Kurukshetra

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LIFE IN THE ERA OF COVID-19

The Prime Minister, Shri Narendra Modi shared few thoughts on Linkedin on 19th April 2020, which would interest youngsters and professionals. Shri Modi said, it has been a topsy-turvy start to the third decade of this century. COVID-19 has brought with it many disruptions. He said, Coronavirus has significantly changed the contours of professional life. These days, home is the new office. The Internet is the new meeting room. For the time being, office breaks with colleagues are history. He said, he has also been adapting to these changes. Most meetings, be it with minister colleagues, officials and world leaders, are now via video conferencing. In order to get ground level feedback from various stakeholders, there have been video conference meetings with several sections of society. The work place is getting Digital First. And, why not? He said, after all, the most transformational impact of Technology often happens in the lives of the poor. It is technology that demolishes bureaucratic hierarchies, eliminates middlemen and accelerates welfare measures. Today, the world is in pursuit of new business models. Shri Modi envisioned the new business and work culture being redefined on the following vowels. He called them vowels of the new normal, because like vowels in the English language, these would become essential ingredients of any business model in the post-COVID world.

ADAPTABILITY

Shri Modi said, the need of the hour is to think of business and lifestyle models that are easily adaptable. Doing so would mean that even in a time of crisis, our offices, businesses and commerce could get moving faster, ensuring loss of life does not occur. Embracing digital payments is a prime example of adaptability. Shop owners big and small should invest in digital tools that keep commerce connected, especially in times of crisis. Another example is telemedicine. We are already seeing several consultations without actually going to the clinic or hospital. Again, this is a positive sign. Can we think of business models to help further telemedicine across the world?

EFFICIENCY

The Prime Minister said, perhaps, this is the time to think of reimagining what we refer to as being efficient. Efficiency cannot only be about how much time was spent in the office. We should perhaps think of models where productivity and efficiency matter more than appearance of effort.

INCLUSIVITY

Shri Modi said, let us develop business models that attach primacy to care for the poor, the most vulnerable as well as our planet. We have made major progress in combating climate change. Mother Nature has demonstrated to us her magnificence, showing us how quickly it can flourish when human activity is slower. COVID-19 has made us realise the need to work on health solutions at low cost and large scale. We can become a guiding light for global efforts to ensure the health and well being of humanity.

OPPORTUNITY

Shri Modi said, every crisis brings with it an opportunity. COVID-19 is no different. Let us evaluate what might be the new opportunities/growth areas that would emerge now.

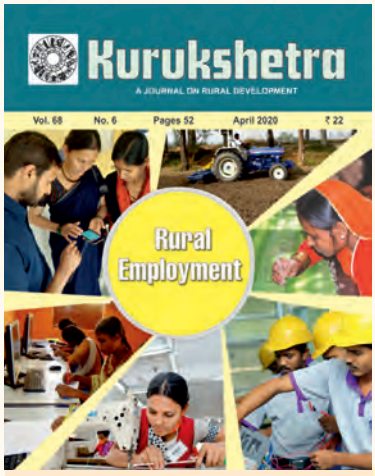
UNIVERSALISM

COVID-19 does not see race, religion, colour, caste, creed, language or border before striking. Our response and conduct thereafter should attach primacy to unity and brotherhood. We are in this together.

Unlike previous moments in history, when countries or societies faced off against each other, today we are together facing a common challenge. The future will be about togetherness and resilience.

The next big ideas from India should find global relevance and application. They should have the ability to drive a positive change not merely for India but for the entire humankind.

The Prime Minister urged everyone to think about this and contribute to the discourse. ***(Source: PIB)***



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Editorial

India has taken massive strides towards generating employment especially for the rural masses. The government through its several initiatives has been working constantly so that more and better employment opportunities can be generated mainly for youth. In this issue of Kurukshetra, our authors have touched upon different aspects of the employment scenario in the country. Our lead article penned by Union Agriculture, Rural Development and Panchayati Raj Minister Narendra Singh Tomar mentioned that employment generation is the cornerstone of the economic development of any country. Several measures by the government have brought significant changes in the nature of employment and also increased employment opportunities.

India is home to one of the world's largest working age population out of which a significant proportion lives in rural areas. Employment pattern in rural areas mostly revolves around agriculture and allied sector. In view of rising need for social inclusion, economic empowerment and enhanced opportunities for labour market, the government launched several key initiatives like Jan Dhan Yojana, GST and Ujjwala scheme as these schemes have potential to improve social mobility and equitable market access in the country.

As India's influence in the world's affairs has grown drastically, providing employment to the people of the country especially youth is a priority for the government. India is taking rapid strides towards becoming the skill-hub of the world. The country, with world's largest youth population, is in a position to take maximum advantage of its workforce as the demographic dividend is in favour. The government has been working as a facilitator to promote businesses so that better employment opportunities can be created.

Special focus is being given to the jobs being originated from the agriculture sector because India remains a predominantly agrarian economy despite impressive growth in manufacturing and service sectors. The modern concept of smart farming, wherein state-of-art technologies are used forhigh-precision crop control and automation of farming techniques, has opened new windows for employment of rural youth. A wave of organic farming has set in eyeing domestic and overseas market and generating remunerative employment across value-chain, from production to processing, packaging and marketing. Government is vigorously supporting fisheries sector for developing linkages with overseas market. In the Union Budget 2020–21, the government aims at raising fish production to 200 lakh tonnes by 2022–23 and involving youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations. The government hopes to raise fishery exports to Rs. 1 lakh crore by 2024–25. Hence, there is an increasing demand for qualified and skilled human resources for the development of standard products and services in the sector, especially in the marine fisheries sector.

Rural infrastructure is crucial for agriculture, agro-based industries, employment and poverty alleviation in rural areas as well as alleviation of rural economy. Schemes such as PMGSY, PMAY-G, SPMRM among others are enabling rural youth to find employment in construction sector as well as connecting far-flung areas to urban centres and uplifting quality of life.

It is now undeniable that India, which has surpassed several prominent economies of the world, is destined to become a five trillion dollar economy in near future. However, to keep the momentum of growth unchecked, it has been felt since long that a holistic approach and more importantly focus on the core of its strength is absolutely necessary.

We would like to inform our readers that the views expressed by the authors regarding the rural employment scenario in their articles reflect the situation prevailing before the COVID-19 outbreak.

RAPID TRANSFORMATION IN RURAL EMPLOYMENT SCENARIO

Narendra Singh Tomar

The Ministry of Rural Development is taking all possible measures for inclusive development of villages through its several schemes. Under these schemes, the focus is on generating employment opportunities for the poor and youth of the village through various initiatives and connecting them with gainful employment or self-employment.

Employment generation is the cornerstone of the economic development of any country. The development graph of a country always shows upward trend if the available manpower in the country gets suitable work based on its competence and abilities and as a result of it receives reasonable remuneration or wages. India is a country of villages and majority of the population of rural India still depends mainly on farming or agricultural work for their livelihood. Although modernisation, mechanisation and the use of new technology have transformed the agricultural sector to a great extent, a large section of the farming community still relies on old and traditional methods of farming, and due to this, the annual food production is often not sufficient to meet all the basic needs of the family. In the last few years, an effort has been made to consolidate various initiatives in rural sector so that poor rural families get reasonable employment or work and their economic condition can be improved in the true sense to bring prosperity to them. Presently, emphasis is being laid on setting up of public utility facilities in rural areas along with the development of electrification, housing, transport facilities, roads and connectivity routes, which have made it easier for rural people to get suitable employment at the local level. Increase in economic activities at the village level is in turn increasing the rate of economic growth and thereby reducing the poverty level in the rural sector. The government is according high priority to generating employment opportunities along with improvement in employment potentiality and various steps have been taken for this. To achieve this objective, several measures related to promoting economy of private sector, implementing fast paced projects involving extensive investment, promoting self-employment, reforming labour laws and accelerating various initiatives related to labour welfare have been taken. These policies and measures have brought about significant changes in the nature of employment and also increased employment opportunities.

The Union Minister for Agriculture & Farmers Welfare, Rural Development and Panchayati Raj, Shri Narendra Singh Tomar addressing an event in New Delhi recently. *(Source: PIB)*

The budget allocation in respect of various schemes and programmes of the Ministry of Rural Development has significantly been increased during the National Democratic Alliance Government at the Centre so as to develop rural infrastructure, diversify the livelihood sector, intensify poverty mitigation

We would like to inform our readers that the views expressed by the author regarding the rural employment scenario in this article reflect the situation prevailing before the COVID-19 outbreak.

measures and increase employment opportunities at the local level. Subsequent to providing assured resources for poverty alleviation programmes, emphasis on Swachh Bharat Mission and complete transfer of financial resources for rural livelihood related programmes, a major part of these funds is being spent to increase employment opportunities and household income in rural areas. During this period, the Ministry of Rural Development has focused on strengthening and diversifying the livelihoods of the poor and disadvantaged families.

According to an estimate of the annual Periodic Labour Force Survey (PLFS), the share of regular wages/salaries has increased by 5 per cent i.e., from 18 per cent in 2011–12 to 23 per cent in 2017–18. In fact, during this period, an enhancement of about 2.62 crore was recorded in new jobs, of which 1.21 crore increase was registered in rural areas whereas 1.39 crore in urban areas. It is also a matter of satisfaction that the proportion of women workers in the category of regular wage/salary-based employment has increased by 8 per cent. It was 13 per cent during the year 2011–12, which increased to 21 per cent in the year 2017–18. In this category, women got 0.71 crore new jobs. The government has made efforts to formalise the economy by introducing Goods and Services Tax (GST), digitisation of payments, direct benefit transfer of wages and salaries, opening of Jan Dhan accounts and expanding social security coverage to include more and more workers. As a result of all these initiatives, ample growth has been recorded in formal employment. While looking at the annual survey report of industries, we find that employment opportunities have increased in organised manufacturing sector also. Between2014–15 and 2017–18, total number of workers in this sector increased by 14.69 lakhs. If the persons (employees/employers) engaged in manufacturing sector for their livelihood are included, the number goes up to 17.33 lakhs.

According to the latest data of the Employees' State Insurance Corporation (ESIC), 14.59 lakh jobs were created in November 2019 and around 12.67 lakh jobs in December 2019. According to a report by the National Statistical Office (NSO), a total of 1.49 crore new employees/workers were enrolled in Employees' State Insurance Corporation during FY 2018–19. The report says that during September 2017 to December 2019, around three and a half crore new persons joined the scheme of ESIC. The report of National Statistical Office is based on payroll data of new members created under various social security schemes operated by Employees' State Insurance Corporation (ESIC), Employees' Provident Fund Organization (EPFO) and Pension Fund Regulatory and Development Authority. From April 2018, jobs data is being released on the basis of data of new members of these three organizations. As per the latest data, around 3.12 crore new members joined the Employees' Provident Fund Scheme during September 2017 to December 2019.

It is encouraging that our country is now taking rapid strides towards becoming the skill-hub of the world. India, with the world's largest youth population, is in a position to take the maximum advantage of its workforce as the demographic dividend is in its favour. Through Kaushal Bharat - "Kushal Bharat Programme" of the Ministry of Skill Development and Entrepreneurship, more than one crore youth are being imparted training in various skills every year so as to enhance their access to better and lucrative livelihood. The Apprentices Act was amended in December 2014 with a view to expand the service sector, integrate training courses with apprenticeship and its promotion. National Apprenticeship Promotion Scheme (NAPS) was launched in August 2016 with an objective to encouraging employers to engage as many apprentices as possible. As a result, enrolment of apprentices has improved significantly during the last five years. It is also true that skill development alone may not make much difference until it is supplemented by job creation. Keeping this in mind, the present government at the centre is emphatically focusing on industries in which greater importance is given on labour rather than on capital and technology so as to generate for them adequate employment opportunities. The Ministry of Skill Development and Entrepreneurship is implementing Pradhan Mantri Kaushal Vikas Yojana through National Skill Development Corporation with the aim of involving 24 lakh youth of the country. It has been launched to enable a large number of Indian youth to gain better employment through industry-compatible skill training for better livelihood. Persons having pre-learning or skill-related experience are also being given certificates after assessment, under the Recognition of Prior learning (RPL) category. As of 17 January 2020, more than 16 lakh candidates trained under the Pradhan Mantri Kaushal Vikas Yojana have got jobs. More than 73 lakh candidates have been trained under the scheme till January 2020. Under

this scheme, youth are being imparted training related to skill development in 371 courses. The focus of this scheme is on employment and eligible candidates have got jobs in various sectors and industries.

For the welfare and upliftment of the country's labour force, the Government of India has taken various measures to increase transparency and accountability through various reforms and labour laws. Their objective is to strengthen aspects related to safety, security, health and social security of every worker. In addition, legal procedures and formalities have been liberalised and simplified to provide relief to entrepreneurs in starting businesses so that local employment opportunities can be created through them as well. For this, all the existing labour laws are amalgamated in only 4 labour codes and they have been simplified and rationalised according to the need of the present time. Two large pension schemes have also been introduced to provide the workers in the unorganised sector, benefits of social security as well as old age protection.

Pradhan Mantri Shram Yogi Maan Dhan Yojana is a voluntary and contributory pension scheme launched in February 2019 for the welfare of workers in the unorganised sector. The benefit of this central sector scheme is being given to those workers in the unorganised sector, whose monthly income is Rs. 15,000 or less and who have a savings account or Jan Dhan account in a bank linked with an Aadhaar number. Workers between the age of 18 and 40 years can join this scheme and after attaining 60 years of age, the beneficiary gets monthly pension of Rs. 3,000. Enrolment in this scheme is done through Common Service Centres. There are about three and a half lakh such centres operating all over the country. Any eligible person can also enrol himself by visiting the scheme's website. As of December 10, 2019, the number of beneficiaries under the scheme rose above 39 lakhs.

Voluntary and Contributory National Pension Scheme has also been launched for businessmen, shopkeepers and persons engaged in self-employment on September 12, 2019. Nomination for this scheme can also be done through the Common Service Centre or by visiting the portal of the scheme itself. Businessmen between the age of 18 and 40 years whose annual turnover does not exceed Rs 1.5 crore and those who are not members of Employees' Provident Fund Organization/ Employees' State Insurance Corporation/National Pension Scheme/Pradhan Mantri Shram Yogi Maan Dhan Yojana, can join this scheme. Under this, 50 per cent monthly contribution is made by the beneficiary and the matching contribution is made by the central government. On completion of 60 years of age, such a person is entitled to a minimum monthly pension of Rs. 3000. As of December 10, 2019, a total of 20,000 beneficiaries have joined this pension scheme. The benefits of social security provided to the worker of unorganised sector, self-employed persons, businessmen and shopkeepers have increased the number of people getting employment in these areas.

Ministry of Labour and Employment is implementing National Career Service as a mission mode project to provide various employment-related services such as career counselling, vocational guidance, information related to skill development courses, apprenticeship and internship. Online services are available under this scheme. These services can be directly accessed through livelihood centres, common service centres, post offices, mobile or cyber-cafes etc. The stakeholders associated with the National Career Service platform include job seekers, industries, employers, employment centres, training providers, educational institutions and placement agencies. As of October 31, 2019, more than one crore job seekers and more than 25 thousand active employers have registered themselves with the National Career

Service. Through this service, 58.5 million vacant posts have been explored. Under the administrative control of the Directorate General of Employment, 21 National Livelihood Services Centres are also being run for the differently-abled. These include assessing the abilities of differently-abled and providing them with vocational training and rehabilitation support. Through centres, more than 6,600 differently-abled have been provided employment based on their competence and ability till December 31, 2019. This has helped a lot in the rehabilitation of differently-abled. Twenty-five National Livelihood Service Centres have been established for Scheduled Caste and Scheduled Tribe persons. Till October 31, 2019, 67761 candidates were provided employment-counselling services through these centres. Typing and shorthand training was provided to 5,621 students and 1,050 candidates have been trained in computer skills.

To promote employment generation in the country, the government is providing special assistance to new employers for a period up to 3 years from the start of business under the Prime Minister Rojgar Protsahan Yojana (PMRPY). Under the scheme, entire contribution of employers in the Employees' Provident Fund and Employees' State Insurance Scheme is being paid by the Government of India itself. This scheme has provided dual benefits. Employers are encouraged to increase number of workers in their enterprises. Simultaneously, a large number of workers are getting employment in these organisations. As a direct outcome of this initiative, these workers are also getting social security benefits of the unorganised sector. All the beneficiaries of this scheme have been linked to Aadhaar. Under the Pradhan Mantri Rojgar Protsahan Yojana,1,52,778 organisations and more than 1,21,65,000 beneficiaries have been benefitted till November 25, 2019.

At present, the Ministry of Rural Development is taking all possible measures for inclusive development of villages through its several schemes. Under these schemes, the focus is on generating employment opportunities for the poor and youth of the village through various initiatives and connecting them with gainful employment or self-employment. Mahatma Gandhi National Rural Employment Guarantee Act- MGNREGA has become a powerful medium to ensure inclusive development in rural India in line with its fundamental objectives of social protection and livelihood security. Under this, manual-labour related guaranteed unskilled employment for at least 100 days is being provided to every household in rural areas, as per demand. This scheme has helped in strengthening the livelihood base of the poor in rural India. Around1,348.43 crore man-days were created under this scheme from FY 2014–15 to 2019–20. Investments being made in MGNREGA are creating productive assets on a large scale. This has led to improvement in productivity and increase in income. During the last few years, the scheme has focused on natural resource management, water conservation, irrigation & agriculture and projects related to strengthening activities associated with it. The National Democratic Alliance Government has released funds of more than 3 lakh 6 thousand 45 crores for the States under the MGNREGA during the years 2014–15 to 2019--20. This investment has not only created direct employment in the form of man-days, but also increased indirect employment opportunities due to increase in various agricultural activities including multi-crops and productivity improvement. There is no doubt that MGNREGA has increased the income of rural households and their livelihood has become more secure than ever.

Pradhan Mantri Awaas Yojana-Gramin is a housing programme creating employment both directly and indirectly. During the tenure of the National Democratic Alliance Government, a significant increase has been registered in man-days created under the Pradhan Mantri Awaas Yojana-Gramin. If we have a comparative study, a total of 25.20 crore unskilled man-days were created during the UPA Government from FY 2009–10 to 2013–14, while the National Democratic Alliance Government created a total of 277.52 crore unskilled man-days from FY 2014–15 to FY 2019.

