's in the Banking sector as a whole?
- (vii) Is it a good trend that the distinction between the commercial banks and development finance institutions is getting gradually eroded?
- (viii) What concurrent initiatives are taken for rehabilitating the surplus staff, which would be thrown out of jobs, when once the consolidation process is set into motion?
- (ix) How does one deal with the phenomenon of massive increase in the internal liquidity, which is caused by expansion of the reserves? It should be noted that much of the increase in the reserves is caused by the inflows of short term capital, essentially through portfolio investments by FII's, which do not have the same stability features as FDI's. It should also be noted

that the collapse of the banking sector in Thailand and Indonesia, during the recent crisis situation, was caused by sudden withdrawal of such volatile FII investment capital.

- (x) When competition becomes the prime mover of the status and the form of the financial sector, what happens to the imperatives of the functions of social banking that have been stipulated, rather uniquely, for the Indian Banking system?

### **Access to Rural Credit**

After the nationalization of the commercial banks in India, their expansion in the rural area is remarkable. The commercial banks have a large outreach, with more than 33,500 branches in rural and semi-urban centers in the country. The critical question is how to make these rural branches more effective in terms of delivering credit to the small and the very small borrowers. Several strategies were discussed in this regard reviewed here.

A critical factor required for providing credit to marginal and sub-marginal farmers or other small borrowers is the empathy of the bank officers. Rural lending requires a specific type of organizational ethos, culture and attitude. Rural branches of banks have to be farmer-friendly or poor-friendly. Lending to the low-income groups needs motivated bank staff. Such motivation is a function of attitude and beliefs as well as a system of incentives. Several studies have shown that there is a positive co-relation between the extent of training undergone by the managers and their overall attitude.

Rural branches need to go beyond providing credit and extend a helping hand in terms of advice on a wide variety of matters relating to agriculture. One may have to think in terms of branches on the lines of agricultural development branches of SBI, where advice on farm and non-farm issues are provided by technical staff attached to the branches. At least, one branch of the lead bank at the Block or Taluka level can be designated as a nodal branch to address the issue of exclusion. These branches need to be strengthened with technical staff for provision of developmental services in the farm and non-farm sectors. All banks could make use of the advice provided by such branches.

There is need for the simplification of the procedures in relating to granting of loans to small borrowers. In some cases, enabling legislations have to be passed. Stamp duty exemption for loan documents relating to small borrowings is also needed. On the whole, simplified document for the

grant of small loans need to be evolved.

The SHG bank linkage scheme has proved to be an effective way of providing credit to very small borrowers. This needs to be further strengthened. The SHG-bank linkage programme has worked well and has contributed significantly to financial inclusion. The cumulative number of groups financed by the banking system is close to 2.3 million. The financial inclusion attained through SHGs is sustainable and scalable on account of its various positive features. One of the distinctive features of the SHG-bank linkage programme has been the high recovery rate. However, the spread of SHGs is very uneven and is more concentrated in southern states. This regional imbalance needs to be corrected and special efforts in this regard may have to be made by NABARD. SHGs also need to graduate from mere providers of credit for non-productive purposes to promoting micro enterprises. Several state governments have been very active in the promotion of SHGs. However, there is no need to provide any interest rate subsidy to SHGs. Banks do provide them credit at reasonable rates of interest. The financial support of the state governments could be better directed towards building appropriate capacities in the Self-Help Groups and providing technology support and marketing facilities. Federations of SHGs at Village and Taluka levels have certain advantages. However, the disadvantage is that banks may lose their direct contact with SHGs, if federations act as intermediaries between the financing banks and SHGs. The best course of action would be to make the federations act as facilitators rather than as financial intermediaries. Federations, if they emerge voluntarily from amongst SHGs, they need to be encouraged.

Finally, the business facilitator and correspondent model needs to be effectively implemented. In order to increase the outreach of the banking sector, the Reserve Bank has permitted banks to use the services of specified institutions as intermediaries for providing banking services. This model has a high potential, however, this scheme has not taken off. Banks need to take the initiative to remove the obstacles that come in the way of an extended use of facilitators and correspondents. Rules, at present, permit not only institutions but also certain category of individuals to function as business facilitators. However, one critical issue in the effective use of this model revolves around as to whom should bear the additional transaction costs resulting from the employment of facilitators and correspondents. There has to be some flexibility with respect to the charging of interest rate. These transaction costs can still be accommodated within the present stipulation that the interest rate charged should not exceed the Prime

## Lending Rate.

Regional Rural banks (RRBs) are yet another instrument to achieve the goal of financial inclusion. R.R.Bs was originally conceived as low cost institutions having rural bias, local feel and pro-poor focus. The original assumption regarding the low cost nature of these institutions was belied. In fact, they soon turned into loss making institutions. With the changes introduced in the post-liberalization period, there is a remarkable turnaround in the financial performance of the RRBs. At present, RRBs have close to 15000 branches in rural areas. The share of RRBs, in the loan account of all scheduled commercial banks in rural areas is an impressive 37.0 per cent. However, they account for only 21.0 per cent of the total credit outstanding in rural areas implying thereby that the clientele comprises small borrowers. RRBs have done well also in relation to the promotion of SHGs. Of the total 22.4 lakh SHGs credit linked by the banking industry, 33 percent linkage is done by RRBs. Strengthening of the RRBs could be one major policy intervention for promoting greater financial inclusion. The operations of RRBs could be expanded to 80 hitherto uncovered districts.

The banks operating, presently, in the formal financial system comprises of Public Sector Commercial Banks (26), Private Sector Commercial Banks (28), Regional Rural Banks (86), State Cooperative Banks (31) and District Central Cooperative Banks (371). It is observed that most of the banks participating in the process of micro finance have reported their progress under the programme.

## **Progress of SHG-BLP**

An overall picture of the SHG bank linkage and refinancing in India and its growth based on various reports published by NABARD is given in the table-1.

In 2008-09, total number of 42,24,338 SHGs were having outstanding bank loans of Rs. 22,679.85 crore as against 36,25,941 SHGs with bank loans of Rs. 16999.90 Crore in 2008 with a growth rate of 16.5 per cent (No. of SHGs) and 33.4 per cent (Bank Loan outstanding with SHGs). The share of SHGs under SGSY was 9,76,887 SHGs (23.1percent) with outstanding bank loans of Rs. 5,861.72 crore (25.8 percent) as against 6,16,978 groups (25.2 percent) with outstanding bank loans of Rs. 4,816.87 crore (28.05 percent) in 2007-2008.

**Table-1: Progress of SHG-Bank Linkage and Refinancing in India since 1992 (Rs. in Crore)**

Year	Total SHGs Financed by Banks		Bank Loans		Refinance	
	During the year	Cumulative	During the year	Cumulative	During the year	Cumulative
1992-93	255	255	0.29	0.29	0.27	0.27
1993-94	365	620	0.36	0.65	0.19	0.46
Percentage of Growth	(43.13)	(143.13)	(24.13)	(124.13)	(-29.62)	(70.37)
1994-95	1502	2122	1.79	2.44	1.67	2.13
Percentage of Growth	(311.50)	(242.25)	(397.22)	(275.38)	(7.78)	(363.04)
1995-96	2635	4757	3.62	6.06	3.53	5.66
Percentage of Growth	(75.43)	(124.17)	(102.29)	(148.36)	(111.37)	(165.72)
1996-97	3841	8598	5.78	11.84	4.99	10.65
Percentage of Growth	(45.76)	(80.74)	(59.66)	(95.37)	(41.35)	(88.16)
1997-98	5719	14317	11.92	23.76	10.74	21.39
Percentage of Growth	(48.89)	(66.51)	(106.22)	(100.67)	(115.23)	(100.84)
1998-99	18678	32995	33.31	57.07	30.67	52.06
Percentage of Growth	(226.59)	(130.46)	(179.44)	(140.19)	(185.56)	(143.38)
1999-00	81780	114775	135.91	192.98	98.07	150.13
Percentage of Growth	(337.84)	(247.85)	(308.01)	(238.14)	(219.75)	(188.37)
2000-01	149050	263825	287.89	480.87	244.85	394.98
Percentage of Growth	(82.25)	(129.86)	(111.82)	(149.18)	(149.66)	(163.09)
2001-02	197653	461478	545.47	1026.34	395.26	790.24
Percentage of Growth	(32.60)	(74.91)	(89.47)	(113.43)	(61.42)	(100.07)
2002-03	255882	717360	1022.33	2048.67	622.47	1412.71
Percentage of Growth	(29.46)	(55.44)	(87.42)	(99.60)	(57.48)	(78.76)
2003-04	361731	1079091	1855.53	3904.20	705.44	2118.15
Percentage of Growth	(41.36)	(50.42)	(81.50)	(90.57)	(13.32)	(49.93)
2004-05	539365	1618456	2994.26	6898.46	967.76	3085.91
Percentage of Growth	(49.10)	(49.98)	(61.36)	(76.69)	(37.18)	(45.68)
2005-06	620109	2238565	4499	13397.46	1067.72	4153.63
Percentage of Growth	(14.97)	(38.31)	(50.25)	(94.20)	(10.32)	(34.59)

2006-07	1105749	2894505	6570	12366.49	1292.86	5446.49
Percentage of Growth	(78.31)	(29.30)	(46.03)	(-7.69)	(21.98)	(31.12)
2007-08	1227770	3625941	8849.26	16999.9	1615.50	7061.99
Percentage of Growth	(11.03)	(25.26)	(34.69)	(37.46)	(24.95)	(29.66)
2008-09*	807905	-	4585.45	-	2620.03	9682.02

**Source:** RBI (2008-09) – *Hand Book of Statistics on the Indian Economy*.

**Note:** 1. Data relates to Commercial Banks, RRBs and Co-operative Banks

2. From 2006-07 onwards, data on number of SHGs financed by banks and bank loans are inclusive of 'Swarnajayanti Gram Swarozgar Yojna' (SGSY) SHGs and existing groups receiving repeat loans. Owing to this change, NABARD discontinued the publication of data on a cumulative basis from 2006-07.

3. Figures for 2006-07 and 2007-08 are outstanding number of SHGs and outstanding bank loans to SHGs as on 31 March of respective years.

