

ISSN : 0368-4199



Estd. 1962  
NAAC 'A' Grade

V«±©; No. - 46;  
Issue " « 2 of 2010 & Issue No. 1 & 2 of 2011

# **JOURNAL OF SHIVAJI UNIVERSITY**

## **(HUMANITIES & SOCIAL SCIENCES)**

(Double blind and peer reviewed)

ISSN - 0368-4199



**SHIVAJI UNIVERSITY, KOLHAPUR**



# **JOURNAL OF SHIVAJI UNIVERSITY**

## **(Humanities and Social Sciences)**

ISSN: 0368-4199

V«±©; No. - 46;  
Issue " « of 2010 & Issue No. 1 & 2 of 2011

### **EDITORIAL BOARD OF THE JOURNAL**

**Prof. (Dr.) D. B. Shinde**

**Chairman**

Hon'ble Vice-Chancellor, Shivaji University, Kolhapur

**Prof. (Dr.) D. T. Shirke**

Hon'ble Pro- Vice-Chancellor, Shivaji University, Kolhapur

**Prof. (Dr.) M. S. Deshmukh**

**Managing Editor**

Department of Economics, Shivaji University, Kolhapur

### **MEMBERS OF THE EDITORIAL BOARD**

**Prof. (Dr.) Bharati Patil**

Dean, Faculty of Humanities & Social Sciences, Shivaji University, Kolhapur

**Prof. (Dr.) A. M. Gurav**

Dean, Faculty of Commerce & Management, Shivaji University, Kolhapur

**Prof. (Dr.) V. B. Kakade**

Department of Economics, Shivaji University, Kolhapur

**Prof. (Dr.) Jagan Karade**

Head, Department of Sociology, Shivaji University, Kolhapur

**Prof. (Dr.) Rajan Gavas**

Head, Department of Marathi, Shivaji University, Kolhapur

**Prof. (Dr.) C. A. Langare**

Head, Department of English, Shivaji University, Kolhapur

**Prof. (Dr.) P. S. Patankar**

Head, Department of Education, Shivaji University, Kolhapur

**Dr. Namita Khot**

Director, Knowledge Resource Center, Shivaji University, Kolhapur

# **JOURNAL OF SHIVAJI UNIVERSITY**

(Humanities & Social Sciences)

(Double blind and peer reviewed)

(ISSN: 0368-4199)

---

**VOL. No.**  
**46**



**Issue No. 2 of 2010 &  
Issue No. 1&2 of 2011**

---

**SHIVAJI UNIVERSITY**

**KOLHAPUR – 416004 (INDIA)**

**--- Contact Details ---**

**Prof. (Dr.) M. S. Deshmukh**

**Managing Editor,**

Journal of Shivaji University

(Humanities and Social Sciences),

Department of Economics,

Shivaji University, Kolhapur - 416004

E-mail: [editorjsu@unishivaji.ac.in](mailto:editorjsu@unishivaji.ac.in)

Phone: 0231- 2609179

Website: <http://www.unishivaji.ac.in/journals/>

## **Disclaimer**

The views expressed in the articles included in this volume are those of respective authors and the Editorial Board and Publisher of the journal are not responsible for the same. The articles published in this Journal of Shivaji University (Humanities and Social Sciences), is subject to copy right of the publisher. No material can be reproduced without prior permission of the publisher.

**© SHIVAJI UNIVERSITY, KOLHAPUR**  
**ISSN: 0368-4199**

### **Published by:**

**Dr. V. D. Nandavadekar**  
Registrar,  
Shivaji University Kolhapur

**Quantity: 100**

**Price: 100**

### **Printed by:**

Press Superintendent,  
Shivaji University Press,  
KOLHAPUR – 416004

**Year of Publication: May, 2018**

(The Managing Editor, on behalf of the Editorial Board of the Journal of Shivaji University (Humanities and Social Sciences) VOLUME NO – 46 Issue - 2 of 2010 & Issue 1&2 of 2011; wishes to express his thanks to the contributing authors and the experts for acting as referees for the papers included in this volume.)

## CONTENTS

Sr. No.	Title	Page No.
1.	FINANCIAL INCLUSION: CHALLENGES BEFORE INDIAN ECONOMY <b>Dr. V. B. Kakade</b>	1-07
2.	EVALUATION OF KISAN CREDIT CARDS SCHEME <b>Dr. Shrikrishna Mahajan</b>	08-24
3.	ANALYSIS OF INDIAN AGRICULTURE DURING PRE & POST REFORM PERIOD <b>Dr. M. S. Deshmukh</b>	25-36
4.	A REVIEW OF INCLUSION THROUGH VOCATIONAL EDUCATION IN INDIA <b>Dr. Maruti Ishwara Kumbhar</b>	37-48
5.	BUILDING A SUCCESSOR IN URBAN COOPERATIVE BANKS <b>Dr. V. P. Katti</b>	49-60
6.	API: ACADEMIC SUSTAINABILITY - A FIRE ALARMING BELL <b>Dr. A. M. GURAV</b>	61-70
7.	DEBT WAIVERS V/S AGRICULTURAL INSURANCE: A COMPARATIVE EFFICACY <b>Dr. Dnyandev C. Talule</b>	71-91
8.	ANALYSING EDUCATIONAL STATUS OF EMPLOYED AND UNEMPLOYED LABOUR IN INDIA <b>Dr. P. S. Kamble, S. T. Kombde, S. P. Panchgalle</b>	92-106
9.	पूर्ण मध्य कालीन भारत में जैन धर्म: चन्देल वंश के विशेष संदर्भ में <b>Vishal Vikram Singh</b>	107-114

## 1. FINANCIAL INCLUSION: CHALLENGES BEFORE INDIAN ECONOMY

Dr. V. B. Kakade<sup>1</sup>

### ***Abstract:***

*Financial globalization is understood as the integration of a country's local financial system with international financial markets and institutions. This integration typically requires that governments liberalize the domestic financial sector and the capital account. Integration takes place when liberalized economies experience an increase in cross-country capital movement, including an active participation of local borrowers and lenders in international markets and a widespread use of international financial intermediaries. This offers more channels for investment and better returns. Moreover, it creates risk and increases the complexity. On this background the financial literacy plays an important role which in turn affects financial inclusion. The low level of financial literacy and financial index in terms of awareness and application needs corrective action. Financial education of the various stakeholders is the need of time.*

**Key words:** Financial literacy, Ponzi schemes, financial Index.

### **I. INTRODUCTION:**

Financial globalization is understood as the integration of a country's local financial system with international financial markets and institutions. This integration typically requires that governments liberalize the domestic financial sector and the capital account. Integration takes place when liberalized economies experience an increase in cross-country capital movement, including an active participation of local borrowers and lenders in international markets and a widespread use of international financial intermediaries. Although developed countries are the most active participants in the financial globalization process, developing countries (primarily middle-income countries) have also started to participate. From a historical perspective, financial globalization is not a new phenomenon, but today's depth and breath are unprecedented. Capital flows have existed for a long time.

---

<sup>1</sup> **Dr. V. B. Kakade**, Professor, Department of Economics, Shivaji University, Kolhapur (MH), India  
E-mail : vijay382000@gmail.com Mob - 9422423941

The 1970s witnessed the beginning of a new era in the international financial system. As a result of the oil shock and the breakup of the Bretton Woods system, a new wave of globalization began. The oil shock provided international banks with fresh funds to invest in developing countries. These funds were used mainly to finance public debt in the form of syndicated loans. With the disintegration of the Bretton Woods system of fixed exchange rates, countries were able to open up to greater capital mobility while keeping the autonomy of their monetary policies.

The 1990s witnessed an investment boom in FDI and portfolio flows to emerging markets despite the perception of increasing financial globalization, the international financial system is far from being perfectly integrated. There is evidence of persistent capital market segmentation, home country bias, and correlation between domestic savings and investment. The recent deregulation of financial systems, the technological advances in financial services, and the increased diversity in the channels of financial globalization make a return to the past more costly and therefore more difficult.

## **II : RESULT AND DISSCUSSIONS**

### **Challenge of Financial Literacy**

The process of globalization has opened many opportunities along with its challenges. The old methods of saving and investment has made it not only out dated but a costlier affair. The financial market very near to perfect competition in terms of entry and exit to the individual requires full understanding of risks and rewards of such growing market. The new options of investment backed by expertise and technology can reward to those who are aware about it. Unfortunately the taboo about the capital market or share market and equating it with gambling has caused loss both to the individual and national level. Here an attempt is made to indicate the new opportunities in growing market, its pre conditions and potential benefits. It offers more scope to the students of economics to make career in the financial market where sky is the limit for them.

### **Status of Financial Literacy:**

Financial literacy in narrow sense is the ability to understand how money works in the world and how someone manages to earn or make it or how he/she invests it (turn it into more) and in wider sense it means how that person donates it to help others. More specifically, it refers to the set of skills and knowledge that allows an individual to make informed and effective decisions with all of their financial resources. Financial literacy often entails the knowledge of properly making decisions pertaining to certain personal finance areas like saving, real estate, insurance, investing, tax planning and retirement planning.. It also involves intimate knowledge of financial concepts like compound interest, financial planning, the mechanics of a credit card, advantageous savings methods, consumer rights, time value of money, etc.

The absence of financial literacy can lead to making poor financial decisions that can have adverse effects on the financial health of an individual.

Financial Participation is important for many reasons. For the household, participation

Facilitates asset accumulation and consumption smoothing, with potentially significant effects on welfare. For the financial system as a whole, the depth and breadth of participation are important determinants of the equity premium and the volatility of markets, and household expenditure

The Organization for Economic Co-operation and Development (OECD) started an inter-governmental project in 2003 with the objective of providing ways to improve financial education and literacy standards through the development of common financial literacy principles. In March 2008, the OECD launched the International Gateway for Financial Education, which aims to serve as a clearinghouse for financial education programs, information and research worldwide. In the UK, the alternative term “financial capability” is used by the state and its agencies.

#### **Findings of OECD studies:**

An international OECD study was published in late 2005 analyzing financial literacy surveys in OECD countries. It observed —

1. In Australia 67 per cent of respondents indicated that they understood the concept of compound interest, yet when they were asked to solve a problem using the concept only 28 per cent had a good level of understanding.
2. A British survey found that consumers do not actively seek out financial information. The information they do receive is acquired by chance, for example, by picking up a pamphlet at a bank or having a chance talk with a bank employee.
3. A Canadian survey found that respondents considered choosing the right investments to be more stressful than going to the dentist.
4. A survey of Korean high-school students showed that they had failing scores – that is, they answered fewer than 60 percent of the questions correctly – on tests designed to measure their ability to choose and manage a credit card, their knowledge about saving and investing for retirement, and their awareness of risk and the importance of insuring against it.
5. A survey in the US found that four out of ten American workers are not saving for retirement

#### **a) National level observations:**

The percentage of investors is nearly 20 in urban areas while it is much lower (6 per cent) in rural India. The estimated number of investor households in India is 24.5 million who constitute about 11 per cent of total households. The strong preference of investors is towards mutual funds (43 per cent) and secondary markets (22 per cent). In urban areas, 41 per cent of investors invest in mutual funds and 21 per cent secondary markets, whereas, 46 per cent rural population chooses mutual funds and 22 per cent secondary markets. There is a significant magnitude of small savers among all households. Eleven to 25 per cent of all households save in post office savings schemes. More than 16 per cent of the highly educated non-participants, as well as 16 per cent of the middle and upper income groups feel that non-participation is due to the perceived non-safety of returns.



The survey reveals that a large proportion of non-participants is satisfied with the role of the regulator SEBI, in regulating markets. Only between 2 to 10 per cent of the non-participants across selected household groups indicate dis-satisfaction with the role of the market regulator.

#### **Urban India:**

In the study the estimated number of urban investor constitute 21 per cent of all urban households. The allocations of funds were still in avenues such as commercial bank deposits and real estate. The primary destination of savings across household categories was insurance schemes and banks. Post office savings schemes were, for obvious reasons, less preferred compared to commercial bank deposits and accounts as such schemes have cumbersome procedures and offer inadequate returns. Nearly 72 per cent of all households treated commercial banks and insurance schemes as their primary choice for savings. Households that have very high levels of liquidity preference choose savings deposits over fixed deposits. Pension plans were preferred by households with higher levels of education. Preference for insurance schemes and savings in regional banks decline with increasing levels of education. Preference for saving in commercial banks for married households was marginally greater than for unmarried households (38.9 per cent to 33.7 per cent). Households whose occupation is business or agriculture and allied activities choose commercial banks as the preferred destination for their savings. Only 6 per cent of all households, whose primary occupation is agriculture, allocate a part of their savings to pension plans. Preference for insurance schemes (in particular, for LIC) increases at extremely low levels of asset ownership. The majority of households across income categories prefer to have a saving horizon exceeding 5 years. Females prefer pension plan marginally more than males (7.4 per cent compared to 4.1) and 49.7 per cent of older persons prefer savings in commercial banks. This reflects their need for liquidity. If time horizon is conditioned on the demographic characteristics of households, it was observed that a) 36.3 per cent of all married persons have a time horizon of 3 to 5 years. b) This number drops to 33.5 per cent for unmarried persons. c) 55.4 per cent of all unmarried persons save for periods exceeding 5 years. d) Older persons have a shorter time horizon on their savings. e) Females in general choose longer time horizons for their savings options compared to their male counterparts. Household income is a relatively minor determinant of participation in financial market. Instead, factors such as education, information, as well as quality information influence the magnitude and extent of participation to a greater extent. Only 21.25 per cent households prefer to invest in secondary markets. Households with a higher level of education invest more in this option. It was found that 26 per cent households with more than 15 years of education prefer to invest in secondary markets. Twenty eight per cent of businessmen and 21 per cent of white-collar workers prefer to invest in this option. Households that own higher levels of fixed assets generally prefer to invest in secondary markets. More than 18 per cent of unmarried households chose to invest in the complex derivative market, which reflects their greater tendency for taking risks compared to their married counterparts. During periods of high inflation, bonds are the preferred option for households with lower levels of assets as high interest rates are bound to lower bond prices. Male investors invest

more through IPOs than their female counterparts. Households with a higher level of education prefer a longer time horizon for the investment. Households with higher incomes opt for investments of longer duration. In case of windfall gains, households with low level of assets engaged in risky behaviour (participated in the derivative market) compared to households that own progressively higher level of assets. If windfall gains are increased in magnitude, there continues to be a positive relationship between levels of education and participation in the secondary markets. The degree of risk aversion is extremely high in Indian households. It is only at the margin that households engage in risky ventures. We note that risk taking increases only at very high income levels or if there is a significantly large windfall gain. The majority (53 per cent) of surveyed investing households fall in the least risk taker category. The degree of risk taking is, on average, high among earning households located in cities. The degree of risk was the highest among investors with more than 15 years of schooling at the all-India level. With the increase in educational attainment, risk tolerance increases. Married investors take less risk averse than their unmarried counterparts. On average females take less risk than their male counterparts. Business and white-collar workers hold more risky assets than their blue-collar counterparts. The degree of risk-taking is inversely proportional to age; risk-taking declines with the age of the persons. And we find that nearly 60 per cent of older persons fall in the lowest risk scale. Quality and source of information significantly influence the extent of participation in financial markets. A significant number of investors find the advice of brokers more useful. The survey reveals that while participating in mutual funds as well as in the secondary market, a significant majority depends on the advice given by intermediaries and friends.

#### **Rural India:**

The rural survey revealed the following facets of households. The survey revealed that human capital endowments in the form of literacy rate and household size are superior for households located closer to urban centers. A large proportion of these households have access to telephony and communication networks. Households in villages that are close to urban centers significantly participate in markets, particularly in the mutual fund market. Participation in mutual funds, in particular, is significantly influenced by the level of education. Demographic characteristics of rural households, like marital status and gender, do not significantly alter the distribution of investment. There is a significant degree of non-investment by rural households because of: a) inadequate information, and b) lack of adequate skills. A significantly larger percentage of rural households across income and asset classes as well as demographics are risk-averse compared to their urban counterparts. Since rural households are relatively more risk averse, the time horizon for savers and investor is medium term (3–5 years). The level of savings increases with educational attainment and asset holdings. The magnitude increase in savings conditioned on asset holdings is significantly lower when compared to investments.

The survey concluded that the households and individual investors supply a pool of capital that creates liquidity in the market and make it dynamic. Thus, household income, its consumption and its distribution are fundamental to any economic analysis. These

determine the nature and rate of saving in an economy which, in turn, implies the rate of economic growth. Sustained research in this field thus becomes imperative in order to understand the patterns of savings and capital formation in our country.

### **III. CONCLUSIONS AND POLICY MEASURES :**

At macro level the globalization of finance offers opportunity for cheap and speedy finance the potential benefits of financial globalization will likely lead to a more financially interconnected world and a deeper degree of financial integration of developing countries with international financial markets. Probably, the main benefit of financial globalization for developing countries is the development of their financial system, what involves more complete, deeper, more stable, and better-regulated financial markets. There are various links between globalization and crises. For successful integration, economic fundamentals need to be and remain strong. Local markets need to be properly regulated and supervised. The need for strong fundamentals is key since, other things equal, financial globalization tends to intensify a country's sensitivities to foreign shocks. Moreover, international market imperfections, such as herding, panics, and boom-bust cycles, and the fluctuating nature of capital flows can lead to crises and contagion, even in countries with good economic fundamentals. Another risk of globalization is the segmentation that it can create between those able to participate in the global financial system and those that need to rely on domestic financial sectors. The net benefit of financial globalization for developing countries can be large, even despite the risks.

But globalization also poses new challenges for policymakers. One main challenge is to manage financial globalization in a way that countries can take full advantage of the opportunities it generates, while minimizing the risks it implies. This is important because financial globalization is likely to deepen over time, led by its potential benefits. Another challenge of globalization is that, in a more integrated world, governments are left with fewer policy instruments. Thus, some type of international financial cooperation becomes more important.

The second development is the internationalization of financial services, which means the use of international financial intermediaries by local borrowers and investors. This internationalization is achieved through two main channels. The first channel is an increased presence of international financial intermediaries, mainly foreign banks, in local markets. The second channel involves the use of international financial intermediaries by local borrowers and investors; these international financial intermediaries are located outside the country. One example of the latter channel is the trading of local shares in major world stock exchanges, mostly in the form of depositary receipts.

At micro level the implication of financial globalization are more important. It offers global opportunity and instruments for investment. The long run benefits accruing from such diversified portfolio will add more stability and prosperity. However, a caution is required as these investments needs to be more prudent attention. Financial literacy is key in this regard as it helps to make rational decision based on individual appetite for risk and return. The rewards of this exercise may even be greater than the active income earned by the family.

The financial literacy is the backbone of successful and stable life. The financial literacy as measured for female workers in Jaysingpur leads us to suggest following measured on priority basis

- 1) The financial literacy education must be made mandatory for all levels
  - 2) The efforts made by RBI and SEBI are praiseworthy. But the activities needs to be focused on female and vulnerable section of society.
  - 3) The gap between knowledge and practices is also very and high and it is a cause of concern. The efforts should be made to encourage people to put their knowledge for practice.
- The Reserve Bank of India has undertaken a project titled Project Financial Literacy". The Objective of the project is to disseminate information regarding the central bank and general banking concepts to various target groups,. It also provides various games and literature on financial education

**References:**

- 1) Giesler, Markus; Veresiu, Ela (2014). "Creating the Responsible Consumer: Moralistic Governance Regimes and Consumer Subjectivity". *Journal of Consumer Research* 41(October): 849–867. doi:10.1086/677842
- 2) <http://www.getsmarteraboutmoney.ca/en/Pages/default.aspx>
- 3) <http://www.investopedia.com/terms/f/financial-literacy.asp>
- 4) <http://www.financial-education.org/home.html>
- 5) [http://www.oecd-ilibrary.org/finance-and-investment/empowering-women-through-financial-awareness-and-education\\_5k9d5v6kh56g-en](http://www.oecd-ilibrary.org/finance-and-investment/empowering-women-through-financial-awareness-and-education_5k9d5v6kh56g-en)
- 6) Shawn Cole & Gauri Kartini Shastry, If You Are So Smart, Why Aren't You Rich? The Effects of Education, Financial Literacy and Cognitive Ability on Financial Market Participation (November 2008)
- 7) <http://timesofindia.indiatimes.com/india/Indian-women-surpass-Chinese-in-financial-literacy/articleshow/7602651.cms?referral=PM>
- 8) <https://rbi.org.in/FinancialEducation/Home.aspx>



## 2. Evaluation of Kisan Credit Cards Scheme

Dr. Shrikrishna Mahajan<sup>1</sup>

### **Abstract**

*Kisan Credit Card scheme was launched during 1998-99 for issuing short-term loan for seasonal agricultural operations and massively growing day by day. It is growing massively day by day. It was need to identify the problems which the farmers are facing in this scheme. The broad objective of the present study is to evaluate Kisan Credit Card scheme and the specific objectives are: to study in brief the role of banks in agriculture finance in Kolhapur district, to assess the attitude of farmers and bankers towards Kisan Credit Card scheme, to identify the problems which farmers are facing at the time of using KCC and to suggest remedies to improve KCC scheme. The data collected from a survey of 120 farmers have been analysed with these objectives. More IT initiative is required by the banks for making KCC scheme more user-friendly. All banks should issue KCCs in the form of (electronic) 'Cards' and not in the form of 'passbook' only. If independent card is issued, the farmer can purchase the agriculture inputs whenever he wants.*

**Key Words:** Agriculture Credit, Credit Delivery, Kisan Credit Cards, Rural Credit Innovation

### **I. INTRODUCTION:**

India is such a developing country in which most of the population is dependent upon agriculture. Banking sector has played vital role in economic development of the country and contributed a lot to agriculture sector. It has shown interest in financing farmers considering priority sector. Farmers' access to credit facilities is a panacea to various financial problems of farmers. The Government of India has launched several schemes to support the farmers to avail them credit facility. One of such scheme is Kisan Credit Card scheme.

Kisan Credit Card scheme was launched during 1998-99 for issuing short-term loan for seasonal agricultural operations. The scheme aims at providing need based and timely credit support to the farmers for their short-term production needs for cultivation of crops purchase of inputs as well as for non-farm short-term requirements. Under the crop loan system, crop-wise limits for credit on the basis of scale of finance fixed by district level technical committee are provided by bank in cash and kind in one or two installments according to the seasonality of crops. The loan is recovered after the harvesting and marketing of crops. It has been observed that this system does not have desired flexibility in availing of loan as per actual needs of farmers and also there is no adequate description to decide the repayment schedule depending upon the repaying capacity. Therefore the Union Minister for Finance in his budget speech for the year 1998-99 desired that bank should issue Kisan Credit Cards to farmers on

---

*Dr. Shrikrishna Mahajan<sup>1</sup> Professor, Department of Commerce and Management, Shivaji University Kolhapur (MH), India E-mail: ssm\_commerce@unishivaji.ac.in*

the basis of their land holdings. The scheme is in operation since then and the response to the scheme is very encouraging both from the banks as well as the farmers.

## **2. The Statement of the Research Problem:**

Kisan Credit Card scheme is growing massively day by day. Though the scheme is not without its inherent limitations, it has achieved significance, still some banks have reservations. Some banks have made value additions to KCC as Bank of India made it by launching Kisan Suvidha Card and Kisan Gold Card or SBI allowed KCC holders to operate them on ATMs. It was need to identify the problems which the farmers are facing in this scheme. The present researcher undertook a research project on the topic of 'Evaluation of Kisan Credit Card Scheme of Banks in selected Villages of Kolhapur District'. KCC scheme is innovative credit delivery system supported by national interest. This study has a special significance in the era of globalised market, financial problems of small and marginal farmers, financial exclusion and their consequential issues such as financial inclusion through different Government schemes and their evaluation to banks' point of view and beneficiaries' point of view. The present study has tried to identify the limitations of KCC scheme and examine the extent of awareness about KCC among farmers. It may provide a road map for government, policy makers, banks so as to tackle the problems before banks and farmers in respect of credit and insurance through KCC in particular and financial inclusion of farmers in general. It may provide right direction to banks rendering their credit services to small and marginal farmers. For answering the research questions following hypotheses are formulated:

- 1) There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in respect of purpose of using KCC.
- 2) There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of benefits of KCC.
- 3) There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of low frequency of withdrawals and repayments.

## **3. The Objectives of the Study:**

The broad objective of the present study is to evaluate Kisan Credit Card scheme of banks in selected villages of Kolhapur district and the specific objectives are as follows:

1. To study in brief the role of banks in agriculture finance in Kolhapur district.
2. To assess the attitude of farmers and bankers towards Kisan Credit Card scheme.
3. To identify the problems which farmers are facing at the time of using KCC.
4. To evaluate the KCC scheme considering its costs and benefits.
5. To suggest remedies to improve KCC scheme.

#### 4. Methodology:

The present study is descriptive research of Kisan Credit Cards issued in Kolhapur district. KDCC Bank has largest number of KCCs issued. The second rank is of Bank of India and the third is Bank of Maharashtra. So the first three banks have been selected i. e.- KDCC Bank, Bank of India and Bank of Maharashtra. Multi-stage sampling has been adopted here. In the first stage, the villages have been selected on two different bases for getting proper representation of villages and bank branches. Such 10 villages have been selected where there are both type of branches i.e. one nationalized bank branch and a branch of KDCC Bank and remaining 5 villages have been selected randomly (See Table 1).

**Table 1 : of Farmers selected from selected Bank branches in Kolhapur District**

Sr. No.	Taluka	Branch	No. of farmers				Grand Total
			KDCC Bank	Nationalized Banks			
				Bank of India	Bank of Maharashtra	Total	
1.	Karveer	Sodoli Khalasa	05	05	-	05	10
2.	Karveer	Sangrool	05	-	05	05	10
3.	Karveer	Nigave	05	-	-	-	05
4.	Karveer	Ambewadi	-	05	-	05	05
5.	Kagal	Murgud	05	-	-	-	05
6.	Kagal	Mhakave	05	-	05	05	10
7.	Kagal	Kasaba Sangav	05	-	05	05	10
8.	Kagal	Chimgaon	-	05	-	05	05
9.	Hatkanangle	Peth Vadgaon	05	05	-	05	10
10.	Hatkanangle	Rukadi	05	05	-	05	10
11.	Hatkanangle	Shiroli	05	05	-	05	10
12.	Shirol	Jaysingpur	05	05	-	05	10
13.	Shirol	Kurundwad	05	05	-	05	10
14.	Panhala	Kodoli (Warana)	05	05	-	05	10
	Total		60	45	15	60	120

Source: Compiled by the present researcher.

In the second stage, branches and in the third stage borrowers are selected. From each branch of a bank 5 borrowers have been selected randomly to whom the respective bank has issued KCC. Thus from 24 branches of various banks 120 borrowers were selected (Table 1). The data have been processed, classified, tabulated and analyzed in the light of objectives of the study by employing statistical techniques like mean, standard deviation, independent sample t-test, tabular and graphical presentation, percentage and CAGR etc.

#### 5. Review of Literature:

The lesson of universal agrarian history from Rome to Scotland is that an essential of agriculture is credit. Neither the condition of the country nor the nature of the land tenures, nor the position of agriculture, affects the one great fact that agriculturists must borrow (Nicholson).

Agriculture credit is widely discussed phenomenon as old as agriculture is. But the innovation in agriculture credit is such an aspect of it which has not covered by the scholars. Few of researchers have tried to highlight upon the innovative credit delivery products like Kisan Credit Cards. The focused review of literature has been given in this section. Faruqui (2001) has written a concept paper on Kisan Credit Card, in which he has elaborated KCC scheme. It describes eligibility, target group, selection methodology, fixation of credit limit, validity and repayment schedule, margin, collateral, interest etc. Rao and Sahu (2005) have made attempt to study the features of KCC scheme launched by OSCB and its IT initiatives. Singh and Sekhon (2005) have carried out the study on cash-in benefits of KCCs in the Punjab state aiming at with the following specific objectives: studying the existing procedures of advancing credit under Kisan Credit Card Scheme (KCCS); examining the adequacy of credit extended under Kisan Credit Card Scheme; and evaluating the impact upon the efficiency of rural credit delivery system and identifying the major constraints in the scheme, if any. Sangwan (2005) has examined the macro impact of the pioneering KCC scheme in terms of increasing participation of commercial banks, regional outreach over states, acceleration in the growth rate of production credit, awareness about bank credit among farmers and its efficiency in terms of sanctions and operations. As far as the operational efficiency of KCC is concerned, KCC limits were not fixed on the basis of total operational holdings and one or two crops were considered for sanctioning the limit.

Rao (2006) in his research paper on a study of effectiveness of Kisan Credit Cards, presented result by his study as (i) the claims of KCC like timely credit, simplified loan procedures, elimination of repeated processing of loan proposals, assured availability of credit have been endorsed only by the small percentages, (ii) absence/ inadequate non-farm income is an important reason for the low frequency of withdrawals and repayment through KCC followed by the reason that no perceptible benefit of frequent withdrawals and repayment, (iii) the analysis of adequacy of credit with reference to size of the farmers.

Vedini and Durga (2007) have made an attempt of evaluating performance of KCC scheme in the state of Andhra Pradesh. The evaluation has been made on the basis on three important aspects- quantum of credit borrowed from institutional and non-institutional sources, cost of borrowing between KCC holders and non-KCC holders and across different categories of the farmers, degree of awareness of various available benefits.

Kumar and Chavan (2007) have made an attempt to examine credit to agriculture provided by the commercial banks, including regional rural banks, and they found that contrary to the general perception that the credit revival began in 2004, the actual revival started after 2000. It shows that the increase in credit was to large extent the result of growing share of indirect finance, which, in turn, has been broadened in scope to cover many new kinds of farm lending. Satish (2007) has focused his paper on negative policy on credit for agriculture and other priority sectors. Satyasai (2008) has examined a few structural constrains that hamper rural credit delivery and has discussed some of the measures taken to improve the situation.

After reviewing this literature, it is found that the aspects of KCC scheme have not much covered by the earlier researchers. The present researcher decided to conduct this study



to study the origin and growth of Kisan Credit Card scheme and to identify the problems which farmers are facing at the time of using KCC.

## **6. Role of Banks in implementation of KCC scheme:**

In implementation of KCC scheme, initiative and innovation are two aspects which have significance to reach to the real needy and make them real beneficiaries. Banks have vital role to play in implementing the original scheme or making innovation for the purpose of benefit to farmers. Some banks have taken initiative to make this scheme attractive and effective by using new measures and technology.

**6.1 State Bank of India:** SBI has provided this scheme on ATM also which makes the transactions easy for the farmers. It introduced innovative Kisan Gold Card which is a hassle free term loan card that enables farmers to avail loans for agriculture implements, land development, repair of farm machinery and consumption needs. Farmers have the choice in regard to amount, time and purpose.

**6.2 Bank of India:** Bank of India has introduced Kisan Samadhan Card in place of Kisan Suvidha Card and Kisan Gold Card. This scheme is based on 'Line of Credit' concept and each farmer is provided with a package of 'Kisan Samadhan' which would enable farmers to avail short-term and long-term credit for a period of maximum 5 years continuously with rollover arrangement. Bank of India has also introduced Credit Card for landless labourers which is called Star Bhoomineen Kisan Card. Its main objective is to provide easy access to short-term production and consumption credit to meet genuine requirements of tenant farmers, share croppers and oral lessees to help increase their income from agriculture production activities.

**6.3 Bank of Maharashtra:** Bank of Maharashtra has introduced its own KCC called Mahabank Kisan Credit Card. It is for the purpose of cultivation of crops, meeting the short-term credit needs of farmers for crop production and allied activities and maintenance of farm equipment etc. Agriculturists who have their own land they are eligible.

**6.4 KDCC Bank:** Kolhapur District Central Cooperative Bank has largest share in KCCs issued in Kolhapur district. It has introduced KCC through its own branches and Primary Cooperative Credit Societies at grass root level. KDCC Bank has issued these cards in the form of Pass book.

## **7. Growth of KCC Scheme:**

KCC scheme has been launched to provide adequate and timely credit to farmers. It is growing considerably which can see the growth of it over a period of time.

**Table 2 : Agency-wise KCCs issued**

Year	Cooperative Banks	RRBs	Commercial Banks	Total
1998-99	1.56	0.06	6.22	7.84
1999-00	35.95	1.73	13.66	51.34
2000-01	56.14	6.48	23.90	86.52
2001-02	54.36	8.34	30.71	93.41
2002-03	45.79	9.64	27.00	82.43
2003-04	48.78	12.75	30.94	92.47
2004-05	35.56	17.29	43.95	96.80
2005-06	25.98	12.49	41.65	80.12
2006-07	22.91	14.06	48.08	85.11
2007-08	20.91	17.73	46.06	84.70
2008-09	13.44	14.15	58.34	85.93
2009-10	17.43	19.50	53.13	90.06
2010-11	28.12	17.74	55.83	101.69
2011-12	29.59	19.96	68.03	117.58
<b>CAGR</b>	<b>1.23</b>	<b>1.51</b>	<b>1.18</b>	<b>1.21</b>

Source: GOI, Economic Survey, 2008-09 & 2012-13

In the year 1998-99, 7.84 lakh KCCs were issued at initial stage but over a period of 14 years it has grown upto 1156 lakh in 2011-12. If we consider all the years largest number of KCCs issued in 2011-12 i.e.- 117.78 lakh KCCs. The trend in growth of KCC is showing considerable increase as its overall CAGR is 1.213392.

**Table 3 : Amount Sanctioned under KCCs (Lakhs)**

Year	Cooperative Banks	RRBs	Commercial Banks	Total
1998-99	826	11	1247	2084
1999-00	3606	405	3537	7548
2000-01	9412	1400	5615	16427
2001-02	15952	2382	7524	25858
2002-03	15841	2955	7387	26183
2003-04	9855	2599	9331	21785
2004-05	N. A.	N. A.	N. A.	N. A.
2005-06	N. A.	N. A.	N. A.	N. A.
2006-07	13141	7373	26215	46729
2007-08	19991	8783	59530	88262
2008-09	8428	5648	39009	53085
2009-10	7606	10132	39940	57678
2010-11	10719	11468	50438	72625
2011-12	10642	11516	69518	91676
<b>CAGR</b>	<b>1.20</b>	<b>1.64</b>	<b>1.33</b>	<b>1.31</b>

Source: GOI, Economic Survey, 2008-09 & 2012-13

The amount disbursed under KCCs was Rs.2084 lakh in 1998-99 at initial stage. The largest amount over a period was sanctioned under KCCs was Rs.91,676 lakh in 2011-12.

## 8. Analysis and Interpretation of Data:

The credit is very important need of agriculture. In order to be successful in agriculture, agricultural credit must not only be cheap and facile, but above all it must be so obtainable that at an effort of obtaining it shall educate, discipline and guide the borrower in its proper use as well conduce to prosperity and production (Choubey, 1977).

### 8.1 Demographic Profile of Sample:

**8.1.1 Age:** The largest population of youth in world is situated in India. The sample of this study is from rural area, the Table 4 reveals that 46.67 per cent is below the age of 40 years. Whereas the number of farmers having age from 41 to 50 years constitutes another 30 per cent and remaining 23.33 per cent are above 50 years.

**Table 4 : Distribution of Farmers in terms of Age**

Sr. No.	Age of farmers	KDCC Bank	Nationalized Banks	Total
1	20-30	06 (10.00)	08 (13.33)	14 (11.67)
2	31-40	21 (35.00)	21 (35.00)	42 (35.00)
3	41-50	16 (26.67)	18 (30.00)	34 (28.33)
4	51-60	13 (21.67)	10 (16.67)	23 (19.17)
5	Above 60	04 (6.67)	03 (3.33)	07 (5.83)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

**8.1.2 Education:** In terms of the educational profile, the sample has been divided into five categories as who have completed their (i) primary education, (ii) secondary education, (iii) higher secondary education, (iv) graduation and (v) uneducated people. Table 5 shows that the respondents who have reached to their primary education are 9.67 per cent and 38.33 per cent respondents have reached upto secondary education. In Indian education system, 11<sup>th</sup> and 12<sup>th</sup> standard are included in higher secondary education. This class has weightage of 20.83 per cent. Out of total sample 0.83 per cent are uneducated whereas 30.83 per cent have reached upto graduation.

**Table 5 : Distribution of Farmers in terms of Education**

Sr. No.	Education of farmers	KDCC Bank	Nationalized Banks	Total
1	1 <sup>st</sup> to 5 <sup>th</sup> std	05 (8.33)	06 (10.00)	11 (9.17)
2	6 <sup>th</sup> to 10 <sup>th</sup>	21 (35.00)	25 (41.67)	46 (38.33)
3	11 <sup>th</sup> and 12 <sup>th</sup>	15 (25.00)	10 (16.67)	25 (20.83)
4	Graduation	19 (31.67)	18 (30.00)	37 (30.83)
5	Uneducated	00 (00.00)	01 (1.67)	07 (0.83)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

**8.1.3 Annual Income:** The annual income of farmers shows their economic condition. Table 6 indicates 5 classes of annual income of selected farmers as a sample. It shows that 45 per cent farmers have annual income upto Rs.50,000 whereas the farmers from the class having annual income from Rs.50,001 to Rs.1,00,000 are 39.17 per cent. It discloses that 10 per cent are the class of having annual income in the range of Rs.1,00,001 to Rs.1,50,000 whereas the farmer having annual income more than Rs.1,50,000 are only 3.33 per cent. This analysis provides the clear picture that most of the farmers (84.17 per cent) have their annual income below Rs.1,00,000, which constitute low income group.