Deendayal Antyodaya Yojana - National Rural Livelihoods Mission aims to reduce poverty through promotion of diversified and gainful self-employment and skilled wage employment opportunities resulting in appreciable increase in incomes of the rural poor on sustainable basis. Under this Mission, emphasis is being laid on promoting and strengthening community institutions so that the activities related to poverty reduction in rural areas can be devised through them in a planned manner. The National Rural Livelihoods Mission has two components. The livelihood programme focuses on women self-help groups. At present, there are more

than 60 lakh self help groups in the country and these are initially provided revolving funds. Once the stability is attained, community investment funds are provided to these self help groups. At the third level, these groups are linked to banks for productivity or trade-related loans. There has been a significant increase in bank loans made available to the self help groups of the National Rural Livelihoods Mission, during the last three years. In the financial year 2013–14, self-help groups received bank loans of Rs.23,316 crores while bank loans to the tune of Rs. 44,292 crore were provided to them in the year 2017–18, Rs. 61,448 crore in FY 2018–19 and Rs. 52, 519 crore, so far, in the FY 2019–20. The second component of the National Rural Livelihoods Mission is Deen Dayal Upadhyay Grameen Kaushalya Yojana**.** Under this programme, rural youth from poor families in the age group of 15 to 25 years are provided skill training which is certification-based and in conformity with the National Skill Qualifications Framework (NSQF). About 43,000 candidates were trained under the scheme in the financial year 2014–15 and about 21,400 candidates obtained various jobs. After this, it has recorded a steady increase. In the financial year 2018–19, 2,41,411 candidates were trained and employment was provided to 1,38,98 youth. During the financial year 2019–20 also, training was imparted to more than 2,07,000 candidates and about 1,36,000 candidates got employment. Besides, there has been a significant increase in employment opportunities in the rural sector through Livelihood in Full Employment i.e. LIFE under MNREGA, Rural Masons Training Programme under Pradhan Mantri Awaas Yojana–Gramin and skill training associated with road-building activities. Overall, a total of 1,779.73 crore man-days have been created from FY 2014–15 to 2019–20 through the three schemes of the Ministry of Rural Development: MGNREGA, Pradhan Mantri Awaas Yojana-Gramin and Pradhan Mantri Gram Sadak Yojana.

It is clear from the above facts that after the formation of the National Democratic Alliance Government in the country under the dynamic leadership of our Hon'ble Prime Minister Sh. Narendra Modi, employment opportunities have not only increased in rural areas, but many historical initiatives have also been taken to improve the working as well as living conditions of the workers, and the results of the same are clearly visible on the surface. There is no doubt, that the present NDA Government at the Centre is making consistent efforts to maximise employment opportunities in the rural areas, improve the working conditions of workers and provide them with a shield of social security. The Government does not want to leave any stone unturned in this direction as it believes that the soul of India dwells in the villages and only by empowering rural India more and more, the commitment towards inclusive development of the country can be fulfilled.

(The author is Minister for Agriculture and Farmers Welfare, Rural Development and Panchayati Raj, Government of India. Email: mord.kb@gmail.com)

MORE THAN 14 LAKH SHGs TO BE ADDED TO TAKE THEIR TOTAL TO 75 LAKHS BY 2022: SHRI NARENDRA SINGH TOMAR

The Union Minister for Agriculture & Farmers Welfare, Rural Development and Panchayati Raj, Shri Narendra Singh Tomar participating in a live TV programme on DD Kisan on Women's Empowerment to mark the International Women's Day, in New Delhi on March 08, 2020.

The Union Minister for Agriculture & Farmers' Welfare, Rural Development and Panchayati Raj, Shri Narendra Singh Tomar has said India cannot emerge as a developed economy in the comity of nations without participation of women. Addressing a live TV programme on DD Kisan on Women's Empowerment to mark the International Women's Day on 8th March in New Delhi, Shri Tomar said the Prime Minister Shri Narendra Modi's mission of a New India can become a reality only with the active participation of women, who constitute half of the population, in the economy. Women are now not only toppers in academic Board and competitive exams, but handling key positions in various sectors ranging from industry, scientific and technical research, space research & nuclear programmes, police and armed forces and bureaucracy, he added.

Shri Tomar said, the Women's Self Help Groups (SHGs) are backbone of poverty alleviation programmes and the entire focus of Department of Agriculture, Cooperation & Farmers' Welfare and Departments of Rural Development and Panchayati Raj is oriented towards women's emancipation. "Since communities can be more influential than individuals, the role of SHGs as change makers is critical in the development process sweeping across the rural landscape," he said.

Shri Tomar said there are 60.8 lakh SHGs across the country mobilizing more than six crore 73 lakh women. "The Rural Development Ministry plans to create a total of 75 lakh SHGs by 2022 to enable more women to get livelihood," he said.

Shri Tomar said the Government is providing funds and training to SHGs for livelihood missions, linking them with banks for easy credit flow and the Rural Development Ministry has instituted awards for SHGs encouraging them to perform better. More than Rs.2.75 lakh crores credit has been provided to SHGs during last six years to make women self-dependent. More than five crore people are annually employed under the Mahatma Gandhi National Rural Employment Guarantee Scheme and women constitute 55 per cent of the workforce under the MGNREGA. Even under the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) with 4.66 lakh women involved, the participation of women is more under the scheme, he said.

Shri Tomar said the Swarna Jayanti Gram Swarozgar Yojana (SGSY) was restructured and subsumed into the Deen Dayal Upadhyaya Antyodaya Yojana (DAY) - National Rural Livelihood Mission (Ajeevika) (NRLM). Under the Mission, the Government aims to reach out to about 10 crore rural poor households. The Swachh Bharat Mission (SBM) has given dignity to women and enhanced their safety with the construction of 9.5 crore toilets across the country.

The Minister said Government is not only supporting women and rural population but also providing them with platforms like the Government e-Marketplace (GeM) for fetching better prices for their products.

(Source: PIB)

MSME: ENTREPRENEURSHIP OF THE NEW ERA

Urvashi Prasad

The importance of the MSME sector to the Indian economy cannot be overemphasised. It employs over 100 million people and accounts for 45 per cent of manufacturing output as well as more than 40 per cent of the country's exports. The MSME sector currently contributes 29 per cent of the country's GDP. According to the 73rd Round of the National Sample Survey, conducted during 2015–16, the estimated number of workers in unincorporated non-agriculture MSMEs in India was 11.10 crore.

The Prime Minister has on several occasions emphasised the need to make focused efforts for realising the vision of a $5 trillion economy by 2024–25. Achieving this target will move India from being a lower middle-income country to an upper middle-income country, effectively doubling our per capita incomes. This will of course happen only when India remains a preferred place for organisations to do business and create employment and growth for our citizens. Government is a facilitator for businesses to grow and increase productivity. Their return is further reinvested in India's future. The government's actions have therefore been geared towards spurring the growth of businesses, especially Micro, Small and Medium Enterprises (MSMEs) and start-ups, across sectors. Several measures are being implemented to support businesses, including building industrial corridors, taking significant steps for improving the ease of doing business as well as looking at various sector-specific policies to promote manufacturing and skilling for enhancing productivity.

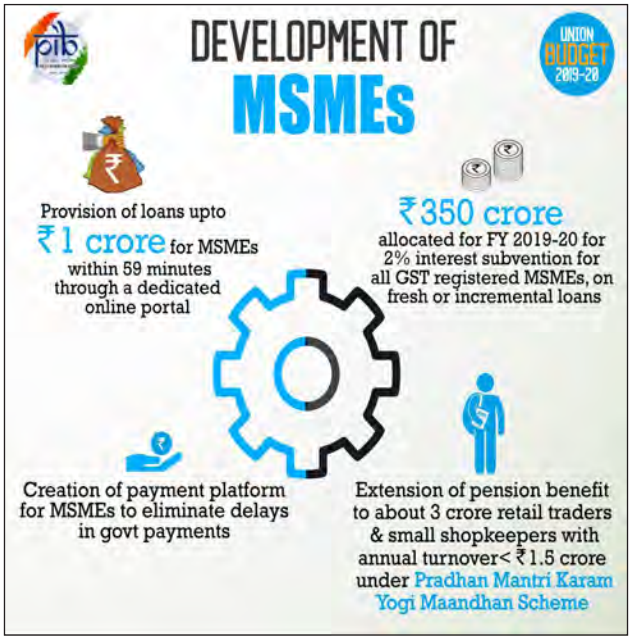
The importance of the MSME sector to the Indian economy cannot be overemphasised. It employs over 100 million people and accounts for 45 per cent of manufacturing output as well as more than 40 per cent of the country's exports. The MSME sector currently contributes 29 per cent of the country's GDP. According to the 73rd Round of the National Sample Survey, conducted during 2015–16, the estimated number of workers in unincorporated non-agriculture MSMEs in India was 11.10 crore.

Under the Prime Minister's Employment Generation Programme, the estimated employment generated (number of persons) in micro-enterprises during the years 2014–15, 2015–16, 2016–17, 2017–18 and 2018–19 was 3.58 lakh, 3.23 lakh, 4.08 lakh, 3.87 lakh and 5.87 lakh, respectively.

As per a Survey released by the Confederation of Indian Industry in 2019, MSMEs have been the largest job creators over the last 4 years, especially in sectors like hospitality and tourism, textiles and apparel, metal products, machine parts and logistics. The Survey covered over 105,347 firms, largely in the MSME sector, across more than 350 industrial centres in 28 states.

Economic Reforms Impacting MSMEs

Achieving robust economic growth for only one or two consecutive years is not enough. As emphasised by the Prime Minister, the government's vision for India is for the next three decades. The government has therefore implemented several key structural reforms to lay the foundations for rapid



economic transformation and taking the economy on a long-term high-growth trajectory. A number of these reforms are also playing a critical role in strengthening the MSME sector by bringing small and medium businesses into the formal economy.

Firstly, the government recognises that failure is important in the lifecycle of every entrepreneur. Hence steps have been taken to ensure that entrepreneurs fail fast and come back to succeed even faster. The legal system to deal with insolvencies and bankruptcies was previously very fragmented and the process took over 4 years on average. By enacting the Insolvency and Bankruptcy Code, the government has brought India at par with the best in the world. The time taken has been drastically reduced to less than a year.

Secondly, before 2014, India had a reputation for a taxation system that was unfriendly for investors, unpredictable and non-transparent. The Goods and Services Tax has made India's indirect taxation system one of the best in the world. This has integrated India into a single economic market. The corporate tax rate has also been reduced from 30 per cent to 25 per cent for over 99 per cent of the corporates. Many complex and discretionary rules for tax exemptions have been eliminated so that all companies are treated equally.

Thirdly, India is among the top 2 countries globally on several dimensions of digital adoption. Nearly 1.2 billion Indians are registered under Aadhaar, the world's largest unique digital identity programme. Increasing smartphone penetration and connectivity—currently more than 530 million smartphone users— is expected to increase to more than 1 billion users by 2024; currently more than 500 million internet users are expected rise to 1.2 billion internet users by 2024. Digital connectivity is being enabled by the exponential growth of India's mobile industry.

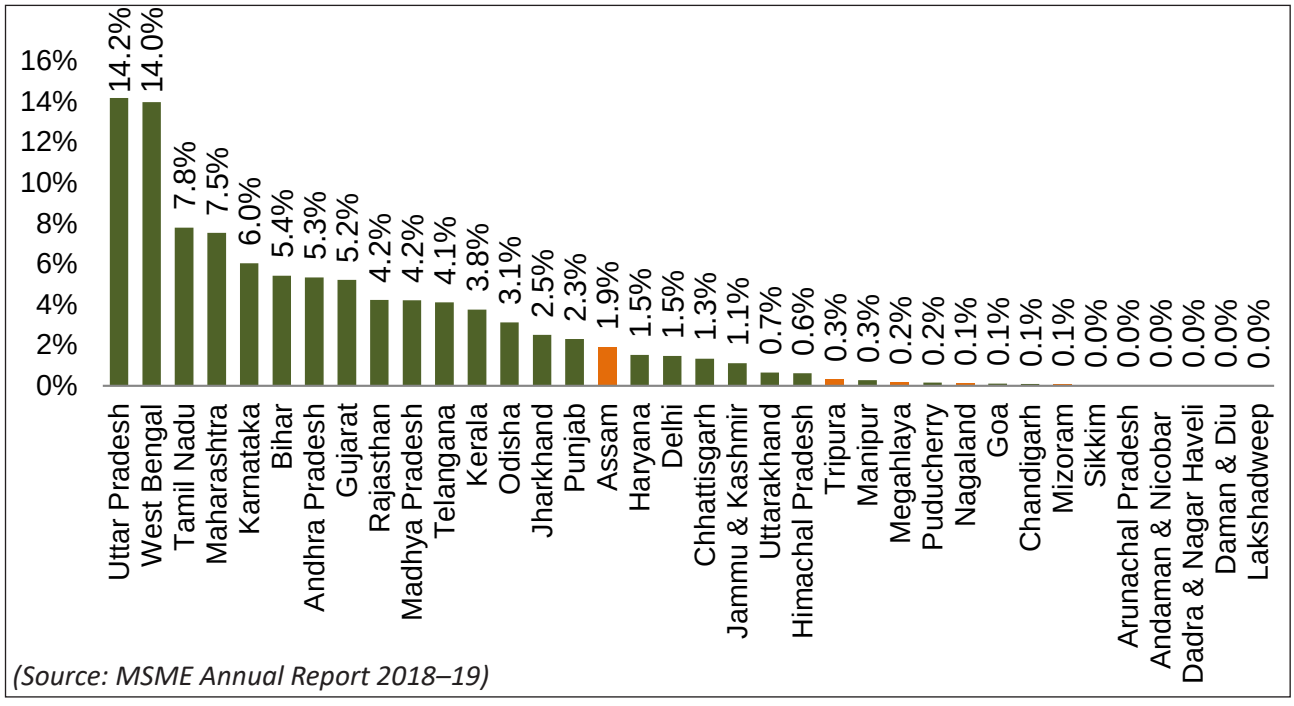
Recent initiatives such as the Bharat Interface for Money (BHIM) application are giving a massive boost to digital money transactions. A new digital ecosystem India Stack has also been developed. India Stack is a set of Application Programming Interface that allows governments, businesses, start-ups and developers to utilise a unique digital infrastructure to solve India's hard problems towards presence-less, paperless and cashless service delivery. Government procurement has also been digitised through the Government e-Marketplace (GeM) which is revolutionising procurement processes.

Fourth, NITI Aayog released a discussion paper on National Strategy on Artificial Intelligence in June, 2018. A large-scale National Artificial Intelligence Programme will also be launched soon. AI can play a key role in accelerating business performance for MSMEs, especially in the areas of efficiency, innovation and growth.

As a result of these reforms, India jumped to 77th place in 2019 in the World Bank's Ease of Doing Business rankings, a jump of 65 spots since 2014. This unprecedented improvement in India's rankings was a result of rationalising processes and procedures for giving licenses and permissions, reducing compliance burden and providing support to start-ups and facilitating investment.

The government is also playing a proactive role in investment promotion through a liberal Foreign Direct Investment policy. India's FDI inflows in 2018–19 remained strong at $64.375 billion marking a 6 per cent growth over the previous year. The government has allowed 100 per cent FDI under the automatic route for many sectors, including job creating sectors such as single brand retail trading and construction development. These inflows have a positive impact on the MSME sector as well.

Figure 1: Percentage (%) of MSME Enterprises in India



(Source: MSME Annual Report 2018–19)

Initiatives for Catalysing Growth of MSMEs

Access to formal credit, whether it is for working capital or capital investment finance was one of the most important constraints to the growth of MSMEs. Many MSMEs operating in the informal and unorganised space did not have ready to audit accounting books that banks use to judge creditworthiness. Similarly, working capital was constrained when their buyers (typically large corporates) failed to pay them on time, or demanded long repayment schedules. To address these challenges, a portal was launched to approve loans for MSMEs in just 59 minutes for an amount up to the limit of Rs. 1 crore. This helped to ensure that physical visits to banks were no longer necessary. Further, MSMEs were provided a 2 per cent interest subvention by the government. These measures were put in place to facilitate easier access to credit for MSMEs from banks, as opposed to from informal money markets where the interest costs can be extremely high.

Additionally, the government launched the Trade Receivable electronic Discounting System (TReDS) to address the working capital requirements of MSMEs as well as the Samadhaan Portal for tackling the problem of delayed payments.

Further, the government is implementing schemes like the Prime Minister's Employment Generation Programme for generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth in rural as well as urban areas. Till last year, 65,312 new micro-enterprises had been established and 5,22,496 employment opportunities were generated under this programme.

Over 24 Common Facility Centres and 25 Infrastructure Development Projects were approved as part of the Micro Small Enterprises-Cluster Development Programme while 5,46,127 credit facilities were approved amounting to a guarantee of Rs. 33,381 crore, under the Credit Guarantee Fund Trust for Micro and Small Enterprises.

Ministry of MSME is also implementing the Technology Centre Systems Programme for setting up 15 new Tool Rooms and Technology Development Centres (TCs) as well as upgrading the existing 18 TCs in the country. Over 3,59,361 young citizens have been skilled through the TCs and other government training institutes.

At least 62,085 MSMEs had been registered on the Government e-Marketplace (GeM) till 2019. Central Public Sector Undertaking (CPSUs) units are

now mandated by the government to make at least 25 per cent of their procurements from MSMEs as opposed to 20 per cent. Till last year, goods and services worth Rs. 20,139.91 crore had been procured from 71,199 MSMEs, accounting for 28.49 per cent of the total procurement of CPSUs.

Efforts have also been made to popularise Khadi and empower village industries. In November, 2019, the Union Government issued a unique HS code for Khadi thereby making it an exclusive category distinct from the general category of textile products. This move is likely to also positively impact Khadi exports.

Recently, some favourable amendments have been made in the Interest Subvention Scheme for MSMEs launched by the Prime Minister in November, 2018. The modifications have been made in response to the operational challenges highlighted by various stakeholders. It is expected that following these changes in the guidelines of the scheme, the productivity of MSMEs will be enhanced as a result of access to credit at a lower cost.

