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KURUKSHETRA SUMMARY

AN INITIATIVE BY THE PRAYAS INDIA

THE PRAYAS IAS

SUSTAINABLE AND
INCLUSIVE RURAL GROWTH





Summary of Kurukshetra

June 2021

Theme: Sustainable and Inclusive Rural Growth

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Drivers of Inclusive Rural Growth

- Prime Minister Shri Narendra Modi while urging India Inc to invest in India's villages. While citing various government led interventions for rural growth, he said, 'The ambitions of rural India are increasingly on the rise, they want socio-economic mobility. That's why investors like you should not miss any opportunity to invest in villages and rural India. Your investments will open up new avenues for our brothers and sisters in rural India.'
- Besides roping in private sector for investment, Government of India has developed elaborate plans and strategies to accelerate rural economy and socio-economic upliftment of rural citizens.
- The Government has set a goal to become a five trillion dollar economy by 2025. To achieve this, India has set a target of one trillion dollar from agriculture, three trillion dollar from services and one trillion dollar from manufacturing sector.
- The rural economy of India generates about half of the national income and more than two- third of the employment is generated in the rural areas (NITI Aayog, 2017). More than half of the value added in manufacturing sector is contributed by rural areas.
- The agriculture and allied sectors alone contributed 17.8 percent to the total gross value added of the country during 2020-21. Most of the current studies indicate that the growth, income and consumption patterns of rural India hold the key to boost demand, revive the economy, and sustain economic growth at national level.

Agriculture – The Fulcrum of Rural Economy

- Agriculture and allied sectors are the mainstay of rural economy as they drive demand for other sectors including retail, FMCG, and e-commerce, which are dependent on agriculture sector for inputs. Besides, agriculture directly steers consumption and demand in seed, fertilisers and chemicals, agricultural machinery and implements, energy and transport sectors.
- Hence, the Government has launched various forward looking policies and initiatives that aim at doubling the income of farmers by 2022.
- Expected growth in agriculture sector shall stimulate demand for processing services, packaging, transportation and for finance, retail and other services. Untapped potential exists for public and private sector to contribute across the agricultural value chains, mainly in four areas of activities – market



linkage and farm to fork connections, logistics and supply chain, agroprocessing, and research and development.

- Government sponsored electronic National Agriculture Market (eNAM) has removed barriers of licensing, movement and storage by providing online trading facilities to farmers for a great number of farm commodities. So far, over 1000 major whole sale agriculture markets (APMCs) across 18 States and three UTs have been integrated on eNAM to develop the concept of ‘one nation, one market’ for agriculture produce.
- The online and transparent bidding system is encouraging farmers to increasingly trade on eNAM.
- A massive campaign is underway to aggregate small, marginal and landless farmers into Farmer Producer Organisations (FPOs) to enhance economic strength and market linkages.
- Besides increasing income, FPOs will facilitate farmers with access to improved technology, credit, better inputs at affordable cost and more markets. In broader sense, FPOs will improve rural economy and create job opportunities for rural youths in villages itself.
- Recently, eNAM has introduced a warehouse based trading module that allows trading based on electronic-Negotiable Warehouse Receipts.
- Expansion of online marketing facilities required matching infrastructural support at the ground level. Hence, Government created a dedicated Agri-market Infrastructure Fund with a corpus of Rs. 2,000 crore for development and upgradation of marketing infrastructure.
- Recently introduced new farm laws (2020) are intended to help small and marginal farmers (86 percent of total farmers) who don’t have means to bargain for their produce to get a better price.
- The specific law on agri-market allows farmers to sell their produce outside APMC ‘mandis’ to buyers of their choice. Farmers will be able to get better prices through competition and cost-cutting on transportation.
- The new law on contract farming gives freedom to individual farmers to enter into a contract with agri-business companies or retailer-chains on pre-agreed prices of their produce. Such contracts will help small and marginal farmers as the new law transfers the risk of market unpredictability from the farmer to the sponsor.
- Another law removes some of the major agri-commodities from the list of essential commodities, thereby attracting private/foreign direct investment into the agriculture sector.

Industries and Enterprises – Wheels of Rural Growth



- Consistent and intensive efforts to improve infrastructural facilities in rural areas have now yielded desired results. Better road connectivity, high-speed internet facility, adequate power supply, plenty of local resources, availability of skilled and un-skilled workers, and improved credit facilities, have transformed rural areas into a favourite destination for setting up new enterprises.
- On the other hand, industrial/entrepreneurial activities in rural areas, boost rural economy by providing job opportunities to local people.
- Among various industrial activities, agro-processing/food processing is a sunrise sector, especially in rural areas, with huge untapped potential and a number of encouraging interventions by Government.
- The Ministry of Food Processing Industries, Government of India is making all efforts to encourage investments across the value chain.
- A comprehensive, ambitious and umbrella scheme, ‘PM Kisan SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) Yojana’ was launched (2017) with an initial allocation of Rs. 6,000 crore for three years.
- Through this scheme, Government aims to create modern infrastructure with efficient supply chain management from farm gate to retail outlet, and link farmers to consumers in the domestic and overseas markets.
- ‘SAMPADA’ scheme is supporting creation of mega food parks and agro-processing clusters, especially in rural areas, to address the need of small and micro food processing enterprises by providing plug and play facilities.
- To arrest post-harvest losses of horticulture and non-horticulture produce at farm-gate locations, financial assistance is being provided for setting up integrated cold chain from the farm gate to the consumer.
- A novel ‘One District One Product’ scheme is designed to promote value chain and infrastructure development for the specialised indigenous product (food or otherwise) of a district so that it gets state/national exposure.
- The ODOP product could be a perishable agri-produce, cereal based product, or a food product widely produced in a district and their allied sectors.
- Micro, Small and Medium enterprises (MSMEs) are regarded as the growth accelerators of the Indian economy, and more so for the rural economy as more than half of the MSMEs operate in rural India.



