



Peer Reviewed Referred and
UGC Listed Journal
(Journal No. 47023)



AN INTERNATIONAL MULTIDISCIPLINARY
HALF YEARLY RESEARCH JOURNAL

ISSN 2319 - 8508

GALAXY-LINK

Volume-VI, Issue-I
Part - I
November-2017 to April-2018

IMPACT FACTOR / INDEXING
2016 - 4.361
www.sjifactor.com

**Ajanta
Prakashan**

**CONTENTS OF PART - I**

Sr. No.	Name & Author Name	Page No.
1	Micro Enterprises and Poverty Reduction in India Lt. Dr. M. Vijay Kumar	1-9
2	Causes of Suicides-Prevention and Mitigation of Suicides K. Gangadhara Chary	10-15
3	Orientation of Customer Value Strategy in Indian Corporate Sector: An Innovative Study Capt. Dr. Ashok V. Giri	16-27
4	A Study on Diversification Strategies Adopted by Organisations Dr. Rajesh Mankani	28-42
5	Effectual Influence of Internet on Education R. Raja Shekar	43-48
6	Major Obstacles of Adult Education in India Billa Raja Rubi Kishore	49-54
7	Motivation in Management for Value Creation Dr. Purushottam Wadje	55-61
8	Maharashtra - Whirling Amid Hailstorms Charlotte Braganza	62-69
9	Strategies for Creating Customer Loyalty for Retail Outlets Dr. Mona Mehta	70-75
10	Significant Contribution of Libraries in the Field of Research Mr. Babasaheb Shingade	76-81
11	Significance of Folk Traditions in Modern ERA Dr. Rimpay Agarwal	82-87
12	Effectiveness of Concept Attainment Model on Attitude towards Mathematics of 10th Standard Students Dr. U. K. Kulkarni	88-95
13	Prospectus and Issues Related to Ectourism Development in Ratnagiri District, M.S. India Priya R. Parkar	96-102
14	Empowered Consumer: Power of Modern Consumer Mr. Vijayakumar Jadhav	103-114

1. Micro Enterprises and Poverty Reduction in India

Lt. Dr. M. Vijay Kumar

Head & Asst. Professor, Department of Commerce, M.V.S Govt. Degree & PG College (A),
Mahabubnagar, Telalngana.

Introduction

Micro enterprises (ME) have engaged as real boon for the poor and considered as growth engines that trigger development process. The rural poor are to be encouraged to undertake micro-enterprises. Besides, solving the problem of poverty, it helps to generate additional income of poor in between rural and urban areas. Tailoring, embroidery work, pickle making, fruit scanning, bookbinding, soaps and candle making, dairy, animal husbandry provide ample prospects for illiterate and poor women to make a livelihood. Providing training to poor make them to acquire entrepreneurial ability and at the same time to obtain economic independence. Development of micro enterprises helps to create immediate employment opportunities, involving more number of women at low-level investment. Besides, it provides to utilization of capital and reduces the wastage of human resources in rural areas particularly for women. In the process of development of sustainable micro enterprises technology up-gradation and financial management acquires crucial role. The technology identified for each activity easily manageable and it leads to quality of products for better economic results. All these become realize only, if we tackle hurdles involved in it. The main hurdles are lack of finance, technical knowledge, training, quality control, storage facilities, communicated market information, use of absolute primitive technology and inadequate motivation.

Significance Of The Study

The present study is intended to focus on the government programmes for rural poor to establish self-employment or through to establish micro enterprises with native resources available in their native place to overcome the poverty level in India.

Objectives Of The Study

The present paper is aimed with the following objectives to explore the various issues related to the Micro-enterprises as tools for reduction of poverty in India

1. The present study focus on the conceptual issues related to microenterprises.
2. To study the basic poverty in India and its causes.

3. To explore the various government programmes for poverty reduction.
4. To understand the issues related to IRDP in poverty reduction and self employment
5. To distinguish various poverty reduction programmes for self-employment.

