

I
J
R
E
E

Indian Journal of Rural Education and Engagement

September 2019
Volume 4



**Mahatma Gandhi National Council of Rural Education
(MGNCRE)**

Department of Higher Education

Ministry of Human Resource Development, Government of India



About the Journal

Indian Journal of Rural Education and Engagement (IJREE) is a blind peer reviewed half yearly Scholarly Journal published by Mahatma Gandhi National Council of Rural Education (MGNCRE), formerly National Council of Rural Institutes, Ministry of Human Resource Development (MHRD), Government of India. The journal is basically intended to diffuse Scholarly information on Academia Community Engagement/ Rural Engagement and its related issues such as Rural Education, University Community Engagement, Rural Tourism, Rural Entrepreneurship and Rural Communication. It publishes research and review papers, intended notes on Community Engagement and Education. It is intended to benefit the academia, policy makers, government departments and all others interested in Rural Community Engagement.

Editor

Dr. W G Prasanna Kumar
Chairman MGNCRE

Editorial Board Members

Dr Bharat Pathak, Vice Chairman, MGNCRE
Prof Abdul Shaban, Deputy Director, Tata Institute of Social Sciences, Tuljapur
Dr J K Bajaj, Director, Center for Policy Studies, New Delhi
Dr R Balasubramanian, Founder-Chairman, Grassroots Research and Advocacy Movement, Mysore
Prof Chandrashekar S F, Shiva Shivani Institute of Management, Hyderabad
Prof Ganesh C, HOD Sociology, Osmania University, Hyderabad
Dr Kumaran P, Former Professor, NIRD, Hyderabad
Prof Laldas D K, Director (Retd.), Roda, Mistry College of Social Work, Hyderabad
Prof Mishra R K, Director, Institute of Public Enterprise, TISS, Mumbai
Dr Parasuraman S, Director, Tata Institute of Social Sciences, Mumbai
Dr Rajesh Tandon, UNESCO Co-Chair on Community Based Research and Social Responsibility in Higher Education, PRIA, New Delhi
Prof Sen, Sabujkoli, Director of Studies (Educational Innovations and Rural Reconstruction)
Viswa Bharathi Santiniketan, West Bengal
Prof Shiva Raju S, Deputy Director, Tata Institute of Social Sciences, Hyderabad
Dr Sudarshan Rao S, Principal (Retd.), Arts College Osmania University, Hyderabad
Dr Vinod Pavarala, Professor and UNESCO Chair on Community Media, University of Hyderabad
Prof Sudhakar Venukapalli, School of Education, EFLU, Hyderabad

Disclaimer

The editor or publishers do not assume responsibility for the statements/opinions expressed by the authors of the papers in the journal

Subscription Information

Print Subscription/Renewal

(Annually) India:-

Annual Subscription Rs. 1000/-

For Individuals Rs. 600/- per annum

Outside India:- US \$100

To obtain a copy by air mail \$27 extra

ISBN :

Copyright

© Mahatma Gandhi National Council of Rural Education, Hyderabad

Published by

Sri P Murali Manohar Member Secretary MGNCRE

Contents

Foreword

1. Strength of Milk and Unity
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
2. Prodigal Sun of Makhala Village
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
3. Farmers Can Never Improve Their Standard of Living
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University
Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University
4. Hiware Bazar: A Success Story
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
5. Technological Devastation: How Farmers Convert it in to Competitive Advantage
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University
Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University
6. Wasteland Development Project in Ajmer District of Rajasthan
Dr K N Rekha, Academic Consultant, MGNCRE
7. Effect of Drought On Grapes Farming & Water Management in Rural Area in Nashik
Dr. Bhalchandra Balkrishna Bite, AISSMS IOM, Pune
8. From Shrinking to Flourishing Mangroves
Ms Neha Gupta, Learning and Development Consultant, Hyderabad
9. OKHAI Brand Positioning
Dr. Rajini.G, Professor and Head, VELS Institute of Science and Technology and Advanced Studies, Chennai
10. Dilemma of Credit Policy Decision For Nilmoon Enterprise
Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University
11. NC Fertilizers : Issues In Managing Transfer Prices In An Organisation
Dr. Nilam Panchal, Associate Prof., B K School of Professional & Mgmt. Studies, Gujarat University
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University
12. Changing Attitudes in Rural India
Dr K N Rekha, Academic Consultant, MGNCRE
13. Where There's Will, There's a Way
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
14. Fostering a Culture Of Trust
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
15. Regaining its Lost Glory - State Bank of India (SBI)
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
16. The Tale of a Model Village
Dr. Gowri Pisolkar, Associate Professor, Aurora's PG College, Hyderabad

17. Unity is Strength
Neha Gupta, Learning and Development Consultant, Hyderabad
18. Journey from 'Dowry' to 'No Dowry'
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
19. Transformation of Barren Land to Pond
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
20. Planned Changes Yield Planned Consequences
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
21. A Step in to the Toilet
Ms. Neha Gupta, Learning and Development Consultant, Hyderabad
22. A Smart Dream for Punsari Model
Dr Sumathi G N, Associate Professor, VIT Business School, VIT University, Vellore
23. A Digital Change for SHG Women in Hand-in-OG HIH
Dr Sumathi G N, Associate Professor, VIT Business School, VIT University, Vellore
24. RangSutra: Be the Change
Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad
25. Challenges of Marketing of Agro Products
Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University
26. Trust is the Trading Currency
Neha Gupta, Learning and Development Consultant, Hyderabad
27. Fertilizers to Farmers
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
28. The Right Mix
Dr. Syed Kazim, Associate Professor, Acharya Bangalore B-School, Bangalore
29. Free Sampling
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
30. Success Against All Odds
Dr. Bhalchandra Balkrishna Bite, AISSMS IOM, Pune
31. Fresh Harvest: Entrepreneur Game Changer
Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad
32. Handloom Industry in the Rural Market
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
33. Novartis- Mission Rural Health Care
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
34. Nutrine Confectionery Company Limited- Ruling the Rural Market
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
35. Painting Rural India
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
36. Pitching for Co-op Models to Take Jobs to Rural
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
37. Readymade to Rural
Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore
38. Khyeti's Greenhouse in a Box
Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad

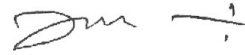
Foreword

Mahatma Gandhi National Council of Rural Education (MGNCRE) of the Department of Higher Education in the Ministry of Human Resource Development, Government of India, brings out the fourth issue of its Journal in the field of Rural Community Engagement and Rural Education to diffuse development research and scholarly information as part of meeting its objectives.

The blind peer reviewed Journal's scope has been identified broadly to cover the areas of Academia-Rural Community Engagement and Higher Education focusing on Rural Concerns. Areas covered include: Rural Education, University-Community Engagement, Rural Tourism, Rural Entrepreneurship, Rural Management and Rural Communication among other aspects of rural concerns. The Journal publishes research papers, review papers, case studies, including Notes on current issues of concern to the Rural Community Engagement and Rural Education sectors. Efforts have been made to identify potential authors and scholars who have been working in rural community engagement and rural education through the journal databases and the literature scan in the field. Request letters have been sent to the research institutes and universities in India and also to the individual scholars and academics to contribute their research manuscripts for publishing in the journal.

All the manuscripts received have been put for anti-plagiarism verification and those articles which have more than 25% of similarity have been sent back to the authors concerned to minimize and edit their papers. Further, those articles which were well within the limits of plagiarism have been sent to the identified Reviewers and Peer Reviewers to review and to offer their remarks on the papers about their worthiness and also to suggest any corrections needed in the paper before they are accepted for publishing. This is the fourth issue of the Journal based on recommendations by peers. The journal includes caselets on rural concerns by distinguished academicians.

The Journal takes pride in having eminent scholars, researchers and administrators on its Editorial Board. The Journal is intended primarily for the academia, policy makers, departments in the government and for all others interested in Rural Community Engagement and Rural Education. Majority of India still lives in villages and so the topic of rural education in India is of utmost importance. Further, we firmly believe that the Journal will meet the objective of disseminating the current developments in rural community education and engagement.



Dr. W G Prasanna Kumar
Chairman MGNCRE

Strength of Milk and Unity¹

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

In the 1940s, the marginal milk producers in Kaira were further marginalized by the monopoly of the Polson dairy and the middle-men who acted as agents for the only existing dairy organization. Adding to their woes was the sweltering heat of the summers that rendered the sweet milk sour after traveling short as well as long distances in the heat. Even the prices of milk were decided in an arbitrary fashion as the government had endowed Polson with monopolistic rights to collect milk from Kaira and supply it to Bombay city. To curb the exploitation and unfair practices, the farmers of Kaira organized themselves as a group and decided to take matters in their own hands.

Response

In 1946, the milk farmers of the area went on a strike. Also, the agitated farmers of Kaira approached Sardar Vallabhbhai Patel under the leadership of local farmer leader Tribhuvandas K. Patel. The visionary Sardar Patel advised them to form a cooperative namely Kaira District Co-operative Milk Producers' Union (KDCMPU) and supply milk directly to the Bombay Milk Scheme instead of delivering it to Polson at lower prices. Sardar Patel even sent Morarji Desai as his envoy to help organise the farmers into a cooperative.

As a result, Amul-cooperative was registered on 14 December 1946 to collect and process milk. The collection of milk was decentralized as majority of producers were marginal farmers who could deliver maximum 1 to 2 litres of milk per day. To improve the process, cooperatives were formed for each village in Gujarat. By June 1948, the KDCMPUL started pasteurizing milk for the 'Bombay Milk Scheme' ridding the marginal milk producers from the exploitative grip of Polson and middle-men².

Action Taken

The cooperative grew under the effective leadership of Dr. Verghese Kurien aided by H.M. Dalaya. Dalaya's innovation of making skim milk powder from buffalo milk which was later commercially scaled up by Kurien led to the cooperative's first modern dairy at Anand in Gujarat. This rural novice

¹ Alexander Fraser Laidlaw. Cooperatives and the Poor. A development study prepared for the International Cooperative Alliance and the Canadian International Development Agency, 1977.

² Heredia, Ruth (1997). The Amul India story. New Delhi: Tata McGraw-Hill.

product would eventually compete with the established players in the market. The task began when K.M. Philip sensitized the Chairman Kurien about the importance of marketing and the finer nuances of creating a brand.

The success of farmer T. K. Patel, chairman Kurien and scientist Dalaya was contagious as it spread rapidly to Anand's neighbouring areas. Within a short span, five unions were formed in Mehsana, Banaskantha, Baroda, Sabarkantha and Surat, following the footsteps of Amul. To exploit synergies and expand the market while saving on advertising and avoiding inter-cooperative competition, the Gujarat Co-operative Milk Marketing Federation Ltd. (GCMMF), an apex marketing body of these district cooperatives, was set up in 1973. The Kaira Union that held the brand name Amul since 1955 transferred it to the able hands of GCMMF for marketing and growth.

In 1966, Amul hired Sylvester daCunha, then managing director of the advertising agency AS to design an ad campaign for Amul Butter. daCunha designed a campaign as series of hoardings depicting day-to-day issues faced by every Indian. The popular campaign won the hearts and Guinness world record for the longest running ad campaign in the world.

The White Revolution ushered with the establishment of Amul inspired the ace film-maker Shyam Benegal to make Manthan .(1976) The film was crowd-funded by over five lakh (half a million) farmers in Gujarat who donated Rupees 2 each to the movie's budget³. These farmers not only funded the production of movie but also pushed it towards commercial success by watching it in truckloads. The riveting true story of Manthan even bagged the 1977 National Film Award for Best Feature Film in Hindi.

In the 1980s, cartoonists Kumar Morey and script writer Bharat Dabholkar were passed on the mantle of sketching the Amul ads. The impish Amul butter girl celebrated 50 years on 17 Oct, 2016⁴ since the release of topical ad titled "Thorough bread" featuring a jockey holding a slice of bread during the horse race season in 1966. However, the debutante was launched by Eustace Fernandez in a cartoon offering bedtime prayers with a wink and smacking lips, saying "Give us this day our

³ <http://southasia.ucla.edu/culture/cinema/directors/shyam-benegal/>, Shyam Benegal, 2018

⁴ <https://www.newskarnataka.com/from-the-web/in-pics-fifty-years-on-amuls-utterly-butterly-girl-is-still-a-delight>, Hindustan Times, Oct 2016

daily bread: with Amul butter.” Dabholkar credited Chairman Verghese Kurien for fostering a free environment that enabled the creation of expressive ads that held a mirror to the society.

Today, Amul’s brand managed by the cooperative body GCMMF is co-owned by a staggering 3.6 million milk producers in Gujarat. The success story of the motley group of farmers in Kaira in building one of the largest Indian dairy companies is a testimony to the strength of milk and unity.

Learning

- Participatory approach can overcome the lack of access to capital prevalent in rural pockets of the country.
- The leaders and government can play a crucial role in the planning and implementation of rural development strategies.
- The formation of co-operatives is a good way of organizing marginalized workers as they find economic and moral support through the group.

Questions

- Explain the role of different leaders in transforming the group of farmers into successful businessmen.
- What are the advantages of the formation of cooperatives?
- What was the approach employed by the milk producers in scripting a bright future? Discuss other approaches.
- Should the government step in to help and encourage marginalized workforce? Explain.

Course Positioning

The caselet is suitable for a course in Rural Development and Management. As the caselet elucidates how the marginalized milk producers successfully organized themselves as profitable cooperative, it will be helpful in introducing topics like strategies of rural development, participatory approach, and role of leader and government in rural management.

Prodigal Sun of Makhala Village

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

Makhala Village was situated in the isolated foothills of Amravati district in the southwestern Satpura mountain ranges. The far-flung village in Maharashtra at an altitude of 959 m above mean sea level, boasted of 352 households with a tiny population around 1045. Though the network of roads provided access to Makhala around the year, its surroundings consisted of forests and steep slopes. Semadoh, the nearest village was even 12 kilometers far. Owing to the steep terrain, access to water was a huge problem for its residents as village had only two wells out of which only one was operational throughout the year.

Inevitably, the women had to walk at least 1.5 kilometers every day to fetch water for domestic use. Navigating the hilly terrain with heavy pots atop their heads was another challenge which forced them to spend time away from their children and home. With every passing year, the reliance on water tankers was increasing. “The deployment of tanker for the village during summer was a routine, and the access to water was a challenge for the villagers, especially women,” said the village Sarpanch (President), Mangarai Motilal Kazdekar with concern⁵.

Response

In 2000, the Rural Water Supply Division (RWSD), in collaboration with the Zilla Parishad (district council), and a government agency launched an innovative scheme. They implemented a solar-power-based mini water supply scheme to provide access to the drinking water in the village. Due to high price of the solar panel and its installation location being away from the habitation, the solar panels were stolen within a year of implementation. Recurring power failure exacerbated the water situation faced by the villagers. In the absence of an alternative, the village lost hope about finding another source of power and water supply.

Action Taken

Undeterred by the past failure, RWSD took the initiative to implement solar panels again in 2011 to improve the water availability in Makhala.

⁵ <https://www.indiawaterportal.org/articles/solar-power-solves-water-supply-issue>, Makarand Purohit, 2018

Hopes of villagers were renewed when the scheme was technically sanctioned by the Shweta Banerjee, Executive Engineer at RWSD. On February 4, 2011, the village received INR 49, 33, 000 from the RWSD who commenced the installation work in March, 2011. "After overcoming the challenges in the implementation like procurement of solar pumps of 2.4KW (Kilowatt) and 80m head, fixation of power supply cable, etc.; the scheme finally got commissioned on January 1, 2012," narrated Kishor Raghuwanshi, Sub-divisional Engineer at Maharashtra Jeevan Pradhikaran (MJP), a Government agency.

The solar scheme was literally a blessing from above that brought an end to the arduous uphill journey undertaken by the women to bring water home. With the help of solar energy powering the water supply, the gram panchayat provided water connections to the families. Now, more than 90 percent of the households receive piped water supply for thirty minutes every day. Daily access to water, albeit for half an hour has wiped away worries about water for drinking and other domestic use.

Access to water had a cascading effect in increasing the adoption of toilet usage. Today, over 90 percent families have shunned open defecation in exchange for toilets which is also aligned to 'Clean India' mission aimed at elimination of open defecation. Benefits were multi-fold as no water tankers were deployed after 2011 resulting in savings. With availability of water, villagers started kitchen gardening. As a result, the number of SAM (Severely Malnourished) children dropped from 4 to 1 in the first 10 months of commissioning of the scheme. Similarly, there was a decline in the number of MAM (Moderately Malnourished) children from 15 to 9⁶.

Witnessing the benefits of the scheme, the villagers took over the responsibility of running and sustaining the scheme by themselves. Today, all the houses in the village are lit by solar power who once thought of electricity as a distant dream. "It is only due to the sincere efforts of the RWSD team that our access to drinking water has been ensured. The village women are now very happy because one of their major problems is solved," says a villager Vijay Bhusari.

With the help of the prodigal SUN, RWSD and Gram Panchayat has improved the lives of the scores of women and their children in Malakha.

⁶ https://www.indiawaterportal.org/sites/indiawaterportal.org/files/makhala_solar.pdf , Shweta S Banaerjee

Learning

- The failure to achieve development goals in first attempt should not deter the government or the program champions.
- For rural development, out-of-the box thinking should be employed with exploration of multiple strategies. As the saying goes, 'Try, try till you succeed!'
- The success of development programs has a cascading positive impact on multiple facets of individual life and society at large.

Questions

- Despite initial setback, how did Makhala village succeed in solving its water woes?
- What is the role of strategy in devising alternative solutions?
- List the benefits and challenges you foresee in using solar power in isolated hilly regions of India to provide water and electricity?

Course Positioning

The caselet is ideal for the course in Rural Planning and Development as it describes the deployment of alternative strategy to solve a prevalent rural problem. It would be helpful in introducing topics like rural development, resource utilization and strategy exploration. The case imparts a useful lesson that the development programs shouldn't be abandoned at the sight of early failures.

Farmers Can Never Improve Their Standard of Living

Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University

Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University

Challenge

Bringing a change in the remote and interior villages is not a simple task when there is no will to the ruling Government and civil administration. Besides, such a remote and far off interior villages have meager population and so the voice of the village cannot reach the Government and Civil administration.

How to ventilate the woes of the inhabitants who need support from the civil administration and government and bring an improvement to the lives of the people of such remote places remains as a great challenge?