- To push up the growth of MSME sector, Government of India has from time to time launched various supportive schemes mainly targeting ease of doing business, credit support, and marketing facilities with infrastructure development.
- Recently, as a step towards ease of doing business, Government revised financial norms for classification of MSME units.
- Recently, Government has introduced a simple, online registration scheme for MSMEs, which is based on self-certification. Named as 'Udyam' registration, it offers a host of benefits to MSMEs.
- To increase credit flow, an emergency credit line is introduced wherein special loans are sanctioned to MSMEs by banks/financial institutions without additional guarantees.
- During ongoing pandemic, to further boost rural economy through MSMEs, Prime Minister launched a special CHAMPIONS portal (1st June, 2020) for making the smaller units big by helping and hand-holding them.
- World bank has also recently step in by allocating about Rs. 5,600 crore for emergency funding to the MSME sector.
- Ministry of MSME is also implementing a 'Scheme of Fund for Regeneration of Traditional Industries' (SFURTI) to promote cluster of small scale industries especially in rural areas. SFURTI is striving to organise the traditional industries and artisans in villages into clusters to make them competitive and financially sustainable.
- Most of the traditional industries are facing challenges in product development as per new age demands and marketing. Hence, SFURTI scheme is providing support for new products, design intervention and improved packaging, and also the improvement of marketing infrastructure.
- Government has established 18 MSME Technology Centres to develop and promote new appropriate technologies, and their transfer to rural artisans for enhancing their income.
- With a continued focus on MSMEs by the government, this sector is expected to continue with its role as the growth engine of the rural economy vis-a-vis national economy, and providing employment to millions of un-skilled and semi-skilled people across the country.

FMCG- Gamechanger of Rural Economy

- Fast Moving Consumer Goods (FMCGs) sector is the fourth largest sector in India employing over three million people.



- Growing awareness, easier access, changing lifestyles and enhancing income have been the key growth drivers for FMCG sector. Due to various socio-economic factors, the urban segment had been the largest contributor to the overall revenue generated by the FMCG sector. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to its urban counterpart.
- As a result, FMCG products account for nearly 50 percent of the rural spending.
- Major FMCG companies in private sector are eyeing rural markets with launch of new product series especially suited to the likes of rural consumers. FMCG companies are also focussing on strengthening their e-commerce engagement mainly to attract business from rural youth.
- On the other hand, Government has made some policy interventions to push up sectoral growth, especially in rural areas. These initiatives include – 100 percent approval of FDI in single-brand retail and 51 percent FDI in multi-brand retail; lower tax regime for FMCG products;
- Consumer durables is another major sector influencing rural markets and rural economy.
- Spectacular growth in consumer durable market is registered across the country including rural areas. Recent initiatives by the Government have directly or indirectly promoted the rural demand for consumer durable products.
- Easy access to finance, easy EMI schemes and buy now-pay later schemes have also contributed to demand in the consumer durables sector
- Schemes such as Direct Benefit Transfer (DBT), RuPay Cards, Kisan Credit Cards and the ambitious Jan Dhan scheme have improved the financial inclusion set-up in rural areas. Improved banking services in rural areas have directly promoted and escalated rural entrepreneurship to push up rural economy.

Conclusion

- Supported by the initiatives of the Government, India's rural region are increasingly becoming key economic drivers for the national economy.
- However, a vast potential of opportunities that lies in the rural markets have not been completely explored.
- There is much scope and hope that the rural economy of India will drive Indian economy towards a five trillion dollar plus economy by the year 2025.



Inclusive, Equitable and Quality Education

- Access to quality education that has equity and inclusion at its core becomes crucial in Indian context considering the unique nature of its society divided by caste, religion, and language.
- The caste system has created layers in the society where one is considered superior to other on the basis of his/her birth in a dominant caste. This has resulted in a significant percentage of population falling into socio-economic disadvantageous group (SEDGs).
- The Constitution makers realised this complicated system and its adverse impact on the society and incorporated provisions in the form of ‘reservation’ to ensure equal opportunities for all.
- The role of education becomes vital as it can be a great leveler or equaliser if we are able to provide universal access to quality education. Education is vital in creating opportunities and level playing field for all.
- Children with disabilities should also be enabled to fully participate in the regular schooling process from the Foundational Stage to higher education.
- The Rights of Persons with Disabilities (RPWD) Act 2016 defines inclusive education as a ‘system of education wherein students with and without disabilities learn together and the system of teaching and learning is suitably adapted to meet the learning needs of different types of students with disabilities.
- The Sustainable Development Goal 4 (SDG 4) also seeks to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all” by 2030.
- After independence, education was identified as a vital tool for an equitable and just society. Post-independence, our education system has evolved and expanded phenomenally. From a literacy rate of 18 percent in 1951, we have moved up to 73 percent as of 2011.

Previous Policies and Commissions

- A series of commissions were appointed to survey, study, review and recommend improvements in the different sectors of education after independence.
- To take into the problems university education, the university education commission was appointed by the Government of India in 1948 under the chairmanship of Dr. S. Radhakrishnan. Secondary Education Commission was appointed in 1952 under the chairmanship of Dr. A. Lakshmanaswamy Mudaliar.
- The commission identified secondary stage of education as the important link of our education system because it prepares individual for vocation as well as higher education. Thereafter, the most famous



Kothari Education Commission was formed on 14 July 1964 under the chairmanship of Dr. Daulat Singh Kothari.

- Based on the report and recommendations of the Education Commission (1964–1966), the government announced the first National Policy on Education in 1968, which called for a “radical restructuring” and equality of educational opportunities so that national integration and more cultural and economic development can be achieved.
- It promoted adoption of broadly uniform educational structure in all parts of the country, i.e. 10+2+3 pattern.
- Thereafter, the second National Policy on Education (NPE) was adopted by Parliament in May 1986. This new policy called for “special emphasis on the removal of disparities and to equalise educational opportunity.
- The NPE (1986) recommended for an overhaul of the system of planning and the management of education.
- At the National level, a CABE (Central Advisory Board of Education) committee was set up in July 1991 under the Chairmanship of Shri N. Janardhana Reddy to consider modifications in NPE, i.e. to review educational development, determine the changes required to improve the system and monitor implementation.
- This Committee submitted its report in January 1992 which is known as the National Programme of Action, 1992. The National Education Policy, 2020 is the third in the series of National Education Policies (1968 and 1986 modified in 1992) in India and is the first education policy of the 21st century.
- The NEP 2020 envisions an education system rooted in Indian ethos that contributes directly to transforming India, that is Bharat, sustainably into an equitable and vibrant knowledge society, by providing high-quality education to all, and thereby making India a global knowledge superpower.