### Recent Trend

SHG Bank Linkage Programme (SHG-BLP), has become the mainstay of the 87.44 lakh SHGs covering nearly 110 million households for social, economic and financial empowerment of the rural poor, especially the women. As per the Global Findex Database 2017 of World Bank, India's gender gap in access to financial service has come down to 6.0 per cent. Microfinance initiatives have a major role in bringing the unbanked women to the mainstream by bringing them into the domain of SHG-BLP. In 2017-18 too there was a net addition of 1.67 lakh savings linked SHGs.

The number of new SHGs added every year has been declining in the recent past mainly due to reasons like saturation in potential areas for formation of new SHGs, data sanitization by banks, and restricted operations of SHPIs to form SHGs after introduction of National Rural Livelihood Mission (NRLM/SRLM). NRLM, taking the lead in formation and capacity building of SHGs in rural India, accounted for 41.84 lakh SHGs, an increase of 12.0 percent during the year with a net addition of 4.4 lakh SHGs under its fold. The domain of SHGs consists of 84.5 percent women groups and is the mainstay of the programme for empowerment of the poor rural women in the country. Table-1 gives an account of savings, credit disbursement and credit outstanding of total SHGs and under NRLM and NULM during past three years.

Financial inclusion through the JAM trinity (Jan Dhan Yojana, Aadhaar, and Mobile) is seen as an important tool for financial inclusion.

**Table-1: Progress of SHG-BLP during Past Three Years (No. of SHGs in Lakh, Amount in R000 crore)**

PARTICLURAS	2015-16	2016-17	2017-18
No. of SHGs with Savings Linkage	79.03	85.77	87.44
Amount of Savings Outstanding	13.69	16.11	19.59
No. of SHGs availed Loans	18.32	18.98	22.61
Amount of Loan Disbursed	37.29	38.78	47.18
No. of SHGs with Loan Outstanding	46.73	48.48	50.2
Amount of Loan Outstanding	57.12	61.58	75.60

**Source:** Status of microfinance in India 2017-18, NABARD

The fall of the annual growth rate in number of bank loans outstanding as well as its rise in average loan outstanding per SHG in recent past indicates a low rise in credit penetration and low recovery of bank loans to SHGs. In fact, rising NPAs in SHG loans, from a 2.1 percent in 2008 to 7.4 percent in 2015 was a concern in the sector.

Number of SHGs with savings bank accounts, amount of credit disbursed during the year, the bank loans outstanding as well as the quantum of savings outstanding had shown positive growth during the past three years. There was a perceptible increase in the number of SHGs availed bank loan and amount of institutional credit disbursed to SHGs at 19.13 per cent and 21.67 per cent respectively, during 2017-18.

### **Savings of SHGs with banks**

During 2008-09, total 61,21,147 SHGs were having saving bank accounts with the banking sector with outstanding savings of Rs. 5,545.62 crore as against 50,09,794 SHGs having savings of Rs. 3785.39 crore as on 31 March 2008, thereby having growth rate of 22.2 per cent and 46.5 per cent respectively. Thus, more than 8.6 crore poor households were associated with banking agencies under SHG-Bank Linkage Programme. As on 31 March 2009, the Commercial Banks had the maximum share of SHGs' savings of 35,49,509 SHGs (58percent) with savings amount of Rs. 2772.99 crore (50percent) followed by Regional Rural Banks having savings bank accounts of 16,28,588 SHGs (26.6percent) with savings amount of Rs. 1989.75 crore (35.9percent) and Cooperative Banks having savings bank accounts of 9,43,050 SHGs (15.4percent) with savings amount of Rs. 782.88 crore (14.1percent). The share under SGSY in the total savings was 15,05,581 SHGs with savings of Rs.1,563.39 crore forming

24.6 per cent of the total SHGs having savings accounts with the banks and 28.1 per cent of total savings amount.

It is noticed that an addition of 6.30 lakh savings linked SHGs in 25 States and UTs and a decline of 4.63 lakh savings bank accounts in other 9 States and UTs during 2017-18. Bihar, Odisha, Tamil Nadu and Andhra Pradesh together have put 4.69 lakh fresh savings linked SHGs during the year. On the other hand, Karnataka, Kerala, West Bengal and Maharashtra together have reported 4.46 lakh lesser number of SHGs as compared to previous year. The decline in savings accounts of SHGs is mainly due to data sanitization, closure of dormant accounts, reporting issues by banks and change in the SHG Bank Linkage model like SHGs have shifted to linkage through Banking Correspondents (in Karnataka).

Looking at the regional variations, the share of Southern Region in terms of number of SHGs declined to 41.73 percent in 2017-18 from almost half (48.3%) in 2014-15. A decline in number of SHGs in Maharashtra and Gujarat resulted a fall in the total number of SHGs in Western Region as well. The region-wise details of number of SHGs are given in table -2.

**Table -2: Regional Distribution of SHGs with Savings Linkage**  
(Percent Share Number of SHGs)

REGIONS	2015-16	2016-17	2017-18
North Eastern Region	5.44	5.28	5.55
Northern Region	4.98	5.33	5.48
Central Region	10.32	9.89	10.32
Western Region	12.88	13.3	12.55
Eastern Region	21.51	22.77	24.37
Southern Region	44.87	43.43	41.73

Source: Status of microfinance in India 2017-18, NABARD

### Savings Outstanding

A robust savings outstanding of a SHG is its strength as it can meet exigencies of its members through internal lending as well as can source a bank loan for a suitable investment plan. The savings outstanding of SHGs in 2018 has reached all-time high of Rs.19,592 crore, about 22.0 per cent more than that a year back. The average savings outstanding per SHG has also increased by 19.0 per cent during the year to Rs.22,405 in 2018 from Rs.18,788 in the previous year.

The average savings outstanding was highest in Southern Region while it was low in North Eastern and Central Region. Southern states have a sizeable number of matured SHGs that contribute higher amount of monthly savings leading to higher average savings rate, whereas in North Eastern States and other priority states, the average savings are low. States that have added more number of new SHGs during the year have recorded decline in average savings outstanding during the year. There was single digit deviation in Northern and Western Region (fall) and Central Region (rise) while Eastern, Southern and North Eastern Regions have improved in the average savings outstanding by 20, 27 and 30 percent respectively, over the previous year level. The state-wise savings outstanding position is given in table-3.

**Table -3: Statewise Savings Outstanding (Rs in crores)**

REGIONS	2016-17	2017-18
North Eastern Region	6603	5069
Northern Region	10294	10865
Central Region	10572	9888
Western Region	11362	12160
Eastern Region	20732	17231
Southern Region	33317	26302

**Source:** Status of microfinance in India 2017-18, NABARD

### **Nonper forming Assets in SHG-BLP**

Nonperforming Assets (NPAs) under bank loans to SHGs in 2017-18 were 6.1 per cent as compared to 6.5 per cent the previous year. The concern however, is the absolute NPA amount has been steadily increasing in recent years, by 15.0 per cent during the year to R4628 crore in 2017-18 from Rs.4,002 crore in 2016-17 and R3,686 crore in 2015-16. In spite of the major share in bank loan disbursement and coverage of SHGs in credit linkage, the Southern Region could manage to keep the NPA level lowest at 4.46 per cent, almost at the same level as in previous year. All other Regions have the NPA rate on loans to SHGs more than the all India level. Central Region has the highest NPA level with 24.7 per cent. Eastern Region and North Eastern Region have successfully reduced the NPA level during the year by 106 bp and 178 bp respectively. The overall NPA position in Eastern Region declined to 7.17 per cent from 8.95 per cent in 2016-17. The fall in Eastern Region was attributed to West Bengal where the gross NPA amount declined by 15 crore. Fall in the Gross NPA amount was also observed in other states

like Rajasthan, Himachal Pradesh, Madhya Pradesh, Assam, Nagaland, and Jharkhand. This hints towards a better recovery of bank loans to SHGs in these states.

During 2017-18, 25.86 percent of total SHGs, were provided with institutional credit, highest so far in a single year. Banks disbursed Rs.47,186 crore loans to 22.61 lakh SHGs during the year, as compared to 18.98 lakh SHGs during 2016-17. The number of SHGs availing bank loan during the year was more than the previous year in case of all Regions except Central Region, which recorded a decline mainly due to a fall in the number of credit linkage of SHGs in Chhattisgarh and Madhya Pradesh. Against one in every four SHGs on an average at all India level, one in every three SHGs in Southern Region and Eastern Region have availed bank loan during the year whereas in other regions, the credit coverage of SHGs was much less (ranged between 7.21percent and 11.75percent) as compared to the national level. This implies a lesser degree of repeat finance is happening in the states in Northern, North Eastern, Central and Western Regions.

Credit linkage of SHGs during the year was high in Southern states like Telangana, Karnataka, Andhra Pradesh and Kerala. Some other states like Jammu & Kashmir, West Bengal and Bihar also have high credit linkage during the year. Low credit linkage in North Eastern states and some priority states like Uttar Pradesh, Gujarat, Rajasthan, Madhya Pradesh, Chhattisgarh, etc. remains a concern. In states like Chhattisgarh, Madhya Pradesh, Gujarat, Andhra Pradesh, Tamil Nadu, etc., the number of SHGs provided with bank loan during 2017-18 was lesser than the previous year. On the other hand, as compared to previous year, more number of SHGs were provided bank loan during 2017-18 in states like Jammu & Kashmir, Jharkhand, Odisha, Bihar, West Bengal, Karnataka, Kerala, Maharashtra, etc

During 2017-18, about .Rs.47,186 crore of bank loan was disbursed as against Rs.38,781 crore in the previous year. There was an increase of 22.0 percent in the total amount of loan disbursed by banks to SHGs during the year as compared to 2016-17. The quantum of loan disbursed to SHGs was lower than the previous year in Central and Northern Regions where as all other regions witnessed a rise in it.