Methodology

This present study based on primary as well as secondary data. Secondary data secured from various sources and included in the study. Secondary data obtained through government sources, articles published in various national refereed journals on the topic on which research focus. Secondary data collected from published records of DRDAs of sample districts, annual reports of Ministry of Rural Development, government of India, publications of National Institute for Rural Development (NIRD) and annual publications of the Society for Elimination of Rural Poverty (SERP), Hyderabad.

Scope Of The Study

The focus on the conceptual issues related to the poverty reduction through establishment of micro enterprises with the support of government with subsidy programmes the study in India.

Limitations of the Study

Covers only the conceptual issues and restricted to poverty reduction programmes like IRDP in India. The study may not reflect the numerous factors that could responsible for the successes and failures of the scheme. As an individual research, we are constrained to make a comprehensive study with limited financial resources.

Micro Enterprises

The success of micro enterprises depends on diversified enterprises with local talents and native capabilities of rural poor women, extensive training, self-confidence, self-esteem, self-reliance, motivation, promotion of small savings through micro finance, supply of raw material, facilities for marketing, regular evaluation and assessment. Keeping this in view, a number of innovative schemes have been launched for the upliftment of rural poor especially women and vulnerable sections of society under below poverty line (BPL). Micro enterprise development through micro finance considered as a mechanism for poverty reduction, based on its capacity to generate employment and raise earnings. Therefore, micro finance and micro enterprise always go hand in hand. A new holistic self-employment programme namely Swarna Jayanthi Gram Swarozgar Yojana (SGSY) launched, its aim at establishing a large number of micro enterprises in rural areas, utilizing Self Help Group-Bank linkage model (SHG-BL).

Poverty In India

Poverty in India is that situation in which an individual fails to earn that much of income may be sufficient to buy his mere means of subsistence. Prof. Amartya Sen and Prof. Martha Nussbaum put forward another way of analyzing the poverty (Sen). They identified it as a lack of capability and freedom. They developed conceptual foundation of capability approach. Prof. Amartya Sen makes distinction between commodities and command. Human functioning capability and utility is due to lack of command over commodities, lead to decline in the level of utility vice-versa. Poverty invariably affects all the indicators of human development. Poverty in India predominately rural and reasons are in most agrarian. Over the years, number of poverty alleviation programmes implemented in India and a huge amount of social and financial involvement made to achieve the sole aim and objective of poverty eradication. Most of the programs were based top-down approach and did not consider needs and requirements of the people. Accordingly the economically vulnerable groups continued to remain under-confident and the guarantee for security of their livelihood was found missing in entire endeavor of eradicate poverty from the soil of India is considered. A large number of persons still live below the poverty line. In India, eradication of poverty became a major goal of development. Indian government tried various strategies for addressing the issue of poverty during 1980s. The government of India (GOI) had initiated a more distinct and direct approach to poverty reduction, emphasized that it is essential to provide livelihood directly to the poor with adequate purchasing power. Other assets or access to food grains at subsidized prices to meet their minimum consumption requirement.

Government Programmes For Poverty Reduction:

The many government programmes like Rural Self Employment Schemes are to promote rural micro enterprises. In this way, Integrated Rural Development Programme (IRDP) came into force on 20th October, 1980 as a major credit linked self-employment program to promote micro enterprises in rural areas to reduce unemployment and rural poverty. Herein target approach adopted for the target groups are Below Poverty Line (BPL) families. It is observed that, constraints suffered have not been financial but organizational inadequacies, lack of clear-cut plan and lack of co-ordination among agencies. The realization of the growth-oriented strategy of initial planning, IRDP was not much dent in reducing poverty. All the poverty alleviation schemes are focusing on the BPL families. Those schemes are to uplift the poor, those who are

without the productive assets, laborers largely or wholly depending on wages with irregular and low, marginal farmers without irrigation and other infrastructural facilities, small artisans and people with little or no resource base to take any meaningful productive activity etc.