Response

Khamasom is a generic reference to four villages located north of Ukhrul in Manipur, India. The four villages are Khamasom Khayangkho, Khamasom Walely, Khamasom Phungdhar and Khamasom Phungrei. The settlement is approximately 25 kilometers from Ukhrul and partially connected by National Highway 150. Reaching this place need to scale up the dangerous mountainous road where even the buffaloes might find it difficult for an easy walk. As per 2011 census, Khamasom Khayangkho village had 388 households with the total of 1996 people of which 1070 are male and 926 are female. Of the total population, 214 were in the age group of 0–6 years. The average sex ratio of Khamasom Khayangkho village is 965 female to 1000 male which is lower than the state average of 985.

The village is home to people of Tangkhul Naga tribe. Majority of the inhabitants are Christians. Agriculture is the primary occupation of the inhabitants. The village is well known in the district for its scenic beauty. Khamasom has a vast forest stretching up to the international boundary with Myanmar and the stretch is rich in flora and fauna. Recently, the village was in the news for sighting of a flower that resembles a deadly snake which the locals called Khamasom van; meaning Khamasom flower for being native only to the village.

Khamasom village is known for its richness in forest vegetation. The mostly found trees are Pine, Oak, Aldar, Wild Cinnamon and many others. Khamasom is arguably the only village in north eastern

India that has a thick virgin forest in the Indo-Burma border stretch. One unique feature of the natural vegetation is that Khamasom has two locations - Nginu (means 'small meadow) and Ngirue (means 'big meadow in Khamasom village local language) - within the thick jungles where the rarest lily flowers thickly bloom in the month of May and June every year. The place is still quite virgin and no human destruction observed in the areas so far as visitors cannot easily reach the locations. A visitor has to walk for whole day and another whole day to walk back to Khamasom Khayangkho habitation.

On a cold Christmas time, travelling through the treacherous and cracking road with lots of steep ups and downs by the 4 by 4 Maruti Gypsy was a great struggle. Finally, we could reach in the evening after driving from 8 am onwards from Imphal, the capital town of Manipur. We landed in a school campus at Walely, the Principal of the School arranged our night stay in the school building itself. Sitting by fire for protecting self from the chilly weather in the late evening, they were interacting with a Principal of the only School in the village and few other people about the lives and the situations in such a remote place. Lives in the villages were not easy and the same remains till date without any significant improvement even after 70 years of independence. Listening to their woes on that late evening gave us the clear picture of real challenges of lives in the remote place.

Passing through the steep mountainous slopes, fetching water, carrying of loads, and storing of the vegetables, food grains after harvesting, medical facilities, communication, connectivity, and what not are some of the major problems. Selling the products in the market has been another great challenge since the beginning. The organized local market is around 30 km but reaching this much distance from the village has been the most critical challenge as there is no organized local transport system. The villagers organize the transport on the basis of requirements of majority and number of people who want to go to market. Besides, there is general scarcity of vehicles in the village. On one hand, villagers have no interest in growing and producing agricultural and forest products as they cannot reach their produces to the market at reasonable price and quantity at the right time. But on the other hand, there is no other alternative to agriculture. The cost incurred for reaching their produces in the market eats away all the benefits and joy of growing the crops.

The total population of the four villages is hardly few thousands, but educated people shift to town areas where transport and other infrastructural facilities are better. Educated youths are not generally coming back after their degrees as they look for jobs and stay finally in the places near to their work on rented house. Migration of people towards towns and cities are very common,

otherwise. Even after getting employment of the educated people, they are not in a position to contribute well to their parents and rest of family members as they are settling away from the villages. The meager salary cannot afford happy live to the parents left in the far village and his/her own needs.

The district administration has not reached the villages frequently. Even a primary health centre is not set up in the village. The Government of India has announced many schemes for rural upliftment from time to time but where it has dried up the funds for setting up the minimal and basic infrastructural requirements of her country roads, villages, and her people. The appeal of the village head and other church leaders to the civil administration and government has been of no use since the beginning.

Learning

- The leaders and government can play a crucial role in the planning and implementation of rural development strategies.
- Frequent interaction, sharing and listening to the opinions of the remote villagers is a good way of integrating the marginalized section of people in the economic and social mainstream.

Question

- What will be the right intervention strategy for saving the lives of the rural people in Khamasom village?

Course Positioning

The caselet will be suitable for the course on Rural Development and Rural Management. It will give the learners a thought on how the problems and challenges of far flung remote villages of can be understood and explore the right strategies for overcoming the problems.

Hiware Bazar: A Success Story

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

The Challenge

Hiware Bazar geographically belonged to the drought prone region of Maharashtra. The village with a motley population of 1300 in the district of Ahmednagar was no different from its neighbors in the state who fell prey to the dry spells every few years. Poor water management coupled with shortage of rainfall resulted in receding water tables and hardships for the agriculture community in particular and the village population in general.

The semi-arid land dwellers struggled from 1970s to 1990s with depleting natural assets like reduced forest cover, diminishing water sources and increased aridity in the fields. In 1990, out of around 1000 hectares of geographical area, a meagre 12% was cultivable in the village⁷. With erratic rainfall, acute poverty and devastating unemployment, permanent migration was at an all-time high and so was gambling and alcoholism. A survey in 1995 revealed that below the poverty line (BPL) families stood at a whopping 165 out of 180 families. The doles from the government provided temporary relief and dried up at a fast pace with seemingly no permanent solution in sight.

Response

The tides were turned in 1989 with the victory of Popatrao Pawar in the Gram Panchayat elections (Village Council) elections of the Hiware Bazar. Pawar was inspired and motivated to replicate the success of Ralegan Siddi in watershed management. The economic and ecological success of Ralegan Siddi, merely 40 kilometers away, drew Sarpanch Pawar to Siddi after assuming the leadership of Hiware. Post his visit, he applied for Adarsh Gaon Yojana (AGY), known as Ideal Village Scheme launched by the Maharashtra State Government. AGY adopted a five pronged approach – prohibition on cutting trees, restrictions on free grazing, ban on liquor, family planning and contribution of village labour for development work⁸. At the heart of the 5-year AGY plan lied water

⁷ http://www.teebweb.org/wp-content/uploads/CaseStudies/Hiware%20Bazaar_A%20village%20of%20Millionaires,%20Maharashtra,%20India.pdf

⁸ Sangameshwaram, P., Equity in Watershed Development: A Case Study in West Maharashtra, Economic and Political Weekly, Vol 41, No. 21

conservation. This integrated model of development was further supported by the institution of Watershed Development Trust and Yashwant Krishi Gram.

The Employment Guarantee Scheme (EGS) gave a timely big boost to the village's development goals. After the completion of first five-year plan, another five year plan spanning 1995 to 2000 was drawn by Sarpanch Pawar in consultation with village folks targeted at ecological regeneration. Aimed at regeneration of degraded forests and catchment area, the state allotted INR 42, 00,000 for the treatment of around 1000 hectares of land under the EGS. The democratic decision making and participatory implementation propelled the engagement of villagers and execution of the plan under the visionary leadership of Pawar.

Action Taken

In a systemic way, the entire village was divided into three micro-watershed. The watershed work comprised of contour trenching, contour bunding, nala (drain) bunding, construction of two percolation tanks and five storage tanks in order to restore the water levels. To conserve rainwater and recharge groundwater, the villagers built over 40000 contours around the hills. In addition to digging of wells, drip irrigation and open-well irrigation were encouraged to reduce the strain on underground water. To check the depletion of water table, plantation of water-intensive crops like sugarcane and banana as well as usage of bore wells for irrigation weren't permitted.

The well-planned implementation of AGY, EWS and water management strategy transformed the once arid Hiware village into an economically and ecologically resplendent village. Combating the cyclical rainwater shortage, the cover of irrigated land rose sharply from 120 hectares in 1999 to 260 hectares in 2006. Similarly, grass production grew multifold from 100 tons in 2000 to 6000 tons in 2004. With rise in number of wells from 97 to 217, and availability of grass; bovine population increased from 20 in 1998 to 340 in 2003. In a span of ten years, the milk production reached 4000 liters per day compared to 150 liters per day in 1990s.

A yearly water audit was initiated in the Hiware village in 2002. Since then, potable water and other daily uses are given the top priority. In the remaining water, 70 percent is allotted for agriculture and the remaining 30 percent is saved for future use forming a water bank of sorts. The annual audit assesses the amount of water available, estimates the usage, and subsequently prescribes the crops for plantation.

Overall, the environment and residents have benefitted immensely from the joint initiatives by the government and villagers. The BPL (below poverty line) families declined from 168 to 53 in a mere three-year period from 1995 to 1998. The gap continued to taper further to only 3 BPL families in 2011. The prosperity can be gauged from the increase in annual per capita income from 832 in 1991 to 30,000 in 2011⁹.

⁹ <https://hindi.indiawaterportal.org/Hiware-Bazar-A-water-led-transformation-of-a-village> , IDFC, Policy Group, June 2012

Technological Devastation: How Farmers Convert It into Competitive Advantage

Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University

Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University

Challenge

In the mid 2013, the worries of the far flung village of the North Eastern Region of India suddenly came into limelight. The produce of the farmers whose survival are fully dependent on the sales proceeds of their produces could not sell it in the market due to transport and communication problems and minimal storage facilities in such a remote place. Huge quantities of the produces spoiled in the fields of the poor farmers without reaching the decorated kitchens of rich people and the empty stomachs of other millions. To overcome such a critical and heart breaking moments of more than 1000 families of farmers in the village were not a small task.

Response

In the early part of January 2013, Mr. Chand and his wife Nilu were visiting different villages of the North Eastern Region of India for a survey of the rural livelihood and their vision towards the new developments post liberalization. To their surprise, they found a village 100 km away from the National Highway after passing through a long mountainous ride of around 65 km. deep inside the remote areas. No one will imagine such a heaven of agricultural and horticultural crops that abounds the naked eyes of any layman. The Chani Village is a model village of the time that came up with the latest advancements in the field of science and technology. The villagers managed to keep all the records of the agricultural technologies that had evolved from the olden days in that village. The farmers' museum that has been maintaining by them in a very big thatched house proved that the technological and innovative changes could reach even the far flung locations of some parts of the country at least.

The farmers were well up to date in terms of the knowledge of agricultural revolution. They attended various short term training programmes conducted at town areas and state capitals by the Indian Council of Agricultural Research (ICAR) and other programmes organized by the Agricultural Universities. The relay broadcast of the news related to agricultural technologies, fertilizers to be used, insecticides, harvesting and cutting of the vegetables and its appropriate timings were all listened well by the farmers on daily basis in the community gathering house. In fact, the hi-tech farmers at such an interior location where sounds of the vehicles and noise of the crowds could hardly reach have been a matter of great happiness to Chand and Nilu.

The farmers grow almost all types of crops suitable to the moderate weather condition of summer time and cold and chilly winter season. The produces were selling to the local market and middleman from the town areas arrived every evening and morning for buying the produces in bulk and day's transactions were done that way. Due to use of right technology and knowledge of farming, the production level increased day by day to the virgin village. No one could imagine so seriously that someday there might be difficulties of selling the produces at the right price and at right time for all the time to come. The supply level was much higher than the demands of the

buyers. Large quantities of unsold crops and vegetables piled up in the houses of the farmers, the local market and in the field itself.

Action Taken

In the later part of the year 2013, a team of Chani Villagers went to the office of the ICAR for taking advice on this problem of crop wastages due to difficulties in selling it on time. Many bright ideas came up in their mind after that. The villagers established Chani Village Cooperative Society in the year 2014. As Mr. Chand and Mrs. Nilu were researchers in the field of rural development and their keen affiliation to agriculture and agri-preneurship and also being known to the villagers, they have been kept as advisors to the Chani Village Cooperative Society. The way rural novice product would eventually reach the mainland kitchens and compete with the established suppliers in the main markets of the country in two years time would remain as real example of consistency, competence, confidence, courage, commitment, and cooperation among themselves towards excellence. The finer nuances of creating a successful Model Village called "Chani Village" and being a contributor towards the economic development and transformation of the rural masses began galloping in the year 2014.

The Chani Cooperative Society introduced many welfare programmes for the growers. The concept of organized buying and selling was introduced in the village. They have removed the middlemen who took away large share of their profit margin. The logistic system revolved around. The bags of crops and loads were shifting from the fields across the tributaries and other hilly terrains through ropeways system made for that purpose. That has eased out the problems of carrying the crops and produces through long route by using bullock carts so that it could reach the assembly point on time. The Society tied up many agents in city markets and contracts were signed in the beginning of the season for buying the produces from the Chani Village. These agents then sold the products to different locations of the country.

Another milestone in the history of the Society was its initiative to process the vegetables and sell it through different sales outlets across the region. They started to produce the Ginger Pickles, Garlic pickles and many other varieties of pickles made of vegetables. These products were selling through many retail shops and outlets across many retail shops. That has brought another edge to the village. Many people started engaging in processing, packaging the products, distributing it and managing the accounts. The change from a mere grower of crops and vegetables to the employment generating agent in the same village and its surrounding has been quite a great initiative towards rural development and management. The Chani Village and Chani Pickles, Chani Brand became the talk of the town in a barely three years time.

Through discussion in the annual meeting, and as advised by the Advisors, the concept of Crop Insurance was introduced in the Chani Village. As scale increased the importance of keeping right persons for handling the whole system came up. The role distribution, task allocation, job assignment, skills required, and proper system of documentation and structure were the need of the time. With limited number of educated population with right qualification, these things have become another emerging challenge. Though there were hiccups due to growing levels of volume of works and diversification, the Chani Brand became the heart and soul of each villager.

Today, the once languishing Hiware Bazar has triumphed over the vagaries of low rainfall and drought, emerging as an inspiration for other villages.

Learning

A strong partnership between the village and government is instrumental in successful planning and implementation of development programs.

The achievement of development goals is driven by convergence of objectives and vision of leadership in addition to financial/infrastructural support from the government.

Community engagement and education are critical for creating awareness and ownership to achieve development goals and sustain such initiatives.

Questions

How can villages benefit from convergence of objectives of Government schemes? (Hint: AGY & EGS in this case)

Should development programs focus on short-term improvement goals or long-term sustainable goals? Please explain your point of view.

What propelled Hiware village out of the relentless grip of poverty and ecological degradation?

What challenges may arise in replicating the Hiware model in other villages?

Course Positioning

The caselet is ideal for the course in Rural Planning and Development as it narrates the turnaround story of a village owing to a well-planned development strategy. It would be helpful in introducing topics like strategic interventions, rural planning, measurable development goals, strategy and implementation.

Learning

1. The participative can overcome the problems of remote villages in different pockets of the country's geography.
2. The formation of Cooperative Society and linking with right researchers and institutions are the backbone of the transformation towards sustainable development of the remote villages.

Questions

1. Discuss the vision setting of the rural people towards development.
2. What are the advantages of the formation of Chani Cooperative Society?
3. In the light of growing challenges, what necessary precautions you can imagine? Discuss.

Case Positioning

The caselet is suitable for Rural Development and Rural Management Programme Courses. This caselet can elucidate how people in the interior villages can successfully organize themselves as rich and self-sustainable living through right attitudes, participative, and investigative processes.

Wasteland Development Project in Ajmer District of Rajasthan¹⁰

Dr K N Rekha, Academic Consultant, MGNCRE

Challenge

The wasteland in the block Pissagan of Ajmer District in Rajasthan was facing problem of soil erosion due to flow of rainwater from the Aaravalli Ranges. The rainwater in its course deposited stones and pebbles on the land. As a result, the land had gradually become unfit for cultivation. The soil lost moisture and the water table level went down. This had tremendous effect on the economic lives of the people. As the land was not fit for cultivation, the villagers earned their living as daily wagers in Ajmer or nearby towns. Majority of them lived in poverty. They had to walk up to 4 - 5 kilometres to fetch water, fodder for cattle and fuel wood. The National Wasteland Development Board approved the project development of wasteland in the block of Pissagan of Ajmer District in Rajasthan in April 1994 and was implemented by District Rural Development Agency (DRDA).

Response

The project on development of wasteland was started in the year 1995 in the month of January. The main objectives of the project were soil and moisture conservation measures, improve the water table level, providing fodder and fuel wood and improve the socio-economic conditions of the villagers. In these seven years, the project has changed the whole block of Pissagan from poverty and underdevelopment to prosperity and on the development path.

People's participation was crucial for meeting the objectives of the project. Therefore, to create a sense of belonging towards the project, it was envisioned as a project FOR THE PEOPLE, OF THE PEOPLE and in the long run a project managed BY THE PEOPLE. Users committee, comprising of the villagers, farming community and the project functionaries was formed. The Users committee was entrusted with implementation of the project, management of the project, protecting the construction activities, and distribution of fodder and fuel wood and wages to the labours.

Action Taken

There were series of activities undertaken to convert the waste land in to fertile land. The first activity was construction of check dams along the waterways to erode soil to settle on the check dams. To further strengthen the bed of the check dams, Moonjha and Thor plants were planted that

¹⁰ Source: http://planningcommission.nic.in/reports/sereport/ser/stdy_bstpRD.pdf, Research and Development Initiatives, New Delhi

helped to retain the moisture in the soil. Second activity undertaken was the construction of set guard trenches at a distance of 10-12 meters from the slope, measuring 4 x 0.3 meters from the slope covering 125 hectares of land build against the slopes of the mountain ranges. Soil from the trenches was deposited alongside to build bunds. 2186 hectares of land was covered through set guard trenches that led to 360 liters of rainwater seeping in to the ground. The third activity was plantation of trees such as Desi Babbul, Israeli Babbul, Kumtha and other wild plants that helped to increase the fertility of the soil and it increased the produce by manifolds. The plantation helped in conserving the soil and bringing back the fauna to the district, which had disappeared in this area. The fourth activity was rainwater harvesting structure to store the run off rainwater in consultation with the villagers. All the wells coming in the catchment area benefited from as it increased the water table of these wells. The fifth activity was construction of contour ferro's at a distance of 10-12 metres from the land covering area of 0.06 square metres. This helped in checking the flow of the rainwater, and for stabilization of the contour ferro's, Stylo Hemta, Dhamana Grass and Moonjha were planted. Plantation solved the problem of fodder for their cattles for the villagers. The sixth and final activity was afforestation and horticulture. Farmers were encouraged to start nurseries, so that wild plants are available for plantation activity. Till March 2000, 14 nurseries were set up, a total of 77903 saplings were planted in the villages. This led to the availability of water at 30 ft in peak summers to that of over 40 ft earlier.

