

## **Role of Backward Class Development Corporation in Economic Development of Backward Classes in Nanded District**

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### **INTRODUCTION**

The social strata which is known as the backward class represents the down trodden classes of the society. BC has its origin in the ancient Indian social system. The ancient Indian social systems divides the society into four broad classes namely the *Brahmin*, the *Kshatriya* (warrior class) the *Vaishya* and the *Shudra* (serving class) in addition to this fifth class known as *Atishudras*, who were untouchable existed in ancient India. This system is described a divine origin (vide Rigveda X.90,12 also Geeta.4) This system though it says that the classification is according the inherent aptitudes and activities adopted (*Guna* and *Karma*) but in practice the classification of the caste based upon birth thus in Indian society where the unwritten law still prevails the occupation of person is decided not by his skill and ability but by his birth the fourth class known as the servant class carried on occupations like black smith, gold smith, leather workers, merchant, physician, barber etc. Before the word 'backward classes' used for the down trodden classes who were generally coming from the *Shudra* class of ancient India was referred to as 'depressed class'. The word was used as early as in 1916 in home department letter No.3512, dated 12/03/1916, which the Government of India asked all the local Government to adopt a three fold classification of the depressed classes.

1. Depressed classes is untouchables
2. Aboriginal and Hill Tribes
3. Criminal Tribes

The word 'depressed class' was not used in the Census Report of 1901 and 1911. The report of Indian Statutory Commission 1930 has expressed that the term 'depressed class' was rather vague and also remarked that we could confine the term to those who are classes as 'untouchables'. Dr. Babasaheb Ambedkar in his draft submitted at Round Table Conference remarked that the term 'depressed class' refers to the 'untouchables'.

The term 'Scheduled Caste' and 'Scheduled Tribe' is also used to denote the backward classes of these two terms the former appeared in the first instance in the first Scheduled Chapter-II Section-26 of the Government of India Act 1935. The Constitution of India has also defined the term 'Scheduled Caste' and 'Scheduled Tribe' as below Article 866(24) of the Constitution of India defined expression Schedule Caste. Scheduled Caste means such caste races or tribes or parts or groups within such caste races or tribes as rare deemed under Articles 341 to be SC. For the purpose of this constitution the matter has been further discussed in Article 340, 341, 342 of the Indian Constitution.

However, no where the terms 'backward class' has been defined. The term 'backward class' represents the society backward strata referred by the constitution. SC and ST the term can also mean economically and socially depressed class. The present researcher has used this term to refer to that part of the Indian Society which is converted by specialised corporation as eligible for taking benefits of their various schemes for this study the meaning of backward class considered as defined by the specialised corporation is MPBCDC. According to the corporation BC means Scheduled Caste/Navbuddha/ST, VJNT, recognised so by the Governor of Maharashtra.

### **SIGNIFICANCE OF THE STUDY**

With a view of socialistic pattern of society as mentioned in the constitution of India along with the basic principles of equity, fraternity, freedom and justice for all Government at Central and State levels

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established corporations which meant to work as agents of economic development of the backward classes by providing finance to them. The constitutional responsibility of Government of Maharashtra established various corporations for the backward class development. Such as Mahatma Phule Backward Class Development Corporation, Lokshahir Annabhau Sathe Development Corporation, Vasantrao Naik Vimukta Jati and Nomadic Tribes Development Corporation, Leather Industries Development Corporation, etc. These corporations are playing very dominant role for the development of backward classes by providing finance and creating self-employment opportunities for the backward classes. The Indian economy was characterized by high degree of poverty, illiteracy, ignorance and social inequalities. To solve these problems five-year plans have been adopted from 1951 onwards. The major objective of planning in India was acceleration of economic development with justice, for this process the State has been assigned a crucial role. Initially public sector was expected to control the commanding heights of the economy. Public sector would not only take into account economic goals like profit maximization but also consider social aspects like providing access to deprived sections to participate in the development process and thereby provide justice. In case of socially and economically deprived section like Scheduled Castes and Scheduled Tribes, a variety of special development programmes have been launched in addition to general development programmes.

#### **OBJECTIVES OF THE STUDY**

1. To study the socio-economic background of backward class beneficiaries.
2. To study the views and aspirations of backward class beneficiaries regarding the backward class development by Backward Class Development Corporation Ltd.
3. To examine the problems and difficulties faced by the backward class beneficiaries.
4. To suggest the suitable measures and remedies for the development of the backward class beneficiaries.
5. To study the performance of Backward Class Development Corporation Ltd.