**Table 6 : Distribution of Farmers in terms of Annual Income**

Sr. No.	Annual Income	KDCC Bank	Nationalized Banks	Total
1	Up to 50,000	28 (46.67)	26 (43.33)	54 (45.00)
2	50,001 to 1,00,000	23 (38.33)	24 (40.00)	47 (39.17)
3	1,00,001 to 1,50,000	07 (11.67)	05 (8.33)	12 (10.00)
4	More than 150,001	00 (00.00)	04 (6.67)	04 (3.33)
5	Cant say	02 (3.33)	01 (1.67)	03 (2.50)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

**8.1.4 Land-holding:** The land-holding is major resource available with the farmers which is their main fixed asset. Table 7 shows that the farmers having land-holding below 2 acre are 28.33 per cent whereas 58.33 per cent farmers face land-holding for, 5 to 10 acre and 12.5 per cent farmers are from the class of land-holding for 5 to 10 acre. Only 1 KCC holder constitutes 0.83 per cent, who has land more than 10 acres. This analysis indicates that most of the farmers (86.67 per cent) are having land-holding below 5 acre.

**Table 7 : Distribution of Farmers in terms of Land-holding**

Sr. No.	Taluka	Branch	No. of farmers				Grand Total
			KDCC Bank	Nationalized Banks			
				Bank of India	Bank of Maharashtra	Total	
1.	Karveer	Sodoli Khalasa	05	05	-	05	10
2.	Karveer	Sangrool	05	-	05	05	10
3.	Karveer	Nigave	05	-	-	-	05
4.	Karveer	Ambewadi	-	05	-	05	05
5.	Kagal	Murgud	05	-	-	-	05
6.	Kagal	Mhakave	05	-	05	05	10
7.	Kagal	Kasaba Sangav	05	-	05	05	10
8.	Kagal	Chimgaon	-	05	-	05	05
9.	Hatkanangle	Peth Vadgaon	05	05	-	05	10
10.	Hatkanangle	Rukadi	05	05	-	05	10
11.	Hatkanangle	Shiroli	05	05	-	05	10
12.	Shirol	Jaysingpur	05	05	-	05	10
13.	Shirol	Kurundwad	05	05	-	05	10
14.	Panhala	Kodoli (Warana)	05	05	-	05	10
	Total		60	45	15	60	120

Source: Compiled by the present researcher.

In the second stage, branches and in the third stage borrowers are selected. From each branch of a bank 5 borrowers have been selected randomly to whom the respective bank has issued KCC. Thus from 24 branches of various banks 120 borrowers were selected (Table 1). The data have been processed, classified, tabulated and analyzed in the light of objectives of the study by employing statistical techniques like mean, standard deviation, independent sample t-test, tabular and graphical presentation, percentage and CAGR etc.

## 8.2 Awareness about KCC scheme:

**8.2.1 Source of Information:** Different source may play role of creating awareness among farmers about KCC scheme, especially bands, primary co-operative credit society, village panchayat or any other agency may be a source of information about KCC scheme.

**Table 8 : Distribution of Farmers in terms of Source of Information about KCCs**

Sr. No.	Source of Information	KDCC Bank	Nationalized Banks	Total
1	Bank	27 (45.00)	36 (60.00)	63 (52.50)
2	Society	24 (40.00)	11 (18.33)	35 (29.17)
3	Gram Panchayat	02 (3.33)	03 (5.00)	05 (4.17)
4	Other	07 (11.67)	10 (16.67)	17 (14.17)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

Table 8 reveals that 52.5 per cent farmers have got information about this scheme from bank whereas co-operative credit societies have provided this information to 29.17 per cent farmers. Only 4.17 per cent farmers received the information from village Panchayat whereas other sources provided information about KCC scheme to 14.17 per cent farmers.

**8.2.2 Time of awareness:** It is also important to know when farmers be aware of KCC scheme whether before getting KCC. Table 9 shows that 50 per cent farmers were aware of KCC scheme before getting KCC and remaining 50 per cent farmers become aware of KCC scheme after getting KCC. Additional knowledge we can attain by doing inter-sectional classification. The KCC holders of KDCC Bank are 26.67 per cent of total KCC holders (60) who were aware of KCC scheme before getting KCC. The KCC holders were got aware of KCC scheme after getting KCC are another 60. Out of them, 76.67 per cent are the KCC holders of KDCC Bank and 23.33 per cent are KCC holders of nationalized banks.

**Table 9 : Distribution of Farmers in terms of Time at when awareness was created**

Sr. No.	Source of Information	KDCC Bank	Nationalized Banks	Total
1	Before Getting KCC	44 (73.33)	16 (26.67)	60 (100.00)
2	After getting KCC	46 (76.67)	14 (23.33)	60 (100.00)

(Source: Field Survey)

**8.2.3 Awareness about Benefits:** It has great significance in success of KCC scheme. Table 10 indicates that 80.33 per cent KCC holders know about the benefits of KCC scheme whereas 19.17 per cent KCC holders do not know the benefit of KCC schemes.

**Table 10: Distribution of Farmers in terms of Awareness about Benefit of KCCs**

Sr. No.	Before you, whether your family members have used KCC	KDCC Bank	Nationalized Banks	Total
1	Yes	13 (21.67)	10 (16.17)	23 (19.17)
2	No	47 (78.33)	50 (83.33)	97 (80.83)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

**8.2.4 Awareness about Insurance Coverage:** The farmers who have been issued KCCs are covered under personal accident insurance scheme. As per the scheme, the KCC holder covered against accidental death or permanent disability and partial disability upto Rs.50,000 and Rs.25,000 respectively. This is a very welcome feature of the scheme and it will certainly give relief to the affected farmers. However, while implementing the scheme, attention is not given on this particular aspect of the scheme (Kulkarni, 2006).

**Table 11 : Distribution of Farmers in terms of Awareness of Farmers about Insurance Benefit under KCC**

Sr. No.	Whether farmers know the insurance benefit under KCCs	KDCC Bank	Nationalized Banks	Total
1	Yes	51 (85.00)	47 (78.33)	98 (81.67)
2	No	09 (15.00)	13 (21.67)	22 (18.33)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

*(Source: Field Survey)*

As inquiry was made during the field survey about the awareness of insurance benefits, Table 11 shows that 81.67 per cent KCC holders are aware of this benefit whereas 18.33 per cent KCC holders are unaware of them.

### 8.3 Use of KCC:

**8.3.1 Limit of Credit:** Under KCC scheme, the limit of credit is to be fixed on the basis of operational land holding, cropping pattern and scale of finance. Entire production credit needs for full years plus ancillary activities related to crop production are considered while fixing limit. Table 12 reveals the limit of credit sanctioned to KCC holders selected for the study. It shows that 51.67 per cent KCC holders have been sanctioned limit upto Rs.50,000 whereas banks sanctioned limit in the range of Rs.50,001 to Rs.1,00,000 to 38.33 per cent of KCC holders. In the next range of Rs.1,00,001 to Rs.1,50,000, KCC holders are 4.17 per cent, whereas 5.83 per cent KCC holders have limit more than Rs.1,50,000. This analysis provides us an important indication that most of the KCC holders (90 per cent) have a limit of credit below Rs.1,00,000.

**Table 12 : Distribution of Farmers in terms of Limit of Credit sanctioned under KCC**

Sr. No.	Credit Limit	KDCC Bank	Nationalized Banks	Total
1	Up to 50,000	31 (51.67)	31 (51.67)	23 (19.17)
2	50,001 to 1,00,000	23 (38.33)	23 (38.33)	97 (80.83)
3	1,00,001 to 1,50,000	04 (6.67)	01 (1.67)	05 (4.17)
4	More than 1,50,000	02 (3.33)	05 (8.33)	07 (5.83)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

*Source: Field Survey.*

**8.3.2 Utilization of KCC:** KCC scheme aims at providing needs based and timely credit support to the farmers for their cultivation needs as well as non-farm activities and cost effective manner. But KCC holders should use them properly, as and when it is required. All KCC holders (100 per cent) are using KCCs.

**8.3.3 Purpose of use of KCC:** Out of total sample of 120 KCC holders, 60 KCC holders have been supported by nationalized banks. Table 13 shows that KCC holders of KCC Bank are using 100 per cent KCCs for the purpose of 'purchase of fertilizers' whereas 93.33 per cent KCCs are utilized for 'purchase of seeds'. For purchase of farm appliances, 96.67 per cent KCCs are being utilized, whereas 78.33 per cent KCCs are used for 'other purpose of farming'. However, only 38.33 per cent KCCs are used for 'domestic use'. In case of KCC holders of nationalized banks, 100% KCCs are being used for 'purchase of fertilizers' whereas 98.33 per cent KCCs are utilized for 'purchase of seeds. Out of KCC holders of nationalized banks, 86.67 per cent KCC are used for the purpose of 'purchase of farm appliances' whereas 81.67 per cent KCCs have been utilized for 'other purpose of farming'. But only 30 per cent KCCs are being utilized for domestic use. This analysis reveals that most of KCCs and its disbursement has been utilized for agriculture purpose.

**Table 13 : Distribution of Farmers in terms of Purpose of Use of KCC**

Sr. No.	Purpose	KDCC Bank		Nationalized Bank		Total	
		Yes	No	Yes	No	Yes	No
1.	Purchase of Fertilizers	60 (100.00)	0 (00.00)	60 (100.00)	0 (00.00)	120 (100.00)	0 (00.00)
2.	Purchase of seeds	56 (93.33)	04 (6.67)	59 (98.33)	01 (1.67)	115 (95.83)	05 (4.17)
3.	Purchase of farm appliances	58 (96.67)	02 (3.33)	52 (86.67)	08 (13.33)	110 (91.67)	10 (8.33)
4.	Other purpose of farming	47 (78.33)	13 (21.67)	49 (81.67)	11 (18.33)	96 (80.00)	24 (20.00)
5.	Domestic use	23 (38.33)	37 (61.67)	18 (30.00)	42 (70.00)	41 (34.17)	79 (65.83)

(Source: Field Survey)

#### **8.4 Benefits of KCC:**

There are number of advantages of KCC scheme to farmers. Table 14 reveals that 100 per cent KCC holders opine that KCC benefited for timely credit as well as adequate credit. As 32.5 per cent KCC holders are agreed with the benefit of 'simplified loan procedure', 91.67 per cent KCC holders felt that KCC scheme eliminate the repetition of processing loan proposals.

The claim of benefits from KCC like timely credit (100), adequacy of credit (100), simplified loan procedures (92.5), elimination of repeated processing loan procedures (91.67), choice of purchase of inputs from any choice (85), high frequency of prestige (83.33), assured availability of credit (88.33) and benefit of crop insurance (60) have been endorsed by majority of the sample units.



**Table 14 : Distribution of Farmers in terms of Benefits of KCCs**

Sr. No.	Benefits	KDCC Bank		Nationalized Bank		Total	
		Yes	No	Yes	No	Yes	No
1.	Timely Credit	60 (100.00)	0 (00.00)	60 (100.00)	0 (00.00)	120 (100.00)	0 (00.00)
2.	Adequate Credit	60 (100.00)	0 (00.00)	60 (100.00)	0 (00.00)	120 (100.00)	0 (00.00)
3.	Simplified Loan Procedure	56 (93.33)	04 (6.67)	55 (91.67)	05 (8.33)	111 (92.50)	09 (7.50)
4.	Elimination of repeated processing loan proposals	54 (90.00)	06 (10.00)	56 (93.33)	04 (6.67)	110 (91.67)	10 (8.33)
5.	Choice of purchase of inputs from any choice	52 (86.67)	08 (13.33)	50 (83.33)	10 (16.67)	102 (85.00)	18 (15.00)
6.	High frequency of withdrawals and repayment	44 (73.33)	16 (26.67)	44 (73.33)	16 (26.67)	88 (73.33)	32 (26.67)
7.	Symbol of prestige	47 (78.33)	13 (21.67)	53 (88.33)	07 (11.67)	100 (83.33)	20 (16.67)
8.	Assured availability of credit	54 (90.00)	06 (10.00)	52 (86.67)	08 (13.33)	106 (88.33)	14 (11.67)
9.	Benefits of crop insurance	40 (66.67)	20 (33.33)	32 (53.33)	28 (46.67)	72 (60.00)	48 (40.00)

(Source: Field Survey)

**8.5 Reasons for low frequency of withdrawals:**

Low frequency of withdrawals and repayment shows limited use of KCC. Here, it is important to know which reasons are responsible for this situation. The reasons for low frequency are taken into consideration, which are as (i) non-realization of agriculture income, (ii) absence/ inadequate non-farm income, (iii) inadequate agricultural income, (iv) low crop intensity and (v) no perceptible advantage of frequent withdrawal and repayment.

**Table 15 : Distribution of Farmers in terms of Reasons of Low Frequency of Withdrawals and Repayment**

Sr. No.	Reason	KDCC Bank		Nationalized Bank		Total	
		Yes	No	Yes	No	Yes	No
1.	Non-realization of agricultural income	52 (86.67)	08 (13.33)	58 (96.67)	02 (3.33)	110 (91.67)	10 (8.33)
2.	Absence/ inadequate non-farm income	53 (88.33)	07 (11.67)	48 (80.00)	12 (20.00)	88 (73.33)	32 (26.67)
3.	Inadequate agricultural income	40 (66.67)	20 (33.33)	48 (80.00)	12 (20.00)	88 (73.33)	32 (26.67)
4.	Low crop intensity	41 (68.33)	19 (31.67)	45 (75.00)	15 (25.00)	86 (71.67)	34 (28.33)
5.	No perceptible advantage of frequent withdrawal and repayment	41 (68.33)	19 (31.67)	29 (48.33)	31 (51.67)	70 (58.33)	50 (41.67)

(Source: Field Survey)

Table 15 reveals that a majority of farmers felt that non-realization of agricultural income is an important reason for low frequency of withdrawals and repayment. Through KCC followed by the reason that absence/ inadequate non-farm income.

**8.7 Frequency of taking loan:** Frequency of withdrawals indicates utilization of KCC and how it is benefiting to the farmers. Table 16 shows that most of the holders (42.5 per cent) have utilized their KCC for single time, followed by them, 34.17 per cent operated KCC for taking loan 2 times, whereas the frequency of taking loan by farmers of 17.5 per cent is 3 times and that of farmers of 4.17 per cent is 4 times.

**Table 16: Distribution of Farmers in terms of Frequency of taking loan by using KCC**

Sr. No.	No. of times farmers borrow loan by using KCC	KDCC Bank	Nationalized Banks	Total
1	1 time	29 (48.33)	22 (36.67)	51 (42.50)
2	2 times	16 (26.67)	25 (41.67)	41 (34.17)
3	3 times	12 (20.00)	09 (15.00)	21 (17.50)
4	4 times	02 (3.33)	03 (5.00)	05 (4.17)
5	5 times	01 (1.67)	01 (1.67)	02 (1.67)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

### 8.8 Expectations of Farmers:

The banks can make improvement in their credit delivery system by understanding the expectations of farmers about KCCs. The opinions of respondents have been pursued on the expectations such as (i) whether credit limit under KCC be fixed no merely on the basis of land size but also the cost of production, (ii) whether consumption credit also to be allowed along with production credit, (iii) whether KCC be utilized for non-farm activities too and (iv) whether there should be through between KCC and crop insurance. Table 17 reveals that a majority of farmers (98.33 per cent) have opinion that not only the size of land but also the cost of production should be taken into consideration while fixing the credit limits. Sample units (79.17 per cent) have also expected a through link between KCC and crop insurance. The analysis also shows that only 44.17 per cent of farmers have expectations that not only production credit but consumption credit also should be considered under KCC.

**Table 17 : Distribution of Farmers in terms of Expectations of Farmers about KCC**

Sr. No.	Nature of Expectations	KDCC Bank		Nationalized Bank		Total	
		Yes	No	Yes	No	Yes	No
1.	Credit limits be fixed not merely on the basis of land size but also on the cost of production	59 (98.33)	01 (1.67)	59 (98.33)	01 (1.67)	118 (98.33)	02 (1.67)
2	Not only production credit but also consumption credit	36 (60.00)	24 (40.00)	17 (28.33)	43 (71.67)	53 (44.17)	67 (55.83)
3	KCC for non-farm activities too	29 (48.33)	31 (51.67)	18 (30.00)	42 (70.00)	47 (39.17)	73 (60.83)
4	A thorough link between KCC and Crop insurance	52 (86.67)	08 (13.33)	43 (71.67)	17 (28.33)	95 (79.17)	25 (20.83)

(Source: Field Survey)

**8.9 Adequacy of Credit Limit:**

The KCC scheme has been launched for timely and adequate credits to farmers. So, it is very important to know whether the limit of credit sanctioned is adequate to fulfill the needs.

**Table 18: Distribution of Farmers in terms of Adequacy of Credit Limit of KCC**

Sr. No.	Whether credit limit of KCC is sufficient	KDCC Bank	Nationalized Banks	Total
1	Yes	47 (78.33)	53 (88.33)	100 (83.33)
2	No	11 (18.34)	06 (10.00)	17 (14.17)
3	Cant say	02 (3.33)	01 (1.67)	03 (2.50)
	Total	60 (100.00)	60 (100.00)	120 (100.00)

(Source: Field Survey)

Majority of farmers (83.33 per cent) agreed that the limit of credit sanctioned to them under KCC is adequate whereas the remaining (14.17 per cent) felt inadequate credit limit.

**8.10 Testing of Hypotheses:**

In this section, following hypotheses are tested by using independent sample *t-test*.

**Hypothesis-1:**

H<sub>0</sub> There is no significant difference between KCC holders of KDCC Bank and Nationalized Banks in respect of purpose of using KCC.

H<sub>1</sub> There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in respect of purpose of using KCC.

	$X_1$	$X_2$	
Mean	48.8	47.6	
Standard Deviation	15.254	17.184	
Degree of freedom	Computed value	Table value	Level of significance
8	0.11677	3.355	0.05

As the computed value (0.116770) is less than table value (3.355), hence, we accept  $H_0$ .

### Hypothesis-2:

$H_0$  There is no significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of benefits of KCC.

$H_1$  There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of benefits of KCC.

	$X_1$	$X_2$
Mean	51.89	51.33
Standard Deviation	6.9362	8.7891

Degree of freedom	Computed value	Table value	Level of significance
16	0.1458	2.921	0.05

As the computed value (0.1458) is less than table value (2.921), hence, we accept  $H_0$ .

### Hypothesis-3:

$H_0$  There is no significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of low frequency of withdrawals and repayments.

$H_1$  There is significant difference between KCC holders of KDCC Bank and Nationalized Banks in terms of low frequency of withdrawals and repayments.

	$X_1$	$X_2$
Mean	45.4	45.6
Standard Deviation	6.5038	10.5023

Degree of freedom	Computed value	Table value	Level of significance
8	0.0362	3.355	0.05

As the computed value (0.0362) is less than table value (3.355), hence, we accept  $H_0$ .

### 9. Conclusion:

Kolhapur district has broad-base of credit coöperatives and rural area of the district has been networked with the linkage of KDCC Bank branches and primary credit cooperatives. The access to credit is available to farmers, at local level, in village level credit cooperative or rural branches of cooperative banks, scheduled banks or nationalized banks etc. KDCC Bank has issued KCCs through village-level multipurpose credit cooperative societies (Vikas societies). KCC issued by KDCC Bank is in the form of

'Passbook'. Nationalized banks have issued their KCCs through their own branches and they are in the form of 'Cards' like any other credit card. Even SBI has given ATM facility to KCC holders.

More IT initiative is required by the banks for making KCC scheme more user-friendly. All banks should issue KCCs in the form of (electronic) 'Cards' and not in the form of 'passbook' only. While sanctioning the credit limit, under KCC, the need of credit for domestic use should be taken into consideration. If KCC is issued as a 'Credit Card' like any other credit card so as the farmers may use them to pay the bills of agriculture inputs whenever they want to purchase from any shop. When KCC is issued through primary credit cooperative it becomes compulsory to purchase agriculture inputs from the same place. If independent card is issued, the farmer can purchase the agriculture inputs whenever he wants. The farmers and their family-members should be made aware of the insurance component of KCC scheme so as to claim it at proper time.

Kisan Credit Card Scheme is providing need-based and timely credit support to the farmers for their short-term production needs for cultivation of crops, purchase of inputs as well as for non-farm short-term requirement. Both the number and amount of KCC are growing massively day by day. Bank of India has made the value additions to KCC by launching Kisan Suvidha Cards and Kisan Gold Cards. State Bank of India allowed KCC holders to operate on ATMs. If KDCC Bank issue the KCCs in the form of electronic cards to be operated at ATM it would be innovative boosting to agriculture credit in particular and banking business in general.

#### **References:**

- 1) Agrawal, Reena 100% Financial Inclusion: A Challenging Task Ahead, Jaipuria Institute of Management, Lucknow, Conference on Global Competition and Competitiveness of Indian Corporate.
- 2) Choubey, B. N. (1977). Institutional Finance for Agricultural Development, Subhada Sarswat, Pune.
- 3) Kamat, Rajlaxmi (2007). Financial Inclusion vis-à-vis Social Banking, Economic and Political Weekly, April 14, pp. 1334-1335.
- 4) Kulkarni, J. B. (2006). Kisan Credit Card- A Review, a paper published in (an edited book) J. B. Kulkarni and V. S. Patil (Ed.), Recent Trends in Banking and Finance, Bank of India Chair, Department of Commerce and Management, Shivaji University, Kolhapur
- 5) Ramakumar, R. and Chavan, Pallavi (2007). Revival of Agricultural Credit in the 2000s: An Explanation, Economic and Political Weekly, December 29, pp. 57-63.
- 6) Rayudu, C. S. (1992). Agriculture Credit and Rural Development in Drought Region, Concept Publishing Company, New Delhi.
- 7) Sangwan, S S. (2005). Innovative Loan Products and Agricultural Credit: A Study of Kisan Credit Card Scheme with Special Reference to Maharashtra, Indian Journal of Agricultural Economics; Bombay Vol. 60, Iss. 3, (Jul-Sep 2005): 374.
- 8) Satish, P. (2007). Agricultural Credit in the Post-Reform Era, Economic and Political Weekly, June 30, pp.2567-2575.
- 9) Satyasai, K. J. S. (2008) Rural Credit Delivery in India: Structural Constraints and Some Corrective Measures, Agricultural Economics Research Review, Vol.21 (Conference Number) 2008 pp.387-394.
- 10) Singh, Harpreet and Sekhon, M.K. (2005). Cash-in Benefits of the Kisan Credit Card Scheme: Onus is Upon the Farmer, Indian Journal of Agricultural Economics; Bombay, Vol.60, No. 3, July-Sept. 2005): 321.
- 11) Swaminathan, M. S. (2006). Agriculture cannot wait, The Hindu, May 24, 2006.
- 12) Vedini, K H; Durga, P Kanaka (2007). Evaluation of Kisan Credit Card Scheme in the State of Andhra Pradesh, Indian Journal of Agricultural Economics; Bombay Vol. 62, Iss. 3, (Jul-Sep 2007): 365.



### 3. ANALYSIS OF INDIAN AGRICULTURE DURING PRE & POST REFORM PERIOD

Dr. M. S. Deshmukh

#### **Abstract:**

*Indian agriculture has been facing a big challenge in the globalization era because production and productivity growth rate of food grains and other principle crops have declined in the post reform period compared to pre reform period. The compound growth for area under food grain cultivation was negative (-0.13%) production (1.3%) and yield (1.4) was positive over a period of 1990-91 to 2007-08. Trends with regards to the rice, wheat, maize, gram, tur, oil seeds, cotton and sugarcane has shown a positive growth rate during reference period. Despite trade liberalization the share of agricultural exports to total national exports have declined from 18.49% in 1990-91 to 11.2% in 2004-2005.*

**Key Words:** Agriculture Credit, Credit Delivery, Kisan Credit Cards, Rural Credit Innovation

#### **I. INTRODUCTION:**

Agriculture play's a very important role in the Indian economy. It provides adequate food grains; it has been helpful to employment generation, obtaining foreign currency and rural development. One cannot deny the fact that, economic and financial reforms after 1990 have increased our GDP growth to more than eight per cent. However, it has failed to establish the balance between growth and equity, various sections of the societies could not derive the benefit of this growth. Neglecting inclusion aspect of growth may aggravate the social problems in the long run. Therefore it has become the core issue of the Indian political process. It has become the part of the agenda of national building. One of the most disturbing features of the growth process is that despite high growth of overall GDP and per capita income after the launching of economic reforms, the growth rate of Indian agriculture has decelerated significantly. Since agriculture continues to be the largest sector of the economy in terms of employment, the deceleration of growth of this sector has serious implications for the living standard of agricultural workers-both farmers and agricultural labourers. It was expected that agriculture would be the main beneficiary of macro-economic policy changes brought about by economic reforms in 1991 and trade liberalization after the setting up of WTO in 1995. But after the economic reforms Indian agricultural performance is continuously declined. However these reforms failed to bring about the expected benefits to the Indian peasantry.

---

<sup>1</sup> **Dr. M. S. Deshmukh**, Professor, Department of Economics, Shivaji University, Kolhapur. (MH), India  
E-mail : deshmukhms@gmail.com Mob-9869276265

Indian agriculture has been facing a big challenge in the globalization era because production and productivity growth rate of foodgrains and other principle crops have declined in the post reform period compared to pre reform period. Similarly our exports have not increased as per the expectations of the policy makers, planers and administrators. With this background of agricultural situation present paper is a modest attempt to examine the pre and post reforms period situation of agriculture in India.

## II. RESEARCH METHODOLOGY AND DATA BASE:

The present study is based on purely secondary data. The required secondary data used in the study are compiled from the published sources such as Agricultural Statistics, Agricultural Statistics Division, Directorate of Economics & Statistics, Department of Agriculture & Cooperation, Ministry of Agriculture, Government of India and data published by Centre for Monitoring Indian Economy (CMIE), on India's agricultural sector. The data on agricultural and total merchandise exports and imports were collected from APEDA and DGCIS, Government of India. In the present study, performance of foodgrain crops like rice, wheat, jowar, bajra, maize, tur, barley, gram, other pulses and total foodgrains are considered for the purpose of analysis. The agriculture performance is evaluated on the basis of estimates of compound annual growth rates in area, production and yields per hectare of the foodgrain crops at all-India level. We have estimated annual compound growth rates of area, production and yield of food grain crops selected for this study by fitting the exponential function of the form,

$$Y = A B^t$$

For the operational purpose, it becomes a semi – log function of the form: Log

$$Y = a + bt$$

Where,

$$a =$$

$$\log A$$

$$b =$$

$$\log B$$

Y = stands for Area/Production/yield, exports/imports. a,b

= are constants and

t = the time span.

The compound annual growth rate is given as under:

Compound annual growth rate =  $(\text{Antilog } b - 1) \times 100$ .

For the purpose of measurement of variability of area, production and yield of foodgrain crops, coefficients of variation have been worked out.

### III. RESULT AND DISCUSSION

#### A) Share of Agriculture in GDP:

The share of agriculture in total gross domestic product from 1980-81 to 2005-06 is shown in Table: 1. It shows that share of agriculture and allied sectors in India's total GDP before reforms period was 34.50%. After reforms period share of agriculture and allied sectors was declined and it shows average share of it during the 13 years period was remained 25.96%. Similar trend was found in growth rate of agriculture and allied sectors. In the year 1980-81 the growth rate was +4.8. Average growth during the 13 years period was found 3.74. Thus the post reforms period both the share and growth rate of agriculture and allied sectors were declined. It shows that the share of industry and service sector increased. It is a sign of good impact on economic development. However impact of agricultural productivity is not favourable. Therefore growth of agriculture sector is very crucial for overall growth of economy.

**Table No. 1 Share of Agriculture in GDP:**

Year	Share of Agriculture and allied sector in total GDP	Growth Rate
1980-81	34.50	+4.8
1991-92	30.00	+2.3
2001-02	24.30	+5.7
2005-06	22.00	+6.0
CGR after 1991-92	-2.31	-
CV after 1991-92	10.15	-

*Source: Economic Survey (Various Issues)*

#### B) Share of Food Grain Production in India:

Total food grains production in India after post-reforms periods was increased. Post-reforms average food grains during the 18 years period remained 196.55 million tones. But the growth rate of food grains production before reforms period was +3.72 it was fallen in post-reforms period and became +2.48. Thus the pace of growth of food grains production was declined in post-reforms period. The compound growth for area under food grain cultivation was negative (-0.13) production (1.3) and yield (1.4) was positive over a period of 1990-91 to 2007-08.



**Table No. 2 Share of Food Grain Area, Production and Yield in India**

Year	Area (Million Hectares)	Production (Million Tones)	Yield (Kg./Hectare)
1990-91	127.84	176.39	1380
1991-92	121.87	168.38	1382
1992-93	123.15	179.48	1457
1993-94	122.75	184.26	1501
1994-95	123.86	191.5	1546
1995-96	121.01	180.42	1491
1996-97	123.58	199.44	1614
1997-98	123.85	192.26	1552
1998-99	125.17	203.61	1627
1999-00	123.1	209.8	1704
2000-01	121.05	196.81	1626
2001-02	122.78	212.85	1734
2002-03	113.86	174.77	1535
2003-04	123.45	213.19	1727
2004-05	120	198.36	1652
2005-06	121.6	208.6	1715
2006-07	123.71	217.28	1756
2007-08	124.44	230.67	1854
CGR	-0.13	1.3	1.41
CV	2.22	8.43	8.04

Source: *Agricultural Statistics at a Glance 2008*.

### **C) Commodity wise Trends:**

#### **i) Trends in Gross Area of major crops:**

The Trends in gross area under major crops after post-globalization reveals that food grains, cereals, pulses, jowar, bajara successively negative growth rates as - 4.62, -4.51, -0.44, -44.30 and -17.95, while the growth trends in regards to the rice, wheat, maize gram, tur, oil seeds, cotton and sugarcane reveal positive growth rates as +8.48, +19.28, +28.33, +7.58, +28.57, +57.39, +14.10 and +55.55. It means that area under the crop of jowar was mostly decreased during reforms period bajara is following it. On the other hand area under the oil seeds shows highest increase as +57.39, sugarcane and tur is following it by showing +55.55 and +28.57 growth rate. It is good symptom that the shortage of edible oils and pulses in

India will be removed to some extent. (Table No. 3)

**Table No.3 Trends in Gross Area of Major Crops: (Million hectors)**

Years	Growth Rate Over 1980- 81 in 1990-91	Growth Rate Over 1990-91 in 2000-01	Growth Rate year 2000-01 in 2005-06	Growth Rate over 1980-81 in 2005-06
Food Grain	0.87	-5.3	0.74	-4.61
Cereals	0.96	-2.42	-1.19	-4.51
Pulses	9.78	-18	10.3	-0.44
Rice	6.48	4.68	-2.7	8.48
Wheat	8.52	6.2	3.5	19.28
Jowar	-8.86	-31.3	-11.1	-44.3
Maize	-1.67	11.86	16.67	28.33
Bajara	-10.3	-12.4	4.35	-17.95
Gram	13.64	-30.7	36.54	7.58
Tur	28.6	0	0	28.57
Oil seeds	36.93	-5.39	21.49	57.39
Cotton	-5.1	16.2	3.49	14.1
Sugarcane	37.04	16.22	-2.33	55.55

*Source: Agricultural Statistics at a Glance 2008.*

## ii) Trends in production of major crops:

Table No.4 shows the post-globalization trends of growth in major crops in India. Except the jowar all crops show positive growth trend. The highest growth trend was found in oil seeds production viz; +194.68, cotton, maize, wheat and sugarcane crops are following it by showing +180, +115.71, +91.46 and +80.54 growth rates. Oil seeds show highest growth trend will lead to remove the edible oil scarcity in India and it will save the expenditure on import of oil seeds and edible oil. Tur, gram, pulses crops are also revealing positive growth trend as +23.08 and +30.23. It will also help to reduce the imports of pulses. These are the good signs for India. Exclusively jowar is showing negative growth rate i.e. -23.08 in post-globalization period. So, it has given rise to shortage of jowar in India and leads to increase the jowar prices up to Rs.22 per kg. in recent period.

**Table No. 4: Trends in production of major crops: (Million tones)**

Years	Growth Rate Over 1980-81 in 1990-91	Growth Rate Over 1990-91 in 2000-01	Growth Rate Over 2000-01 in 2005-06	Growth Rate in 2005-06 over 1980-81
Food Grain	36.1	11.6	5.84	60.73
Cereals	36.2	14.6	5.12	64.03
Pulses	34.9	-23	19.1	23.58
Rice	38.6	14.4	7.06	69.78
Wheat	51.8	26.5	-0.3	91.46
Jowar	12.5	-35.9	6.67	-238
Bajara	30.19	-1.45	13.24	45.28
Gram	25.6	-27.8	43.6	30.23
Tur	20	-8.33	18.18	23.08
OilSeeds	97.9	-1.08	50.5	194.68
Cotton	40	-3.06	106.3	180
Maize	13.9	33.3	25.8	115.71
Sugarcane	56.29	22.82	-5.95	80.54

Source: Agricultural Statistics at a Glance 2008.

### iii) Trends in Yield per Hector of major crops:

Table No.5 exhibits the growth of yield per hector of major crops in India. During the reforms period all major crops show rise in yield per hector in Indian agriculture.

**Table No. 5: Trends in Yield per Hector of major crops:**  
(Kg./Hector)

Years	Growth Rate over 1980-81 in 1990-91	Growth Rate over 1990-91 in 2000-01	Growth Rate over 2000-01 in 2005-06	Growth Rate in 2005-06 over 1980-81
Food Grain	34.9	17.83	5.043	66.96
Cereals	1006	17.4	6.4	71.8
Pulses	22	-5.9	7.5	23.68
Rice	30.2	9.25	10.1	56.66
Wheat	39.939	18.72	-3.73	59.94
Jowar	23.3	-6.14	18.8	35.57
Maize	30.97	20.03	7.19	68.51
Bajara	43.7	4.56	16.1	74.45
Gram	8.371	4.494	6.855	21
Tur	-2.32	-8.17	14.7	2.9
OilSeeds	44.92	5.058	23.46	87.97
Cotton	48	-16	97.4	146.71
Sugarcane	44.6	14.26	12.85	86.46

Source: Agricultural Statistics at a Glance 2008.

The highest yield was shown by cotton +146.71, oil seeds following it by showing +87.97 growth rates. Rise in yield of Oil seeds is good symptom to remove the scarcity of edible oils in India. Lowest growth rate is shown by Tur it will lead in increase the scarcity of pulses in India. Therefore, government would have to attempt to increase per hector yield for Tur and other pulses.

#### **D) Trends in Indian Agricultural Exports & Imports:**

The agricultural export has recorded an impressive growth of 7 % during the period 2000-2001. Despite trade liberalization the share of agricultural exports to total national exports have declined from 18.49 % in 1990-91 to 11.2 % in 2004-2005. Over the years, the share of agricultural exports in total exports has been decline on account of diversification of the country's export basket and falling international prices of agricultural products. India's agricultural exports have shown extreme volatility

**Table 6: Agricultural Exports and Their Share in Total National Exports since 1990-91 (Value in Rs. Crores)**

Year	Agriculture Imports	Total Imports	% Agriculture Imports to Total Imports	Agriculture Exports	Total Exports	% Agriculture Exports to Total Exports
1	2	3	4	5	6	7
1990-91	1206	43171	2.79	6013	32527	18.49
1991-92	1478	47851	3.09	7838	44042	17.8
1992-93	2876	63375	4.54	9040	53688	16.84
1993-94	2327	73101	3.18	12587	69749	18.05
1994-95	5937	89971	6.6	13223	82673	15.99
1995-96	5890	122678	4.8	20398	106353	19.18
1996-97	6613	138920	4.76	24161	118817	20.33
1997-98	8784	154176	5.7	24832	130101	19.09
1998-99	14566	178332	8.17	25511	139752	18.25
1999-00	16067	215529	7.45	25314	159095	15.91
2000-01	12086	228307	5.29	28657	201356	14.23
2001-02	16257	245200	6.63	29729	209018	14.22
2002-03	17609	297206	5.92	34654	255137	13.58
2003-04	21973	359108	6.12	37267	293367	12.7
2004-05	22057	481064	4.59	39863	356069	11.2
2005-06	21026	630527	3.33	49803	454800	10.95
CGR	12.15	11.82		11.33	11.72	
CV	66.27	75.78		49.68	68.68	

Source: DGCI&S, Ministry of Commerce, Kolkata.

Source: DGCI&S, Ministry of Commerce, Kolkata.