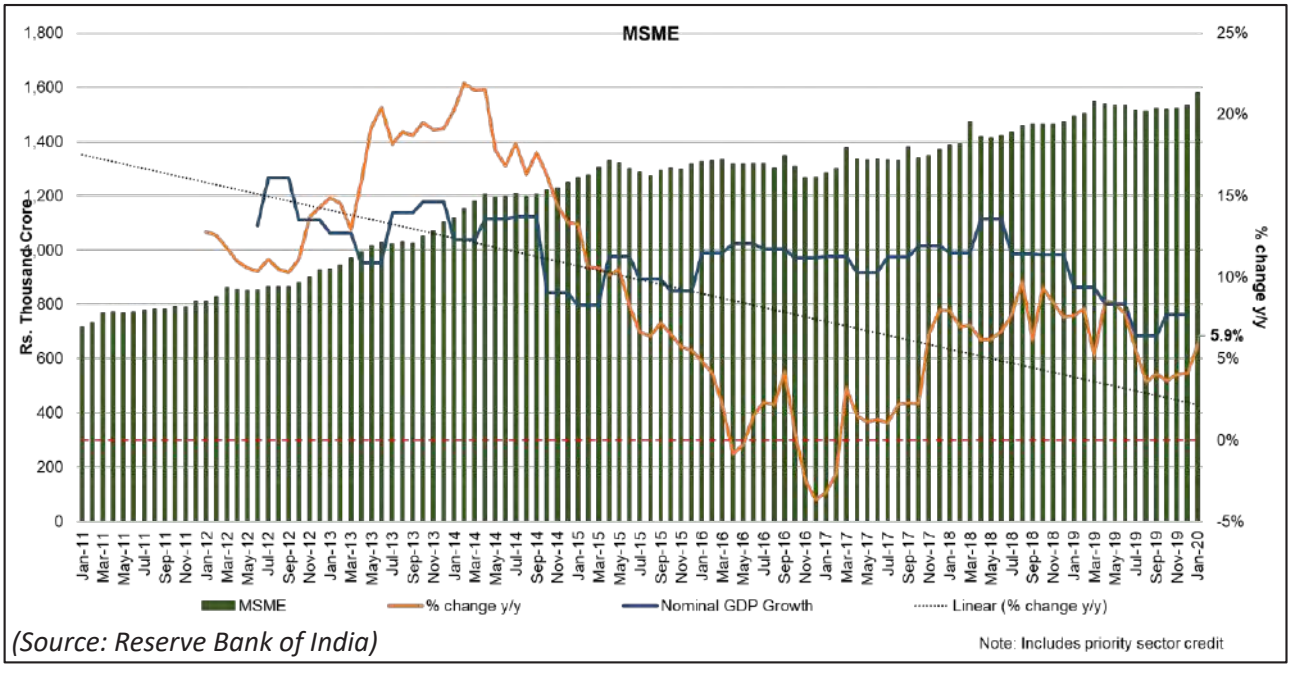
Another key area of focus has been the promotion of exports. To become a $5 trillion economy by 2024, understanding the export potential of different States in India and focusing on promoting exports is crucial. It is widely appreciated that we need to strongly ramp up our export effort for increasing India's share in world trade flows of both goods and services. The policies put in place are therefore focused on providing better infrastructure, increasing credit availability, building the competitiveness of our products in terms of cost and quality as well as targeting focused products and services for exports.

With respect to MSMEs, the government has set a target of raising the sector's share in India's exports from the current 49 per cent to 60 per cent. To achieve this, various initiatives are being implemented for generating skilled manpower which, in turn, is vital to achieving high-quality production. Efforts are also being made to create better awareness among MSMEs about the requirements of foreign markets to enable them to tailor their products accordingly. Additionally, steps are being taken to lower the cost of production including cost of capital, logistics and power along with enabling access to credit for MSMEs. Specifically, on aerospace and defence manufacturing, the government aims to make India one of the top five global producers with an annual export target of $5 billion by 2025.

Key Budget Announcements and Allocations

In the Union Budget 2020–21, the government set aside an all-time high sum of Rs. 7,572.20 crore for the Ministry of Micro, Small and Medium Enterprises. The Ministry's flagship scheme, the Prime Minister

Figure 2: Bank Credit to MSMEs has started growing faster



(Source: Reserve Bank of India)

Employment Generation Programme, has also been allocated an all-time high amount of Rs. 2,500 crore. Further, a scheme of Rs. 1,000 crore was announced for providing capacity building support including business strategy, research & development and technology upgradation, to MSMEs in diverse sectors including pharmaceuticals, auto components and others in order to make them export competitive.

Other key allocations for the MSME sector include Rs. 472 crore for the Khadi Vikas Yojana and Gramodyog Vikas Yojana for developing a sustainable model of Khadi-based enterprises in villages as well as Rs. 391 crore for the MSE-Cluster Development Programme, an increase of 71 per cent from the previous year.

The Scheme of Fund for Regeneration of Traditional Industries (SFURTI) has also seen a higher allocation of Rs. 465 crore compared to Rs. 125 crore in the previous year for equipping traditional industries in becoming more productive, profitable and large-scale employment generators for artisans. Moreover, to make MSMEs more competitive, the allocation under the Credit-Linked Capital Subsidy and Technology Upgradation Scheme has been increased to Rs. 805 crore. In order to promote entrepreneurship among Scheduled Castes and Scheduled Tribes, the National Scheduled Caste/ Scheduled Tribe Hub has been allocated Rs. 150 crore.

Several key policy and programmatic announcements were also made with respect to MSMEs in the Union Budget 2020–21. Firstly, the turnover threshold for a business in the MSME sector to have its books audited by an accountant has been raised from Rs. 1 crore to Rs. 5 crore. This is expected to reduce the burden of compliance, particularly on smaller traders, retailers and shopkeepers. Second, the corporate tax rate has been cut to 15 per cent for new businesses in the manufacturing space, while the rate for existing companies has been lowered to 22 per cent. This step has been taken to enable the expansion of businesses, including through fresh investments. Third, the Dividend Distribution Tax has been removed to reduce the tax burden on investors. Fourth, amendments have been proposed to the Factor Regulation Act, 2011 for enabling Non-Banking Finance Companies to extend invoice financing to MSMEs through TReDS. Fifth, for channelising working capital for MSMEs, it has been

proposed that a scheme for providing subordinate debt in the form of quasi-equity will be introduced.

Other key budgetary announcements include an app-based invoice financing loans product, creation of a unified procurement system through GeM as well as indirect tax reforms for improving compliance including automation of GST refunds and Aadhaar-based verification of taxpayers. Last year, following the 32nd Meeting of the GST Council, the GST exemption limit for businesses in the MSME sector was raised to Rs. 40 Lakh from the earlier slab of Rs. 20 Lakh.

In conclusion, it may be noted that India has been broadly on an accelerating path. It is likely to be the fastest growing major economy in the world in the medium-term. Our focus must be on continuing to accelerate growth in the quest of becoming a $5 trillion economy by 2024, with a contribution of at least $2 trillion from the MSME sector.

We therefore need to push for reforms such as stronger credit support for MSMEs. Several important suggestions have been made in NITI Aayog's *Strategy for New India @ 75* document as well including laying emphasis on creating a self-sufficient cluster of manufacturing competence, integrating MSMEs in e-Commerce supply chains and ensuring adherence to quality.

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ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITIES IN AGRICULTURE

Bhuwan Bhaskar

Agriculture and jobs are often talked about in contradictory terms. As a general concept of livelihood, both are considered as exclusive compartments wherein one must leave one to get into other. But now with changing times and gradual increase of general awareness among farmers about better farming practices and use of technology in fields, the concept is fast changing. In fact, agriculture has been emerging as the most promising field of self-employment which has a huge potential to engage people from different cross-sections of society in order to become a mammoth employment generator.

Niraj Dhanda, from a small town near Jind in Haryana, completed his studies in Mechanical Engineering. But he never had any ambition or dream to queue up before companies to seek a job. And the most interesting part of his story is that he is not jobless. He works for himself and earns not only in six digits, but in seven digits. And that too, not annually, but monthly. No, he is not a corporate employee. He introduces himself as a farmer as he cultivates his 6 acre land and now plans to take up 35 acre more just after 7 years of his sojourn with agriculture. Niraj has also created employment opportunities for 4 others who live on his farm to assist him.

Agriculture and jobs are often talked about in contradictory terms. As a general concept of livelihood, both are considered as exclusive compartments wherein one must leave one to get into other. But now with changing times and gradual increase of general awareness among farmers about better farming practices and use of technology in fields, the concept is fast changing. In fact, agriculture has been emerging as the most promising field of self-employment which has a huge potential to engage people from different cross-sections of society in order to become a mammoth employment generator. Not only that, agriculture is a sector, which may create a domino effect for growth in various other sectors like logistics, agri infrastructure, manufacturing, etc., to generate scores of other employment opportunities.

Niraj Dhanda is not alone. There are now hundreds of young people who, after completing higher professional education or working for years in a corporate environment, have chosen to seek employment opportunities for themselves in agriculture. Some of their stories may explain the kind of employment opportunities being created in agriculture sector lately. In fact, these opportunities are the direct result of changing socio-economic panorama across India due to increasing influence of media, education and government policies. On a broad basis, these could be bracketed in the following points:

Consumer Awareness: With increasing income levels across societies, a significant section of people is now willing to spend more on healthy food, vegetables and other eatables than they used to do earlier. This has created market for 2 types of agri products. Organic staple and food items are the first type and have become the buzzwords of

the agri market. And second, a fast-expanding market for exotic agri produces like Thai guava, dragon fruit, aloe vera, black rice, broccoli, lettuces, etc. Both have created ample opportunities of employment and livelihood for farmers and agri entrepreneurs.

Niraj Dhanda targeted the second category of market, when he started cultivating Thai guava around 7 years ago. At that time, the market for the fruit was not ripe enough to get his expected prices. So, he decided to do direct marketing. He gifted his fruits to all his friends, relatives and distant relatives for free in the first year. Due to his experimental and progressive cultivation, the Thai guavas came out with a great taste and quality resulting in a large chunk of his first year clientele returning back with orders for the fruit. Niraj started selling it at Rs. 350 per kg. In next 6 years, he went on improving his agri practices only to improve the taste and quality of his fruit to superior levels and now he is selling the same fruit at a whopping Rs. 1000 a kilo. Niraj has not stopped just at this. He also started producing vegetables, pulses, turmeric, etc. With the relationships and trust he has developed till now with his customers, he has also started cultivating the first kind of market, that is of organic produces. He is now selling bouquet of a number of pure organic kitchen produces for a fixed price. As his next plan, Niraj is putting up a poly-house on an acre of his captive land and has also taken 30 acres of land on lease for growing a number of crops. His clients have already queued up for the organic produce. He has tied up with 500 customers in Jind and Panipat to supply a basket of some selected farm grown organic fruits and vegetables on alternate day for Rs. 5500 per month.

Now, let's meet Prateek Sharma, an ex-banker and new age progressive farmer living in Bhopal, who quit his job when he was at the peak of his career as Zonal Head of a private sector bank. Prateek's decision to jump into this primitive activity was driven purely by his sense of business opportunity coming up in agriculture. He started with setting up of big-bang poly-houses and using chemical fertilizers and pesticides to propel his agri business opportunities. But very soon he realized that the rules of game in agri business have changed. Having been crushed between high cost and uncertain market, he had to get on to his homework afresh. He did extensive market survey and found out that there is a huge demand of organic food items. With an aim to cater almost all the demand of a household kitchen, Prateek Sharma roped in many other farmers who were interested in moving into organic farming and had different crop portfolio ranging from pulses to staples to oil seeds to vegetables. He also ensures traceability of all the produces from his group of 52 farmers where he encourages his loyal clientele to visit the farms on weekends to go and feel the production process. He has now become a known name in agri farming in Bhopal and nearby areas.

Farmers' Awareness: There is a huge interest among new generation farmers about moving into hi-tech farming. Even small farmers with very little landholding are being attracted towards usage of poly-house, net-house, micro irrigation tools like drip, sprinkle etc., mulching. This has created great livelihood and employment opportunities for young entrepreneurs in this vertical.

Rajeeb Roy from Bengaluru and Shashank Bhat from Lucknow are the examples of how this newly found interest in farmers could cater to the business and employment ambitions of a whole new generation of agri entrepreneurs. Both run their own companies which connect to farmers with a turnkey solution of putting up these above mentioned coveted agri infrastructures.

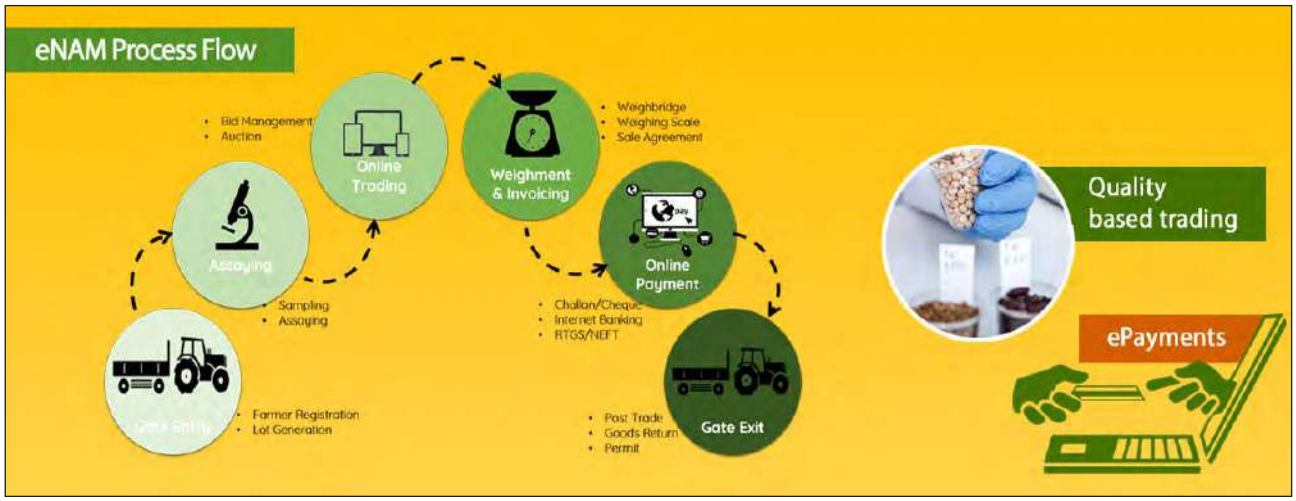
Nevertheless, both have a completely different business model as Roy prefers to do it with farmers who go for establishing the infrastructure with the help of financial institutions whereas Bhat connects his clients with government departments and facilitate them to get statutory subsidies. Putting up poly-houses costs around Rs. 40 lakhs per acre while for net-houses it comes around Rs. 14-15 lakhs per acre. Different states give 50-70 per cent subsidy on establishing these hi-tech houses having been imported from Israel. Likewise drip irrigation and mulching are provided with subsidies up to 90 per cent in some states. With such huge subsidy support, establishing these infrastructures have become very cost effective whereas the benefits they extend are enormous.

Apart from hi-tech farming, the requirements in traditional farming have also been witnessing unique employment opportunities due to increased awareness among farmers. Quest for right quality of seeds has given way to many agri start-ups. Many farmers are turning towards bio manure to increase carbon matter in their farm providing magnificent employment opportunities in the production of vermicompost and bio fertilisers. Agri entrepreneurs like Karan Sikri from Kurukshetra and Sana Khan from Meerut have proved the business potential of such verticals by earning unbelievable income from them.

Government Policies: The Central government has initiated many programmes with an aim to increase the farmers' income. These schemes have also created many opportunities of business and employment. National Aroma Mission is one such Central programme which was launched in 2016 to promote the cultivation of aromatic plants like vettivar, lemon grass, germanium, palmarosa, mentha, etc. These plants produce essential oils which are widely used in soaps, perfumes, mosquito repellents, medicines, etc., and India was almost wholly dependent for these oils on imports till some years ago. With National Aroma Mission, Government of India targeted to save the forex by providing training, market and infrastructure support to anyone who is interested in cultivating the aromatic crops and subsequently extracting the oil.

Samir Chaddha from Lucknow and P. Dhanraj from Cudallore in Tamil Nadu are the examples to reckon. Samir, coming from a flourishing business family in Lucknow, started cultivating aromatic plants on 3 acre of his land some years ago. Now his land under cultivation is around 33 acre. He took training about cultivation from CSIR-CIMAP (Central Institute of Medicinal and Aromatic Plants) and also got oil extraction unit established on his land with the help of the Institute. CIMAP helped him in connecting with big industrial buyers and now Chaddha is earning more than a lakh per acre as profit. P. Dhanraj, on the other hand, used to work in Qatar as a supervisor for a meagre Rs. 7000 a month. Going far away from his native place was not his choice, but his compulsion as the land in his native Cudallore district is almost sand and can't produce any crop. But with the advent of vettivar cultivation in his district by a Malayali farmer in 2000, things began to change. Dhanraj returned from Qatar in 2004 to cultivate vettivar on his brazen land. But without any knowledge of the end product, he had to sell the crop to some industries and his profits were limited. When National Aroma Mission was launched by Prime Minister Narendra Modi, Cudallore was chosen as a model district to propagate the cultivation of vettivar. With the research and new productive variety vritti, developed by CIMAP and support provided by Tamil Nadu Agriculture University, Dhanraj increased his cultivated land up to 20 acre last year from 6 acre earlier and from this year, he is cultivating vettivar on 50 acre. His farmer group Nachikedu Vettivar Cultivation Cooperative has already got an oil extraction machine established under the Mission through which he and his fellow farmers plan to extract oil that would almost double his profits. Within only 4 years of its launch, National Aroma Mission has transformed Cudallore as the vettivar district creating it as the employment hub for workforce from adjacent districts.

The government is committed to establish electronic National Agriculture Market (eNAM). Already 585 mandis from across the country have been linked to this network and more than 400 mandis are set to join it in next phase. Standard quality parameters for the commodities being traded on eNAM are a must, but the infrastructure/ labs to test these quality parameters are scarce. This creates a big opportunity for entrepreneurship where cleaning and grading units or labs could be established and given for use to farmers for a



fee. Warehousing is another space where India is struggling to meet the gap between existing and needed storage space. In the General Budget 2020–21, the government has taken up a target to establish warehouses on block levels. This is also going to create some opportunities for employment and entrepreneurship.