The users' committee played the major role in the planning, design, execution, and management of the project while functionaries were a distant spectator of just providing technical inputs. The community participation has been the key to the success of the project. The micro-level planning has provided people with an opportunity of learning of managing the scheme that gained them the confidence that the villagers can now do without the government support. The community was asked to contribute (either in the form of labour or shram dhan) 15 percent of the total cost of the activity on voluntary basis. Anything over and above 15 percent was given wages. These wages are deposited as fixed deposits by users committee. The committee has deposited Rs. two lakhs and ninety thousand. The amount was used for the maintenance. Community participation was also ensured through various training programmes conducted by the users committee with the help of project functionaries. Training programmes were organised in the areas such as horticulture, mixed farming, crop exhibition, and maintenance of the fodder land. In addition, charts, posters, pamphlets were given, and till date 8 such camps and one study tour of the district was organized for the farmers to reinforce their participation. The people had a very positive perception about the project. The project came to end in March 2002. They were determined to keep the good work going. The

project wasteland development project has raised hopes that wasteland can be made fertile and bring about prosperity to the area. The project can be replicated in the areas affected by similar problems.

“Earlier my land was barren, rainwater had eroded the soil. After the construction of check dams, soil has settled down, water levels in the wells have improved. Fuel wood and fodder is now available from our land itself.” - Rattani, Village Dumara

Learning

- Community participation is crucial for any development in the rural areas.
- Involving the users’ committee in managing, organizing and implementation of the project gave them the confidence that they can carry out activities even without government support.
- It can be replicated in any other village that has similar kind of problem.

Questions

- What are the ways that you can gain trust or confidence of the community?
- What are the various ways to get the community participate in the development program?

Course Positioning

The caselet will be suitable for the course on Rural Planning and Development. It will give the learners a thought on how community participation is vital for the development of rural areas. It also throws light on the role of committees in the project management.

Effect of Drought on Grapes Farming & Water Management in Rural Area in Nashik

Dr. Bhalchandra Balkrishna Bite, AISSMS IOM, Pune

Challenge

In the 2013s, the impact of drought was high in Nashik region especially in the rural areas like Chandori, Makhmalabad Naka. The main cultivation in that region is Grapes. The biggest challenge in drought was to prevent grapes from the deterioration because of scarcity of water in the rural area. It also impacts the quality of grapes which resulted in decrease of revenue of the winery industries in Nashik. There was another challenge faced by farmers related to Gibberellic acid which is being widely used for growth of grapes. Scarcity of water affected the manufacturing of Gibberellic acid which ultimately had an impact on the quality of grapes.

Response

To avoid such a kind of situation and improve the quality of grapes, all farmers have decided to come together and find out solution on this problem. All the farmers in Nashik region had meeting regarding this issue. They have decided to involve Water Ministry and NIMA (Nashik Industries & Manufacturer Association). All farmers have sent a letter to Water Ministry & NIMA requesting the officials to provide an opportunity to explain their problems in Nashik region. Also, they raised a request to the authority to form one Association (Group/Team) where experts will be available to solve such kind of problems as and when it arises in the future. Water Ministry & NIMA agreed to meet all the farmers, and an association was formed under the Chairmanship of Dr.K.C.Naik.

Action Taken

The Association formed and grew under the effective leadership of Dr.K.C.Naik with all experts in the respective field. Experts provided solutions to overcome problems and, they also discussed and provided training on innovative techniques of water management to all farmers. They taught all farmers on how to store water, how can it be utilised under critical situation, etc... Also, the following land effective water conservation techniques were also taught to them.

Katta

Sand bores

Madaks/Johads/ Pemghara

Bawdi/Jhalara

Bamboo Drip Irrigation

Rooftop Rain Water Harvesting

Tech Specs Table

Ferro-cement Tank

Joy Pumps

A Cycle Run Water Pumps

Rain Water Syringe

Water Wheel

All above techniques are cost effective techniques and it can also be implemented in smaller space/area especially in the rural area for increasing water use efficiency. Majority of the farmers in Nashik region implemented the water conservation and innovative techniques in their respective grapes' farm in the rural area and has overcome the problem like drought which impacts the quality of grapes. This resulted in increase of the revenue of winery industries in Nashik region. When the water problem is solved, Gibberellic acid was also easily available that created a positive impact on the growth and quality of grapes farming.

Learning

- Participatory approach is an effective approach to solve many of the problems in rural areas.
- The leaders and government can play a crucial role in the planning and implementation of water conservation & water management techniques.
- The formation of Association was an effective way of generating and implementing innovative ideas of water conservation & water management.

Questions

- Explain the role of different government leaders and experts in transforming the group of farmers into successful farmers.
- What are the benefits of water conservation techniques?
- What was the methodology adopted by farmers to overcome the problems?

Course Positioning

The caselet is suitable for a course in Rural Management. As the caselet indicates how the water can be conserved successfully to overcome the problem like drought, it will be helpful in introducing water management especially rural area, participatory approach, and role of experts and government in water management.

From Shrinking to Flourishing Mangroves¹¹

Ms Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

The lush green mangroves dominated MagasaniTippa, a small village close to Kakinada, along the East Godavari district of Andhra Pradesh in the 2000s. In the words of a resident Ramakrishna, “My home is a beautiful little island surrounded by mangroves and the open sea.” But the rampant fishing, rapid industrialisation and harvesting of mangroves for timber as fuelwood was gnawing at the paradise and its perfectly balanced ecosystem.

An unprecedented rate of large scale production activities had far-reaching consequences for the coastal areas including the extinction of few species that relied on mangroves for survival.

These mangroves that had been the villagers’ lifeline over the years were being depleted raising fears of adverse ecological impact. Though the villagers realized the importance of mangroves in protecting them from cyclones and storms in addition to serving as a source of livelihood, they felt helpless in the face of changing landscape.

Response

The shrinking cover of mangrove was a cause of concern for locals and policymakers alike. The degradation combined with the vulnerability of the locals against cyclones caught the attention of the authorities in 2011. Since then, Government of India in partnership with United Nations Development Programme (UNDP) has been working to restore the region. Funded by the Global Environment Facility, communities along the coastline have adopted steps to curb further degradation of the mangroves.

The East Godavari River Estuarine Ecosystem (EGREE) was unfortunately affected by the water pollution from the industries. It was the second largest mangrove in India with over 30 species of mangroves. The fish stock in the area dwindled due to poor quality of water and subsequently, the loss of significant marine life impacted the income and livelihood of local communities. To combat the situation, an inter-sectoral body named EGREE Foundation was formed with representatives from aquaculture, fishing, oil and gas, port and shipping, and fertilizer industries. The cohort was

¹¹ <http://www.in.undp.org/content/india/en/home/climate-and-disaster-resilience/successstories/taking-care-of-the-mangroves-.html>.

educated and urged to increase the awareness and adoption of environment-friendly practices across all the industries.

Coringa Wildlife Sanctuary was carved out of the region to highlight the significance of the biodiversity and the need for conservation. The joint efforts of the EGREE Foundation and Forest Department of Andhra Pradesh facilitated the development of sanctuary into an additional source of income for locals as a tourist attraction.

Action taken

The young residents were trained as tourist guides to organize walks through the mangroves showcasing the biodiversity and various species. These locals now zealously guard their livelihood i.e. forests. The success of these initiatives was evident with five-fold increase in the number of endangered fishing cats. The once-rarely seen otters were now frequently spotted in the area.

Restoration of the fragile equilibrium and the protection of mangroves was a result of the support from the UNDP-GEF Small Grants Programme. Another key factor was the active participation of the locals in this endeavour.

Promoting the linkage between healthy mangroves and sustainable livelihoods had turned the villagers into vigilantes and the tourist guides into mangrove experts. The fishes, the birds and the mammals nesting in these mangroves were no longer prey to harsh actions of the industries and residents.

No one had thought that the conservation of mangroves would lead to not only protection but improvement of the entire ecosystem and economy. These mangroves acted as much more than first line of defense during storms and cyclone. They protected villagers dwelling in the area from both climatic and economic hardships. As these mangroves flourished, so did the village's economy and the bio-equilibrium of the area.

Learning

- It requires a balancing act between conservation of ecologically sensitive area and industrial growth.
- To enable access to resources, government, institutions and foundations should step in to conserve depleting natural assets.

- The ecological equilibrium must be restored for protection from natural vagaries, the survival of threatened species, and the economic growth of local community.
- Target group and participatory approach are instrumental when multiple parties have vested interests in coastal or rural areas.

Questions

- Explain the role of institutions and government in conservation of mangroves.
- What are the advantages of the inter-sectoral body?
- Was it a good plan to involve the villagers as opposed to government officials implementing the plan at the grass-root level?
- How does one ensure that the interests of all the stakeholders are guarded?

Course Positioning:

The caselet is suitable for a course in Rural Planning and Development. It highlights the importance of target group approach and participatory approach. It sheds light on the role of institutions in rural development and sectoral issues from industrial growth in ecologically sensitive areas.

Dilemma of Credit Policy Decision for Nilmoon Enterprise

Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University

Challenge

Requirement of fund by farmers is very important area as India is a country focusing upon farmers and villages. How to provide credit to farmers for starting and running day to day activities and how to manage receivables is again a very important task.

Response

Nilmoon Enterprise has two partners and has started an operation for agro-based products. The partners contributed an initial capital of Rs. 70 lakh and that was in addition to the capital contributed by the friends and relatives. The two partners are solely responsible for running the business. They are Masters in commerce and Business Administration. They are in production of excellent agro-based pesticides and fertilizers which can be used by farmers in farming the products. The company has made use of equity and debt capital to finance its growth during last few years. Its debt equity ratio is about 1:3. The lenders are not interested in extending loans to the company due to the regular payment problems. Neither Moon and Nill nor the other shareholders of the company have personal funds to invest in the business. Since they are highly involved in the business activities, there is a suggestion from bankers and accountants which indicated that their day to day management of capital is not upto the mark. Importantly their credit management was very poor. However, selling the company's products on credit has increased the sales of the company to great extent. Thus selling goods on cash to farmers is out of question. Also the competitors have a policy of selling goods on credit. Thus in this market if in case , company think of selling goods on cash , that would be challenging for the sales target and if company relax the credit policy than it may lead to bad debt losses. Thus company needs to be wise in strategizing its credit policy and related decisions.

Action Taken

The company has about 1000 farmers as customers, spread over the villages and main towns of Gujarat. The company has a policy of extending credit of 30 days but most of the customers this time delayed the payments of loan. The average collection period of the company last year based on the yearend figures was about 120 days. The total collection expenses which includes salaries, travel, administration etc. amount to about Rs. 3 lakh per year. Ninety percent of the firm's sales are on

credit basis. Out of this, 10 per cent is sold to customers whose financial position is not very sound. In fact the entire bad debt losses which amounted to about 3 percent of sales to these customers and three fourth of collection expenses are attributable to these accounts. The company's sales are highly seasonal in character; about two thirds of the sales take place in monsoon season. The company is expecting to increase 15 percent of sales over last year's sales. The company's cost of goods sold is 70 percent. After consulting the marketing and accounting staff and analyzing the status of competition, the company has decided to change its credit policy. Given the acute competition and availability of cheaper model, the company did not want to change the credit period for its prompt customers. However, it has decided to offer cash discount to motivate customers to pay early. The new credit terms would be 2/20 net 60. A response by the executives was that two-thirds of them might not like to avail cash discounts. This change in policy would not change the expected sales, but the average collection period of prompt customers is likely to reduce to 80 days.

The company has also decided to relax its credit standards to expand its sales. This is expected to increase sales by 10 percent. The marginal customers, which would also include new customers are not expected to take advantage of cash discounts and are likely to continue to take on an average 150 days to pay. In case of these customers, bad debt losses are expected to increase to 2.5 percent. The company would enforce collections with more vigor. It is expected that collection expenses would increase by Rs. 50,000 per annum. The company generally requires a rate of return of 15 percent from its investments.

The company has to also think at this juncture about the steps company would like to take if farmers fail to return the money within specified credit limit. Thus company needs to decide the collection policy also. The collection policy itself will improve the working capital cycle and if policy is up to the mark it will reduce the bad debt losses. Thus decision about credit standards, credit policy, collection policy and offering cash discount or not occupies great importance in the credit granting decision and the dilemma of the company is how to decide these policies so that the working capital management of the company is smoother.

Learning

- Proper Receivables/ Credit Management can play a crucial role in the planning and implementation of the business strategies.
- Change in credit policy is viable only when such change marginally improve the sales and profitability of the company.
- Whether to outsource credit management function by involving factor as a service provider or to appoint credit manager who can handle the task is also crucial decision in this process.

Questions

- Why company has high investment in accounts receivables? What are the peculiar features of its credit policy changes?
- If you are credit manager of the institution, how would you recommend the change in credit policy of the company?

Course Positioning

The caselet will be suitable for the course on Financial Management. It will give the learners a thought on how the problems and challenges occurs for providing credit in rural business and it will also give opportunity to readers to explore the right strategies for better receivables management.

Changing Attitudes in Rural India

A Grassroots Worker's Struggle for Clean Water and Toilets in Rural India¹²

Dr K N Rekha, Academic Consultant, MGNCRE

Challenge

Shelgaon is a small village in Shelgaon Taluka in Buldhana District of Maharashtra State, India. It comes under Shelgaon Panchayath. It belongs to Vidarbha region and Amravati Division. It is located 66 KM towards East from District head quarters Buldhana and 519 KM from State capital Mumbai. There was an increasing incidence of water borne diseases in Shelgaon. It was found that the overhead water tank in the village was cleaned 12 years ago. In spite of repeated communication to government to clean the tank, it could not be cleaned.

Response

Pramila Maruti Sulke, is a government appointed Gram sevak (village worker) in the state of Maharashtra, India. Gram sevaks play a vital role in reducing poverty in rural India although they are rarely acknowledged. Gram sevaks are considered to be the lowest rung of the development sector bureaucracy in India. She has been gram sevak for six years. For initial few years, she treated it like "just another job". She did the tasks that were easy to achieve and let the others down in bureaucratic procedure.

In 2007, Pramila attended a training course supported by UK aid from DFID (Development for International Development) for Gram Sevaks. The training program changed her attitude towards work. During the program, she recognized the vital role that a Gram Sevak plays in implementing and monitoring government schemes and extending services to the rural poor. She also learnt certain skills that helped her in taking initiatives in the development of Shelgaon.

Action Taken

After her training, Pramila was all excited to put her skills in to practice. Her first assignment was to motivate and encourage the community to take responsibility for themselves and their problems. The first problem she identified was that the overhead tank in the village was not cleaned for the past 12 years due to which there was an increasing incidence of water-borne diseases. Nearly 1000

¹² <https://www.gov.uk/government/case-studies/changing-attitudes-in-rural-india>, Published 8 September 2010, Accessed on Aug 14, 2018 at 13:04.

villagers were relied on the tank for safe drinking water. The first propelling task in front of her was to get the overhead tank cleaned. In spite of repeated reminders to the state government officials to clean the tank, it had not borne fruit. Pramila decided to put her learnings in the program to put to practice in the village to get the support from villagers.

The very next day, at a village council meeting, Pramila asked for volunteers to clean the tank. Not even a single individual in the village was volunteered for the task. Pramila did not give up. The following morning she picked up a broom and a bucket and all set for cleaning the tank. When she tucked her saree, climbed up the steps, a small crowd of villagers gathered at the foot of the tank, and looked at Pramila in amazement. Slowly, villagers also started joining Pramila in cleaning the water tank. She led them by being an example and the others followed her. The villagers were delighted by watching the clear stream of water flowing from a public tap. The Village Sarpanch (elected president of the village council) applauded her courage and told her that seeing her heroic effort, a group of men and women formed a group to clean the tank every 6 months. Villagers saw the decrease in water-borne diseases in a month.

Being won the minds of villagers, she set herself for an even more ambitious target of improving the livelihood conditions in the village. Her target was to get clean village award (Nirmal Gram Puraskar) for Shelgaon, a prestigious award by the Government of India. The award was given to the villages that achieve total sanitation (eliminating open defecation, providing 100% access to toilets for all villagers, providing toilets in all schools and nutrition centres and setting up drainage systems for all public water sources and a mechanism for garbage disposal).

Pramila saw a big challenge in front of her to tackle. The village still defecated in the open, and there wasn't a place for, or a culture of disposing of their garbage properly. There were two challenges: one, mindset and behavior change of the villagers and the second, the bureaucracy to deal with to get government funds released for toilet construction and garbage disposal units. The first task that she undertook was getting the volunteers for the task to be completed. The group was named "Good Morning Squad". The objective of the group was to create awareness among the villagers on the need for toilets and hygienic practices. She facilitated the villagers to apply for government funds. She hand held the villagers for each application until the end. Leading by example, she could convince the villagers to clean up the village and dig pits to dispose of their garbage.

Within a year of her continuous involvement in bringing up change in the livelihood of villagers, the village was declared a recipient of Nirmal Gram Award. The village achieved 100 % toilet facilities in each and every home, and it has also become garbage free zone. After announcement of the award, the villagers had a week- long celebration. Pramila got transferred to another village shortly after that. She started her journey of exploration and developmental plans in new village.

Learning

- Leading by example is the best strategy to gain the acceptance of the community
- Empowering / creating awareness among villagers is very important to seek their support in implementing any developmental initiative
- Training programs to Gram Sevaks will help them in updating their skills and motivate them to pursue further in developmental activities

Questions

- What are the ways to entrust support from the villagers?
- How do we empower or create awareness among the villagers?

Course Positioning

The caselet is suitable for a course in Organizational Behavior and Group Behavior. As the caselet throws light on the how leading by example is the best strategy to gain acceptance of the community. It also helps in understanding how training programs create awareness and empower the villagers for their development.

Where There's a Will, There's a Way

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

The Nizamabad district in erstwhile Andhra Pradesh (AP) and current Telangana is predominantly agriculture based economy as Godavari River enters into Telangana at Kandhakurthi in Nizamabad district. The women folk in the rural areas generally earned their living by working as an agricultural labour or by rolling beedi (unfiltered cigarette made with rolling tobacco inside dried leaves). With the inflation touching every aspect of life, these earnings adding close to five hundred rupees a month were not even sufficient for their sustenance in the 1990s in Yedpally village. Hence, the occupation of rolling beedi and helping out on farms were rendered unsustainable in today's day and age. The lack of any other skill set marred the hopes of these villagers.