The dominance of Southern Region in disbursement of bank loans to SHGs continued during 2017-18 also. It accounted for more than half of the total

number of SHGs availing credit during 2017-18 across the country and almost three-fourths of the total credit disbursed to SHGs during the year. Eastern Region followed Southern Region with a share of 32.0 percent of number of SHGs and 19.0 percent of loan disbursement while all other four Regions together accounted for 12.6 percent SHGs and 6.4 percent of total loan disbursed during 2017-18

The average loan disbursement per SHG during 2017-18 was Rs.2.09 lakh, a slender rise of 2.0 percent from Rs.2.04 lakh the previous year. Southern Region however continued to have the distinction of having highest per SHG average credit disbursement of R2.79 lakh with a marginal rise over previous year. North Eastern Region (4 percent) and Eastern Region (33 percent) also recorded a rise in the average credit disbursement whereas Northern Region (-15percent), Central Region (-3percent), and Western Region (-14percent) have witnessed a fall in it during 2017-18 as compared to the previous year

## **Conclusion**

The financial sector in India has grown rapidly in the last three decades and more. Inclusive growth policy provides immense scope for the reform of the financial sector towards rural development. Financial inclusiveness in India has been the trend since independent and is clear from the fact that we have expanded institutional net work with multiagency approach. From every Five year Plan it is visible that encouragement for including rural people in the main stream of economy was the major agenda. But achievements are not up to the expectations due to various reasons.

After new economic policy of 1991, things have changed. Money and banking activities underwent changes tuning with the new environment. This made us to feel that there is a need to modify the credit delivery system of the banks and other related institutions to meet the credit requirements of marginal and sub-marginal farmers in the rural areas in a fuller measure in the changed environment. And microfinance activities are doing well but major areas of our country are to be included in it.

Credit retailing policy may be used to include vulnerable sections of the society. Rural poor, small and marginal farmers, women both in rural and urban areas need to be target of financial services. That would make those sections of the society more productive entrepreneurs.

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# Opportunities and Challenges For Women Entrepreneurship in Rural India

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## Abstract

*Entrepreneurship Development in rural area is a vital aspect in the economic growth of any country and development women entrepreneurship in rural area is an important part of such entrepreneurship development. Rural women commonly have the primary responsibility of agricultural production, in addition to domestic responsibilities and childcare. In India, entrepreneurship among women is of recent beginning. Family back ground is an important factor that influences the woman to start their own business. Women entrepreneurs have started showing more interest as it provides them an opportunity to be their own boss. Though, they are working very efficiently, they have many barriers such as, lack of funds, family problem, family responsibilities, various norms and traditions etc., in starting and running their own business This paper tries to analyse the opportunities and problems faced by the women entrepreneurs in the rural area and suggest the measures to overcome those problems and challenges.*

**Keywords:** Women entrepreneurship, Rural development, Rural economy.

## Introduction:

In developing economies, the small savings of rural areas are contributing more in establishing the small and micro enterprises in India. In the light of demise of rural artisanship, entrepreneurship has been given much importance as well as empowerment also. The women empowerment has been important role of Governments and other non-governmental organizations. The women are endowed with innate power that can make them successful entrepreneurs. Women entrepreneurship is inherent and also a natural process. Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries, which have lesser percentage of them

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in the society. The ranking of India on parameter of women entrepreneurship according to the Global reports is also very dismal. According to the "Female Entrepreneurship Index Report", 2015 compiled by Global Entrepreneurship Development Institute, India ranked 70 with a low score of 25.3 among 77 countries studied. India lags behind even African countries, According to the Global Entrepreneurship Monitor Report on Women's Entrepreneurship 2016-17, India needs a lot of improvement as far as women entrepreneurial activity is concerned. Now women have taken up entrepreneurial role in order to create a meaning for themselves. The traditional roles of housewives are gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income. When proper exposure, education and knowledge are imparted to them, Indian women will prove themselves to be highly potential productive force for the development of the nation.

### **Objectives:**

- To understand the concept of rural women entrepreneurship
- To study the opportunities for the women entrepreneurs in rural India
- To identify the problems faced by rural women entrepreneur.
- To make suggestions for the improvement in the present conditions of women empowerment

### **Review of Literature:**

**Jitendra Ahirrao & M.N. Sadavarte (2010)**, mentioned that dual role of women is the major constraint of women entrepreneurs, male domination, lack of economic freedom, absence of family encouragement, problems of public relation, Lack of exposure, No risk bearing capacity, Lack of self-confidence and fear of social security. Women assume too many roles in a family. She has to be a mother for her children and a housewife to the rest of the family. The serious barrier to women entrepreneurs is the persistence of the belief held by both men and women is that, the entrepreneurship is a male domain. It is also mentioned that the family members do not encourage women when they start an enterprise. At a time, the entire family stands as one side against the women member. There is a general feeling that women may not have risk bearing capacity, self-confidence and they may have the fear of social security to travel and involve in business dealings during nights and odd hours.

**Ghosh and Cheruvalath (2007)** studied the female entrepreneurs as important catalysts for economic growth and development in India. The study further examines the current status of female entrepreneurs in the country. The study discussed many challenges faced by women entrepreneurs, for instance, low level of education and socio-cultural restrictions. The study also gave suggestions to improve entrepreneurship in women like accurate training, inculcating an entrepreneurial attitude in them, 'attribution augmenting', understanding their entrepreneurial inspiration, and, most significantly, removal of discerning social duties compulsory to them.

**Mehta and Mehta (2011)** studied the opportunities and challenges of rural female entrepreneurs in Silli, Jharkhand, India and found that the main challenges faced by rural women in business are educational and work background. The study further indicated that various State Small Industries Development Corporations, the nationalized banks and even NGOs are organizing various programmers for development of women entrepreneurs.

**Chanchan (2013)** identified and analyzed the pull and push factors associated with the development of women entrepreneurs in Manipur and found that irrespective of education level and income group, the financial constraints are the main reasons for women taking up entrepreneurship.

**Ogundele (2004)** Entrepreneurship is considered the processes of emergency, behaviour and performance of entrepreneur. An Entrepreneur can be developed through formal education, entrepreneurial training and development. Entrepreneurship requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. The essential ingredients include willingness to take calculated risks in terms of time, equity, or career; ability to formulate an effective venture team; creative skill to marshal needed resources; fundamental skill of building a solid business plan; and, finally, vision to recognize opportunity where others see chaos, contradiction, and confusion. Many business entrepreneurs around the world have exploited the environment with impunity, without any thought of sustainability. Entrepreneurs seek growth and profit within the business world. They are constant innovators and always are trying to capture larger market shares in the competitive marketplace.

**Sangita Kamdar, (2002)** in the study "Women and Economic Development" highlighted that women's development is blocked by the

gender rotted segregation in occupations. This segregation has not usually decreased and it remains a central issue to women's economic development though education has helped to bridge the gap to certain extent. The only way to reduce gender inequality is by making her more independent in various fields through education and skill formation.

**Sakthi Dasgupta (2003)** in her study "Women organizing for Socio Economic Security" found that organized women workers of SEWA are better off than their non-organised counter parts in areas of access to credit, training as well as access to loan for housing and health insurance, whereas women in formal economy is characterized by poor working condition, credit problems, lack of legal protection and concluded that organized women workers could have beneficial impact on their work and life.

### **Entrepreneurship:**

Entrepreneurship refers to the act of setting up a new business or energizing an existing business so as to take advantages from new opportunities. Entrepreneurs shape the economy by creating new prosperity and new jobs and by inventing new goods and services. An insight study reveals that it is not about making capital, having the best ideas, knowing the best sales field applying the best marketing plan. It is in reality an approach to make something new and an activity which creates value in the entire social ecosystem.

### **Women entrepreneurship:**

Government of India has defined women enterprise as an enterprise which is owned and controlled by females, with a minimum 51 per cent of the capital, and working with at least 51 percent female employees. Development of the nation depends to a great extent, upon the prosperity of its women.

The concept of women entrepreneurship is becoming a global trend playing an essential role in the business area. In India, women have made relatively late entry into business scenario mainly due to the traditional socio-cultural environment. Though women face various problems in the process of establishing, developing and running their enterprises, there is a great scope for their development in India, especially in rural areas where more women are engaged in making development oriented programmes.

### **Advantages of Rural Women Entrepreneurship:**

It is essential to note the involvement of women in economic activities as self employed individuals. Many of the traditional occupations open to women are mainly based on caste, creed and the nature of self-employment is based on the standard of living. At present, women are generating employment for themselves in unorganized sectors and other category of women provides employment for others. The country needs to mobilize and utilize fully all its resources including human resources. The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of a society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long - term objectives of the development programmes for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due respect has to be accorded to the role and contribution of women in the various social economic and political and cultural activities.

### **Opportunities for Rural Entrepreneurs**

There is generous evidence to advise that if more women are motivated and given the essential support and help for becoming entrepreneurs, they would contribute successfully in running possible commercial enterprises. There are several schemes and plans both by the centre and the state governments at different levels for the support to rural women entrepreneurs in India. In 1999-2000, the Government of India launched "Swarana Jayanthi Grama Swarozgar Yojana" programme for promoting poverty alleviation through self-employment and the organization of poor into Self-Help Groups (SHG). Loans sanctioned under this scheme are treated as medium-term loans. The SHGs have given a new lease of life to the women in villages for their social and economic empowerment. There is national policy for creating an environment through positive economic and social policies for full development of women to enable them to realize their full potential. These policies provide opportunities of equal access to participation and decision making of women in social, political and participation in economic progress of the nation. There are diversified occupational training programmes for women by ministry of labour and

employment. Also the Central Government has established regional vocational training institutes for development of entrepreneurial skills.

Following are some of the programmes to improve the entrepreneurship in India :

- Swarnjayanti Gram SwarozgarYojana (SGSY)
- SampoornaGrameenRozgarYojana (SGRY), including Food Grains Component
- Assistance for Rural Employment Guarantee Schemes
- National Social Assistance Programme (NSAP)
- National Rural Employment Guarantee Act (NREGA)
- National Food for Work Programme (NFWP)
- National Common Minimum Programme (NCMP)
- Credit Support Programme
- Rajiv Gandhi Udyami Mitra Yojana
- Prime Minister's Employment Generation Programme
- Work-shed Scheme for Khadi Artisans

### **Problems for Rural Women Entrepreneurs**

The main problem that women face is balancing their time share between family and career, challenges of raising initial capital, Difficulty in borrowing finance. Throat-cut completions, rare existence of small companies, an overall mental barrier on the part of banks, suppliers, and customers alike, are a few of these problems.