### E) Share of Public Investment in Agriculture:

Pre-reforms periods the plan outlay was remained to 24% and 22% i.e. average plan outlay was 23%. It was declined to 21, 20 and 20% in reforms period i.e. average plan outlay after reforms period was declined to 20.33%. It means that the proportion of outlay on agriculture was declined it leads to adverse effect on the development of agricultural sector. 65 to 70% populations now-a-days also depend upon agriculture and plan out lay on an average after reforms period was remained only 20.33 percent. This controversial situation leads to farmer's suicides

**Table No. 7: Pattern of Government Outlay on Agriculture in the Plans**

Plan	Total Plan Outlay	Outlay on Agriculture And Irrigation	Percent to Total Outlay
6 <sup>th</sup> Plan (1980-85)	109290	26130	24
7 <sup>th</sup> Plan (1985-90)	218730	48100	22
8 <sup>th</sup> Plan (1992-97)	485460	102730	21
9 <sup>th</sup> Plan (1997-02)	859200	170230	20
10 <sup>th</sup> Plan (2002-	1525640	305060	20

Source : Economic survey govt. of India

### F) A Capital Intensive Agriculture:

The attack on Indian agriculture and Indian farmers is also through the spread of capital-intensive agriculture. In this situation, the innocent Indian farmers are being trapped in the lust for high profits and are being driven to indebtedness, which is created as a result of purchase of costly internal input such as agri-chemicals and hybrid seeds. But the greatest threat to the Indian agriculture is by the opening of the seed sector to the Multinational Corporations (MNC's) and the introduction of Intellectual Property Rights (IPRs) for the seeds and plant varieties. The impact of the liberalization of seed sector is evident from the livelihood insecurity among farmers, which have even driven them to commit suicide. The new Seed Policy have resulted in a shift from the indigenous varieties of seeds to the Green Revolution varieties which involve a shift from a farming system controlled by peasants to one controlled

by the agri-chemical and seeds corporations. The presence of the global seed corporations in the Indian agriculture will shift the control in their hands, thus increasing the control over seed supply. The buying of biggest Indian Seed Company, MAHYCO by the US agribusiness giant, Monsanto presents a latest example of increasing pawn of the global seed corporations over Indian agriculture and monopolization of the seed sector

The seed corporations are trying their level best to force the Indian government to draft a law for the strong Plant Variety Protection regime and minimum rights to the farmers who have participated over thousands of years in the development and maintenance of agricultural diversity of India. This implies a total monopoly over agriculture by a handful of seed corporations and a total vulnerability of farmers to crop failures and indebtedness and would drive the country towards a severe food insecurity and dependence over these corporations for food. The monopoly control over seed linked with the corporate control over agriculture will lead to large-scale disappearance of farmers' varieties, which will threaten the biodiversity conservation as well as survival of the farmers. The royalty payment would lead to the increase in prices of seed. This unjust burden on farmers is the primary reason for the farmers' suicides.

#### **G) Role of Extension Services and Input Quality:**

The loss of crops due to inferior quality of input and inadequate knowledge about the technology has been quite common. This needs to be dealt with a proper input delivery system and making the agriculture extension services more powerful and properly equipped to help the farmers in the process of adoption of technology. It is quite essential to take steps in order to discourage the interlocking of inputs and credit market. It is mainly due to such interlocking that the farmers tend to buy spurious pesticides from the vendors as well as get into debt trap. The proactive role of pesticide companies and their marketing strategies are largely responsible for forceful application of pesticides. In an event of sudden attack of pests and diseases, it is essential to provide a quick response from the extension wing.

Crop Insurance has operated for a long as Crop Credit Insurance and did not provide sufficient safety-net cover to the farmers. It is only now that the scheme is likely to be effective with the establishment of separate authority for administering crop insurance. Over the years the indemnity paid are higher than the premium collected, mainly due to selective participation in the scheme. The problem of moral hazard is also highlighted. It is necessary that the Crop Insurance scheme is rationalized and some of the present insurance programmes could be suitably modified to overcome the distress situation faced by the farmers.

Market inadequacy and crash in prices were reported as the major reasons for farmers' distress. In an open market economy, prices and arrival will theoretically follow the cobweb principle. Therefore, the ups and downs in the prices are inevitable in the marketing process.

However, sudden crash of prices and consistently lower prices disproportionate to the price level in the inputs causes severe agony and economic stress in the farm family. It is quite possible to operate on the inadequacies of the market, by taking a fresh review of the present market conditions and creating price-monitoring system to deal with exigencies without loss of time. The prevailing market intervention schemes and MSP do not adequately support the farmers without a time lag and therefore completely ineffective. The time lag between price crash and market intervention is long enough to cause severe distress among the farming community. Revamping of the market discipline, providing proper infrastructure, price monitoring the providing quick information could go a long way in removing the market imperfections. (Farmers' Suicide in Karnataka: R.S.Deshpande).

Distress among the farmers in Vidarbha is a fact and such situation is quite depressing. Though one cannot draw any one to one correspondence between distress in the farm sector and suicides, the farm and farm related activities have a large stake in explaining the unfortunate spate. The absence of safety nets should not crush the entrepreneurial spirit of the farmers. This phenomenon will have more difficult outcome for the sector in future if not dealt with systematically.

#### **IV. POLICY IMPLICATIONS:**

It was expected that agriculture would be the main beneficiary of macro-economic policy changes brought about by economic reforms in 1991. But after the economic reforms Indian agricultural performance is continuously declined. The main reason for this is the deceleration of agricultural growth during 1990s. Therefore the first most important task would be to revive growth process. The main reason for this is the deceleration of agricultural growth was slow down of

Public investment in agriculture. Hence there is need to accelerate public investment in agriculture. It is important to note that area under foodgrains has remained stagnant during the post-reform period. Total foodgrains output growth has decelerated in India during the post-reform period over pre-reform period, mainly due to decline in yield growth rate. Output instability in case of total foodgrains was observed to be relatively lower during the post-reform period over pre-reform period, at all-India level.

At all-India level, rice and wheat, the most important cereal crops, have recorded deceleration in output growth during the post-reform period over pre-reform period, mainly due to decline in yield growth rate. At all-India level, bajra and maize have registered marginal acceleration in output growth during the post-reform period over pre-reform period. Significant decline in area was slowly responsible for the negative trend in output growth of these crops, during pre-and post-reform periods, at all-India level. In case of jowar, output growth has shown deceleration during the post-reform period over pre-reform period. Area and yield

growth rates have received severe setback in case of jowar during post-reform period over pre-reform period.

Identification of potential exportable goods and regional planning for their growth is essential. These commodities should be grown from the viewpoint of regional comparative advantages.

The government should Provided facilities like (a) incentive policy (b) profitable technology and (c) input on service support etc. to increase production and productivity.

There is also need to use land saving devices / technology like multiple cropping growth of more companies crops etc. It is also essential to make greater use to plantation crops for export purposes. There is a need to stress more on the export of agricultural products in the processed form rather than in the raw form.

Government should give more priority in the agriculture in the context of investment, subsidy, providing inputs and bring out healthy environment in this sector. It is helpful to rehabilitation of this situation.

The setting up of the Agri-Export Zones (AEZs) is intended to provide remunerative returns to the growers by enhancing the marketability of the produce of these zones in the international as well as domestic markets. These zones are identified by the State Governments for an end-to-end development to promote export of identified products from a geographical contiguous area. The idea is to dovetail all the incentive schemes, both central and State, and evolve a comprehensive package of services for intensive delivery to the farmers, processors and exporters.

It has been underlined that globalization offers both opportunities and challenges. The opportunities consist of participating in the benefits of world trade and growth. The challenges lie in ensuring that a majority of working people in India is also enabled to partake these benefits and that these are not cornered by a small minority of elite population.

### ***References :***

- 1) Alagh, Y.K. (2002): "Globalization and Agricultural Crisis in India" Deep and Deep Publications, New Delhi.
- 2) Bhalla. G .S (2004) : "Globalization and Indian Agriculture", State of Indian Farmer, A Millennium Study, Department of Agriculture & Cooperation, Ministry of Agriculture, Government of India, Published by Academic Foundation, New Delhi.



- 3) Chadha, G. K (2003): “ Indian Agriculture in New Millennium Human Response to technology Challenges”, Indian Journal of Agricultural Economics, Vol. 58, No. 1, Jan-Mar 2003.
  - 4) Deshpande R.S (2002): Suicide by Farmers in Karnataka: Agrarian Distress and Possible Alleviatory Steps *Economic and Political Weekly Vol. 37*, No. 26 (Jun. 29 - Jul. 5, 2002).
  - 5) Government of India: Ministry of Finance, Economic Survey, (Different volumes).
  - 6) Narayan N. et. al. (2006): Issues of Globalization and Economic Reform, Serials Publications, New Delhi.
  - 7) Bharadwar R. (1998) – The impact of the Uruguay Round on growth and structure of Indian Economy study No.17. Development Research Group RBI Mumbai.
- IIMA (1999): ‘Impact of WTO agreement on agriculture Indian Institute of Management, Ahmedabad.

◆◆□◆◆

#### 4. A REVIEW OF INCLUSION THROUGH VOCATIONAL EDUCATION IN INDIA

Dr. Maruti Ishwara Kumbhar

##### **Abstract:**

*India has one of the largest manpower in the world. However, compared to its population it is not significant and there is a tremendous scope for skill improvement. In India, the emphasis has been on general education, with vocational education at the receiving end. This has resulted in large number of educated people remaining unemployed. This phenomenon has now been recognized by the planners and hence there is a greater thrust on vocationalization and skill education. Another shortcoming in the area of technical and vocational education is that till now, the number of engineers graduating is more than the diploma holders. This is creating an imbalance, as more workforces are required at the lower level. Hence more polytechnics and Institute for Industrial Training (ITIs) and other skill education centers are being opened now. Besides, various Ministries are trying to impart vocational courses through innovative institutions, specially launched for the purpose. In doing so, the government is trying to maintain quality of these courses. Under the Sixth Plan, vocationalisation of education has received a boost with more funds being allocated for the purpose. Besides, it is also being ensured that the marginalized sections of the society, including women, get adequate representation in these courses. It can thus be hoped that TVET and skill development programs will play a major role in improving the lives of the people of India. If these programs organized, implemented, controlled in proper manner.*

**Key words** - vocational, technical, skill education

##### **I- INTRODUCTION:**

Skilled human resources are one of the major binding constraints to sustain high economic growth in India. It is therefore not surprising that the findings from the study show that countries need to invest significantly in human capital to reap the benefits arising from the limited window of demographic dividend available in the next 3–4 decades and to move up the value chain. The findings are a reminder that the countries' competitiveness and ability to move up the value chain in the longer term will come from innovation, knowledge, and skills, and not from cheap labor or natural resources, which tend to be short-lived. From the current low skills equilibrium linked to low global competitiveness index and human development index, India has a historical opportunity to leapfrog through strategic investment in human capital anchored on every sector of economics.

This transition will require India to develop workers into knowledge workers who will be more flexible, analytical, adaptable and multi skilled. In the new knowledge economy the

---

<sup>1</sup> Dr. Maruti Ishwara Kumbhar, Department of commerce, A.R.A.C.S. College, Vaibhavwadi.  
Dist – Sindhudurg. (MH) India Email- marutikumbhar1234@gmail.com

skill sets will include professional, managerial, operational, behavioral, inter personal and inter functional skills. To achieve this goals, India needs flexible education and training system that will provide the foundation for learning, secondary and tertiary education and to develop required competencies as means of achieving lifelong learning.

Government of India has accorded high importance to vocational education and training. While elaborating on the essence and role of Education, the National Policy on Education (NPE), 1986 (as modified in 1992) has recognized that Education develops manpower for different levels of the economy. The NPE also envisages the introduction of systematic, well-planned and rigorously implemented programs of vocational education, which can be rigorously implemented to enhance employability, reduce the mismatch between demand and supply of skilled manpower and to provide an alternative to those pursuing tertiary education, without particular interest or purpose.

Vocational Education in a much broader sense cover education and skill development at all levels from post primary to tertiary education - both through formal and non-formal programs. Vocational Education at the +2 stage, also known as higher secondary stage, develop competencies (knowledge, skills and attitude) required by a specific occupation or a group of occupations, through diversified vocational courses to prepare pupil for the world of work, especially for self -employment. Recently the vocational education programs restructured with demand driven curriculum and a structured workplace hands on training/exposure. A National Policy on Skill Development has been formulated by the Ministry of

Labor& Employment. The objective is to create a workforce empowered with improved skills, knowledge and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the dynamic Global Labor market. At present the capacity of skill development in India is around 3.1 million persons per year. The XI Five Year Plan envisions an increase in that capacity to 15 million annually. India has target of creating 500 million skilled workers by 2022. Skill development policy will be an integral part of comprehensive economic, labor and social policies and programs. A framework for better coordination between various stakeholders – Ministries, States, Industry etc. will be established. It will promote excellence and will meet the requirements of knowledge economy

## **II. REVIEW OF LITERATURE:**

The history of technical vocational skill education in India can be traced to Epic Period (1000BC) and Vedic period (Prior to 500 BC) when numerous technical and vocational skills such as carpentry, smithy, foundry, and weaving were part of education. Later during medieval India, the vocational skill reached great heights as it is evident from the findings of the archaeological remains of the period. Archaeologists discovered two cities which were four thousand years old, Archaeologists named the cities Mohenjo-Daro, Which means "hill of the dead," and Harappa, after a nearby city. The high quality of the articles such as cotton and silk fabrics, embroidery painted and enameled wares, gold and silver jewelry, swords and knives potters, metal utensils could not have been achieved and sustained for such a long period without a dependable system of technical education

However, the modern cult of technical education began in India with the establishment of “Survey School” at Madras (Now Chennai) by the English traders in 1794. Besides assisting the British surveyors, the School provided training to Indian personal in modern land survey. Later on, technical education spread to other parts of the country and was transferred from generation to generation

The Industrial Revolution was a period from the 18th to the 19th century where major changes in agriculture, Manufacturing, mining, transport, and technology had a profound effect on the socioeconomic and cultural conditions starting in the United Kingdom, then subsequently spreading throughout Europe, North America, and eventually the world. The Industrial Revolution marks a major turning point in human history. Almost every aspect of daily life was eventually influenced in some way. It gave birth to the technology of the mass production, quality products at affordable prices. Many manufacturing units came up which required unskilled as well as skilled labour. Machines were invented to help human beings to increase their productivity with less labour. It was soon realized that the old system of training of artisans by passing on knowledge and skills from generation to generation of craftsmen and artisans were not useful. And within short period of time skilled workforce, craftsmen, and artisans were washed from labour economy in real sense.

### **Development under British rule (Pre Independence period) in India**

It is worth mentioning that the British started first the technical vocational skill education programs in India with training to overseers on construction of roads, bridges, buildings, railways, canals, and docks, etc. Simultaneously, lower grade technicians were also trained in the use of measuring and survey equipment needed for army, navy and other technical establishment for maintenance of a colony of the British crown. The instructors for those training schools were mostly British except the lower grade instructors like craftsman and artisans from local population.

The need for introduction of occupation education was highlighted in 1854 in a document submitted to the British Government known as Wood’s Dispatch”. The famous Wood’s Dispatch from the Court of Directors, no. 49 dated 19th July 1854) which envisaged an “Enlarged System of Education to be Pursued in India” prompted the then Governor General of India, Lord Dalhousie, to recommend to the court of Directors for the establishment of an engineering class at each Presidency.

In 1842, James Thomson, governor of North Western Province, first of all proposed the establishment of College of Civil Engineering at Roorkee to train engineering personnel at various levels for public works of the country. It also included the construction work of Ganga Canal. Thus, the Roorkee College was established in 1847 to train Civil Engineers and became first Technical University of India.. In 1854, a school for the training of overseers was established in Pune. ‘Poona Engineering Class and Mechanical School’ to train subordinate officers for carrying out public works like buildings, dams, canals, railways and bridges. 1911, the name was changed to the ‘College of Engineering, Poona ‘In November 1856, a college called the Calcutta College of Civil Engineering was opened at the Writers’ building. The name was changed to Bengal Engineering College in 1857. In 1887, through private initiatives, the Victoria

Jubilee Technical institute was established in Bombay (Now Mumbai) to commemorate the diamond Jubilee of Queen Victoria Reign. The main objective of V.J.T.I. was to train licentiates in electrical, mechanical and textile engineering and technology.

From 1902-1921, realizing the importance of technical education for the development in the country, Indian Education Policy (1902) advocated a speedy growth of technical education. During this period, the government of India did not pay any attention towards technical and professional education. However, the recommendations of Indian Education Commission were accepted and technical and vocational subjects were included in the curricula of high schools in different provinces.

In 1906, the first twentieth century College of Engineering and Technology was established at Jadavpur in Bengal by the National Council of Education. This college started to grant diploma Courses (Polytechnic Education) in mechanical and electrical engineering courses in 1908 and chemical engineering courses in 1921 respectively. In the meantime in 1911, Sir Jamshed Tata established the Indian Institute of Science at Bangalore. In 1913, Government Resolution on Educational Policy made recommendations for inclusion of subjects of industrial importance in the curriculum. Hertzog Committee (1928-29) suggested the diversion of more boys to industrial and Commercial careers at the end of middle stage, for which provision should be made by alternative course in that stage. In 1919, Pt. Madan Mohan Malviya established College of Banaras which introduced degree classes in mechanical, electrical engineering and metallurgy.

#### **The Abbot-Wood Report, 1936-37**

Two expert advisors, Messrs. A. Abbot, formerly Chief Inspector of Technical Schools, Board of Education, England and S. H. Wood, Director of Intelligence, Board of Education, England, were invited to advise the government on certain problems of educational reorganization and particularly on problems of vocational and technical education. One of the basic reasons for instituting the enquiry was because of the fact that a large number of university graduates were unable to secure employment of a kind for which they received education. The report of Messer's Abbot and Wood recommended major reforms in the educational system by suggesting a complete hierarchy of vocational and technical institutions parallel to that of institutions imparting general education.

On the basis of their recommendations, a new type of technical institutions called "Polytechnics" came into existence for training of middle level technical personnel. Delhi Polytechnic (1941) which has now been converted into an Engineering College was the first in the chain of such polytechnics.

Technical Education Committee of the Central Advisory Board of Education (1943) and the Sargent Report (1944) also recommended the development of institutions as an integral part of national system. In 1945, an adhoc committee, popularly known as Sarkar committee was appointed for advising on the lines of the Massachusetts Institute of Technology (MIT). The Committee recommended that not less than four (Zone wise in North, South, East and West) higher technical institutes would be required to satisfy the post war requirements.

On 30th November, 1945, the All India Council for Technical Education (AICTE) was set up by a resolution of the Government of India on the recommendation made by Central Advisory Board of Education (CABE).

### **Gandhi's philosophy of education:**

Mahatma Gandhi strongly supported the vocationalisation of Education and published in Harijan "Every handicraft has to be taught not merely mechanically as is done today but scientifically. This is to say the child should learn why and wherefore of every process.

### **Views of Zakir Husain committee:**

Zakir Husain committee reviewed the Gandhian philosophy of education and chosen three intrinsically inter connected aspects the physical environment, the social environment and craft work as the foci for the circumstances. The report simultaneously cautioned about the problem of such curriculum in practice

### **Development In post independent India**

#### **Technical Education: 1947-1987 -:**

Soon after the attainment of Independence, the government of India appointed a commission in November, 1948 under the chairmanship of Dr. S. Radhakrishnan, Professor of Eastern Religions and Ethics at the University of Oxford to report on Indian University Education and suggested improvements and extensions that may be desirable to suit present future requirements of the country". In the field of technical education, the Radhakrishnan Commission emphasized the need for new types of engineering and technical institutes in India. It advocated closer liaison between engineering and technical colleges and the Universities<sup>2</sup>. It also made the significant recommendation to improve the quality and quantity of different classes of engineering and technologies in the country.

In 1948, AICTE with the help of Board of Studies reviewed the situation of polytechnic education in India. It laid down the norms for accommodations, workshops, laboratory and staff required. After the year 1950, most of the polytechnics have strictly followed these norms

In November 1977, Ministry of Education and Social Welfare, Government of India, established a Working Group on Technical Education. This group made an in depth study of the Technical Manpower, Research and Development, Diversification and Redesigning of the existing programmes, Quality Improvement and Industry-Institutional Collaboration in Technical Education. This Working Group also emphasized the need for continually reviewing the system of technical education for "Harnessing Science and Technology to profitable and productive processes of economic growth and social well being".

In 1979, the Government of India (GOI) published a new "Draft National Policy on Education, 1979" which advocated the need for creation of a machinery for dissemination of information relating to manpower needs in the field of technical education especially in "Polytechnics".

### **Industrial Training Institutes (ITIs) and Industrial Training Centre's (ITCs).**

For satisfying the skilled manpower requirements for industries of the country the Directorate General of Employment and Training (DGE&T) of India imparting skills in various vocationalized courses. In 1950 established Technical Study centre's and started about 50 ITIs By Vocational Training ,it does mean that crafts work training and is open to all students who passed out anywhere from grades VIII – XII. These Programme administered under the Craftsman Training Scheme This scheme comes within the purview of Directorate General Employment and training (DGET), under the Ministry of Labour and Employment. Nearly 32 and 22 engineering and non-engineering trades were approved by the National Council for raining in Vocational Trades to students of 15-25 years age group. 7500 Industrial Training institutes and centre's are working with capacity of 75000 over all places in the country There are Plumber, Auto-technician, Painters, Packages, Multipurpose Technicians, Masons, Dairy Assistants, . Carpentry, Electrician, etc. some of most important skill courses. The duration of the training programme varies from 1-2 years or small duration of 2 – 3 months. The experts for this program taken from rural engineering departments of state governments, faculty of engineering colleges/polytechnics/ITIs and others. The trainees should provided one or two week's orientations in relevant industries. The training programmes are working with funding from departments of Science & Technology of Government of India and State Governments with industries.

**Central Advisory Board of Education -1952** “A system of education cannot be considered as basic education in the real sense unless- a) It provides an integrated courses including both its education the junior and senior stage. b) Place adequate emphasis on craft work in both its educational and productive aspects

### **Kothari commission –1964**

In 1964-66 Kothari commission report suggested to relate education to work and recommended vocational education for both lower and higher secondary stage “ we visualize the future trends of school education to be towards to fruitful mingling of general and vocational education containing some element of pre-vocational technical education and vocational education in the kind of society in which we will be living increasingly in the coming years a complete separation between the two will be not only undesirable but impossible Implementation Gandhian values in Indian educational system.

### **Vocationalisation of Secondary and higher Education:**

Vocational Education in a much broader sense cover education and skill development at all levels from post primary to tertiary education - both through formal and non-formal programmes. Vocational Education at the +2 stage, also known as higher secondary stage, develop competencies (knowledge, skills and attitude) required by a specific occupation or a group of occupations, through diversified vocational courses to prepare pupil for the world of work, especially for self-employment.

### **Bifocal scheme**

The necessity of vocationalisation of secondary school education was strongly felt by the Kothari Commission in the year 1964-66. The report of the Education Commission headed by Dr. Kothari was the first systematic attempt made to formulate a policy for progressive vocationalisation of education in form of Bifocal Scheme in India. Though this report was accepted in 1968, vocational education at the higher secondary level was introduced only in 1976-1977 by several states in India. In the beginning years, the progress of implementation was slow because of various reasons such as inadequate resources, lack of proper management structure and inadequate preparation. In the early stages, the vocationalisation of education met with no great success. The Bifocal stream which was introduced in 1977-78 by the Govt. of Maharashtra is offered through 1575 Vocational Junior Colleges, including 49 Govt. colleges, 129 aided non-govt. colleges and 1397 non-aided private institutions. The intake capacity of these colleges is 1,65,350. This scheme is popular with students in the technical stream as it gives option of one bifocal subject (200 marks) in lieu of two other subjects (one language, biology). Students prefer these bifocal subjects instead of the more theoretical subjects. It is apparent that students look at the BIFOCAL stream only to get additional marks in the HSC examination, with the objective of pursuing conventional education and not because of their liking for vocational education.

### **The National Policy on Education (NPE), 1986 (as modified in 1992)**

Keeping in mind that the education system should cater to the needs of the manpower requirement for the economic development of the country. Government of India has accorded high importance to vocational education and training. While elaborating on the essence and role of Education, the National Policy on Education (NPE), 1986 (as modified in 1992) has recognized that Education develops manpower for different levels of the economy. The NPE also envisages the introduction of systematic, well-planned and rigorously implemented programs of vocational education, which can be rigorously implemented to enhance employability, reduce the mismatch between demand and supply of skilled manpower and to provide an alternative to those pursuing tertiary education, without particular interest or purpose. The policy envisages that efforts will be made to provide children at the higher secondary level with generic vocational courses which cut across several occupational fields and which are not occupation specific.

### **National Vocational Education Qualification Framework at Secondary and Higher secondary (IX – XII)**

The student should get opportunity for development of skill either from their traditional occupation or from new areas to enable them to take gainful employment without becoming only a large pool of unskilled labour in our economy. After review of NEP 1986 by Rammurti committee fundamental necessity was observed that there should be skill development education beyond the VIII standard class. The committee was strongly recommended in 1990 that four years stage of academic as well as vocational education for varied skill should be properly planned in the stage of IX to XII classes. Accordingly Plan of Action (POA) has been formulated for



implementation in 1992 National Policy on Education 1986 stating that vocational programmes should be introduced from IX class on the basis of experiment in different states.

After deep consultation and viewed by Ministry and other stake holder about the development of NVEQF It was decided that vocational education should be introduced at class IX to XII level class as against present system of vocational education only on higher secondary level. After long period of time vocational education is classified in four stages via. Stage I to Stage IV in class IX to XII respectively and launched on pilot basis in Haryana and West Bengal in 2011-2012. The benefits experienced from the NVEQF were rolled out countrywide in XII<sup>th</sup> plan.

#### **University Grants Commission : B.Voc Pilot scheme**

The University Grants Commission has scheme of Career Orientation to Education/ Career Oriented Programme/Career Oriented vocational Courses. The objective of the scheme is to ensure that the graduates who pass out after completing these courses, have knowledge, skills and aptitude for gainful employment in wage sector, in general and self employment, in particular so as to reduce the pressure on institutions of higher learning for Master Degree. Department of Education at State / UT level should explore possibilities of vertical mobility of students to B.Voc courses, Community Colleges or Career oriented courses of UGC as feasible.

Regular interface should be organized with the officials of Higher and Technical education to ensure seamless coordination on issues pertaining to mobility of learners. Till date implementation of B.Voc has been approved by UGC for 127 Universities and Colleges and setting up of Community Colleges providing Diploma courses in various sectors has been approved for 150 institutions across the country.

#### **National Institute of Open Schooling (NIOS)**

It is an innovative educational system which is engaged in imparting education through open and distance schooling mode from primary to secondary level. It has made mandatory to vocational and training institutes to train all type of deprived classes of people from society by channel of its accredited skill training centres. It is observed that in last five years 93000 students were enrolled in vocational education and training centres with eleven divisional offices and about 2067 study centres.

#### **Jan Shikshan Sansthan (JSS) literally meaning People's Education:**

It is society centric skill educational program which is really working very nicely at country's grass root level. It is an Adult education programmer of MHRD government of India focused on improving vocational skill and quality of life for workers and their family with establishing this scheme namely Jan Shikshan Sansthan. This programme is basically focused on adults and young people living urban and industrial areas which are migrated from rural area for employment purpose. It works as a district level agency to plan, organize training programme for rural people and urban people.

## **OTHER TRAINING FOR THE INFORMAL SECTOR**

### **i) The Ministry of Rural Development:**

Ministry of Rural Development administer some schemes to creating sustainable employment opportunities to secure a certain minimum level of employment and income for rural poor and youths These Ministry of Rural development has started the following schemes for rural upliftment of India :

- Ø JawaharRozgarYojanathe (JRY).
- Ø Integrated Rural Development Programme (IRDP).
- Ø Development of Women and Children in Rural Areas (DWCRA).
- Ø Training of Rural Youth for Self-employment (TRYSEM).

### **ii) TheDepartment of Women and Child Development:**

This department is working for upliftment of the women from unorganized and informal sector which is known as Support to Training and Employment Programme (STEP). The scheme offers useful courses which gives meaningful employment for women in form of vocational training and source of income.

### **iii) The Khadi and Village Industries Commission (KVIC):**

The main aim of this scheme is to protect tradition works values and support handicraft, embroidery work, cotton, clothing and also cottage industries by providing vocational and skill oriented training to the rural women and youth. Government of India is also supporting for domestic and value based production. It has nearly 51 training centers including 12 village industries training centers.

### **iv) Prime Minister's RozgarYojana:**

The scheme was introduced keeping the view that to reduce educated unemployment youths aged between 18 to 35 years .It provide area based and

Local environmental vocational and skill training and financial assistance to start self employment also provide employment opportunities.

### **v) The BharatiyaYuva Shakti Trust (BYST):**

This scheme is entrusting on youth power which is the dream of late president of India Hon. A P J Abdul Kalam that India will be super power in 2020. The main aim of this scheme is that the youth aged 18 to 35 years with specific skill or traditional skill or any professional education by empty hands should be turned toward employment. For this purpose government provides supporting skills and subsidized funding or loans and also provide basic facilities for rural and poor youth for meaningful employment as such.

### **vi) Entrepreneurship Development Centre's/ Institutes:**

This programme is developed to promote entrepreneurship in the rural youth. Government has established entrepreneurship development centre's at each district place in form of district

Industrial centre (DIC) which is currently linked with employment and self-employment centre. Under this scheme youth are to be acquainted to natural resources available in those local areas and related required skill. The natural resources are to be developed with vocational and skill training to the local people.

**vii) The National Renewal Fund (NRF):**

This scheme is not providing any vocational education and training to the employable workforce but it provides fund to which are engaged in skill training. Under this scheme total cost borne by the institutes for training, retraining, deployment, arising from modernization, technological upgradation and industrial restructuring will provided to the concern institution in form of financial assistance. It will motivate the training institutes to work properly.

**Viii) The Ministry of Agriculture's Krishi Vigyan Kendra's (KVK):**

These courses imparting training exclusively for farmer and farm labors at grass root level. Mostly it referred cultivation, harvesting, horticulture, gardening, modern farming, ancillary industrial and businesses such as goat, animal husbandry, dairy etc .So that rural can stay with has rural area with meaningful employment.

**NATIONAL POLICY ON SKILL DEVELOPMENT**

A National Policy on Skill Development has been formulated by the Ministry of Labour & Employment. The objective is to create a workforce empowered with improved skills, knowledge and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the dynamic Global Labour market. It aims at increase in productivity of workforce both in the organized and the unorganized sectors, seeking increased participation of youth, women, disabled and other disadvantaged sections and to synergize efforts of various sectors and reform the present system. At present the capacity of skill development in India is around 3.1 million persons per year. The XI Five Year Plan envisions an increase in that capacity to 15 million annually. India has target of creating 500 million skilled workers by 2022. Thus, there is a need for increasing capacity and capability of skill development programs. Skill development initiatives support employment generation, economic growth and social development process. Skill development policy will be an integral part of comprehensive economic, labour and social policies and programmes. A framework for better coordination between various stakeholders – Ministries, States, and Industry etc. will be established. It will promote excellence and will meet the requirements of knowledge economy

**III. MAJOR OBSERVATIONS :**

1. Since Epic Period (1000BC) and Vedic period (Prior to 500 BC) numerous technical skills Such as carpentry, smithy, foundry, and weaving were part of vocational education in existences.
2. During medieval India, the vocational skill reached great heights as it is evident from the Findings of the archaeological remains of the period Mohenjo-Daro, and Harappa, are great

Examples of skilled and civilized culture.

3. Archaeologists continued to find new artifacts. The high quality of the articles such as cotton And silk fabrics, embroidery painted and enameled wares, gold and silver jewellery, swords and Knives potters, metal utensils could not have been achieved and sustained for such a long Period without a dependable system of technical education.

3. Before the British Empire and Industrial revolution India was very rich in skill, craft, and small

And cottage arts, industry now a day it became a golden memories only.

4. After independence India has implemented various schemes of skill, vocational and technical Education since 1947 to get back such day of India.

5. National Development council, Study Groups on education, Five Year Plan, National Educational Policy was strongly emphasized on vocationalisation of education at various Stages.

6. Government has introduced vocational, skill & technical education scheme for all the field of economy

7. **Every scheme was the ‘ BEST ‘ on its own place** but proper implementation and control was major problem .

.So National Skill Development Mission is not new concept but ‘ Skill India ‘ , ‘ Make In India’ are the words with which Indian Prime Minister has given golden horizon to various scheme. Here very clear conclusion is that ‘ **There is no problem in the schemes but the problem in implementation and controlling of those schemes ‘**

#### IV. SUMMARY :

Here the main objective of research paper to review the efforts taken time to time by various government to develop skills, abilities ,talents , creations in human resources .Still we are lagging behind in skilled workforce .There is big skill gap in demand and supply of workforce .Low priority for Vocational , skill and Technical education , inadequate linkage with industries ,lack of vertical mobility , Inflexible curriculum and lack of social recognition , Non coverage of service sectors which has greater employment potential ,Absence of National Competency Testing and Accreditation system.etc are the major hindrances for all the skill and vocational education schemes .Strategic planning and implementation should be made toovercoming the above hindrances and for successful National Skill Development Programme.

#### References:

- 1) Ahmed, T. and Satija, M.P. (2005) Growth of technical education at degree level in Punjab: Ahistorical perspective. *The Indian Journal of Technical Education*. Vol.28(3).pp.81-91.

- 2) Awale, S.D.(1996) Engineering teachers in the development of technical education system in India. ISTE, New Delhi.p.3.*Ibid.* Sen, Biman. p.190.
- 3) Chanderkant, L.S.(1971). *Polytechnical education in India*. Bombay, D.B. Taraporewala, MacMillan publishers. p.26.
- 4) Sedwal, Mona.(2008). Technical education in India; From past to present. In *Recent trends in technical education*. R. Hariharan. Ed. Delhi, MacMillan publishers. p. 495.
- 5) Maddisori, Augus. (1971). *Class, structure and economic growth; India and Pakistan Since the Moghuls*. London. Allen and Unvrin. Rep. 2006 by Routledge.p.18.
- 6) Sharma, Y.K. (2001). *History and problems of education*. Vol.2. New Delhi, Kanishka Publishers and Distributors.p.84.
- 7) <http://www.education.nic.in/cd50years/g/W/16/0W160301.htm> (Accessed on 06.07.2010)
- 8) Rao, V.K.(2008) Higher Education. In *Encyclopedia of Educational Development*. Vol. IV. New Delhi, APH Publishing Corporation. pp.180-81 *Opt. Cited.* Mukerji, S.N. p.284.
- 9) Dr. Ali M “ A Philosophy of Basic Education “ Arun Publication House ,Delhi.1999
- 10) Dr. Ali M “ DrZakir Hussain KaShikshaDarshan “ Arun Publication House ,Delhi1999
- 11) Ghosh S C. “The History Of Education in Modern Indian “ Orient Longman -New Delhi 2000
- 12) Department of Education, India National Development Council Document (2008): Planning Commission India
- 13) National Policy on Education 1986 (1998): Ministry of Human Resource Development, Department of Education, India
- 14) National Conference on Technical Vocational Education, Training and Skills Development: A Roadmap for Empowerment (Dec. 2008): Ministry of Human Resource Development, Department of Education, India
- 15) Skill Formation and Employment Assurance in the Unorganised Sector (2009): National Commission for Enterprises in the Unorganised Sector.
- 16) Technical and Vocational Education and Training in India (Nov.2008): Report compiled by Perya Short, Education Counsellor (South Asia).

◆◆□◆◆

## 5. BUILDING A SUCCESSOR IN URBAN COOPERATIVE BANKS

Dr. V. P. Katti<sup>1</sup>

### **Abstract:**

*The performance and achievement of an organization results from the policy frame, work culture introduced by the leader. Normally, persons who remain in high office for a long time are most likely to be the more devoted persons to the organization and more interested in building the organization rather than eliminating themselves by using the organization as a link. This is the pure leadership in real sense. They can well be described as born leaders as they contribute to rapid growth and development of the institution. Many times leader can also be recognized by his ability, more by his action rather than his traits. Such a leader moves gradually from the lower ladder to the higher one with his own efforts and experience. Recently the leadership which one finds is totally different. He is the key person and he is the king-maker. Everybody works under the thumb of such a key person. Such type of leader utilizes the organization more for his individual goals rather than primarily for institutional goals. He uses the institution as a lever to achieve his political objectives.*

*In order to identify the mobility behavior of the leaders in UCBs in Kolhapur city, the attempt has been made In the light of the three-fold categorization of the leadership viz. exclusive leadership, linear leadership and non-linear leadership. The statistical details of the directors, vice-chairmen and chairmen of all the 16 UCBs in the city as culled from the field survey. Among the 16 UCBs in the city, the non-linear kind of rotating positions can be conspicuously observed. There are noteworthy cases of persons spending 20 to 24 years. It appears that the UCB persons are more of the nature of power-hungriness which is not conducive for real growth of UCBs.*

**Key words:** Leadership, Urban Cooperative Banks, exclusive leadership, linear and non-linear leadership.

## I. INTRODUCTION

The success of an institution depends largely upon the role of the leader. The qualities of a good leader such as sacrifice, endurance, long vision and dedication help for development of proficiency, competence and confidence among the employees of the organization. The effectiveness of the group of directors very much depends upon the influence of the leader. The performance and achievement of an organization results from the policy frame, work culture introduced by the leader. The leader prepares the organization for a takeoff and thereafter

<sup>1</sup>Dr. V.P.Katti, Assistant Professor, Department of Economics, Shivaji University, Kolhapur (MH), India

strives to nurture it for self-reliance. He is prone to adoption of new techniques of management and keen to float new banking products from time to time.

In the earlier days, the leaders were rational and logical in their approach. They learnt management concepts, principles and techniques and tried to apply them in practice. By virtue of this, they exercised self-discipline, self-control and systematized line of action. As a result, they made optimum use of available resources to attain the objectives of the organization. This has demonstration effect on the subordinates who got the incentive to emulate the masters.

Normally, persons who remain in high office for a long time are most likely to be the more devoted persons to the organization and more interested in building the organization rather than eliminating themselves by using the organization as a link. This is the pure leadership in real sense. They can well be described as born leaders as they contribute to rapid growth and development of the institution.