Programmes/Schemes

- Several schematic and programme interventions, such as Operation Black Board (OBB), Shiksha Karmi Project (SKP), Andhra Pradesh Primary Education Project (APPEP), Bihar Education Project (BEP), U.P. Basic Education Project (UPBEP), Mahila Samakhya (MS), Lok Jumbish Project (LJP), District Primary Education Programme (DPEP) and the Sarva Shiksha Abhiyan (SSA) – the flagship Centrally Sponsored Scheme in partnership with State Governments for UEE across the country.



- The Rashtriya Madhyamik Shiksha Abhiyan (RMSA) scheme, initiated in 2009, demonstrated the government's ambition for a secondary education system that can support India's growth and development.
- In 2018, an integrated scheme for school education called 'Samagra Shiksha' was launched by subsuming erstwhile schemes of SSA, RMSA and CSSTE. Samagra Shiksha aimed to treat education holistically from pre-primary to Sr. Secondary and is aligned with SDG(4) goals.

The RTE Act

- The most significant event came in the year 2002 with 86th amendment in the Constitution of India wherein article 21 A was inserted to ensure that every child has a right to fulltime elementary education of satisfactory and equitable quality in a formal school which satisfies certain norms and standards.
- This subsequently resulted in passage of the Right of Children to Free and Compulsory Education (RTE) Act, 2009 which gave a legal mandate to provide free and compulsory elementary education to every child in the age group of 6-14 years.
- The RTE Act has many provisions for ensuring quality, equity, and inclusion in education system such as notification of weaker and disadvantaged group by the appropriate Government and reservation of 25 percent seats in private unaided schools for them, improvement in learning outcomes and Continuous and Comprehensive Evaluation (CCE), nondiscriminatory learning environment and holistic development of child.

Qualitative Steps Taken and Suggestions

- The aim of the education is not limited to cognitive capacities or academic excellence only but also to ensure social, ethical, and emotional capacities and dispositions. Education is also expected to equip individuals to face the challenges of 21st century.
- Further, as envisaged in National Education Policy 2020, the purpose of the education system is to develop good human beings capable of rational thought and action, possessing compassion and empathy, courage and resilience, scientific temper and creative imagination.
- Ensuring equality of treatment and outcome has always been a focal point of all the policies/schemes/programmes/Act etc. These constant efforts since independence have yielded positive outcomes.



- As per UDISE 2018-19 (Provisional), the GER for boys and girls of SCs is 104.9 and 107 respectively and for ST boys and girls is 106.6 and 105 respectively at elementary level which is more than the GER of all categories, however, at secondary and senior secondary level the enrolment ratio needs more focus and improvement.
- There are some crucial areas where the initiatives have been taken in the recent years or are required to be taken in future.
 - **Emphasis on Early Years:** Over 85 percent of a child's cumulative brain development occurs prior to the age of 6, indicating the critical importance of appropriate care and stimulation of the brain in the early years in order to ensure healthy brain development and growth. Therefore, strong investment in ECCE has the potential to give all young children such access, enabling them to participate and flourish in the educational system throughout their lives. A National Mission on Foundational Literacy and Numeracy is being set up by the Ministry of Education (MoE).
 - **Focus on Learning Outcome:** A paradigm shift to enhance the quality of education, the Rules to the RTE Act were amended in February, 2017 and for the first time, the class wise, subject wise Learning Outcomes were delineated till Class VIII. Further, a National Achievement Survey (NAS) based on learning outcomes to assess the competencies of children was conducted.
 - The learning outcomes developed by the NCERT have been adopted/adapted by all States and UTs. This change in approach will bring much desired improvement at ground level in terms of pedagogy, assessment, and teachers' capacity.
 - **Reforms in Teacher Education:** The National Council for Teacher Education (NCTE) set up in 1995 after passing the NCTE Act 1993 somehow could not achieve its objective of stimulating planned and coordinated development of the teacher education system throughout the country, the regulation and proper maintenance of norms and standards in the teacher education system and for matters connected therewith.
 - However, rapid and unplanned growth of Teacher Education Institutions (TEIs) across the country has affected the quality of teacher education programmes adversely.
 - NEP 2020 took the cognizance of this fact and recommended various measures to improve this sector. The major recommendations include Four year B.Ed. integrated programme to become the preferred degree for appointment of teachers, closure of sub-standard TEIs, extension of Teachers Eligibility Test (TET) at all stages from pre-



primary to Sr. Secondary, formulation of new National Curriculum framework for Teacher Education (NCFTE) based on new NCF of School Education and NCTE to become part of the Higher Education Commission of India (HECI).

- **Building Capacities of Teachers:** The pre-service teacher education programme and continuous professional development of in-service teachers becomes crucial and one of the most important aspect of the system.
 - In India, many teachers lack professional qualifications as mandated by the NCTE. Therefore, the RTE Act, 2009 was amended in 2017 to ensure that all in-service elementary teachers acquire the minimum qualifications prescribed under the Act by 31st March, 2019, as this would ensure an improvement in the overall quality of teachers and teaching processes, and consequently learning outcomes of children.
 - a National initiative to improve learning outcomes at the Elementary level through an Integrated Teacher Training Programme called NISHTHA (National Initiative for School Heads' and Teachers' Holistic Advancement) has been launched on 21st August, 2019.
 - NISHTHA Online for elementary teachers was launched on 6th October, 2020 on DIKSHA Platform of NCERT.
 - In addition, Assessment is in-built in every Module and Online Certificates will also be automatically generated for participants after completion of the course.
- **Revamping Assessments:** NEP 2020 envisions a transformation in assessment pattern by making board exams a low key affair and introduction of an Artificial Intelligence (AI) based holistic progress card which will be a 360-degree, multidimensional report that reflects in great detail the progress as well as the uniqueness of each learner in the cognitive, affective, and psychomotor domains.
- **Equity and Inclusion at all levels:** Efforts are required to be intensified particularly for CWSN children so that they get equal opportunity. As mentioned in NEP 2020, most classrooms have children with specific learning disabilities who need continuous support. Research is clear that the earlier such support begins, the better the chances of progress.

Conclusion

As the country is stepping ahead towards celebrating 75 years of independence, we must remember that “education is fundamental for achieving full human potential, developing an equitable and just society, and



promoting national development. Providing universal access to quality education is the key to India's continued ascent, and leadership on the global stage.