### **Shortage of Raw Materials:**

Due to poor road connectivity and poor shipping, it is quite difficult to make it available the raw materials all the time in rural areas. Availability of raw materials is a vital element of entrepreneurship. Women entrepreneurs in rural areas truly face a tough task in getting the required raw materials and other required inputs for the enterprises.

### **Male Dominated Society:**

In our constitution there is equal rights for men and women but in real sense equality does not exist in rural areas. Women are being ignored in many spheres of life. Women are not treated equal to men, as long as the people in rural areas have a set attitude that women are only for household work. Entrepreneurship has traditionally been seen as a male dominated area. All

these put a brake to the development of women entrepreneurs. Thus male entrepreneurs have become a problem in the success of women entrepreneurs.

### **Problem of Funds:**

Women entrepreneurs experience a lot difficulty in raising and meeting the financial needs of the business. Bankers, creditors and financial institutes are not coming forward to provide financial assistance to women borrowers on the ground of their less credit worthiness and more chances of business failure. They also face financial problems due to obstacle of funds in raw materials, work-in-progress finished goods and non-receipt of payment from clients on time etc.

### **Competitions in Business:**

In the area of technology, women entrepreneurs face a lot of problems and challenges. Generally women entrepreneurs do not use heavy machinery in the process of production. In a market where the competition is too high, they have to fight hard to survive in the field against the organized sector and their male counterparts who have huge experience and ability to adopt advanced machinery in managing enterprises.

### **Community Barriers:**

The customs and traditions prevalent in Indian society towards women sometimes stand as a problem before them to develop and prosper. Castes and religions control with one another and hinder women entrepreneurs too. In rural areas, they face more social barriers as they are always seen with suspected eyes.

### **Low level of Education:**

Women in India are lagging behind in the field of education. Even after more than 71 years of independence many women are still uneducated. Those who are educated are provided either less or insufficient education than their male counterpart due to early marriage, household tasks and poverty. Due to lack of good education, most women entrepreneurs remain in dark about the development of new technology, new methods of production, marketing, networking and other governmental support which will encourage them to rise in the field of management.

### **Suggestions to Overcome the Problems:**

1. Government should give financial aid to women entrepreneurs so that they do not face any financial difficulties in starting their business.
2. Better infrastructural facilities should be provided to help women in establishing their enterprise easily and quickly.
3. Training programmes to women entrepreneurs should be conducted to enhance their entrepreneurial skills and abilities which help them in day to day implementation of business.
4. Top ranking women entrepreneurs must be felicitated so that more women are encouraged and motivated to pursue such careers.
5. Provision for better educational facilities should be provided starting from school and further for higher education and also some professional studies.
6. Women Entrepreneurs' Guidance cell should be opened in all cities to handle problems related to day to day functioning like production, marketing, and distribution problems.
7. Several legal policies and regulations for the setup of an enterprise by women must be simplified to help women entrepreneurs in establishing their business and getting speedy approval regarding several legal formalities.
8. Facilities for marketing and sales should be provided through government agencies so that women entrepreneurs are not cheated by middle men.

### **Conclusion:**

Rural women entrepreneurs face lots of problems like business and family conflict, economic crisis, illiteracy, lack of infrastructure, lack of visibility and management, lack of information and support, low risk bearing capacity, lack of training and development, mobility constraints, high level of fraud, male dominated society etc. In spite of these problems, women entrepreneurs can do wonders by their effective and capable involvement in entrepreneurial activities. Increased involvement of women in the labor force is a requirement for improving the position of women in society. Particularly the entry of rural women in micro enterprises should be encouraged and motivated. Actually, the need of the hour is the supply of knowledge about accessibility to loans, various financial support agencies procedure regarding documentation, awareness on government welfare programmes, motivation, technical skill and support from family,

government and other organization etc. The ratio of higher educational status is very low in women entrepreneurs. Lack of awareness about girls education is the cause of low educational status in rural areas. So families should help girls to educate themselves for a better decision making, responsiveness, confidence, self-independence and bright future. Women entrepreneurs should try to start their businesses with sufficient funds, exploring the product and services, search the new markets, association and consult with professionals for solve these difficult.

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# **Role of Social - Media in Creating Awareness about Environmental Conscious Consumerism**

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## **Abstract**

*Globalization and economic growth has led to substantive changes in consumption behaviour; strategies of production and technology revolution with the wide spread of internet usage and its acceptance among consumers. In this scenario social media has emerged as a platform of electronic communication through sharing of knowledge, ideas and user generated contents through networking and blogging. The attitude of environmental conscious consumerism becomes more and more important nowadays. The environmental conditions of the world have been worsening in the areas of climate change, the problem of waste disposal, increasing pollution, etc. The attitude of environmental conscious consumption is manifested in rational consumer purchases who attempt to use his or her purchasing power to bring about social change in an environment. Therefore over the years, the Social Media playing a vital role towards educating and creating awareness about the environmental challenges, eco-friendly products and generating sustainable initiatives to protect our planet. This paper is an attempt to understand the role of social media in creating awareness about environmental conscious consumerism. The information required for the study has been collected from both primary and secondary sources. Average and percentage analysis was carried out to draw meaningful interpretation of results.*

**Keywords:** Social media, Environmental Conscious Consumerism, Environment Condition

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## **Introduction**

Environment is a basic need for all living beings for the survival and growth. Unless the environment is protected, the existence of life on the planet Earth would be impossible. That is why environmental issues have become globally important. The environmental conditions of the world have been worsening on account of climate change, increasing pollution, the problem of waste disposal, etc. In the past decades, sustainability and environmental awareness have gained media attention. In these days, due to increasing media coverage, our society is becoming more aware of the effects that our activities put on the health of the environment. In this regard the media has a big role to play in making people aware of environmental issues and taking actions to protect the environment. The attitude of environmental conscious consumption is manifested in rational consumer purchases who attempt to use his or her purchasing power to bring about social change in an environment. Therefore over the years, the Social Media playing a vital role towards educating and creating awareness about the environmental challenges, eco-friendly products and generating sustainable initiatives to protect our planet.

## **Social-Media**

Social media is a computer-based technology that facilitates the sharing of ideas and information and the building of virtual networks and communities. By design, social media is internet based and offers users easy electronic communication of personal information and other content, such as videos and photos. Due to the continuously developing internet marketing industry, there are countless digital media and social networking sites, all of which have a unique characteristic and purpose. Few examples of social media networking are Facebook, Twitter, WhatsApp, Instagram, LinkedIn, Youtube, Pintrest, Snapchat etc.

## **Consumer Awareness**

Consumer awareness refers to the knowledge consumers have about products or services and their rights as consumers. At the basic level,

this means developing an awareness of products or services, and understanding the rights a consumer has regarding a malfunctioning product. As consumer awareness increases, the consumer may become familiar with ways in which to use a product or service, the benefits or drawbacks of a specific product or service, or reviews or recalls of a product or service. In large part, this awareness comes through the media, both by advertising and through news stories about products or services.

### **Environmental Conscious Consumerism**

A conscious consumer is an agent of change who considers the social, environmental, ecological, and political impact of their boycott and boycott actions (Jaya Ramchandani). An Environmental Conscious consumers, tries to make decisions that are beneficial not only to themselves but to the world. The decisions reflect in core values: the belief in justice, fairness and ecological responsibility. A conscious consumer, tries to see through the fog of advertising and think about it while buying products. Businesses will adopt more environmentally friendly strategies to keep up with consumer demands. Companies that are not sustainable are often boycotted by conscious consumers and are forced to exchange their business model to keep a share of the market.

### **Literature Review**

**Nalewajek Monika and Maćik Radosław** (2013) observed the role of social media in building awareness of responsible consumption. The study reveals that, responsible consumption in times of changes in both- economic and ecological phenomenon- is very important, but complex. Appropriate use of social media communication can affect change of attitudes through behaviour change, increased awareness, increased involvement and the continuous spread of the information. Therefore, in shaping responsible consumption in offline world could be ineffective and using social media can be beneficial.

**Khan Aseen** (2016) confirmed that, media has always covered social and environmental issues and it is the most revolutionary device for spreading consciousness towards environment protection. The media can be an instrument in breaking the silence that surrounds the environmental problems and in creating an environment that encourages discussions of how the community can participate and change their behavior. However, the level of involvement of the media in the country to address environmental challenges is only event based.

**Carla Macotela** (2016) studied that, mass media can manipulate the audience's consciousness about realities and ideologies. Social media gives an audience the opportunity of providing better feedback to the sender, to avoid the noise around the message and to become not only the receiver but a sender as well. Social media and mass media's new technology might be revolutionizing the cycle of communication, transforming what was once a one-way channel into a two way communication channel.

**Aindrila Biswas** (2016) analyzed the impact of social media usage factors on green consumption behavior based on technology acceptance model. It is clear from the study that, technical or operational barriers associated with social media may hinder the usage and adoption process thus necessitating the need to provide more user-friendly interface to the users. Companies adopting environment-friendly production and practices may provide awareness for environmental issues through various social media platforms and content communities as a part of their environmental responsibility or responsiveness measure.

**M. Nick Hajli** (2014) studied the impact of social media on consumers. Social media offer different values to firms, such as enhanced brand popularity, facilitating word-of-mouth communication, increasing sales, sharing information in a business context and generating social support for consumers. In addition, the networking of individuals through social media provides shared values, leading to a positive impact on trust. The research shows how social media and social factors influence trust and intention to buy through social networking sites.

**Dr. Irfan Hameed** (2018) explores the relationship between eco labels and eco conscious consumer behavior for green products. Eco labels are the essential sources of information regarding products' features and focus on providing information about less detrimental effects of green products on environment. The research highlights the positive impact of eco labels on consumers' eco conscious behavior. It revealed that consumers are adaptive towards eco-labels and get influenced by the benefits associated with the products that lead to green products consumption.

**Williams and Petrosky** (2014) studied the Green Sustainability and New Social Media. Many organizations are adopting "green" initiatives in order to meet public demand and to draw positive market attention and results. New social media channels are analyzed as possible alternatives to traditional and overly simplified news channels as a means to inform the interested public concerning the complex nature of true green before greenwashing has a chance to create cynicism and disengagement. Therefore, it is worth it to invest in social media, it must be done correctly and consciously.