Apart from the above discussed entrepreneurship and livelihood opportunities that the changing scenarios in agriculture have created, there are another set of opportunities too for farmer groups, Farmer Producer Organisations (FPOs) and Self Help Groups (SHGs). These are especially important looking at the government's priority in creating and helping such communities. Prime Minister Narendra Modi has just started the movement for creating 10000 FPOs in next five years while SHGs have been given exclusive mandate for creating village level warehouses with the financial help from MUDRA Yojana and Nabkisan in General Budget 2020–21. Employment and entrepreneurship opportunities for such groups are as following:

Farm Level Producers: Agri produces are sold in the mandi by farmers. But, as a simple market survey would prove that if some of the agri produces could be treated and processed to make simple end products, the income of a farming household could be increased by a big margin. In Bundi, Rajasthan, there is a Self Help Group (SHG) called Samriddhi Mahila Producer Co. Ltd. (SMPCL) which is a case to make point in this context. The women farmers of this SHG run a centre where soyabean is processed with the help of simple machines. These women produce a whole range of soya products, be it soya milk, tofu, cake, halwa, various sweets and soya flour. These end products are sold to local caterers, restaurants and households which fetches good prices for the member farmers.

Service Providers: For optimising agriculture, there are different types of services required at the village level. These include the input procurement and distribution, hiring of implements and equipments like tractors, seed drills, sprayers, harvesters, threshers, dryers as well as technical services such as installation of irrigation facilities, weed control, plant protection, harvesting, threshing, transportation, storage, etc. Similar opportunities exist in the livestock husbandry sector for providing breeding, vaccination, disease diagnostic and treatment services, apart from distribution of cattle feed, mineral mixture, forage seeds, etc. FPOs are best placed to reap the benefits of such an opportunity. In fact, almost all the active FPOs have completed at least 2 primary tasks very successfully. One, procurement of farm produces from member farmers and two, selling them directly to traders, millers or processors. That has successfully curtailed the role of middlemen in the process, thus increasing the price realisation for member farmers. Apart from that, the FPOs have effectively been providing cleaning and grading facility to their members which has reportedly increased the income levels of farmers by as much 30–40 per cent apart from creating a revenue source for FPOs.

Export Opportunities: Export of agri produces provides a great business opportunity not for individuals, but for FPOs also. Sahyadri, a FPO based out of Nasik, is the largest grape exporter of

Summing Up

The employment and entrepreneurship opportunities in agriculture could be divided in two broad categories:

1. **Individual Opportunities**: Grass root developments that have changed the scenario in last some year:

a. Consumer Awareness: There are two major catalysts in this category:

i. Organic produces

ii. Market for exotic veggies and fruits

b. Farmers' Awareness: This has propped up 3 main opportunities:

i. Hi-tech farming

ii. Demand for quality input

iii. Custom Hiring Centres for expensive and state-of-the-art machines

c. Government Policies: There are many which have created ample space for employment and entrepreneurs. To count some are:

i. National Aroma Mission

ii. eNAM

iii. Warehousing/eNWR

2. **Group/FPO Opportunities**: The Central government's thrust on promoting 10000 FPOs in next 5 years and using SHGs as intermediary for rolling out agri infrastructure, has turned them as lucrative business entities. They can act as:

a. Production units for value added products

b. Service providers

c. Export of agri products

Apart from agri activities, allied sectors can also create huge opportunities for entrepreneurship. The leading sectors in this category are:

1. Poultry
2. Dairy
3. Fisheries

India. Fair Trade Alliance of Kerala (FTAK) is another farmer producer organisation, which exports almost all the Cashew and Coffee produced by its farmer members to Europe.

Apart from agriculture, allied agri activities also provide many entrepreneur or employment opportunities. Poultry, dairy and fisheries lead the chart. According to them 'National Action Plan for Egg & Poultry-2022 For Doubling Farmers' Income by 2022' prepared and presented by Government of India, the egg production in the country has increased from around 83 billion nos. in 2015–16 to around 88 billion in 2016–17 registering a growth of about 6 per cent. The per capita availability of egg has increased from 61 in 2013–14 to 66 in 2015–16 and 69 in 2016–17. To keep things in perspective, the per capita per annum consumption of eggs in US was 290 in 2019. Government of India has kept a target of 136 billion numbers of eggs production by 2022–23, keeping 7 per cent CAGR growth domestically and 2 per cent export growth per year. This shows the immense growth potential of the sector. Likewise, according to the latest report by US based global market research entity IMARC Group, titled "Dairy Industry in India 2020 Edition: Market Size, Growth, Prices, Segments, Cooperatives, Private Dairies, Procurement and Distribution", the dairy market in India reached a value of Rs. 10527 billion in 2019. The report predicts it to grow at Rs. 25491 billion by 2025. This is 150 per cent increase in 5 years. Fisheries is also a sunshine sector promising ample employment and entrepreneurship opportunity. Its weightage over the previous two sectors can be seen in the Budget announcements for 2020–21 made by Finance Minister Nirmala Sitharaman. Finance Minister in her Budget speech set a target to raise fish production to 200 lakh tonnes by 2022–23. She said, "Our government will involve youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations (Fish FPOs). We hope to raise fishery exports to Rs. 1 lakh crore by 2024–25."

All the data produced in the above para suggest a single point that anyone looking for employment in these sectors will have sky as his or her limit. Additionally, organic eggs or A2 milk has special attraction values for affluent classes where consumers are ready to pay 100 to 300 per cent premium over normal market rate making them a fantastic avenue for venturing for business.

(The writer is AVP with a leading Agri Commodity Exchange. Views are personal. Email: bhaskarbhuwan@gmail.com)

MICRO AND SMALL CLUSTERS FOR SUSTAINABLE DEVELOPMENT

Dr. Sriparna B. Baruah

For a sustainable and inclusive economy, holistic cluster development approach will be the multiplication engine. It will be the catalyst for enterprise development and will provide a conducive ecosystem for their sustenance. The focus will need to be on unexplored sectors and geographies. There will be ripple effect, centred around the cluster which will have the potential of transforming the local and national economy.

The phenomenon of simultaneous cooperation and competition between firms has become increasingly popular in recent years. The importance of co-operation seems to be even greater in the context of Micro, Small and Medium Enterprises (MSMEs). As technological battles have intensified and technologies have become more complex, MSMEs face numerous challenges such as rising research and development costs, high risk and uncertainty in technological development, as well as lack of resources to pursue large-scale innovation projects. MSMEs in an industry need to collaborate with competitors so that they can create economies of scale, mitigate risk and leverage resources together. The MSME sector contributes significantly to the Indian economy in terms of GDP, exports and employment generation.

It has been found that clustering facilitates MSMEs to combat the challenges thrown up by globalisation. Cluster policies work towards strengthening of inter-firm collaboration, business networking and building up/strengthening of organisations for technology transfer. In effect, countries across the world in recent times have been relying on a cluster approach which increasingly stresses on ensuring networks among small firms and in their external environment, with the support institutions and policy framework. Moreover, globalisation has seen introduction of policies for financial assistance to MSMEs in the form of loans, credit guarantees and promotion of venture capital, etc., through commercial banks as well as specialised MSME bank branches/counters of nationalised banks. The era of globalisation in support of MSMEs is thus working its way out. As in countries worldwide, in India too, the MSME sector across regions and states is charting a path towards achievements in terms of growth and development.

Cluster is not only a means to improve the competitiveness but also for alleviation of poverty, generation of sustainable employment, fostering innovation, infusing technology, enabling better

credit flow and sustenance of environmental issues more effectively and sustainably.

Cluster development has been undertaken in more than 50 countries across the world and at least 20 diverse independent initiatives are in progress or being planned in India alone. Probably no other country in the world can boast of more than 6,000 clusters that have been in existence for decades and centuries. While there has been an immense interest generated on the subject, the understanding of clusters and cluster development has led to confusions and contradictions.

The micro sector grows on its own like a hydra because of compulsion. The compulsion is either to generate livelihood and income as in the case of traditional manufacturing industries or additional livelihood and income as in the case of sectors like handloom, handicrafts and sectors falling under Khadi and Village Industries Commission (KVIC). Overall, the MSME sector (barring IT, ancillaries to large units, certain specified services that have come uprecently) is dogged by obsolete technology, inefficiency in cost of production, limited market and a host of problems. This has resulted in an era where traditional industries are making a natural exit in the face of stiff competition both from established national and international players.

All these factors are not possible to be provided to vast number of MSMEs spread across the country nor can they afford to buy them on their own. The only way to resolve this impasse is through clustering and cluster development approach which will give a fresh lease of life to MSMEs. In India, the lesser developed regions which have limited industrialisation, MSMEs are mostly focussed on handloom, craft and agriculture sector, and most clusters are traditional and livelihood clusters. It is seen that from these clusters the household units graduate to micro enterprises. With cluster interventions, the unorganised sector starts getting more structured.

Enterprises can better improve their competitiveness due to the presence of specialised suppliers of raw materials, parts and components, machinery, skills and technology as well as other supporting services. The research on clusters clearly reflects the advantages of focusing on clusters with positive interrelationships among the stakeholders. Developing clusters is not only a means to improve the competitiveness of industry but also an instrument for alleviation of poverty, generation of sustainable employment, fostering innovation, and enabling better, effective and sustainable credit flow.

Cluster Development Initiatives

The formidable challenges created for the MSME sector by the liberalisation of the Indian economy, as well as its closer integration within the global economy, have generated a great deal of interest within India on novel approaches to SME development. As a result, both private and public sector institutions at the Central as well as the State levels are increasingly undertaking cluster development initiatives. Starting with the Ministry of MSME, there are various ministries which have come up with their own cluster development schemes. The table below gives an indication of the various cluster development schemes and the support available for promotion of clusters.

Sl. No	Name of the Schemes	Ministry
1.	**Scheme of Fund for Regeneration of Traditional Industries (SFURTI)** The selection of clusters will be based on their geographical concentration which should be around 500 beneficiary families of artisans/micro enterprises, suppliers of raw materials, traders, service providers, etc., located within one or two revenue sub-divisions in a district (or in contiguous districts). The clusters would be from khadi, coir and village industries, including leather and pottery. The potential for growth in production and generation of employment opportunities will also be considered in selecting clusters under SFURTI. The geographical distribution of the clusters throughout the country, with at least 10 per cent located in the North Eastern region, will also be kept in view while selecting clusters.	**Ministry of Micro, Small and Medium Enterprises (MSME)**
2.	**Solar Charkha Clusters** ➢ The President of India, Ram Nath Kovind launched the Solar Charkha Mission on June 27, 2018 at a function in New Delhi. ➢ 11 Detailed Project Reports (DPRs) of Solar Charkha Clusters have been approved by the Scheme Steering Committee during current financial year 2019–20.	**Ministry of Micro, Small and Medium Enterprises**
3.	**Micro & Small Enterprises - Cluster Development Programme (MSE-CDP)** The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GoI) has adopted the Cluster Development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country. A cluster is a group of enterprises located within an identifiable and as far as practicable contiguous area or a value chain that goes beyond a geographical area and producing same/similar products/complementary products/services, which can be linked together by common physical infrastructure facilities that help address their common challenges. The essential characteristics of enterprises in a cluster are: (a) similarity or complementarity in the methods of production, quality control & testing, energy consumption, pollution control, etc., (b) similar level of technology & marketing strategies/practices, (c) similar channels for communication among the members of the cluster, (d) common market & skill needs and/or (e) common challenges and opportunities that the cluster faces.	**Development Commissioner Ministry of Micro, Small and Medium Enterprises**
4.	**Agro Processing Cluster Scheme** The scheme aims at development of modern infrastructure and common facilities to encourage group of entrepreneurs to set up food processing units based on cluster approach by linking groups of producers/farmers to the processors and markets through well-equipped supply chain with modern infrastructure. The units are set up simultaneously along with creation of common infrastructure. Agro processing clusters set up by Project Execution Agency (PEA)/Organisations such as Government/ PSUs/Joint Ventures/NGOs/Cooperatives/SHGs/FPOs/Private Sector/individuals, etc., and are eligible for financial assistance subject to terms and conditions under the scheme guidelines.	**Ministry of Food Processing Industries**
5.	**Comprehensive Handloom Cluster Development Scheme (CHCDS)** The objective is to develop Mega Handloom Clusters that are located in clearly identifiable geographical locations that specialise in specific products, with close linkages and inter-dependents amongst the key players in the cluster by improving the infrastructure facilities, with better storage facilities, technology	**Ministry of Textiles**

	up-gradation in pre-loom/on-loom/post-loom operations, weaving shed, skill up-gradation, design inputs, health facilities, etc., which would eventually be able to meet the discerning and changing market demands both at domestic and at the international level and raise living standards of the millions of weavers engaged in the handloom industry.	
6.	**Cluster Development Programme for Pharma Sector (CDP-PS)** ➢ The Scheme termed as Cluster Development Programme for Pharma Sector (CDP-PS) is proposed as a Central Sector Scheme for the remaining years of the 12th Five Year Plan and also to continue in the next Five Year Plan. ➢ The total size of the scheme is proposed as Rs.125 crore for CDP-PS for 12th Five Year Plan. ➢ The Scheme would be implemented on a Public Private Partnership (PPP) format through one-time grant in aid to be released in various phases for creation of identified infrastructure and common facilities to the Special Purpose Vehicles (SPVs) set up for the purpose. ➢ The scheme is for setting up of new clusters as well as upgradation of existing cluster. However, the purpose of the grant is for activities of common facilities. The various aspects and the outcomes of the Scheme will be reviewed after three years from the date of its starting.	**Ministry of Chemicals & Fertilizers**
7.	**Mega Leather Cluster** The minimum area for the cluster would be 40 acres. The Mega Leather Clusters will have core infrastructure, social infrastructure, production infrastructure (ready to use factory sheds with plug in facility for machinery/equipment), HRD & social infrastructure, capacity building, etc. Each MLC will be implemented by a SPV, which will be a corporate body registered under the Companies Act 1956 formed by stakeholders, particularly a group of willing entrepreneurs (minimum being 7 legally independent companies) that are engaged in leather tanning, manufacturing of leather goods and components and other activities associated with the leather industry and who intend to set up production units in the proposed MLC. The SPV would conceptualise, formulate, achieve financial closure, implement and manage the infrastructure. It will procure the land, and after developing the infrastructure, will allocate sites or work sheds to industry for setting up the units. It will also mobilise funds other than government grants to execute the projects.	**Ministry of Commerce and Industry**
8.	**Ambedkar Hastshilp Vikas Yojana (AHVY)** An initiative of Development Commissioner, Handicrafts, Ministry of Textiles, Government of India to showcase different products made by cluster artisans across India. Artisans are provided with technical/marketing know how for making these products by implementing agencies which are partnered with DC, Handicrafts for the upliftment of these artisans. The portal showcases 35312 products under 32 different categories. The buyer can reach the product through craft/sub-carft, product/sub-product & region. Once you reach a product, you can view the product details and the cluster details where the product was actually made. It is an effort to provide a market linkage to these artisans/clusters so that buyers/exporters can get in touch with them directly for sending enquiries for the products.	**Ministry of Textiles**
9.	**Research and Development Schemes (cluster)** Looking to the need of R&D activities on regular basis has suggested a new scheme for provision of fund for research and development activities to develop new products and to modify existing products of Cottage Industries.	**Industries of Mines Department, Government of Gujarat**

10.	**Industrial Infrastructure Up-gradation Scheme** Department of Industrial Policy and Promotion, Ministry of Commerce and Industry launched the Industrial Infrastructural Up-gradation Scheme in the year 2003 to enhance competitiveness of industry by providing quality infrastructure through public-private partnership with financial assistance up to 75 per cent of the project cost subject to a ceiling of Rs.60 crores for each project. For implementation of the scheme, a Special Purpose Vehicle (SPV) is to be formed which should be headed by a private sector entrepreneur.	**Ministry of Commerce and Industry**
11.	**AYUSH clusters** Core interventions such as those related to setting up of common facilities for testing, certification, standardisation, quality control and other capacity building measures, and add-on interventions which are related to marketing/branding, provision of general infrastructure support to production units, etc.	**Ministry of Health**
12.	**Craft Cluster** The Craft Cluster initiative at NIFT is designed with the objectives to sensitize NIFT students to the realities of the craft sector and give insight into regional sensibilities and diversities, resources and environment. Through this initiative, NIFT has been successful in creating a widespread awareness and sensitivity in assimilating crafts into fashion and vice-versa. The Craft Cluster Initiative programme is envisaged to provide the students of NIFT systematic, continuous and regular exposure every year to the diversely rich and unique handlooms and handicrafts of India. Under this dynamic initiative, the students of NIFT work closely with the artisans and weavers in clusters of India and undertake activities like diagnostic study, design intervention and prototype development. The artisans and weavers are also invited to NIFT campuses for exposure workshops, demonstration workshops, exhibitions and craft bazaars where they get an opportunity to interact with the craft experts, upgrade their product and design knowledge and understand consumers in the urban markets.	**Ministry of Textiles**
13.	**Shyama Prasad Mukherji Rurban Mission (SPMRM)** The Mission aims to transform these rurban clusters by stimulating local economic development, enhancing basic services, and creating well-planned rurban clusters. This will lead to the holistic development of the region and encourage integrated and inclusive rural development.	**Union Ministry of Rural Development**

Through the various clusters implemented throughout the country, some common benefits that have accrued include the following:

- Formation of new business
- Network formation with supporting institutions
- Women empowerment
- Market development
- Product development
- Easy availability of finance
- Increase in sales, skills up gradation of workers and employment opportunities

Conclusion

For a sustainable and inclusive economy, holistic cluster development approach will be the multiplication engine. It will be the catalyst for enterprise development and will provide a conducive ecosystem for their sustenance. The focus will need to be on unexplored sectors and geographies. For example, there exists huge scope of work in agriculture sector as a large percentage of vegetable and fruit produce gets wasted. Farm level aggregation, sorting, storage, value addition can add millions of rupees in income of the farmers and pull out many from the grasp of poverty. There will be ripple effect, centred around the cluster which will have the potential of transforming the local and national economy.

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LIVELIHOOD OPPORTUNITIES IN AGRICULTURE AND ALLIED SECTORS

Dr. Jagdeep Saxena

Steady rise in population and simultaneous improvement in urban and rural incomes are driving demand side of agriculture sector towards new horizons and heights. Thus, creating and enhancing livelihood and employment opportunities in conventional as well as new and frontier areas of agriculture. Earlier, farming operations, seed, pesticide, fertilisers, farm machinery and livestock husbandry were the major and potential sectors to employ rural population. Now, new avenues and opportunities are emerging in seed technology, biotechnology, food processing, cold storage, packaging, supply chain management, insurance and farm credit.