#### **RESEARCH METHODOLOGY**

The present research work is based on the primary and secondary data, collected from the beneficiaries through questionnaire from Nanded district for the year 2000-2010, The data about economic development of the backward class people was collected by the researcher himself with the help of questionnaire. In addition to the primary data information was also collected from the various sources, which sources are: National Scheduled Caste and Scheduled Tribes Finance Development Corporation, Mahatma Phule Backward Class Development Corporation Ltd, Statistical Abstracts of Maharashtra, Government of India and Government of Maharashtra publications and journals, books, etc. National Backward Classes Finance Development Corporation.

**SAMPLE DESIGN:** At random sample of 100 beneficiaries were selected for the study purpose. Beneficiaries families have been selected as a respondents of the study. The different occupation viz. Agriculture, business, services and labour were duly represented in the sample.

#### **STATISTICAL TOOLS**

Present study is on empirical survey based on primary and secondary data. The data so collected has been edited (seriated) classified and presented in tabular, diagrams and graphic forms so as to make analysis and interpretation possible. Various tools and techniques have also been used such as percentage, averages, correlation for the purpose of analysis and interpretation.

**LIMITATIONS OF THE STUDY:** The sample size is limited, the usual limitations of resources in terms of money and time at the disposal of the researcher have contributed to limit the scope of the study, and the third limitation is regarding the collection of the primary data, The availability of the respondents for the purpose of survey has proved to be a major constraint for the researcher in addition very few beneficiaries were interested in directly disclosing their problems and personal information.

**FINDINGS OF THE STUDY:** The parameters like age, education, occupation, caste of the beneficiaries, annual income, their income sources, family size, other earning hands, assets, monthly savings and previous year's investment payment of income tax are taken into consideration in presenting the profile of the beneficiaries.

**Table No:-1**  
**Age of the Beneficiaries**

Sr. No.	Age (In Years)	Frequency	Percentage
1.	Up-to 20	10	10
2.	20 – 30	15	15
3.	30 – 40	48	48
4.	40 – 50	24	24
5.	50 – 60	03	03
	<b>Total</b>	<b>100</b>	<b>100</b>
		Average Age = 35 Years	

Source:- Field Survey (2011-12)

The above Table highlights on the age of the beneficiaries (about the average age of the sample is 35 year's). 48% of the beneficiaries are from the age group of 30 to 40 years.

**Table No:-2**  
**Education of the Beneficiaries**

Sr.No.	Education	Frequency	Percentage
1.	Illiterate	40	40
2.	Primary	08	08
3.	Matriculate	10	10
4.	Higher Secondary	20	20
5.	Graduate	15	15
6.	Post-Graduate	07	07
	<b>Total</b>	<b>100</b>	<b>100</b>

Source:- Field Survey (2011-12)

Table gives the details about educational qualification of the beneficiaries. 40% of the total sample is illiterate. 20% beneficiaries belong to the higher secondary qualification and 15% of the beneficiaries are graduates, there are 10% and 8% of the beneficiaries in the education group of matriculate and primary level respectively. Whereas 7% in the sample of the beneficiaries belong to the education group of the Post-Graduate level.

**TABLE No:-3**  
**Annual Income of the Beneficiaries from all Sources**

Sr.No.	Income (in Rs.)	Frequency	Percentage
1.	Below 10,000	07	07
2.	10,000 – 20,000	35	35
3.	20,000 – 30,000	29	29
4.	30,000 – 40,000	12	12
5.	40,000 – 50,000	08	08
6.	50,000 – 60,000	06	06
7.	60,000 – 70,000	03	03
	<b>Total</b>	<b>100</b>	<b>100</b>
		Average Annual Income = Rs.25,800/-	

Source:- Field Survey (2011-12)

The above table shows the details of the annual income of the beneficiaries from all sources. The average annual income of the beneficiaries from all sources is Rs.25,800/-. There are 7% beneficiaries belonging to the income group of below Rs.10,000/- as 76% beneficiaries belonging to the income group in between Rs.10,000/- to Rs.40,000/- and 8% beneficiaries related to the income group of Rs.40,000/- to Rs.50,000/-. It is seen that only 6% and 3% in income group of Rs.50,000 to Rs.60,000/- and Rs.60,000/- to 70,000/- respectively. The average annual income of the beneficiaries comes to Rs.25,800/-.

**TABLE No:-4**  
**Scheme Selected by Beneficiaries**

Sr.No.	Name of the Schemes	Frequency	Percentage
1.	Loan subsidy scheme	51	51
2.	Margin money scheme	14	14
3.	National scavengers scheme	10	10
4.	Training scheme	09	09
5.	N.S.F.D.C. schemes	16	16
6.	Others	--	--
	<b>Total</b>	<b>100</b>	<b>100</b>

Source:- Field Survey (2011-12)

The present data shows the schemes selected by beneficiaries. Out of the total sample of 100, 51% beneficiaries have selected loan subsidy schemes of the concerned corporation. Whereas 16% beneficiaries have selected national Scheduled Castes and Scheduled Tribes Finance Development Corporation Schemes and 14% beneficiaries have selected margin money scheme.