**Dr. Mousumi Roy and Biswas** (2014) studied the Impact of Social Medium on Green Choice Behavior. The study reveals that social media usage perceptions were adapted from Technology Acceptance Model. Green blogging has substantial impact on green choice behavior. The sustained users of social networks or green blogs tend to be more inclined to green purchase intention than the occasional users. However, with extensive affluence in social networking practices may motivate consumers' to rely on information pertaining to environmental and sustainability issues.

## **Research Design**

### **Objectives of the Study:**

1. To understand the motive behind the usage of ecological friendly products.

2. To analyze the factors responsible for creating conscious consumers.
3. To study the role of social media in creating awareness about environmental consciousness.

### **Hypothesis:**

Based on the objectives stated above, the following research hypotheses are formulated.

**H<sub>01</sub>:** There is no significant relationship exists between awareness about eco-friendly products and socio-economic factors of consumers.

**H<sub>02</sub>:** There is no significant relationship exists between awareness about different dimensions of eco-friendly products and socio-economic factors of consumers.

### **Research methodology:**

This research is descriptive in nature. For study purpose both primary and secondary data collection method have been adopted. The primary data includes structured questionnaire method and also interview with customers for which 100 samples were collected by using random sampling technique from various parts of Karkala Taluk of Udupi District. The Secondary data are collected from different newspapers, articles, journals and web sites.

### **Limitations of the study:**

1. The data collection has been restricted to certain areas within the Karkala Taluk of Udupi District. Hence, the results of the study may fail to represent the actual scenario of the whole country. It is assumed that samples selected will truly represent the population.
2. The accuracy of the analysis heavily relied on the data provided by the people who actively involved in social media networking.

### **Data Analysis and Interpretation**

The analysis of the data collected and its interpretation are presented below:

#### **Demographic profile of the respondents**

Demographic profile of the respondents includes gender, age, education qualification and monthly household income are given in the Table 5.1

**Table 1**  
**Demographic Profile of the Respondents**

Demographic profile		No. of respondents	Percentage
<b>Gender</b>	Male	43	43
	Female	57	57
<b>Age</b>	15-24	38	38
	25-34	25	25
	35-44	16	16
	45-54	12	12
	55 and above	09	09
<b>Education Qualification</b>	S.S.L.C	11	11
	P.U.C	16	16
	Graduation	32	32
	Post Graduation	29	29
	Other	12	12
<b>Monthly Household Income</b>	Below 10000	21	21
	10000-20000	37	37
	20000-30000	18	18
	30000-40000	14	14
	Above 40000	10	10

Source: Primary data

N=100

**Interpretation:** From the above Table, it is clear that 43 percent of the respondents are male and 57 percent of the respondents are female. A good majority of respondents (38 percent) are belongs to the age group of 15-24, 25 percent of the respondents are belongs to the age group of 25-34, 16 percent of the respondents belongs to the age group of 35-44, 12 percent of the respondents are belongs to the age group of 45-54 and remaining 9 percent are 55 and above. 32 percent respondents are Graduates, 29 percent are Post Graduates, 16 percent are PUC, 12 percent studied other courses and 11 percent of the respondents completed SSLC education. 21 percent respondents hold below Rs.10000 monthly household income, 37 percent are earns Rs.10000-Rs.20000, 18 percent are earns Rs.20000- Rs.30000, 14 percent are earns Rs.30000-Rs.40000 and remaining 10 percent earns above Rs.40000 monthly income.

**Table 2: Awareness about Eco-Friendly Products**

Particulars	Response	Percentage
High	44	44
Average	39	39
Low	17	17

N=100

Source of Data: Survey

**Interpretation:** From the above table it is clear that, 44 percent of respondents have high awareness, 37 percent of the respondents have average awareness and remaining 17 percent of the respondents have low awareness about eco-friendly products.

**Table 3: Motive behind the Usage of Ecological Friendly Products**

Particulars	Response	Percentage
Concern for Health	35	35
Concern for status	12	12
Concern for the environment	29	29
To use better quality products	24	24

N=100

Source of Data: Survey

**Interpretation:** From the above table it is clear that, 35 percent of the respondents agreed that motive behind using ecological product is concern for health, 29 percent of the respondents have concern for the environment, 24 percent of the respondents are quality concern and remaining 12 percent of the respondents using for their status. It shows that people are more health conscious while buying a product.

**Table 4: Awareness about Ecological Products and their benefits through Social-media**

Particulars	Response	Percentage
Facebook	52	52
Instagram	11	11
WhatsApp	20	20
Twitter	2	2
You tube	15	15

N=100

Source of Data: Survey

**Interpretation:** From the above Table it is clear that, 52 percent of the respondents agreed that Facebook is playing vital role in creating awareness among people, 20 percent of the respondents agreed that WhatsApp is creating awareness, 15 percent of the respondents gets information from Youtube, 11 percent of the respondents gets information from Instagram and remaining 2 percent of the respondents gets awareness from Twitter about ecological products.

**Table 5: Perception about Environmental Friendly Products**

Particulars	Response	Percentage
Facebook	52	52
Green Certification	18	18
Recyclable or reusable material/packaging	31	31
Natural ingredients/organic	34	34
Non toxic	03	03
Not tested on animals	14	14

N=100

Source of Data: Survey

**Interpretation:** From the above Table it is clear that, 31 percent of the respondents perceive that environmental friendly means product must have natural ingredients or organic, 31 percent of the respondents think that product must have recyclable or reusable material, 18 percent of the respondents perceive that product must have green certificate, 14 percent of the respondents expecting that product should not be tested on animals and 3 percent of the respondents perceiving the non-toxic products are called as environmental friendly.

**Table 6: Factors Responsible for Creating Consciousness in Consumers**

Statement	N	Mean
I prefer ecological products because I want to contribute in saving my planet earth.	100	3.92
I prefer to buy products made or packaged in recycled materials.	100	3.85
I prefer to buy products in packages that can be refilled.	100	4.03
I would purchase ecological products if they are easily available.	100	4.82
There must be some certification which confirms that the product is environmental friendly.	100	4.41
Labels of environmental products should be self explanatory to explain its green content.	100	3.62
Consuming ecological products is a remedy for environmental problems	100	4.27
Valid N (listwise)	100	

Source: Primary Data

N=100

**Interpretation:** The average 4.88 respondents purchase ecological products if they are easily available. Average 4.41 respondents are verifying the certifications which confirm that the product is environmental friendly. Average 4.27 respondents are consuming ecological products as a remedy for environmental problems; Average 4.03 respondents prefer to buy products in packages that can be refilled. Average 3.92 respondents are considering as contribute in saving planet earth. Average 3.85 respondents prefer to buy a product which made or packaged in recycled materials. Average 3.62 respondents are considering self explanatory lables to explain green contents of ecological products.

**Table 7: Social Media creates Awareness about Different Dimensions of Eco- Friendly Products**

Statement	N	Mean
It creates awareness of the benefits of ecological products for health	100	4.33
It creates awareness of the benefits of ecological products for the environment	100	3.66
It creates awareness of climate pattern of the earth has been changing because of the damage caused,	100	3.45
It creates awareness of various brands offering ecological product	100	4.28
It creates awareness of various symbols / certifications / other identifiers which declare the product as ecological product	100	3.43
Valid N (listwise)	100	

Source: Primary Data

N=100

**Interpretation:** The average 4.28 respondents got awareness of various brands, average 4.33 respondents got awareness about benefits of ecological products for health, average 3.66 respondents got awareness of the benefits of ecological products for the environment, average 3.45 respondents got awareness about climate pattern of the earth, average 3.43 respondents got awareness about various environmental product symbols/certificates from social media.

### Hypothesis Testing :

**H<sub>01</sub>: There is no significant relationship exists between awareness about eco-friendly products and socio-economic factors of consumers.**

## The consumers belonging to different socio-economic levels and awareness about eco-friendly products

**Table 8 Gender and Awareness about Eco-Friendly Products**

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Awareness	Male	43	1.6957	.83983	.12383
	Female	57	1.7593	.64238	.08742

### Comparison of Awareness between Male and Female

T value	P value
10.074	0.002

The p value  $[0.002] < 0.05$ . It means the interests of male and female respondents are entirely different. Therefore there is a significant relationship exists between the male and female respondents awareness towards eco-friendly products. Therefore null hypothesis is rejected.

**Table 9 Age and Awareness about Eco-Friendly Products**

Age	Number of Respondents	Mean	Std. Deviation
15-24	38	1.6842	.73907
25-34	25	1.6000	.81650
35-44	16	1.6875	.47871
45-54	12	2.2500	.75378
55 and above	09	1.6667	.70711
Total	100	1.7300	.73656

### Relationship between Age and Awareness

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.812	4	.953	1.814	.132
Within Groups	49.898	95	.525		
Total	53.710	99			

The p value  $[0.132] > 0.05$ . It means there is no relationship exists between age of the respondents and awareness about eco-friendly products. Nowadays all age group of peoples are showing interest towards social media sites. Regardless of their age, everyone is utilizing their leisure time in social medial communication. Therefore, null hypothesis is accepted for this reason.

**Table 10 Education and Awareness about Eco-Friendly Products**

Education Qualification	Number of Respondents	Mean	Std. Deviation
S.S.L.C	11	1.9167	.90034
P.U.C	16	1.8750	.71880
Graduation	32	1.6129	.76059
Post Graduation	29	1.7586	.73946
Other	12	1.5833	.51493
Total	100	1.7300	.73656

**Relationship between Education and awareness**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.461	4	.365	.664	.618
Within Groups	52.249	95	.550		
Total	53.710	99			

The p value  $[0.618] > 0.05$ . It means there is no significant relationship exists between education of the respondents and awareness about eco-friendly products. The usage of social media does not relate to the educational qualification of respondents. Even less educated people also taking the advantages of social media sites and have awareness about availability of eco-friendly products. Therefore null hypothesis is accepted.