Despite impressive growth in manufacturing and service sectors, India remains a predominantly agrarian economy. The share of agriculture and allied sectors in the Gross Value Added of the country pegged at 16.5 per cent (2019–20) may not appear outstanding, but this sector happens to be the largest source of livelihood in India. Proportion of population depending directly or indirectly on agriculture for employment opportunities is more than that of any other sector in India (Economic Survey, 2019–20, Volume 2). That makes it the most critical sector for upkeep of economic health and social well being of the country. In rural areas, agriculture and allied sectors sustain livelihood of nearly 70 per cent households, and over-all agriculture is the primary source of livelihood for about 58 per cent of Indian population.

But, on the flip side, agriculture sector is facing crisis and challenges mainly due to rising cost of farm operations, escalating price of agri-inputs and diminishing returns. Farmers' income remains low in comparison to their counterparts in non-farming sector. Consequently, a large section of farmers, especially young ones, intend

to migrate towards more remunerative and secured jobs in urban settings. To counter and address this agrarian distress, the Government of India launched a comprehensive and multifaceted strategy in 2016 to double farmers' income by 2022. Since then an array of initiatives have been taken to enhance farmers' income, create and enhance livelihood opportunities, and develop an enabling environment to retain and attract youth in agriculture.

Potential, Prospects and Policies

Steady rise in population and simultaneous improvement in urban and rural incomes are driving demand side of agriculture sector towards new horizons and heights. Thus, creating and enhancing livelihood and employment opportunities in conventional as well as new and frontier areas of agriculture. Earlier, farming operations, seed, pesticide, fertilisers, farm machinery and livestock husbandry were the major and potential sectors to employ rural population. Now, new avenues and opportunities are emerging in seed technology, biotechnology, food processing, cold storage, packaging, supply chain management, insurance and farm credit. IT-linked services and agri-extension models have created vast scope for cyber-literate rural youth, including girls. In conventional farming, new twists, such as crop diversification, integrated farming, use of high-yielding varieties or hybrid seeds, seed production and organic farming hold great promise for increasing incomes of farmers and securing their livelihoods.

The modern concept of smart farming, wherein state-of-art technologies are used for high-precision crop control and automation of farming techniques, has opened new windows for employment of rural youth. Precision agriculture is another frontier area that cuts the cost and helps small scale farmers to increase their income. Increasing awareness on impact of pesticide/ chemical residues on human health has created an exclusive market where people are willing to pay more for organically produced safe food commodities. Thus, a wave of organic farming is set in eyeing domestic and overseas market and generating remunerative employment across value-chain, from production to processing, packaging and marketing. A large section of farmers is shifting towards high-value horticultural crops that can be processed for value-added products to enhance profitability. Government is financially supporting high-tech cultivation of horticultural crops for quality produce and has launched ambitious Pradhan Mantri Kisan SAMPADA Yojana (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) or PMKSY to promote food processing sector in a big way. With a total outlay of Rs. 6,000 crore (2016–20), the PMKSY envisages creation of direct and indirect employment for 5,30,500 persons by 2020. Several policy initiatives and measures have been taken to promote overall growth of food processing sector and generate employment opportunities. A special fund of Rs. 2,000 crore has been created with the NABARD to provide affordable credit to food processing units. To support food processing sector, Government has classified food and agro-based processing units and cold chain infrastructure as priority sector lending and offered 100 per cent exemption from income tax on profit for new food processing units. Besides creating huge employment opportunities, especially in rural areas, the scheme is poised to benefit 20 lakh farmers by providing better prices for their produce.

Warehousing is another associated activity with potential to generate employment and benefit farmers. Hence, Government of India, in the current budget (2020–21) has made provision for Viability Gap Funding for setting-up efficient warehouses at block/taluk level. To support their warehouses at farm level, a village storage scheme is proposed that will be run by Self Help Groups of local farmers. Government also announced to develop a seamless national cold supply chain for perishable agri-products by collaborating with Indian Railways in PPP (Public Private Partnership) mode. A dedicated Kisan Rail will be launched and refrigerated coaches will be joined with Express and freights trains. Further, Ministry of Civil Aviation will launch Krishi Udaan on national and international routes to boost agri-trade in north-east and tribal districts. To tap the vast potential of agricultural exports, the Government has recently initiated a comprehensive Agriculture Export Policy aimed at doubling the agricultural exports and integrating Indian farmers and agricultural products with global value chains.

Encouraging Entrepreneurship

A vast and untapped potential exists in agriculture and allied sectors for entrepreneurship development especially for rural youth including women. Government is boosting entrepreneurship in this sector by implementing various favourable policies, programmes and business platforms as well as providing technical and financial support to budding entrepreneurs. The strategy intends to develop 'job creators and not job seekers' in rural areas. The Indian Council of Agricultural Research (ICAR), an autonomous body under Ministry of Agriculture, is operating an innovative model to attract and empower rural youth to take up various agricultural and related enterprises for sustainable income and gainful employment. Aptly named ARYA (Attracting and Retaining Youth in Agriculture), this project helps under-employed and unemployed rural youth in establishing agri-based enterprises by imparting necessary skills and entrepreneurial training in village setting. Apiary, mushroom production, seed processing, soil testing, poultry, dairy, goatery, carp hatchery and vermicompost are some of the popular and successful enterprises adopted by youth. Krishi Vigyan Kendras (KVKs), serving farmers at ground-zero, organise short-term trainings for farmers, farm women and rural youth in various potential agri-businesses to encourage self-employment and enhance opportunities for additional income. More than 70 KVKs in rural districts of the country have developed technology-based business models mainly for commercial production of value-added products thus creating opportunities in the potential area of secondary agriculture. As per estimates nearly 90 lakh people will get remunerative engagement in food processing sector alone.

Moving further, ICAR has developed a vast repository of agri-technologies that can be transformed into start-ups and commercial ventures for income and employment generation. To hand-hold desirous entrepreneurs, 25 business incubators have been set up in ICARs across the country that help in mustering services for start-ups with respect to technology refining, validation, business services, scaling-up operations and capital arrangement. More than 1250 agri-technologies have been transferred to institutions and start-up entrepreneurs with success. In order to mentor agri-startups and help them connect with potential investors, ICAR-National Academy of Agricultural Research Management in collaboration with IIM-Ahemedabad has launched a unique Agri-UDAAN programme that guides selected agri-startups to scale up their operations. Besides mentorship and capacity building, few selected start-ups get funding opportunity worth over Rs. 25 lakhs along with further funding opportunity through investor pitches. So far, three editions of Agri-UDAAN have successfully created a nucleus of agripreneurs that are propagating entrepreneurship culture in agriculture and allied sectors.

Custom Hiring Centres, that lease out agricultural machinery to farmers, have opened a new window for employment in rural areas. Rural youth, trained for this enterprise, may open Custom Hiring Centres in their villages by mustering financial support through various government schemes and bank loan. In the initial phase, an entrepreneur can earn Rs. 2.5 lakh per annum with employment generation of 182 days. Various government schemes and programmes that promote entrepreneurship have recognised agriculture and allied activities as a potential sector and provide support to agripreneurs also. Consequently, rural youth now have a significant share in Start-up India, SFURTI and INSPIRE schemes. In the ambitious MUDRA scheme also rural youth, including women, have emerged as major stakeholder and beneficiary. As a capacity building initiative, government-owned Agricultural Skill Council of India is helping aspiring entrepreneurs in acquisition of specific skills for selected trades. Council has developed 169 Qualification Packs spanning across most of the trades in agriculture and allied sectors.

Now, new livelihood opportunities are emerging for agricultural graduates to serve as 'Technology Agents' to provide knowledge, technologies and services to farmers. Private sector and NGOs are also engaging trained and qualified agricultural graduates for this purpose. Further, Ministry of Agriculture and Farmers' Welfare in association with NABARD has launched a unique programme for agriculture graduates to set up their own Agriclinic or AgriBusiness Centre to serve farmers with specialised extension services. Interested candidates are provided free of cost training and soft loans from banks.

Establishment of Self Help Groups and Farmer Producer Companies (FPOs) offer additional opportunities for youth to remain in agriculture and earn a dignified livelihood. Government has recently initiated an exercise to form 10,000 new FPOs over the next five years. FPOs are basically farmer-owned companies that follow a B2B (Business–to–Business) model for marketing of their produce.

Adopt Allied Activities

Growing at a compound annual growth rate of 7.9 per cent, livestock sector (dairy, goatery, sheep husbandry, poultry, etc.) plays a central role in rural sustenance by providing additional income to farmers. Of late, it has developed as independent profession due to rising market demand of livestock products and support of processing facilities. Hence, government is boosting this sector to meet the target of doubling farmers' income and creation of employment opportunities, especially for rural youth. Among livestock sector, dairy is the most promising source of livelihood due to vast canvas of its ancillaries spanning across urban and rural areas. In rural areas generally livelihood opportunities exist in milk production and procurement, while in urban settings milk processing and marketing are the major areas. Export of dairy products has recently emerged as a potential area for business that requires specialised manpower. Currently, India is at the top of milk production in the world (nearly 188 million tonnes during 2018–19) but its utilisation pattern is not up to satisfactory level in terms of business and employment opportunities. Nearly 48 per cent of total milk produced is either consumed at the producer level or sold to non-producers in the rural area. Remaining 52 per cent milk, regarded as marketable surplus, is available for sale to consumers in urban centres. About 40 per cent of the milk sold is handled by the organised sector (dairy cooperatives – 20 per cent, producer companies – 1 per cent and private dairies – 19 per cent) and remaining 60 per cent by the unorganised sector.

As far as organised sector is concerned, there are 210 cooperative companies, together covering about 1.86 lakh villages, reaching out to 16.1 million milk producers. Private sector, large MNCs and retail chains are rapidly expanding their operations purely on commercial lines and in last

20 years have created capacities equal to that set up cooperatives in more than 30 years. While the private sector grows, it is in the interests of livelihood and inclusiveness that cooperatives retain their existing share of the milk handled by organised sector.

With the emergence of private sector as a major player, the dairy industry is now poised to spread across all frontiers with well laid out organisational structures, state-of-art technologies, world class packaging, informative labeling and meeting with international standards of quality. Of late, start-ups are also coming up in cities mainly for door-to-door distribution and marketing of milk in organised manner, and many of them are operating as app-based enterprises. The changing perspective has created demand for dairy professionals, diary technologies and dairy scientists to manage procurement, quality check, bulk cooling, management of cold chain for transport, packaging, processing for value-added products and marketing. Production and distribution of organic milk and novel dairy products, such as probiotics, cheese and yoghurt, are the recently emerged business areas with potential for large scale employment generation.

Government of India is operating a Dairy Entrepreneurship Development Scheme with the objective of generating self employment opportunities in dairy sector, covering various activities form production to marketing. Implemented by NABARD, the scheme provides back ended capital subsidy for bankable projects led by prospective entrepreneurs or dairy farmers. Kamdhenu Aayog, set-up with a corpus of Rs. 500 crore, provides 60 per cent of investment as subsidy to start-ups focusing on commercialisation of cow milk products. Dairy Processing and Infrastructure Development Fund (DIDF), launched in 2018 with an outlay of Rs. 10,881 crore, aims to tap vast opportunities of entrepreneurship in dairy sector. Its main focus is on infrastructure development by creation of additional milk processing capacity, milk drying capacity and milk chilling capacity. Individual entrepreneurs and milk cooperatives are being financially supported by NABARD under the scheme. National Programme for Dairy Development is another comprehensive initiative supporting dairy farmers and dairy cooperatives/producer companies at village level for infrastructure development.

National Livestock Mission is an ambitious initiative by the Government of India which through its various sub-components is encouraging entrepreneurship in poultry, goatery and sheep husbandry. In poultry, subsidy is provided for its various components, such as construction of shed, purchase of broiler chicks, feeds, etc. A specific sub-component of Mission called 'Entrepreneurship Development and Employment Generation' supports livestock related livelihood activities by providing back ended subsidy. A large number of beneficiaries have developed their enterprises and running the venture successfully as job creators. Recent public awareness on health benefits of goat's milk and its products have given a fresh impetus to goatery and goat milk processing industry.

Moving from huge dairy industry towards small enterprise of beekeeping is a refreshing change with vast potential of employment generation. Supported by new technologies and market demand, now business potential of beekeeping is not restricted only to honey and wax, but novel products such as bee venom and pollen have also joined the mainstream creating extra potential for business and job opportunities. According to an official report country has a potential of about 200 million bee colonies as against around 3.4 million bee colonies today. Keeping in view the vast potential, Government has launched a National Beekeeping and Honey Mission that provides financial incentives and support to beekeepers for scientific beekeeping management practices. Market linkages are also strengthened for beekeeping products across national and international borders. Markets are being created for honey, wax, pollen, royal jelly, bee venom and propolis. SFURTI and ASPIRE schemes are also providing financial support to beekeepers for developing it as a business start-up and rural enterprise.

Recently, agriculture and allied sectors have made in-roads in urban centres as well in form of enterprises, ventures, start-ups, etc., related to food processing, dairy products, agri-products, etc. Sufficient allocation of funds for enhancing employment opportunities by public sector and increasing trend of investment by private players is making farming both attractive and lucrative profession. Youth, including both men and women,

BOX -I

Flourish with Fisheries

Fisheries, as an allied sector to agriculture, remains an important source of food, nutrition, employment and income in India. According to recent Economic Survey (2019–20) by Government of India, fisheries sector provides livelihood to about 16 million fishers and fish farmers at the primary level and almost twice the number along the value chain. The country harvested 13.41 million metric tonnes fish during 2018–19 (provisional); out of this the marine fisheries contributed 3.71 million metric tonnes and the inland fisheries added nearly 9.71 million metric tonnes. But, the report states that during 2018–19 nearly 71 per cent potential of marine fisheries and 58 per cent potential of inland fisheries potential has been harnessed. So, a significant proportion of potential skill lies untapped that, if harnessed, can lead to generation of more livelihood and employment opportunities. It is heartening that fish production is registering on average annual growth rate of more than 7 per cent in recent years. The recent thrust on seafood production has made India one of the leading seafood exporting nations in the world. During 2018–19, India exported marine products worth Rs. 46,589 crore mainly to USA and markets of South East Asia. India has added advantage of marine fisheries resources in form of its vast coastline and 2.02 million square kilometres Exclusive Economic Zone (EEZ) and 0.53 million square kilometres continental shelf area. Additionally, India is blessed with huge inland fisheries resources in form of rivers and canals, floodplain lakes, ponds and tanks, reservoirs, brackish waters, saline and alkaline affected areas etc.

are being empowered by vocational training, skill development and hand-holding for taking up agriculture-related activities as a business or commercial enterprise. Banks and other financial institutions have been sensitised and advised to provide soft loans to agripreneurs with sound footing. Thus, an enabling environment is now prevailing in the country for development and employment opportunities in agriculture and allied sectors. The vast potential needs to be tapped and realised for bridging rural and urban divide effectively and quickly.

Government is vigorously supporting fisheries sector for developing linkages with overseas market. Hence, there is demand for qualified and skilled human resources for the development of standard products and services in the sector, especially in the marine fisheries sector. A large number of seafood export units have come up doing varied activities, such as peeling, curing pre-processing, processing and packaging. These units have high employment potential and employ women in large numbers. In addition to fish production and processing, fish seed hatcheries; fish feed industry; aquaculture and deep sea fishing are other ancillaries with job potential. Hence, Government has recognised fisheries sector as a powerful income and employment generator as it stimulates growth of a number of subsidiary industries and at the same time it is an instrument of livelihood for a large section of economically backward population of the country.

To harness the full potential of fisheries sector, Government has created the Fisheries and Aquaculture Infrastructure Development Fund that aims to address the gaps in fisheries infrastructure. Created with a total fund size of Rs.7622 crore during 2018–19, it provides concessional finance/loan to the eligible entities for development of identified fisheries infrastructure facilities. Government also proposed to launch Pradhan Mantri Matsya Sampada Yojana in Union Budget (2019–20) to establish a robust fisheries management framework. The comprehensive scheme aims to address critical gaps in the value chain, including infrastructure, modernisation, traceability, production, productivity, post-harvest management and quality centre.

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SCHEMES FOR EMPLOYMENT GENERATION IN RURAL INDIA

Vishnu Sharma and Tasneem Khan

For over a decade and more, policy makers have felt that it is important to revive the growth of Indian agriculture by improving the productivity and income of farmers and other sections of rural population of India. Keeping such challenges in mind, the government, in recent years, has come up with several schemes to fill this gap. Currently, there are many projects and initiatives which have been crafted so to help the venerable sections of the society, mainly India's rural population and bring them in the fold of development.

It is now undeniable that India, which has surpassed several prominent economies of the world, is destined to become a five trillion dollar economy in near future. In the recent past, India's influence in world's affairs has only grown and it has occupied the centre stage in them.

However, to keep the momentum of growth unchecked, it has been felt since long that a holistic approach and more importantly focus on the core of its strength is absolutely necessary. Although the father of the nation Mahatma Gandhi had described India as a country which "lives in its villages", the state of India's rural sector has been abysmal for long. The momentous economic growth since liberalisation of economy has remained elusive for India's villages. Lack of development and employment opportunities in rural India has made India's rural population vulnerable by creating an imbalance between urban and rural India.

More so, according to the census of 2011, more than 180 million or 69 per cent of the country's youth population between the ages of 18 and 34 years live in its rural areas of which 55 million are potential workers. At the same time world is expected to face a shortage of 52 million workers in 2020. Recently, at the National Awards function of the Ministry of Rural Development, Agriculture and Farmers' Welfare and Panchayati Raj, Union Minister Shri Narendra Singh Tomar had said that "the big dream of India becoming a five trillion economy cannot be achieved

without including villages." On the same occasion he had retreated that the development of villages has been "one of the priorities of the Modi Government and the imbalance between urban and rural India has to be removed."

For over a decade and more, policy makers have felt that it is important to revive the growth of Indian agriculture by improving the productivity and income of farmers and other sections of rural population of India.