These families are unorganized, without having bargaining power and subjected to gross deprivation as regards the basic physical needs, social needs and therefore they are prone to exploitation and dependency. These rural people cannot effectively participate and involve in developmental activities therefore, there is a need to organize them and motivate them to come into mainstream of development. The planning commission has been estimating the proportion and the number of poor separately for rural and urban at national as well as state level. These estimates released from the year 1972-73 onwards, using the full survey data on household consumption expenditure collected by National Sample Survey Organization (NSSO) at different intervals. The poverty line updated from time to time using the suitable deflators. The planning commission has adopted a new methodology using a state specific price index for estimation of poverty line since 1993. The poverty line is thus a concept closely related to substance survival.

Table:1.1 State wise Poverty line specifications in India (1999-2000)

(Per month in Rupees)

SL.NO	STATE	RURAL	URBAN
1	Andhra Pradesh	262.94	457.40
2	Bihar	333.07	379.78
3	Madhya Pradesh	311.34	481.65
4	Orissa	323.92	473.12
5	Rajasthan	344.03	465.92
6	Uttar Pradesh	336.88	416.29
7	Karnataka	309.59	511.44
8	Haryana	362.82	420.20
9	Kerala	374.79	477.06
	All India	327.55	454.12

Source: Compiled from Annual Reports of Planning commission, GOI, 2000.

The table 1.1 clearly reveals that poverty line varies from state to state as per the estimates of the planning commission. The poverty line in terms of per capita consumption expenditure per month per family of five members in the rural areas varies from Rs 262.95 in Andhra Pradesh to Rs 367.45 in Himachal Pradesh. The realization of the growth oriented strategy of initial planning of IRDP was not able to make much dent in reducing poverty (Nayyar, 2005) to overcome the constraints

IRDP in Poverty Reduction

In the beginning it was for self-employment but later IRDP implemented with other allied programmes like DWCRA (Development of Women and Children in Rural Area) (1982),

TRYSEM (Training of Rural Youth for Self-employment) (1979),

SITRA (Supply of Improved Toolkits to Rural Artisans),

MWS (Million Wells Scheme),

GKY (Ganga Kalyan Yojana).

IRDP and allied schemes contributed in main schemes of direct attack on poverty, until the launch of SGSY in 1999. IRDP record of achieving the main goal of lifting the poor to Above Poverty Line (APL) is very low (Rath, 1990) Several studies conducted on IRDP and the backdrops were identified. The strategy of IRDP represents a synthesis of approaches that were tried and found successful in India's earlier agriculture and rural development programmes (Singh 1986). The IRDP operated mainly to assist the poor people. Then assisted households expected to utilize the assistance to increase its income by operating in the market. Not every assisted poor household could be expected to have the required entrepreneurial competencies and the market generally favored those, who are more resourceful (Mandal, 2004). It found to lie in the absence of backward and forward linkages, no real steps taken to provide institutional support for supply of raw material and back up support from several departments found missed. A programme evaluation organization (PEO) studies carried out in 1985 to identify many concerns in IRDP Implementation (PEO, 1985), inadequacy of infrastructure, slack in the follow up of guidelines, weak monitoring, low involvement of banks, lack of coordination among agencies like District Industrial Center (DIC), banks, Technical Institutions (TI) and inadequate bank infrastructure. In certain delayed disposal of loan applications and absence of supervision and follow-up, insistence on security, improper identification of viable activities, weak monitoring and recovery performance of loans was poor in IRDP (Thamarajaskshi, 1997). Corruptions and abuses in proper implementation of IRDP are attributable to the powerlessness of the rural poor and hence the imperativeness rationale of group approaches. It is estimated that less than 20 % beneficiaries could actually cross the poverty line. There has been found a poor linkage between DWCRA & IRDP (Hirway, 2003). The experiences of implementing IRDP and its supportive programmes have given some important insights into poverty alleviation efforts of government of India also raised number of concerns over the effectiveness of these efforts.

