CHAPTER V
FINDINGS AND SUGGESTIONS

This section is devoted to the inferences derived from the analysis in the previous chapters and suggestions for the better operation and functioning of Khadi and Village Industries in the state. Findings of the study is classified as

1. Inferences from the descriptive analysis,
2. Findings from the analysis of secondary data and
3. Findings from the analysis of primary data.

5.1 INFERENCES FROM THE DESCRIPTIVE ANALYSIS

There is low potential for earning in the agricultural sector and the private sector enterprises are not labour oriented, therefore rural industry and non farm sector are more appropriate in a developing country like ours. The diversification of economic activity is limited in the hilly states due to difficult terrain, inaccessibility to market and modern inputs and technology, deficient infrastructure and insufficient energy and high transport costs leading to non competitiveness of products, therefore it is necessary to overcome the problems of unemployment and poverty, and commercialize the production of farm and non-farm. The potentials of rural industries are an indispensable part of our rural development.
In the context of Indian freedom struggle, Khadi and Village Industries have taken a crucial role in liberating the mass Indian from the colonialism of British emperor.

The real programmes were included in the policy of Indian planning, keeping in view, its importance for elevating the rural poor even in this decade of advanced science and technology.

Rural Industry implies the engagement of rural people in self employment generation, locally available raw materials with simple tools and technology. Mostly these industries are labour intensive, with the assistance from the implementing agencies.

The comparison of industrial units established and employment generated through it reflects inappropriate with the total population. Thus highlighting the importance of giving emphasizes on self employment generation schemes.

In many aspects, Industrial Policy of Manipur identified rural industry including handloom and handicraft to be the most viable industry in the context of the state. There are much potential for the development of rural industry which need to be re-vitalized again.

The annual plan of the state since Tenth Five Year Plan, continue to recognize Village and Small Enterprises (VSE) sector as the main thrust area of the industrial development since it provides largest employment next to agriculture.
Schemes are not fully implemented in the state except PMEGP and SFRUTI, which revealed the reasons for hampering the progress for rural industries.

After comparing the performance of KVI and the other manufacturing Industries, it can be resolved that khadi and Village Industries are playing an important role not only in the economic development but also in sustainable development of the biodiversity of the natural resources which give less impact on environment degradation. Therefore, the state govt. should give more initiative in establishment of industries which are more eco friendly, less capital intensive and mass participation etc.

5.2 FINDINGS FROM ANALYSIS OF SECONDARY DATA

REGP has been implemented in the state, till the end of 2007-08, through State KVIC, KVIB and DICs. But it is found in the analysis that the schemes were provided to different districts unevenly.

It is observed from the analysis that the number of projects under REGP through State KVIC is evenly spread except some industries like Handmade Paper and Polymers & Chemical Industries.

Employment provided during the period 2002-03 to 2007-08 by State KVIC is around seven persons per unit. During these periods the mark of employment reaches to 2352. While gross employment has reached to around 36 thousand during the year 2006-07.
Performances of Banks in providing loans to beneficiaries were grossly equivalent among State Bank of India, United Bank of India and Central Bank of India while performance of other Nationalized Banks are not substantial.

PMEGP projects was not able to implement in its initial year of establishment but implemented from the 2009-10 to till now. The findings of PMEGP can be categorized as follows;

EMPLOYMENT

Employment during the last three years has turn out to be around six thousand, in average the employment per unit is about six persons. 30.82 percent of the total employment is women while 69.18 percent is men. Thus, men population is dominating in the employment of KVI. Most of the units were found to be established under Textile industry followed by Food & Agro Based Industries. In an average 20 persons were employed every years among the Schedule Caste in 10 projects. Scheduled Tribe who constitute nearly half of the total population established 434 projects, employing 2488 persons, with an average of 829 persons per year and 6 persons per unit. The number of projects is equally distributed among the valley and hilly districts but 41.33 percent of the employment is made in the hilly districts, which means that employment in the valley district is higher.

There is no progress in employment by different units of industry similarly in case of industry wise groups; there are no differences between and among the different industries.
PRODUCTION

The trend of production is tremendously increased in the year 2011-12 as compared to the previous years. Production is found to be highest in Imphal West district followed by Churachandpur and Senapati Districts. The four valley district has 51.96 percent of the total production while five valley districts have 48.04 percent of the total population. Thus, it revealed that the performance of production is better in the valley districts.