Many times leader can also be recognized by his ability, more by his action rather than his traits. Such a leader moves gradually from the lower ladder to the higher one with his own efforts and experience. He thus achieves leadership.

Recently the leadership which one finds is totally different. He is the key person and he is the king-maker. Everybody works under the thumb of such a key person. Such type of leader utilizes the organization more for his individual goals rather than primarily for institutional goals. He uses the institution as a lever to achieve his political objectives.

### **1. Objectives of the Study:**

1. To describe the role of cooperative leadership
2. To explain the categorization of leadership
3. To observe the trend of movement of leadership referring to Kolhapur Urban Cooperative Banks
4. To analyze the intensity of movement of leadership in Kolhapur Urban Banks

### **2 Statement of the Problem:**

Cooperative is a device to regulate exploitation of weaker section of the society. In course of time the cooperative ideology began to cater to the needs of urban people. It caused the emergence of urban cooperative banks. The success of such banks is very much linked with the enthusiastic, efficient and honest band of persons. Leadership of these institutions has provided the moving spirit on the path of their progress and growth. In Kolhapur district, ChhatrapatiShahuMaharaj sowed the seeds of cooperative activities. Due to his motivation, eighteen urban cooperative banks were emerged during 1913-2000.

Normally, persons who remain in high office for a long time are most likely to be the more devoted persons to the organization and more interested in building the organization rather than eliminating themselves by using the organization as a link. This is the pure leadership in real

sense. They can well be described as born leaders as they contribute to rapid growth and development of the institution.

Many times leader can also be recognized by his ability, more by his action rather than his traits. Such a leader moves gradually from the lower ladder to the higher one with his own efforts and experience. He thus achieves leadership.

Recently the leadership which one finds is totally different. He is the key person and he is the king-maker. Everybody works under the thumb of such a key person. Such type of leader utilizes the organization more for his individual goals rather than primarily for institutional goals. He uses the institution as a lever to achieve his political objectives. Therefore in the light of the three-fold categorization of the leadership viz. Exclusive leadership, Linear leadership and Non-linear, empirical analysis of the leadership in the UCBs of Kolhapur city has been attempted.

### 3 Methodology of the Study:

#### 1) Universe of the Study :

As the investigation is deeper in penetration, it is restricted to the empirical study of the 16 UCBs, presently functioning in Kolhapur city and all of which are the members of the Kolhapur District Urban Cooperative Banks Association Ltd., Kolhapur.

**TABLE - 1 : TOTAL UCBS WORKING IN KOLHAPUR CITY**

No.	Name of the UCBs	Year of establishment
1	The Kolhapur Urban Cooperative Bank Ltd.	24-05-1913
2	Shri Balbheem Cooperative Bank Ltd.	17-10-1915
3	The Kolhapur Zillah Govt. Servants Cooperative Bank Ltd.	03-07-1917
4	The Raviwar Pet Bank Ltd.	22-08-1924
5	Shree Shahu Cooperative Bank Ltd.	24-03-1927
6	Shree Mahalaxmi Cooperative Bank Ltd.	10-10-1933
7	The Kolhapur Maratha Cooperative Bank Ltd.	20-10-1933
8	Shree Mahaveer Cooperative Bank Ltd.	11-05-1937
9	The Prathamik Shikshak Sahakari Bank Ltd.	12-10-1939
10	Shree Veershaiv Cooperative Bank Ltd.	21-02-1942
11	Kolhapur Janata Sahakari Bank Ltd.	17-11-1960
12	The Commercial Cooperative Bank Ltd.	26-12-1961
13	Shree Panchaganga Nagari Sahakari Bank Ltd.	22-02-1972
14	Kolhapur Mahila Sahakari Bank Ltd.	19-05-1972
15	Youth Development Cooperative Bank Ltd.	16-06-1975
16	Parshwanath Cooperative Bank Ltd.	24-08-1983
17	Shripataraodada Sahakari Bank Ltd.	15-05-1995
18	Satyashodhak Cooperative Bank Ltd.	29-01-1997

Source: Records of respective Urban Cooperative Banks in Kolhapur City.



Two relatively younger banks viz. Shripatraodada and Satyashodhak are left out of this analysis as their trends are yet to be established. Except two banks all UCBs are covered under study. Therefore the study is not based on sample System.

**ii) Sources of Data**

The investigation is largely based on the data collected from the Annual Reports of 18 banks, which are selected for the study. Reports of Kolhapur District Urban Cooperative Banks Association are also used. Primary data is collected from the individual banks by scanning their official records, dialogue with the present incumbents and using questionnaires for the present and living former incumbents. Personal interviews too are conducted for eliciting details specific to each institution.

**iii) Period of Study:**

The banks have different establishment years. Data for each bank is collected since its inception. Out of eighteen banks, five were merged and one bank was liquidated during the period of 2008 to 2010. Therefore to consider the mobility behavior of all banks in the city the terminal year for all banks is uniformly 2005-06, for the purpose of present investigation.

**iv) Limitations of the study:**

1. The whole study is based on field surveys and information available from the official records of the UCBs. Annual reports of some of the banks for the years mentioned below were not available:

- a. The Kolhapur Urban Cooperative Bank - 1913-14 to 1950-51
- b. Shree Balbheem Cooperative Bank - 1946-47 to 1959-60
- c. Shree Shahu Cooperative Bank - 1928-29 to 1933-34
- d. Kolhapur Maratha Cooperative Bank- 1951-52 and 1952-53

Consequently, the analyses has been done by omitting these years of the respective banks

2. Two relatively younger banks viz. Shripatraodada and Satyashodhak were left out of this analysis as their trends are yet to be established.

**II. Categorization of Leadership:**

Anyway, the leadership as it emerged in the UCBs of Kolhapur city can well be classified into three categories and described in the Shakespearean phraseology as under:

1. Exclusive leadership: **born greatness of leadership.**
2. Linear leadership: **achieved greatness of leadership.**
3. Non-linear leadership: **thrust greatness of leadership.**

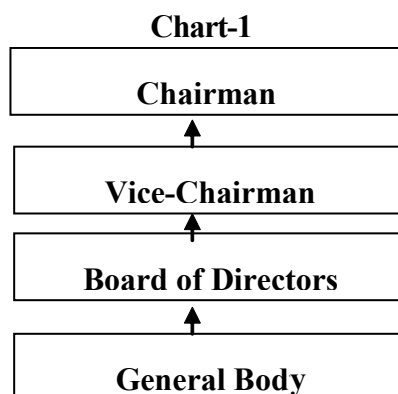
These concepts can be elaborated especially with a view to finding out in what way the initial leadership plans to search and prepare persons to take up guards in the years to come for steering the destinies of the bank. It is the task of building the successors.

### **i) Exclusive Leadership**

In this case, a person remains in the same position, may be a director or vice-chairman or chairman, until he gets out of the management body. Generally the persons will not accept moving from their highest position to the lower ladder. It is considered fair by some people that once they assume the highest position as chairman in the Board of Directors, they do not consider it graceful and befitting their achieved status to go back to lower position either as vice-chairman or ordinary director. On completing their available tenure, they do not get into the board of directors again. That is really the most ideal kind of thinking or an approach of being in the board. This is the category of exclusive leadership. Such persons enter into the organizational set-up straightway as a chairman by getting elected to the Board of Directors. Invariably, they are accepted in that position for quite long time. Many times it happens that the founder chairman continues for 10 to 15 or even for more than 20 years. Certainly he is a man of qualities, man of strength and man of high vision. He has inbuilt quality that he runs the organization with particular goal in his mind. If such a leader remains in the same position for long period, it is healthy for the organization. The reason is that, over a long period, all the directors may not be continued. There may be some changes in the board. Many may go out and new enter the board and very often that has to be done. The long-tenured exclusive person can very well enlighten the new directors from time to time and run the organization smoothly. They can be an ideal for the followers and can stimulate some people to rise to that coveted position through work and devotion. Thus their example serves as offspring of the future leadership. Such a kind of leaders often is recognized as the architects of the organization especially when they occupy the chairman's position for quite some time.

### **ii) Linear Leadership**

The ideal method of leadership development is following a linear path in the organizational ladder, i.e. moving from bottom to the top. The ideal sequence of upward movement is as follows:



Many people have to struggle to get into the high offices and for that the entry point is to get into the Board of Directors with the support of the key persons who are occupying different positions for a long time. One can easily welcome the linear mobility vertically, because it provides opportunities to the persons to be familiar with the bank. To begin with, a person gets a wide perspective of the bank as a director. With same knowledge and understanding, he can very well move on to vice-chairman's position and with that experience he can move on to the chairman's position. Thus, as a chairman, he happens to be a knowledgeable, most familiar and experienced person, who can, in the right earnest, be in a position to launch novel ideas for the progress of the bank. This can be considered as the most appropriate and natural process of leadership development for the future.

### iii) Non-Linear Leadership

This is the haphazard movement up and down on the ladder time and again. If Director, Vice-chairman and Chairman are treated as a sequential ladder, then people are seen moving from bottom to top and top to bottom in any sequence. The sequences of movements, for example, may be of the following nature:

(1) D ® VC ® D ® VC ® C ® D

(2) VC® C ® D

(3) D ® C ® D ® C ® VC

**Here, D: Director, VC: Vice- Chairman and C: Chairman.**

There can be observed innumerable permutations and combinations of the forward-backward movements of the persons. Such movements can be considered as unnatural and opportunistic. The question arises why is it so? The first reason may be, the key person in the board would like to work in the official capacity for a long time but just to keep the people linked with the board, to keep his authority in the bank, he gives a chance to others, even for one year, and then he comes back or he rotates the position amongst a few magnets. However, even though he is not occupying the official position as a chairman or a vice-chairman and simply continues to sit on the board as an ordinary director, he influences the decisions taken by the Board of Directors. Because of his seniority in the board, moral influence and his close acquaintance with the development and working of the bank over long period of time, he is always honored, respected and heard by the new members of the Board of Directors. This is the implication of the non-linear sequence.

Secondly, there may be different groups in the board. Each group expects an opportunity in the Board of Directors. As a result, the opposing groups may reach an implied understanding of keeping the high offices rotating among the groups periodically. This policy of mutual accommodation satisfies the ambitions of many persons. This causes non-linear sequence.

Thirdly, in order to keep the members in the Board of Directors under the thumb of the key person, often it is necessary to give them an opportunity to be in the office of the chairman and vice-chairman. This can be described as a policy of satisfying. Many times it may happen that such persons may be satisfied with the position of vice-chairman only. Thus, the policy of satisfying the fellows in the Board of Directors results into the persons hopping from one position to the other.

Due to these reasons one can find out a movement along three steps of the ladder without any systematic predetermined sequences.

#### **iv) A Better Course?**

The question posed here is out of these three patterns, which is the best one for building future leadership? The logical answer is linear type of leadership. Because, when a person having a good potential is elected as a member of the Board of Directors, he can be well groomed by the seniors for some time for initially assuming the responsibilities as vice-chairman and thereafter at the opportune time the top position of chairman. This is a course of 'making of a leader'. It picks and chooses persons and prepares them for shouldering higher responsibilities step by step. Model of exclusive leadership cannot be accepted as most ideal. Because, without experience as director or vice-chairman, he completes the tenure of chairman and gets out of it. Later on the experience of that person in running the organization is not available to the Board of Directors in the future. If he continues in his position it is a boon for the organization. On the contrary, if he serves for a stipulated short period and quits the office, his experience and a erudition are not available for future development of the organization. Importantly, such persons are few in number. Hence, exclusive leadership is the next best alternative to the linear leadership. In case of non-linear leadership, the key person, who is the king-maker, manages the game. He assumes the offices of vice-chairman and chairman intermittently and for intervening periods gives opportunity to others in the Board. All the same, he keeps the reins in his hand and gets the decisions done through the elevated persons, who are his 'yes boss' comrades. He, in fact, runs the organization, whether in office or not. The elevated people always feel obliged to him and are prepared to obey him irrespective of their personal views. The key person uses the institution to attain his personal goals rather than institutional. Therefore, this type of leadership is not much conducive for the development of the cooperative institutions. The unhealthy elements found in non-linear leadership, such as domination of a key person, vested interests, etc. are not found in case of linear leadership.

In terms of preference based on pros and cons, the three types of leaderships can be ordered as follows: linear, exclusive, and non-linear.

### III. SCENARIO OF LEADERSHIP MOBILITY BEHAVIOR IN KOLHAPUR CITY

In the light of the three-fold categorization of the leadership as discussed in the previous sections, empirical analysis of the leadership in the UCBs of Kolhapur city can be attempted. The statistical details of the directors, vice-chairmen and chairmen of all the 16 UCBs in the city as culled from the field survey are quantified and further processed by using suitable quantitative techniques.

At the outset, the sequence of the person in the Board of Directors relating to their position as director, vice-chairman and chairman for the period for which they occupied one or the other position is noted in order to identify the mobility behavior. For this, the data of all the chairmen for all the years as authentically available has been tabulated. Further, this exercise has been done for each of the 16 UCBs. The bankwise and personwise details would help in deriving meaningful conclusions in respect of attempts of bank to breed leadership through years of their existence.

Among the 16 UCBs in the city, thenon-linear kind of rotating positions can be conspicuously observed. There are noteworthy cases of persons spending 20 to 24 years. It appears, that the UCB persons are more of the nature of power-hungriness. A careful scanning of the entire 16 bank data will vividly reveal what has been said here.

Given the bankwise and personwise scenario of leadership mobility behavior, one can observe the trends relating to the three-dimensional categorization viz. exclusive leadership, linear leadership and non-linear leadership. The consolidated data bankwise is presented in Table-1. Following conclusions emerge from it:

- (i) Non-linear leadership was the most prominent feature of the UCBs in Kolhapur city as a little over three-fourths of the bank chairmen were a part of this category. It means, as per earlier logic, that majority of the persons shouldering the responsibilities of the banks preferred to go by a zigzag way with forward and backward movements. Therefore, this leadership is, by and large, opportunistic. Typically, in this classification, in most of the cases, the tenure as a chairman / vice-chairman is of relatively shorter duration compared with the total tenure simply as a director. This implies that persons were shifted to the positions of chairman and vice-chairman as a matter of accommodation. Hence, such an approach was not conducive to building of able leadership for the bank. Domination of the key persons is quite discernible.
- (ii) Linear leadership, which has been favored as the best courses of leadership development, was more an exception rather than a rule. Seven banks had solitary cases of the kind; two banks had a duck while the remaining banks had single digit cases of the range 3 to

9. Mostly the range was 3 to 6; there was only one example of 9 cases (Mahalaxmi Bank).

**Table-2 Consolidated scenario of Leadership movement**

Sr. No.	Name of the Bank	Linear Movement	Exclusive	Non Linear Movement	Total Number of Chairmen
1	Kolhapur Urban	1(7)	0(0.0)	14(93)	15(100)
2	Shree Balbheem	4(8)	3(6)	41(86)	48(100)
3	Govt. Servants	4(15)	8(30)	15(55)	27(100)
4	Ravi	1(11)	1(11)	7(78)	9(100)
5	Shree Shahu	5(14)	5(14)	27(72)	37(100)
6	Shree Mahalaxmi	9(32)	1(4)	18(64)	28(100)
7	Kolhapur Maratha	1(4)	3(11)	22(85)	26(100)
8	Shree Mahaveer	3(25)	0(0)	9(75)	12(100)
9	PrathamikShikshak	6(21)	1(3)	22(76)	29(100)
10	Shree Veershaiv	4(27)	1(7)	10(66)	15(100)
11	Kolhapur Janata	1(7)	0(0)	13(93)	14(100)
12	Commercial	1(11)	1(11)	7(78)	9(100)
13	Shree Panchaganga	1(8)	0(0)	12(92)	13(100)
14	Kolhapur Mahila	0(0)	0(0)	8(100)	8(100)
15	Youth Development	1(25)	1(25)	2(50)	4(100)
16	Parshwanath	0(0)	0(0)	2(100)	2(100)
	<b>Total</b>	<b>42(14)</b>	<b>25(9)</b>	<b>229(77)</b>	<b>296(100)</b>

**Source:** Compiled from Annual Reports of all 16 Banks since their inception.

**Note: Figures in parentheses are percentages to the totals.**

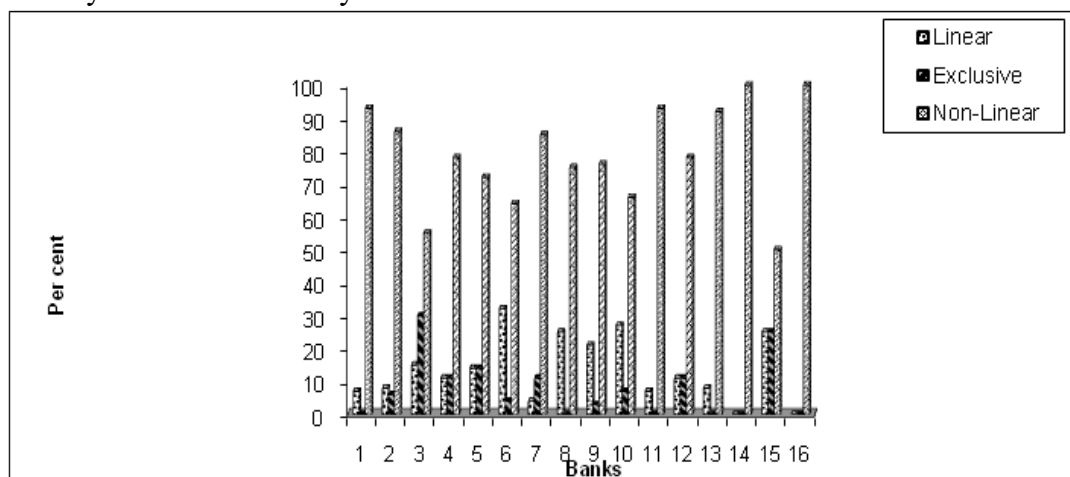
- (1) Exclusive leadership was a meek situation having only 9 per cent of the total cases. Here, 23 out of total 25 cases were of the first 10 banks, which had a life-span between 59 and 88 years.

The upshot of these observations is that the UCBs of city existed for decades together, but have mostly failed in systematically building future leadership. The Boards of Directors can be considered as schools of leadership building. The UCBs did not play this role, exceptions apart.

Now the hierarchy of the 16 UCBs can be noted with reference to each of the three categories outlined.

The bankwise position in the linear leadership shows the fact that Mahalaxmi Bank was in the forefront followed by Veershaiv, Youth Development and Mahaveer banks. Maratha, Kolhapur Urban and Janata banks had minimum per cent of this kind of leadership.

Coming to the exclusive leadership Government Servants Bank was leading; Youth Development and Shahu banks came in the next order. The least proportion belonged to PrathamikShikshak, Mahalaxmi and Balbheem banks. No exclusive leadership was found with Kolhapur Urban, Mahaveer, Janata, Panchaganga, Mahila and Parshwanath banks. Another distinguishing feature of exclusive leadership is that the founder pioneers of the banks gave this type of leadership. One could observe the exclusive leadership in the initial figures of the tables of each bank. S.M.Ghatge from Commercial Bank, D.B.Mali from Veershaiv and D.M.Chavan from Government Servants Bank were a few amongst the exclusive leaders who stayed for 10 and more years.



Source: Table-2

A comparative picture of mobility behavior of leaders of all the 16 UCBs is presented in Graph

Referring to the non-linear leadership, it is clear that all the banks under consideration implied this type of leadership as a major trend. A striking feature of Mahila and Parshwanath banks is that, all the chairmen belonged to this category only. Among the remaining banks Kolhapur Urban, Janata and Panchaganga were leading. Mahalaxmi, Government Servants and Veershaiv registered relatively lesser proportion. The intensity of mobility from one position to another was noticeably high with regard to the banks mentioned below:

Table-3 Frequency of Changing Position

Sr. No.	Bank	Name of the Chairmen	Frequency of changing positions
1	Shree Balbheem	M. T. Patil	14
		A. M. Jadhav	12
2	Ravi	S. P. Bandar	10
3	Shree Mahalaxmi	D. V. Kulkarni	13
		P. R. Mundargi	14
		S. S. Huddar	10
4	Kolhapur Maratha	D. A. Shinde	10
		J. D. Bhosale	13
5	Kolhapur Janata	S. S. Samant	11
6	Shree Panchaganga	S. R. Ashtekar	11

Source: Annual Reports of all 16 Banks since their inception

Thus, 10 persons from 7 banks changed their position for 10 and more times during the long tenure of their presence in the Boards of Directors. Such situations could be considered as examples of unstable leadership.

#### IV) FINDINGS:

1. Among the 16 UCBs in the city, the non-linear kind of rotating positions can be conspicuously observed. There are noteworthy cases of persons spending 20 to 24 years. Over three-fourths of the bank chairmen were a part of this category.
2. Seven banks had solitary cases of Linear kind; two banks had a duck while the remaining banks had cases of the range 3 to 9. Mostly the range was 3 to 6; there was only one example of 9 linear cases i.e. Mahalaxmi Bank.
3. Exclusive leadership was a meek situation having only 9 per cent of the total cases.

#### V) CONCLUSION:

Relatively speaking, linear leadership is the most ideal because it helps to create good platform for building the successors for future. The next best alternative leadership is exclusive. Non-linear leadership occupies third position in the hierarchy of leadership. It is not an ideal one. The analysis of pattern of leadership in UCBs in Kolhapur city reveals the fact that largely, i.e., 77 per cent of the chairmen were from the group of non-linear leadership. It is not a healthy sign of good leadership. A few banks representing exclusive leadership could stand for better growth and development due to dedication, devotion and discipline of earlier leaders. Linear type of leadership had the second highest position accounting for 14 per cent of the total.



New leaders should follow the linear pattern, but exclusive leadership cannot be disregarded provided leaders tread on the lines laid down by the ideal pioneers.

*References:*

- 1) Airan, J.W. (1969), *The Nature of Leadership: A Practical Approach*, Lalwani Publication House, Bombay.
- 2) Agrawal, R.D (1977), *Cooperative Management: Principles, Policies and Practices*, Vaikuntha Mehta National Institute of Cooperative Management, Pune.
- 3) Baviskar, B.S., Atwood. Donald. W., (1995), 'Finding The Middle Path', in *The Political Economy of Cooperation In Rural Area*, Vistar Publication, New Delhi.
- 4) Dinesh, C. (1970), *Cooperative Leadership and Management*, Vaikuntha Mehta National Institute of Cooperative Management, Poona.
- 5) Annual Reports of all UCBs in Kolhapur City
- 6) Shree Balbheem Cooperative Bank Ltd., *Annual Reports, 1915-16 to 2000-01*, Kolhapur.
- 7) Shree Shahu Cooperative Bank Ltd., *Annual Reports, 1927-28 to 2000-01*, Kolhapur.
- 8) Shree Mahalaxmi Cooperative Bank Ltd., *Annual Reports, 1933-34 to 2000-01*, Kolhapur.
- 9) Shree Mahaveer Cooperative Bank Ltd., *Annual Reports, 1937-38 to 2000-01*, Kolhapur.
- 10) Shree Veershaiv Cooperative Bank Ltd., *Annual Reports, 1942-43 to 2000-01*, Kolhapur.
- 11) Shree Panchaganga Cooperative Bank Ltd., *Annual Reports, 1972-73 to 2000-01*, Kolhapur.
- 12) ShripatraodadaSahakari Bank Ltd., *Annual Reports, 1995-96 to 2000-01*, Kolhapur.
- 13) Satyashodhak Cooperative Bank Ltd., *Annual Reports, 1997-98 to 2000-01*, Kolhapur.
- 14) The Kolhapur Zillah Government Servants Cooperative Bank Ltd., *Annual Reports, 1917-18 to 2000-01*,
- 15) The Ravi Urban Cooperative Bank Ltd., *Annual Reports, 1924-25 to 2000-01*, Kolhapur.
- 16) The Kolhapur Maratha Cooperative Bank Ltd., *Annual Reports, 1933-34 to 2000-01*, Kolhapur.
- 17) The PrathamikShikshakSahakari Bank Ltd., *Annual Reports, 1939-40 to 2000-01*, Kolhapur.
- 18) The Commercial Cooperative Bank Ltd., *Annual Reports, 1961-62 to 2000-01*, Kolhapur.
- 19) The Kolhapur Urban Cooperative Bank Ltd., *Annual Reports, 1970-71 to 2000-01*, Kolhapur.

◆◆□◆◆

## 6. API: Academic Sustainability - A Fire Alarming Bell

Dr. A. M. GURAV<sup>1</sup>

### **Abstract:**

*Academic Performance Indicator (API) is the teachers' academic performance measurement device and it is a fire alarming bell in the higher education. The paper writer interviewed 78 college teachers for knowing the views of the teachers regarding API. API is just like "Self Appraisal and Appraisal by others" i.e. 360 degree Performance Appraisal i.e. "Academic Audit" of the college teachers. "Good teachers are costly but bad teachers are costly more" = API = "Costly Teacher", so go for API. It has observed that 47%, 73%, 41%, 78%, 46%, 72% and 63% sample teacher respondents are PG only, Assistant Professor, 11-15 years of service, favoring API, mentally prepared for API, their API is less than 50 and partly red API literature respectively. API is a FGA (Focused Group Activities). "Salary is the starter motivator and not a power full motivator but API will be the power full motivator" and customaries product has high price, high value and high efforts, so college teacher should be customaries by him self by way of API."*

**Key Words:** API, Fire Alarming Bell, Academic Audit, 78% favoring API.

### **I. INTRODUCTION:**

Academic Performance Indicator (API) is the "Assessment and Accreditation" of the college teachers in the 6<sup>th</sup> pay scale. API is the academic MANTRA which is very much required for academic sustainability. In the competitive situation, assessment of the teacher is very much essential according to UGC and academicians. API is the teachers' academic performance measurement device and it is a *fire alarming bell* in the higher education. To go globally, think and act locally, the API become necessary. In the world and India number of Universities, Colleges, Private Institutes have adopted and undertaken the API evaluation system. The paper writer has referred different Universities in India and abroad for this research paper. He also interviewed 78 college teachers for knowing the views of the teachers regarding API. API is just like "Self Appraisal and Appraisal by others" i.e 360 degree Performance Appraisal of the college teachers. It is a sort of "Academic Audit" of the college teachers. In industry QC, 5 S's, Ringi System, KANBAN, JIT etc. are implemented for TQM, in the same way API has incorporated in higher education for teachers' appraisal.

### **1. OBJECTIVE:**

To know the perception and present situation regarding API of college teachers

---

<sup>1</sup> Dr. A. M. GURAV, Professor, Department of Commerce and Management, Shivaji University, Kolhapur (MH) India E-mail: annasahebg@yahoo.co.in Mob - 09850012545

## 2. HYPOTHESIS:

Majority of the college teachers are reluctant to accept API system.

## II. RESEARCH METHODOLOGY:

This research paper is an attempt to explore the API System for college teachers. The researcher has made *for* and *against* analysis of API implementation. The said research paper is qualitative as well as quantitative data based research. The researcher has interviewed 78 college teachers under Shivaji University, Kolhapur. The researcher has used the convenient sampling method for data collection. The researcher has considered the age, educational qualification, gender, experience, faculty, urban - rural based teachers, single and multi faculty college teachers etc. for interview of the respondents. The secondary data also collected from UGC 6<sup>th</sup> pay gazette and other Universities API formats. Researcher has not covered the review of literature and research gap analysis because this paper is sort of self performance appraisal and not like 360 degree performance appraisal, straight ranking, paired comparison, critical Incidents, field review, checklist, graphic ratings scale, forced distribution, confidential report, MBO, grading etc methods.

## 3. DATA ANALYSIS:

*i. No - API...? The paper writer has focused on API is not required and it is not relevant for effective teaching. API is a paper work activity which leads towards only paper collections. The writer has focused on why API is not required on the basis of discussion with teachers by following points.*

- College teachers will be only paper masters, if API accepted, which has found in bio matrix attendance.
- API Qualified teachers may not be the effective teacher and devoted teacher.
- Broken Window Crime (Heavy punishment for small mistake - Deed in New York) type situation will be, if API will be accepted.
- UGC – DO No. F 1 4/87/PS CELL / 4-11-98 Letter, “Performance Appraisal would be evolved in discussion with teachers organization. If this is the guideline, then why we are putting pressure for API without discussing with teachers in the colleges.
- Other Universities guidelines are not clear about API. For API Criteria - I or II or III or all should be considered for API is not clear. (UGC accepting only Research Criteria).
- Experts’ view is... API should not make compulsory for promotion. Do only Open Performance Report (OPR) and not Confidential Report (CR).

- Formats are different....about 4-5 formats for API ?...and many more...

ii. *Yes – API...? In this analysis the paper writer has focused on favorable opinion about API score. It means API is very much required and it is relevant for effective teaching. API score will give self respect, satisfaction and continuous motivation to the college teachers for academic vigor. The teachers will always busy in research and other good academic activities due to API. The writer has focused on why API is required by following points.*

- UGC Requirements, so one should go for API.
- Pay Fixation. It is a condition for getting AGP and pay packages.
- College Teachers' betterment and KAIZEN.
- Empowerment of all Stakeholders.
- Teaching creates all other professions, so for creation, teachers should go for API.
- To keep update, API is required.
- Two way approaches as a Student and Teacher vs-a-vs Teacher and Student by us is possible when API score preparation will be undertaken by the college teachers.
- API = Academic sustainability: *Fire Alarm Bell Now!!!*....and many more...

iii. *Respondents' Views: The paper writer has interviewed 78 college Teachers and Principals for data collection regarding API. The respondents have given mixed responses and especially API is not suitable and difficult for us. The writer has analyzed their opinions as follows.*

**Table 1. : Qualitication of Respondents**

S. N.	Particulars	Frequency	Percentage
1	PG Only	35	<b>47</b>
2	M. Phil	21	26
3	Ph. D	09	11
4	NET/ SET	11	13
5	Additional Qualification	02	<b>03</b>
6	Total	78	100

Source: Field Work

Considering the qualification of the teacher respondents, it has found that 47% of the sample respondents are only PG and 26% are M. Phil. 11%, 13% and 3% sample respondents are Ph. D., NET/SET and additional qualification. It can be interpreted that majority of the respondents are only PG and majority of the respondents are not interested for any higher qualification and additional qualification in their career. It is also interpreted that if the teachers are not interested for higher education then how the API will improve. Considering the non improvement in qualification by the teachers, it is a fire alarming bell for the teachers. Qualification is vital for API which gives boost and motivation to the teachers. Due to the extra, additional, professional and research based qualifications, the teacher will be role model for the students and his teaching skills and perception will improve, which will help directly and indirectly for API score preparation. This may be supporting to prove the set hypothesis.

**Table 2. Present Designation of the Respondents:**

S. N.	Particulars	Frequency	Percentage
1	Assistant Professor	57	73
2	Associate Professor	19	24
3	Due for Professor	02	04
4	Total	78	100

*Source: Field Work*

Table no 2 shows that the present designation of the sample respondents. In the sample respondents 73%, 24% and 4% are Assistance Professor, Associate Professor and due for Professorship respectively. There are good number of teachers in the category of assistant Professorship where is the good scope for AP improvement. To secure 400 API score will be the road map for these teachers who are aspirant to become Professor, Principal, Director and interested to become effective teacher. API journey is dirt track march towards the Professorship, Principalship and Directorship.

**Table 3. Length of Teaching Profession:**

S. N.	Particulars	Frequency	Percentage
1	Last 5 years	15	19
2	6 – 10 years	21	27
3	11 – 15 years	32	41
4	16 – 20 years	07	09
5	21 – 25 years	00	00
6	More than 26 years	03	04
7	Total	78	100

*Source: Field Work*

Table no 3 shows the length of the teaching profession of the sample respondents. 41% sample respondents are in the range of 11-15 years of experience. This table indicates that the mixed nature of experiences. It can be interpreted that there is a good scope for young teachers

to prepare the good API in coming future. The young teacher should take due care for academic improvement in all-round basis. In this imperial research study, the majority of the sample respondents are not covered; it may be the limitation of this research paper. The paper writer observed that the senior teachers are not interested to give the response through questionnaire. Majority of the senior teachers are not interested (*except exception*) to go for API and improvement of AP. It is found that they are very much reluctant (*except exception*) for API. The paper writer came across that the young teachers also (*except exception*) not keen for AP improvement which proved the set hypothesis.

**Table 4. Favor to API:**

S. N.	Particulars	Frequency	Percentage
1	Yes	61	<b>78</b>
2	Some What	00	00
3	Not at All	12	15
4	Can't Say	05	<b>07</b>
5	Total	78	100

*Source: Field Work*

Table no 4 shows that the opinion about API of the sample respondents in the sample area. 78% sample respondents are favouring the API and 15%, 7% are not interested and can't say approach respectively. It can be interpreted that majority of the sample respondents are interested but considering the other tables and observations, majority of the sample respondents are not really interested to go for API and academic improvement. The paper writer came across that, "we are very comfortably placed at present along with our present PG qualification with handsome salary and joyful workload. It can be interpreted that the majority of the respondents are in the dilemma of to go or not to go for API. This table shows the non acceptance i.e. rejection of the set hypothesis

**Table 5. API favor in percentage:**

S. N.	Particulars	Frequency	Percentage
1	20%	00	00
2	40%	04	<b>05</b>
3	60%	44	<b>56</b>
4	80%	09	12
5	100%	21	27
6	Total	78	100

*Source: Field Work*

Table no 5 shows the favour to API in percentage. 56% responded has favoured 60% and only 27% respondents have favoured 100% API is required. It can be interpreted that 56%

respondents are favouring that API should be acceptable at 60% i.e. 40% is not acceptable. It shows that there is a considerable dilemma in the mind of the majority of the teachers that the API is not required. We respondents are not favouring from the bottom of the heart, it is the scenario in the higher education at present. The reason may be the API demanding hard work, sincere work, day and night work and long term work. We 6<sup>th</sup> pay teachers are not really interested to go for API parameters (*except exception*) in the present scenario. API will not be accepted by the majority of the college teachers which is the perception of the sample respondents.

**Table 6. Mentally preparation for facing API:**

S. N.	Particulars	Frequency	Percentage
1	Yes	36	<b>46</b>
2	Some What	33	42
3	Not at All	09	12
4	Can't Say	00	00
5	Total	78	100

*Source: Field Work*

Table no 6 shows that mental preparation of sample respondents for API preparation. 46% sample respondents have mentioned that we are mentally prepared for API. It is a good indication. It can be interpreted that 54% (42 + 12) are not shown positive indication towards the API preparation mentally. It also interpreted that the majority of the sample respondents are not mentally prepared for API. Although; 46% favourable response, of which how many really and mentally prepared for API, is a doubtful opinion. It is interpreted that the 6<sup>th</sup> pay has declared in the year 2006, from 2006 to till date how many have been started to take positive steps towards preparation of API, which is very poor. If this is the situation, then how many college teachers will start preparation for API in coming future is the doubt in the mint of the paper writer. Although this is the situation, we should be positive and should start the academic work for facing API.

**Table 7. API rightly designed by UGC:**

S. N.	Particulars	Frequency	Percentage
1	Yes	16	21
2	Some What	31	<b>40</b>
3	Not at All	09	<b>11</b>
4	Can't Say	22	28
5	Total	78	100

*Source: Field Work*

Table no 7 has focused on design or format of the API calculation by the UGC. 21% respondents have mentioned that the API designed by the UGC is proper but 79% (40 + 11

+ 28) respondents are not really happy about the design of API. It can be interpreted that the majority of the sample respondents are not happy about the present API format. The paper writer has interviewed the sample respondents and he came across that the API format is very complicated and securing 400 score by colleges teachers in the colleges is not possible. It means that to achieve the API score for the promotion / selection / Principalship, it is difficult in the college environment because in the colleges other various work and activities have conducted and performed, which have not covered in API format.

**Table 8. Preparation for API Score:**

S. N.	Particulars	Frequency	Percentage
1	Yes	24	31
2	Some What	30	<b>38</b>
3	Not at All	18	23
4	Can't Say	06	<b>08</b>
5	Total	78	100

*Source: Field Work*

Table no 8 shows the preparation of API score. 31% sample respondents have prepared the API score and majority (69%) are not enough consternated towards API preparation. It can be interpreted that majority of the sample respondents are not prepared the API score, which is the red signal to the college teachers and in higher education system. For prosperity measurement, API is very much essential but it has not found in sample study. API measurement is nothing but testing and evaluating our self. It is a self evaluation which has not happily undertaken in the sample area by the college teachers. It is just like 360 degree performance appraisal of the employees. There are number of reasons or causes behind; not to prepare API score of individual college teachers. It can be interpreted that the college teachers are not interested to prepare API or they are aware that their score is very poor, so they are not interested to prepare or they least bother about API score or there is no self motivation or they are very much neglecting the API score measurement or they feel that it is not applicable to us or their mentality is that who can question us? or our teachers' union will protect us without API score etc. There may be one or other reasons for non preparation of API score. The *paper writer is not interested to criticize* or conclude in this way but it is the eye opening situation for all of us. We should think seriously and should start the calculation of our own API score. Plan the activities which are given in the UGC API format for securing good score.