Answer to many problems and a concern faced in implementation of IRDP is introduction of a new holistic approach oriented SGSY. The experience with the implementation of government sponsored programmes has also not been altogether happy and instead of developing a sustainable program have become a 'one-shot' operation lending (Narasimhan, 1998).

Major Anti-Poverty Programmes

The Government of India launched several programmes for alleviation of poverty before SGSY. Those anti-poverty programmes broadly classified into programmes for

i. Self-employment to the poor.

MFAL - Marginal Farmers and Agriculture Labours (1970-1971)

SFDA - Small Farmers Development Agency (1970-1971)

IRDP - Integrated Rural Development Programme (1978-1979)

DWCRA - Development of Women & Children in Rural Areas (1982-1983)

ii. Wage employment to the poor.

RLEG- Rural Labour Employment Guarantee Programme

EAS- Employment Assurance Scheme (1993)

FWP -Food for Work Programme

PMRY- Prime Minister Rojgar Yojana

JRY – Jawahar Rojgar Yojana (1989)

iii. Special area development programme.

DPAP – Drought Prone Area Programme

CAD - Command Area Development

DDP- Desert Development Programmes

HADP-Hill Area Development Programme

TADP- Programmes imparting Technology and skill formats

IADP - Intensive Agricultural Development programme

HYP – High Yield Programme

TRYSEM - Training for Rural Youth for Self-Employment

However, IRDP, DWCRA were the two programmes which reached to the poor and vulnerable rural people. IRDP launched as comprehensive program covering all sectors of rural economy including agricultural, allied activities, villages and cottage industry. It is a largest ever

anti-poverty programme in India, launched during the 6th plan, uses the banking channel to direct assistance by way of a combination of credit and subsidy to households.

Exhibit 1.1 Major Anti-Poverty programmes of Government of India

Categories	Programme
Self-Employment and income generation to poor	Marginal Farmers and Agricultural Labours (MFAL) Small and Marginal farmers Development agency (SFDA) Integrated Rural Development Programme (IRDP) Development of Women and Children in Rural Areas (DWCRA)
Wage employment to the poor	Rural landless Employment Guarantee program(RLEGP) Employment Assurance Scheme (EAS) Food for work program (FWP) Prime Minister Rojgar Yojana (PMRY) Jawahar Rojgar Yojana (JRY)
Special Area Development Program	Drought Prone Area Development (DPAP) Command Area Development (CAD) Desert Development Programme (DDP) Hill Area Development Programme (HADP) Tribal Area Development Programme (TADP)
Imparting Technology and Skill Formation	Intensive Agricultural Development programme (IADP) Training for Rural Youth for Self Employment (TRYSEM)
Pertaining to land/ Institutional Reform	Million Wells Scheme (MWS) Ganga Kaylan Yojana (GKY) 20-Point Programme

Source: Government Schemes (Boucher of GOI), 2001

Conclusion of the Study

IRDP program had a few limitations being a general government programme channelized through the state machinery, leakage of funds to the non-targeted, non-poor was reportedly substantial. The real poor have found it difficult to gain access to the programme. The programme was not designed to meet the demand of the small credit desired by the poor i.e., accessible small amounts, amount larger than absorption capacity for activities with which the poor were not familiar. Several evaluation studies on IRDP show that the projects undertaken under the program suffer from numerous defects. Especially sub-critical investment levels, unviable project, lack of technical and institutional capabilities in designing and executing the projects, utilizing loan resources and expertise, illiterate, unskilled beneficiaries with low experience in managing an enterprise. Whereas DWCRA is concerned, it has proved success in Andhra Pradesh but with some flaws pointed out by several studies. Lack of cohesiveness among