**Table 10 Monthly Income and Awareness about Eco-Friendly Products**

Education Qualification	Number of Respondents	Mean	Std. Deviation
Below 10000	21	1.8571	.72703
10000-20000	37	1.7568	.76031
20000-30000	18	1.7222	.75190
30000-40000	14	1.4286	.64621
Above 40000	10	1.8000	.78881
Total	100	1.7300	.73656

**Relationship between Income and awareness**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.688	4	.422	.771	.547
Within Groups	52.022	95	.548		
Total	53.710	99			

The p value  $[0.547] > 0.05$ . It means there is no significant relationship exists between monthly household income of the respondents and awareness about eco-friendly products. The social media usage cost is very less and it is easier to open an account in social media sites. Therefore, null hypothesis is accepted.

**$H_{02}$ : There is no significant relationship exists between awareness about different dimensions of eco-friendly products and socio-economic factors of consumers.**

**The consumers belonging to different socio-economic levels and awareness about different dimensions of eco-friendly products**

**Table 12 Gender and Awareness towards Different Dimensions of Eco-Friendly Product**

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Different Dimensions of Social Media	Male	47	19.3043	2.20977	.32581
	Female	53	19.0185	2.15871	.29376

**Comparison of Awareness between Male and Female**

T value	P value
0.015	0.902

The p value  $[0.902] > 0.05$ . It means there is no significant relationship exists between gender and awareness about different dimensions of eco friendly products. This shows that gender of the respondents does not play vital role in creating awareness about particular dimensions of eco-friendly products. Therefore null hypothesis is accepted.

**Age and Awareness towards Different Dimensions of Eco - Friendly Product**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.179	4	.545	.111	.978
Within Groups	466.571	95	4.911		
Total	468.750	99			

The p value  $[0.978] > 0.05$ . It means there is no significant relationship exists between educational qualification of the respondents and awareness about different dimensions of eco-friendly products. The usage of social media sites are not depend on the age of the respondents. Therefore, null hypothesis is accepted.

**Table 13 Education and Awareness towards Different Dimensions of Eco-Friendly Product**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	44.387	4	11.097	2.484	.049
Within Groups	424.363	95	4.467		
Total	468.750	99			

The p value  $[0.049] < 0.05$ . It means there is significant relationship exists between educational qualifications of the respondents towards awareness about different dimensions of eco-friendly products. The increase in education qualifications brings more responsibility and concern among the people towards environmental issues. They will become more conscious while purchasing products and communicating the eco-friendly product information to others. For this reason null hypothesis is rejected.

**Table 14 Monthly Incomes and Awareness towards Different Dimensions of Eco-Friendly Product**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	64.449	4	16.112	3.786	.007
Within Groups	404.301	95	4.256		
Total	468.750	99			

The p value  $[0.007] < 0.05$ . It means there is significant relationship exists between monthly income of the respondents towards awareness about different dimensions of eco-friendly products. The higher income people are having more conscious regarding their health and quality of the products. Therefore they search more awareness about particular dimension of eco friendly product. For this reason null hypothesis is rejected.

## **Findings**

1. The study shows that 57 percent respondents are female respondents.
2. The study reveals that 38 percent of respondents belong to the age group of 15-25. It is clear that, youngsters are actively using many social media sites.
3. The study shows that 37 percent of respondents belong to the monthly household income group of Rs. 10000- Rs.20000. It means majority of the respondents belong to middle income group.
4. Study reveals that, 32 percent of the respondents have completed their graduation. It means most of the educated people actively use social media networking and it plays vital role in influencing people towards environmental consciousness.
5. Based on the study it is clear that 44 percent of the respondents have high awareness about eco-friendly products and 39 percent of the respondents have average awareness. It shows that, people are having awareness about environmental friendly products but usage of those products is less in day to day life.
6. It is clear from study that, 35 percent of respondents agreed that motive behind purchasing ecological product is health consciousness. It shows that people watch more health related information in social media sites and they consider health is supreme than environment.
7. The study shows that, 52 percent of the respondents are using Facebook. Youngsters are frequently visit and influenced from Facebook which made them to gain more information about environmental issues.
8. Study reveals that 34 percent of the respondents have a perception that ecological product must be organic and should have natural ingredients. So people prefer only those products which are stressed upon organic in their advertisement.
9. It is clear from study that, average 4.82 respondents consider the easily available ecological products are a main factor influencing people buying. So people consider only those eco-products which are easy and regularly available in all the stores.
10. The study reveals that, average 4.33 respondents agree that social

media sites create more awareness about effect of eco-friendly products on health issues. This means social media sites are showing more health related information.

11. The study shows that respondents are having high awareness about eco-friendly products. But when it comes to awareness of different dimensions, it has close relationship with education and monthly income.
12. The study clears that, there is a significant difference between male and female respondents awareness towards eco-friendly products.
13. It is clear from study that, consumers awareness about eco-friendly product does not depends on their age, education qualification and monthly household income.
14. The study reveals that, the social media awareness about different dimensions of social media does not depend on gender and age of the respondents.
15. The study shows that, educational qualification and gender plays vital role in awareness about different dimensions of eco-friendly products. Therefore it is purely depends on their interest and economical condition.

## **1 Suggestions**

1. Social Media is a main driving force in influencing consumer's intention to purchase products or brands. Therefore, eco-product Companies must try to create more awareness about their products through social media.
2. Social Media is one of the important sources for specific type of information both positive [trust] and negative [risk] view of the users. So, users must write their opinion in social media which would helpful for spreading transparency and reality of the product to others.
3. Most of the consumers are conscious regarding their health; they give least importance to environment. Therefore it is a responsibility of social media to bring awareness on eco-friendly products.
4. Most of the people do know about organic products but they are unaware of green certificate which is essential to understand the

authenticity of the product. Therefore with the help of social media people can get the information about authenticity certificates of green products.

5. Environmental protection and sustainability of planet earth must be the priority of human beings. Hence, social media can create awareness amongst the youngsters regarding sustainability of the earth.

## Conclusion

The concern about ecology can be created with the help of social media which creates awareness among the users about ecological damages, concern about pollution and environmental friendly products. But the awareness creation for the protection of the environment and the sustainable use of finite resources are the matters that directly concern each citizen. The social media can be an instrument to create awareness about environmental problems and in creating an environment that encourages discussions of how the community can participate and change their behavior. Appropriate usage of social media networking can spread the idea of 'reduce, reuse, recycle' and the continuous spread of different ideas virally reaching new people. Furthermore, people have more awareness about eco-friendly products but easy availability of those products is limited. Again consumers have more price consciousness, so they are not ready to spend more money for eco-friendly products. Therefore in India, civil society has now started demanding that the government, industry and people at large, should put the planet first, people second and profit later.

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# Role of MUDRA Scheme in the Growth of Entrepreneurship: A Study in Relation to Present Scenario

Ms. Civia Dmello

## **Abstract**

*In a developing country having a large population like India, small business plays an important role not only in contributing to nation's GDP but also by providing employment to a large number of people. Most of the people are depending upon small scale business as their source of livelihood. Entrepreneurship is the process of designing, launching a new business, which typically begins as a small business, such as a start-up company, offering a product, process and service for sale or hire, and the people who do are called entrepreneurs. While definitions of entrepreneurship typically focus on the launching of start-up, a significant proportion of business have to close due to a lack of funding, bad business decisions, an economic crisis as a combination of these entire. The "Make in India" programme is expected to all entrepreneurs in order to achieve their goals. Make in India started with a primary goal of making India a global manufacturing hub, by encouraging domestic companies to manufacture their products within the country.*

*After finding the importance of self-employed people, and small business units, Government of India launched the MUDRA bank scheme under Pradhan Manthri MUDRA Yojana to provide financial assistance to MSME's who provide employment to a large number of people targeted towards mainstreaming young educated or skilled workers and entrepreneurs. In this paper an attempt has been made to evaluate present condition and future prospects of entrepreneurship in respect of MUDRA scheme with reference to three public sector banks.*

**Key Words:** Entrepreneur, Employment, Make in India, Pradhan Mantri Mudra scheme.

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## **Introduction**

MUDRA in Hindi means currency / capital and MUDRA stands for Micro Units Development and Refinance Agency. To remove the financial difficulties faced by micro and small business units, our honourable Prime Minister of India launched Pradhan Mantri MUDRA Yojana (PMMY) on 8<sup>th</sup> April 2015 as 'Micro Unit Development and Refinance Agency' or MUDRA for "funding the unfunded". It is hoped that the currency / capital would become the key to success of small enterprise. MUDRA Banks provides finance to "Last Mile Financers" of small/micro business units.

The Bank will nurture small business through different stages of growth and development of businesses – termed as Shishu, Kishore, and Tarun. At Shishu stage the first step when the business is just starting up, the loan covered will be up to Rs 50,000. In Kishore stage the entrepreneur will be eligible for loan ranging from Rs 50,000 to Rs.5 lakh. At Tarun stage loans will be provided up to 10 lakh. It is expected that the MUDRA scheme will fulfil the financial needs of 5.77 crore small businesses who are spread throughout the boundaries of the country. These entrepreneurs are currently facing difficulties in getting credit from the formal banking system. MUDRA is providing self confidence among entrepreneurs and supports, promotes the small and micro entrepreneurs and it is considered to be one of the best solutions which contributes to the country's economic development.

## **Literature review**

A literature review is a text written by someone to consider the critical points of current knowledge including substantive findings, as well as theoretical and methodological contributions to a particular topic. Literature reviews are secondary sources, and as such, do not report any new or original experimental work. The following important studies which have been already undertaken are referred.