Among the hilly districts, the production rate is uneven; Tamenglong and Ukhrul district has low performance in spite of rich resources.

Textile industry comes out to be most viable and feasible industry, it account for 30.83 percent of the total production. Textile industry accommodates more than 95 percent of the total women employment. The role of women in the socio economic activities in the state cannot be under estimated.

The production of certain industry like polymers and chemical based industry is very low. Thus it signifies that, the rate of persons willing to perform this industry is very low. But the demand of these products including detergents, washing powder, dish cleaner are good.

No units for Hand Made Paper Industry were found and the production. But there is need for creating its demand in the state.

SALES
Extensively textile industry has highest rate of sales with 29.62 percent. The sales performance of valley districts accounts for 49.8 percent while the hilly districts accounts for 50.2 percent, but in the hilly district of Churachandpur and Senapati are dominating the sales performance while Tamenglong and Ukhrul has very low performance. The performance of Bishnupur districts is less considerable.

5.3 FINDINGS FROM ANALYSIS OF PRIMARY DATA

Age group is a serious factor for being undertaking entrepreneurship. Most of the KVI artisans are in the age groups of 30 - 40 years. It is found that, people are willing to undertake entrepreneurship in KVI as a last option after looking at different jobs in government run department, it is the reasons for not adopting KVI in the early age. It can be considered as difficult scenario to give priority on salaried jobs instead of self employment job.

Participation of women is highly appreciable in the state, women have been found active in every field including sports, arts, culture, economic activities. No evidence was found for under looking at the women artisans in KVI units. Most of the women were working in textile including hand weaving, looms, embroidery and tailoring. Participation of men in Textile industry is found only in tailoring.

High literacy rate in the state is also reflected in the educational qualification of the entrepreneur. Willingness of highly educated people is expected to be more and they tend to be more productive and innovative utilizing their field of academic. Less number of entrepreneur are found who have Technical qualification.
Artisans with no technical qualification, induction at the later stage of life and low level of education are the synchronize factors for low prospects of KVI in the state. Educated youth are less attracted to the environment, thinking that a job in KVI is not suitable with their qualification. Entrepreneurs with KVI do not want their children to continue in the line KVI and instead on the line of more prestigious and satisfactory profession.

Continuation of family business tend to possess good skills, it is found that a few beneficiaries are mean to obtained loan and margin money rather than development of KVI units. Skills and willingness to work is the most important criteria for progress in every business, lack of this quality adhere to faced problems in production.

Feasibility in the society and demand of KVI is the main influencing factors which motivate the aspirant artisans, on the other hand participation in training and workshop by different institute inspire to promote the establishment of KVI. Less number of trained artisans is available for KVI units with more than 30 workers are rarely available.

It would be worthy to mention that there was no sound policy for the protection of cotton growers in the state. While most of the raw materials are rely on other states.

An efficient market serves equally the interest of both producers and consumers. In the absence of factors of marketing including proper networks of transport and communication, marketing information and facilities for storage and also banking
services, medical services, educational opportunities etc., and no headways can be made of any industrial establishment.

Finance the basic requirement for the establishment of any industry, is not sufficient with the fund provided by Banks with margin money from the implementing agencies. It is revealed from the study that, projects reports are prepared in such a way that easy sanction is made. On the other hand grant from KVIC is for one time and mean for the establishment of industry. Since further loan were not provided, many KVI units are found hampering in progress. Lack of proper exposure to basic financial management also makes it difficult for the entrepreneur to avail of financial assistance for the development of KVI.

Some of the entrepreneurs are not aware about ways of financing sources. Lack of capital creates problems relating to size and the site of the enterprises, the quality of labour, market coverage and acquisition of raw materials.

The goods produce are less need oriented, and due to lack of consumer preferences, demand of KVI products are less competitive to other branded products from heavy industries. As the machine made cheap goods are available in low cost, people are discouraged to buy handmade articles. Generally packagings are not standardized and have no standard certificate.

In the matter of textile products most of the designs are related to traditional and cultural costume, they are not fashion oriented with modern trends. The fine handicrafts and hand-woven products have the potentials for marketing outside the
state but due to unawareness and less initiative provided by the organized institute, the mission has not been widely popularizes. On the other hand textile products of the state are not suited as ordinary casuals for the people in other state, which need be changed again.

Assistance from banks are not easy to avail, the complicated procedure, preparation of project report, convincing of officials in the financial institution are not much easy for a undergraduate artisans. They assume it to be the most difficult part of their venture.