Response

The beginnings were humble but as they say - a single step for man but a giant leap for mankind – only in this case, it was the women and the womankind. The ten poor women from Yedpally village courageously supported by District Rural Development Agency (DRDA) formed themselves into a self-help group (SHG) named Rudrama Devi Mahila Sangam with a seed capital of thirty rupees per member per month. DRDA has traditionally been the principal organ at the district level to oversee the implementation of anti-poverty programmes of the Ministry of Rural Development.

Action Taken

Under the aegis of DRDA, the transformation began once the group was sanctioned a leaf-plate making unit with a unit cost of Rupees eighty thousand with a fifty percent subsidy from DRDA. However, the most challenging task was to acquire the skills needed for manufacturing leaf-plates as none of them had ever made a plate in the past. The DRDA released a revolving fund of Rupees fifteen thousand to the group and imparted training to the members in leaf-plate making to get them started on the job. Srimati Ramanamma became an expert in leaf plate making and in turn, trained other local women enabling them to become part of the new trade. The DRDA took all the members to Hyderabad to acquaint them with the raw materials market, packaging techniques and the marketing skills. The exposure in addition to the training programs honed their skills at par with other people involved in the leaf-plate industry. Srimati Ramanamma emerged as the group leader who would frequently visit the nearby towns like Bondhan, Nizamabad and other big mandal headquarters in an attempt to procure orders for their fledgling leaf-plate business. The exposure to the market and the customers facilitated the expansion of product line. The product offerings

diversified to different types of leaf plates like tiffin plates, silver/gold wrapped leaf plate in addition to the ordinary leaf plate.

The coy rural women who had never stepped outside the four walls of their houses and the farmlands were conversing with the city officials and buyers like professional business women. They began participating in the exhibitions and fairs held at mandal headquarters and nearby districts. They showcased their talent at the State level DWCRA (Development of Child and Women in Rural Areas) exhibition and managed to sell most of their products. The officials sanctioned a shop in the DWCRA market to the group as an outlet for selling their plates.

These illiterate women taught themselves to read and write. They needed to understand the basic concepts of numbers, subtraction, addition and multiplication to sell their products and buy the raw materials. Their labors bore fruits not only in terms of increased income but the appreciation and applause that came their way. During the industrial exhibition organized in Nizamabad, the group's activities were lauded by none other than the Honorable Governor of Andhra Pradesh (at that time), Dr. C RangaRajan. The governor admired the grit and the will of these women in shaping their own future by overcoming all the obstacles. The DRDA under the ambit of DWCRA undoubtedly played a stellar role in improving the lives of these women.

The other group members namely Laxmi and V. Bhagyamma managed the accounts and finances while Ramanamma led other activities of the group¹³. With economic prosperity, the monthly income of these women quadrupled from five hundred rupees to over two thousand rupees per month. The positive impact of financial independence was visible in multiple ways. The children who had never set foot in a school were learning in the classrooms along with other kids. With increased awareness and the support of the government and the local administration, the eligible women in the group underwent family planning operations.

The women started participating in the social welfare programmes and initiatives like Janma bhoomi and Clean and Green Akshara Sankranthi program organized in their areas. They developed a sense of ownership and partnership with the administration. They felt encouraged by the officials and participated actively in all the public welfare programmes.

¹³ Empowerment of Women in Andhra Pradesh: Measures and Programmes, by E.D. Shetty

The journey that began with a motley group of ten optimistic women changed the landscape and the destiny of scores of women in the district.

Learning

- In bringing social reform, it is imperative for the government to engage with people at the lowest strata by sharing information about schemes/programmes and encouraging participation.
- Active involvement of people along with the support of officials boosts the success of programmes.
- To empower economically backward sections of society, training in addition to the financial assistance goes a long way in promoting the capability and wellbeing of poor citizens.

Questions

- What is the role played by the government in the social welfare of the rural population?
- In today's dynamic world, how do you equip people to deal with change?
- Why is it important to focus on the skill set of the people?

Course Positioning

The caselet is suitable for a course in Organizational Behavior and Group Behavior. As the caselet throws light on the transformational journey of women in a village, it will be helpful in introducing topics like empowerment, group behavior, and managing change.

Fostering a Culture of Trust

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

The liberalization of Indian economy in 1991 opened doors for importing coal from other countries. Whilst it brought joy to the consumers, it spelt trouble for Singareni Collieries Company Limited (SCCL) headquartered in Kothagudam, Telangana. The administered coal prices dictated by government became unattractive for SCCL's customers. Moreover, the labour-intensive underground mining was rendered unproductive by high absenteeism at Singareni. To add to its woes, there were about two strikes every working day in the collieries owing to multiplicity of unions at SCCL. Over 100 unions squabbled for supremacy making unreasonable demands from management which often ended up in strikes. Unfortunately, any disciplinary action to restore peace and order inevitably led to industrial unrest.

The wildcat strikes, militant trade unions, high absenteeism, and onslaught from international competitors catalyzed SCCL's decline and boosted the accumulated losses to INR 12.19 billion in 1996. As a result, this joint public sector undertaking owned by the Telangana Government (51 percent) and the Union Government (49 percent), boasting of 48 mines 19 opencast and 29 underground mines)¹⁴ was declared 'sick' (bankrupt) in 1996.

Response

The transformation journey began in January 1997, when APVN Sarma took over the reins of the company as the Chairman and Managing Director (CMD). During interactions at the coal mines, Sarma was shocked to discover that workers were clueless about the bankruptcy. Rampant strikes and low productivity was a norm among the workers. In short, the hierarchical culture had alienated the workers from the management. There was a distinct disconnect between the management and the blue-collared workers in this hierarchical and highly unionized organization wherein workers trusted the union leaders more than the top management.

Amidst the polarized environment and trust deficit, it was not surprising that the management never communicated directly with the workers in the past. Sarma decided to get rid of the union leaders who acted as middle-men distorting information to serve their vested interests. He sent two letters in quick succession to all employees in Telugu (local language) at their residential address to inform

14

them about the company's poor financial health. The intent of sending letters to their homes was to educate even the family members about SCCL's bleak future if the performance didn't improve. The unprecedented act of management reaching out to the workers led to protests from unions. A union president disgruntled that if the management claimed to have no money, how it could spend INR 500,000 for courier services to deliver letters. Despite these protests, Sarma marched ahead. He had realized that inculcating a culture of trust and open communication was the key to building partnership and enlisting commitment from workers. He met with the operating directors every fortnight and consulted with employees at all levels to devise strategies to improve performance.

Action Taken

The top management knew that they had to be proactive to overcome the "us versus them" mindset propagated by the unions. SCCL started the process with a communication policy to plug the information gaps, with a vision to "promote the spirit of Singarenism among Singarenians." The policy — a unique experiment in the public sector — aimed at touching over 100,000 employees spread over 67 mines¹⁵. Sarma regularly wrote to the workers' homes, to keep their families informed about the organization. These letters addressed to the blue-collared workers written in local language explained the financial health of the company, how a worker could help, and adverse impact of strikes on productivity. The erstwhile clueless family members gradually started developing a sense of ownership and in turn, motivated their bread earner.

In March 1997, SCCL formed multi-departmental teams (MDTs) with the objective to update employees about the financial statistics, and elicit suggestions from workers for the management. The MDTs prepared and gave monthly presentations about company's performance to workers in mines, their families in colonies, and executives in offices. In the meantime, open house meetings with employees spanning all levels had become commonplace at SCCL. Sarma would host these meetings to ask workmen: "If you were in my position, what would you do? Which areas would you improve?" Based on the feedback collated by MDTs and ideas shared by employees at open house meetings, the management brought about a lot of improvements. Also, employees could see their voice being heard and their role in shaping the future of organization.

The management believed that actions spoke louder than words. The company issued press releases periodically regarding employee achievements at SCCL. On local television channels, they hosted talk

¹⁵ Mouli (2005). SCCL Internal Report titled "Singareni Collieries Company Limited – A Turnaround"

shows and news features covering SCCL and its township activities. Every communication channel highlighted the importance of workers. Sarma followed an open-door policy where employees could freely walk into his office to share their problems. The general managers for every area visited the worker colonies to listen to their grievances. After 15 days, another officer would go to check if the problem had been addressed. The fulfilment of promises instilled trust in the hearts of workers.

SCCL launched a literacy drive, focused on recreation, ramped up housing and medical facilities, and rolled out a scholarship program for workers' children. The management also acquired a guest house for rural employees near the city hospital in Hyderabad for its employees and their family members to ease access to quality health care. Later, the miners who attended the literary sessions were invited to read the newspaper on stage during Independence Day celebrations. The applause from the audience infused a sense of pride and accomplishment in the workers with low literacy level.

SCCL formed a Singareni Seva Samiti (welfare association) which facilitated vocational training for workers' wives and thereby supplementing the family income. It switched to salary disbursement through banks instead of cash payment at the mines. SCCL also set up area terminal benefit (ATB) cells which served as one-stop solution for any settlement. The reduction in settlement period from months to few days provided respite to economically backward workers.

The multiplicity of trade unions that had plagued SCCL with discipline issues like frequent strikes, non-adherence to shift timings, absenteeism, and delayed shift changeover were growing weaker with a responsive management and information symmetry. In 1998, SCCL decided to regulate unions by holding trade union elections to restore industrial peace. The unions vehemently opposed the elections, threatening the management with dire consequences. But, the undeterred management organized the trade union election under the protection of police force.

In the history of Indian coal industry, first trade union elections were held at SCCL in September 1998. It was declared that except the recognized union, the management would not deal with any other association. Previously, any union would approach mine managers with unreasonable demands and resorted to strikes if they were not met. Post elections, SCCL announced that during strike, workers would lose the right to ask management for anything, including salary.

After clipping the wings of the unions, SCCL announced the disciplinary policy to monitor employee's performance and behaviour. In 1999, it dismissed over 1500 employees for poor attendance sending out the message loud and clear. Interestingly, the workers didn't resort to strike as they had reposed

trust in the management's actions and intent. From the mind numbing statistics of over 300 strikes per year, SCCL achieved a strike free calendar month in August 2000. The workers now felt "one with the management."

Under Sarma's able leadership, SCCL posted profits for four consecutive years. The accumulated loss declined significantly by 53.6 per cent in a span of four years while the net profit rose to INR 894 million in 2001.

Learning

- In establishing a culture of trust, it is imperative for the leadership to engage the employees by empowering them with information and encouraging bilateral communication.
- Active involvement of leadership lends credence to any initiative. Direct communication with low level of employees signifies that the leadership values their opinion.
- To change the culture, the leader should take care of resistance at three levels i.e. cognitive resistance by sharing information, emotional resistance by demonstrating care and concern, and personal resistance by establishing trust in the leader.

Questions

- Is trust reciprocal in nature i.e. if the leader reposes trust in employees, will s/he gain trust in return?
- Why is it important to establish direct lines of communication between management and employees especially in unionized setting like SCCL?
- At SCCL, how did the leader mobilize support from all level of employees in changing the organizational culture?

Course Positioning

The caselet is suitable for a course in Organizational Behavior. As the caselet describes how a unionized organization dealt with subversive unions and fostered a culture of trust, it will be helpful in introducing topics like group behavior, organization culture, and power and politics.

Regaining its Lost Glory - State Bank of India (SBI)

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

State Bank of India (SBI), with roots tracing back to 1806, was an opinion and market leader in the economic sphere especially in the rural heartlands. In the 2000s, with the advent of private and foreign banks even in the rural sector of India, the country's oldest bank with over 200,000 employees and 16,000 branches started losing its supremacy and customers.

The SBI branch in the Bihar University in Muzaffarpur felt its unquestioned supremacy threatened. It was due to lack of customer orientation, outdated technology and inefficient business processes. These problems were compounded with the employee pool that had become an ageing group and lacked customer focus. In the early 2000s, the private sector banks endowed with younger workforce, laced with superior technological capabilities provided higher quality of customer service which surpassed the public sector banks. Suddenly, SBI figured low on the list of the rising segment of young salaried or self-employed folks in the town. The frontline staff's motivation suffered as the number of customers dwindled every passing month. SBI carried the legacy of being state owned along with outdated technology and low customer responsiveness.

Overall SBI, once a force to reckon with, was languishing in inertia especially in the rural sector. The branch manager, Mr. Diwakar Singh at the small bank inside the Bihar university campus was perplexed with the declining number of customers.

Response

O.P. Bhatt, a lifetime SBI-insider, embarked on a countrywide transformation journey after his appointment as the Chairman in 2006. He was alarmed by the shrinking market share. The people weren't performing poorly as individuals; they just weren't energized and aligned with a common goal. He felt that the entrenched mindset of employees, where customers were supposed to approach the bank as opposed to the bank being proactive in attracting customers, also inhibited the growth. Bhatt delivered his famous 'state of the nation' speech at the conclave to create awareness about change. The conclave concluded with a 14-point agenda that fell into three broad groups – i) issues related to business, ii) how to facilitate these businesses; and iii) focus on people to create alignment and enthusiasm and was disseminated to all the branches in urban as well as rural India.

The branch manager, Mr. Singh at the university campus had found his elixir to revive and excite its handful of workforce.

Action Taken

When the edited 'state of the nation' address was made into a presentation that the deputy managing directors presented to 10,000 branch managers countrywide, Singh saw a ray of hope with change being driven from top. In addition, this was the first time the CGMs (Chief General Managers) had met with all the branch managers under them. For every branch manager including him, it signaled the importance of individuals in the transformation process.

The branch manager of University campus in Muzaffarpur realized that altering the mindset of employees who had worked for decades in a non-competitive, almost monopolistic, closed economy was an imperative. His officers were comfortable sitting from 9-5 in the office and catering to the needs of the pre-existing customers. They never bothered to venture out or made any attempts to connect with the customers. When Singh shared the presentation with his branch employees, employees were astonished and touched by the management openly disclosing what happened at the leadership conclave. This kind of openness was unheard of in the long illustrious history of SBI¹⁶. A change program named 'Parivartan' (meaning 'transformation') was launched countrywide by Bhatt in 2007 touching each and every SBI employee. The Chairman set a target of 100 days to reach out to 200,000 employees of the bank, right from clerks (junior level) to Scale-IV officers (senior level). The program, aimed to bring about mindset change and customer responsiveness through massive internal communication.

This program assisted the branch manager in energizing his team members and emphasizing the need for change. He appointed 'Grahak Mitra'(customer friend)whose job was to reach out to customers and understand their pain points. Subsequently, key employees were entrusted with the task of approaching prospective customers by seeking reference from existing customers. It was unlikely for these public-sector employees to pay a visit to the Professors and other customers on the university campus. This move showcased their proactive nature and reposed the trust of young faculty member who had initially opted for private banks like HDFC and ICICI as their salary accounts.

¹⁶ Malone, R. (2009). Remaking a government-owned giant: An interview with the chairman of the State Bank of India . Retrieved September 27, 2011, from McKinsey Quarterly

By July 2007, over 3,800 two-day Parivartan workshops were held at more than 100 locations throughout the country in 100 days to cover all employees. And to everyone's surprise and joy, the seemingly impossible target was met and the employees were united by a collective enthusiasm to win customers.

As the small university branch managed to gain a few new customers by shedding off its accumulated lethargy; at the country level, Chairman had embarked on the path to co-create a new vision of SBI. The vision of SBI was a complex, verbose statement, indistinct from several other organizations. Interestingly, it made no reference to 'customers'. Unlike the common practice of confining the task to the top management, SBI undertook the herculean task of engaging 200,000 employees in redefining its vision.

A series of five posters were created and sent to 16,000 offices, for five consecutive weeks. The posters consisted of statements like: "Today we are India's largest bank. How do we become India's best?"; "State Bank of India has got 140 million customers. How do you make each customer feel that s/he is the most important?" The rural branches that often felt sidelined in decisions related to bank at large, felt intrigued by the posters. It had triggered informal conversations amongst employees led by the designated change agent. Gradually, the demographically and geographically diverse workforce was thinking about the bank and its customers.

In the sixth week of Parivartan, every employee received a letter from the Chairman with a questionnaire. The questionnaire had 10 multiple choice questions, each with three choices to select from. They were given 10 days to fill the questionnaire and send it back. The questions included: "What is SBI's biggest challenge?" "What can give SBI the winning edge?", "What should SBI be famous for?", and so on. As for the vision statement, three choices were offered:

- I My SBI – Improving Life for All;
- II My SBI – The Bank of First Choice; and
- III A statement that focused more narrowly on the customers.

This last option won decisively with over 54% of the votes. The whole process garnered phenomenal response from 141,000 employees. The emergence of 'customer satisfaction' as the key idea was aligned with the winning option. As a result, the new vision "My SBI, My customer first, My SBI: First

in customer satisfaction” was articulated where 90 percent of the employees were able to see their contribution¹⁷.

The new vision statement, achieved through employee support including the oft-ignored rural branches helped the branch manager in driving change. In 2008, the bank employees hand delivered the SBI diary and the SBI calendar to each and every customer in the university. Firmly ensconced as India’s flagship bank, SBI’s rural employees weren’t threatened by competition anymore.

Learning

- A customer responsive culture is essential to thrive in today’s competitive landscape even in the rural markets.
- Communication, employee engagement, and a strong leadership are three two key pillars of driving a successful organizational change.
- The success of SBI’s cultural transformation is not only an inspiration for ageing businesses but a recipe to excel in the face of change and competition.

Questions

- What are the ways in which organization can engage the employees as advocates of change?
- Why and how should organizations adopt a customer responsive culture?
- What is the role of leadership in implementing a successful organizational change?

Course Positioning

The caselet is suitable for a course in Organization Behavior, Leadership, and Organization culture. As the caselet deals with the issues and dilemmas faced by an organization in the face of competition, it will be helpful in introducing topics like creating a Customer responsive culture, role of a leader, executing organizational change and importance of employee engagement.

¹⁷ Chakrabarti, R. (2010).Grits, Guts and Gumption- Driving Change in a State Owned Giant, New Delhi: Penguin Publishers.

The Tale of a Model Village

Dr. Gowri Pisolkar, Associate Professor, Aurora's PG College, Hyderabad

Challenge

The rural population in India lives in primitive setting. Access to electricity, necessary education and health services are by and large a distant dream. Modern technology has not touched these people, even after many years of independence. Rural poverty which is leading to large scale migration to cities is a leading to a serious urban problem. Ralegan Siddhi was plagued with many problems like poverty, drought, and liquor. Its story was no different from the story of many such villages across India. Around 1975, the picture changed. With the passage of time the village which was plagued with poverty and many other ills became a model village for entire India.