Fostering Growth in Rural India

- The goal of equitable and inclusive growth, prosperity and access to equal opportunities has been aptly captured in 'Sabka Saath Sabka Vikas,' a cornerstone tenet of the Government of India.
- The government of Prime Minister Narendra Modi has given steam to numerous central government schemes that prioritise the developmental needs of the Indian village.
- Improving and expanding India's infrastructure is essential in bridging gaps between urban and rural India. It allows better access to education, healthcare and economic success.
- The Pradhan Mantri Gram Sadak Yojana (PMGSY) that seeks to provide all-weather access to eligible unconnected habitations, is a physical embodiment of this bridge.
- Enhanced rural connectivity increases agricultural incomes through better access to markets and ensures sustained access to productive employment opportunities and social services.
- PMGSY is fundamental to building robust and independent village economies—a Village Swaraj—as Gandhi described them over a century ago.
- In nurturing national pride, patriotism, community spirit, self-confidence and infrastructure development, the Saansad Adarsh Gram Yojana (SAGY), too, embodies the government's commitment to the Mahatma's vision. It extends the basic amenities and opportunities to rural India and seeks to create model villages (Adarsh Gram) across the country
- Combatting homelessness is a crucial element of building a robust village infrastructure. Under the public housing system scheme Pradhan Mantri Awaas Yojana-Gramin (PMAY-G), the government aims to provide 'housing to all' by 2022.
- So too is the goal of Digital India to democratise the sweeping benefits of digitisation. As of January 2021, there are over 530 million rural telephone subscribers in India while the share of rural subscribers is nearly 45 percent of the total subscribers in the country.



- The digital revolution in rural India has opened the floodgates of a social and economic revolution in rural India where users have faster and better access to business opportunities, employment, services and new ideas.
- Digital India gives strength to the Pradhan Mantri Jan Dhan Yojana (PMJDY), the National Mission for Financial Inclusion. Launched in 2014, PMJDY envisages universal access to banking facilities with at least one basic banking account for every household, financial literacy, access to credit, insurance and pension. In 2018, the goal of reaching every household was revised to ‘every adult.’
- The PMJDY has also been an integral platform for disbursing the benefits of social security schemes like Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY) and Pradhan Mantri Mudra Yojana (PMMY).
- The Svamita Scheme was launched in April 2020 on Panchayat Day. This central government scheme aims to provide an integrated property validation solution for rural India wherein village household owners can be granted the ‘record of rights’ that will enable them to use their property as a financial asset for undertaking loans and other financial benefits from banks.
- The Ministry of Panchayati Raj is responsible for empowering, enabling and ensuring accountability of Panchayati Raj institutions that foster inclusive development with social justice, and efficient delivery of services to rural India.
- In 2018, the central government launched the Rashtriya Gram Swaraj Abhiyan (RGSA) that aims to strengthen Panchayati Raj or achieving Sustainable Development Goals (SDGs) with main thrust on convergence with Mission Antyodaya and emphasis on strengthening PRIs in the 117 Aspirational districts.
- Furthermore, facilitating rural India’s self-governance and self-determination has motivated the creation of robust centre-to-rural infrastructure. The most recent example of the efficacy of this system has been the utilisation of the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) scheme to extend government benefits to rural households during the COVID-19 pandemic that helped them avert harsh consequences of country wide lockdowns.
- The Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) is similarly dedicated on creating employment opportunities in rural India albeit with a focus on the youth population aged between 15 and 35.

Conclusion



- The expansive central government schemes all targeted towards extending the benefits of India's changing landscape to rural areas promise to usher sustained growth across India's rural areas.
- The numerous schemes are the vessel through which the potential and aspirations of rural India get the stage they have for so long awaited.

Expanding Economic Activities

- The rural economy of India has continuously been supporting and contributing to the growth parameters of the country. More so, as India paves its way towards rapid urbanisation, the rural economy continues to play a pivotal role as the prime mover towards the country's Gross Domestic Product (GDP).
- According to the Economic Survey 2020-2021, the share of agriculture in gross domestic product (GDP) has reached almost 20 percent for the first time in the last 17 years, making it a bright spot in GDP performance.
- The resilience of the farming community in the face of adversities, especially the ongoing COVID-19 pandemic, made agriculture the only sector to have clocked a positive growth of 3.4 percent at constant prices in 2020-21, when other sectors had slid.
- The RBI has noted that the record foodgrain production and buffer stocks in 2020-21 has provided food security and support to other sectors of the economy in the form of rural demand, employment and agricultural inputs and supplies, including for exports.
- Agriculture continues to be the silver lining with record foodgrain production estimated in the ensuing crop year on the back of predicted normal monsoons and added that rural demand indicators would remain robust.
- The big picture that emerges according to latest estimates is that the government has set the foodgrain production target at 307.3 million tonnes for the 2021-22 crop year, up by 1.3 percent from last year's estimated foodgrain production.
- Another important aspect, the production of horticulture crops in India has been estimated at a record 320.48 million metric tonnes (MMT) in FY20 as per second advance estimates.
- Besides, India has the largest livestock population of around 535.78 million, which translates to around 31 percent of the world's.



- The agri export from India is likely to reach the target of US\$ 60 billion by the year 2022 as major export destinations of USA, Saudi Arabia, Iran, Nepal and Bangladesh have continued to receive their share of marine products, rice, buffalo meat, spices, cotton raw, oil meals, sugar, castor oil and tea from India.

Road Ahead – Need to Expand Economic Activities

- Farming is the fabric of rural society and, in many countries of the world today it still is the key economic activity, so much so that any sudden and profound changes which impact the farm sector could have severe consequences even in terms of social and political stability.
- Farming and related activities contribute significantly to the employment and business opportunities, infrastructure and quality of the environment in the rural landscape.
- In developing countries, rural development policies should look at the contribution of farming, both in terms of improving on-farm activities and supporting ancillary services, to secure sustainable development.
- The main potential contributions of farming to rural development are in terms of supporting employment, ancillary businesses, and environmental services.
- In the context of agricultural reforms, it should contain sufficient flexibility to allow countries to promote rural development, especially to preserve social and political stability.
- As of now, India is gearing up to touch the target of doubling farm income by 2022.
- Due to increased investment in related infrastructure such as irrigation facilities, warehousing and cold storage as also, the growing use of genetically modified crops, there is potential to boost yield for the farmers as the country launches itself on the road to self-sufficiency especially in pulses over the coming few years mainly due to the concerted effort of scientists to get early maturing crop varieties and the increase in minimum support price.
- As India aims for the US \$5-trillion economy status by 2024-25, it needs to grow at 9 percent per year in real terms from FY20 to FY25.
- Rural revitalisation is a promising first step for achieving this economic target as well as being self-reliant or AtmaNirbhar. Rural revitalisation requires a transformative approach that envisions making rural areas a better place to live and work.