**Shenti Kumar (2017)** analysed the small businesses form the foundation of the economic development needs to be strengthened and supported. A large number of schemes have been taken in the past few years are a step in the right direction. MUDRA Yojana is the most recent scheme to boost up the small and micro business units in India. This scheme has been taken to focus exclusively on entrepreneurs. This type of scheme will add to the well-being of the individuals engaged in small scale industries which will positively shape the progress of the economy as a whole. MUDRA as a financial tool is found very effective in its early stages across the country. This will definitely

make a dramatic change and will help in making a developed India

**L Asaraf Unnisa, M Amulya (2016)** analysed MUDRA has been created with the adage of "Funding the Informal by Funding the Unfunded", by making micro, small business units to be string instruments for GDP growth and also employment generation. A typical aim is to help in improving the quality of life of these entrepreneurs but will also contribute substantially to job creation in the economy leading to income distribution and poverty alleviation. By this scheme youth entrepreneurs and women entrepreneurs shall be encouraged and special schemes shall be designed for such entrepreneurs. Very disadvantage is small entrepreneurs lacking with the sufficient financial source and they require financial assistance to perform in the field of enterprises, though they are skilful in entrepreneurship they are lacking with the finance for investment so in that sense MUDRA Bank came forward to give financial assistant, but that is very minimal and insufficient for any entrepreneur to get in to the entrepreneurship. Highest interest rates will de-motivate the entrepreneur to avail the service. Entrepreneurs are not finding anything difference among MUDRA facilities and other existing facilities in terms of availing interest rates and repayment procedures of loan. Hence, it helps in a very smaller extent than expecting and this scheme never meets the existing demands of the entrepreneurs.

**Mahammad Shahid, Mahammad Irshad( 2016)** PMMY aims to bank the unbanked. The objective of PMMY is to support the entrepreneurs of the above mentioned class via Micro Units Development and Refinance Agency (MUDRA) Bank. To remove the financial difficulties faced by micro and small business units the government of India launched a scheme on 8th April 2015 called Micro Unit Development and Refinance Agency, or MUDRA to 'fund the unfunded' under the scheme of Pradhan Mantri MUDRA Yojana (PMMY).

**Asaraf Unnisa, Dr.Amulya M (2016)** stated that Mudra bank is set up to provide credit to micro unit. It provides loans at low rates to Micro Finance Institutions (MFIs) and Non-Banking Financial Institutions which then provide credit to MSMEs. MUDRA mission is to create an inclusive, sustainable and value based entrepreneurial culture, in collaboration with our partner institutions in achieving economic success and financial security. The borrower, who wish to avail assistance under PMMY can approach scheduled commercial banks (public/ private), Regional Rural Bank (RRBs), Scheduled Urban Co-operative banks, State co- operative Banks and Micro Finance Institution NBFCs, MFIs, Societies, Trusts in

their region for loan. It lends loan to non- form income generating enterprises in manufacture, trading and services whose credit needs are below Rs.10 lakhs. All loans can be covered under refinance credit enhancement products of MUDRA. So far, MUDRA has enrolled 27 public sector banks, 17 private sector banks, 27 regional rural banks and 25 Micro Finance Institutions (MFIs) as partner institutions for channelizing assistance to the ultimate borrower. MUDRA identifies 97 nodal offices at various SIDBI regional offices/ branches offices to act as 'first contact persons' for MUDRA and also its headquarters is at New Delhi. MUDRA offers refinance for micro units to commercial banks, NBFCs, RRBs, Cooperate Banks and MFIs. So that these institutions then provide finance to small retailers/ shopkeepers, women entrepreneurs, manufacturing and service enterprises in rural, semi-urban and urban areas, fruit and vegetable vendors and artisans. Apart from this MUDRA offers development and financial literacy support.

### **Need for the Study**

India is one of the countries with largest youth population with 65 percent of the total population. Becoming an entrepreneur is not a cakewalk. It has its own set of challenges which one may encounter before becoming successful entrepreneurs. In the current situation the young prospective entrepreneurs are ready to take up risk and government has come up with new schemes which will help them. The Make in India concept is expected to fulfil the expectations of such entrepreneurs. There is a need of providing information about MUDRA scheme to young entrepreneurs. It is the right time to help new young entrepreneurs by providing information regarding the new schemes provided by government; In this context the present study assumes importance.

### **Statement of the Problem**

There are many people in India have an idea to start up business, but the main problem is regarding raising of fund. The capital raising considered as one of the main obstacle to the entrepreneurs. New PMMY is giving entrepreneurs more financial support. This paper covers detailed analysis of impact of MUDRA scheme on young entrepreneurs

Mudra Yojana the brain child of our prime minister, is one of the most important schemes announced by our central government. But it has not made much success due to various reasons. People are unaware of the

benefits which are provided by government under this scheme due to effective publicity. Banks are also not very keen to give wide publicity to the scheme as they always hesitate to lend to new and ventures which they consider it risky. Hence there is an urgent need to create awareness among the prospective entrepreneurs. With this prime objective the present study on Mudra Yojana has been undertaken.

### **Objectives of the Study**

The main objectives of this paper are to analyse the issue and suggest measures for the success of entrepreneurship through this scheme.

Following are the objectives of the present study:

- 1) To study the status of entrepreneurship in India
- 2) To get knowledge on Make in India concept.
- 3) To interpret MUDRA scheme application.
- 4) To give overall suggestions for the success of the scheme

### **Scope of the Study**

The study is restricted to three major public sector banks, namely, Syndicate Bank, Canara Bank and Vijaya Bank which have their origin in this district. Further, the study is limited to the funds advanced under this scheme, to the entrepreneurs of Mangalore city. The period of study is one year i.e. 2017-18.

### **Limitations of the Study**

- 1) Time constraint while collecting primary data.
- 2) The data and results of the study cannot be generalised as the period of study is one year and restricted to the financing by three banks to the entrepreneurs of Mangalore city only.
- 3) This is the information related to only three banks.

### **Methodology of the Study**

For the purpose of this study data is collected through both primary and secondary sources. This study is based on a primary survey done in Mangalore city to collect the information with regard to various schemes available under MUDRA Yojana.

**Primary data:** This paper mainly depends upon primary data which was systematically collected through a structured questionnaire. Three Regional Banks of Mangalore city namely Syndicate Bank, Canara Bank, Vijaya Bank who provide MUDRA loan were selected randomly.

Secondary data: The secondary data is collected through journals, magazines, and internet is taken to collect data regarding the topic.

### Technique used:

Final interpretation and suggestions have been drawn as result of the study after using critical statistical techniques like chi-square, graphs, tables and charts.

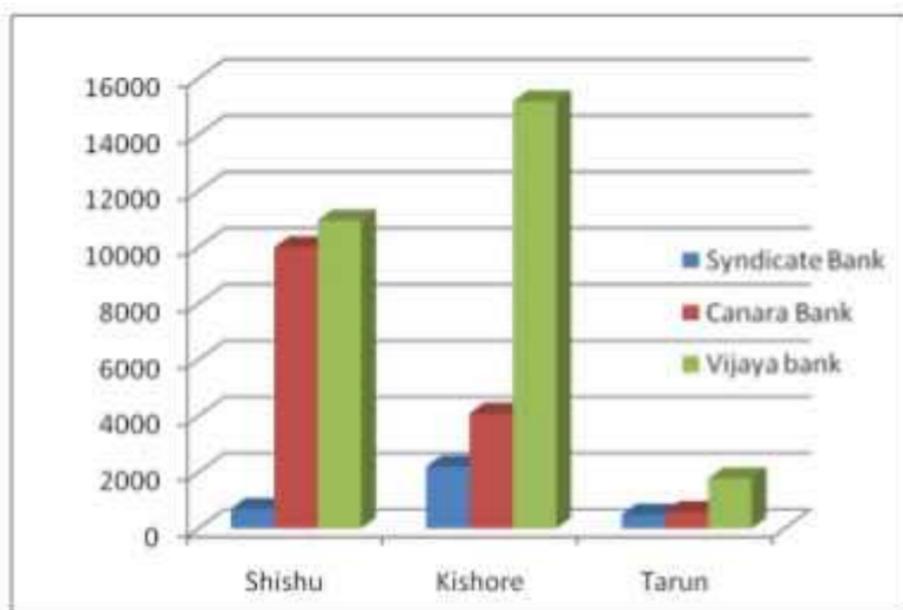
## Data Analysis and Interpretation

**Table 1: Total number of account holders under MUDRA bank scheme**

Name of the Bank	Shishu	Kishore	Tarun	Total
Syndicate Bank	706	2209	491	3406
Canara Bank	9999	4093	595	14687
Vijaya Bank	10961	15195	1785	27941
Total	21666	21497	2871	46034

Source: Primary data

**Chart 1: Representation of total number of account holders under MUDRA bank scheme**



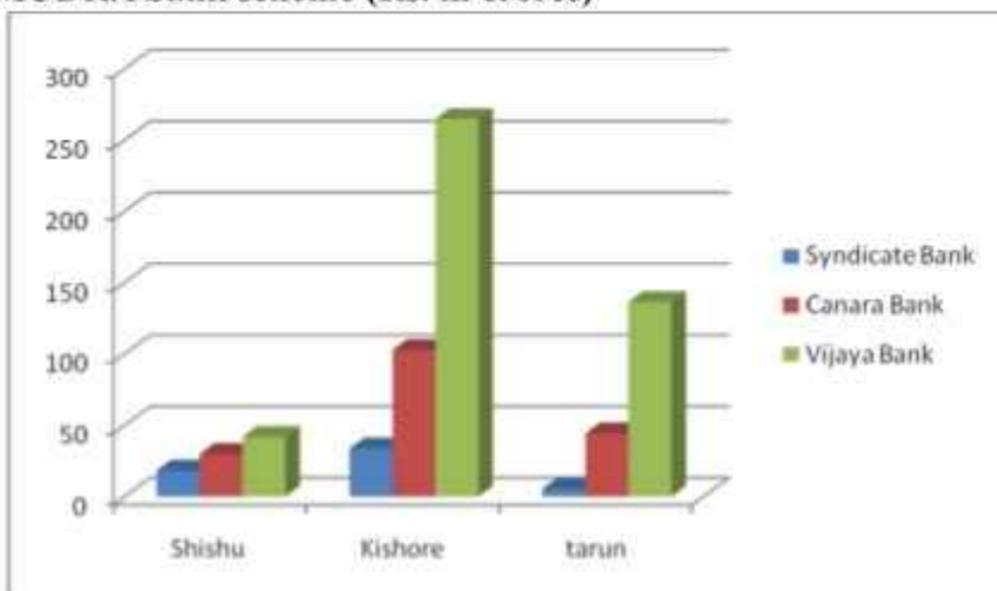
**Interpretation:** Above table gives the details of number of account holders in sample banks under MUDRA banking scheme. There are more number of account holders under Shishu scheme in all banks.