Response

The improved view of Ralegan Siddhi is because of the motivation and dedication of one man called Anna Hazare. When he came back to the village in 1975, he saw the village in utter distraught. He wanted to change the way the village was. The first and the foremost important task were to provide enough food to eat. Anna understood, knowledge cannot be gained on an empty stomach, the villagers have to be fed properly, and they have to be provided with jobs for a living. Idea of scientific farming practices leading to sustainable agriculture was what he thought would be the solution. The participation of the entire community especially the youth could revive the village. A youth society and a village assembly to spread ideas were started by Anna. These helped Anna, speak out against one of the larger problems plaguing the village – alcohol, and eventually eliminating it.

Action taken

How did the village turn a new chapter? It all started by the motivation of the leader "Anna Hazare". He not only supervised but led by example. He encouraged the village community to contribute its labour to rebuild the village temple and from then on the story of a model village took shape. Water management was the first problem that was to be resolved. Huge Water tanks which could store rain water and also fill the wells with water were built. Percolation tank which was constructed was the beginning to resolve the problem. In 1975, the tank which could not hold water, Hazare gathered people to voluntarily repair the embankment. For the first time in the living memory of the people, the seven wells below it swelled with water. The second problem of soil erosion was curbed by stopping the cows to graze openly and felling of trees was discouraged and if a tree was cut, five trees had to be planted in its place.

Once the village had enough to sustain, education was emphasised by building the village school on a voluntary basis. A considerable transformation was managed through the work and collaboration of all the villagers and the devotion of a charismatic man.

Today the village is self sufficient in food grains and other necessary agricultural produce. The villagers tender Community service after finishing their daily routine. A sense of community and involvement among all the people is prevalent. Ralegan has shown the world how the whole system can stand on its own legs from scrap. It demonstrates the power of unity and the need to take charge of our own development for a sustainable environment practices. Today, there is no longer any poverty as the village sustains water year round. It also boasts of a grain bank, a milk bank, and a school.

Learning

- Water management can lead to sustainable farming.
- Leadership by leading: Say it, do it, coach it, live it.
- Innovation at the grass-root level can be turned around for larger good.
- Adversity can be turned into opportunity.

Questions

- Differentiate between individual style of leadership and collective leadership?
- What are the qualities of a good leader?
- Community service should be an integral part of education? Elaborate.
- The case of Ralegan Siddhi has demonstrated that feelings of ownership, empowerment and accountability are properly established, the necessary group dynamics come to the fore in creating wonders. Discuss
- Discuss the applicability of Maslow's Theory of needs in the case of Ralegan Siddhi.

Course Positioning

The caselet is suitable for a course in HR / OB, and Rural Development . The caselet highlights certain concepts like participatory approach, group dynamics and role of leader, water management, sustainable farming and requirement of innovation at the grass root level.

Unity is Strength

Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

The state of Andhra Pradesh had progressed economically and socially at an unprecedented rate in the last couple of decades firmly gaining the status of a stalwart state. Despite this skyward growth, basic necessities of healthcare, education, and safety were still a pipe dream for women and children especially in the tribal areas. The Erukula tribe, an indigenous ancient tribe residing in Korlagunta, near Tirupathi was no exception. Moreover, the societal construct had unfortunately pegged the women and children at the lowest strata of the pyramid as recipients of benefits and growth. The 50 families whose traditional occupation was weaving bamboo baskets and mats were struggling to make their ends meet. The lives of the tribals were influenced by their habitat, level of traditional and ancient knowledge, and the skills they possessed in using the resources that were available¹⁸. Despite the knowledge and art of basket weaving, the illiterate women were at the mercy of middlemen who would charge a heavy commission for access to market. Hence, the tribal women needed to upskill and take charge to survive in today's dynamic competitive marketplace.

Response

In an earnest endeavor to improve the livelihood of folks residing in the remote corners of the country, the Indian government launched and extended the cover of the Development of Women and Child in Rural Areas (DWCRA) to all the districts in 1994-95. To help the women living below poverty line, the Self-Help Groups (SHGs) in Andhra Pradesh found support under the DWCRA scheme to empower the women living in abject poverty.

However, the success of scheme relied heavily on the participation of targeted social group to meet the objectives. Under the program, five DWCRA groups were successfully formed in the late 1990s involving the women belonging to the Erukula tribe. They were named i) Sri Balaji DWCRA Group, ii) Sri Sai Durga, iii) Sri Durga Bhavani Mahila Abhyudaya Sangam iv) Alamelumanga Group and v) Venkateshwara Group. Each group consisting of 10 members was enthused with a relentless commitment for self-sustainable development.

¹⁸ Political Economy of Tribal Development: A Case Study of Andhra Pradesh, M. Gopinath Reddy K. Anil Kumar, Working Paper No. 85, Feb 2010, Centre for Economic and Social Studies

Action Taken

The first step after the formation of the groups was to get rid of the middlemen. The appointed women leaders of the group were entrusted with the task of paving the way to the market to find customers. The group leaders, Smt Venkatamma and Adilakshmi took up the responsibility of meeting the officials of the Devasthanams and Municipality in Tirupathi. Empowered by the DWCRA programme, they found their first big client in the Tirumala Tirupathi Devasthanams. Things immediately started looking up once the group started supplying baskets to the Devasthanams as it ensured a constant source of income. They were not only producing goods but were also marketing their products independently without losing out the hefty fee extracted by middlemen.

As opposed to individuals involved in weaving, the group found it easier to even procure raw material from neighboring villages at better rate. The collective strength had increased their negotiation power in procuring bamboo from area near Renigunta, Chandragiri, and Ithepalle. The leaders looked after all the financial matters like filling tenders, collecting the amount from the buyers, and distributing the income among members depending upon the number of baskets supplied. In exchange for their work, the leaders took a commission of meagre 10 paise for every basket supplied. Every member earned close to two thousand rupees in a month which ensured proper food and shelter for them and their children.

Soon, as the word spread, these five DWCRA groups also started supplying baskets to the Tirupati Municipality. The earning combined with the urban exposure transformed the lives of these women and their children. Since basket making was a traditional family craft, every family member contributed to the activity. However, the illiterate women of the tribe gradually realized the importance of education and enrolled their kids in the nearby government schools. Due to the urban contact, even girls who were usually confined to the household chores were attending the school along with the boys.

The leaders hosted group meetings once or twice a month to distribute the revenue generated by sale of baskets and foster a sense of cooperation among the group members. Another important agenda was the discussion on issues and problems related to women like health, family planning, hygiene, domestic violence, alcoholism in family etc. Earlier, there was no recourse for the women abused by their husbands or other family members. Post the formation of DWCRA groups, if any woman was abused by the husband or family members, the group would intervene. First, a warning was issued to the erring party and in the absence of any positive response; the matter was reported

to the police. The group leaders became members of Maithri (friendship) group which was supported by the police department to promote social justice¹⁹.

In a nut shell, by working as a group, the Erukula women gained self-confidence, courage to raise voice against violence, and an indomitable will to educate their children to become self-reliant just like their mothers.

Learning

- Participation of women is crucial for holistic development of society in the rural and tribal areas.
- The success of Erukula tribal women can be replicated in other tribes to empower them socially and financially.

Questions

- What are the methods to empower the weaker sections of the society?
- Is it important to appoint leader in every group to perform productively?
- What are the various ways to organize groups to ensure success of the program?

Course Positioning

The caselet is suitable for a course in Organizational Behavior. As the caselet describes how the women groups fostered a culture of cooperation and safety while achieving financial independence, it will be helpful in introducing topics like empowerment and group behavior.

¹⁹ www.ap.nic.in/dwcra

Journey from 'Dowry' to 'No Dowry'

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

Dowry has been proclaimed illegal and a punishable offence by the Indian courts several years ago but the gap between the letter and the spirit of the law is yet to be bridged. Like several other parts of the country, dowry was an integral part of the religious and cultural customs plaguing the marriages in the quaint Nilambur Panchayat in Kerala. The cent-percent literacy of the state failed to shield the state from the catastrophic effects of dowry. Dowry wrought havoc on the smaller households of the village wherein parents resorted to selling their households in order to meet the financial demands placed by the groom's family as a prerequisite for marrying their daughter.

The minimum dowry of around one lakh rupees in cash and twenty sovereigns of gold amounted to three lakh rupees that were more than lifetime savings for low-income families. These families were forced to raise the money by mortgaging their houses to the banks or by approaching private money lenders. These loan sharks thrived on innocent borrowers by charging an exorbitant amount of interest making it impossible for the borrower to break out of the loan cycle. The statistics in Nilambur showed that around fifteen marriages took place every week amongst low income families. At an average rate of 15 weddings per week, around 45 lakhs of debt flowed into the society in seven days. Extrapolating the figure to twelve months, it totaled to a humongous sum of rupees 45 crores in a year. The newly appointed Panchayat, Mr. Arcadian Shoukath vowed to fight this social evil as soon as he took charge of the village.

Response

Arcadian, a progressive leader and a filmmaker by profession sought the help of an Organization Development (OD) Consultant, Mr. Santhosh Babu²⁰. After studying the current situation and the social structure of the Panchayat, the OD Consultant chose to implement a Large Group Intervention (LGI) as the change necessitated the involvement of all the stakeholders. A top-down approach wouldn't have yielded desired results as the need of the hour was collective transformation of the whole system.

²⁰ Reflections on Whole System Change by Santhosh Babu in *Organization Development: Accelerating Learning and Transformation*, S. Ramnarayan and TV Rao (Eds.), Sage Publishing

Initially, Santhosh Babu spoke to the leaders in the Panchayat to enlist their support by explaining the rationale and the methodology to them in November 2008. Once the top leaders were convinced, a Large Group Intervention (LGI) spanning over two days was organized in January 2009 involving the multiple stakeholders of the community. The participants ranged from senior citizens, to housewives to teachers to political and religious leaders. Even students were invited to these sessions build awareness among the youngsters. The leaders were treated like every other participant who shared their dreams, stories, and future plans with each other in a temporary construction erected at the top of a hillock in the village.

Action Taken

The key tool used at the intervention was Appreciative Inquiry (AI) which channelized the energy and focus of the participants on their achievements instead of problems. Once a shared sense of pride bonded the entire community, it was easier to discuss the elephant in the room. The appreciative inquiry had engendered motivation at the grass-root level and people engaged together in devising the strategy to better the lives of the people. The focus on the positive dimensions triggered the conversations on the past successes/achievements along with the best ways to grow and prosper as a village. Through the four stages of AI i.e. Discover, Dream, Design, and Deliver; the Consultant with the help of Panchayat had ushered the residents of Nilambur on a soul-searching journey of discovering their strengths and dreaming about an inspiring future. This collective, collaborative search for a suitable strategy to curb the practice of dowry resulted in a positive change that faced lower resistance and wider acceptance among the people.

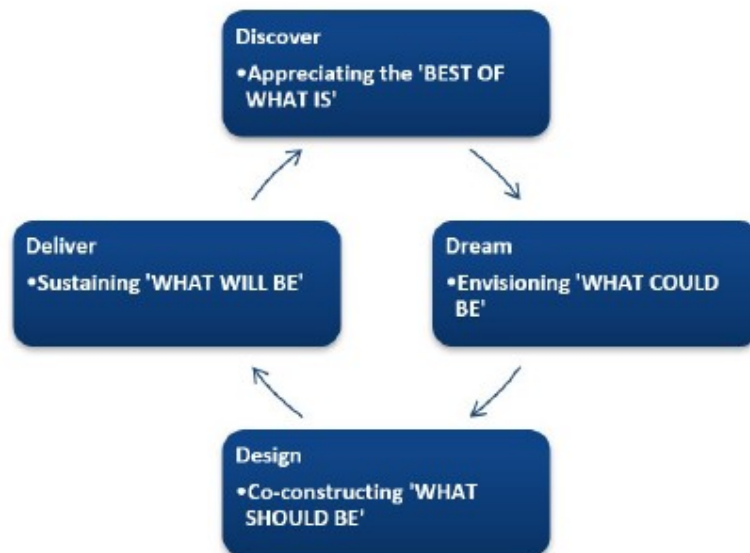


Figure: The 4 stages of Appreciative Inquiry (AI)

The presence of various age-groups of society at the intervention also created a sense of ownership as everyone felt involved in the process. It wasn't a dictum that was enforced by the Panchayat leaders on the villagers. After the interventions were concluded, the number of dowry marriages declined drastically.

Today, the Panchayat boasts of a website named www.dowryfreemarriage.com which is an inspiration for adjoining and distant areas. This platform aims at connecting people who believe in gender justice and marriages free from dowry.

Learning

- Organization Development (OD) is useful in implementing planned change for organization in particular and society in general.
- Appreciative Inquiry (AI) is a powerful tool for turning the problem-solving approach into a collaborative exercise instead of blame-game.
- The leader and the participants are equal stakeholders in large group interventions.

Questions

- What are the key steps in Appreciative Inquiry (AI)?
- How does AI assist in mobilizing change especially in large groups?
- Why should a leader relinquish his role in a large group intervention?

Course Positioning

The caselet is suitable for a course in Organization Development (OD) and Leadership. As the caselet deals with the social issue plaguing a small Panchayat, it will be helpful in introducing topics like group process intervention and the impact of OD.

Transformation of Barren Land to Pond²¹

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

In a land faced with the double whammy of little or no opportunity of employment exacerbated by the vagaries of monsoon wreaking havoc on agriculture; abject poverty could be seen everywhere at Mahadevpur in Anara Gram Panchayat. At the dismal end of the spectrum was the socio-economic position of the women who suffered every humiliation and pain without being able to raise their voices because they were dependent on their husbands who were the bread earners of their families. The social vices of child marriage, dowry, and domestic violence were prevalent among the population that mostly consisted of Scheduled Castes(SCs) and Schedules Tribes (STs).

To make matters worse, the agricultural community of this area was crippled by the lack of proper irrigation facility. In the absence of robust irrigation facility, cultivators were restricted to single crop cultivation. As a result of low productivity and few employment opportunities, the income and subsequently the standards of living of residents were very low. It also resulted in large scale migration of labor to nearby industrial and colliery belts.

Response

MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) commonly referred as NREGA is one of the largest employment programmes in the world that provides a source of livelihood and asset creation to nearly 7.5 crore individuals annually in India. It is also one of the world's largest rural infrastructure programmes with nearly 1.5 crore assets being constructed annually. At the crux of the programme lies the promise of payment of minimum wages to the unemployed rural folks struggling to make ends meet.

Action Taken

Although mentioned as a pond in the land record, the so-called Choubey Sayar was a barren land before the NREGA scheme started in Mahadevpura. In order to increase employment that would subsequently give a boost to production and income of villagers, the scheme to develop a pond was initiated at Choubey Sayar in Mahadevpur under NREGA by Anara Gram Panchayat. The condition of the soil was mixed in nature. In the process of re-excavation of this Sayar, a total no. of 3326 man-

21 nrega.nic.in/Reportfromfield/SCST_women_invo.pdf

days were generated through which around 180 families of two adjacent mouzas/village viz. Mahadevpur and upper Baishyakuli received direct employment and salaries.

The project also benefited over 35 families indirectly as they could use the water of the bundh (pond) for irrigation of their farmlands. After the successful re-excavation was done, Choubey Sayer provided water for various purposes, primarily for irrigation of about 6 acres of surrounding fields and agricultural land. Serving as the much-needed irrigation facility, it has not only facilitated higher production level and multiple crop cultivation but also transformed a few barren lands into cultivable ones where pulse had been grown earlier. These achievements have considerably reduced the so-called migration of labour towards the east. Agriculture activity has provided employment thereby raising the standard of living of the people residing here.

However, the most rewarding feature of this project was the huge number of women who were employed during the excavation. As per the muster rolls, around 50 % of the total labor forces consisted of women. An active involvement in the project has inculcated a sense of achievement while boosting the self-confidence of women who traditionally stayed at home and tended to household chores while the men worked odd jobs. It improved the socio-economic condition of the female workers as the project provided access to income with which they could contribute to the nourishment and welfare of their families. These empowered women are no longer silent spectators but active participants in the decision making of their family affairs.

With the help of Panchayat and Block, two all women SHGs (Self Help Groups) have been formed with the aim of improving production and income along with spreading awareness about social causes, health and hygiene issues and ill-practices in the name of tradition. With increased awareness, the women in Mahadevpura are now keener to send their children to schools rather than silently watching their children being forced to work as child labor by their husbands. Post NREGA, the women learnt to become organized as they realized the strength of unity in solving their personal and community's problems.

In a nut shell, the project ushered in a period of prosperity as the water paved way for the life-giving pond on a barren piece of land.

Learning

- Organization Development (OD) can be instrumental in implementing planned social changes for unprivileged sections of society.
- For the planned intervention to yield desired results, it is important to engage all the sections of the society as active participants.
- The leaders and the participants are equal stakeholders in large group interventions.

Questions

- What is the role of the government and authorities in transforming the lives of the weaker sections of the society?
- How did the excavation project assist in mobilizing large number of women?
- Why should women be empowered for far-reaching impact on country's growth?

Course Positioning

The caselet is suitable for a course in Organization Development (OD) and Leadership. As the caselet deals with the economic and social issues faced by the village, it will be helpful in introducing topics like the impact of planned intervention through OD and HRM in rural areas.

Planned Changes Yield Planned Consequences

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

Over 100 years old, the Singareni Collieries Company Limited (SCCL) was crumbling under the heavy weight of debt and an enormous workforce of over lakh employees with many of them characterized by high absenteeism, poor discipline and low productivity. Failing to curb its downward slide, the behemoth was eventually declared 'sick' (bankrupt) in 1996 by the Board of Industrial and Financial Reconstruction (BIFR).

After APVN Sarma was appointed the Chairman and Managing Director, he was shocked at the communication gap and trust deficit between the management and the workers. The apathy shown by the workers towards the deteriorating health of the organization partly due to their ignorance exacerbated the situation. Terms like productivity and bankruptcy were alien to the workers with low levels of education. The anti-management tirade propagated by multitudes of unions made matters worse. At the helm of this sinking ship, Sarma wondered about the ways to revive and nurse the sleeping giant to good health.