- The government has taken several steps to boost rural economic growth and make it more sustainable the long run. Some of them are as follows –
 - the Rural Infrastructure Fund has been increased to Rs.40,000 crore; the amount for Micro Irrigation Fund created with NABARD doubled to Rs. 10,000 crore for 2021-2022; Operation Green Scheme has been widened to 22 perishable products; and 1,000 more mandis are being linked with e-NAM. Along with the necessary reforms, the government has also planned a production linked incentive (PLI) of about Rs. 11,000 crore, which the industry can avail.
- Under the Operation Greens scheme, 50 percent subsidy is being provided on transportation of all fruits and vegetables through Kisan Rail, as it has become a powerful medium of cold storage network in the country today.
- The Kisan Rail is succeeding in connecting small farmers and fishermen with large and high demand markets.
- Going forward, there is a need to expand the country's agriculture and related sectors while integrating them into the global market. Besides, the 100,000 odd micro food processing units in the country need to be strengthened and so is the need to increase the number of agro-industry clusters near the villages to help boost village employment.
- Growth in rural areas should be driven by agro-based industrialisation, which may gradually shift to the non-farm sector. It will require investment in post-harvest rural activities, such as agro-processing, packaging, cold chains, cold storage and transport.
- It will also require creating an enabling and favourable regulatory environment to stimulate private sector investment in rural areas.
- Collectivising farmers through Farmer Producer Organisations (FPOs) would offset disadvantages for small and marginal farmers and raise bargaining powers to enhance their incomes.
- Another important aspect is the role of the Micro, Small & Medium Enterprises (MSMEs). This will be very critical in developing rural industrialisation as their share in national gross value added is about 32 percent and they provide employment to about 111 million workers.
- The role of rural-urban linkages will be a key driver in rural transformation. It is seen that strengthening rural-urban linkages, from farms to small towns to megacities, will benefit rural labour, production, distribution, markets, services, consumption, environmental sustainability and the new market opportunities thus created will promote local, regional and global value chains.



- Next, the concept of provision of Urban Amenities in Rural Areas (PURA) needs to be relooked here. It calls for urban infrastructure and services to be developed in rural hubs to create economic opportunities outside of urban areas.
- These include better road networks, education, health, drinking water, power, sanitation and social safety net.
- An enabling business environment needs to be created by simplifying regulatory requirements, and reforming land and labour laws. The government has launched initiatives such as Make in India, Start-Up India, MUDRA Bank, Skill India, etc.
- Also, the private player can play an important role in rural industrialisation. The role of the government should primarily be of an enabler of conducive business environment for setting up roads, rail, air and water infrastructure; assured power supply; simplifying tax compliance; single window clearance for construction and starting a business; easy access to credit; and stable policies.
- On the other hand the private sector will invest where the business environment is more favourable which could be more often in cities and its vicinity.
- And finally there is a need to harness the power of ICT. Information and communications technology (ICT) is an extensional term for information technology (IT) that stresses the role of unified communications and the integration of telecommunications (telephone lines and wireless signals) and computers, as well as necessary enterprise software, middleware, storage etc and offers critical tools for improving access to technologies, services and finance.

Challenges and Way Forward

- In spite of all these measures and in view of continuing restrictions on movements of people and vehicular traffic, concerns have been raised regarding negative implications of COVID-19 pandemic on the farm economy.
- The migration of workers from few parts to their native places has also triggered panic buttons, as they are crucial for both harvesting operations and post-harvest handling of produce in storage and marketing centers.
- Making the food grains, fruits and vegetables and other essential items available to consumers, both in rural and urban areas, is the most critical challenge for government machinery during the lockdown period.



- Smooth functioning of the supply chain, with adequate safety measures for the people involved, is of paramount importance.
- To sustain the demand for agricultural commodities, investments in key logistics must be enhanced. Moreover, e-commerce and delivery companies, and start-ups need to be encouraged with suitable policies and incentives.
- The small and medium enterprises, running with raw materials from the agriculture and allied sector or otherwise, also need special attention so that the rural economy doesn't collapse.
- To obviate the immediate concerns of scarcity of farm labor, policies must facilitate easy availability of machinery through state entities, Farmer Producer Organisations (FPOs) or custom hiring centers (CHCs) with suitable incentives.
- It is also suggested to explore leveraging rural employment guarantee schemes such as NREGS funds to pay part of the farm labour.
- The COVID-19 pandemic being a health crisis of unprecedented proportions, the major share of future Budget allocations obviously (and logically so) would be apportioned for the health sector.
- However, investments should not be crowded out of the primary sector to prevent irreversible damage to the farm economy.
- Structural reforms such as land leasing, contract farming and private agricultural markets, etc. have long been advocated to bring enhanced investments into the agriculture sector and to push its growth. However, there has not been uniform implementation of these legislations by the states and so the full potential of the sector is still unrealized.
- It is desirable to switch over to a suitable model with a far stronger nutrition focus where diets are more diverse.
- The post-COVID situation offers that unique opportunity to repurpose the existing food and agriculture policies for a healthier population.