**TABLE No:-5**  
**Infrastructure Provided by Corporation to Beneficiaries**

Sr.No.	Infrastructure	Frequency	Percentage
1.	Shed	19	19
2.	Building Construction	--	--
3.	Land	--	--
4.	Machinery	15	15
5.	Service	21	21
6.	Not Provided	45	45
	<b>Total</b>	<b>100</b>	<b>100</b>

Source:- Field Survey (2011-12)

The above table shows the infrastructure provided by the corporation. Out of the total sample of the beneficiaries 45% beneficiaries are in favour of Infrastructure is not provided by the corporation. 21% beneficiaries are in favour of service is provided by the corporation for the beneficiaries. Whereas 19% beneficiaries are in favour of the shed is provided to the beneficiaries for their business units and 15% beneficiaries are in favour of infrastructure of machinery given by the corporation.

**TABLE No:-6**  
**Corporation Amount due by Beneficiaries**

Sr.No.	Remarks	Frequency	Percentage
1.	Less than 10%	30	30
2.	11 – 25%	35	35
3.	26 – 50%	16	16
4.	51 – 75%	09	09
5.	76 – 100%	10	10
	<b>Total</b>	<b>100</b>	<b>100</b>

		Average Bank Amount Due 28%	
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Source:- Field Survey (2011-12)

It can be observed from the above table that out of the total sample of the beneficiaries 35% beneficiaries have expressed the views that amount due by the beneficiaries is in the range of 11% to 25%. Whereas 30% of the beneficiaries have expressed the opinion that less than 10% loan amount is yet to be paid. 16% and 10% beneficiaries are in the range of 26% to 50% and 76% to 100% and 9% beneficiaries are in the range of 51% to 75% amount due to the corporation. The average corporation amount due by the beneficiaries is 28%.

**TABLE No:-7**  
**Difficulties at the Time of Taking Loan**

Sr.No.	Difficulties	Frequency	Percentage
1.	Lengthy procedure of documentation	18	18
2.	Delay by sanctioning authority	26	26
3.	Non corporation of employees	05	05
4.	Delay from bank	12	12
5.	Less bank target	19	19
6.	Less provision of govt. funds	20	20
	<b>Total</b>	<b>100</b>	<b>100</b>

Source:- Field Survey (2011-12)

It is observed from the above table that 26% of the beneficiaries have given their opinion about delay by sanctioning authority to get loan. 20% of the beneficiaries have expressed their difficulty in getting loans because of the less provision of the government funds. Where 19% and 18% beneficiaries have expressed their difficulty in obtaining loan is less target of the bank loan and lengthy procedure of documentation respectively. 12% of the beneficiaries have expressed their difficulties about delay from bank to obtain loan. Only 5% beneficiaries have expressed their difficulty regarding obtaining loan from the corporation and non co-operation of the corporation employees in sanctioning the loan proposals.

**TABLE No:-8**  
**Opinion of the Beneficiaries about the Employees of the Corporation**

Sr.No.	Remarks	Frequency	Percentage
1.	Co-operative	86	86
2.	Non-cooperative	11	11
3.	Fraudulent	03	03
	<b>Total</b>	<b>100</b>	<b>100</b>

It can be observed from the above table that 86% beneficiaries of the backward class have expressed their opinion that the behaviour of concerned corporation employees was co-operative. Whereas 11% beneficiaries have expressed their views that the behaviour of backward class Development Corporation was not co-operative and 3% beneficiaries have expressed their views regarding the behaviour of corporation employees as fraudulent. This indicates that the majority of the sample beneficiaries have expressed their positive opinion about the behaviour of the corporation employees. Therefore it can be said that the attitude of the employees of the corporation towards the beneficiaries community from backward classes is favourable.

**TABLE No:-9**  
**Suggestions about Working of Corporation by Beneficiaries**

Sr.No.	Suggestions	Frequency	Percentage
1.	Corporation should increase subsidy	40	40
2.	Easy document collection	19	19
3.	Provisions for permanent place for corporation office	10	10
4.	Avoid delay in sanctioning loan	18	18
5.	Implement new schemes	07	07
6.	Charge low rate of interest	06	06
7.	Arrange training programme	--	--
8.	Proper guidance through corporation	--	--
	<b>Total</b>	<b>100</b>	<b>100</b>

It is observed from the above table that out of the total sample of the beneficiaries 40% beneficiaries have given their suggestion that the corporation should increase the limit of subsidy.

#### **MAJOR CONCLUSION:**

Following conclusions are drawn on the basis of statistical analysis of the primary data collected from the sample of the present study. The studied sample size boils out following design of the sample:

- Average Age of the sample is 35 years.
- Higher Secondary pass is the mode of educational qualification of the sample.

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