Response

APVN Sarma, an experienced bureaucrat knew that only planned changes yielded planned consequences. Therefore, he needed to understand the organization in its entirety – the power dynamics, the organizational culture and the mindset of the workers before devising any change plan. Like any organization, SCCL was also a whole system wherein change in one part would inadvertently impact others. He set out on this arduous journey by interacting with management as well as the blue-collared workers who worked in the coal mines to understand the ground realities.

Action Taken

Sarma aided with his chosen management team, chalked out a multi-point change plan. Coalition for Leading Change - Sarma inducted Technical Directors, Finance Head, and Chief Engineers into his Change Management team to champion the cause. He also appointed a Personnel Head who would have an understanding of the people and people policies especially to manage the huge workforce. He formed Multi-department Teams (MDTs) to promote collaboration and lateral communication among different and disparate functions.

Bridging Communication Gap

Communication was touted as the most important tool to build awareness and support for change as it helped overcome the cognitive resistance regarding the rationale for change. Sarma and his change team met with workers and explained the concepts of financial health, productivity, and bankruptcy which could lead to closure of mines rendering the workforce unemployed and homeless. The letters written in Telugu (local language) by Sarma to employees' residential address created a sense of urgency for change and enlisted the support of family members.

Seeing is Believing

The customers complained to SCCL about the poor quality of coal owing to the presence of large amounts of iron-filings. Instead of reprimanding the miners, Sarma sent couple of workers to the client site at Raichur. During the visit, the workers learnt from the customers how these filings resulted in faster wear and tear of the conveyor belt. They came back and shared the message with fellow workers and the quality improved without direct intervention of management.

Brainstorming with Workers

Sarma held sessions with workers with an open agenda on ways to improve things at SCCL. He would seek their ideas and suggestions to improve the workplace. For instance, random checks had revealed that the number of miners entering the mines and the cap-lamps issued did not match. When Sarma posed the question, a worker recommended that 8 am should be the deadline for issuing cap lamps. The simple suggestion of deadline coined by a fellow worker ensured that miners reported for their shift on time.

Demonstrating Care with Action

The management needed to overcome the propaganda by unions which portrayed a callous management lacking the welfare of workers in its heart. The management built recreation arenas near the worker housing for their children. They also provided better medical facilities and organized campaigns about HIV/AIDS, nutrition, etc. Sarma even sanctioned the treatment of a worker suffering from AIDS on company's expense. A scholarship programme was launched to support the education of academically bright children of workers. He also formed a Singareni Seva Samiti (Welfare association) for the wives of workers to receive vocational trainings to improve the family income.

Curbing Industrial Unrest

The subversive trade unions hampered the performance of SCCL as they promoted strikes, non-adherence to shift timings, absenteeism, and delayed shift changeover. To curb the industrial unrest, SCCL held trade union elections in 1998 amidst vehement opposition from union leaders. Post elections, the management would discuss and deal only with the elected and registered unions. This resulted in dramatic decline in the number of strikes from almost one every day to a strike-free month in August 2000. The workers didn't resent disciplinary action as they knew that the future of their families depended on the productivity of the collieries.

Rewarding and Motivating the Employees

Sarma recognized the importance of motivating and rewarding these partners of change. In 1997, SCCL officially launched an Employee recognition program to award the best mining and non-mining worker in each area. The achievements of the workers were highlighted through different channels of communication. He implemented the program to teach Telugu (reading and writing) to workers as literacy was low among the workers. On Independence day, the literate workers were asked to read the newspaper on the podium with the loud applause from their peers and superiors as the reward.

Rationalizing the Workforce

After gaining the trust of the employees, it was the time to trim the workforce. SCCL introduced the Voluntary Retirement Scheme (VRS) for the ageing workers. In lieu of compensatory employment, it offered the alternative of pension of 3500 Rupees per month to the spouse/dependent of the deceased worker. Both the initiatives, brought down the manpower resulting in higher productivity as often the dependent workers and aged workers exhibited low productivity.

The plaque outside Sarma's office bore the words of Ralph Emerson:

'Trust men and they will be true to you

Treat them greatly and they will show themselves great.'

These words that were his guiding principle since the day he stepped into that office had finally pulled SCCL from the gallows of death when it posted profits for the first time under the leadership of Sarma. In a short span of four year, the net profit rose to over eight hundred million along with the motivation and dedication of the employees.

Learning

- In planning any change, the organization should be treated as a whole system with multiple actors and stakeholders.
- The communication strategy (words and actions) should be aligned to the audience. For example, modern communication tools (social media, blogs, emails etc.) are ineffective methods of connecting with illiterate workers or ones with low literacy levels.
- The change plan should be deconstructed into multiple steps to ensure the success of the program.

Questions

- What were the different steps of change employed by Sarma at SCCL? Hint: Refer Kotter's Eight steps of Change.
- How did management proactively engage all the actors in the change plan?
- At SCCL, how did the management display communication trust (sharing information), contractual trust (trust of character), and competence trust (faith in each other's ability)?

Course positioning

The caselet is suitable for a course in Organization Development. As the caselet describes how a bankrupt organization shed its accumulated lethargy and transformed to survive, it is ideal for introducing topics on nature of planned change and organization as a system.

A Step into the Toilet²²

Ms. Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

The government and leaders were successful in creating a flourishing economy but fell short at places in uplifting the rural population in terms of sanitation and hygiene. Till 2014, half of our countrymen suffered from open defecation wherein millions had to sacrifice their dignity every morning to attend to the call of the nature. The problem was acute in villages where fields served the purpose and toilet was often traded in for scooter, bikes, or television. The sanitation and hygiene cost penalized not only the dignity of the women but the health of infants who fell prey to diarrhea and other diseases impacting their physical and cognitive growth and development. The poor health of children who are our future workforce could deter the growth rate of the country. If the infrastructure and the status of the country had to be firmed up among leading economies, there was an unprecedented need to change the behavior of 60 crore people and rid the nation of open defecation.

Response

The grit and gumption of one man broke the silence in households, government schemes and political speeches on topics like toilet, excreta, pot, latrine, open defecation that were considered bad words and unpalatable for conversations. Since our independence, million were set aside by the government but none ever tackled the problem that plagued half of our population every day irrespective of their caste, creed, age, or religion. In 2014, Mr. Narendra Modi, the esteemed Prime Minister of India announced the Swachh Bharat program with a seemingly impossible aim of weeding out this problem throughout the length and breadth of the country.

The massive resource-intensive transformation of the nation required strong leadership along with incessant communication to bring everyone onboard. In consultation with the Finance Minister Arun Jaitley, the ambitious mission was granted a handsome budget of over \$20 billion to facilitate access to sanitation to each and every Indian.

An extensive communication campaign was launched right from the top of the government to the government officers at the lowest levels who were entrusted with the task of creating awareness

²² Extract from 'How Swachh Bharat changed India and became a global inspiration, Sep 19, 2018, *Economic Times*'

about hygiene and sanitation. The prime minister spoke on the issue at length at all his public speeches, in his radio program 'Mann in Baat' that was relayed and replayed and also shared his views on various programmes in TV to ensure that his message is delivered to everyone. The role of the government officials including the district collectors was to inform people about the schemes that have been rolled out to help them construct toilets in their homes and villages. The village panchayat played an active role in sharing the information with fellow villagers. The walls and pillars on highways were painted with graphic messages that conveyed, 'Animals shit in open. Humans go to toilet.' The images also displayed how the open defecation results in excreta flowing into our water bodies and thereby directly infecting our drinking water. At times, the messages felt crude but the sophisticated crafting wouldn't have driven home the point.

The private matter in those days had become the most publicly debated issue. The successful construction of toilets in one village would inspire the neighboring village. This government initiative led by Modi snowballed into a national success story. Through newspapers and advertisements on television, toilets caught the fancy of entire nation. Even Bollywood was not insular to the impact of the initiative. A noted filmmaker Shree Narayan Singh beautifully narrated the story of entrenched mindsets in a village setting with Akshay Kumar, Bhumi Padnekar, Anupam Kher, Sudhir Pandey and Devyendu Sharma in the star cast. The portrayal of the travails of a young bride who complained about lack of proper toilet to the protagonist, her husband in Toilet: EkPrem Katha not only delivered the message to the masses but scored at the box-office by earning over 300 crores in revenue. Similarly, the vision of PM Modi scored among the rural masses with the remarkable improvement in rural India's sanitation coverage.

The rural India's sanitation cover registered a stupendous growth from 39% in 2014 to around 93% in 2018. Sanitation and toilets are no longer a taboo to be brushed under the carpet instead of talking openly about it. Altering the mindset was the biggest challenge in this journey but once achieved, it was also the biggest enabler in bringing others into the fold of this initiative. Toilets have been named as 'Izzatghar' (respect house) in few parts of the country as they restored the dignity of the people. As part of the campaign, till date 8.5 crore rural households including schedule castes, schedule tribes, women-headed households, and small and landless farmers have been offered a financial incentive of Rupees 12,000 each to build their own toilet. Due to the availability of toilets, over 50 crore people have shunned the practice of open defecation in the past four years.

The transformation of the vast rural landscape has yielded economic and social benefits which validate the beliefs and the rationale for investing so heavily in rural sanitation. The merits can be gauged with the World Health Organization's assessment predicting saving of over three lakh lives if India becomes ODF (open defecation free) by 2019. As per UNICEF's estimation in 2017, the ROI (return on investment) for sanitation is 400%. PM Modi won not only the hearts of the rural population but admiration of several global leaders. It can undoubtedly be touted as one of the largest and most successful experiments in public policy yielding health and economic returns by boosting productivity and safety of women and children. India is all set to share the recipe for success with 50 sanitation ministers from all over the globe at 2018 Mahatma Gandhi Sanitation Convention (MGISC).

Learning

- Building awareness through communication is important for enlisting the support of the people affected by change.
- The mandate from the top should be effectively delivered to the people at the grass root level.
- Large-scale transformation requires firm leadership and the necessary resources along with extensive communication.

Questions

- How did PM Modi embark on the large scale change of improving the Indian rural sanitation?
- What were the various methods of delivering the message to the population?

Course Positioning

The caselet is suitable for a course in Organization Development (OD) and Leadership. As the caselet deals with the social issue compounded with the entrenched regressive mindset, it will be helpful in introducing topics like Implementation conditions for failure and success in O.D efforts, and Nature of planned change.

A Smart Dream for Punsari Model

Dr Sumathi G N, Associate Professor, VIT Business School, VIT University, Vellore

Challenge

Punsari is a village in Gujarat with a population of 5500, with no proper electric supply, road facility and water supply and poor education²³. It lies 80 kms away from Ahmedabad and was facing the severity of migration until the victory of Mr. Himanshu Patel in 2006 Panchyat polls at his age of 23. After then, the young sarpanch, Patel made strategic moves to stop migration and to bring improvement in the village. As a graduate from North Gujarat University, his heart was so much burning to see the development of his village.

Response

Patel found that the existing funds in the panchayat were in deficit. Later he figured out, that aplenty money come to panchayat and the problem was in the utilisation of funds. He knew that without gaining the trust and confidence of the villagers he can't bring any improvement. So he focused on meeting the basic necessities of the village in the first three years. But he was firm to use funds from government schemes rather than taking help of NGO or CSR funds or donations. He worked with district administration and accumulated the funds that come under various heads such as the District Planning Commission, Backward Regional Grant Fund, 12th Finance Commission and Self Help Group Yojnas. He led the 11 member committee that included five women members and took care of village affairs. Within two years period, the village had uninterrupted water supply, electric supply, pucca roads and a toilet at every house of the village. It also had a proper drainage system. After meeting the basic necessities of the village, he targeted to meet the requirements that are undemanded and were not the need of the hour.

Action Taken

About 140 installed loudspeakers were connected to gram panchayat office not only for announcing government schemes but also for announcing any news on birthday wishes and condolences. Patel connected his mobile phone to loudspeakers so that he always remained connected to his villagers even when away from the village. Knowing the importance of education in uplifting the rural economy, he placed a chunk of money for school education. The two primary schools in Punsari have

²³ Successful villages, Ministry of Human Resource Development,
<http://www.ncri.in/Village%20Visits.pdf>

computers, projectors and air-conditioned classrooms with the student strength of 600. He then worked on multiple projects such as building unit for producing electricity out of plastic waste and e-rickshaws for garbage collection. The waste collected through garbage van was transferred to the renewable energy plant and the plant provided sustainable power supply to the entire village. Mr. Patel encouraged two school boys to work on a RO plant and from 2010 the Punsari villagers get RO water for Rs.4 per litre. The entire village is wifi enabled and the villagers receive 30Mbps data by paying Rs.50 per month at the Panchayat office. Almost 300 villagers are internet users. The CCTV cameras are installed at critical points and the footages are viewed through a mobile phone app. Beyond all these development, health of the villagers was catered through the services of a primary health centre. The maternal mortality rate and infant mortality rate was found to be high in the village. All villagers including the pregnant women walk 2 kms every day to supply milk to the milk banks. So a village transport system was initiated wherein the villagers used the mini bus facility by paying Rs. 2. Moreover the 100% vaccination in the village in 2008 and the increase in the number of institutional deliveries lead to reduction of MMR and IMR. In schools, the children enjoyed free meals in the afternoon and now the entire village don't have a single malnourished child.

Now Patel had no problem with the funds, as the state government had already sanctioned Rs.52 lakhs. The committee led by him, meet at the conference hall in the headquarters office that gives a feel of a modern office. In eight years, he made a great transformation in Punsari that a team from the Central ministries of urban and rural development have visited to study "Punsari model". All these had been possible only when Patel made a proper understanding of the schemes available of the state government and leveraging them aptly to bring visible changes in the village. He used an integrated approach of team building strategy in utilising the various funding schemes. The project of making Punsari, a model village that began in 2006 took only eight years to make a global reach with 16 crores. About 10-12 families have returned from different cities like Mumbai²⁴. The project had uplifted 328 families in the below poverty line to above poverty line, which Mr. Patel recollected as the happiest memory and success of his Sarphanch role and the Punsari model was adopted by 500 Gujarat panchayats²⁵.

²⁴ Ahmed (2014) Inside Punsari: a model Indian village. <https://www.bbc.com/news/world-asia-india-29914208>

²⁵ <https://www.thebetterindia.com/112312/punsari-best-village-sarpanch-himanshu-patel/>

Learning

- The team building approach with the right leader using authority will bring qualitative changes in the rural areas.
- The leaders and government can play a crucial role in the planning and implementation of organizational development interventions for effective rural development and management.
- The team building is a right approach for developing into smart village as the village required integrated funds from different schemes of the government.

Questions

- What are the characteristics of a smart village?
- Explain different organizational development interventions to develop smart villages.
- Why do you think Mr. Patel has used the team building approach?
- Elucidate the leadership role played by Mr. Patel and discuss the use of authority in taking the developmental activity forward.

Course Positioning

The caselet is suitable for a course in Individual and Organizational Behaviour. As the caselet elucidates how the entire village was transformed into a smart village, it will be helpful in introducing topics like organizational development interventions and team building approach especially the use of leadership and authority in rural management.

A Digital Change for SHG Women in Hand-in-OG HIH

Dr Sumathi G N, Associate Professor, VIT Business School, VIT University, Vellore

Challenge

Hand-in-Hand is a registered charitable trust in Tamilnadu²⁶ focusing to alleviate poverty through integrated community development approach. It involves in women empowerment through job creation, child labour elimination, health, environment and skill building. In the process of empowering women, the Self- Help Group (SHG) project helped in the creation of 1.62 million microenterprises and 2.35 million jobs. Along the way when the SHG members had the difficulty to take their products to a wider audience and to understand customer requirements. This inability directly affected their business sustainability.

Response

The HIH as the response to the fast changing needs of the customer needs identified innovation and technology as ways for achieving business sustainability. So HIH formed strategic partnership with Vodafone foundation and Indus Towers. The project was initiated with these partners that led to the emergence of Rural Women's Initiatives for Self-sustained Enterprises (RISE) that it was aimed to bring markets to the SHG women entrepreneurs. The projects in HIH were digitised with the help of Information Technology (IT) team. The IT team created unique apps and portals to support the operations. The manual receipts are replaced with computerised receipts across several branches through the receipt generation software. Even the members' data can be stored and monitored for loan repayment. So the use of IT was seen as a solution for business sustainability of the SHG projects.

Action Taken

Some of the challenges that the SHG women face are the uneconomical prices, inadequate availability of raw materials, unscientific planning and production, inadequate credit and lack of capital²⁷. In order to counter the challenges, the digital platform that was created enabled them to position their products. Therefore the information on product availability for sale in different

²⁶ <http://www.hihindia.org/gpresence-state/tamil-nadu-9>

²⁷ Annual report Hand-in-Hand, <http://www.hihindia.org/wp-content/uploads/Annual-Report-2016-17-Oct-25-Web-version1.pdf>

locations was easily accessible by the other sellers and the buyers could make their transactions. In addition the search for funding agencies and the tie-ups with private bodies was less burdened as the digital platform was of great support as the business information was readily available. The IT team developed an online e-commerce portal which was supported by Ericsson India Private Ltd. The online portal was developed to enable the women entrepreneurs to market their products online. The apps created by Vodafone and Indus Towers are tuned to the needs of women entrepreneurs for posting their products online. On one side the adoption of IT was making the routine operations easy and widened the reach of the products but the adaptability to the new system was a great challenge to SHG women.

With all such positive aspects about the use of information technology for business, its use among SHG women was a real night mare. These women had the real problem of using the mobile phones for marketing their products. The SHG women found themselves lost in the digitization process. Only very few of them could appreciate the change while most of them are doubtful. There was a clear resistance to new change of making digital for doing business. There was fear among women that lose control over the business and they felt unsecured. At this juncture for the change to be successful, it is important to educate the women on the importance and the significance of change. Therefore training SHG women was considered as the important change intervention.

Training programs were planned in a phased manner. First of all, the pressing need to move towards using information technology for doing business transactions is explained. This created a base for understanding the necessity to change. At the next level, the use of IT for developing and sustaining their business was emphasized. This is where the actual learning process happened among SHG women where continuous training on how to use the electronic gadgets, intricacies involved, the problems that the new user may encounter and how to tackle the problems were provided. This was a real challenging phase as the women have to spend time and effort to understand the operation of business using IT tools. The SHG members are trained to use the mobile phones, and they are facilitated to make B2B transactions through SMS, mobile app and e-portal. Moreover the in-house IT team also worked in close association with the women entrepreneurs to understand their product features. In addition to learning that happened in hands-on training, the confidence of SHG women improved and they are able to face the use of the digital platform in a better way. Thus the B2B marketplace was developed where the buyer and seller interacted. The use of digital platform for transactions brought change in the way of business as seen by women entrepreneurs. This resulted in the development of e-commerce portal, through Kaushal.org.in for the SHG products.