Rural Entrepreneurship

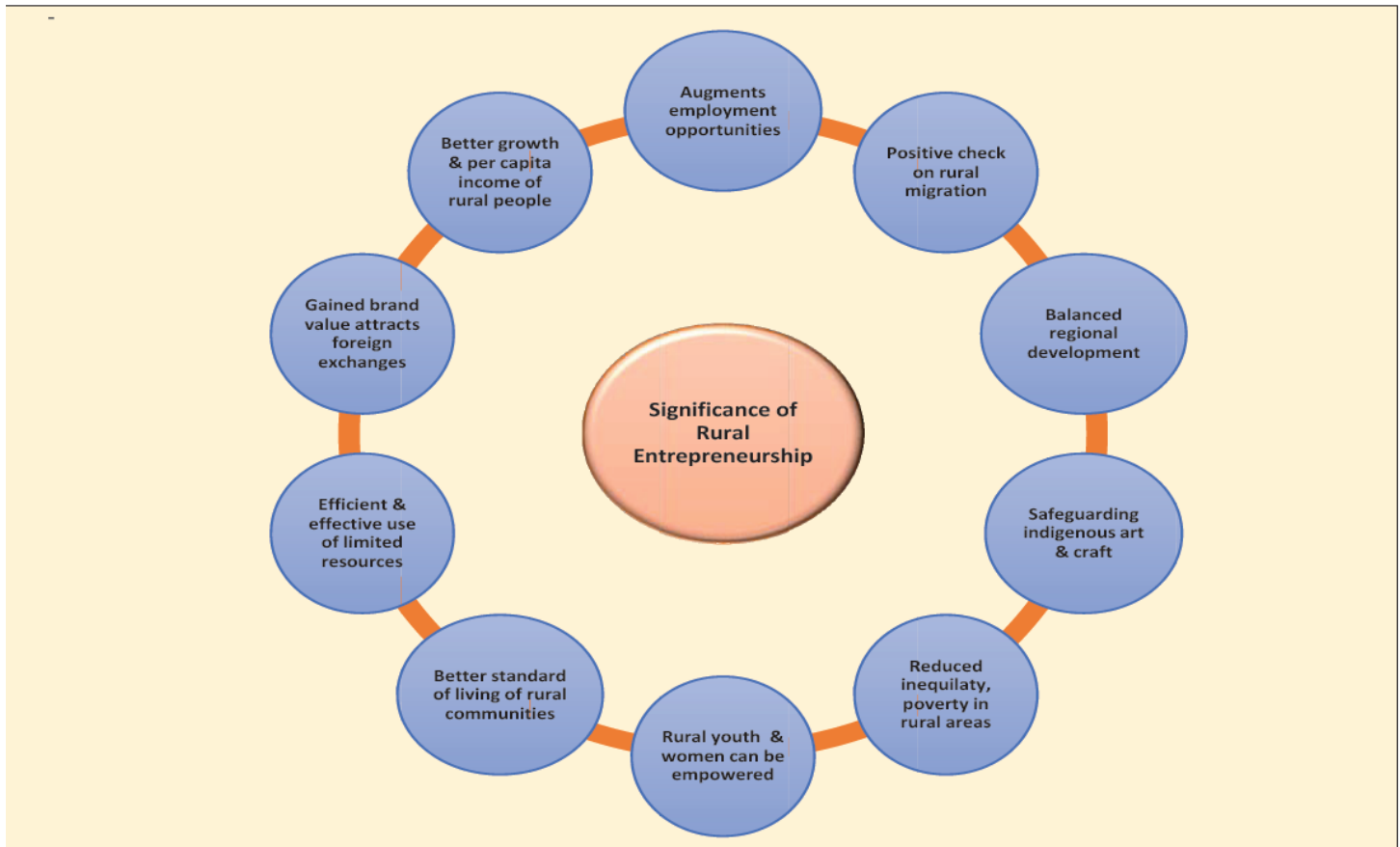
- A large proportion of rural population have been facing challenge of unemployment or underemployment resulting in migration to urban areas in search of employment opportunities that can be addressed through entrepreneurial development in rural areas.



- Entrepreneurial activities contribute to economic development with increased rural income and growth of employment opportunities making maximum utilisation of the local labour as well as locally available raw materials.
- Sustainability has been an increasingly important issue for most enterprises in India especially since the focus on UN Agenda 2030: Goals for sustainable development has been in discussion. And this sustainable development in Indian context particularly should address resources inclusive of human and household as a whole.
- The word entrepreneurship describes the activity undertaken by an entrepreneur which usually involves moderate risk with an aim to make profit from the activity.
- Rural entrepreneurship can be defined as the activity taken up by the individuals in the countryside that supports either manufacturing products or provides services or adoption of new technologies for an economic benefit.
- Rural entrepreneurs represent a complex heterogeneous social structure and can be broadly classified as farm entrepreneurs, artisan entrepreneurs, merchant and trading entrepreneurs, tribal entrepreneurs and general entrepreneurs.
- Since independence, both central and state governments have implemented diverse policies and schemes for the support and development of rural entrepreneurship but less than achievable benefits are derived so far.
- Due to distressed migration of rural people to mega cities, the villages remain deserted and village resources are remaining unexplored. Besides, lack of infrastructure, market and financial access further aggravate rural livelihoods.
- The livelihood of trained village artisans stands at stake due to unorganised structure and lack of market.
- It is a necessity to promote rural entrepreneurship so that the chronic underemployment and out-migration issues of rural areas are tackled on priority basis.
- Rural Entrepreneurship is synonymous of rural industrialisation. The development and growth of it helps in generating self-employment, spreading industrial and economic activities and utilising local labour as well as locally available raw materials.
- In India, rural industries have been promoted since establishment of Khadi and Village Industry Commission (KVIC) during 1956-57.



- Entrepreneurial activities have enhanced in the rural areas over a period of time; however it is less as compared to urban areas. Moreover, it is dominated with manufacturing activities and micro level enterprises.



Progress of Entrepreneurship in India

- MSME sector not only plays a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries, but also helps in industrialisation of rural and backward areas; thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth.
- It contributes nearly 29 percent of the country's GDP, 45 percent of the manufacturing output and 48 percent of the exports (2018-19) providing the largest share of employment (11.10 crore) after agriculture.
- It is further critical to notice that MSMEs are playing crucial role in providing large employment opportunities as compared to the large industries in India.



- The percentage share of MSMEs in rural (51 percent) is higher than the urban MSMEs (49 percent) but it is reverse when percentage share of employment is talked out. This raises a concern that despite greater share of entrepreneurial opportunities in rural areas, the potential is yet untapped and unchannelled.

Statutory Bodies Promoting MSME

- Some of these organizations are Khadi and Village Industries Commission (KVIC), Technology Centres, Coir Board, the National Small Industries Corporation (NSIC) Limited, Mahatma Gandhi Institute for Rural Industrialization (MGIRI), National Institute for Micro, Small and Medium Enterprises (NI-MSME).
- Technology Centres are playing crucial roles in providing practical skill development training to the unemployed farm youth. In total 18 such centres are established.
- Rural entrepreneurial ventures are not just limited & dependent on to capacity building by KVIC and Technology centres rather it has a direct draw-over from Coir board, Small industries as well.
- These all help in accelerating the rural industrialisation for sustainable village economy and empower village livelihoods.