Keeping such challenges in mind, the government, in recent years, has come up with several schemes to fill this gap. Currently, there are many projects and initiatives which have been crafted so to help the venerable sections of the society, mainly India's rural population and bring them in the fold of development.

Schemes and Initiatives

The government has recently taken many steps which have proved to be helpful for employment generation. Currently, the schemes which provide employments, direct and indirect, in rural areas include, Prime Minister's Employment Generation Programme, which is a composition of two schemes namely Prime Minister's Rojgar Yojana and Rural Employment Generation Programme, which is a credit-linked subsidy programme that aims at generating employment opportunities through establishment of micro enterprises in rural as well as urban areas. The objective is to provide continuous and sustainable employment to a large segment of traditional and prospective artisans, rural and urban unemployed youth in the country. Likewise, there are other schemes which have helped people living in villages. These include:

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS): MGNREGS is a flagship programme which addresses poverty in a holistic manner by overcoming social inequalities and creating a base for sustainable and long-term development. MGNREGS is transforming rural India into a more productive, equitable and connected society. It has provided nearly 235 crore person days work in last several years. There has been a remarkable increasing trend in the budget allocation of the Central Government and release for the programme from Rs. 32,977 crore in financial year 2014–15 to Rs. 55,167 crore in the financial year 2017–18.The MGNREGS witnessed a record expenditure of Rs. 63,644 crore in 2017–18 including state share, the highest since the programme was launched.

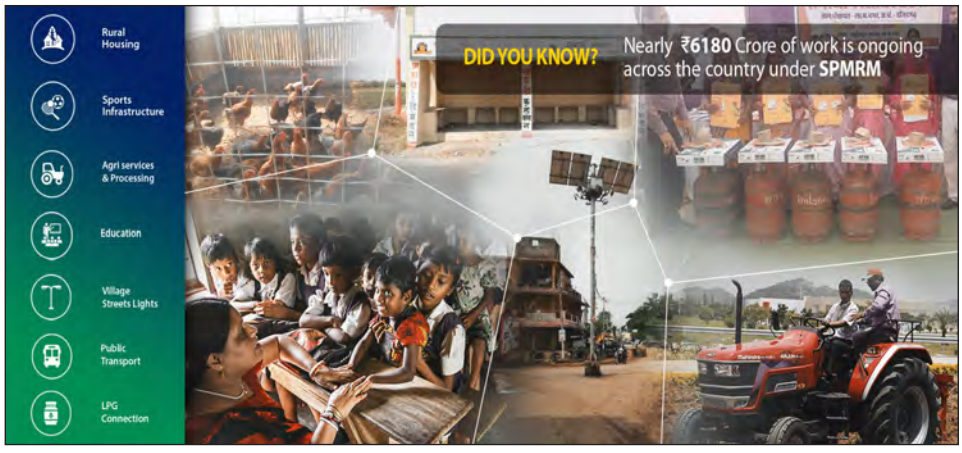
	FY 2014-15	FY 2017-18 / FY 2018-19
Persondays generated so far	166.21 crore	236.41 crore
No. of completed works	29.44 lakh	61.9 lakh
Individual Beneficiary Schemes	21.4%	66.7%
Total Availability of Funds	37,588.03 crore	68,107.86 crore
Total Exp. through EFMS	77.35%	99.6%
Payments generated within 15 days	26.85%	91.82%

Community and Individual Assets created under MGNREGS

(As on 08/01/2019)

SL. No.	Asset Type	*Completed since 1st April 2014*
1	Anganwadi Centre	37,936
2	Farm Pond	17,37,718
3	Goat Shed	1,12,341
4	Cattle Shed	5,12,398
5	Vermi/Nadep Composting	9,99,918
6	Soak Pit	4,21,941
7	Other Works related to Solid & Waste Management	4,12,810
8	PMAY (G) & IAY	1,36,26,834

Pradhan Mantri Awaas Yojana-Gramin (PMAY-G): The Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) has been devised in line with Government's commitment to provide 'Housing for All' by 2022 in the rural areas. The scheme aims at providing a pucca house with basic amenities to all houseless householders living in kutcha and dilapidated houses by 2022. The scheme was



launched on November 20, 2016 with the aims of constructing 2 crore 95 lakh houses by the year 2022. According to a February 2019 report on Assessing Employment Generation under this scheme, total direct employment for the period from June 2015 up to January 2019 is 52.97 crore person days (18.92 lakh jobs). According to the report, the overall employment generated, direct and indirect employment combined, under the programme for the period from June 2015 up to January 2019 is 172.17 crore person days, which is equivalent to 61.49 Lakh jobs.

Skill Upgradation and Mahila Coir Yojana: The scheme comes under Coir Vikas Yojana and provides development of domestic and export markets, skill development and training, empowerment of women, employment/entrepreneurship creation and development, enhanced raw material utilisation, trade-related services, welfare activities of the coir workers. Mahila Coir Yojana in particular aims at women empowerment through the provision of spinning equipment at subsidised rates after appropriate skill training.

Pradhan Mantri MUDRA Yojana: The Pradhan Mantri MUDRA Yojana was launched in 2015 with the twin aims of providing credit of upto Rs. 10 lakh to small entrepreneurs and act as a regulator for Micro-Finance Institutions. Mudra targets young educated or skilled workers and entrepreneurs including women entrepreneurs. The scheme is designed to promote and ensure access of financial facilities to Non-Corporate Small Business Sectors that will turn them into instruments of GDP growth and employment generation. The loans are easily accessible in three categories: Shishu, Kishore and Tarun to signify the stage of growth/development and funding needs of the beneficiary micro unit/ entrepreneur and also provide a reference point for the next phase of graduation/growth.

Pradhan Mantri Kaushal Vikas Yojana: Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship. The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, training and assessment fees are completely paid by the Government. The scheme has been approved for another four years (2016–2020) to benefit 10 million youth.

Ministry of Skill Development and Entrepreneurship is also promoting establishment of model and aspirational skill centres known as Pradhan Mantri Kaushal Kendra (PMKK) in every district for imparting skill training through PMKVY. Currently, 738 PMKKs have been allocated across the country covering 718 districts. Out of allocated PMKKs, 535 PMKKs have been already established.

Deen Dayal Upadhyaya Grameen Kaushalya Yojana: The Ministry of Rural Development announced the Deen Dayal Upadhyaya Grameen Kaushalya Yojana on September 25,2014. DDU-GKY is a part of the National Rural Livelihood Mission, tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth. As of March 2020,total number of people trained under DDU-GKY stood at 9,84,168. DDU-GKY is present in 29 States and UTs, across 690 districts, impacting youth from over 7,427 blocks. It currently has over 1426 projects being implemented by over 649 partners, in more than 552 trades from 52 industry sectors. Over 9.2 lakh candidates have been trained and over 4.9 lakh candidates have been placed in jobs as on 30th

The State / UT-wise number of Training Centres (TCs) under PMKVY (2016–20) and allocated PMKKs are as under:

S. No.	State/UT	PMKVY TCs	Allocated PMKK centres
	(a)	(b)	(c)
1	Andaman & Nicobar	3	2
2	Andhra Pradesh	326	25
3	Arunachal Pradesh	25	16
4	Assam	226	33
5	Bihar	348	44
6	Chandigarh	26	1
7	Chhattisgarh	138	27
8	Dadra and Nagar Haveli	4	1
9	Daman and Diu	7	2
10	Delhi	307	5
11	Goa	3	2
12	Gujarat	308	28
13	Haryana	919	24
14	Himachal Pradesh	162	12
15	Jammu and Kashmir	266	22
16	Jharkhand	116	24
17	Karnataka	173	34
18	Kerala	175	17
19	Lakshadweep	0	0
20	Madhya Pradesh	782	52
21	Maharashtra	391	43
22	Manipur	41	8
23	Meghalaya	15	10
24	Mizoram	29	1
25	Nagaland	25	7
26	Odisha	257	29
27	Puducherry	35	3
28	Punjab	570	25
29	Rajasthan	1143	34
30	Sikkim	16	1
31	Tamil Nadu	819	37
32	Telangana	286	24
33	Tripura	85	3
34	Uttar Pradesh	1773	85
35	Uttarakhand	218	13
36	West Bengal	338	44
Grand Total		**10355**	**738**

December, 2019. From 2012, DDU-GKY has so far committed an investment of more than 5,600 crore rupees.

Shyama Prasad Mukherji Rurban Mission (SPMRM): On February 21, 2016, the Prime Minister Narendra Modi launched the Mission with the vision to deliver catalytic interventions to rural areas on the threshold of growth. The Mission is based on the principle "*atmagaonki, suvidhasheharki*" or soul of a village and facilities of a city. Undertaken by the Union Ministry of Rural Development, the SPMRM focuses on cluster-based integrated development through Spatial Planning. Rurban clusters are identified across the country's rural areas showing increasing signs of urbanisation i.e., increase in population density, high levels of non-farm employment, presence of growing economic activities and other socio-economic parameters. The Mission aims to transform these Rurban clusters by stimulating local economic development, enhancing basic services, and creating well planned Rurban clusters. This would lead to holistic development of the region and encourage integrated and inclusive rural development. Under the mission 300 Rurban clusters are envisaged to be developed in a time bound manner. Of these 296 clusters have been selected and number of Integrated Cluster Action Plans (ICAPs) approved are 288 and Detailed Project

Plans (ICAPs) approved are 288 and Detailed Project Reports of 240 have been approved. Infrastructure planned in these clusters includes provision of 24/7 water supply to all households, solid and liquid waste management facilities at the household and cluster level, provision of inter and intra village roads within the cluster, adequate street lights and public transport facilities using green technologies. Economic amenities in a cluster comprise various thematic areas in the sectors of agri services and processing, tourism, and skill development to promote Small and Medium Scale Enterprises. SPMRM clusters focuson selecting interventions from the following components depending on locally felt need as identified during baseline survey: (i) Sanitation, (ii) Piped Water Supply, (iii) Solid and Liquid Waste Management, (iv) Village Street Lights and Electrification, (v) Access to Village Streets With Drains, (vi) Inter Village Roads Connectivity, (vii) Public Transport, (viii) Skill Development Training Linked to Economic Activities, (ix) Agri-Services Processing and Allied Activities, (x) Health, (xi) Education, (xii) Digital Literacy, (xiii) Citizens Service Centres, (xiv) LPG Gas Connection, (xv) Environment, (xvi) Employment Generation and SHG Formation, (xvii) Tourism Promotion, (xviii) Sports Infrastructure, (xix) Social Infrastructure, (xx) Rural Housing, (xxi) Social Welfare.

Budget 2020–2021 and Rural Employment

Moving ahead, in the current budget the government has given utmost priority to the rural development. Accordingly, under the head "Sixteen Action Points for Agriculture, Irrigation and Rural Development", the union government has allocated 2.83 lakh crore rupees for rural-centric works including, 1.60 lakh crore rupees for agriculture, irrigation and allied activities; 1.23 lakh crore rupees for rural development and panchayati raj. Likewise, the government has set a target of 15 lakh crore rupees for agriculture credit for the year 2020–21. It has also proposed a comprehensive measures for 100 water-stressed districts and expand PM-KUSUM to provide 20 lakh farmers for setting up stand-alone solar pumps and for another 15 lakh farmers to solarise their grid-connected pump sets, setting up of efficient warehouses at the block/taluk level and in Horticulture sector with focus on "one product, one district" for better marketing and export are some of the steps in that direction. The government has planned to dovetail MGNREGS to develop fodder farms. It also aims at doubling of milk processing capacity from 53.5 million metric tonnes to 108 million metric tonnes by 2025. Similarly, on the Blue Economy, raising of fish production to 200 lakh tonnes is proposed by 2022–23. In the current fiscal year, youth will be involved in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations. The government hopes to raise fishery export to 1 lakh crore rupees by 2024–25. Also, the government is reiterating the commitment of doubling farmers' income by 2022.

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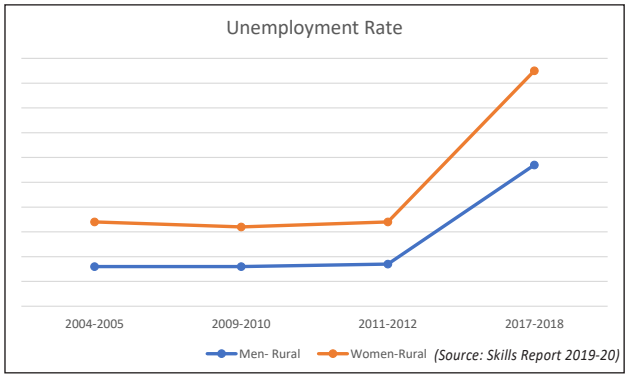
ENHANCING EMPLOYABILITY POTENTIAL OF RURAL YOUTH

Shalender Sharma and Manisha Bhattacharjee

In the wake of rising need for social inclusion, economic empowerment and enhanced opportunities for labour market access, Government of India has launched several key initiatives like Jan Dhan Yojana, Ujjwala, GST, and Land Bill. These schemes have potential to improve social mobility and equitable market access in India. However, the challenges remain where the participation of youth and their productivity at present is not very encouraging.

India is home to one of the world's largest working age population out of which a significant proportion lives in rural areas. Employment pattern in rural areas mostly revolves around agriculture and allied sector. The employment structure in the rural areas are typical example of high employment and low wage problem. The country presently faces a dual challenge of severe paucity of highly-trained quality labour and non-employability of large sections of the educated workforce that possess little or no job skills. Efforts have been made in past to address the persistent gap. However, the demand and supply side has been dealt in silos, whereas, it needs to be understood that the skill development issue in India is pertinent both at the demand and supply level.

According to the India Skills Report 2019–20, in 2019, about only 46.2 per cent youth were found employable as compared to 47.3 per cent in 2018. These remaining young people are known as the "Unemployable Youth" - most of them coming from the Rural India. This presents vicious cycle of joblessness mostly because the demand for skilled worker has increased manifold in the recent time.



(Source: Skills Report 2019-20)

Further, about 89 per cent of youth do not have any skill/vocational training.

In the wake of rising need for social inclusion, economic empowerment and enhanced opportunities for labour market access, Government of India has launched several key initiatives like Jan Dhan Yojana, Ujjwala, GST, and Land Bill. These schemes have potential to improve social mobility and equitable market access in India. However, the challenges remain where the participation of youth and their productivity at present is not very encouraging. One of the most cited reasons includes low level of education and low employability among the rural youth.

As per the Periodic Labour Force Survey (PLFS) of the National Sample Survey Office (NSSO), the unemployment rate in rural India was at 5.3 per cent in FY 2017–18.

The unemployment rates have always been high but the increase in the unemployment rate today is the highest since 2004–2005 according to the usual status. Expansion of technology and industrialisation led to an upsurge of urbanisation which, as a result, led to mass migration of youths from rural to urban areas. Leaving their homes, education and

community, the rural youth move to cities in search of better livelihoods and lifestyle but due to their poor education and skills level, they either succumb to seasonal or disguised unemployment.

Current Opportunities

Although the agriculture sector still employs the largest number of workers, its contribution to India GDP 2017 was 15.8 per cent preceded by Industry sector at 29.7 per cent and Services sector at 54.4 per cent. Number of jobs under agriculture sector started declining since mid-2000s which was then overtaken by other non-agricultural sectors where, at present, the construction sector accounts for largest number of new jobs followed by trade, miscellaneous services, transport and storage, education, business services and hotels and restaurants. On one hand, measures like National Rural Employment Programme (NREP), PMKVY, DDU-GKY, NRLM are providing impetus in the wage employment sector and on the other hand, initiatives like Ministry of Skill Development and Entrepreneurship (MSDE), Make in India, StartUp India and access to MUDRA loans are motivating the self-employment sector.

All the major skill development programmes in India like Industrial Training Institutes (ITIs), PMKVY, or SHREYAS, in last couple of years have been focusing upon creating opportunities for skilling the workforce for future-driven jobs and industry-oriented courses aligned to Industry 4.0.

According to LinkedIn, the top 15 fastest growing jobs in India:

1. *Blockchain Developer*
2. *Artificial Intelligence Specialist*
3. *Javascript Developer*
4. *Robotic process automation consultant*
5. *Back-end developer*
6. *Growth Manager*
7. *Site Reliability Manager*
8. *Customer Success Specialist*
9. *Full Stack Engineer*
10. *Robotics Engineer (software)*
11. *Cybersecurity Specialist*
12. *Python Developer*
13. *Digital Marketing Specialist*
14. *Front-end Engineer*
15. *Lead Generation Specialist*

Source: PLFS Annual report, MoSPI, GoI, 2019

Problem

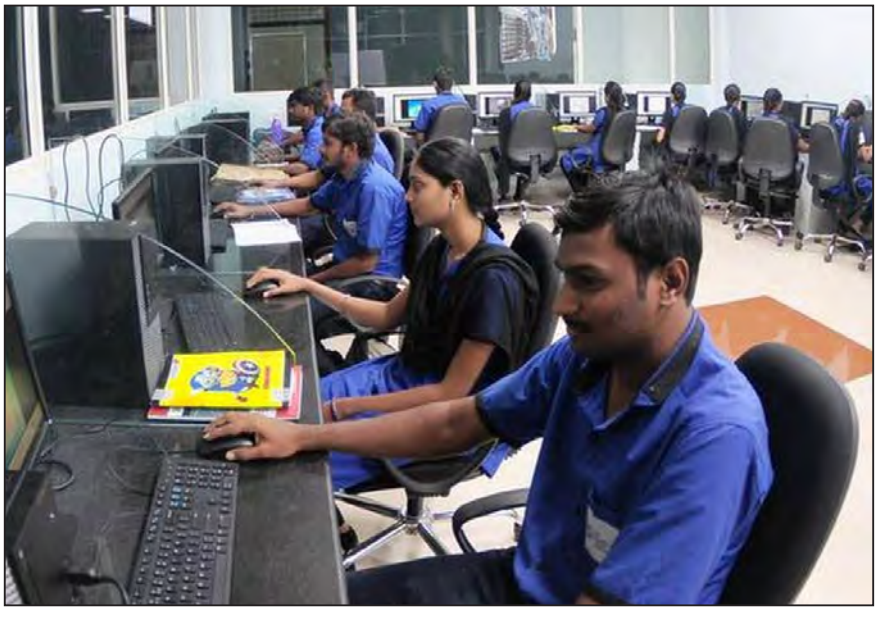
It is interesting to note that although the working population in rural areas is more than that of the urban areas, the factors lagging them behind are inadequate quality formal education and employability skills. On top of this, India being a culturally and linguistically diverse country, rural youth migrating to different cities for employment face various cultural and language issues.