**Table 2: Total amount sanctioned under MUDRA bank scheme (Rs. in crores)**

Name of the Bank	Shishu	Kishore	Tarun	Total
Syndicate Bank	18.27	33.90	5.68	57.85
Canara Bank	29.88	102.88	44.4	177.16
Vijaya Bank	41.93	264.88	136.47	443.28
Total	90.08	401.66	186.55	678.29

Source: Primary data

**Chart 2: Representation of total amount sanctioned under MUDRA bank scheme (Rs. in crores)**



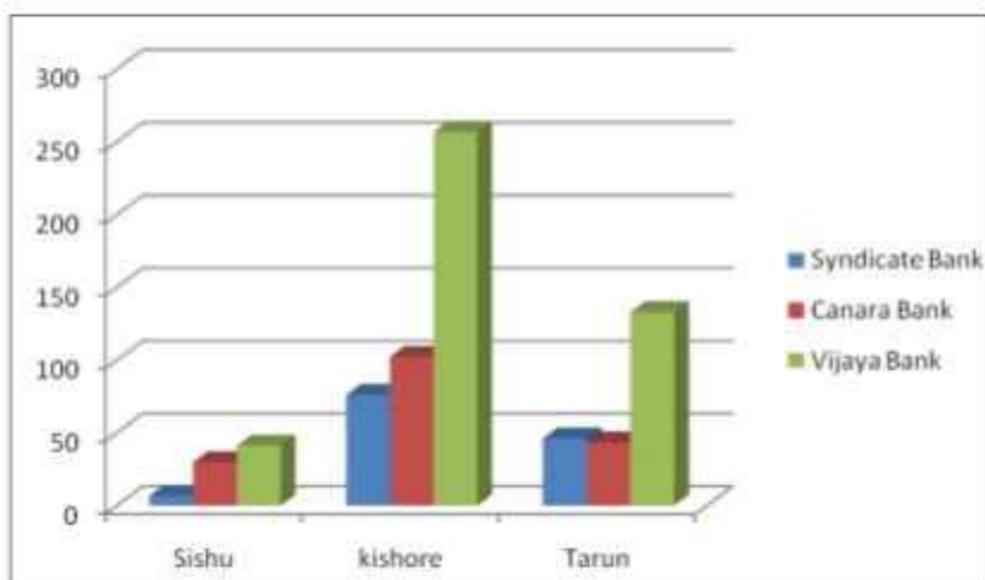
Interpretation: Above Table gives the details regarding amount sanctioned under various regional banks under MUDRA banking scheme. Since there are more number of accounts under Vijaya bank, the amount sanctioned is also high.

**Table 3: Total amount disbursed under MUDRA bank scheme (Rs. in crores)**

Name of the Bank	Shishu	Kishore	Tarun	Total
Syndicate Bank	6.73	76.11	46.16	129
Canara Bank	29.82	102.25	43.33	175.4
Vijaya Bank	41.15	256.89	132.97	431.01
Total	77.7	435.25	222.46	735.41

Source: Primary data

**Chart 3: Represents total amount disbursed under MUDRA bank scheme (Rs. in crores)**



Interpretation: Above table gives the details of disbursed amount in various regional banks under MUDRA banking scheme. Since there is more number of account holders in each scheme, the amount disbursed is also high.

### Findings of the study

- The Make in India concept made a greater change in the economy. The small scale industries are boosting after the introduction of Make in India Scheme.

- People are not ready to take up risk especially youngsters, so the youngsters in the field of entrepreneurs are becoming less.
- The society is not supporting entrepreneurs especially youngsters and women. The unawareness of various government schemes is a barrier for entrepreneurs.
- In the field of entrepreneurship there is a lack of training for entrepreneurs. The banks are not ready to provide loan for new start up before these schemes.
- MUDRA scheme is helpful in rural and urban areas. All kind of loans up to Rs. 10 lakhs are provided for non firm sector income generating activities since April 08, 2015 is treated as PMMY.
- Various banks are giving different importance to various schemes of application. The banks nurture small business through different stages of growth and development of business.

### **Suggestions**

- The small businesses enterprises are the foundation of the economic development of the country, which needs to be strengthened and supported. MUDRA Yojana is the most recent scheme to boost up the small and micro business units in India. And the sheme needs all encouragements.
- Awareness programmes should be conducted by banks for entrepreneurs regarding the various schemes available.
- There is a need to provide training to the entrepreneurs. The government can think of deputing the entrepreneurs to professional institutions like ITIs, Engineering colleges etc, by providing stipend.
- The youngsters are unaware of loan schemes which is very essential to start a business. Hence they must be educated on it.
- Timely financial assistance is the most important factor. So, the banks should release the subsidy and other financial assistance on time of requirement. There is a complaint that the banks delay in releasing the funds.
- People want to work either on full time or part time basis due to insufficient planning. So knowledge regarding future available entrepreneurship undertakings must be given at college levels.
- The government and banks should take initiative to spread awareness through various source of media.
- Bank and other financial institutions should provide attractive schemes at low interest rates. This attracts people to borrow loans from banks.

### **Conclusion**

Make in India concept has played vital role in developing small scale industries by providing various financial services. The biggest bottleneck to the growth of entrepreneur is lack of final support. Majority of small scale industries does not have access to formal source of finance. Government of India has setup Micro Units Development and Refinance Agency Ltd. (MUDRA). The MUDRA scheme is aimed at “funding the unfunded”. It is hoped that MUDRA will be a catalyst towards mass entrepreneurship development, employment generation and higher GDP growth.

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# The Pleasure of Reading

Prof. Balakrishna H

If at all there is an undervalued area among the four important skills of language learning LSRW (Listening, Speaking, Reading and Writing) it is none other than Reading. Usually we read, not being fully aware of the purposes of reading and other inter-related nuances of reading. When we are aware of these features, the process of reading will become enjoyable one and we can learn more from the same act of reading. In the present scenario, the reading is considered as the old fashioned idea, amidst of the bustling world of action and information. But, reading can make us “a full man”(Francis Bacon) if we know how to read skillfully and effectively.

Actually, the advantages in the reading, are missing in the other forms of learning, namely listening. The written material can authentically, without leaving any scope for confusion, convey the idea and one can read and revise it as many times as required. According to our need we can control the pace of reading also. We can read at our convenient place and time. We can make notes also after a through reading. All these advantages are lacking in listening. As we read, we can slowly relate what we know already with the newly learnt ideas. This is how we internalize the new thoughts by connecting the new one with the already known idea. This is called constructive learning. (Piaget). This kind of reading and learning is needed for everybody, especially for the students.

Before we discuss about reading, let us know about the basics of language. In general, a language is a group alphabet, forming meaningful words, sentences; following certain conventions of the usage (rules), on the commonly accepted correlations among –spelling, pronunciation (sound) and meaning. Unless one knows about this relationship, any alphabet may be only a group of symbols (pictures). Yes, it is. But the commonly accepted values to those symbols or group of symbols (words), make the reader to comprehend the meaning in it through his/her experience.

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Therefore, the foremost thing we need to know is to recognize the alphabet, spelling and its pronunciation to extract the meaning encoded in those words.

This is the *sine qua none* to make the reading exercise a meaningful one. So, familiarizing with the “meaning blocks” enhances our comprehension,

speed and also prepares the ground to have the pleasure of reading.

How do we get the meaning in those non - living words? Here we have to depend on one's real life experience to trace the meaning attributed to those words. One should be trained properly to connect his/her experience with the appropriate words in a particular language. Is it not how we started associating the experience and the particular word in our life? For example Mother, Father, Bus, teacher, duster, etc. It is a very important and very subtle process that one hardly realizes this complex process which should happen in the initial stage of one's life or learning. Please think over this idea and then read the next paragraph.

Reading is an active process of constructing meaning from the written text in relation to the experiences and knowledge of the reader. Let it be news papers or literary texts, reading is a very complex process of extending our experience as well as our language expressions also. The Linguists have proved that a word is nothing but the commonly accepted symbol/picture to enable us to recall a particular object, situation or experience in our mind. Therefore we need to take care of our experience also when we read something. From the reader's experience and knowledge on the said subject he/she has to decode the meaning of a word, a sentence, a paragraph, an article, a literary work and of course, ultimately the meaning of life. Now it is understood that reading is a complex process of constructing meaning from written text in relation to the experience and knowledge of the reader.

Now let us refresh our ideas on the reading technique. One could differentiate between the way how we read news papers and the way how we read our text books. Before we read news items we read the headline and then glance through the report. Sometimes we don't read all the reports which are printed in a daily paper. Sometimes we **scan** for certain information if the news is relevant to us. If you want to know the gist of an article then you **skim** through the article. Sometimes we **read articles thoroughly** (extensive reading) to understand the argument rendered in it. These are the various reading techniques. Depending on our purpose of reading, we can scan, skim and give extensive reading. The scanning is a reading technique where we search for particular information only. For example: If one wants to know the date, year of something or proper nouns, we scan the pages focusing on the particular information as said above. If we want to know what is the gist or general idea of an essay or novel, we give a

rapid glance on the pages. This is called skimming. When we read a text prescribed for the examination then we need to read in detail, ensuring that we have understood each and every detail of the book. This is extensive reading or microscopic reading. Thus, depending on the purpose/need we have to select the reading technique. Otherwise, we are going to waste out precious time. Just imagine that you want to know the year of Indian First War of Independence. You know other details about this and you want to confirm the year only. Here if you happen to read the complete history of Indian freedom struggle, it is not a wise reading or effective reading because it wastes your precious time. Here you have to scan for the year or required information. Likewise if you don't adopt an extensive reading when you read for examination, you may miss a few important points that may make all the difference in your comprehension of the text. Again, it is not effective reading. Hence knowing the purpose of reading and adopting the suitable reading technique will make the whole process of reading meaningful and effective. How can we have the pleasure of reading?

When we know the purpose of reading and the appropriate technique of reading, they serve the purpose and leave the better impact on the reader's mind. It also helps to get the maximum benefit from the reading. It entertains and also enlightens our mind, enriches our ideas, expands our experience, helps to manage our resources/time in a better way. Then why can't you reconsider your stand on reading and give a trial to this technique and have the pleasure of reading?

All the Best.