The relationship of banker with the entrepreneur seems to be not excellent, therefore the government of Manipur as well as the different supportive agencies should arrange conglomeration meet for a better relation.

It is also the responsibility of the state government to uplift the socio economic condition of the state, since the law and order situation is a main factor in hampering the entrepreneurship activities.

Entrepreneurship must be the first priority option to the educated youth of the state otherwise the pace of the economic development will remain very slow.

The foremost step in the development of village industries is to establish customer loyalty with personal contact and satisfy them with their credibility and quality of the products.

Apart from skill acquired from past experience and elders of their family, it will be very important to understand the latest and sophisticated technique from some other
advance enterprises, which can be gather from training, EDP and exposition to other firm.

Advertisement and sales promotion has been always lagging behind from other entrepreneurial activities. Even though the products of village industries are very good, people are not aware about it. Therefore, initiative should be taken up to cover all the products of village industries under one common brand.

System of packing and bottling are not standardized and cannot compete with the various MNC’s and big enterprises. So, the government should assist the entrepreneurs with the right technology for packing and bottling.

Right identification of beneficiaries for grant of subsidy and loan is the foremost and crucial activities, since it is the main reasons to promote aspirant entrepreneur and on the same way wrong identification also deride prospective entrepreneur. Therefore the government and development agencies decision should be free from bias.

Work shed and plot should be especially reserved for deserving village entrepreneur with uninterrupted power supply. Since the state is at the grim of shortage of power supply. Here it is suggested that government should initiated to implement prospective mini and micro hydel power project for uninterrupted power supply of the state.

The role of DICs is considered to be more crucial, since it is located in all the nine districts of the state. The overall performance of Tamenglong and Ukhrul districts is
comparatively very low. This is due to lack of awareness among these people. Thus, it signifies that the role of DICs to be emphasized in influencing and motivating the people in hilly districts mainly in Tamenglong and Ukhrul districts.

5.4 SUGGESTION

In spite of many efforts made by different implementing agencies for the promotion and revival of village industries, the desired results were not achieved due to various problems confronting to this sector. The problems analyzed in the previous chapters of the study need to be reconciled again, unless the study will be incomplete. Based on the analysis and problems identified in the study the following suggestions are made to ensure the betterment and progress of khadi and village industries in the state.

1. Importance must be given in the right identification beneficiaries who are willing to work and have the right skills.

2. Monetary benefit from the operation of the industry is necessary but initiative must be provided for the welfare of the society while implementation of KVI units.

3. Reluctance and delay in providing financial service may discourage aspirant entrepreneurs, so efforts must be given to avoid unnecessary official formalities in extending assistance.

4. The present need of the customer of bank in the state is to open more branches of banks providing the facilities of core banking. It is also necessary
to increase the number of staff to maintain the responsiveness of the officials in the banks as their services to the people are under question in many cases.

5. Many village artisans are not aware about how to take financial assistance, therefore proper guidance and training must be given to those applicants.

6. EDP training is compulsory to every beneficiaries but it should be provided in such a way that, they fully understand and make the lesson fully applicable.

7. Officials of Government Agencies are sometimes not ready to provide assistance.

8. Products of KVI must be design in such a way that it attracts consumer and must be competent to face the markets with the products of big industries.

9. Khadi products are not fashionable and not suited for the choice of the youths; therefore, it must be designed in such a way that, it meets the modern trends.

10. The prices of the products should be controlled with quality improvement and better designing.

11. Proper advertisement should be made so that people are well aware about it.

12. Implementing agencies should made arrangement for publicity and advertisement of products highlighting the advantage of using KVI products.

13. All the schemes of KVIC are not available to the state, endeavor must be made in such a way that native people take all the facilities provided by it.

14. Efforts must be given to established more units in Handmade Paper and Polymer and & Chemical Industries.
15. Corruption is the main challenges in all the sectors of Government departments, efforts should be made to eliminate it from all level of official procedures.

16. Syllabus in school and colleges must be included basics skills for running industries and vocational classes must be given so that after completion of their course, they may undertake any venture of their choices.

17. It is also necessary to make people aware about Gandhian vision of village industries and its role in eliminating unemployment and poverty in the country.

5.5 CONCLUSION

The present socio-economic and political environment seems to be becoming more severe. Therefore it is very important to make an earnest attempt to resolve the economic problems in the state through the employment of educated youths of different background in the village industries, because they will prove to be more innovative and aspirant.