Learning

- The change is inevitable and there is a systematic way adapting to change for the development of the organization.
- Several factors pushed the SHG women to use IT tools such as the existence of variety of products in the market, lack of awareness about customer requirements, demand for the organic products in the market and the market condition.
- The SHG women could not accept the digital change as it is new to them. They have their self-inhibition to come out of their comfort zone to use digital apps and e-portal. Most of them have used mobile phones to attend and make phone calls and they are clueless to think of using apps for carrying business transactions.
- The change intervention adopted here is to educate women to use the mobile phone for sending SMS on business transactions. The women are trained to use the apps for carrying out their day-to-day operations. They learnt how to upload their products' information online and to sell and buy products online.

Questions

- Why do think the HIH thought of using information technology for its project operations?
- What are the benefits of using e-portal for marketing products?
- Explain different challenges that the SHG women faced while adopting the digital tools for their business operations.
- What kind of interventions are adopted to establish the use of information technology among SHG women?

Course Positioning: The caselet is suitable for a course in Individual and Organizational Behaviour. The caselet elucidates how the rural women are moving towards digital business operations and it will be helpful in introducing topics like organizational change, forces for change and resistance to change in specific to individual transformation for effective rural business management.

Rang Sutra: Be the Change!

“The power of one, if fearless and focused, is formidable, but the power of many working together is better”²⁸ - Gloria Macapagal Arroyo²⁹

Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad

RangSutra, founded by Sumita Ghose, is a community-owned business belonging to artisans from villages across India. More than 2000 artisans are its direct shareholders and it has an annual turnover of more than Rs. 10 crores.

Challenge

Sumita Ghose had an idea for RangSutra in the year 2002, when she was studying for a Master’s Degree in Conflict Resolution at the Eastern Mennonite University, Virginia. She saw that the Indian economy was growing but not everyone was benefiting and unless India’s growth became inclusive, a large section of people – the poor would be left behind. She realised that they need not be so – there was an opportunity in the offing. With the rising middle class, purchasing power of the people was increasing. The demand for hand crafted artefacts, clothing and home furnishings was on the rise. India had thousands of rural artisans who had the craft skills to cater to the rising demand.

Response

Sumita Ghose decided to do her bit – and RangSutra was born. To get the required capital she offered the weavers and craftspeople equity. A thousand artisans invested Rs. 1000 each, which gave her a seed fund of Rs. 10 lakh. With some monetary contributions of her family and well-wishers, she founded the company RangSutra on a small scale in 2004.

RangSutra employs artisans from different villages across the country creating beautiful work. They range from Rajasthan to Uttar Pradesh to Kashmir & Manipur. These artisans are trained by the company to acquire the skills necessary to improve their craft, manage the production processes, maintain quality control, and manage finances. Seventy percent of the artisans at RangSutra are women. Woman empowerment is taken seriously at the company and as shareholders, RangSutra’s

²⁸ <https://www.quotetab.com/quotes/by-gloria-macapagal-arroyo#dQbxHmtsRsvBQQm.97>

²⁹ Maria Gloria Macaraeg Macapagal Arroyo is a professor and politician who was the 14th President of the Philippines from 2001 until 2010.

women artisans are trained to enhance their skill set. They are vocal about their views on the job and are open with their managers and even the managing director. Through the years they have come to understand the importance of quality and uniformity in the market.

The company has been guided by the principles:

“Respect for the producer, respect for the customer and for each other.

Samay par aur safai se - a commitment to timely deliveries and to excellent quality of work.”³⁰



Source: <https://www.thebetterindia.com/80816/rangsutra-artisan-crafts-sumita-ghose/>

Meharunnisa, a shareholder artisan is a tie-dye specialist from Bikaner. Her association with RangSutra began after more than two years of intense training. The company helped her become a confident woman who says, “my work lets people know about me, my ability to supply in bulk and the finesse involved”³¹. Meharunnisa earns around Rs.12,000 a month and feels confident of her ability to handle orders that adhere to global standards.

Badii Bai, an embroidery specialist, is the anchor of a women artisans group in a village in Bikaner division. She has been a part of RangSutra since its inception, she says “Many women in my village are shareholders. We work together as a family with customers, suppliers and RangSutra to ensure better returns. We have a sense of ownership and pride and a feeling that this is more than just a job... Our clients come for hundreds of miles to look at our work and lives. We have a glorious past and look forward to a richer future.”³²

30 The RangSutra website

31 <https://www.thebetterindia.com/80816/rangsutra-artisan-crafts-sumita-ghose/>

32 Ibid.

Over the years RangSutra has consolidated its work in the villages and small towns by shifting from home based to centre based work. The Kala Kendra's or the Village Craft Centres initiated by the company has brought visibility to the artisan's work and has contributed to their economic and social upliftment. It has provided the artisans with a safe and congenial working environment. Working at RangSutra has given these artisans a sense of pride, that goes well beyond their gender, their caste or their creed. The Kala Kendra's have become a hub for training those who wish to learn, to earn a better income, and grow .

Action Taken

RangSutra's business model is based on working within a group. The company initially had three clusters, and by 2017 the number increased to 35 groups of artisans in UP, MP, Rajasthan, West Bengal, and Manipur. In Manipur, the company collaborates with the Manipur Women Gun Survivors Network and in Madhya Pradesh it employs women who have given up scavenging to train and become artisans. Some of the skills possessed by these artisans include: Appliqué work (a beautiful craft technique that involves making a design on a base fabric with small patterned fabric pieces) by artisans settled in parts of Rajasthan (Barmer) and Gujarat. Embroidery by the artisans in Bikaner, Jaisalmer, Jodhpur and Barmer districts of Western Rajasthan and Kashmiri hand embroidery by artisans in Srinagar.

In 2011, RangSutra began focusing on workshops for the development, monitoring and quality control of new products. These workshops trained the artisans in acquiring skills needed to manage a group of artisans. The training also helped the artisans learn to track orders and ensure timely delivery of products, which lead to a significant jump in sales.

The company has centralised cutting and stitching of apparel and other activities in Bikaner and Mirzapur to ensure standardisation of quality. The embroidery and embellishment to the apparel is done at the village centres and finally the garments are dry cleaned to ensure they are fully cleaned and the colours don't run. Even the waste material collected from the cutting and stitching of apparel is not wasted. It is used to make patchwork bed sheets, hand bags and mobile phone covers. On September, 2017 RangSutra and partner organization Urmul Marusthali Bunker Vikas Samiti(UMBVS)³³ conducted a Craft Managers Training Workshop in Bap, Rajasthan. The workshop

³³ Urmul Marusthali Bunker Vikas Samiti (UMBVS) is a not-for-profit organisation established for the welfare of weavers in the Thar Desert of Western Rajasthan.

was more than just a means to learn how to stitch and sew. “We are not just here to learn ralli(a Rajasthani method of patchwork). We are here to connect with each other and to have important conversations,”³⁴ Karima, an artisan, expressed to the group. For these women artisans of RangSutra, ralli has been more than just a sewn quilt; through their craft, these women’s lives are woven together as they are driven by their desire for independence and autonomy.

RangSutra has partnered with a number of well known brands which has resulted in a marked increase in its sales. It sells a variety of handcrafted traditional products and handlooms to Fab India³⁵, The company has also partnered with IKEA, a Swedish multi-national group of companies known for their designs, particularly in furniture.

RangSutra has thus far been quiet successful in creating opportunities for inclusive growth in rural India, based on principles of fair trade and a celebration of India’s rich and varied craft heritage. The brand has since its inception been breaking taboos related to mobility and independence of women within and outside their ‘homes’. In 2017-18 the company had come up with a fashion collection called “RangSutra - Be the Change”. The words could not have been more apt to describe these artisans of RangSutra – they are leading the way – truly showing how to ‘be the change’.

Learning

- Rural Development can be possible with the help of a participatory approach to ownership, production, training, and quality control within an organisation.
- A visionary leader of a company can play a major role in improving the economic and social life of rural workers (artisans).
- The formation of Kala Kendra’s is a method to improve the skill sets of the marginalized workers (artisans) through training and interaction.

Questions

- Explain how the Kala Kendra’s of RangSutra were able to uplift the lives of the artisans.

³⁴ “What do you want to be when you grow up?” <http://www.blog.rangsutra.com/blog/>, Sep 2017

³⁵ Fabindia is India’s largest private platform for products that are made from traditional techniques, skills and hand-based processes.

- “Respect for the producer, respect for the customer and for each other.”³⁶ Analyse how this guiding principle of RangSutra can be universally applied for the growth of a company and its people.
- Analyse the case to determine some innovative steps that the government can take to help artisans and craftsmen across India both economically and socially.

Course Positioning

This caselet is suitable for a course in Human Resource Management and Organisation Development with a focus on rural development. It helps to show how marginalized workers can successfully organize themselves into a profitable concern with the help of proper leadership and training. The caselet will be helpful in analysing topics like participatory approach to rural development and the role of training and development for the economic and psychological growth of a person.

36 The RangSutra website

Challenges of Marketing of Agro Products

Dr. Nilam Panchal, Associate Prof., BK School of Professional & Mgmt. Studies, Gujarat University
Prof. W. C. Singh, Manipur Institute of Management Studies, Manipur University

Challenge

Over 58% of rural household depends on Agriculture as their principle means of livelihood. As per the 2nd revised estimates by Central Statistics Office, the share of agriculture and allied sectors is estimated to be 17.3% of Gross Value Added. To increase the crop production, various pesticides and fertilizers are being used as per requirement of crop. Though the latest trend of bio-fertilizer is emerging, pesticide share more than half weightage compared to bio-fertilizers. Instant result on preventing crop weeds and pest makes farmers to depend more on pesticide and fertilizers compared to liquid bio fertilizers which take more time in increasing yield production and improve soil fertility. Another factor which accounts on more use of fertilizer and pesticide is promotion by traders. Private players give high profit percentage and commission on sale of pesticide which makes retailers to concentrate more on increasing sales of such product and less bio fertilizers.

Response

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). As per the 2nd advised estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) is expected to be 17.3 per cent of the Gross Value Added (GVA) during 2016-17 at 2011-12 prices. The agro industry in India is divided into several sub segments such as canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains. India's GDP is expected to grow at 7.1 per cent in FY 2016-17, led by growth in private consumption, while agriculture GDP is expected to grow above-trend at 4.1 per cent to Rs 1.11 trillion (US\$ 1,640 billion) As per the 2nd Advance Estimates, India's food grain production is expected to be 271.98 MT in 2016-17. Production of pulses is estimated at 22.14 MT. India's exports of basmati rice may rise to Rs 22,000-22,500 crore (US\$ 3.42-3.49 billion), with volume to around 4.09 MT in 2017-18, backed by a rise in average realizations. Wheat production in India is expected to touch an all-time high of 96.6 MT during 2016-17. Groundnut exports from India are expected to cross 700,000 tonnes during FY 2016-17 as compared to 537,888 tonnes during FY 2015-16, owing to the expected 70 per cent increase in the crop size due to good monsoons. India's groundnut exports rose to 653,240 MT during April 2016-February 2017.

Gujarat has long been considered as one of the most progressive states of India, be it on the industrial front or the agricultural front. Imbued with a proactive, visionary outlook, its government has catalyzed development in various spheres the collective effort has, thus, propelled the state towards progress. Agribusiness by Agrovision Ltd. which promotes agricultural activities at the ground level and fosters the development of agro industries in the State is a manifest example of the forward-looking policies of the Government. Set up in 1989 the company acts as a facilitator and nodal agency for implementation of various scheme of Government. The present-day globalized agricultural environment necessitates a holistic approach to farming and all related activities. Moreover, strengthening of the forward and backward linkages between agriculture and industry has also become a prerequisite. This is where this company steps in. It plays an important role in increasing competitiveness by encouraging farmers to adopt an integrated approach to agriculture and work towards better returns from the existing set-up.

The Nucleus of all the activities of Agrovision Limited is the farmer. The company has a strong presence in rural Gujarat through its network in different district-level centers and Agricultural business centers run by private sector entrepreneurs which provide services at the doorstep to farmers. Lakhs of farmers visit these outlets regularly. The company has appointed unemployed technicians/agricultural graduates located at all villages/Talukas to give services to the farmers for their basic requirement to more than 1500 Agro Service Centers/Agro Business Centers are handling fertilizers distribution work. Now since competition from private players has increased the greatest issue is how to distribute it wisely to the retailers. Retailers are attracted towards the offers made by private players of giving high profit percentage and commission on sale of pesticides. This makes retailers to concentrate more on increasing sales of such products as it increases their profit. Being a government stake in this company, they are not able to offer more amount of commission to retailers and so how to motivate distributors is a problem.

Action Taken

The company has adopted Distribution of Pesticides in Gujarat through different channels. Company has opened Agro Service Centre/Agro Business all over Gujarat State for marketing and distribution of our products. The company has also appointed some Private Distributors throughout the state and it has also distributed its products at various depots located in Gujarat for various companies. Still the results are not achieved.

Learning

Team of experts conducted study for taking feedback from the farmers and retailers about pesticides and bio fertilizer products by visiting to various retailers. The farmers liked the product and they use it but the retailers' margin compare to private producers is less, are not motivated to sale the products of the Agrovision Ltd. The caselet will provide an opportunity to the students for exploring all the problems. These problems may include Less Margin, No concentrated efforts, No maintenance of subsidy work, billing work is slow, No product return facility, No discount offered like private producers, Margin on pesticide products is less. These things can be explored from this case.

Questions

- What should be the right strategy of Agrovision for improving marketing and reaching to farmers?
- What restrictions can removed and how retailers can be motivated to sale the product of Agrivision? If you are manager, what would be your strategy being a public sector organisation?

Course Positioning

The case let will be suitable for the course on Marketing and Retail Management of Agro products to farmers. It will give the learners a thought on how the problems and challenges of a public sector companies compare to private sector and it will help learners to think on the right strategies for overcoming the problems and improving the sales of Public Sector Company.

Trust is the Trading Currency³⁷

Neha Gupta, Learning and Development Consultant, Hyderabad

Challenge

Seling was a remote village tucked 65 kilometres away from Aizawl, the capital city of Mizoram. It was considered a large village located in Thingsulthliah Block of Aizawl district with over 450 resident families and a total population of around 2300 as per Population Census 2011. With the thin population of Mizos, the village found it challenging to spare able hands to man the shops selling vegetables and flowers instead of helping in the farms.

The profits from the shop and the productivity of every working hand rivalled each other. Hence, the situation demanded either devising an ingenious solution to address the need of shop attendants or lose their men to shops causing shortage of farm labor and eventually decline in produce.

Response

The local community of Mizos are renowned for their trust, humility and hospitality. It was not surprising for the local customers and others stopping to shop on the highways when one of the most peaceful communities initiated a new socio-commercial system. In the new system, the currency of trust outweighed the actual monetary exchange. Goodwill and honesty were the twin pillars of this novel commerce at the grassroots level.

Shops along the highways were stocked with the fresh produce of fruits, vegetables and flowers in addition to the price list. However, these shops known as nghahloudawrare unlike others since they operate without the shopkeeper. Instead of a shopkeeper adding up the prices of the goods purchased or collecting the money or rendering the exact change; a container is placed alongside the rate chart for customers to pay the price. The entire system is based on trust with no man or technology manning the shops or the buyers.

The customer is expected to honestly pay the amount he owes to the shopkeeper and also collect the exact change from the money box called as pawisabawmor pawisedahna.

A shopkeeper shared³⁸, "We run this shop the whole year. We just put the price list near the vegetable or anything we are selling and people simply pick up whatever they like and put the money in the container. If required, they even take the change from the box themselves. We trust them, they have never failed us. Nothing has ever been lost from our shops."

Action Taken

Now, this social-commercial experiment has become the new way of trade in Seling. In thatched bamboo huts serving as homes as well as shops, the farmers put an array of vegetables and fruits daily; and dried fish, fresh juice and freshwater snails occasionally. The signboards with goods and their respective prices written in chalk or charcoal do the rest as the shop owners step out for jhum (shifting cultivation) in farmlands and garden.

³⁷ <https://www.thebetterindia.com/63223/nghah-lou-dawr-shop-mizoram/>

³⁸ <http://achhikhabre.com/nghah-lou-dawr-shop-without-shopkeeper-mizoram/>

The novel approach helped resolve the problem of scarce farmhands as the villagers couldn't afford to hire labor or spare their family member to mind the shops. Although ngah loud dwararen't huge in number but they impart a huge lesson in trust and reciprocity.

Delighted with the trust posed by these small farmers, even the local and other customers want to support these shops³⁹. The travelers often make a pit-stop at the highway to purchase fresh fruits or flowers from these unmanned shops.

As testified by an elated customer, "We feel great that Mizoram has such kind of vendors and we often buy from them. It makes us happy, like we've contributed to something beautiful. This is how it should be."

To say the least, trust is a bigger currency in this picturesque village of Seling.

Learning

- When trust and honesty are reciprocated, the rural economy flourishes for both buyers as well as sellers.
- The small scale traders and farmers thrive in an ecosystem supported by locals since they are often faced with scarcity of resources.
- Villages should experiment with novel socio-economic models since their cultural and population demographics are different from urban counterparts.

Questions

- What are the advantages of the novel approach taken by farmers in Seling to sell their produce?
- Do you think that the model of ngah loud dwar (shops without shopkeepers) can be adopted by other villages?
- How can the government or village council help marginalized farmers struggling with manpower scarcity?

Course positioning:

The caselet is suitable for courses in Consumer Behavior and Markets for Rural Produce. Since the depicts a unique model of commerce, it will be helpful in introducing topics like Consumer Behavior and Customer relationship management from a rural perspective; and pricing of rural produce.

want to support these shops⁴⁰. The travelers often make a pit-stop at the highway to purchase fresh fruits or flowers from these unmanned shops.