the women groups formed under DWCRA and their inability to identify activities that could generate sustained incomes. Due to Lack of training and skill formation and inabilities in identifying activities that could generate sustained incomes, inability to find raw material for producing process and inadequate flow of finance to continue the income generating activities are also constraints to vulnerable rural women. DWCRA criticized for being too rigid in its stipulations. Since groups had to have a minimum of 20 persons that wanted to undertake the same activity and the problem was for the villages to absorb the production of 20 persons conducting the same activity. Micro-enterprises do business with a range of supporting backward and forward linkages, including raw material supply, manufacturing machine parts, trader, exporters, etc., besides technical and financial support, which contribute dynamics of the cluster. Therefore, that cluster can enhance regional entrepreneur growth. The economic activities taken up by swarozgaries generate appreciable incremental income sustained over a period of time that helps swarozgaries effectively to cross the poverty line.

References

1. **Government of India (2002):** "Swarna Jayanthi Gram Swarozgar Yojana Guidelines", Ministry of Information & Broad Casting, Ministry of Rural development, GOI, New Delhi.
2. Sen, A.(1992), "Missing women", British journal 304: PP 587-588
3. **Nayyar and Gaurav (2005)** "Growth & Poverty in rural India: an analysis of Interstate difference", Economic & Political Weekly, April 16, 2005, 1631-1639.
4. **Reports of National Sample Survey Organization on SGSY 1999-2000.**
5. **Rath Nilakantha (1995)**, "Garibhi Hatao, can IRDP do it? ", Economic & Political Weekly, 20(6). 238-256.
6. **Singh D.K (1986)**. "An appraisal of the Integrated Rural Development Programme in Baondar District of U.P", Indian Journal of Agricultural Economies, Vol. 41, No.4 October-December 1986.
7. **Mandal. K.S (2004)**, "Who does empowerment delivers? A study on poverty alleviation", Sociological bulletin, 53(3), 391-2.
8. **PEO (1985):** "Evaluation Report on Integrated Rural Development Programme", New Delhi. March 1985.

9. **Thamarajakshi.R (1997)**, "*Micro interventions for poverty alleviation in India*", background paper for the Asian regional policy workshop on macro policies and micro interventions for poverty alleviation, ILO, Feb 5-7, 1997.
10. **Goinvanni and Stewart (1993)**, "*Two errors of targeting*", UNICEF, International child development centre, Florence, Italy Innocenti, EPS 36, March 1993.
11. **Concurrent evaluation Report 1992-93**, DRDA, Center for Management Development, Thiruvananthapuram.
12. **Hairway,(2003)** '*Identification of BPL Households for Poverty Alleviation Programmes*', Economic Political Weekly, November 8, vol.38,no45. pp.4808.
13. **Hirway,Indira & Roy,A.K(1999)**,*Women in Rural Economy: the case of India*. Indian Journal of Agricultural Economics, Feb,1999,Vol.54 (3)
14. **Ghosh D.K(1995)**, "*Group cohesiveness in DWCRA Groups: An application of socio-metric Approach*", Kurushetra, July 1995 pp25-36.
15. **Government of India (1993)**: "*Report on Quick study on implementation of TRYSEM*", MORD, GOI, New Delhi.
16. **Government of India**, "*Midterm appraisal of the 9th plan (1997-2002)*". Planning Commission, New Delhi
17. **Government of India (2001)** "*Ganga Kalyan Yojana-Guidelines*", Ministry of Rural Development, GOI, Guidelines.
18. **Rangarajan, C. (2006)**, "*Micro finance and its future directions*". In *towards a sustainable micro finance outreach in India-Experience and Perspectives*", National Bank for Agriculture and Rural Development, Mumbai.
19. **Narasimhan, (1999)**, "*Empowering Women: An Alternative Strategy from Rural India*", Sage Publication, New Delhi.
20. **Rao, K.D. & Dasgupta (1999)**, "*A study of SHG's linkage programme*", National Institution of Bank Management, Pune.