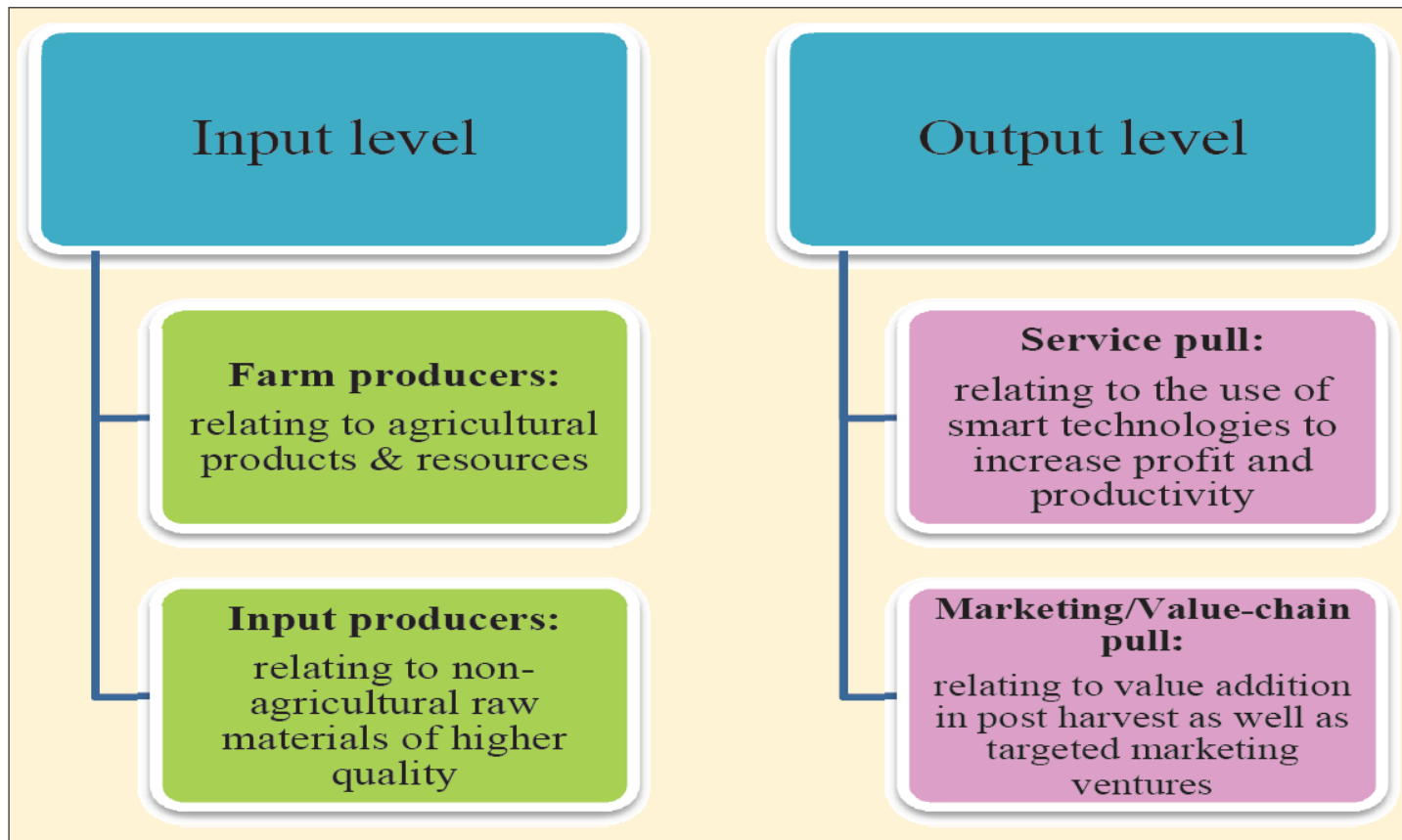
Challenges and Opportunities of Rural Entrepreneurship

- A number of challenges stand in the path of rural entrepreneurs viz., financial challenges, social challenges, lack/low level of education, lack of experience and expertise, limited purchasing power, threats from urban entrepreneurs, opaque market entries, technological challenges, existence of middlemen, lack of logistic and infrastructure support, involvement of risk element, shortage of raw materials, lack of security, etc.
- Besides challenges, there do exist some of the opportunities for the rural entrepreneurs:
 - Low establishment costs involved
 - Availability of raw materials
 - Competitive advantages exists
 - Low cost of production compared to the urban enterprises
 - Optimum utilization of products
 - Government policies and subsidies are slowly diverted into this



- Support and inspiration to native people through employment generated

Fig 2. Sectors of Rural Entrepreneurial Opportunities



Initiatives for Promotion of Rural Entrepreneurship

- The government has implemented numerous schemes to support and develop rural industries, and to provide credit and financial assistance.
 - Scheme for credit & financial assistance to rural enterprises (like PMEGP)
 - Schemes for Skill Development and Training (like ASPIRE)
 - Schemes for Infrastructure Development (SFURTI)
 - Scheme for Marketing Assistance
 - Scheme for Technology Upgradation and Competitiveness
 - Other Schemes like the National Scheduled Caste and Scheduled Tribe Hub etc



- Organisations under the Ministry MSME are providing skill training to the youths for wage employment and self-employment. Skill upgradation trainings are also provided to existing entrepreneurs and working force to enhance their performances.
- MSMEs formed a very prominent part of the announcements made under the AatmaNirbhar Bharat Abhiyaan. Under this package, the MSME sector has not only been given substantial allocation but has also been accorded priority in implementation of the measures to revive the economy.