The development of village industries will be a revival of degrading Gandhian ideology in this modern. It will be the awakening of true philosophy of no mass production but production by the mass.

It will be a crucial decision of the government of the state to add more extra curriculum activities in the syllabus of school and university that orient into development of skills and entrepreneurial knowledge to the young students. They should be properly influence to adopt entrepreneurship activities, instead of looking
for some meager salaried job of limited income because, it is an alternative means to increase net domestic income of the state.

The entrepreneur needs to diversify their products looking forward into the present global trend and orient to compete with international firm.

It is true that, the rural artisans are required to enrich with assistance related with technology, innovative ideas, exposure to successful units and constantly evaluation of their performance by the government agency, so as to mitigate the problems of unemployment in the state.

Bio-resources development and their sustainable use through biotechnological inventions for socio-economic growth of the state is the present need of the hour. Government/relevant authorities should take up steps to generate technological packages leading to the development of bio-resources products and processes applicable to enhance the productivity in agriculture, horticulture and forestry etc.

It is necessary to conserve forests and develop the other natural resources of the environment while facilitating alternative eco friendly sources of livelihood among the local youth by diverting the dimension of industrialization into industry like KVI. In other words it contributes to a sustainable future at many levels.

KVI will ensure the economic sustainability of the locality, thus indirectly reducing the migration of talents and resources of tribal and rural people to overcrowded metros. It creates a local network of upcoming entrepreneurs working in mutually complementary businesses, struggling together to establish their local group, promoting collaboration over competition. It creates micro entrepreneurial role
models for others to follow. It sets up a local entrepreneurial base in the area—the best way to sustain the economy in times of uncertainty, fluctuation and crises. Besides utilizing the locally available natural resources it will use the indigenous talent and reducing the brain drain.

KVI product in the state has good demand but their supplies are not adequate. It is also necessary to diversify the KVI projects into industries like Handmade Paper & Fibre and Polymer & Chemical industries with innovation. It is also necessary to make maximum effort to utilize the raw materials available in the state to its full extent and attract the educated youth to initiate such industries to prevent them from migration of rural artisans to metropolitan city for job.

Women entrepreneurship play a key role in the economic development in the society and it is an essential part of human resource development. Many of the respondent adopted entrepreneurship at the later age of life and the main reasons for their ventures are either unemployment or intuition for doing something independent. In order to develop the women entrepreneurship, training is required and counseling centers should be developed to attract even the highly educated people.

It would be evident that strengthening of rural industrialization offers a wonderful opportunity, and a challenge, to our engineers to use their creativity and ingenuity and develop "appropriate technologies" which will enable "production by masses " to compete with "mass production". Past experience shows that there are certain niche areas like herbal and organic health foods, bakery products, soaps and other toiletry products, handmade paper based products, and biomass based energy systems,
micro-hydel systems etc. where decentralized production in rural areas has a natural edge over centralized production in urban and semi urban locals. If sufficient attention is given by engineers to improve the existing primitive technologies used in this sector should be possible to produce high quality products in rural industries at very competitive prices. This is certainly challenging to grasp the opportunities to diversify in new territories.

Inclusion of khadi and village industries products in the international trade may be a great opportunities to mitigate the problems of unemployment in the rural areas. It can be a catalyst to provide Gandhian attitude to the society as a part of social objective. Development of KVI will ensure the eco friendly products to the consumers in the country that means, it’s a function of preserving ecological stability and providing healthier products. Introducing the KVI products to the neighbouring countries will enable to establish a prestigious position among other countries in the world. It has been an objective for the KVIC to promote the export of the country and to reduce poverty and achieve the economic stability with rural industrialization. On the other hand it will act as a means to preserve craftsmanship and Art heritage of the country. Day by day Khadi is gaining a great popularity in India as well as in foreign market. Khadi is changing its traditional image & transforming into a modern outlook. Every year we export a large volume of khadi Garments to America & European countries. Having known the tremendous market potential for khadi, countries like China & America are entering into research on Khadi to make it more convenient to global customer. Therefore young entrepreneurs must be motivated to promote KVI in our state also.
The scope for further study is still lying to see the prospects of KVI in the state. The schemes and programme implemented by the central government are still unaware to many artisans in the state. It is also a matter of concern that the village entrepreneurs are not exposed to the village industries development institute spread in different areas of the country.