**Table 9. Respondents' API Score:**

S. N.	Particulars	Frequency	Percentage
1	< 50	17	<b>72</b>
2	51- 100	02	08
3	101 – 150	01	04
4	151 – 200	02	08
5	201 – 250	00	00
6	251 – 300	00	00
7	301 – 350	01	04
8	351 – 400	01	<b>04</b>
9	Total	24	100

*Source: Field Work*



Table no 9 shows that the sample respondents' API scores. Only 24 out of 78 respondents have mentioned that they are calculated API score. This table indicates the range of API score of 31% (24 out of 78) sample respondents who prepared the API score. It is found that 72% sample respondents are having less than 50 API score and a few have more than 51 API score. It can be interpreted that the majority of the sample respondents are not calculated their API score, majority of the sample respondents' API score is very poor, majority of the respondents are least bother about API improvement. Considering these all facts and figures it can be interpreted that the approach towards API is not favourable. Majority of the sample respondents teachers are just neglected API system. It is a limited resource based research paper, so generalization of conclusion is not good, although the trend about API is not up to the mark.

**Table 10. API literature referred:**

S. N.	Particulars	Frequency	Percentage
1	Yes	23	29
2	Partly Red	49	<b>63</b>
3	Not at All	03	04
4	Can't Say	03	<b>04</b>
5	Total	78	100

*Source: Field Work*

Table no 10 indicates that the API literature referred by the sample respondents. 63% respondents have partly red the API details and texts. Only 29% respondents have referred completely API literature. In can be interpreted that majority of the sample respondents have not referred API literature in detail, which is not good in higher education. It can be interpreted that the college teachers may be referred the 6<sup>th</sup> pay all details, pay fixation, band pay, AGP etc. but majority are not referred API information. It can be interpreted that we teachers *(including myself)* are very much alert about our rights but we are not alert in the same way about our responsibilities (Except Exceptions). It is against our own assessment and accreditation.

**Table 11. API should be made compulsory:**

S. N.	Particulars	Frequency	Percentage
1	Yes	31	<b>40</b>
2	No	35	<b>45</b>
3	Can't Say	12	15
4	Total	78	100

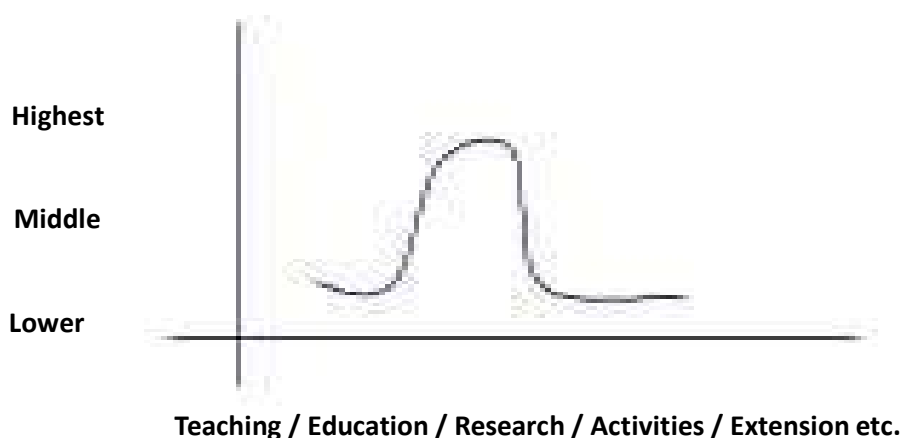
*Source: Field Work*

Table no 11 shows that about API compulsion. It is found that 40% says that 'yes', it should be made compulsory but at the same time remaining 60% (45% + 15%) has shown negative perception about API compulsion. It can be interpreted that the API should not


made compulsory is the opinion of the majority of the sample respondents. Considering the literature referred by the sample respondents, it can be interpreted that the college teachers are not really interested to go for API. By cross sectional analysis of the available data, signals at the time of interview, Principal's approach towards the College Teachers' API, University policies, College Management approach, Senior Teachers' approach in the colleges and Teacher's Union approach towards API, there is a big question mark that what will happen? Is API will stabilize in coming future? How many days / years will take to stabilize this API? etc are the questions in the mind of paper writer.

#### IV) RESULT AND CONCLUSION :

The research paper writer has set 15 questions which were asked to the sample respondents and set objective is, to know the perception and present situation regarding API of college teachers. The questions have focused on perception of API, preparation of API, different formats of API, etc. The respondents have answered these questions. It is a preliminary type of research and researcher has not claimed the finding should be universally accepted. It is a new path making and out of the box thinking research paper. API is difficult but possible to all teachers in the colleges. API should be like Normal Distribution Curve for all activities of the teachers. It means that activities can be taken on "X" axis and score can be taken on "Y" axis, which has to be achieved at top / highest at once in the teacher's career...



It doesn't mean that the same ability can't be continued for life time for any teacher, but we teachers should be innovative, we can continue the same activity for long time for the benefit of all stakeholders in higher education. The normal distribution curve indicates involvement in all activities and research up to the top / highest in that activity for the better API index. In the year 1950 Mr. Joshef and Mr. Harry have mentioned *Self Evaluation Model* (SEM)...

<i>Particulars</i> 	<b><i>Self Knowledge</i></b>	<b><i>Self Illiteracy</i></b>
<b><i>Knowledge of Others</i></b>	<b>Declared Self</b> # I Know # Others Know	<b>Blind Self</b> # I Don't Know # Others Know
<b><i>Illiteracy of Others</i></b>	<b>Private Self</b> # I Know # Others Know	<b>Illiterate Self</b> # I Don't Know # Others Don't Know

Considering above all analysis, interpretation and references it has concluded that the set objective "To know the perception and present situation regarding the API for college teachers" has covered and it has found that the perception and present situation is not satisfactory for API and the set hypothesis, "Majority of the college teachers are reluctant to accept API system" has proved.

#### **Reference :**

- 1) Interview of Teachers and Discussion with other Authorities
- 2) Katz etl, The Social Psychology of Organizations, New York: John Wiley, 1978.
- 3) Probst, S Raub, and Kai Romhardt, Adapted from Managing Knowledge Building Blocks for Success, John Wiley, 1998 (p.34)
- 4) Singh, Raj, HRM in Hotel Industry - Concept and Realities, Book Enterprises, Jaipur, ISBN 81-901436-8-9.

**Note:** Above all thoughts, presentation and interpretation is personal opinion of the researcher.

◆◆□◆◆

## 7. Debt Waivers v/s Agricultural Insurance: A Comparative Efficacy

Dr. Dnyandev C. Talule

### **Abstract :**

*A debate on debt waivers versus agricultural insurance and public investment in agricultural and rural development is not a new phenomenon in India. The total bill of the loan waivers that are again in demand at all India level from 2017 till 2019, may touch to the tune of Rs. 3, 00,000 crore (Ashok Gulati, 2018). As in the past, the loan waivers in future might give temporary relief to cultivators but the agriculture like in the past is unlikely be revitalized (Ibid). Therefore often the debates on compulsory agricultural insurance besides the premium payment by the government advocated the change in insurance law in order to make it possible. Besides free electricity and irrigation tariff waivers different states in India in past also have declared agricultural debt waivers at various occasions. On an average the frequency of such debt waivers comes to be ones in six years (Parchure, 2013). The largest ever agricultural debt waivers scheme called as the "Agricultural Debt Waivers and Debt Relief Scheme (ADWDRS)-2008" that involved a financial burden to the tune of Rs. 71,680 crore was declared by the then Congress led UPA (United Progressive Alliance) government at the centre meant to arrest the increasing number of farmers' suicides in the country. After 1989 this was a big push by the central government to the agricultural sector of the country. The present paper is based on generating relevant primary data from 366 debt relief beneficiary farm households from two districts each of Andhra Pradesh (Anantpur and West Godavari) and Maharashtra (Nanded and Nasik) states. In addition to this, 10 farm households from each districts obtaining bank loans but were not the beneficiaries of the said waiver-cum-relief scheme formed a control group. The paper aims at evaluating the impact of the scheme on the household economy of beneficiary farmers of the two states. The analysis of the data showed, that since the debt relief package was a populist political measure by the then government at the centre, it failed to deal with the root cause of the problem in terms of its impact on investments, productivity, cropping pattern, access to irrigation, crop insurance, debt performance, credit composition and the immediate pre-and post-debt waivers demand and supply pattern of farm credit in the case of the sampled farmers in the two states under reference. It further revealed that the package did not exert any significant positive impact on the farm yield levels and the net incomes of the farmers from farming. Besides, the immediate agricultural credit switch-over under the scheme also did not bring any significant improvement in the credit repayment behaviour of the beneficiary farmers. It is not surprising therefore; that the banks continued to face the problems of moral hazard and adverse selection even after the scheme was made operational in both the states. The package, far from improving the investment or productivity climate of beneficiary households, seems to have led to a strong and persistent shift of*

<sup>1</sup> **Dr. Dnyandev C. Talule** Professor, Department of Economics, Shivaji University, Kolhapur (MH), India, Contact: +91-9423750555, (0231) 2609178, Email: dnyanshrinit@gmail.com

*borrowing from all available sources and purposes including non-formal and non-cultivation ones signaling thereby that the arbitrary debt bailout programmes such as the one under reference are only of limited consequence in dealing with the debt overhang problems, even though their behavioral implications apparently are of no mean significance.*

**Key Words :** Debt waiver, Agricultural Insurance, Agricultural Credit

---

## **D) INTRODUCTION :**

The ADWDRS-2008 which was introduced in the union budget-2008 by the UPA-I which was to the tune of rupees 71, 000 crore was expected to cover the pending farm debt of about 36 million cultivators in the country. In order to assess the actual impacts of the scheme, the field level study of four districts from the two states of Andhra Pradesh and Maharashtra was conducted. Respectively the districts selected for the study were Nanded and Nasik from Maharashtra and Anantpur and West Godavari from Andhra Pradesh. The primary information was obtained through the household survey of farmers' households benefitted from the ADWDRS from the states of Maharashtra and Andhra Pradesh respectively. Andhra Pradesh is the largest beneficiary state of the ADWDRS-2008 whereas Maharashtra is one of the severely affected states by farmers suicides in which most of the suicides have been due to the credit pendency. While selecting the districts from both the states the basis was the availability and the extent of irrigation cover. 90 farmer households from each of the district are covered for the purpose and thus in total the sample covered 180 farm households from each of the state making (186 from AP) total sample size of 366. Majority of the ADWDRS farmers from Maharashtra have received their debt clearance certificate from their respective bank branches but the proportion of such farmers from Andhra Pradesh is observed to have been comparatively much lower. Pre and post ADWDRS comparison of the number of credit accounts, total amount of credit and the average amount of credit per account show that the same have increased during the post package period. The package could not bring about any conducive environment for farm related investments. The opinion of both the study/beneficiary and control group farmers about the demoralization of the regular repaying farmers is not in favour of reoccurrence of such programmes in future. Even some of the beneficiary farmers are not in favour of such debt waiver programmes to be announced in future. During and post package period no significant change in the cropping pattern was observed in both the states. As the crop wise yield levels do not bring out any evidence about the productivity improvements in the study districts there is no significant impact of the scheme on productivity was observed. The package has shown no positive impact on the repayment behavior of farmers as the pre and post package pendency of loans are observed to be of substantially identical.

Post package proportion of overdue of loans of the study farmers from Andhra Pradesh remained at 64 per cent at the minimum and 100 per cent the maximum. The same for Maharashtra it was 74 and more than 100 per cent; meaning that the accumulation of principal with the interest makes the case worse. As all previous loans were repaid under the ADWDRS, it appears that the farmers now have the expectation that such programmes will be reoccurred in future too. Even though the non-ADWDRS control group farmers (those who didn't receive the waiver benefits) were also found with their loan overdue but their relative performance was better in terms of regularity of repayment than the ADWDRS beneficiaries from both the states. For all the sources of institutional borrowing, the proportion of debt waiver amount to loan principal for Andhra Pradesh was greater than for Maharashtra. These were; 140 per cent for the co-operatives, 105 per cent for the Commercial Banks, 123 per cent for the RRBs and the overall state proportion of the waiver of the loans was 124.81 per cent which was in excess of Maharashtra where it

was 120.57, 53.71, 91.24 and 77.07 per cent respectively. Post ADWDRS decline in the proportion of repayment and increase in overdue are clearly indicative of the case of moral hazard and adverse selection. The proportion of the ADWDRS farmers from Andhra Pradesh who have received the benefits of debt waiver scheme in the past is greater than Maharashtra. Due to the clearance of agricultural loans under the package, the NPAs of the public sector banks and the co-operatives declined but afterwards it became substantially high. Comparison of the package amount to macroeconomic fiscal indicators such as the Tax revenue, Revenue expenditure, Total subsidies Revenue deficit, Fiscal deficit, etc. for 2008-09 (package year) it is observed that the scheme has caused a considerable stress on the fiscal health of the government. Debt waivers are in fact costlier than indemnities paid out through crop insurances. Suppose the annual subsidy both on central and state government accounts at 50 per cent coverage of loanee farmer works out to Rs. 1558.41 crores. If crop insurance is up scaled to all loanee farmers this figure will double to Rs. 3116 crores. Over a period of a decade (which is roughly the periodicity of debt waivers in the past) the total subsidy works out at Rs. 31160 crores which is less than half of Rs. 70,000 crore that the debt waiver doled out in 2008 budget on central government account alone! Indeed if all non-loanee farmers are covered as well, the annual subsidy on the central and state governments would be Rs. 7790 crores which over the course of a decade will stand at Rs. 77900 crores distributed over 120 million loanee and non-loanee farmers. In terms of political economy this makes much more sense than doling out Rs. 70,000 crores to 25 million loanee farmers on central government account alone. In fact even if the sum insured is increased in line with the recommendation made to cover input cost plus subsistence the annual subsidy on both central and state government accounts will not exceed Rs.13,350 crores (Parchure, 2013).

## **II) DATA AND METHODOLOGY:**

The entire analysis that forms the present paper is predominantly based on the primary data obtained from the ADWDRS - 2008 beneficiary farm households from two districts from each of the states of Maharashtra and Andhra Pradesh respectively. These districts were Nasik and Nanded from Maharashtra and West Godavari and Anantpur from Andhra Pradesh. All these four districts from the two states were selected on the basis of the availability and an extent of irrigation cover. The primary information(s) were obtained mainly through the household survey of beneficiary farmers' households from the states of Maharashtra and Andhra Pradesh. Rationale behind selecting the respective states for the present study is that the state of Andhra Pradesh is a state which happens to be the largest beneficiary state of the ADWDRS-2008 while Maharashtra happens to be the agriculturally unique state in the country but one of the severely affected states by farmers suicides and most of the suicides have been due to the credit pendency on account of both the institutional and non institutional sources (Parchure and Talule 2012).

Usually the schemes like debt waiver are not expected to bring any direct benefit for the cultivators nor does it improve the financial efficiency of the banking sector in the long term. On the contrary as the debt waiver usually includes only the defaulting farmers and excludes the regularly repaying ones, the schemes like debt waiver leaves the entire banking sector with a mandatory option of an adverse selection. Therefore it is necessary to work out the feasibility of public investment in the agricultural and allied sectors and find out whether an efficient subsidy mechanism can be a substitute or can it replace the requirement of frequent farm debt waivers which usually do not bring any long term transformation in the country's agricultural sector.

### **Sample Plan:**

For the purpose of the collection of the primary data two districts each from the state of Maharashtra and Andhra Pradesh were selected and while selecting the districts from both the states the basis was the availability and the extent of irrigation cover. 90 farmer households from each of the district have been covered for the purpose and thus in total the sample covered 180 farm households from each of the state (186 from AP). Hence the total number of the sample of the beneficiary households belonging to the four districts from two states is 366. In order to cover the farm credit delivery points one District Central Cooperative Bank (DCCB), one Commercial Bank (CB) and one Regional Rural Bank (RRB) were identified from the selected districts of both the states of Maharashtra and Andhra Pradesh. For this purpose the basis was the amount of debt waived under the ADWDRS-2008, as well as, the banks suggested by lead bank managers from the respective states or the NABARD officials. Further three (03) branches of each of these banks were selected on the basis of the higher benefits received under the ADWDRS-2008 or as suggested by the concerned bank higher authority. Hence the selection of the concerned bank branches was based upon combination of two factors viz. the amount of the money received under the ADWDRS-2008 as well as, the suggestions of bank officials. Therefore the selection of the bank branches had a strong and mutual base between the implementing banks and the study team which happened to be helpful in bringing a higher degree of accuracy in the collection of the data. The list of beneficiaries of the ADWDRS-2008 available at the selected financial institutions was used as a source list to draw a sample of 30 farm households from each of the selected financial institution. This way in all 90 farm households were surveyed from every selected district and the total of 180 farmers from each of the state.

In addition to this, 10 farm households per district were interviewed as the control group. This group consisted of the farmers' households which had obtained bank loans but were not the recipients of the ADWDRS-2008 (may be the regularly repaying households of loans, hence didn't get the ADWDRS benefits). Also the officials from the financial institutes from the respective state were contacted in person. They were the branch managers, lead bank managers, chief officers of selected banks. The attempt was also made to contact and interview the Insurance officials to strengthen the understanding about different aspects of the problem related to farm credit and insurance.

### **The Context and Review:**

Most of the Indian farmers belonging to all categories of land-holding need credit both for the farm operations and agricultural investments. Also during the lean seasons and the unforeseen situations like drought they need credit for self-consumption and maintaining their livestock. Many a time farmers are found borrowing for the repayment of earlier debts. Therefore an access to formal credit becomes an indispensable matter for the farming community. Limited access to the institutional farm credit and low penetration (about 26 per cent) of agricultural insurance have been underlying causes of persistent poverty in rural parts of the country (Townsend, 2006). This is true especially in the case of poor and predominantly agricultural economies like India, where bank credit is expected to serve the dual purpose of enabling productive investment and providing insurance against highly volatile income streams. However, in the Indian case the absence of sophisticated instrument to mitigate income risk, such as the insurance risk and future contracts, even farmers with initial access to institutional credit have found accumulating an extreme levels of debt (accruing to both the institutional and private agencies), factually excluding them from bank credit in future. This has resulted in about half of the (49 per cent) Indian farmers carrying cultivations and their pending debt. In Indian case, generally the pending of farm debt is mainly on account of crop vagaries and low insurance penetration. Credit linked crop insurance

launched in the 1970s has remained confined to about 24 per cent where the unit of application is the area and not the individual farmer. Low penetration of agricultural insurance coupled with frequent crop failures on many occasions has led to accumulation of farm credit. This has its political repercussions on one hand. On the other hand low recovery of the farm credit also weakens the credit mechanism leaving the lending institutions with an option of adverse selection. As a result of the farm credit accumulation and the political repercussions of the same, successive governments, in the past resorted to credit waivers.

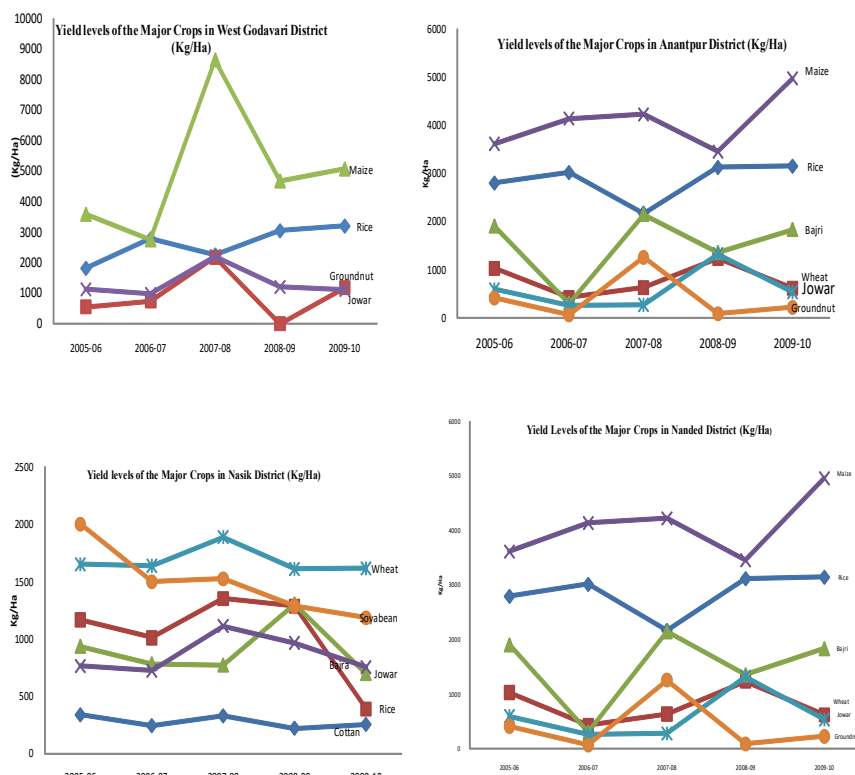
Potentially far-reaching macro-economic and political implications of extreme farm indebtedness have resulted into a range of large scale debt relief initiatives in the past. In India, during the period between 2000 and 2006, average household debt increased six-fold where as in Mexico, annual increase in the outstanding consumer credit was 35 per cent and the same was more than doubled in Brazil (Fibelman, 2009). The recent farm credit waiver which was announced in the union budget of 2008 for about Rs. 71 thousand crore was of-course not the first of its kind. Earlier India enacted a nationwide farm debt relief programme was in 1989 and the same was for US \$ 3 bn. This debt relief of 1989 was based on outstanding debt and was not based on the landholding criteria. The question that arises from such fiscal instruments is whether the credit waiver does actually benefit farmers or it is just a temporary relief to them and leaves the banks with adverse selection in future. Therefore the post waiver response of farmers and the assessment of the same on banks need a careful scrutiny. Most often, the farmers regular in repayment are excluded from such debt waiver schemes hence the post waiver trends of repayment and a surge in credit demand may leave banks with adverse selection. With this context the study has focused on the comparison between the pre and post debt waiver pattern of farm credit demand and repayment patterns. And with this approach the impact of credit waiver both on banks and the farming economy benefitted by the waiver programme is assessed. It is widely acclaimed that the benefit of such debt relief programmes are substantial. But their merit as an instrument to promote financial inclusion, investment and boost to agricultural productivity remains highly controversial. But in this context, Mayers (1977) while building on theories of debt overhang and risk shifting has argued that the extreme level of household debt distorts investment and production decisions so that the debt waiver holds the promise of productivity improvements. Whereas commenting on the Agricultural and Rural Debt Relief Scheme-1989 (ARDRS-1989) Shailendra and Kartar Singh (1994) observed that the loan waiver schemes are bound to severely hamper the functioning of credit institutions, as they did in Karnataka's co-operatives.

### **III. RESULTS AND DISCUSSION:**

#### **Does the Debt Waivers have its Impact on Crop Yield Levels?**

The basic purpose of the debt waiver was the clearance of unpaid bank debt and restoring back both the farmers and bankers to the credit and financing ability. It is true that the farmers from both the states have brought in some amount of change in their cropping pattern which directly attributed to the debt waivers, but during our group discussions when asked specifically to respond about the productivity improvements, mostly the response was negative. Therefore it was difficult to capture the impact of the scheme on productivity through primary data. Hence to understand the change in productivity as a result of the package, secondary data for over a period of five years covering the immediate pre and post package period for the study districts were used. The productivity trend for the major crops cultivated in all the study districts is shown in the following figures. The trend shows that the package has not resulted in any considerable improvements in productivity of major crops cultivated in the study districts.





**Source:** Commissioner of Agriculture, GoM, Pune and Season and crop Report, AP, Directorate of Economics and Statistics (for years), GoAP.

**Table 1: Post ADWDRS Change in Cropping Pattern Introduced by the Beneficiary Farmers**

Response	Andhra Pradesh				Maharashtra				AP and MH Aggregate			
	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total
YES	23	6	31	60	31	54	9	85	54	60	40	154
per cent	37.1	9.84	49.2	32.2	50.8	60.6	30.0	47.2	43.9	40.0	43.0	42.0
No	39	55	32	126	30	31	20	90	69	86	52	207
per cent	62.9	90.1	50.7	67.7	49.1	34.8	66.6	50.0	56.1	57.3	55.9	56.5
No Response	0	6	9	4	8	3	7	0	0	3	1	6
per cent	0.00	0.00	0.00	0.00	0.00	4.49	3.33	2.78	0.00	2.67	1.08	1.37
Grand Total	62	61	63	186	61	89	30	180	123	150	93	366

**Source:** Field Data

**Note:** AP = Andhra Pradesh and MH = Maharashtra

Aggregate average for the change in cropping pattern after the debt waivers that is reported by the sample beneficiaries for Andhra Pradesh is 32.26 percent and the same for Maharashtra it is 47.22 per cent. The state specific proportion of the sample ADWDRS beneficiary farmers who have not introduced any change in the cropping pattern after they received the ADWDRS benefits is 67.74 per cent in Andhra Pradesh and 50 per cent in the state of Maharashtra respectively. The state specific credit institution wise disaggregated proportion about the change in cropping pattern shows that it was 37.10, 49.21 and 9.98 per cent respectively for the Cooperatives, RRBs. and the Commercial Banks for Andhra Pradesh and the same for Maharashtra it was 50.82, 30 and 60.67 per cent. To sum up, it emerges that the overall proportion of the sample farmers of the ADWDRS beneficiaries from both the states of Andhra Pradesh and Maharashtra who have introduced some change in their cropping pattern after they received the debt waiver benefits is about 42.08 per cent.

### **Borrowing and Repayment Related Aspects:**

This section of the analysis attempts to evaluate the impacts of the ADWDRS both on the beneficiary farmers' households and the banks / lending institutions. Broadly the analysis is based on the field investigation which is obtained from the ADWDRS beneficiary group vis-à-vis; the non beneficiary control group farmers from the two states of Andhra Pradesh and Maharashtra. Particularly the data is related to the number of times of borrowing by these farmers, reason wise details of the borrowings and the pattern of repayment and overdue, source wise borrowing, repayment and overdue, the use of credit money which farmers could save due to the ADWDRS, total amounts of borrowing, repayment and debt waiver and the opinion of both the group of farmers about demoralization on account of the schemes like the ADWDRS. The evaluation of all this information gathered from the field study has helped in bringing out the impacts of the package on the financial institutions. Particularly the information about the multi time borrowing, source wise details, repayments and over dues and the purpose wise borrowing, repayments and over dues have been helpful in assessing the short as well as long term impacts of the ADWDRS on the banks. The proportion of over dues by all sources and purposes of borrowing shows that the debt waiver has helped in changing the repayment behaviour of the farmers and thereby the pattern of the over dues and the NPAs. Most of the ADWDRS beneficiary farmers across all four districts from both the states have their post ADWDRS loans pending or unpaid.

**Table 2: Post ADWDRS Borrowing by Beneficiary Households**

Yes/No	AP				MH				Total			
	Coop	CBs	RRBs	Total	Coop	CBs	RRBs	Total	Coop	CBs	RRBs	Total
Yes	56	32	59	147	52	86	30	168	108	118	89	315
Per Cent	90.32	52.46	93.65	79.03	85.25	96.63	100.00	93.33	87.80	78.67	95.70	86.07
No	6	29	4	39	9	3	0	12	15	32	4	51
Per Cent	9.68	47.54	6.35	20.97	14.75	3.37	0.00	6.67	12.20	21.33	4.30	13.93
Grand Total	62	61	63	186	61	89	30	180	123	150	93	366
Per Cent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

**Source:** Field Data

**Note:** AP = Andhra Pradesh and MH = Maharashtra

**Table 2 (A): Post ADWDRS Borrowing by Control Households**

Yes/No	AP	MH	Total
Yes	15	17	32
Per Cent	83.33	100.00	91.43
No	3		3
Per Cent	16.67	0.00	8.57
Grand Total	18	17	35
Per Cent	100.00	100.00	100.00

*Source: Field Data**Note: AP = Andhra Pradesh and MH = Maharashtra*

Despite the pendency of the earlier credit, most of the times the farmers have to go for re-borrowing for their agricultural operations. The main reason for this is that the farmers continuously need credit assistance for their subsequent agricultural operations. Therefore even during the post package period we find that most of the farmers have resorted to re-borrowing from the available sources. Hence the post ADWDRS continuation of borrowing is observed both by the sample ADWDRS beneficiary and the non-beneficiary control group farmers from the states of Andhra Pradesh and Maharashtra. In all 86.07 per cent that means 315 of the sample beneficiary farmers have resorted to post ADWDRS borrowing from various sources available to them whereas; the proportion of borrowing during this period by the control group farmers stands at 91.43 per cent.

**Table 3: Household wise Details of the Number of times of Borrowing by the Sample ADWDRS Beneficiaries**

No. of Borrowings	AP				MH				AP and MH Aggregate			
	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total
1	25	23	32	80	21	39	8	68	46	62	40	148
per cent	44.64	71.88	54.24	54.42	40.38	45.35	26.67	40.48	42.59	52.54	44.94	46.98
2	16	8	15	39	17	15	8	40	33	23	23	79
per cent	28.57	25.00	25.42	26.53	32.69	17.44	26.67	23.81	30.56	19.49	25.84	25.08
3	7	1	11	19	8	13	5	26	15	14	16	45
per cent	12.50	3.13	18.64	12.93	15.38	15.12	16.67	15.48	13.89	11.86	17.98	14.29
4	2		1	3	1	6	4	11	3	6	5	14
per cent	3.57	0.00	1.69	2.04	1.92	6.98	13.33	6.55	2.78	5.08	5.62	4.44
5					2	5	1	8	2	5	1	8
per cent	0.00	0.00	0.00	0.00	3.85	5.81	3.33	4.76	1.85	4.24	1.12	2.54
6					2	4	3	9	2	4	3	9
per cent	0.00	0.00	0.00	0.00	3.85	4.65	10.00	5.36	1.85	3.39	3.37	2.86
7					1	1	1	3	1	1	1	3
per cent	0.00	0.00	0.00	0.00	1.92	1.16	3.33	1.79	0.93	0.85	1.12	0.95
8						2		2	0	2	0	2
per cent	0.00	0.00	0.00	0.00	0.00	2.33	0.00	1.19	0.00	1.69	0.00	0.63
9	6			6		1		1	6	1	0	7
per cent	10.71	0.00	0.00	4.08	0.00	1.16	0.00	0.60	5.56	0.85	0.00	2.22
Grand Total	56	32	59	147	52	86	30	168	108	118	89	315
Total per cent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source: Field Data Note: AP = Andhra Pradesh and MH = Maharashtra*

**Table 3 (A): Household wise Details of the Number of times of Borrowing by the Control Group Farmers**

Number of Borrowings	AP	MH	Grand Total
1	5	2	7
per cent	33.33	11.76	21.88
2	6	9	15
per cent	40.00	52.94	46.88
3	4	3	7
per cent	26.67	17.65	21.88
4		2	2
per cent	0.00	11.76	6.25
7		1	1
per cent	0.00	5.88	3.13
Grand Total	15	17	32
per cent	100.00	100.00	100.00

*Source: Field Data**Note: AP = Andhra Pradesh and MH = Maharashtra*

The maximum frequency of borrowing by both these groups of farmers from both the states is observed to be of nine times. Looking at the lending institution wise disaggregation of the proportion of the farmers and the frequency of their borrowing it emerges that in all 54.24 per cent of the farmers from Andhra Pradesh have borrowed for one time, 26.53 per cent for two times, 12.93 per cent for three times and 4.08 per cent of the farmers have borrowed for nine times during their profession as the cultivator. Similar kind of picture emerges for the ADWDRS farmers from Maharashtra. The proportion of the borrowers and the frequency of the borrowing is observed as; 40.48 per cent of the farmers have borrowed for one time, 23.81 per cent for two times, 15.48 per cent for three times and 6.54 per cent of the farmers have borrowed for four times as cultivators. Overall combine picture for both the states emerges as; 46.98 per cent (once), 25.08 per cent (twice), 14.29 per cent (thrice), 4.44 per cent (four times), 2.54 per cent (five times), 2.86 per cent (six times) and 2.22 per cent of them happened to be the borrowers for nine times. The proportion of the control group farmers from both the states of Andhra Pradesh and Maharashtra also shows that they have also borrowed for more than once during their life as farmers. The maximum times of borrowing by the control group farmers from Andhra Pradesh is three and for their counterparts from Maharashtra it is four.

**Table 4: Pre and Post ADWDRS Reason wise Details of Borrowing and Repayments**

Purpose of Borrowing	Amount		Per Cent	Amount		Per Cent
	Loan	Repayment	Repayment	Overdue	Overdue	Overdue
<b>Pre ADWDRS</b>						
Agriculture	2211000	641400	29.01	1195000		54.05
Irrigation	86000	2081000	2419.77	1108000		1288.37
Education	900000	594000	66.66	400000		44.44
Consumption/Health	150000	0	0.00	150000		100.00
Housing	590000	800000	135.59	1250000		211.86
No Response	40000	30900	77.25	20000		50.00
<b>Total</b>	<b>3977000</b>	<b>3553300</b>	<b>89.35</b>	<b>4123000</b>		<b>103.67</b>
<b>Post ADWDRS</b>						
Agriculture	9191000	2355013	25.62	17156820		186.67
Irrigation	550000	1219000	221.64	1935000		351.82
Education	3035000	147200	4.85	2652700		87.40
Consumption/Health	2764000	487000	17.62	4152800		150.25
Housing	6580000	688000	10.46	6371000		96.82
No Response	105000	111500	106.19	75000		71.43
<b>Total</b>	<b>22225000</b>	<b>5007713</b>	<b>22.53</b>	<b>32343320</b>		<b>145.53</b>

*Source: Field Data Note: See also Annexure Table 01 for average household details.*

The inferences based on primary data in the above table (4) reveals the case of moral hazard / adverse selection for the banks / lending institutions. Comparing the total amount of pre ADWDRS loans borrowed and repaid with the corresponding proportions of the same during post ADWDRS period it is clear that the proportion of repayment of agricultural loans has declined from 29.01 per cent (which already was unsatisfactory) to 22.53 per cent whereas; the proportion of overdue has shot up from the earlier 54.05 per cent to 186.67 per cent. The overall (all purpose credit) credit performance between pre and post ADWDRS shows that the overdues have increased from 103.67 to 145.53 per cent. This is when the amount of overdue is compared to the principal amount of borrowing. As the over dues have been pending for over a long period the 'overdue-principle' ratio becomes greater than 100 per cent. It is mainly because of the accumulation of long pending interest amounts.

**Table 5: Source-wise Pre and post ADWDRS Comparison of Loan Account Performance**

Source of Borrowing	Amount		Per Cent	Amount	Per Cent
	Loan	Repayment	Repayment	Overdue	Overdue
<b>Pre ADWDRS</b>					
RRB	472300	739700	156.62	935300	198.03
Commercial Bank	642000	3012000	469.16	2115000	329.44
Pvt. Persons	2120000	95000	4.48	840000	39.62
<b>Total</b>	<b>3234300</b>	<b>3846700</b>	<b>118.93</b>	<b>3890300</b>	<b>120.28</b>
<b>Post ADWDRS</b>					
RRB	1270000	840123	66.15	3827000	301.34
Nationalized Bank	3160000	3402430	107.67	14059000	444.91
Pvt. Persons	14023000	1469200	10.48	13177300	93.97
SHG	470000	10000	2.13	480000	102.13
<b>Total</b>	<b>18923000</b>	<b>5721753</b>	<b>30.24</b>	<b>31543300</b>	<b>166.69</b>

*Source: Field Data*

*Note: See also Annexure Table 02 for average household details.*

The striking character of the comparison of pre and post ADWDRS source wise credit, its repayment and its overdue emerges as a significant indicator of moral hazard / adverse selection for the banks and lending institutions. The overall performance of repayment appears declined by almost four times, whereas; the proportion of overdue shows an exponential rise of more than 40 per cent. The available primary data for both the institutional and non-institutional sources indicate that no lending institution has an exception of better recovery performance during both the periods of pre and post ADWDRS. But the post ADWDRS picture indicates a worsened situation. This means that the debt waiver could not bring any better recovery performance for the lending institution. During the post ADWDRS period the SHGs have got added to the earlier sources of lending but the recovery rates remains confined at a drastic low rate of 2.13 per cent and the overdues exceed 100 per cent.

**Table 6: Pre and Post ADWDRS Comparative Picture of Credit Access**

Particulars	Amount		Per Cent
	Pre ADWDRS	Post ADWDRS	Proportion of change
No. of Loan Accounts/Cases	133	613	460.90
Total amount of Loan	3234300	18923000	585.07
Average Amount of Loan per Account	24318	30869	126.94

*Source: Field Data*

An attempt based on the field data of assessing the comparative change between the pre and post package credit access for farmers through change in the number of loan accounts, total amounts of loans borrowed and the average amount of loans per account borrowed indicated that during the post package period farmers have greater access to credit for farmers. The number of loan accounts of the same farm households of two states has increased by more than four times and the total borrowings by about six times (585.07 per cent). The average amount of loan per account indicates an increase of about 126 per cent.