Empowering Rural Women through Entrepreneurship

- Women entrepreneurs can contribute to the economic wellbeing of their family, reduction in poverty, and their empowerment, achieving upward social and economic mobility as focused in fifth Sustainable Development Goal (SDG) of United Nations (UN).
- Rural women entrepreneurs deal with enterprises requiring little organising skills with less risks under the self-help groups (SHGs)' activities that ranges from making of dairy products, pickles, fruit juices, pappad, jaggery, etc.
- Development of women entrepreneurship in rural areas is low due to several challenges and problems faced by rural women like dual roles of homemakers and entrepreneurs, lack of ownership of resources, low level of knowledge, skills and entrepreneurial motivation, lack of education, low risk bearing abilities, lack of family support, socio-cultural barriers, difficulties in getting financial assistance and poor degree of financial freedom, weak bargaining positions, poor infrastructure facilities, lack of marketing abilities, etc.
- Addressing these challenges Government has taken several capacity building initiatives through implementation of schemes like Support to Training and Employment Programme for Women (STEP), Mahila e-Haat, Trade Related Entrepreneurship Assistance and Development (TREAD), Stand-Up India, etc.

Towards Sustainable Rural Prosperity

- It is important to note that rural entrepreneurship must not be drawn in isolation rather it must be drawn keeping in view the entire rural community in a long-term basis. Along with income generation, the rural-preneurship helps in elevating standard of living of the rural communities and enriching eco-system and heritage of rural hinterland.



- The nucleus of growth of entrepreneurship in rural areas will answer a number of ill faiths and taboos on the path of rural growth by eradicating rural poverty, increasing employment opportunities, raising the per capita income level and improving rural livelihoods.
- Transformational economic, environmental and social changes through rural entrepreneurship would bring inclusive rural growth and sustainable rural development.

Integrated Rural Development and Sustainable Development Goals

- The 2030 agenda for ‘Sustainable Development Goals (SDGs)’ by United Nations; was implemented with effect from January 1, 2016; in ensuring peace, prosperity and opportunity for all and for well-being of the masses; and to end all kinds of deprivation and socio-economic evils including poverty and inequality.
- The agenda enlisted 17 SDGs with 169 Targets.
- As a global mandate, the SDGs cover three key dimensions of sustainable development viz.,
 - economic growth
 - social inclusion and
 - environmental protection: which are closely interconnected and inevitable
- Its success predominantly depends upon the country-specific development initiatives and commitment in effective implementation of SDGs, with “GLOCAL (Global thinking, Local action)” approach.
- In this regard, its gratifying fact that India is committed, by heart and soul, for the effective and integrated implementation for attaining the desired SDGs by 2030, especially focusing on “Leave No One Behind” and “A Life of Dignity for All”.

The SDGs and Rural Development in India

- In India, more than 65 percent of the total population lives in villages and, therefore, rural development itself signifies its importance in all kinds of public policy making.
- The ‘secret of success of SDGs in India’ predominantly revolves around development with core focus on inclusive and holistic development of rural India, and also taking special care to avoid/reduce all sorts of deprivation and exploitation.



- It is found that the SDGs can be better achieved only when rural development will be given additional importance in the policy making and in our nation's fiscal landscape.

Attainment of relevant SDGs and Rural Well-being in Indian Context

- The overall well-being of India very much rests on rural economy and its development. Accomplishment of SDGs are mainly connected with rural India and its progress.
- The rural development and its concomitant outcomes will not only reduce the poverty and inequality, but also will empower the community, especially the women and the underprivileged sections of the society.
- The development of rural infrastructure like health, education, sanitation, housing, drinking water, rural banking, electricity, rural infrastructure, and rural/cottage/village/agro-based industries will play the vital roles in attaining inclusive development in a sustainable manner, as per SDGs agenda.

SDG 1: No Poverty

- To attain the SDG-1, eradication of rural poverty is essential and can be achieved by better infrastructure development, agricultural development, and better credit support facility and also through socio-economic transformation in rural India.

SDG 2: Zero Hunger

- Self-sufficiency in food grain production and assurance of food security for masses very much elucidates the significance of agricultural sector.
- The food price have increased manifold over the recent years making the food basket costlier and threatens the survival of the poor masses.
- So, agricultural development is imperative for rural development through which sustainable development would be possible.

SDG 3: Good Health and Well-Being

- Health related challenges still persist at large and the existing progress is not enough to meet the daunting challenges in the rural health segment.



SDG 4: Quality Education

- The challenges in quality education in the rural areas are more because of higher dropouts, due to lack of infrastructure and motivation. However quality education is essential to fight against all kind of deprivation and also will support remaining SDGs.

SDG 5: Gender Equality

- The major challenges in the society are gender inequality and socio economic discrimination.
- This is rampant in rural sector and hence greater importance is given for gender equality and for empowerment of girls and women without any discrimination in the SDGs.

SDG 6: Clean Water and Sanitation

- For better health and rural well-being; safe and clean drinking water is very essential. The government of India is making continuous efforts to provide healthy drinking water to all the citizens, especially to rural population.

SDG 8: Decent Work and Economic Growth

- Unemployment in various forms are rampant in the rural sector and hence to achieve sustainable growth, focus should be given in situ employment creation at the rural economy.

SDG 9: Industry, Innovation and Infrastructure

- Better infrastructure always have positive correlation with economic development. It is found that there is a clear need of uplifting of rural economy especially the rural infrastructure development.

Effects of COVID-19 and Environment Mapping with SDGs

- Most of the social and economic going on have come to a nix due to COVID-19 pandemic.
- As a consequence, there has been widespread poverty, inequality and joblessness in most parts of the world. Mass unemployment, stories of jobs cut from various companies are pretty alarming.
- COVID-19 pandemic has certainly devastated the life of a large section of the working population.



Integrated Rural Development and Road Ahead for SDGs

- A structured and well-crafted rural development strategy will certainly help in attaining the sustainable development goals.
- The initiatives like Make in India, Skill India, Digital India, Start-up India and Stand-up India, etc., have been successfully launched and effectively operationalised since 2015-16 in India, which has enabled India to expedite the socio-economic development.
- However, amidst of COVID-19 crisis, several steps have been taken by various Ministries to overcome the bottlenecks and focus on the basic and fundamental of provisioning for human subsistence, especially for the marginalised section of the society.
- It's needless to mention that vital roles are being played by media (print/electronic/digital), NGOs, civil society, CSR initiatives in creating the awareness, enrollment, effective participation in embracing the SDGs and their implementation, as proactive partners.
- The three 'f' i.e. funds, functions, and functionaries are needed to optimally operate to enhance the desired benefits that can percolate down to the last person in the society.
- This will in turn set the path for attaining the SDGs, as rural India is the significant contributor for the most of the criteria of SDGs and overall development in Indian context.