When it comes to education, the Indian rural youth is 10 years behind, as per the Annual Status of Education Report, 2017. The report stated that most of the school drop-out youth desire to enter formal job market and don't want to join their parents' profession/job.

In 2017–18 alone, around 33 per cent of the formally trained youth remained unemployed because the skills that the employers are looking for are lacking in the youth. Although, Government of India introduced various schemes for skill development, the skill gap is still increasing in various industries.

Recommendation

In the age of Industry 4.0 there are enormous opportunities for identifying new means of economic prosperity. However, this depends upon how well the existing training programmes are geared towards incorporating new age skills for millions of youth who are residing in the rural areas. This is essential because there is a positive feedback loop between new age technologies and skilling or up-skilling rural youth. General proposition is that the adoption of new technologies generates demand for new skills, and in today's context it is artificial intelligence and machine learning. Apart from focus on short-term skill training, upgradation of ITIs as centre for new age skills training for candidates can be an important way forward. Points mentioned



Incremental Skill Gap across Various Industries in India in 2022

Industry	Incremental Requirement (in millions)
Building and Construction Industry	33.0
Infrastructure Sector	103.02
Real Estate Services	14.0
Gems and Jewellery	4.6
Leather and Leather Goods	4.6
Organise Retail	17.3
Textiles and Clothing	26.2
Electronics and IT Hardware	3.3
Auto and Auto Components	35.0
IT and ITES	5.3
Banking, Financial Services and Insurance	4.2
Furniture and Furnishings	3.4
Tourism and Hospitality Services	3.6
Construction Material and Building Hardware	1.4
Chemicals and Pharmaceuticals	1.9
Food Processing	9.3
Healthcare	12.7
Transpiration and Logistics	
Media and Entertainment	3.0
Education and Skill Development Services	5.8
Select Informal Employment Sectors (Domestic Help, Beauticians, Security Guards)	37.6
Incremental	347

Sources: IMaCS report 'Human Resource and Skill Gap Requirements (2022)', 2008; Aon Hewitt report 'Talent Projections and Skill Gap Analysis for the Infrstructure Sector (2022)', 2011, National Skill Development Corporation (NSDC).

below can be considered as way forward for initiating systemic structure for expanding opportunities to rural youths for accessing new age skills training and relevant formal jobs.

Through the Government-funded programme, DDU-GKY, a total 2.28 lakh youth have been trained in the year 2018–19 and under skill development through Rural Self Employment and Training Institutes (RSETI) a total of 4.03 lakh youth have been skilled in the year 2018–19. However, the rural youth of India is still struggling in the field of marketable skills, access to higher education system and technical and vocational education.The potential of rural youth in India can no longer be ignored and in order to enhance their employability, we need to address the aforementioned issues by:

1. Strengthening School Education System to strengthen rural communities by improving the basic skills of the rural labour force to understand and adapt to the rapidly changing markets.
2. Embedding TVET in schools to provide pre-vocational training right from the secondary grades.
3. Incorporating 21st Century Skills in schools and TVET institutions along with the skill training.
4. Establishing institutions in rural areas for easy and low cost access.
5. Including Interview skills along with skill training to make the youth job ready.
6. Motivating business and corporate houses to invest in effective training programmes so as to reduce the skill gap in the market.
7. Imparting required skills to meet market demand.

Most of the jobs at present require far higher skills (21st century skills) than the traditional skills. Even traditional jobs are now requiring newer skills. Emergence of global issues like climate change, humanitarian crisis and outbreak of diseases like Coronavirus, integrating 21st century skills in youth is inevitable. Due to Coronavirus alone, a lot of sectors like aviation, hospitality, tourism etc. are under huge pressure and threat. These sectors have already started to feel the pain and are off-loading employees to reduce the losses.

With competencies like critical thinking, problem solving, creativity, communication and collaboration, the youth will develop qualities such as curiosity, initiative, persistent, leadership and most importantly, adaptability so that the youth can find alternative jobs matching/similar to their skill-set in the other sectors like hospitality, health care, etc.

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IMPLICATIONS OF CHANGING RURAL STRUCTURE ON EMPLOYMENT AND GROWTH

Tanu Kathuria

About half of the national income and more than two-third of the total employment is generated in rural areas, but at the same time, rural areas are characterised with the low level and wide disparity in worker productivity. The employment insensitive growth in rural areas warrants special attention towards the non-farm sectors, particularly manufacturing and service sectors, to provide employment to rising population and labour force leaving agriculture.

India lives in its villages. This statement of Mahatma Gandhi, the Father of Nation, is relevant even today from the political, social and economic perspectives of India. As per the Census 2011, India's total population is 121.02 crore, of which 68.84 per cent (83.31 crores) live in the rural areas and only 31.16 per cent (37.71 crores) in the urban area (Registrar General & Census Commissioner, 2012).

Between 2001 and 2011, India's urban population increased by 31.8 per cent as compared to 12.18 per cent increase in the rural population. Over 50 per cent of increase in urban population during this period was attributed to the rural–urban migration and re-classification of rural settlements into urban (Pradhan 2013). Population projections indicate that India will continue to be predominantly rural till the year 2050 after which urban population is estimated to overtake rural population (United Nations 2012).

The development of rural areas has been receiving more attention by way of the various schemes designed for the development of Indian economy. The unemployment scenario in the country over the years is quite a substantial evidence of rural backwardness and all sorts of developmental needs.

It is often felt that unplanned rural to urban migration, particularly in search of better economic opportunities, is putting severe pressure on urban amenities and forcing a large number of low wage migrants from rural areas to live in deprived conditions. Thus, to check unplanned migration from rural to urban areas and to improve socioeconomic conditions of vast majority of population in the country, there is a need to make rural economy stronger and create employment opportunities in rural economic activities. The improvement in economic conditions of rural households is also essential for reducing the disparity in per capita rural and urban income which has remained persistently high. This requires significantly higher growth in rural economy as compared to urban India.

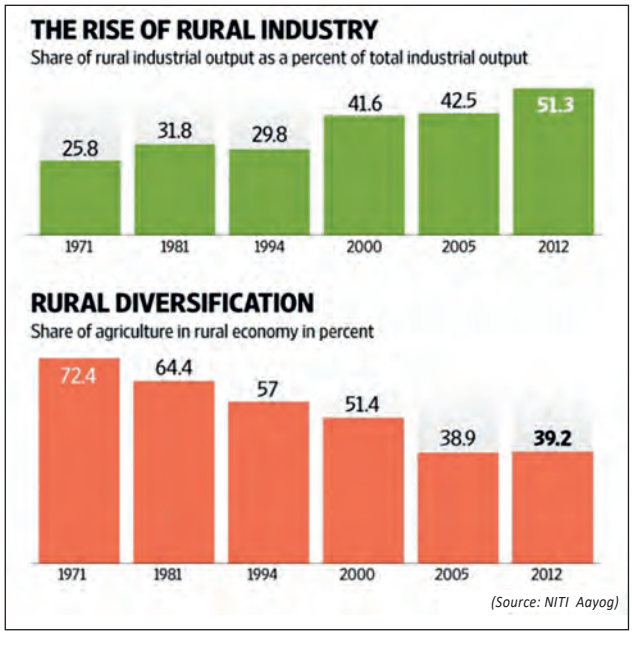
Traditionally, agriculture is the prime sector of rural economy and rural employment. The transition in composition of output and occupation from agriculture to more productive non-farm sectors is considered as an important source of economic growth and transformation in rural and

total economy. However, the facts about the rapid transformation of the rural economy in recent years are less well known. These facts are important, given that India has to create around 10 million jobs every year to stave off social unrest.

A paper written for NITI Aayog by Ramesh Chand, S.K. Srivastava and Jaspal Singh provides fascinating insights into the structural transformation of the rural economy. More than half of Indian industrial production comes from the rural areas. Rural construction also accounts for nearly half of the total building activity in the country. The value of rural services is about a quarter of the total services output. Agriculture has accounted for less than half of total rural output since the turn of the century.

Rural industrialisation is clearly the big story. Production by rural factories was only a quarter of the total industrial production in the country in 1971. That share doubled by 2012. The puzzling fact is that the share of rural industrial employment in total industrial employment has been around the same over those four decades. The three economists suggest that rural industries have been more intensive users of capital than their urban counterparts, though there is no detailed examination of this paradox in their paper. It is also not clear whether the numbers of rural output are skewed because data from the census towns have been included.

The higher capital intensity of rural industries is puzzling because one would have expected the opposite, given the fact that rural wages are lower and rural industries are likely to be more credit constrained than urban industries. The lack of adequate job creation by rural industries is balanced by the rising share of rural construction work in employment statistics. The rural housing boom in the first decade of this century absorbed millions of workers.



Chand, Srivastava and Singh pose what could be the central challenge of Indian public policy in the coming decades. Rural employment has shrunk after 2005 while the urban areas have not been able to absorb the millions who are leaving the farm.

Though not all who left the farm went to towns, as new kinds of non-farm income opportunities emerged in rural India — from selling mobile top-ups to servicing farm equipment. There was a large retention of young people aged between 14 and 19 in education and, to that extent, the labour force expansion was temporarily restricted, which would be reversed subsequently. However, the evidence is that the income opportunities in the form of jobs or self-employment do not seem to have kept pace with the rate at which young people with some education have joined, and prospectively will be joining, the workforce.

The Government has figured out the problem. To deal with the problem it visualises two strategies to work on, i.e. whether it is beneficial to deal with the problem of rural joblessness indirectly through promoting urban growth or directly through the creation of jobs in villages.

Schemes for Rural Development & Employment

For uplifting the rural sector of our country, the Ministry of Rural Development and the Government of India in coordination with Department of Rural Development and Department of Land Resources have been carrying forward various schemes. These schemes are formulated to benefit the citizens of rural India who will eventually become the pillars of Indian Economy in the long run. Some important schemes for Rural Development launched by Government of India are:

Pradhan Mantri Gram Sadak Yojana: The scheme aims at enhancing rural road connectivity. This scheme provides connectivity to the habitations with less or no connectivity at all and helps in poverty reduction by promoting access to economic and social

services. This ensures sustainable poverty reduction in the long run as people get an opportunity to get connected with the rest of the world. The scheme has been benefiting several villagers and helping them lead better lives. Nearly 82 per cent of roads have been built till December 2017 which have successfully connected several rural areas to cities.

Deen Dayal Upadhyaya Grameen Kaushalya Yojana: It is a part of National Livelihood Mission, with the objectives of catering to the career aspirations of the rural youth and adding diversity to the income of rural families. The scheme's prime focus is on the rural youth of poor families aged between 15 and 35. An amount of Rs. 1500 crores has been provided for the scheme which will help in enhancing employability. The yojana is present in 21 States and Union Territories across 568 districts and 6215 blocks changing the lives of youth. Around 690 projects are being implemented by 300 partners. As per the government reports, over 2.7 lakh candidates have been trained till now and nearly 1.34 lakh candidates have been placed in jobs.

Swarnjayanti Gram Swarozgar Yojana (SGSY)/ National Rural Livelihood Mission: Swarnjayanti Gram Swarozgar Yojana which is redesigned as National Rural Livelihood Mission was launched in 2011. Also known as Ajeevika, this scheme aims at empowering women self-help model across the country. Under this scheme, the government provides a loan of three lakh rupees at an interest rate of seven per cent which can be reduced to four per cent at the time of repayment. The scheme was aided by World Bank and aimed at creating efficient and also effective institutional platforms for poor people. It also helped in increasing the household income by improving access to financial services. NRLM also helps in harnessing the capabilities of the poor so that they can participate in the growth of the economy of the country.

Prime Minister Rural Development Fellows Scheme: PMRDF is a scheme initiated by the Ministry of Rural Development, implemented in collaboration with State Governments. It has dual goals of providing short-term support to the district administration in the underdeveloped and remote areas of the country and to develop competent and committed leaders and facilitators who can serve as a resource for long term.

Sampoorna Grameen Rozgar Yojana (SGRY): The scheme was launched with the aim to provide employment to the poor. It also aimed at providing food to people in areas who live below the poverty line and improving their nutritional levels. Other objectives of this Yojana were to provide social and economic assets to the people living in rural areas. The scheme did not include the employment of contractors or middlemen.

Sansad Adarsh Gram Yojana (SAGY): It is a rural development project launched by the Government of India in which each Member of Parliament will take the responsibility of three villages and look after the personal, human, social, environmental and economic development of the villages. This would substantially improve the standard of living as well as the quality of life in the villages. No fundings have been provided to this project as funds can be raised through existing schemes.

Provision of Urban Amenities In Rural Areas (PURA): PURA is a strategy for Rural Development in India which was proposed by former President APJ Abdul Kalam in his book *Target 3 billion*. PURA proposes that urban infrastructure and services should be provided in rural areas to create opportunities outside the cities. This will also prevent the migration of youth from the rural areas to urban areas. The Central Government has been running PURA programmes in various states since its launch in 2004.

Prime Minister Employment Generation Programme: The objective of this programme is to generate employment opportunities in rural as well as urban areas through setting up of new self employment ventures/projects/micro-enterprises. The scheme is formulated by merging Prime Minister's Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP).

National Rural Employment Programme (NREP): It was launched to use the unemployed and the underemployed workers to build community assets.

Employment Assurance Scheme (EAS): It was launched to provide employment during lean agricultural season. The primary objective of EAS is to create additional wage employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line.

Jawahar Gram Samridhi Yojana (JGSY): It was launched to create demand-driven community village infrastructure including durable assets at the village level and skills to enable the rural poor to increase the opportunities for sustained employment.

Swarna Jyanti Gram Swarojgar Yojana: It is a holistic package covering all aspects of self employment such as organisation of poor into self-help groups, training, credit, infrastructure and marketing. A credit-cum-subsidy programme, the beneficiaries under this scheme are called *swarojgaris*. This scheme is being implemented by the central and the state government on a 3:1 cost ratio.

National Food for Work Programme (NFWP): It was launched with the exclusive focus on the 150 identified backward districts. The aim was to generate additional supplementary wage employment and create assets.

Rural Self Employment Training Institutes (RSETI): These institutes are being established in most districts of the state for imparting training to rural BPL youth in collaboration with the leading district banks. The state government will provide land free of cost for these institutions to the concerned leading banks.

This shows the unprecedented commitment of the present Government of India to seriously address the need for employment generation. It is a propitious opportunity to implement strategies for generating full employment in the country. This paper, confirms the potential to generate sufficient employment opportunities for all new entrants to the workforce as well as to absorb the current numbers of unemployed and underemployed. Implementation of these schemes will be sufficient to generate 100 million additional employment and self-employment opportunities.

While many formal studies have been prepared to assess the growth and employment potential in India' formal private sector, less attention has been given to the conditions and strategies to promote rapid expansion and job creation in the rural and informal sectors. This paper focused on strategies to increase employment opportunities in India's informal sector, with emphasis on agriculture, agro-industry, rural services and related vocations.

The empirical evidence on the changes in rural economy during the past four decades leads to following conclusions. About half of the national income and more than two-third of the total employment is generated in rural areas, but at the same time, rural areas are characterised with the low level and wide disparity in worker productivity. The declining rural share in national output without a commensurate decline in its share in total employment implies that a much faster growth in capital intensive sectors in urban areas did not generate adequate employment to absorb rural labour.

The decline in rural employment between 2004–05 and 2011–12 was due to withdrawal of labour force from agriculture sector, majority of whom did not join the non-farm sectors. The employment insensitive growth in rural areas warrants special attention towards the non-farm sectors, particularly manufacturing and service sectors, to provide employment to rising population and labour force

leaving agriculture.

Contrary to a common perception the evidences point out defeminisation of workforce between the same time periods. About one-third of the entire reduction in female labour force got engaged in education level and skills. Hence greater efforts will be required to create productive employment opportunities in non-farm sectors for those educated youth who will join the labour force after acquiring education in the near future.

Many government initiatives in terms of different schemes and programmes have contributed, to a very large extent, towards increasing rural employment. Also, relaxed formalities for setting up of labour intensive medium, Small and Micro Enterprises (MSME) seem to be an appropriate alternative for rural employment generation. The absolute level of income per worker has increased at modest rate over time, and recent years have witnessed a declined trend in disparity in worker productivity.

The efforts to reduce disparity among different worker categories requires acceleration in employment diversification towards non-farm sectors through creation of conducive rural infrastructure and imparting skills and training to largely unskilled rural workers and improving growth in the farm output. Overall, transformation of rural economy must include strong measures for employment generation and shifting workers out of conventional agricultural activities. These can be harnessed by developing and promoting new farm models based on knowledge- and skill-based agriculture and post-harvest on farm value addition. PMKVY can play a major role in this by promoting and imparting skills required in modern agriculture, value addition and primary processing.

Conclusively, we can say that it is imperative to generate employment in agriculture and industry in our country to feed the hungry poor of the rural areas. Agriculture is the lifeline of rural India and the need to make it more viable and profitable is undeniable.