**Table 7: Details of Credit Waiver Received by the ADWDRS Beneficiaries**

Details	AP				MH				Total			
	Co-Op	CBs	RRBs	Total	Co-Op	CBs	RRBs	Total	Co-Op	CBs	RRBs	Total
1 Original Loan	1889	1355	1595	4841	1254	6851	385	8492	3144	8207	1981	1333
2 Repayment	802	530	707	2039	701	947	800	2448	503	477	507	3487
As Per Cent of (1)	2369	9800	6766	4026	3388	1186	679	1288	2708	1284	1355	1690
	72	0	9	41	0	519	00	299	52	519	69	940
	12.5	7.23	4.24	8.32	2.70	17.3	17.6	15.1	8.61	15.6	6.84	12.68
3 Amount Waived	2647	1423	1970	6041	1512	4718	352	6583	4160	6142	2322	1262
As Per Cent of (1)	375	975	510	860	758	850	000	608	133	825	510	5468
	140.	105.	123.	124.	120.	68.8	91.2	77.5	132.	74.8	117.	94.69
	09	05	49	81	57	7	4	2	30	4	21	

*Source: Field Data***Note:**

1. AP = Andhra Pradesh and MH = Maharashtra
2. See also Annexure Table 03 for average household details.

In most of the cases, pre ADWDRS borrowing had accumulated with the unpaid interest amounts. Therefore in such cases the waiver amount stands as greater than the original principal that was borrowed by these farmers. The combine waiver principal ratio for both the states' sample households stands at 94.69 per cent with an average per household amount waived for Rs. 34495.81.

### Can Crop Insurance be an Alternative to Debt Waivers?

Agricultural activity is subject to several sources of risk; risk of not realizing the expected yield, risk of not realizing the expected price, risk of not realizing the expected quality of output, risk of deterioration in the output in the stages of storage and transportation, input risks of various types etc. Crop Insurance is a mechanism to mitigate only the first of these risks, the risk of not realizing the expected yield. Other sources of risk can be mitigated by other instruments e.g. MSP for price risk. Of course there are some risks for which there may be no feasible risk transfer mechanism, so that the risks have to be self insured by farmers.

The combined effect of the three characteristics of Indian agriculture and of the various risks, leads to a situation, in which an economic activity with the highest risk is being carried out by a large number of poor farmers, whose risk-bearing capacity is the lowest. The large scale misallocation of risk that this represents has necessitated the introduction of crop insurance as a risk mitigation tool for governments, both central and state, playing the role of residual risk-bearers.

**Table 8: Crop Insurance Awareness of Beneficiary Farmers**

Insurance	Andhra Pradesh				Maharashtra				AP and MH Aggregate			
	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total	Coop	CBs	RRB	Total
Yes	38	16	12	66	6	12	11	29	44	28	23	95
per cent	61.29	26.23	19.05	35.48	9.84	13.48	36.67	16.11	35.77	18.67	24.73	25.96
No	24	45	51	120	55	77	19	151	79	122	70	262
per cent	38.71	73.77	80.95	64.52	90.16	86.52	63.33	83.89	64.23	81.33	75.27	71.58
Grand Total	62	61	63	186	61	89	30	180	123	150	93	366
per cent	100	100	100	100	100	100	100	100	100	100	100	97.54

**Source:** Field Data **Note:** AP = Andhra Pradesh and MH = Maharashtra

Indicator of the development of agricultural insurance in a country is its penetration. The crop insurance in India has achieved a penetration of about 25 per cent. Approximately it covers 22.5 million Indian farmers. This figure is impressive considering that the NAIS having been launched in 1983. It has just completed three decades of its existence. Of the 22.5 million crop insured farmers, about five million of them are loanee and of these about 2.5 million are insured (Parchure, 2013). The remaining farmers can easily be covered provided the funds that are periodically spent on agricultural debt waiver are routed through India's crop insurance mechanism. By doing this not only the debt waiver funds will be uniformly spent among all farmers but such disbursement will enhance creditworthiness of farmers and will also help to enhance the flow of organized credit to agriculture (Parchure, 2013). Looking at the combined proportion of both the states of Andhra Pradesh and Maharashtra related to the awareness of agricultural insurance among the sample AWDRS farmers, it shows that the same is closer to the National average (25.69 per cent). But looking at the state wise average of the same; for Andhra Pradesh it is 34.31 per cent which is ahead of the National average and for Maharashtra being 16.75 per cent is lower than the national average.

### **Unique Features of India's Crop Insurance Programme:**

As compared to the Rest of the world, India is the only country to have a different type of Crop insurance program. This is primarily due to the fact that the crop insurance program has two unique features that are usually not discovered in the crop insurance programs of other countries in the world. These unique features include the credit-insurance linkage on the one hand and element of compulsion in the insurance cover for loanee farmers on another hand. These two features are quintessential designing aspects of crop insurance system for the country. The presence of segregated land holdings geographically in varying units spread throughout the country which is one of the characteristics of India's agricultural economy results in yielding lower levels of output per unit of output (Parchure, 2013). This very reason discourages the insurer to approach the small farmers to revitalize their business, collect premiums, collect claim reports, conduct individual loss survey assessments and pay individual claims. The costs of doing such an activity would be prohibitive. The essence of the insuring company is that timely premiums are paid by the concerned individuals. Here lies the basic problem that has grasped the neck of farming community in India for year's together .i.e. the poverty of the farming community and the immediate need for cash in hand at the commencement of the cropping season has led many farmers to fall in debt and it is obvious that under such type of situation they would not willingly to pay the required premiums. Hence, fulfilling the standard rules and regulations of insurance companies would not be possible for poor farming community but will be beneficial for large farmers of whose holdings are large ones. This problem has been widely addressed to and the solution is made available in the Crop insurance system of India. The main feature of this system is that it utilizes the homogenous area-yield approach and necessitates the payment of insurance premium and the indemnities through the crop loan account has significantly brought down the transaction and administration costs of selling the insurance scheme and claims that accrue from it. This system on account of the above mentioned unique features helps to administer things smoothly. Another advantage of this system is that it helps to direct the financial flow of a government scheme to the desired individual only in case of claims by farmers. Hence, the desired individuals get the benefit and no one else can make misuse of these financial flows. Crop insurance scheme of India received Big Push when the banks assured their role in running the scheme concurrently (Parchure, 2013).

### **Element of Compulsion Necessary:**

Going by the insurance principle the, element of compulsion in the agricultural insurance was bound to come under the scanner of courts. However, the arguments from the point of view of development economics go in the opposite direction. The problems of farmers' fluctuating incomes leading to insecurity among them and food security problem which are inherent features of Indian agriculture are widely known. This problem persists not only for the farmers who are loanee but is also applicable to the non-loanee farmers as well. In case of loanee farmers, the risks faced by the farmers have ripple effects on the solvency of loan portfolios of lenders. In the case of non- loanee farmers the risks have to be absorbed by the farmers themselves when they are in fact unable to bear them. Considering this it may be desirable to amend the IRDA Act and related legislation to make agricultural insurance compulsory for all farmers having holding below (say five hectares of land) a certain minimum area of land. This will greatly



facilitate the task of extending a larger credit flow towards the agricultural sector which will also benefit the small farmers (Parchure, 2013).

This concept of compulsory nature of insurance should not only be restricted to the crops but rather than that it needs to be extended to livestock and horticultural crops as well so as to protect farmers' incomes, ensure food security and facilitate the extension of credit for these activities as well. Hence, the facet of crop insurance scheme should take a peripheral approach on other related sectors also. Augmentation of credit flow for the cultivators is conditional upon the extension of agricultural insurance.

### Performance of NAIS:

Since the implementation of National Agricultural Insurance Scheme (NAIS) in 1999 both the coverage of the scheme throughout India and benefits that the farmers received of crop insurance had risen multifold. This is a positive sign of the growth of both the Indian agriculture and the crop insurance in the recent past.

**Table 9: State wise Penetration of NAIS, 2015**

S. N.	State/UT	(000) Farmers Insured	(000/Ha) Area Insured	Sum Insured	Premium	Subsidy	Claims	(000) Farmers Benefited
1	Maharashtra	39190	32619.85	27084.63	1192.54	315.06	2919.74	10790
2	Madhya Pradesh	32332	78058.92	58205.85	1678.16	48.44	4234.32	6459
3	Andhra Pradesh	29952	45583.16	62181.36	1768.16	157.37	4649.11	6730
4	Uttar Pradesh	23426	31070.39	33537.82	684.82	52.19	1169.38	4518
5	Orissa	17313	17018.22	27259.92	684.03	71.63	1830.31	3047
6	Rajasthan	15059	31379.98	16203.09	457.54	7.38	2621.66	5201
7	Gujarat	14870	33886.59	444953.82	1788.61	160.52	6503.47	5946
8	Karnataka	13150	20872.42	16418.6	483.98	24.01	1949.4	5223
9	West Bengal	12364	6223.12	14179.98	595.47	256.49	1122.41	2742
10	Chhattisgarh	10425	20991.14	11511.43	2944.44	19.46	398.57	1706
11	Tamil Nadu	6556	8495.8	18461.54	474.76	233.78	2937.17	2633
12	Jharkhand	6277	3767.77	3401.53	844.35	4.51	522.99	2183
13	Bihar	6037	7377.7	11904.02	303.83	27.1	2306.15	2431
14	Haryana	636	769.04	834.96	24.14	0.68	43.36	129
15	Kerala	461	414.74	871.66	18.82	2.52	30.63	85
16	Uttarakhand	399	372.51	870.98	19.78	1.79	41.88	119
17	Assam	396	291.13	807.21	22.54	2.34	16.53	65
18	Himachal Pradesh	321	248.84	543.77	11.71	5.45	17.83	108
19	Jammu & Kashmir	49	68.99	109.02	2.14	0.16	1.23	4
20	Pondicherry	40	56.63	103.63	2	0.68	3.15	7
21	Meghalaya	34	34.44	65.53	2.94	0.4	0.52	3
22	Manipur	26	37.22	94.02	2.33	0.16	7.71	19
23	Tripura	19	12.64	29.08	0.81	0.09	0.58	3
24	Goa	8	13.44	3.18	0.06	0.01	0.02	1
25	A&N Islands	4	5.77	16.66	0.44	0.4	1.15	1
26	Sikkim	2	1.32	2.45	0.04	0.01	0.01	0
27	Telangana	2	3	11.26	0.31	0.02	0	0
28	Mizoram	0	0.13	0.23	0.01	0	0.11	0
Total		229348	339674.90	749667.23	14008.76	1392.65	33329.35	60153

**Source:** Archana Singh (2016), *Agricultural Insurance in India*, National Insurance Academy (NIA), Pune.

**Table 10: State wise Proportion of Penetration of NAIS, 2015**

S.N.	State/UT	Farmers Insured	Per Cent	
			Claims	Farmers Benefited
1	Maharashtra	17.09	8.76	17.94
2	Madhya Pradesh	14.10	12.70	10.74
3	Andhra Pradesh	13.06	13.95	11.19
4	Uttar Pradesh	10.21	3.51	7.51
5	Orissa	7.55	5.49	5.07
6	Rajasthan	6.57	7.87	8.65
7	Gujarat	6.48	19.51	9.88
8	Karnataka	5.73	5.85	8.68
9	West Bengal	5.39	3.37	4.56
10	Chhattisgarh	4.55	1.20	2.84
11	Tamil Nadu	2.86	8.81	4.38
12	Jharkhand	2.74	1.57	3.63
13	Bihar	2.63	6.92	4.04
14	Haryana	0.28	0.13	0.21
15	Kerala	0.20	0.09	0.14
16	Uttarakhand	0.17	0.13	0.20
17	Assam	0.17	0.05	0.11
18	Himachal Pradesh	0.14	0.05	0.18
19	Jammu & Kashmir	0.02	0.00	0.01
20	Pondicherry	0.02	0.01	0.01
21	Meghalaya	0.01	0.00	0.00
22	Manipur	0.01	0.02	0.03
23	Tripura	0.01	0.00	0.00
24	Goa	0.0035	0.0001	0.0017
25	A&N Islands	0.0017	0.0035	0.0017
26	Sikkim	0.0009	0.00003	0.00
27	Telangana	0.0009	0.00	0.00
28	Mizoram	0.00	0.0003	0.00
Total		100.00	100.00	100.00

**Computed from Table 09**

Coverage of the agricultural insurance which began with 17 states/UTs, 9.0 million farmers and 13.24 million hectares in 1999 has by 2016-17 increased to 28 states/UT's, 22.93 crore farmers and more than 33.90 crore hectares for *kharif* and *rabi* (GFDRR, 2011). As per Financial status there has been a growth in the sum insured from Rs. 7,260 crores to Rs. 2, 29, 348 crores and premium collections from Rs. 212 crores to Rs. 14008.73 crores (inclusive of the share of farmers, states and central Government). Claims payments have of course varied depending upon the production losses in different years (Singh, 2016 / Table 09 & 10). The cumulative figures for claim payments, premiums and sums insured for the period of 10 years gives a good idea of the observed claims cost and claims ratios.

**Table 11: Financial Highlights of NAIS, 2000-2010**

S. N.	Indicators	2010*		2015 <sup>#</sup>
		Kharif	Rabi	
1	Claims (Cr.)	17190.96	4984.67	33329.35
2	Premium (Cr.)	5074.12	1517.36	14008.76
3	Sum Insured (Cr.)	157397.34	63862.92	7449667.23
4	Subsidy (Claims – Premiums) (Cr.)	12116.84	3467.31	1392.35
5	Subsidy per annum (Cr.)	1211.68	346.73	1392.35
6	Claims Ratio (Claims/Premium) (per cent)	338.8	328.51	2.37
7	Claim Cost (Claims/Sum Insured) (per cent)	10.92	7.8	0.04
8	Subsidy/Sum Insured (per cent)	7.69	5.44	.0001
9	Farmers' Share/Sum Insured (per cent)	3.23	2.36	5.59 <sup>s</sup>

**Source:** \*Parchure Rajas (2013), *Strategies for Increasing Agricultural Insurance Penetration in India*, Working Paper, Gokhale Institute of Politics and Economics, Pune and \*Calculations based on Archana Singh (2016), *Agricultural Insurance in India*, National Insurance Academy (NIA), Pune.

**Note:** The average per annum (Kharif+Rabi) subsidy is Rs. 1558.41 crores (Row Five). The claim cost (Kharif+Rabi) is 10.92 per cent (Row Seven). \$ Farmers' share for 2015 is combine of Kharif+Rabi ( $3.23\%+2.36\%=5.59\%$  = Rs. 41906.38 crore) at 5.59 per cent of the sum insured.

#### **Extending Credit and Insurance to Non-loanee Farmers:**

In India there are approximately 70 million non-loanee farmers and there is a need to bring similar proportion of farmers under the banner both of organized agricultural credit and agricultural insurance. Present scenario is very different from the proposed scenario. As of now approximately two million of the 70 million non-loanee farmers avail of insurance benefits which mean a penetration of hardly three per cent that is a serious bottleneck in Indian agriculture. These problems persist due to the lack of affordability, lack of awareness and uncertainty about the benefits of insurance. Hence the buying of insurance in this large segment of Indian agriculture has remained extremely low. Also being non-loanee farmers they are subject to the forced risk of having to borrow money from unorganized rather than organized sector and that too at higher costs leading to their exploitation. This lack of access of non-loanee farmers to organized credit implies also to the fact that they also have lack of access to better inputs, technologies, knowhow and the like. Therefore, non-loanee farmers are at a comparative loss as compared to the loanee farmers (Parchure, 2013).

The solution to this scenario it seems lies in a strategy where there is joint penetration of agricultural credit and agricultural insurance as complementary to one another. Both should go hand in hand. The primary mechanism that needs to be put into operation to achieve this would be to activate the large network of 1, 30,000 Primary Agricultural Co-operative Societies (PACS) and a network of over 1, 00,000 Common Service Centres (CSCs) in the country to; Identify non-loanee farmers, To conduct financial literacy programs among groups of non-loanee farmers and To explain to farmers the benefits of agricultural credit, agricultural insurance and the state support that these activities enjoy. Consequently, on similar grounds there is a need to train secondary level agricultural extension programme officers to create awareness among the non-loanee farmers about the benefits of agricultural credit and insurance as necessary preconditions for adopting better agricultural technologies that may lead to higher output from the agricultural sector.

Incidentally, it is observed that there has been a marked tendency on the part of groups of farmers, particularly non-loanee farmers, to seek insurance much after the cut-off dates for payment of premiums. This holds true for both the Weather Based Crop Insurance (WBCI) schemes as well as National Agricultural Insurance Scheme (NAIS). It has been a habit of the implementing States to approach the Government of India (GoI) to extend the cut-off dates for participation of non-loanee farmers. This goes against the utility value and universal principles of insurance. This adverse selection strategy adopted by States and farmers' groups has resulted in greater claims cost ratios. This is a cause of concern that must be specially taken into consideration both by the Government of India (GoI) and the Banks. It should be specifically emphasized that late entry into agricultural insurance is permissible if and only if farmers pay successively larger differential premiums, and participate within a reasonable time after sowing given the rules and regulations. The schedules of differential premia for both the weather based insurance and NAIS are available with the AICI as part of their actuarial rating exercises and should be made available to banks with strict guidelines for implementation. Another step that can be taken to minimize the risk of high claim ratios arising out of adverse selection is to promote multiple

season/year insurance contracts wherein farmers are encouraged to buy insurance for a couple of seasons/years, in advance. This will also help in discounting the premiums to some extent on one hand and giving relief to the farmers on the other hand.

#### **Debt Waiver v/s Crop Insurance:**

Now let's consider the relative merits of a credit linked crop insurance system such as the one operating in India over the policy of debt waivers. A debt waiver may be referred to as a completely arbitrary political gift of money that is given to loanee farmers. Primarily, the scheme of Debt Waivers leads to the creation of such conditions that leads to adverse selection and moral hazards when it comes to the utilization of scarce government resources both among farmers and populist politicians. Secondly, the schemes like debt waivers thrashes out all the hard work done by the banks and insurance agencies in lending and recovering the loans.

Debt Waiver Scheme when compared to the indemnities paid out through crop insurances is expensive in nature. For a glimpse of the magnitudes, consider this. The annual subsidy both on central and state government accounts at 50 per cent coverage of loanee farmer works out to Rs. 1558 crores. If crop insurance is up scaled to all loanee farmers this figure will double to Rs. 3116 crores. Over a period of a decade (which is roughly the periodicity of debt waivers in the past) the total subsidy works out Rs. 31160 crores which is less than half of Rs. 70,000 crore that the debt waiver doled out in 2008 budget on central government account alone! (Parchure, 2013)

Even if all non-loanee farmers are covered then the annual subsidy both on the central and state governments would be Rs. 7790 crores which over the course of a decade will stand at Rs. 77900 crores distributed over 120 million loanee and non-loanee farmers. In terms of political economy this makes much more sense than doling out Rs. 70,000 crores to 25 million loanee farmers on central government account alone (Parchure, 2013). Even if the sum insured is increased to cover input cost plus subsistence the annual subsidy on both central and state government accounts will not exceed Rs. 13,350 crores.

#### **Role of the State in Agricultural Insurance: A Redefinition of its Scope:**

This point about state intervention in agricultural risk management needs generalization, amplification and refinement. Parallel to the central government besides the irrigation and electricity tariff waivers the state governments also in past have shown a tendency to declare debt relief packages from time to time (approximately once in six years) as per the need of the situation (Parchure, 2013). The funds that are released by the state governments under such waiver packages will be utilized much more efficiently if the same are channeled through the crop insurance system in terms of (a) reaching exactly to those areas/farmers that have faced the greatest adversities and (b) reaching to them intact without any leakages.

#### **IV. CONCLUSIONS:**

The present paper mainly aimed the review and the evaluation of the ADWDRS-2008 under which the Government of India waived the accumulated farm debt for Rs. 60,000 crore covering over 36 million cultivators. The basic objective of the study being to evaluate the immediate pre and post farm credit demand and supply pattern and the overall impact of the ADWDRS on the beneficiary farmers, lending institutions and the fiscal state of the funding agency i.e. the central government the primary data from the ADWDRS beneficiary and the control group farmers from four districts of Andhra Pradesh and Maharashtra were obtained. The striking findings about the borrowing and the repayment behavior

of the concerned farmers' households brought out that most of the farmers have been borrowing for various purposes and from all the available sources at their disposal. About the repayment, most of the proportions of credit borrowed for almost all purposes have shown unpaid debt accumulation. This certainly will have the negative impact on the financial health of the lending institutions in the long run. About the insurance related behavior of these farmers the data were obtained on the Crop, General and the Life Insurance categories. The pattern of buying of Insurance across all categories of Insurance has shown that the Insurance penetration among all these farmers happened to be less than the national average of the country. Both the study and control group farmers from Andhra Pradesh are not much interested in insurance subscription. But the proportion of both the groups of farmers i.e. the ADWDRS beneficiary and non- ADWDRS control group willing to subscribe to the insurance is observed to be substantially high in Maharashtra. This is indicative that the farmers of Maharashtra are aware of the advantages of insurance and therefore the government needs to be more proactive and outreaching in this regard or even can make the crop insurance popular and compulsory. This can be either through whole or part premium payment instead of arbitrary policies like the ADWDRS-2008. This will lead to multiplying of the benefits such as, avoidance of the negative opinion of public about the debt waiver, avoidance of adverse selection, inclusion of both the loanees and non-loanee in the fiscal transfers and the optimal and equal fiscal benefits to all.

Some ADWDRS farmers despite being beneficiaries of the ADWDRS-2008 were not insistent on the continuation of the programme; instead they expected the policies helping their self-reliance. In such a context the policies like the compulsory or state sponsored insurance or the capital formation and investment policies strengthening the agricultural economy will be more useful and strength building in nature. The crop categories for which the sample ADWDRS farmers of both the states have insured are Cereals and Oil seeds and Cotton in Andhra Pradesh and Oil seeds, Horticulture and Pulses in Maharashtra. Post 2005 borrowing by the farmers from both the states and of both the categories (i.e. the sample ADWDRS-2008 beneficiaries and control group) of farmers shows that 93.65 per cent of the sample ADWDRS-2008 beneficiaries from Andhra Pradesh have borrowed from different sources whereas; the proportion for the same for Maharashtra is 100 per cent. About the control group the same happened to be of the order of 83.33 per cent and 100 per cent respectively. The striking fact that has emerged from the field level data is that most of the loans borrowed for all the purposes and from all available sources are pending which shows a greater proportion of overdue. This is the major factor of concern for lending institutions and needs to be considered as a strong negative impact of the ADWDRS on the banks / financial institutions.

Despite the pendency of earlier credit, most of the times, the farmers have been re-borrowing for their agricultural operations. The maximum frequency of borrowing by both these groups from both the states is observed to be of nine times. Lending institution wise disaggregation of the proportion of the ADWDRS farmers and the number of times of their borrowing show that in all 54.24 per cent of the farmers from Andhra Pradesh have borrowed for once, 26.53 for two times, 12.93 for three times and 4.08 per cent have borrowed for nine times during their profession as the cultivator. For Maharashtra the same is observed as; 40.48 per cent for once, 23.81 for two times, 15.48 for three times and 6.54 per cent have borrowed for four times respectively. Overall average for both the states emerges as; 46.98 (once), 25.08 (twice), 14.29 (thrice), 4.44 (four times), 2.54 (five times), 2.86 (six times) and 2.22 per cent (nine times) respectively.

Comparison of pre and post ADWDRS situation about the purpose and source-wise borrowing and the proportion of repayment and overdue indicates post ADWDRS decline in the proportion of repayment and increase in overdue. This clearly indicates the case of moral hazard / adverse selection.

But when looked at the change in credit access to farmers through the pre and post ADWDRS comparison of the number of credit accounts, total amount of credit and the average amount of credit per account the inferences elucidate that there has been a substantial growth in all these indicators which clearly shows that the post ADWDRS access of credit to farmers has grown. The proportion of pendency exceeds the proportion of repayment and thereby the pendency-principal ratio becomes greater than the repayment-principal ratio for both the states' ADWDRS beneficiary farmers. The purpose of ADWDRS was to clear the NPAs of the banks and restore the farmers' credit accounts with the future credit ability and the credit paying capacity (monetization) of the banks. When the farm debt accounts were cleared and the money they were supposed to pay to the banks was saved, in such cases the farmers have used the saved amount of money in purchasing of livestock such as the milching cows, a pair of bullocks or the small animals like sheep and goats. But the proportion of such farmers from Maharashtra is almost negligible (1.1 per cent) the same from AP is observed to be of higher. The programmes like the ADWDRS-2008 or the ARDWS-1989 exclude by default the regular debt repaying farmers and leave credit institutions with the option of adverse selection. This is bound to demoralize both the lenders and the borrowers. The (demoralized) regular repaying farmers cannot be in favor of introducing such programmes like the ADWDRS. Even some beneficiary farmers are not in favor of such debt waivers. There are farmers who feel demoralized and do not want a recurrence of such schemes in future. Instead they expect agricultural development policies. In conclusion this means that the government, instead of spending money in popular programmes like the ARDWS-1989 or ADWDRS-2008 can use the same money either for capital formation in agriculture, agricultural investments or for part or full payments of crop insurance.

The main conclusions therefore are; one; that the programmes like debt waiver being completely an arbitrary political gift of money to loanee farmers create conditions for moral hazards in the utilization of scarce government resources, it undermines at stroke all the hard work done both by the lending and insurance agencies in disbursing and recovering the loans. There is a relative merit in the credit linked Crop Insurance system such as the one operating in India over the policy of debt waiver. In fact the debt waivers are costlier not only than indemnities paid out through Crop Insurance, but the indemnities and subsidies together stand less than the debt waivers such as the ADWDRS-2008 (see also Table 9), and two; looking at the Compulsion of the crop insurance at the national level the element of compulsion in agricultural insurance has come under the scanner of the courts and the law because going by the established legal principles it is viewed unfavorably. The economic argument would suggest otherwise. The problems like food security and the farmers' income security are nationwide. This applies to both the loanee and non-loanee farmers. In case of the loanee farmers, the risk faced by them has ripple effects on the solvency of loan portfolio of lenders. In case of non-loanee farmers the risks have to be absorbed by the farmers themselves when they are in fact unable to bear them. Considering this it may be desirable to amend the IRDA Act and to make Agricultural Insurance compulsory for all farmers having the size of holding below say five hectares of land. This will greatly facilitate the task of extending larger credit flow towards agricultural sector.

#### **References:**

- 1) Archana Singh (2016, Agricultural Insurance in India, National Insurance Academy (NIA), Pune.
- 2) Ashok Gulati (1028), From Plate to Plough: Why Farmers Agitate?, Indian Express, 25.06.2018
- 3) Feibelman A. (2009), Consumer Bankruptcy as Development Policy, Seton Hall Law Review, Forthcoming.

- 4) Martin Kanz (2011), What does Debt Relief do for Development (Evidence from a Large-Scale Policy Experiment), The World Bank, Oct. 22. 2011.
- 5) Mayers, S.C. (1977), Determinants of Corporate Borrowing, Journal of Financial Economics, 5, 147-175.
- 6) Parchure Rajas (2013), Strategies for Increasing Agricultural Insurance Penetration in India, Working Paper, Gokhale Institute of Politics and Economics, Pune.
- 7) Parchure, Rajas and Talule Dnyandev (2012), Agricultural Distress and Farmers Suicides in Yavatmal District, A NABARD Study, Gokhale Institute of Politics and Economics, Pune, March.
- 8) Townsend, R. (2006), Credit Intermediation and Poverty Reduction, in Abhijit Banerjee, Roland Benabou and Dilip Mukharjee (eds) Understanding Poverty, Oxford University Press.

**Annexure:**

**Table 1: Pre and Post ADWDRS Reason wise Average Household Borrowing and Repayments**

Purpose of Borrowing	Pre ADWDRS				
	Amount		Per Cent	Amount	Per Cent
	Loan	Repayment	Repayment	Overdue	Overdue
Agriculture	6040.984	1752.459	29.01	3265.027	54.05
Irrigation	234.973	5685.792	2419.77	3027.322	1288.37
Education	2459.016	1622.951	66.00	1092.896	44.44
Consumption/Health	409.836	0.000	0.00	409.836	100.00
Housing	1612.022	2185.792	135.59	3415.301	211.86
No Response	109.290	84.426	77.25	54.645	50.00
<b>Total</b>	10866.120	9708.470	89.35	11265.027	103.67
	Post ADWDRS				
Agriculture	25112.02	6434.46	25.62	46876.56	186.67
Irrigation	1502.73	3330.60	221.64	5286.89	351.82
Education	8292.35	402.19	4.85	7247.81	87.40
Consumption/Health	7551.91	1330.60	17.62	11346.45	150.25
Housing	17978.14	1879.78	10.46	17407.10	96.82
No Response	286.89	304.64	106.19	204.92	71.43
<b>Total</b>	60724.04	13682.28	22.53	88369.73	145.53

*Source: Computed from Table 04.*

**Table 2: Pre and post ADWDRS Comparison of Households' Loan Account Performance**

Source of Borrowing	Pre ADWDRS				
	Amount		Per Cent	Amount	Per Cent
	Loan	Repayment	Repayment	Overdue	Overdue
RRB	1290.44	2021.04	156.62	2555.46	198.03
Commercial Bank	1754.10	8229.51	469.16	5778.69	329.44
Pvt. Persons	5792.35	259.56	4.48	2295.08	39.62
<b>Total</b>	<b>8836.89</b>	<b>10510.11</b>	<b>118.93</b>	<b>10629.23</b>	<b>120.28</b>
	Post ADWDRS				
RRB	3469.945	2295.418	66.15	10456.28	301.34
Nationalized Bank	8633.88	9296.2568	107.67	38412.57	444.91
Pvt. Persons	38314.21	4014.2077	10.48	36003.55	93.97
SHG	1284.153	27.322404	2.13	1311.475	102.13
<b>Total</b>	<b>51702.19</b>	<b>15633.205</b>	<b>30.24</b>	<b>86183.88</b>	<b>166.69</b>

*Source: Computed from Table 05.*

**Table 3: Details of Average Household Credit Waiver Received by the Study Farmers**

Loan/Waiver	AP				MH				Total			
	Coops	CBs	RRBs	Total	Coops	CBs	RRBs	Total	Coops	CBs	RRBs	Total
Original	5163	3703	4359	1322	3428	1872	1054	2320	8591.	2242	5413	3643
Loan	.39	.63	.86	6.88	.14	1.17	.10	3.41	54	4.80	.95	0.29
Amount	647.	267.	184.	1100.	92.5	3241.	185.	3519.	740.0	3509.	370.	4620.
Repaid	46	76	89	11	7	86	52	94	3	61	41	05
As Per	12.5	7.23	4.24	8.32	2.70	17.32	17.6	15.17	8.61	15.65	6.84	12.68
Cent of (1)	4						0					
Amount	7233	3890	5383	1650	4133	1289	961.	1798	1136	1678	6345	3449
Waived	.27	.64	.91	7.81	.22	3.03	75	8.00	6.48	3.67	.66	5.81
As Per	140.	105.	123.	124.8	120.	68.87	91.2	77.52	132.3	74.84	117.	94.69
Cent of (1)	09	05	49	1	57		4		0		21	

*Source: Computed from Table 07.*

*Note: AP = Andhra Pradesh and MH = Maharashtra*

◆◆□◆◆



## 8. ANALYSING EDUCATIONAL STATUS OF EMPLOYED AND UNEMPLOYED LABOUR IN INDIA

Dr. P. S. Kamble<sup>1</sup>, S. T. Kombde<sup>2</sup>, S. P. Panchgalle<sup>3</sup>

### Abstract:

*Labour is very important factor of production. It is because in absence of labour a single productive activity cannot be started and hence development of the productive activities as well as overall economy is rather difficult. Besides this, if labour as a human resource is developed then it plays very effective and significant role in the development of economic activities as well as productive sectors and the economy as a whole. It is education which enables the development of human resources in general and labours in particular. About 72 per cent of rural males, 56 per cent of rural females, 84 per cent of urban males and 75 per cent of urban females in India were literate. About 21 per cent of rural males, 12 per cent of rural females, 42 per cent of urban males and 34 per cent of urban females were educated (education level secondary and above including diploma/ certificate course). About 55 per cent of the rural males, 25 per cent of the rural females, 56 per cent of the urban males and 16 per cent of the urban females were in the labour force in usual status (ps+ss). The unemployment rate based on current daily status (CDS) was about 6 per cent for both males and females in rural areas, 5 per cent for urban males and 8 per cent for urban females. Among persons of age 15 years and above, other than urban males, the unemployment rate for the educated (level of education: secondary and above) was higher than that among those, whose education level was lower than secondary. The unemployment rates for the educated in usual status (ps+ss) were about 4 per cent, 10 per cent, 4 per cent and 10 per cent for rural males, rural females, urban males and urban females, respectively. The data results reveals that there is a problem of education among the employed labour across the rural and urban, and male females. At the same time, there is also unemployment among the educated. This requires analyzing employed as well as unemployed labour in national perspective as well as across the state and productive activity wise as well. It is against this over all background, the present research paper endeavours to analyses the education status of employed and unemployed labour in India. Hence a separate employment policy with emphasis on pro employment growth and education and skill is necessary.*

*both the states. The package, far from improving the investment or productivity climate of beneficiary households, seems to have led to a strong and persistent shift of borrowing from all available sources and purposes including non-formal and non-*

**Key Words:** Labour, Employed, Unemployed, Educational Status, rural-urban perspective, male-female approach

<sup>1</sup> Dr. P. S. Kamble, Professor, Department of Economics, Shivaji University, Kolhapur (MH) India

<sup>2</sup> S. T. Kombde, Assistant Professor, Department of Economics.

<sup>3</sup> S. P. Panchgalle, Assistant Professor, Department of Economics.

## **I. INTRODUCTION :**

Labour is a very important factor of production. It is because in absence of labour a single productive activity cannot be started and hence development of the productive activities as well as overall economy is rather very much difficult. Besides this, if labour is developed then it plays very effective and significant role in the development of economic activities as well as productive sectors and consequently the economy as a whole. It is education which enables the development of human resources in general and labours in particular and there by contributes to the overall development of the economy. This necessitates analyzing educational status of employed labour. It is also of crucial importance to study educational status of unemployed labour as well, because it just wastage and loss of developed and productive human resources in general, and labour in particular. Such a study has a special importance with reference to the country like India, in which more than 60% population is working hence labour force.

About 72 per cent of rural males, 56 per cent of rural females, 84 per cent of urban males and 75 per cent of urban females in India were literate. About 21 per cent of rural males, 12 per cent of rural females, 42 per cent of urban males and 34 per cent of urban females were educated (education level secondary and above including diploma/ certificate course). About 55 per cent of the rural males, 25 per cent of the rural females, 56 per cent of the urban males and 16 per cent of the urban females were in the labour force in usual status (ps+ss). The worker population ratio (WPR) in usual status (ps+ss) was about 39 per cent at the all-India level. It was about 40 per cent in rural areas and 36 per cent in urban areas. The WPR in usual status (ps+ss) was 54 per cent for rural males, 25 per cent for rural females, 55 per cent for urban males and 15 per cent for urban females. The WPR in current daily status (CDS) was about 34 per cent at the all-India level. The WPR in CDS was about 50 per cent for rural males, 17 per cent for rural females, 53 per cent for urban males and 13 per cent for urban females. Among workers in usual status (ps+ss) of age 15 years and above, about 28 per cent of rural males, 56 per cent of rural females, 11 per cent of urban males and 28 per cent of urban females were not literate. Among workers in usual status (ps+ss) of age 15 years and above, about 26 per cent of male workers and 11 per cent of female workers in the rural areas and about 53 per cent for male workers and 40 per cent for female workers in the urban areas were educated (i.e. with educational level secondary and above including diploma/ certificate). The state of unemployed labour in India might not be far different than the employed one. It is therefore of crucial importance to analyse the educational status of labour, both the employed as well as unemployed. It is against this over all background, the present study intends to analyze educational status of labour both employed as well unemployed with reference to India.

## II. REVIEW OF RESEARCH STUDIES:

The review of some of the research studies relating to the present topic of research is as follows.

Nilsson and Nyström's (2013) focus of the analysis is a Nordic context. The dominant employability regime maintains a technical-rational perspective on learning and employability. Education is predominantly regarded as an instrumental preparation for the labour market. The future demands of the labour market are largely unknown, however, and vocational and professional training may not provide sufficient preparation for the increasing complexities of work. Theoretical discussions have been dominated by an alleged mismatch between individual competence and the qualifications that are required in the world of work. There is no consensus regarding how the gap should be described, explained, or bridged. New demands on educational design have emerged, and ideas related to liberal education and 'bildung' have been reinserted into the political agenda, offering general preparation for a wider array of challenges. Roy, Singh and Roy (2015) explore the impact of temporary labour migration of parent(s) on school attendance of the children between 6–14 years and their dropping out from the school through an analysis of the cases from both the ends of migration stream in India. Data was collected from thirteen construction sites of Varanasi Uttar Pradesh and nine villages of Bihar by applying both qualitative and quantitative techniques. It is evident from the study that the migrants through remittances improve school accessibility for the left behind children and bridge gender gap in primary school education. However, among the accompanying migrant children of construction workers, many remain out of school and many are forced to drop out and some of them become vulnerable to work as child labour due to seasonal mobility of their parents. Sakurai Riho (2006) argues almost all out-of-school children are in developing countries, especially in South Asia and sub-Saharan Africa where child labour is a serious problem. While the number of child laborers decreased somewhat from 2000-2004, a huge number of out-of-school children are child laborers, most of whom work out of poverty. Recent studies have shown that child labour depresses school enrollment rates, negatively affects school achievement, and decreases graduation rates. Given these realities, recent cash transfer programs have a comprehensive social protection approaches that encourage schooling by providing beneficiary compliance with requirement of schooling, vaccine, or other health-related conditions. These cash-transfer programs have tried to dismantle the intergenerational poverty cycle and thus have improved school attendance while reducing the number of child laborers. European Centre for the Development of Vocational Training (2013) in this report indicates that vocational education is effective in helping the transition from education to work. Relative to medium level general education, vocational graduates enjoy a faster transition to work, are more likely to have a permanent first job, and are less likely to find themselves in a first job with a qualification mismatch. Over time, as people grow older and gain more

experience, differences from medium-level general graduates become smaller. Substantial country differences exist. Young people in countries with strong VET systems, with a close connection between school- and the work-based components, are much more likely to be employed than their general education counterparts. Young adults in countries where the work-based component of VET is less developed have a lower employment premium and face greater difficulties in labour market integration. This is yet another indication of benefits from a well-developed dual system. England, Gornick, and Shafer (2012) reveal that data from the Luxembourg Income Study show that, among married or cohabiting mothers, better educated women are more likely to be employed; gender inequality in annual earnings is thus less extreme among the well educated than among those with less education, driven largely by educated women's higher employment. Recent evidence shows higher levels of employment for highly educated women than for the less educated, despite the fact that well-educated women typically have higher earning husbands. This study uses data from a number of high- and middle-income countries to investigate how women's employment and hours worked, and the gender gap in annual and hourly earnings, vary by educational level.

The foregoing review of some of the research studies relating to the present topic of research reveals that, no doubt, there are some research studies those have been carried out and some of the issues and aspects have been covered there in. But the very important issue missing is educational status of employed and unemployed labour especially with reference to the country like India. It is very important aspect of labour studies; hence it should be covered in the studies in labour economics. It is therefore the present study has been taken up, which endeavours to analyse the educational status of employed and unemployed labour in India.

### **III. RESEARCH METHODOLOGY:**

The present research study is analytical in nature. The major objectives of the present study are; to assess educational status of employed labour in India; and secondly, to examine educational situation of unemployed labour with reference to India. Thus to be precise and correct, the major objective is to analyse educational status of employed and unemployed labour in India. The period of study is from 1993-94 to 2011-12 and others based on the availability of the data. The focus of the present study is on the analysis of the educational status of employed and unemployed labour and correlates them, which is a single and important aspect of labour studies in India and reveals its policy implications. The present research study is exclusively dependent on the secondary data only on the belief that only primary data does not give justice to the present topic and scope of the study. The necessary secondary data has been collected from the sources such as NSSO Reports, Annual Reports of Ministry of Labour and Employment, RBI Publications, Economic Survey of Government of India and others. The NSSO Reports is a very important and useful source of data relating to the employment as well as unemployment among the labour and their educational status in India, hence it is prominently used. The collected data was scrutinized and classified in the light of objectives of the study. The tabulated data has been analysed by considering objectives of the

study by adopting the simple quantitative techniques such as Ratio analysis, Mean, Coefficient of Variation (CV). and graphical presentation in the form of as pie chart , column and bar diagram, of some of the important indicators of educational status of labour both the employed as well unemployed.

#### IV. RESULTS AND DISCUSSION:

##### ANALYSING EDUCATIONAL STATUS OF EMPLOYED AND UNEMPLOYED LABOUR IN INDIA

This section of the paper is very much important, which provides the analysis of the data results and their interpretations. As the present study is related to the analysis of the educational status of the labour in India, it is of crucial importance to examine the trends in the employment and unemployment by taking into consideration some of the important indicators them. It can be analysed at national level, rural and urban area wise also with the help of the indicators like LFPR, WPR, PU, and UR.

**Table 1: Key employment and unemployment indicators (per cent) at a glance**

Indicator	Rural			Urban			Urban+Rural		
	male	female	person	male	female	person	male	female	person
<b>Usual status (ps+ss)</b>									
<b>LFPR</b>	55.3	25.3	40.6	56.3	15.5	36.7	55.6	22.5	39.5
<b>WPR</b>	54.3	24.8	39.9	54.6	14.7	35.5	54.4	21.9	38.6
<b>PU</b>	1.0	0.4	0.7	1.7	0.8	1.3	1.2	0.5	0.9
<b>UR</b>	1.7	1.7	1.7	3.0	5.2	3.4	2.1	2.4	2.2
<b>CWS</b>									
<b>LFPR</b>	54.5	21.5	38.3	56.1	14.8	36.3	54.9	19.6	37.7
<b>WPR</b>	52.6	20.7	37.0	53.9	13.8	34.7	53.0	18.8	36.4
<b>PU</b>	1.8	0.8	1.3	2.2	1.0	1.6	1.9	0.8	1.4
<b>UR</b>	3.3	3.5	3.4	3.8	6.7	4.4	3.5	4.2	3.7
<b>CDS</b>									
<b>LFPR</b>	53.4	18.0	36.1	55.5	13.6	35.4	54.0	16.8	35.9
<b>WPR</b>	50.4	16.9	34.0	52.8	12.5	33.5	51.1	15.6	33.9
<b>PU</b>	2.9	1.1	2.0	2.7	1.1	1.9	2.9	1.1	2.0
<b>UR</b>	5.5	6.2	5.7	4.9	8.0	5.5	5.3	6.6	5.6

Source: All-India NSS 68th round (July 2011 – June 2012) in 2014

**Labour force participation rate (LFPR):** LFPR is defined as the number of persons/person-days in the labour force per 1000 persons /person-days.

**Worker Population Ratio (WPR):** WPR is defined as the number of persons/person-days employed per 1000 persons/person-days.

**Proportion Unemployed (PU):** It is defined as the number of persons/person-days unemployed per 1000 persons/person-days.

**Unemployment Rate (UR):** UR is defined as the number of persons/person-days unemployed per 1000 persons/person-days in the labour force (which includes both the employed and unemployed).

It is revealed that, in the category of UPSS at national level the level of employment in India is significantly lower than 50%, but significantly higher for the males than the females. Likewise, in this category the extent and level of unemployment was less than three percent, but comparatively higher for the females in the country like us. The rural-urban analysis of employment and unemployment reveals that the level of employment was higher in urban areas than the rural one. Further it was higher for the males than the females, but the noteworthy thing is the female employed is better in urban areas than in rural areas of India.

Besides the employment and unemployment status analysis the major intension of the present paper is analyzing the educational status of both the employed as well as unemployed labour in India. Hence the data in table below provides the educational status of employed labour in India both for the rural as well as urban area coupled with male as well female categories.

**Table 2 :Distribution of persons by general educational level during 1993-94, 1999-2000,2004-05, 2009-10 and 2011-12 (%) )**

round and year	all persons				persons of age 15 years and above			
	not literate	literate & up to primary	Middle	secondary & above	not literate	literate & up to primary	middle	secondary & above
<b>rural male</b>								
68th (2011 - 12)	28.4	35.5	15.5	20.5	25.3	24.7	19.7	30.3
66th (2009 - 10)	2.94	35.7	16.0	18.8	26.0	25.3	20.5	28.1
61st (2004 - 05)	36.4	36.1	14.0	13.4	32.0	27.7	19.1	21.1
55th (1999 - 00)	41.2	34.2	12.6	11.7	37.2	26.2	17.8	18.9
50th (1993 - 94)	45.5	33.7	10.9	9.8	41.1	27.6	15.4	15.7
Mean	30.88	35.04	13.80	14.84	32.32	26.3	18.50	22.82
CV (%)	55	2.93	15.14	31.06	21.31	5.09	10.75	27.08
<b>rural female</b>								
68th (2011 - 12)	44.5	31.7	11.6	12.1	47.5	21.3	13.8	17.4
66th (2009 - 10)	46.7	31.8	11.1	10.3	49.8	21.9	13.5	14.8
61st (2004 - 05)	55.0	29.3	8.9	6.7	58.5	19.9	11.3	10.2
55th (1999 - 00)	61.5	26.0	7.5	5.0	65.2	17.4	9.6	7.7
50th (1993 - 94)	67.9	23.0	5.6	3.4	70.8	16.6	7.3	5.3
Mean	55.12	28.36	8.94	7.5	58.36	19.42	11.1	11.08
CV	17.85	13.43	27.85	48.26	9.90	12.04	24.50	44.94
<b>Urban male</b>								
68th (2011 - 12)	15.8	27.9	14.6	41.6	9.9	16.5	16.9	56.6
66th (2009 - 10)	16.4	27.4	15.0	41.1	10.4	16.0	17.5	56.1
61st (2004 - 05)	19.5	30.0	16.0	34.5	19.5	30.0	16.0	34.5
55th (1999 - 00)	21.6	30.9	15.6	31.7	14.4	19.9	19.3	46.4
50th (1993 - 94)	24.1	33.2	14.5	28.1	16.2	23.3	18.4	41.9
Mean	19.48	29.88	14.92	35.4	14.08	21.14	17.62	47.10
CV	17.91	7.86	33.67	16.61	28.62	27.19	7.26	20.06
<b>Urban female</b>								
68th (2011 - 12)	25.3	27.1	13.5	34.0	22.6	17.0	15.1	45.3
66th (2009 - 10)	26.4	27.0	13.6	32.8	23.6	17.2	15.3	43.9

Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12 in 2014

It is revealed that in rural area, the proportion of uneducated and primary level educated is more than 30% for both the all and above 15 years labour indicates that the educational status is not so much good and hence satisfactory. It was just 15% and 23% for secondary and higher level for rural males is dismal and unsatisfactory only. The educational status of females employed in rural India is very bad compared to males. The proportion of illiterate and primary level education was significantly higher in the rural area hence meager and insignificant for secondary and more level of education in the rural areas, is no doubt a thing of very much concern. The little bit reverse trend is found in educational status of the employed labour in both the female and male categories in the urban areas of India. The level of illiterate and primary educational level is lower for both the urban males as well as females. But at the same time, the level of secondary and higher level of education for females and males employed in India is low.

Besides the analysis of educational status of male–female labour in rural as well as urban areas in India it will be of vital importance to analyse the educational status of employed labour at national level in India in rural and urban perspectives.

**Table 3: Percent Distribution of the usually employed of age 15 years and above by level of general education during NSS 55th (1999-2000), 61st (2004-2005), 66th (2009-2010) and 68th (2011-2012) rounds (Males )**

level of general education	55 <sup>th</sup> (1999-2000)		61 <sup>st</sup> (2004-2005)		66 <sup>th</sup> (2009-2010)		68 <sup>th</sup> (2011-2012)		Mean	
	Ps workers	all workers	ps workers	all workers	ps workers	all workers	ps workers	all workers	ps	all
<b>Rural</b>										
not literate	40.0	39.6	34.2	33.8	28.3	28.0	28.2	27.9	30	32
literate & up to pri.	27.4	27.3	29.6	29.4	28.3	28.1	27.8	27.6	28	28
Middle	16.1	16.3	18.0	18.1	19.7	19.8	19.0	19.0	18	18
Secondary	9.2	9.3	9.0	9.3	12.5	12.6	12.7	12.9	16	11
higher secondary	4.1	4.2	4.4	4.6	6.1	6.3	6.3	6.6	5	5
diploma/ certificate*	-	-	1.0	1.0	0.8	0.9	1.1	1.1	.96	1
graduate & above	3.2	3.3	3.8	3.8	3.8	4.3	4.4	4.9	4	4
<b>Urban</b>										
not literate	16.1	16.0	13.2	13.1	11.5	11.4	11.2	11.2	13	13
literate & up to pri.	22.0	21.9	22.9	22.7	18.0	17.9	17.5	17.5	20	20
Middle	18.8	18.8	19.4	19.4	18.0	17.9	17.5	17.5	18	18
Secondary	16.9	16.9	14.9	15.0	17.6	17.6	16.5	16.5	16	16
higher secondary	9.3	9.4	9.1	9.2	10.7	10.8	10.8	10.9	10	10
diploma/ certificate*	---	----	3.6	3.7	2.8	2.9	2.9	2.9	3	3
graduate & above	16.8	16.8	17.0	16.9	21.1	21.1	22.2	22.2	19	19

Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12 in 2014



The analysis of educational status of male employed labour in rural –urban perspectives in India reveals that the proportion of labour illiterate and just primary educated is significantly higher, even though illiteracy has a declining trend. Consequently, education level of secondary and higher is meager and consequently negligible in rural India. But a little bit positive change is observed in the case of urban area employed labour. The proportion of employed labour illiterate is lower and it is higher for primary level education, and good for secondary and more level of education but not satisfactory. Thus the fact that we found in macroeconomic perspective, the educational status of male employed labour is not good at all. Comparatively it is better for labour in urban areas than rural areas, but satisfactory at all.

Besides this, the educational status of employed female labours in rural areas reveals a very sad and unsatisfactory picture. It is because the proportion of employed female labour illiterate is significantly higher, which was more than 70%. Consequently, the employed female labours in rural area educated equal to graduate and above was just meager and negligible for both the PS and All. In urban area, female employed labours educational status is comparatively better but not satisfactory and appreciable. But the noteworthy thing is, level of illiteracy is considerable for the female employed labour. It is good and not better in educational level equal to graduate and higher than that, is a thing of consideration. It is clearly revealed from the data results presented in the table below.

**Table 4: Percentage Distribution of the usually employed of age 15 years and above by level of general education during NSS 55th (1999-2000), 61st (2004-2005), 66th (2009-2010) and 68th (2011-2012) rounds (Females)**

level of general education	55 <sup>th</sup> (1999-2000)		61 <sup>st</sup> (2004-2005)		66 <sup>th</sup> (2009-2010)		68 <sup>th</sup> (2011-2012)		Mean	
	Ps workers	all workers	ps workers	all workers	ps workers	all workers	ps workers	All Workers	ps	All
<b>Rural</b>										
not literate	75.3	73.9	67.8	66.4	58.1	57.8	57.0	56.3	72	66
Literate & up to pri.	151	15.5	18.1	18.4	22.7	22.6	21.8	21.8	53	20
Middle	5.7	6.2	8.0	8.7	10.5	10.6	10.0	10.8	9	9
Secondary	2.4	2.8	3.3	3.6	4.7	4.9	5.7	5.9	4	4
higher secondary	0.7	0.9	1.3	1.4	1.9	2.1	2.5	2.6	1.6	1.75
diploma/certificate*	----	-----	0.5	0.5	0.4	0.4	0.6	0.5	0.5	0.46
graduate & above	0.7	0.6	1.0	0.9	1.7	1.5	2.4	2.1	1.45	1.27
<b>Urban</b>										
not literate	43.7	43.9	37.6	37.3	29.3	29.7	27.1	27.9	34.4	34.7
Literate & up to pri.	17.1	17.6	19.8	20.3	18.8	19.3	19.0	19.5	18.6	19.1
Middle	9.4	10.3	10.6	11.9	12.6	12.9	11.6	12.3	11.0	11.8
Secondary	8.7	8.8	6.9	7.3	8.2	8.4	8.7	9.1	8.12	8.4
higher secondary	5.9	5.5	5.0	5.1	5.9	6.2	7.2	7.1	6	5.97
diploma/certificate*	----	-----	3.6	3.4	3.0	2.8	2.5	2.3	3.05	2.83
graduate & above	15.2	13.9	16.4	14.7	22.4	20.7	23.9	21.8	19.4	17.7

Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12 in 2014

The educational status also has an impact on rates of salaries and wages and consequently earnings of the labour in India.

**Table 5 : Average wage/ salary earnings (Rs. 0.00) per day received by regular wage/ salaried employees (activity status codes: 31, 71, 72) of age 15-59 years for different broad levels of general education during 2011-12**

education level	Rural			Urban			Mean		
	Male	Female	Person	Male	Female	Person	M	F	P
not literate	174.37	89.31	145.46	207.65	123.43	175.71	191	106	150
literate and up to middle	202.48	104.27	185.08	237.24	132.81	219.92	220	119	202
Secondary&high. secondary	319.46	179.98	298.26	358.51	306.96	352.36	339	243	325
diploma/ certificate	450.31	428.66	446.13	524.33	391.43	499.42	487	410	455
graduate and above	550.23	377.85	513.54	805.52	609.69	760.06	678	494	637
all	322.28	201.56	298.96	469.87	366.15	449.65	396	284	374

*Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12*

It is adequately observed fact that higher level of education gives higher rates of wages and salaries and consequently earnings of the labour. For the illiterates, the rates of wages and salaries are significantly lower in both the rural as well as urban areas. But they are significantly higher for the labour having education equal to graduate and post graduate level. We also found disparities in wages and salaries between urban and rural areas, and also between male and female labours as well. The rates of wages and salaries are higher for the male labours than females and for this, there is no ground and justification at all. Likewise, there is also wage discrimination between rural and urban areas. Comparatively wages and salaries in urban areas are higher than the rural areas, is also a thing of concern.

Besides educational status of employed, it is also of crucial importance to assess the it in the context of unemployed labour too, for realizing the nature and extent of unemployment in general, and educated unemployment in particular.

It is observed that the unemployment is a very important economic problem being faced by India, mainly due to its failure in employment generation. The problem of unemployment has number of dimensions. The problem of unemployment is a problem of significant intensity in general. It is prevailing for both the males as well females. It is of higher

intensity for the females than the males. The rural-urban aspect of unemployment problem reveals that, it significantly higher for the urban area than the rural area. It is of greater intensity for the urban females than the rural females.

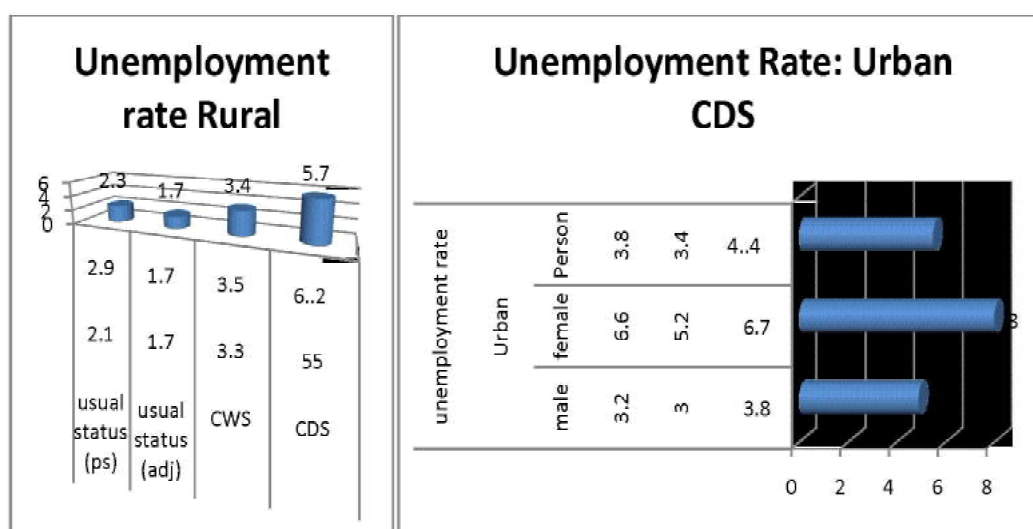
Besides the assessing of intensity of unemployment problem, it is of crucial significance to examine the educational status of unemployed labour in India.

**Table 6: Unemployment rates (percentage /person-days in the *labour force*) according to usual status, current weekly status (CWS) and current daily status (CDS) during 2011 – 12**

status	unemployment rate						Mean		
	Rural			Urban			male	female	Person
	male	Female	person	male	female	Person			
usual status (ps)	2.1 (12)	2.9 (5)	2.3 (8)	3.2 (18)	6.6 (9)	3.8 (14)	2.65	4.75	3.05
usual status (adj)	1.7 (10)	1.7 (4)	1.7 (7)	3.0 (17)	5.2 (8)	3.4(13)	2.35	3.45	2.55
CWS	3.3 (18)	3.5 (8)	3.4 (13)	3.8 (22)	6.7 (10)	4.4 (16)	3.55	5.1	3.4
CDS	5.5 (29)	6.2 (11)	5.7 (20)	4.9 (27)	8.0 (11)	5.5 (19)	5.2	7.1	5.6

Note: Figures within bracket indicate the proportion of unemployed per 1000 persons/person-days.

Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12

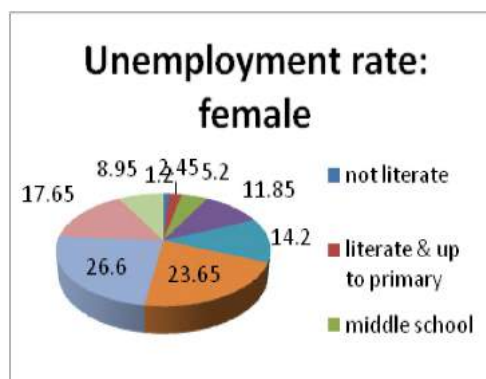
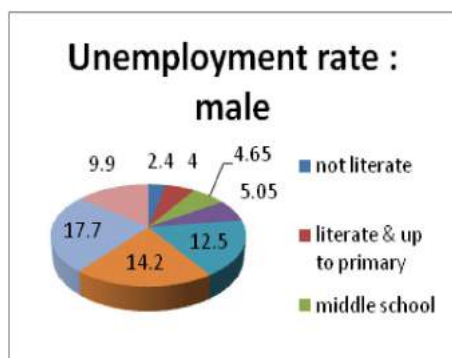


**Table 7: Education-level specific *usual status (adjusted)* unemployment rate for persons of age 15-29 years and 15-59 years during 2011-12 all-India(%)**

general educational level	unemployment rate				Mean	
	rural		Urban			
	male	female	male	Female	male	female
for 15-29 years						
not literate	2.3	0.8	2.5	1.6	2.4	1.2
literate & up to primary	3.2	0. 6	4.8	4.3	4	2.45
middle school	4.2	4.6	5.1	5.8	4.65	5.2
secondary	4.6	8.6	5.5	15.1	5.05	<b>11.85</b>
higher secondary	6.5	13.8	12.0	14.6	<b>12.5</b>	<b>14.2</b>
diploma/certificate	15.9	30.0	12.5	17.3	<b>14.2</b>	<b>23.65</b>
graduate & above	19.1	29.6	16.3	23.4	<b>17.7</b>	<b>26.6</b>
secondary & above	8.1	15.5	11.7	19.8	<b>9.9</b>	<b>17.65</b>
all	5.0	4.8	8.1	13.1	6.55	8.95
for 15-59 years						
not literate	0.5	0.2	0.9	0. 7	4.3	0.45
literate & up to primary	1.2	0.3	1.9	1.6	1.55	0.95
middle school	1.9	2.5	2.2	3.5	2.05	2.5
secondary	2.0	6.0	2.3	6.4	2.15	<b>6.2</b>
higher secondary	3.3	8.8	4.6	9.1	3.8	<b>8.95</b>
diploma/certificate	8.5	19.7	5.2	10.2	<b>6.85</b>	<b>14.95</b>
graduate & above	7.5	18.9	5.3	12.8	<b>6.4</b>	<b>15.85</b>
secondary & above	3.8	10.1	4.2	10.4	<b>4</b>	<b>10.25</b>
all	1.9	1.7	3.1	5.5	2.5	3.6

Source: NSS Report No. 554: Employment and Unemployment Situation in India, 2011-12

It is revealed that the proportion of illiterate among the unemployed in the 15 to 29 years age group was lower and insignificant. But it is significantly higher for the secondary and higher level of education. More importantly, the level of unemployment is very much higher for the educated females than the males. In the unemployed labour in the age group 15 to 59 years age group more or less the same scenario is found. The unemployed with education level from secondary to graduate & above is higher for both the males as well as females, but significantly higher for the females than the males.



## V. MAJOR CONCLUSIONS AND POLICY SUGGESTIONS:

The analysis of the data results relating to educational status of employed and unemployed labour in India reveals some very important conclusions. The level of employment in India is significantly lower than 50%, but significantly higher for the males than the females. The extent and level of unemployment was less than three percent, but comparatively higher for the females. The level of employment was higher in urban areas than the rural one, which was higher for the males than the females, but the extent of female employed is better in urban areas than rural areas of India. In rural area, the proportion of uneducated and primary level educated is more than 30% for both the all and above 15 years labour indicates that the educational status is not so much good and hence satisfactory. The educational status of females employed in rural India is very bad compared to males. The little bit reverse trend is found in educational status of the employed labour in both the female and male categories in the urban areas of India. The proportion of labour illiterate and just primary educated is significantly higher, even though illiteracy has a declining trend. Consequently, education level of secondary and higher is meager and consequently negligible in rural India. But a little bit positive change is observed in the case of urban area employed labour. The educational status of employed female labours in rural areas reveals a very sad and unsatisfactory picture, the proportion of employed female labour illiterate was significantly higher, which was more than 70%. For the illiterates, the rates of wages and salaries are significantly lower in both the rural as well as urban areas. But they are significantly higher for the labour having education equal to graduate and post graduate level. We also found disparities in wages and salaries between urban and rural areas, and also between male and female labours as well. The proportion of illiterate among unemployed in the 15 to 29 years age group was lower and insignificant. But it is significantly higher for secondary and higher level of education, and very much higher for the educated females than the males. In the case of unemployed labour in the age group 15 to 59 years age group, more or less the same scenario is found.

The important policy suggestions in the context of present dynamic India, useful for dealing with the problems relating to educational status of employed and unemployed labour in India are; an employment policy with emphasis on pro employment growth by restricting privatisation and informalisation of formal employment is needed. Purposeful efforts should be undertaken for increasing employment among the female labours in India. Rigorous and honest efforts are necessary to be undertaken for enhancing the educational status of the labours, the males as well as females and priorities to educate in the employment is a necessary. A continuous review of employment and unemployment in India should be taken by the government and its agencies for policy inputs. The exploitation and proper utilization of the human resources for the socioeconomic development of the Indian economy should be on the agenda of development policy to extract benefits of demographic dividend.

**References :**

- 1) Nilsson and Nyström's (2013), Adult learning, education, and the labour market in the employability regime, *European Journal for Research on the Education and Learning of Adults*, Vol.4, No.2, 2013, pp. 171-187
- 2) Roy, Singh and Roy (2015), Impact of Rural-Urban Labour Migration on Education of Children: A Case Study of Left Behind and Accompanied Migrant Children in India, *Space and Culture, India* 2015, 2:4, pp17-34.
- 3) Sakurai Riho (2006), Child Labour and Education, Background paper prepared for the Education for All Global Monitoring Report 2007 Strong foundations: early childhood care and education, UNESCO, 2007/ED/EFA/MRT/PI/27, pp1-53.
- 4) European Centre for the Development of Vocational Training (2013), Labour market outcomes of vocational education in Europe Evidence from the European Union labour force survey, Luxembourg: Publications Office of the European Union, 2013, pp 1-84.
- 5) England, Gornick, and Shafer (2012), Women's employment, education, and the gender gap in 17 countries, *Monthly Labor Review* • April 2012, pp3-13.
- 6) PROBE Team. (1999). Public Report on Basic Education in India. New Delhi: Oxford University Press.
- 7) Ravenstein, E.G. (1885). The Laws of Migration, *Journal of the Statistical Society of London*, 48(2), 167-235
- 8) Roy, A.K. (2011). Distress Migration and Left behind Women. Jaipur: Rawat Publishers.
- 9) Sajjad, H. (1998). Employment of Landless Labourers. New Delhi: B.R. Publishing.
- 10) Andvig, Jens Chr., Sudharshan Canagarajah, and Anne Kielland (2001). "Issues in Child Labor in Africa." *Africa Region Human Development Working Paper Series*. Washington D.C.: the World Bank, Human Development Sector, Africa Region.

- 11) Assaad, Ragui, Deborah Levison, and Nadia Zibani (2001). "The Effect of Child Work on School Enrollment in Egypt." In *Forum Newsletter*, Vol. 8. No. 2. P.24.
- 12) Becker, Gary (1964) *Human Capital - A Theoretical and Empirical Analysis, with Special Reference to Education-*. New York: Columbia University Press.
- 13) Becker, Gary S (1997) "Is There Any Way to Stop Child Labor Abuses?" *Business Week*, May 12, p. 22.
- 14) Bando, Rosangela G, Luis F. Lopez-Calva, and Harry Anthony Patrinos. (2004). *Child Labor, School Attendance, and Indigenous Households: Evidence from Mexico*. New York: Understanding Children's Work.
- 15) Banskota, Kamal, Bikash Sharma, Binod Shrestha, and Peter Dorman. (2005). *Costs and Benefits of Eliminating Child Labour in Nepal*.
- 16) Binmore, Ken. (1990). *Essays on the Foundations of Game Theory*. Cambridge, MA: Basil Blackwell Inc.
- 17) Black, Maggie (1996) *Children First -the Story of UNICEF, Past and Present-*. New York: Oxford University Press.
- 18) Blunt, A. (1994). *Street Children and Their Education: a Challenge for Urban Educators. Education in Urban Areas. Cross-National Dimensions*. Ed. N. Stomquist. P.237-61. Westport: CT Praeger.

◆◆□◆◆

## 9. पूर्व मध्य कालीन भारत में जैन धर्म: चन्देल वंश के विशेष संदर्भ में

Vishal Vikram Singh<sup>1</sup>

### संक्षेपिका :

उत्तर वैदिक काल में प्रचलित सनातन धर्म में व्याप्त कर्मकाण्डों एवं अन्धविश्वास के चरम पर पहुँचने के कारण छठी शताब्दी ई. पू. में धार्मिक आन्दोलन के अन्तर्गत बौद्ध धर्म, जैन धर्म एवं कई अन्य सम्प्रदाय प्रकाश में आये। बौद्ध एवं जैन धर्म को अनेकों राजाओं का संरक्षण प्राप्त हुआ। इस युग में जैन धर्म के चौबीसवें तीर्थंकर महावीर स्वामी का आगमन हुआ। चौबीसवें तीर्थंकर के आधार पर जैन धर्म को अधिक प्राचीन माना जा सकता है। पूर्वमध्य काल में भारतवर्ष में अनेकों राजवंशों का उदभव हुआ एवं शक्ति की पूजा करने के कारण अधिकांश शैव मतावलम्बी होने लगे। इसके पश्चात भी जैन मंदिरों के निर्माण से ऐसा प्रतीत होता है कि इस काल में जैन धर्म को भी संरक्षण प्रदान किया गया। भारत में जिन राजवंशों ने जैन धर्म को संरक्षण प्रदान किया, उनके राजवंशों के शासकों द्वारा जैन धर्म के लिए किये गये कार्यों का उदाहरण प्रस्तुत करते हुए इस धर्म के विषय में बतलाया गया है। चन्देलों के द्वारा निर्मित करवाए गये खजुराहो मंदिर समूह में शैव एवं वैष्णव धर्म के साथ-साथ जैन मंदिरों के निर्माण का वर्णन करते हुए उनके धार्मिक साहचर्य को प्रस्तुत किया गया है। चन्देल राजवंश भी अन्य की भाँति शैव मतावलम्बी थे एवं मध्य भारत में प्रतिहार शासकों के पश्चात बुन्देलखण्ड की महत्वपूर्ण शक्ति के रूप में इनका उदभव हुआ था। इस कारण शोध पत्र में इन्हे विशेष सन्दर्भ में लाते हुए पूर्वमध्य काल में सम्पूर्ण भारत में जैन धर्म की स्थिति का उल्लेख किया गया है।

भारत को एकता में अनेकता का देश इसकी भाषा या क्षेत्र के आधार पर ही नहीं कहा जाता , बल्कि इसका एक अत्यन्त महत्वपूर्ण पक्ष धर्म भी है। पश्चिमी सभ्यता की भाँति कोई एक धर्म न होकर यहाँ भिन्न-भिन्न धर्मों का समागम है। वर्तमान में प्राप्त होने वाले ईसाई धर्म या मुस्लिम धर्म के उदय का इतिहास यहाँ अधिक प्राचीन नहीं है। ये धर्म क्रमशः ईसाई मिशनरियों एवं मुस्लिम शासकों के भारत में आगमन के पश्चात् ही प्रारम्भ हुए, परन्तु इनके अतिरिक्त भी अनेकों धर्म जैसे :- बौद्ध धर्म , जैन धर्म, सिक्ख धर्म, शैव धर्म, शाक्त धर्म, वैष्णव धर्म इत्यादि प्राप्त होते हैं। आधुनिक इतिहास के अन्तर्गत ये समस्त धर्म हिन्दू धर्म का ही एक अंश है। हिन्दू धर्म प्राचीन सनातन धर्म का ही दूसरा रूप है जिसका प्रयोग मुस्लिम आक्रान्ताओं के आगमन के पश्चात् से माना जाता है। सनातन धर्म का इतिहास अत्यन्त प्राचीन है एवं ये समस्त धर्म इन्हीं से उत्पन्न हुये हैं। बौद्ध एवं जैन धर्म के पूर्व इस धर्म में अनेकों कर्मकाण्ड व्याप्त हो गये एवं यह वर्ण व्यवस्था के अन्तर्गत आने वाले उच्च जातियों के अर्थात् ब्राह्मण एवं क्षत्रियों हेतु ही सुरक्षित हो गया। इन बुराइयों के विरोध में ही बौद्ध एवं जैन धर्म का उदय हुआ। छठी शताब्दी ई.पू. का समय धार्मिक आन्दोलन के रूप में जाना जाता है। क्योंकि इसमें जैन एवं बौद्ध धर्म के अतिरिक्त अन्य सम्प्रदायों का भी उदय हुआ। जिसमें आजीवक सम्प्रदाय, घोर अक्रियावादी सम्प्रदाय, उच्छेद वादी सम्प्रदाय, भौतिकवादी सम्प्रदायों को स्थान प्राप्त हुआ। ये सभी भिन्न-भिन्न विचारों के साथ अपने सम्प्रदाय का विस्तार करने में लगे रहे। लेकिन इनके बाद भी बौद्ध धर्म एवं जैन धर्म को अधिकांश लोगों ने अपनाया। इसके अन्तर्गत रुढ़िवादी विचार धाराओं की कमी एवं जन साधारण तक सुगम पहुँच ने इन्हें लोगों के मध्य लोकप्रिय बना दिया। बौद्ध धर्म के संस्थापक महात्मा बुद्ध एवं जैन धर्म के चौबीसवें तीर्थंकर महावीर स्वामी का जन्म लगभग एक ही समय में हुआ था। जैन धर्म के विकास का

<sup>1</sup>Vishal Vikram Singh<sup>1</sup>, Research Scholar, Ancient Indian History, Culture and Archaeology, Dr. Harisingh Gour University, Sagar,( M.P), India E-Mail:- veesuthakur1990@gmail.com, Mobile No. 7049744841



काल छठी शताब्दी ई.पू. अर्थात् महावीर के जन्म से माना जाता है। जैन धर्म में महावीर से पूर्व अन्य तेईस तीर्थंकर भी हुए, इस आधार पर इसे अत्यन्त प्राचीन धर्म की संज्ञा भी प्रदान की जाती है। अरिष्टनेमि नामक तीर्थंकर को कृष्ण का समकालीन भी कहा जाता है। जैन धर्म में उल्लिखित शब्द 'जैन' का मूल उद्भव जिन से माना जाता है। जिसका अर्थ विजेता होता है। जिन वे कहलाते थे जो अपनी इच्छाओं पर विजय प्राप्त कर लेते थे। जैन धर्म के उद्भव के विषय में अधिक जानकारी प्राप्त नहीं होती है। परन्तु पुरातत्त्ववेत्ताओं के द्वारा भारत में उदयगिरि एवं जूनागढ़ से ऐसे पुरास्थल खोजे गये हैं जो ये दर्शाते हैं कि जैन धर्म बौद्ध धर्म से पूर्व ही भारत में आ चुका था।<sup>1</sup> इस धर्म के शिक्षकों को तीर्थंकर कहा जाता था। चौबीस तीर्थंकारों में ऋषभ देव पहले तीर्थंकर हुये। इनका जन्म अयोध्या में हुआ था। ऐसा कहा

1—महाराज, महर्षि सन्तसेवी, द हार्मनी ऑफ आल रिलीजन, मोतीलाल बनारसीदास, नई दिल्ली, 2006, पृ. 94

जाता है कि ऋषभदेव को लगभग 1000 वर्षों तक ध्यान मग्न होना पड़ा जिसके पश्चात् उन्हें कैवल्य ज्ञान की प्राप्ति हुयी। इसके अतिरिक्त चौबीसवें तीर्थंकर के रूप में महावीर स्वामी का जन्म हुआ। इन्होंने माता-पिता की मृत्यु के पश्चात् लगभग 30 वर्ष की अवस्था में गृह त्याग दिया। ज्ञान प्राप्ति के पश्चात् महावीर ने जैन धर्म में वर्णित चार महाव्रतों सत्य, अस्तेय, अपरिग्रह, ब्रह्मचर्य के साथ पांचवें महाव्रत अहिंसा के रूप में प्रारम्भ किया। प्रारम्भ में जैन धर्म को बौद्ध धर्म की भांति राजकीय संरक्षण प्राप्त हुआ। शनैः शनैः बौद्ध धर्म ने अपने नियमों में परिवर्तन किया परन्तु जैन धर्म में परिवर्तन न होने के कारण यह जन सामान्य से दूर होने लगा। इनकी कठिनता के कारण ही जैन धर्म दो भागों में विभक्त हो गया। एक पंथ श्वेताम्बर एवं दूसर पंथ दिगम्बर सम्प्रदाय को मानने लगा। बौद्ध धर्म की भांति इसे उत्तर भारत में राजकीय संरक्षण प्राप्त न होने से इसका विस्तार इस क्षेत्र में कम हो गया मौर्यों के पश्चात् शुंग काल में ब्राह्मण धर्म का विकास हुआ एवं कुषाणों के आगमन से बौद्ध धर्म को राजकीय संरक्षण प्राप्त हो गया। जो इस धर्म के लगभग लुप्त होने का जिम्मेदार था।