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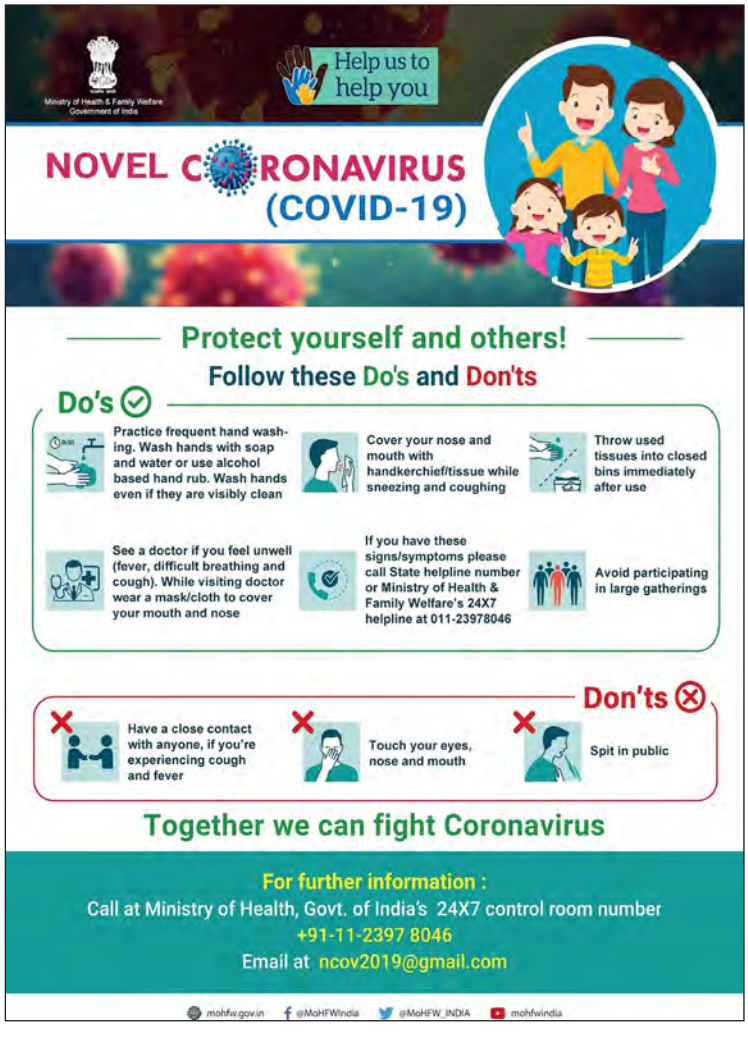


STRONG RURAL INFRASTRUCTURE: KEY TO RURAL EMPLOYMENT

Dr. S. C. Lahiry

There is huge scope for development of all kinds of infrastructure in rural areas. In fact, the gaps in the rural infrastructure need to be addressed properly and as fast as possible so as to achieve redistributive growth and alleviate poverty in the country. Keeping these things in mind, Government has taken various proactive steps to boost rural infrastructure so as to enhance farmers income and employment potential of rural people. A huge investment is required for creating an ecosystem that among others involves infrastructure including post-harvest logistics, agro food processing, mega food parks, etc.

In a country like India which is predominantly an agrarian economy, rural infrastructure is crucial for agriculture, agro-based industries, employment and poverty alleviation in the rural areas. Like general infrastructure, rural infrastructure also contributes to rural economic growth, poverty reduction, farm and non-farm employment. Empirical studies also report a strong relationship between infrastructure, economic growth, rural development and poverty reduction. Since infrastructure is regarded as a public good and the private sector may not be interested in investing in it, public investment is needed to build basic rural infrastructure. Typically, rural infrastructure in the country encompasses rural roads, rural housing, irrigation, water supply, rural electrification and telecom services. Basically, rural infrastructure has the potential to provide basic amenities to people that can improve their quality of life. For instance, rural road provides mobility and connectivity to people living in rural areas. Rural roads ensure that the rural areas are served with better public services and all the benefits offered by the state reach the far-flung areas easily. They can even provide access to education and health services.

The Union Budget 2020–21 has allocated Rs.1,20,147.91 crore to the Department of Rural Development (DORD) which is higher in comparison to the previous year's Budget Estimate (BE) (which was Rs.1,17,647.19 crore). DORD administers some of the most critical Centrally Sponsored Schemes (CSSs) in close collaboration with the States, in the areas of rural employment, infrastructure and social assistance, etc. Under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pradhan Mantri Awaas Yojana–Gramin (PMAY-G), Pradhan Mantri Gram Sadak Yojana(PMGSY) and Deendayal Upadhyay - National Rural Livelihood Mission (DAY-NRLM) enhanced allocations have been made as compared to the previous year. In the Union Budget 2020–2021, an allocation of Rs.19500 crore has been made towards the PMGSY, an increase of Rs. 500 crore from the BE of 2019–20.The rural housing scheme PMAY-G has received Rs.1,19,506 crore against Rs. 1,17,024 crore BE of 2019–20 and the allocation for MGNREGS scheme (Rs. 61500 crore) has been increased by Rs.1500 crore in the Union Budget 2020–21 which is, however, lower than the Revised Estimate (RE) of 2019-20. Integrated project-based infrastructure in rural areas under SPM Rurban Mission scheme received an allocation of Rs. 600 crore in the Budget 2020–21,an increase of Rs. 300 crore against the RE of 2019–20.

Considering acute need of faster development of rural infrastructure towards enhancing rural

employment and farmers income, Government of India has been investing along with state governments in the key infrastructure sectors in the rural areas by implementing schemes for constructing rural roads, rural housing, water supply, development of village clusters to check migrations, rural employment programme, critical infrastructure of agro food processing, etc., for sometime. The progress made so far in these schemes and consequent impacts thereon have been discussed in the under mentioned paras.

Pradhan Mantri Gram Sadak Yojana

PMGSY was rolled out in the year 2000 to provide access to all-weather roads in 1.78 lakh rural habitations across the country. PMGSY was launched with an objective to provide single all-weather road connectivity to eligible unconnected habitation of designated population size (500+ in plain areas and 250+ in North-East, hill, tribal and desert areas as per Census, 2001) for overall socioeconomic development of the areas. Since inception till date,a total of 1,67,152 habitations have been provided connectivity, which is 97.33 per cent of total eligible and feasible habitations. A total of 6,08,899 kms road length has been constructed under the scheme since inception till December 2019 (inclusive of PMGSY-I, PMGSY-II and RCPLWEA Scheme) at an expenditure of Rs. 2,15,932 crore (Prov.). The Government of India (on August 9, 2018) approved continuation of PMGSY-I & II beyond 12th Five Year Plan and covering of balance eligible habitations under PMGSY-I by March 2019, PMGSY-II, and habitations under identified Left Wing Extremism (LWE) blocks (100–249 population) by March 2020.Under the PMGSY-III Scheme, it is proposed to consolidate 1,25,000 kms road length in the States. The Scheme will also include Through Routes and Major Rural Links that connect habitations to Gramin Agricultural Markets (GrAMs), Higher Secondary Schools and Hospitals. The World Bank report (below) assessed the impact of PMGSY. It shows that the connecting habitations through constructing roads has transformed the rural economy, enhanced income, job opportunities, mobility apart from some positive changes of health and education of the children. By improving connectivity, rural roads enhance employment opportunities for the rural people in non-agriculture sector, thereby, increasing livelihood opportunities.

A recent independent World Bank assessment report of the PMGSY rural roads programme shows that the PMGSY roads, in fact, “triggered a shift from farm to non-farm employment” in the habitations studied between 2009 and 2017 as with roads in place, people chose employment opportunities outside their habitations over expanding their farming. As a consequence of PMGSY roads, the rate of primary employment in the non-farm sector increased by about 12 per cent points in the habitations studied. This increase represents a 33 per cent increase over the average share of non-farm primary employment in 2009 in habitations that were connected after 2009, the report said. This also shows it is men that switch to non-farm employment while women step in to take care of the farms. The entry of women into the workforce, the report notes, is the main reason for the 5.5 per cent increase in employment in connected habitations. Moreover, the shift to non-farm employment was found to be more pronounced in hilly areas. The results on employment and agriculture indicate that improved connectivity in rural areas mainly leads

people to look for employment opportunities outside their habitations instead of improving and expanding their farming to take full advantage of improved access to input and output markets. However, if India wants to make more efficient use of agriculture land, it needs complementary programmes to support the development of agricultural value chains. It says such programmes should examine the entire value chain, adopt efficient farming practices, and ease constraints on agriculture logistics. (The World Bank impact evaluation of PMGSY applies habitation level data from Himachal Pradesh, Madhya Pradesh and Rajasthan). The World Bank study also shows a positive impact on child immunisation, childbirths in hospitals, and schooling of both boys and girls in rural areas. The share of babies delivered at home reduced by as much as 30 per cent in the connected habitations with the decrease being greater in habitations that are more remote from urban agglomerations. It showed 0.7 more years of schooling in 2017 in the connected habitations and also showed that young children were less likely to fall ill owing to vaccination take-up in children under 4 years increasing by 15 percentage points.

Pradhan Mantri Awaas Yojana-Gramin

Rural housing programme, as an independent programme, started with Indira Awaas Yojana (IAY) in January 1996. Although IAY addressed the housing needs in the rural areas, certain gaps were identified during the concurrent evaluations and the performance Audit by Comptroller and Auditor General (CAG) of India in 2014. These gaps, i.e. non-assessment of housing, the shortage, lack of transparency in selection of beneficiaries, low quality of the house and lack of technical supervision, lack of convergence, loans not availed by beneficiaries and weak mechanism for monitoring was limiting the impact and outcomes of the programme. To address these gaps in the rural housing programme and in view of Government's commitment to providing "Housing for All'' by the scheme 2022, the IAY has been re-structured into Pradhan Mantri Aws Yojana–Gramin (PMAY-G) w.e.f. April 1, 2016.

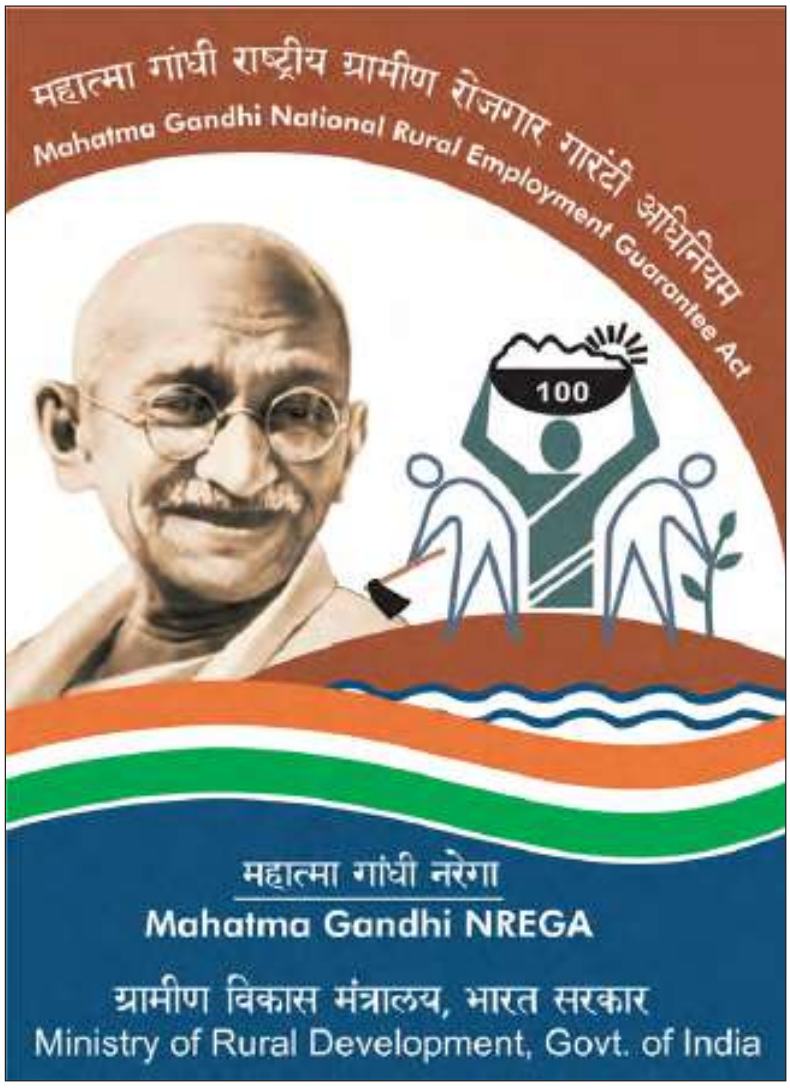
PMAY-G aims at providing a pucca house, with basic amenities, to all houseless householder and those households living in kutcha and dilapidated house, by 2022. The immediate objective is to cover 1 crore household living in kutcha house/dilapidated house in three years from 2016-17 to 2018- 19.The minimum size of the house has been increased to 25 sq.mt (from20sq.mt) with a hygienic cooking space. The unit assistance has been increased from Rs. 70,000 to Rs. 1.20 lakh in plain areas and from Rs. 75,000 to Rs 1.30 lakh in hilly states, difficult areas and IAP district. The beneficiary is entitled to 90–95 person days of unskilled labour from MGNREGS. The assistance for construction of toilets shall be leveraged though convergence with Swachh Bharat Mission-Gramin (SBM-G), MGNREGS or any other dedicated source of funding. The cost of unit assistance is to be shared between Central and State Government in the ratio 60:40 in plain areas and 90:10 for North Eastern and the Himalayan States. One of the most important features of PMAY-G is the selection of beneficiary. To ensure that assistance is targeted at those who are genuinely deprived and that the selection is objective and verifiable, PMAY-G instead of selecting the beneficiary from among the BPL households selects beneficiary using housing deprivation parameters in the Socio Economic and Caste Census (SECC), 2011. Towards better quality of construction, setting up of a Nation Technical Support Agency (NTSA) at the national level is envisaged. Under PMAY-G, 1 crore pucca houses were to be constructed by March 2019. Training of rural masons, development of appropriate house design typologies and dedicated structure of monitoring have been ensured. The Government of India had considered 2.95 crore households with housing deprivation under PMAY-G. Further construction of 1 crore houses was set over a period of 3 years w.e.f. 2016–17 to 2018–19 in the 1st phase. Remaining 1.95 crore households are to be covered in the next 3 years (2019–20 to 2021–22) with cost implications of Rs. 1,56,634 crore. As the construction in general and rural housing, in particular, is expected to have strong forward linkage with other sectors in the economy, the impact on employment and income can be through direct as well as indirect channels.

RURBAN Mission

Shyama Prasad Mukherji Rurban Mission (SPMRM) aims at delivery of integrated project-based infrastructure, development of economic activities and skill development in rural areas. To check rural migration, the mission follows the vision of development of a cluster of villages that preserve

and nurture the essence of rural community life with focus on equity and inclusiveness without compromising with the facilities perceived to be essentially urban in nature, thus creating a cluster of Rurban villages. The objective of the Mission is to stimulate local economic development, enhance basic services, and create well-planned Rurban clusters.

The project is being implemented over a fixed time frame of five years by integrating and converging the implementation of the project components. This will be followed by an Operations and Maintenance period of 10 years. The Project shall be considered as a unit of funding under the Mission. Funds for the project shall be mobilised through convergence of various Central Sector, Centrally Sponsored and State Schemes. The Mission shall provide Critical Gap Funding (CGF) to the Project to supplement the funds mobilized through convergence of various schemes. Of the mandated 300 clusters, 296 clusters have been identified and approved across 28 States and 8 UTs. Further, through intense engagements with the States, 288 Integrated Cluster Action Plans (ICAPs), which are the blueprints of investment for each cluster, have been approved for 28 States and 7 UTs with an estimated investment of Rs. 27,983 crore. Detailed Project Reports of 240 clusters have been approved by the concerned States, where on-ground work is already underway. A total investment of over Rs. 28,075 crore has been approved in these clusters out of which works worth Rs. 6,689 crore has already been implemented. It is emphasized that convergence of different schemes is happening through the Mission. Panchayat members, SHG women and officials from 13 States shared their cluster development experiences. Official of Prakasham District, AP informed creation of various options of employment and reverse migration happening while Udhamnagar District,UP mobilised private sector investment and CSR support through organising investment symposium focused on the cluster's handicraft sector development. Similarly, representatives from Gujarat, Rajasthan, Telangana, Jharkhand, Madhya Pradesh, Kerala, Chhattisgarh, Mizoram and Punjab also showed progress being made in provision of basic amenities as well as increased employment opportunities in the clusters.



MGNREGA Programme

The MGNREGA aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The objectives of the Scheme involves providing upto 100 days of unskilled manual work in a financial year to every household in rural areas as per demand resulting in creation of productive assets of prescribed quality and durability, strengthening the livelihood resource base of the poor, proactively ensuring

social inclusion and strengthening Panchayati Raj Institutions (PRIs). Under MGNREGS the major thrust has been accorded to transparency, accountability and creation of durable assets. Emphasis has been given to works on water conservation, construction of Grameen Haats, Village Roads and drains, and a range of individual beneficiary schemes for livelihood diversification. Concerted focus has been on Natural Resource Management (NRM) activities, due to which the expenditure on NRM activities which was 54 per cent in FY 2014–15 has increased to more than 68 per cent during 2019–20. MGNREGA resources would be used to encourage fodder, cultivation and dairy sector. The scheme guarantees 100 days of employment. However, from 2012 to 2018, the average number of days of employment has been 45.5 days, with a maximum of 49 days of employment in 201516. As MGNREGA is a demand-driven scheme, this could be due to either lower demand for such work (signalling sufficient opportunities to obtain work in the open market) or not providing employment when demanded.

Prime Minister's Employment Generation Programme (PMEGP)

Started in 2008 as a credit linked subsidy programme with an aim to generate self-employment opportunities through establishment of micro enterprises in various sectors, including agro based industries. It is implemented by KVIC, as the nodal agency, at the national level. A total of 5.45 lakh micro enterprises have been assisted with a margin-money subsidy of Rs. 12,074 crore, providing employment opportunities to an estimated 45.22 lakh persons till March 31,2019. Around 17.44 per cent of the total units of agro based food processing industries were assisted under PMEGP during the last three years.GOI approved scheme for agro-marine processing and development of agro processing clusters (SAMPADA) with an allocation of Rs. 6000 crore for the period 2016–2020.It is a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlets. It is a big step towards doubling farmer's income, creating huge employment opportunities especially in rural areas, reducing wastage of agri produce, increasing the processing level and enhancing the export of processed foods. It is expected to leverage investment of Rs. 31400 crore for handling 334 lakh tones agro-produce benefitting about 20 lakh farmers and generating 5,30,500 direct/indirect employment by 2019-20. The Government of India has so far sanctioned 42 mega food parks and 234 cold chain projects with 139 lakh tonnes of preserving and processing capacity.

The way forward

There is huge scope for development of all kinds of infrastructure in rural areas. In fact, the gaps in the rural infrastructure need to be addressed properly and as fast as possible so as to achieve redistributive growth and alleviate poverty in the country. Keeping these things in mind, Government has taken various proactive steps to boost rural infrastructure so as to enhance farmers income and employment potential of rural people. A huge investment is required for creating an ecosystem that among others involves infrastructure including post-harvest logistics, agrofood processing, mega food parks, etc. In view of over arching demand of public funding, private investment holds the key. Investments with larger corporate participation will create a win – win opportunity and enhance farmers income and employment.

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We would like to inform our readers that the views expressed by the authors regarding the rural employment scenario in their articles reflect the situation prevailing before the COVID-19 outbreak.