पूर्व मध्य काल में हिन्दू धर्म को शासकों द्वारा राजकीय धर्म बनाया गया, परन्तु इस काल में जैन धर्म के शिक्षाओं में किये गये परिवर्तनों के कारण यह लोगों के मध्य लोकप्रिय होने लगा। वैदिक धर्मों को मानने वाले शासकों के द्वारा जैन मंदिरों को बड़े-बड़े दान भी दिये जाते थे। जैन धर्म न केवल वैश्य समुदाय के मध्य ही विकसित हुआ, अपितु कृषि कार्य करने वाली जनसंख्या के मध्य भी प्रचलित होने लगा। राष्ट्रकूट शासक भी जैन संतों के अनुयायी बनने लगे थे। जैन धर्म के विकास में होने वाली कमी के कारण जैन आचार्यों के द्वारा राष्ट्र कूट राज्य में संस्कृत भाषा का प्रयोग किया जाता था जिसका उदाहरण जैन विद्वान हेमचन्द्र द्वारा कुमार पाल का गुरु बनना है।<sup>1</sup> इस काल के राजपूत शासक शक्तिशाली साम्राज्य स्थापित करना चाहते थे, अतः वे शिव की उपासना करते थे। इन शासकों में गुहिलोत वंश, चाहमान वंश, राष्ट्रकूट वंश,

1—वैद्य, सी.वी. हिस्ट्री ऑफ मेडिवल हिन्दू इण्डिया (बींग ए हिस्ट्री ऑफ इंडिया फ्रॉम 600 टू 1200 ए .डी.) द ओरिएंटल बुक सप्लाइंग एजेंसी, पूना, 1924, पृ. 203

परमार वंश, हैहय वंश, चंदेल वंश, प्रतिहार वंश आते हैं। इन सभी राजवंशों ने शैव धर्म को राजकीय संरक्षण प्रदान किया परन्तु जैन धर्म के प्रति इन्होंने सहिष्णुता प्रदर्शित की। 9वीं-दसवीं शताब्दी के मध्य राष्ट्रकूट शासकों के द्वारा दक्षिण में इस धर्म का अधिक विकास हुआ। उत्तर भारत में राजस्थान, मालवा तथा गुजरात के अतिरिक्त जैन धर्म को आश्रय प्राप्त नहीं हुआ था।<sup>1</sup> शैव मतावलम्बी होने के बाद भी इन शासकों ने जैन मंदिरों तथा जिनालयों का निर्माण करवाया। जैन धर्म को लुप्त होने से बचाने तथा एक सजीव उत्प्रेरक धर्म बनाने का कार्य राजस्थान के जैन आचार्यों द्वारा किया गया। जैन धर्म के दो प्रमुख कला केन्द्रों के रूप में उज्जैन तथा मथुरा को सम्मिलित किया जाता है। कुषाणों के समय में मथुरा जैन धर्म का एक प्रसिद्ध केन्द्र बन गया। कलिंग का चेदि शासक खारवेल भी जैन धर्म का संरक्षक था। पांचवी शताब्दी ई. में द्वितीय जैन सभा का आयोजन देवर्षिकुशमाश्रमण के निर्देशन में वल्लभी में हुआ,

जिसमें पहले के ग्यारह अंगों को वर्तमान में उपस्थित 12 अंगों में विभक्त किया गया।<sup>2</sup> वल्लभी का चयन करने से यह सिद्ध होता है कि यह क्षेत्र जैन आचार्यों के पहुंच हेतु आसान था। उत्तर भारत में संरक्षण न प्राप्त होने के कारण जैन आचार्य गुजरात चले गये। पूर्वमध्य काल में जैन धर्म को संरक्षण प्रदान करने वाले क्षेत्रों में गुजरात का प्रमुख स्थान है। पांचवीं शताब्दी के लगभग आनन्दपुर (आधुनिक मेहसाना जिले के वाडनगर) में ध्रुवसेन नाम का राजा शासन करता था जो अपने पुत्र को खो चुका था। अतः उसे सान्त्वना देने हेतु धनेश्वरसूरि ने कल्पसूत्र की रचना की, साथ ही उद्योतनसूरि की कुवलयमाला से भी यह ज्ञात होता है कि गुजरात में छठी-सातवीं शताब्दी ई.पू. में अधिकांश जैन मंदिरों का निर्माण हुआ।<sup>3</sup> वनराज चावड़ों के काल में जैन धर्म को गतिशीलता प्राप्त हुयी इन्होंने

1- झा, द्विजेन्द्र नाथ और श्रीमाली, प्राचीन भारत का इतिहास, दिल्ली विश्वविद्यालय 2015, पृ. 406

2- बागी, एम. एल., एन्शियन्ट इण्डिया : कल्चर एण्ड थॉट, द इण्डियन पब्लिकेशन, अम्बाला कैन्ट, 1978, पृ. 113

3- सेठ, चिमनलाल भाई लाल, जैनिसम इन गुजरात (ई. 1100 से 1600) श्री विजयदेव सुर संथ समिति, पिढोनी, बॉम्बे-3, 1953, पृ

गुजरात के अन्हिलवाड़ जिले में पार्श्वनाथ मंदिर का निर्माण करवाया एवं इनके मंत्रियों में चम्पू एवं लाहिर जैसे जैन मंत्री शामिल किये गये थे।<sup>1</sup> इसके अतिरिक्त भी कई ऐसे उदाहरण प्राप्त होते हैं जिनके आधार पर यह कहा जाता है कि पूर्व मध्यकाल में गुजरात जैन धर्म के लिए उपयुक्त स्थान था। इन कालों में वल्लभी के मैत्रक और चावड़, सोलंकी तथा अन्हिलवाड़ के बघेल राजवंशों ने भी अपना संरक्षण इन्हें प्रदान किया एवं भूमि भी दान में दी। कई जैन आचार्य गुजरात के शासकों के गुरु भी थे। वीरसूरि को चामुण्डराज का गुरु नियुक्ति किया गया था। चामुण्डराज का मंत्री वीर भी जैन धर्म का समर्थक था।

ग्यारहवीं-बारहवीं शताब्दी में गुजरात जैन धर्म के विकास का प्रमुख केन्द्र रहा। गुजरात के शासक दुर्लभ राज के समय में विक्रम संवत् 1080 या 1024 ई में अन्हिलपाटक में एक सभा का आयोजन किया गया है, जिसमें श्वेताम्बर सम्प्रदाय के सन्त जिनेश्वर के द्वारा चैत्यवसिन परविजय प्राप्त करने से उत्तर भारत के जैन आचार्यों में उनका वर्चस्व बढ़ गया।<sup>2</sup> इनके शासन के पश्चात् राजाओं के द्वारा विभिन्न मंदिरों का निर्माण करवाया गया था। भीम प्रथम के द्वारा अबू में एक आकर्षक मंदिर का निर्माण करवाया गया जिसका निर्माण दण्डाधीप विमल ने किया एवं इस मंदिर को ऋषभ देव को समर्पित किया गया। इस मंदिर से प्राप्त जैन अभिलेख विक्रम संवत् 1119 के द्वारा भीम प्रथम के विषय में जानकारी प्राप्त होती है। विक्रम संवत् 1112 का एक जैन अभिलेख भी प्राप्त हुआ, जिसमें राजा के द्वारा जैन मठों को दान देने की बात कही गयी है। साथ ही इसमें एक सादाक नामक व्यापारी का उल्लेख भी प्राप्त हुआ है।<sup>3</sup> राजाओं से सम्बन्धित विभिन्न प्रकार की पुस्तकों का लेखन भी इस काल में किया गया। जयसिंह सिद्धराज उत्तर भारत का शैव मतानुयायी शासक था। इसके समय में साहित्यों के रूप में भृगुकच्छ के देवप्रसाद द्वारा

1- वही, जैनिसम इन गुजरात (ई. 1100 से 1600), पृ ग्

2- चटर्जी, असीम कुमार, ए कम्प्रिहेन्सिव हिस्ट्री ऑफ जैनिसम (1000ई. टू 1600ई.) संस्करण-५, फिरमा के.एल. एम. प्रा० लि०, कलकत्ता, 1984, पृ. 02

3- एफीग्राफी इण्डिका, संस्करण-33, पृ. 235

निसिथसूत्र की रचना विक्रम संवत् 1157 में की गयी जिसमें श्री जयसिंह की क्षेत्र विजयों का वर्णन प्राप्त होता है। प्रभावक चरित्र के अनुसार देवसूरि (साधारण नाम श्रीदेव) ने मध्यप्रदेश, गुजरात, राजस्थान, कश्मीर में अपने विरोधियों को पराजित किया।<sup>1</sup> उदाहरण – इन्होंने कश्मीर के सागर को नागौर में शैव सम्प्रदाय के पंथ को दिगम्बर सम्प्रदाय के गुणचन्द्र को चित्रकूट में भागवत आचार्य शिवभूति को पराजित किया। इसके अतिरिक्त कर्नाटक के कुमुदचन्द्र की विजय इनके लिए अत्यन्त महत्वपूर्ण सिद्ध हुयी। ऐसे भी वर्णन प्राप्त होते हैं कि जैन मुनियों के आग्रह करने पर राजाओं के द्वारा

करों में छूट भी प्रदान की जाती थी।

जयसिंह सिद्धराज के काल में जैन अनुयायियों को अत्यधिक संरक्षण प्राप्त हुआ। इसके समय के अधिकांश अभिलेख तथा स्थापत्य इसकी सूचना प्रदान करते हैं। गुजरात की तरह राजस्थान में भी जैन धर्म का प्रचार-प्रसार हुआ। यहाँ पर भी वैश्य समुदाय में इसकी महत्ता अधिक थी। राजस्थान की शाखाओं में शाकम्भरी के चाहमान शासक, नाडोल के चौहान शासक, जालोर के चौहान या चाहमान शासक, राजस्थान के परमार शासक, राजस्थान के गुहिल शासकों में अधिकांश ने जैन धर्म के संरक्षण प्रदान किया। जिससे यह सिद्ध होता है कि पूर्व मध्य काल में राजस्थान में भी जैन धर्म का विकास हुआ। प्रत्येक राजवंशों में जैन धर्म की स्थिति का विवरण इसकी प्रमाणिकता को सिद्ध करता है। ह्वेनसांग के अनुसार जैन धर्म तक्षशिला से दक्षिण भारत की ओर विस्त्रित हो रहा था। ह्वेनसांग ने राजस्थान के भीनमाल एवं वैराट का भ्रमण किया एवं देव मंदिरों का उल्लेख करते हुए कहा कि इन क्षेत्रों में बौद्ध धर्म के अतिरिक्त जैन एवं ब्राह्मण धर्म का भी उद्भव हुआ है।<sup>1</sup> बसन्तगढ़ मंदिर के 687 ई. के अभिलेख पर ऋषभदेव का चित्र प्राप्त होने से 7वीं शताब्दी में जैन धर्म का राजस्थान में प्रादुर्भाव माना जाता है।<sup>2</sup> ह्वेनसांग के अतिरिक्त कुछ मुस्लिम इतिहासकारों ने भी राजस्थान के जैनो के विषय में वर्णन किया है इसमें

1- वही, *ए कम्प्रिहेन्सिव हिस्ट्री ऑफ जैनिसम्*, पृ. 18

2- जैन, *कैलाश चन्द्र, जैनिसम् इन गुजरात, जैन संस्कृति समराक्षिका संघ, सोल्हापुर, 1963, पृ. 17*

3- वही

अबुजैदुल ने उन व्यक्तियों का वर्णन किया है जो पहाड़ों और जंगलों में घूमते हैं और लोगों से बहुत कम वार्तालाप करते हैं। इनमें अधिकांश लोग नग्न अवस्था में रहते हैं। ऐसा नहीं था कि नग्न रहना हिन्दू धर्म में नहीं था परन्तु अबूजैदूल ने इन्हें जैन ही बताया है। असराल बिलाद नामक यात्री ने 13वीं शताब्दी के लेखन में मिशोरबिन मुहलहित अजैबुलदान के लेख की जानकारी को लिखते हुए कहा कि सिन्धु के निकट सैमूर के शहर में रहने वाले काफिर माँस, मछली, अण्डा नहीं खाते थे, भले वे अत्यन्त कठिन परिस्थिति में ही क्यों न हो, इसके बाद भी वे माँस का भक्षण नहीं करते थे।<sup>1</sup>

चाहमान शाखाओं में शाकम्भरी के चाहमान अधिक महत्वपूर्ण स्थिति में थे। इनमें से अधिकांश शासक हिन्दू धर्म के संरक्षक थे। जिनमें शैव धर्म को मानने वाले शासकों की संख्या अधिक थी। पृथ्वीराजविजय के अनुसार इस वंश के शासक अन्य धर्मों के प्रति उदारवादी दृष्टिकोण रखते थे। क्योंकि इनके समय में जैन तीर्थों का निर्माण यह प्रमाणित करने के लिए उपयुक्त है। इस क्षेत्र में पृथ्वीराज प्रथम के द्वारा रणथम्भौर जैन मंदिर में सोने के गुम्बद का निर्माण करवाया गया जो उसके जैन धर्म के प्रति सम्मान को प्रदर्शित करता है। इसके पश्चात् आये शासकों में अजयराज ने अजयमेरू (अजमेर) में जैन मंदिर बनाने की आज्ञा दी एवं सोने का कलश भी दान दिया। अजयमेरू (अजमेर) पूर्व मध्यकाल से ही जैन धर्म का प्रमुख केन्द्र था तथा बिजौलिया पाषाढ़ अभिलेख 1170 ई. के अनुसार यह मंदिर वर्धमान को समर्पित था एवं इसका निर्माण प्रागवत कुल से सम्बन्धित जैन परिवार के सदस्यों द्वारा कराया गया था।<sup>2</sup> यहाँ से अनेकों अभिलेखों के रूप में फलौधी (प्राचीन फलवर्धिका) से प्राप्त 1221 विक्रम संवत् का अभिलेख, 1216 विक्रम संवत् का अभिलेख, अजयमेरू के निकट पृथ्वीपुरा से प्राप्त विक्रम संवत् 1198 का अभिलेख जैन धर्म से सम्बन्धित है। साथ ही खरतार गच्छ से सम्बन्धित श्वेताम्बर भिक्षुओं के क्रिया कलाप हेतु यह एक उपयुक्त क्षेत्र था। विग्रहराज चतुर्थ के द्वारा जैन मंदिर पर राजकीय

1- वही, *जैनिसम् इन गुजरात*, पृ. 18

2- एपी. इंडि., *संस्करण 26*, पृ. 84

ध्वज फहराने से जैन धर्म को प्राप्त राजकीय संरक्षण प्रमाणित होता है। सोमेश्वर के पश्चात् उसके

उत्तराधिकारी पृथ्वीराज तृतीय के द्वारा भी जैन धर्म को संरक्षण प्रदान किया गया। इसके काल में रामदेव नामक जैन अधिकारी निवास करता था। इनके दरबार में आयोजित वादविवाद प्रतियोगिता में खरतार सन्त ने श्वेताम्बर सम्प्रदाय के पद्मप्रभा को पराजित किया था।

राजस्थान के राजनैतिक इतिहास में नोडल के चाहमान शासकों ने भी महत्वपूर्ण भूमिका का निर्वहन किया। इन शासकों में से कुछ पूर्णतः जैन धर्म का समर्थन करते थे। बालि से दक्षिण-पूर्व में 5 मील की दूरी पर सेवाड़ी से अभिलेख प्राप्त हुआ जो सेवाड़ी के भगवान महावीर के मंदिर के गलियारे के दरवाजे पर उत्कीर्ण है।<sup>1</sup> इसमें जैन धर्म के 15वें तीर्थंकर धर्मनाथ की प्रतिदिन पूजा हेतु उपहार देने का वर्णन प्राप्त होता है। यहीं से 1172 विक्रम संवत का एक अन्य अभिलेख भी प्राप्त हुआ जिसमें अश्वराज एवं उसके पुत्र के द्वारा आठ द्रम माघ माह में शिवरात्रि के दिन शांतिनाथ की पूजा हेतु दान करने का वर्णन मिलता है। इस वंश के शासक रायपाल का सम्बन्ध भी जैन धर्म से था। इसके काल में भी जैन धर्म से सम्बन्धित पांच अभिलेख प्राप्त हुये हैं। विक्रम संवत 1189 के अभिलेख में जैन संतों के लिए रायपाल के दो पुत्रों रुद्रपाल तथा अमृतपाल के द्वारा उपहार देने का वर्णन है। विक्रम संवत 1195 के नडलई के नेमिनाथ मंदिर से प्राप्त अभिलेख में ठाकुर राजदेव का वर्णन प्राप्त होता है जो अपनी आय का 1/20वां भाग दान कर देता है, साथ ही नेमिनाथ के मंदिर में दीप, पुष्प, धूप तथा नैवेद्य का वर्णन भी इस अभिलेख में किया गया है।<sup>2</sup> अन्य अभिलेखों में राजदेव का वर्णन प्राप्त होता है जो एक व्यापारी वर्ग का प्रतीत होता है। इसके द्वारा राजाओं से मंदिर के देख-रेख करने की विनती की गयी है इस वंश के शासक आल्हण के किराडू अभिलेख से राजा एवं इसके पुत्रों का जैन धर्म के प्रति अटूट विश्वास सिद्ध होता है। कल्हणदेव के पांचवे जैन अभिलेख (विक्रम संवत 1236) ओसिआ की सचिकादेवी मंदिर का वर्णन करता है। ये देवी जैन देवताओं के परिवार से सम्बन्धित थी। कल्हण

1— एपी. इंडि., संस्करण 11, पृ. 28

2— पूर्वोक्त, ए कम्पिहेन्सिव हिस्ट्री ऑफ जैनिसम्, पृ. 44

देव के लगभग छः अभिलेख प्राप्त हुये हैं। इनमें से विक्रम संवत 1249 ई. का अभिलेख, विक्रम संवतः 1236 का अभिलेख सम्मिलित है। रानियों के द्वारा दिये जाने वाले दान राजा के व्यक्तिगत आय में सम्मिलित होते थे। इन दानों के उल्लेख से यह सिद्ध होता है कि स्त्रियाँ भी जैन धर्म में विश्वास रखती थी।

राजस्थान के परमार राजवंश के समय में भी जैन धर्म का विकास हुआ। इस काल में चन्द्रावती जैन केन्द्र के रूप में विख्यात था जो अबू के निकट स्थित था। यहाँ से भी जैन अभिलेख प्राप्त हुये हैं। यहाँ पर विक्रम संवत 1095 में बुद्धिसागर एवं जिनेश्वर के शिष्य धनेश्वरमुनि ने चन्द्रावती पर कथासुरसुन्दरी की रचना की थी।<sup>1</sup> इस काल में धारवर्ष का झलौदी अभिलेख वर्धमान की प्रार्थना के साथ प्रारम्भ होता है। इसके अतिरिक्त चन्द्रवती से प्राप्त विभिन्न अभिलेख तथा साहित्यों से यह प्रमाणित होता है कि परमार शासकों के हृदय में जैन शिक्षाओं के प्रति अगाध सम्मान था। यह क्षेत्र खरतार गच्छ के विद्वानों से सम्बन्धित था। विविधतीर्थकल्प से यह प्राप्त होता है कि यह स्थान चन्द्रप्रभा मंदिर के रूप में भी विख्यात था। बांसवारा के परमारशासकों द्वारा भी जैन धर्म को संरक्षण प्रदान किया गया। यहां भी जैन धर्म से सम्बन्धित विक्रम संवत 1159 तथा 1166 विक्रम संवत के अभिलेख प्राप्त हुये हैं। राजस्थान की एक अन्य गुहिल शाखा को भी जैन धर्म के संरक्षक के रूप में जाना जाता था। यहाँ तक कि उत्तर गुहिल शासकों में सामन्तसिम्हा, जैनसिम्हा, तेज सिम्हा, समर सिम्हा ने भी जैन अभिलेखों की स्थापना करवायी। इनमें विक्रम संवत 1324 ई. के चित्तौड़ अभिलेख, विक्रम संवत 1330 का चिरवा अभिलेख प्राप्त होता है। चित्तौड़ से प्राप्त एक अन्य अभिलेख में यहाँ के जैन मंदिर के निर्माण का वर्णन प्राप्त होता है। इनसे यह सिद्ध होता है कि श्वेताम्बर जैन धर्म में राजाओं के द्वारा व्यक्तिगत रुचि ली गयी थी।

पाँचवीं शताब्दी के बाद से जैन धर्म पाण्ड्य शासकों के संरक्षण के कारण शक्तिशाली रूप धारण करने लगा था। 6वीं शताब्दी ई. में राजकीय धर्म के रूप में हिन्दू धर्म को संरक्षण

1- वही, ए कम्प्रिहेन्सिव हिस्ट्री ऑफ जैनिसम, पृ. 51

दिया, परन्तु जैन धर्म के द्वारा प्रतिदिन के कार्यों में सरल नियमों के पालन से जन सामान्य में इनका प्रसार अधिक हो सका। लोगों के मध्य इसकी स्वीकारोक्ति का एक मुख्य कारण राजाओं के द्वारा इसके प्रति सम्मान था। जैन धर्म के दक्षिण भारत में विकास को इस बात से जान सकते हैं कि तंजौर में जन्म लेने वाले ब्राह्मण सम्बन्धर तमिल भूमि पर शैव धर्म का प्रसार करने हेतु अत्यन्त उत्साहित थे एवं अपनी दस में से एक कविता में जैन धर्म को श्रापित करने की बात कहते थे।<sup>1</sup> इसके बाद भी मदुरा में जैन धर्म की जड़े अधिक मजबूत थी। पाण्ड्य शासकों में सुन्दर पाण्ड्य नामक शासक जैन धर्म का कट्टर समर्थक था। पल्लव शासकों ने भी जैन धर्म को समर्थन प्रदान किया। चोल शासकों द्वारा शैव धर्म को संरक्षण देने के बाद भी इन शासकों ने जैन धर्म का अपमान नहीं किया। छठी एवं सातवीं शताब्दी में तमिल देश में जैनों के द्वारा राजनैतिक हस्तक्षेप भी किया गया।

दक्षिण भारत में जैन धर्म के विकास का श्रेय अप्पार को जाता है। इन्होंने धर्मसेन के अधीन तिरुपलियूर में मठीय जीवन प्रारम्भ किया था। इन्होंने पल्लव राजा महेन्द्रवर्मन के पुत्र नरसिंह वर्मन प्रथम को जैन धर्म में परिवर्तित किया। पेरियपुराणम के अनुसार इन सन्तों को अत्यधिक सताया जाता था। अप्पार की रचना इन बातों को भी प्रकाशित करती है। कलभ्र के आक्रमण से लेकर कुन पाण्ड्य के मत परिवर्तन तक जैनों ने राज्य की नीतियों पर भी अधिकार कर लिया था।<sup>2</sup> कुन पाण्ड्य के मत परिवर्तन के पश्चात् ही हजारों जैनियों को देश से बाहर निकाला गया साथ ही उनका शैव धर्म में जबर्दस्ती परिवर्तन भी करवाया। सातवीं या आठवीं शताब्दी में जैन भिक्षु मदुरा के चारों तरफ की पहाड़ियों में निवास करते थे। ये प्राकृत भाषा का प्रयोग करते थे। सम्बन्धर ने इनकी तुलना उन बन्दरों से की जिन्हें धर्मतत्त्वविषयक विवाद अत्यन्त प्रिय थे तथा दूसरे धर्म के नेताओं को परास्त करने में इन्हे सुख प्राप्त होता है।<sup>3</sup> इनके प्रसार को

---

1- आयंगर, एम.एस. रामास्वामी, स्टडीज इन साउथ इंडियन जैनिसम, द प्रीमियर प्रेस, मद्रास, 1922, पृ. 62

2- वही, पृ. 67

3- वही, पृ. 69

देखकर अलवार सन्त भी पूर्व मध्य काल में दक्षिण भारत में इनके विरोधी हो गये थे। दक्षिण भारत में नयनार एवं अलवार मत के उदय होने से जैन धर्म दक्षिण भारत में अल्प विकसित हो सका। पूर्व मध्य काल का उत्तरार्ध जैन धर्म का दक्षिण भारत में अवनति का काल रहा।

पूर्वमध्य काल में जैन धर्म उत्तर भारत में अधिक विकसित नहीं हो सका। उत्तर प्रदेश में देवगढ़ तथा मथुरा से ही जैन मंदिर समूह प्राप्त हुये हैं। देवगढ़ को 9वीं शताब्दी ई. में लच्छागिर के नाम से जाना जाता था, जो आगे चलकर कीर्तिगिरि नाम से प्रसिद्ध हुआ।<sup>1</sup> अत्यन्त आश्चर्यजनक है कि दिगम्बर सम्प्रदाय का प्रमुख केन्द्र होने के बाद भी इससे सम्बन्धित साहित्य यहाँ से प्राप्त नहीं होते हैं। देवगढ़ क्षेत्र चन्देलों से सम्बन्धित रहा है इसके अतिरिक्त मथुरा भी जैन धर्म के केन्द्र के रूप में जाना गया। यहाँ से पूर्व मध्य काल के तीन अभिलेख प्राप्त हुये हैं। इनमें पहला अभिलेख विक्रम संवत् 1038 का श्वेताम्बर सम्प्रदाय से सम्बन्धित है, दूसरा अभिलेख विक्रम संवत् 1080 का दिगम्बर से तथा तीसरा अभिलेख विक्रम संवत् 1034 ई का पुनः श्वेताम्बर

सम्प्रदाय से सम्बन्धित है। तत्कालीन साहित्यों से ऐसा प्रतीत होता है कि मथुरा पूर्वमध्यकाल के उत्तरार्ध से ही जैन धर्म के केन्द्र के रूप प्रसिद्ध हुआ। उत्तर भारत के अन्य क्षेत्रों से भी जैन धर्म से सम्बन्धित तीर्थों के विषय में जानकारी प्राप्त होती है। इन क्षेत्रों में उड़ीसा, सिंध, पंजाब, बंगाल, बिहार आदि आते हैं।

हर्ष के पश्चात् राजपूत काल या पूर्व मध्यकाल का उदय होता है। त्रिपक्षीय संघर्ष के समाप्त होने

के पश्चात् प्रतिहारों ने कन्नौज पर अधिकार कर लिया। चन्देलों के समय में प्रचलित जैन धर्म का प्रचार-प्रसार प्रतिहारों के समय से ही प्रारम्भ होता है। प्रतिहार शासक नागभट्ट प्रथम ने जैन सन्त यक्षदेव को संरक्षण प्रदान किया था। इस वंश के शासक वत्सराज और नागभट्ट के काल में कुवलयमाला एवं हरिवंश पुराण की रचना की गयी तथा अनेकों जैन मंदिरों का निर्माण भी करवाया गया।<sup>2</sup> चूँकि चन्देल प्रतिहारों के सामन्त के रूप में शासन करते थे। अतः

---

1- पूर्वोक्त, ए कम्प्रेहेन्सिव हिस्ट्री ऑफ जैनिस्म, पृ. 65

2- पनगडिया, बी.एल., एन.सी. पहाड़िया, पॉलिटिकल सोसियो-इकोनॉमिक एण्ड कल्चरल हिस्ट्री ऑफ राजस्थान (अर्लियस्ट टाइम टू 1947), पंचशील प्रकाशन, जयपुर, 1947, पृ. 38

ये भी शैव मतावलम्बी होने के बाद भी अन्य धर्मों के प्रति सहिष्णु रहे होंगे।

जैन धर्म को जिस प्रकार का आश्रय दक्षिण भारत, राजस्थान, गुजरात में प्राप्त हुआ उस प्रकार का संरक्षण उत्तर भारत में प्राप्त नहीं हो सका। चन्देलों के शासन काल ब्राह्मण धर्म के साथ-साथ जैन धर्म भी बुन्देलखण्ड में विकसित हो रहा था। चन्देल राजाओं की राजधानी खजुराहो तथा महोबा में निर्मित जैन मंदिर से प्रतीत होता है कि राष्ट्रकूट शासकों की भांति चन्देलों ने भी जैन धर्म को सहायता प्रदान की। शिव और विष्णु के अनन्य सेवक चन्देलों की उदारता का ज्ञान इससे होता है कि शिव और विष्णु के मंदिर के समीप ही जैननाथ एवं पार्श्वनाथ मंदिर बनाने की स्वतंत्रता प्रदान कर दी।<sup>1</sup> पूर्व मध्यकाल में उत्तर भारत में जैन धर्म सतलज तक विस्तृत था। इस काल में जैन धर्म के केन्द्रों के रूप में देवगढ़, चांदपुर, थुबौन, ग्वालियर, चन्देरी, अहार इत्यादि प्राप्त होते हैं। चन्देलों के समय में भी यह अधिकतर वैश्यों के मध्य विकसित रूप में थी। शासकों द्वारा जैन धर्म को सम्मान देने का एक अन्य कारण यह भी था कि ये अधिक रुचि से देश एवं समाज के लिए कार्य भी करते थे। उदाहरण-आचार्य दीपांकर ने बौद्ध धर्म को तिब्बत में फैलाने के लिए वहाँ के शासक को पराजित करने हेतु दो विरोधी शक्तियों को आपस में एक जुट करने का कार्य किया।<sup>2</sup> इन्होंने हिन्दू धर्म के विरुद्ध कोई भेदभाव पूर्ण कार्य नहीं किये, शायद इसी कारण इन्हें स्वयं की सामाजिक एवं आर्थिक स्थिति को सुदृढ़ करने का अनुकूल वातावरण प्राप्त हो सका। अतः अधिकांश हिन्दू शासक एवं व्यापारी भी हिन्दू तथा जैन धर्म में विशिष्टता रखने लगे थे।

चन्देल कालीन जैन धर्म की विशेषता इस पर किसी अन्य धर्म का प्रभाव नहीं होना था। इस काल में जैन साहित्य का उन्नयन हुआ। महाराज हर्षवर्धन के राजकवि मानतुंग ने 'भक्तामर

---

1- मिश्र, केशव चन्द्र चन्देल एवं उनका राजस्व काल, नागरी प्रचारणी सभा, काशी, संवत् 2011, पृ. 203

2- बाजपेयी, के. डी., कल्चरल हिस्ट्री ऑफ इंडिया, मध्य प्रदेश, संस्करण-1, प्रज्ञा प्रकाशन, कानपुर, 1975, पृ.74

तथा भयहर' स्तोत्र की रचना की तथा वत्स भट्टि ने अपने राज शिष्य कन्नौज नरेश महाराज यशोवर्मन के पुत्र अम हेतु सरस्वती स्त्रोत लिखा।<sup>1</sup> बुन्देलखण्ड में प्राप्त जैन मंदिरों तथा मूर्तियों से चन्देलों के उद्भव के समय उनकी उन्नत अवस्था का बोध होता है। वैश्यों के मध्य अधिक विकसित होने के कारण समय-समय पर अनेकों धनी भक्तों ने जैन मंदिरों का निर्माण करवाया था। जगह-जगह पर जैन मूर्तियों के प्राप्त होने के कारण उनके बुन्देलखण्ड में प्रसार का बोध भी होता है। जैन भक्त मात्र मंदिर निर्माण ही नहीं करवाते थे अपितु उनकी रक्षा तथा जैन साधुओं की वृत्ति की व्यवस्था भी करते थे। इस क्रम में खजुराहो जैन मंदिर का 1011 विक्रम संवत् अभिलेख में पाहिल का वर्णन प्राप्त होता है जिसने जैन मंदिर हेतु दान भी दिया एवं राजा से उनकी सुरक्षा हेतु आग्रह भी किया।<sup>2</sup> अन्य जैन अभिलेखों में खजुराहो के तीन अभिलेखों में प्रथम दो में जैन भक्त श्रेष्ठिन पाणिधर का तथा तीसरे अभिलेख विक्रम संवत् 1215 में साधु द्वारा प्रदत्त जैन मूर्ति का निर्देश है।<sup>3</sup> पपौरा जैनियों का महत्वपूर्ण तीर्थ स्थल था। जहाँ प्रत्येक युग में अनेक जैन यात्री श्रद्धांजलि अर्पित करते थे।

इस प्रकार जैन धर्म जिसका उत्थान महावीर स्वामी के समय में उत्तर भारत में हुआ वह शनैः

शनैः द्वितीय जैन संगीति तक इस क्षेत्र में अवनति की स्थिति प्राप्त करने लगा। पूर्वमध्य काल में जैन धर्म का विकास गुजरात, राजस्थान तथा दक्षिण के क्षेत्रों में अधिक हुयी। इन सभी क्षेत्रों में गुजरात जैन धर्म के लिए अधिक श्रेष्ठ स्थल प्रतीत होता है। क्योंकि इस काल में इन क्षेत्रों में जैन धर्म को अधिक संरक्षण प्राप्त हुआ तथा इनसे सम्बन्धित निर्माण कार्य भी करवाये गये। अधिकांश अभिलेखों में जैन धर्म के प्रति सम्मान की बात कही गयी है। चूंकि पूर्व मध्यकाल में राजपूत शासक शक्ति के रूप में शिव की उपासना को अधिक महत्व देते थे। परन्तु राष्ट्रकूटों

---

1— पाण्डेय, अयोध्या प्रसाद, चन्देल कालीन बुन्देलखण्ड का इतिहास, हिन्दी साहित्य सम्मेलन, प्रयाग, 1968, पृ. 168

2— वही, पृ. 170 3— वही

के समय में इन्हें भी संरक्षण दिया गया। यह धर्म पूर्ण रूप से राजकीय धर्म न बन सका। परन्तु वैश्यों एवं कुछ जन मानस के मध्य भी विकसित हो सका।

दक्षिण भारत के अतिरिक्त राजस्थान के क्षेत्र में भी इसने अपना प्रसार किया। क्योंकि वहाँ के शासकों के रूप में चाहमान, गुहिल आदि ने इन्हें संरक्षण दिया एवं उनके द्वारा जैन धर्म को दिये दान के उल्लेख में यह सिद्ध होता है कि इनके हृदय में भी जैन धर्म के प्रति सम्मान की भावना थी। वर्तमान उत्तर प्रदेश के क्षेत्र में पूर्व मध्य काल में जैन धर्म का विकास अधिक नहीं हुआ, क्योंकि यहाँ पर शैव आचार्यों ने इन्हें समाप्त करने का सम्पूर्ण प्रयत्न किया। प्रतिहारों के पश्चात मध्य भारत में जैन धर्म का विकास पुनः प्रारम्भ हुआ। चन्देलों के समय में विभिन्न सम्प्रदायों की प्रतिष्ठा से यह संकेत मिलता है कि इनमें आपसी कलह नहीं थी। ये सभी धर्म धार्मिक सहिष्णु हो चुके थे। लोगों को यह अनुभव हो चुका था कि ब्राह्मण बौद्ध, जैन तथा अन्य सम्प्रदायों में कोई भेद नहीं है तथा ये सभी सनातन धर्म अर्थात् हिन्दू धर्म का ही एक रूप है।

\*\*\*\*\*

## GUIDELINES FOR CONTRIBUTORS

- 1] **Journal of Shivaji University (Humanities and Social Sciences)** is the publication of Shivaji University, Kolhapur (Maharashtra, India), being published twice a year. It is an academic double blind and peer reviewed ISSN approved Journal.
- 2] The Journal welcomes articles/papers based on original research by the faculty and research scholars working in various fields of Arts, Education, Law Social Science disciplines, Languages and Literature [Marathi, Hindi and English]. Articles/Papers can be submitted in English, Hindi or Marathi.
- 3] The **length** of the article/research paper **should not exceed 5000 words** (word limit is inclusive of references and notes).
- 4] The article/paper must accompany an **abstract not exceeding 200 words**. Abstract should be placed in the text box just below the title of the article and before Introduction on first page.
- 5] Article/research paper must be typed on A-4 size paper in double space. The preferred word-processing format is Microsoft Word [use Times New Roman, 12 pt. font size]. The authors writing their contributions in Marathi and Hindi are requested to make use of '**Shrilipi**' software for typing of the manuscripts. [Use Shrilipi 708, 14pt. font size].
- 6] All the sources of literature referred to while writing the article/paper must be properly cited in the text. The serial numbers of End Notes, if any, must also be indicated within text at appropriate places.
- 7] The listing of references must follow the alphabetical order as per APA style.
- 8] Follow the endnote pattern: Serialize all explanatory notes in the sequence in which they are referred to in the text (using numbered superscripts) and place them at the end of the text under **Notes**, but **before References**. Endnotes must not be used for bibliographic purposes.
- 9] Tables, charts, maps, figures etc. should be placed at appropriate places in the text of the article/paper and must be numbered serially with suitable headings. The tables should be referred to by their numbers within the text. Art-work for maps, figures and charts should be provided separately, if necessary.
- 10] Only articles evaluated and approved by the subject Experts/Referees are considered for their publication in the Journal. The referees evaluate Article/ Paper drafts in term of structure and organization of paper/argument, originality of the research, appropriateness of abstract and introduction, literature review, methodology and data sources, data/evidence and conclusions, and quality of language.
- 11] The name of the author/co-author of the article being submitted should appear only on separate article information sheet to be submitted along with the text of the article. The author's/Co-author's name should not be mentioned on the first page of the article/paper or it should not be directly or indirectly indicated anywhere in the entire text of the article'
- 12] For any other information and for inquiries regarding submitted articles/papers preferably use e-mail communications. (**E-mail id: editorjsu@unishivaji.ac.in**)  
**Only research articles/papers prepared strictly in accordance with the above guidelines will be sent to referees for their evaluation and opinion about their acceptability or otherwise. We do not send back rejected articles.**