³⁹ <https://www.indiastudychannel.com/forum/136425-Nghah-lou-dawr-shop-a-grocery-and-flower-shop-in-Mizoram-without.aspx>

⁴⁰ <https://www.indiastudychannel.com/forum/136425-Nghah-lou-dawr-shop-a-grocery-and-flower-shop-in-Mizoram-without.aspx>

Fertilizers to Farmers

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

National Fertilizer Limited established in the year 1974 is the largest manufacturer of nitrogenous fertilizer in the country, mainly targeting the farmers in rural India. The company is contributing approximately 22% of the total nitrogenous fertilizer produced in India. National Fertilizer Limited pioneered fuel oil technology in the country and is at present operating four producing unit located at Nangal and Bathinda in Punjab, Panipat in Haryana and Udaipur in Madhya Pradesh with total installed capacity of 10.35 lakh tonnes of National Fertilizer in terms of nutrients. Some units have deployed latest technology with zero pollution concept and microprocessor based control system.

The micro objectives of the company are best production, research and development, profitability, consumer service, growth, encouragement of organisational environment and obligation to society. The marketing objectives and strategies were to evolve an effective fertilizer marketing and distribution system, to educate farmers regarding balanced and judicious use of fertilizer with complete scientific package of products, to create and maintain image of organisation and its products and to carry out intensive and extensive marketing activities to ensure growth of business.

The company has to face stiff competition with Fertilizers & Chemicals Travancore Limited, Rashtriya Chemicals & Fertilizers Limited, Madras Fertilizers Limited, Steel Authority Of India Limited, Neyveli Lignite Corporation Limited, Paradeep Phosphates Limited, Pyrites, Phosphates & Chemicals Limited and Hindustan Fertilizer Corporation Limited.

A lot of development is also taking place in the fertilizer industry. If the company has to stay in business it should develop an eco-system which will help itself to cope up with the latest trends. The most significant development or advancement made by the Industry is in the field of manufacturing of catalysts of various ranges by catalyst-manufacturing Organisations like PDIL. PDIL helps in implementing the schemes for enhancement of capacity and technological up gradation in their existing catalyst plant and other utilities at Sindri to compete in the International market.

One of the biggest challenges of the company is farmers' suicide across the country. When farmers are committing suicide because of droughts or failed crops and they fail to pay back the loan which they have borrowed from banks and private money lenders. In this scenario it becomes a challenge for the company to target the farmers and sell them the fertilizers.

Response

National Fertilizer Limited's total installed capacity of urea is 20.78 lakh tonnes and 3.18 lakh tonnes of material. Besides marketing of urea and other material, the company's marketing division also undertakes the marketing of various industrial products pool and bought out fertilizer and other products, for this efficient distribution system has been developed. Institutional agencies include state co-operatives, agro industrial corporations, state land development and Reclamation Corporation, cane union federations, oil fed co-operations and mixing farms.

Indian fertilizer Industry is carrying out de-bottlenecking and energy saving schemes for the existing plants to enhance the capacity and reduce the specific energy consumption per ton of product. Today India has developed expertise for fabrication and supply of major and critical equipment such as high-pressure vessels, static and rotating equipment, Distributed Control System (DCS), heat exchangers and hydrolyser for fertilizer projects.

Action Taken

The company produced, it produces Kisan Khad, Kisan Urea, Ammonia Liquid, Nitrogen, Carbon Slurry-Nitrogen gas, Heavy Water, Carbon Dioxide Gas, Sulphur, Methanol, Ammonium Nitrate, Nitric Acid, Technical Grade Urea, Technical Grade Urea and Industrial Calcium Ammonium Nitrate.

The marketing department is vided into two zones, one located at Chandigarh (Northern Zone) and other at Gwalior (Southern Zone). Each zone is under the charge of a manager and it is further divided into regions which comprises of a state or a part of the state. The corporate office is located at New Delhi. Northern Zone and Southern Zone come under the corporate office. The Headquarter of Northern Zone is located at Chandigarh. The various states which come under Northern Zone are Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, Chandigarh and Delhi. The Headquarter of Southern Zone is at Gwalior. The various states which come under the Southern Zone are Madhya Pradesh, Uttar Pradesh, Rajasthan, Karnataka, Andhra Pradesh, Tamil Nadu and Gujarat. Under each region there are area offices which further contract District officers, named by District Field Officer.

There are private traders who sell fertilizer directly or through retailers to farmers. On the private trade dealers are selected and appointed in the different mandis or block or tehsils. Agro service centres are established to ensure timely supply of the agro inputs along with technical advisory services to the farmers under one roof. The company established 18 agro service centres in its marketing territory, with the objective to ensure timely supply of fertilizers, improved seed and agro chemicals, to provide soil and water testing service, to provide custom hire services to weaker

sections of farming community by providing agriculture implements like sprayers, dusters and to educate farmers by arranging trading programmes, crop seminars and field days.

There are consultancies which organize themselves to undertake execution of fertilizer projects starting from concept or designing to commissioning of fertilizer plants in India and abroad. Many concepts have been developed to carry out research and development or basic research work by mutual understanding between industry and academic institutions, and even there is support from the Department of Fertilizers to sponsor research and development projects through the Indian Institutes of Technology, Delhi and Kharagpur under the Science and even other major institutions in the country

The fertilizer plant operators are now in the position to absorb and assimilate the latest technological developments, incorporating environmental friendly process technologies, and are in a position to operate and maintain the plants at their optimum levels without any foreign assistance and on international standards in terms of capacity utilization, specific energy consumption & pollution standards.

Learning

- National Fertilizer Limited is the largest manufacturer of fertilizers who plays a major role in the distribution of fertilizers (which is an essential nutrient for plants) to the farmers in the country.
- Large consumption of fertilizers can have negative impact on the environment such as soil, surface water and groundwater. Therefore, NFL is putting efforts to produce products that are environment- friendly by implementing the latest technological trends and specific consumption of energy
- National Fertilizer Limited has done well in the field of marketing and distribution by setting up various Agro service centres across the country to ensure the timely distribution of not only fertilizers but improved seeds as well. It also provides services such as soil and water testing, training farmers through organisation of programmes and seminars.
- When trust and honesty are reciprocated, the rural economy flourishes for both buyers as well as sellers.
- The small scale traders and farmers thrive in an ecosystem supported by locals since they are often faced with scarcity of resources.

- As testified by an elated customer, “We feel great that Mizoram has such kind of vendors and we often buy from them. It makes us happy, like we’ve contributed to something beautiful. This is how it should be.”
- To say the least, trust is a bigger currency in this picturesque village of Seling.

Questions

- What are the advantages of the novel approach taken by farmers in Seling to sell their produce?
- Do you think that the model of nghah loud dwar (shops without shopkeepers) can be adopted by other villages?
- How can the government or village council help marginalized farmers struggling with manpower scarcity?
- What suggestions would you give to National Fertilizer Limited to provide extra services to the farmers?
- How effectively does National Fertilizer Limited utilize its distribution network to reach the farmers?
- Discuss the marketing objectives of National Fertilizer Limited.
- Do you think the existing private participation is effective in sales of fertilizers to farmers?

Course Positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how business should be done in the rural market with clear defined objective. It also highlights various issues and challenges faced by companies producing fertilizers for farmers. The caselet will be helpful in introducing topics like understanding farmer’s needs, business expansion, production, research and development, profitability, consumer service, growth, encouragement of organisational environment and obligation to society.

The Right Mix

Dr. Syed Kazim, Associate Professor, Acharya Bangalore B-School, Bangalore

Challenge

Cholayil Private Limited is a Chennai based company which manufactured and markets Medimix soap. It is an Indian brand of ayurvedic and herbal soap. The brand was founded by Dr. V.P. Sidhan. His medical experience showed that chronic ailments, especially skin conditions, defied allopathic remedies and post retirement, he focuses on finding cures through Ayurveda. The birth of Medimix dates back to the time when the Cholayil family used viprathi oil as a cure for skin ailments. The year 1969 proved pivotal to the family legacy as Dr. Sidhan combined a timeless tradition with his sharp business acumen to develop a green bar of soap that could both nourish and protect our skin.

His work with Viprathy Oil (extract of wild ginger) and its efficacy in treating skin diseases yielding promising results. He launched Medimix brand as total ayurvedic skin care soap with just Rs. 500 as seed capital and lots of goodwill from the medical fraternity and chemists' network. The soap and its efficacy spread through actual user endorsements. It was initially sold at 85 paise and now they sell it at Rs. 9.50. There are five plants, one in Pondicherry, two in Chennai, one in Tada in Andhra Pradesh; one is Bangalore and one in Villapuram, to cater exclusively to bulk orders.

While Medimix has done well, the company's brand extension, Vrinda Tulsi soap failed and is being relaunched with a changed perfume and translucent appearance. Meanwhile the company is also focusing on the Indian community in the Middle East, where they believe Medimix can command loyal customers. The product is exported to Brazil and Italy, as well. Even in the Indian rural market, there is a 50% untapped potential. The company future plans for sandal soap, Viha and an herbal Ziva shave cream. It looks like people are turning to Ayurveda in a big way, especially in rural India. Medimix has proved that it is not always glitz and glamour that sells products, a back to your roots plank that espouses natural products appeals the rural India. With the new entrants into the Indian rural market the competition is becoming tougher day by day. Due to this Medimix is facing serious challenge to enter into new markets and innovative strategies to stabilize its business and grow at a steady pace.

Response

Medimix is the evolution of a home-grown product from idea to research to manufacture, packaging, distributing and marketing, all done by a family proprietary concern. Most importantly, the company has managed to develop a brand on its own terms.

Over time, Medimix has grown synonymous with 'skin care, the natural way' and for generations' women, indeed entire families, have placed their trust on the Medimix range of products. Currently available in 4 variants of soap, 3 variants of body wash, 5 variants in the facial cleansing range and a few other products, Medimix is expanding its range and bringing natural skin care to more and more people in various rural parts of India.

The company had to turn all existing and considered marketing wisdom on its head. Which Fast Moving Consumer Goods (FMCG) products usually take off in the urban centres, and then spread through the hub format, Medimix was pitched first in rural India. They first targeted the village retail shop keepers, best friends and local influencer of decision so far as buying habits go and later the merits of the ayurvedic soap was accepted. When the shop keeper was convinced, his customers were also convinced. The only alternative was Chandrika soap, which had adopted a direct marketing approach. They also used to participate in numerous village melas and talk to people. They went all over India and today of the three lakh tonnes of soap sold, ayurvedic soap comprises of 7% of which 3% is held by Medimix.

In 2011, Medimix was judged the 87th most trusted brand in India and the 15th most trusted brand in the personal care category according to the Brand Equity Survey conducted by the Economic Times. It can be traced to the kitchen of V.P. Sidhan, a physician, who worked in the Indian Railways and belonged to a family of Ayurveda practitioners in Trichur, Kerala. He used oils that his ancestors had used to treat skin diseases, to produce soap, and launched Medimix in 1969. This is the birth of Cholayil Private Limited, which manufactures Medimix Classic 18 herbs soap, Medimix Glycerin soap, Medimix Sandal soap, Medimix Face wash. Cholayil owns Cuticura and Krishna Thulasi brands.

Action Taken

Medimix soap that is 100% handmade is exempted from tax and rural consumers seem to be attracted to the medical qualities of the soap far more than they are to the same qualities in a cosmetic. When the people from rural area visit a city, they ask for Medimix soap by name, no offers, no schemes and no inducements. As Chandrika soap was followed the monopoly of direct distribution. Medimix decided to woo the stockists and distributors and claim there are 25 year old loyalties. From 1969 to 1990 the growth was slow, but when the company roped in talented people the company took off in just four years.

With the success of the soap, the company decided to penetrate into the urban market with special focus to hotels. The company decided that it would aggressively market to over 3,000 small hotels all over India, even in small towns. During the expansion activity, they learnt that even foreign tourists to places such as Pondicherry were impressed by the medicated quality of Medimix. They decided that they would not compromise on the packaging or appearance or the perfume or colour of the soap to gain entry into five star hotels. Hotels would never buy at Maximum Retail Price (MRP), so they supplied at cost price, they also managed the inventory for them.

Learning

- Medimix, trusted ayurvedic soap was manufactured and marketed by Cholayil Private Limited, a Chennai based company. The brand was founded by Dr. V.P. Sidhan.
- Medimix is an evolution from Viprathy oil, which was a successful ointment used to treat skin diseases.
- It was first experimented in rural areas and later on, spread to urban areas because of the medicated quality of the soap. And, today, it has found a place even among tourists who visit India.

Questions

- In the presence of stiff competition by MNCs in the FMCG category, can ayurvedic product have a decent market in the rural areas? Discuss.
- Explain the marketing and distribution strategies adopted to promote it product.
- Analyse the buying behaviour of people in the rural area.
- In the current scenario, will it be a right decision for rural entrepreneurs to enter into the toilet soap segment? Elaborate.

Course Positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how effectively products are created and marketed for the rural consumers by understanding their needs and wants. The caselet will be helpful in introducing topics like product launch, strategic brand management and rural marketing.

Reference

Most Trusted Brands, 2011

<https://www.cholayil.com/medimix-origin/>

Free Sampling

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

Vivek Dani, the Founder of India White Limited, one of the country's largest fast moving consumer goods companies, couldn't still put his finger on why they four-year-old back-to-basics strategy of getting more consumers to try his company's products and following that up with a channel onslaught to increase their availability hadn't paid off.

Vivek mulled over the statistics, once his most important weapon in persuading the board to give its go ahead to operation hinterland, the name his core team had conjured up for a massive sampling exercise across rural India. The rationale was straightforward, 70% of India's population lived in villages, around 6 lakh of them; and 85% of this rural population lived in villages with a population of less than 2,000. Even with 50% of its sales coming from rural areas, these was still a huge base of potential consumers out there had never used any of India White's products.

Consumers in these smaller-than-small villages were using either natural substitutes (neem twigs instead of toothpaste and toothbrushes) or at best cheap local made products. Getting those non-users to try, on then become regular users of the company's products had seemed like a great idea. Vivek remembered how hard Ashok Khanna, the company's then marketing director, now a prestigious assignment with India White's parent in Europe, had argued to get the project through. If they can address issues of awareness and availability and back it up with overcoming prevalent attitudes, primary through introducing the consumer to our products, via free sampling, we can capture virtually the entire shift in consumption from natural alternatives. Every word had seemed plausible. Vivek had just taken over as chairman and managing director from his illustrious predecessor, inheriting an enviable 20% plus top-line growth, quarter-on-quarter. And like any new CEO, he wanted the company's future path to bear his own, unique, successful signature.

Later, things started going wrong. The year had started normally, but in the middle of the year, it has been evident that the urban markets were in recessionary mode. Vivek had quietly congratulated himself for having invested in rural markets for these had held out the promise of growth. By end-year, though, it had become clear that the promise wouldn't be delivered on. India White's growth rate had more than halved to 10% and a cursory analysis of the numbers had shown that Project

Hinterland hadn't done what it was expected to urban demand had remained low, and rural demand, which Khanna had been so sure would kick-in and growth India White's turnover, hadn't. The next year, had been worse. The rural market, which had least held their own in the past, went on a downward spiral. Growth had dropped to single-digit levels, and while Raman had managed to squeeze out consistent improvements in profits through aggressive cost cutting and process improvement techniques, Vivek had realised that they would need more than that. Most importantly, the markets targeted by Operation Hinterland had simply refused to react to India White's overtures.

In contrast, the challenge of the company is to manage to increase its market share across categories in shrinking urban markets, a fact that had promoted Khanna's replacement, Ashish Kumar to come to Vivek recently with a Project Hinterland like sampling campaign targeting the urban market. He decided to speak, to Khanna who was in Belgium and grill him on the finer aspects of Operation Hinterland. He would also listen to what Ashish Kumar had to say on a new sampling exercise in urban markets.

Response

The company's performance had improved 100% on all counts. The top-line had looked healthier, growing at over 25%. Raman had warned Dain that dividends would have to be pruned as a result of the huge investments in Operation Hinterland that hadn't really started paying off. Khanna had become a star. At a bash thrown to celebrate the success of the project, Vivek announced a much-sought after European assignment, for him.

Action Taken

Khanna's recipe looked perfect, and it helped that agriculture growth and income was on the upside, for the eight year on a row. What followed had been a dream come true. India White had literally painted the hinterland red. Every manager, down to the lowliest management trainee, had gone out with the sales force, and the company had managed to round up a huge army of gram sevaks, distributing free samples of soaps, toothpowder, toothpaste, detergents, and tea. Not content with just distributing the product, his battalion of frontline pros had also sold the benefits of the product they were trying to sell to rural consumers.

Vivek remembered how on several occasions he had himself rolled-up his sleeves and scoured dusty rural roads in as many as six states, accompanied by India White's head of finance Venkatesh

Raman. He also remembered how Raman had irritated him with repeated questions' concerning the return on the tens of cores of company was investing in the promotion. A year into Operation Hinterland, the results or penetration, product usage, and top-of-mind awareness in the targeted villages, had given Vivek enough reasons to cheer.

Learning

- Vivek Dani's operation hinterland failed to have a positive impact on the rural population of India even after India Whites gave away free samples of their products to villagers to ensure that they started using their products instead of natural substitutes.
- Operation hinterland yielded nothing much from rural areas and the urban demand remained low. But the company was able to squeeze out profits consistently only through aggressive cost cutting and process improvement techniques, but dividends to be paid to the investors made things worse for the company as time passed away.
- The company later was able to increase their market share across categories from urban markets rather than rural areas, which operation hinterland had initially targeted.

Questions

- Explain the role of discounting and free-been in rural business.
- Explain India White's growth rate and its profits in Indian rural market.
- Differentiate on new sampling exercise in rural and urban market.

Course Positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how creative techniques can be employed in rural areas. It also elucidates the success and failure of the business. The caselet will be helpful in introducing topics like rural level strategies, promotion techniques and rural and urban differences

Success against All Odds

Dr. Bhalchandra Balkrishna Bite, AISSMS IOM, Pune

Rural entrepreneurship can be defined as entrepreneurship emerging at the village level which can take place in a variety of endeavors such as business, industry, agriculture and acts as a potential factor for economic development.

Challenge

Irregular rainfall, scarcity of resources, lack of infrastructural development, eventually leading to farmers' suicide, etc. are some of the critical issues that the country face today. The rural population is so distressed that they are unable to find any motivation in the available resources. Belonging to a family having meagre land holding of an acre, Pratibha Jangade is a resident of village Kondgaon in Pune district. The village has a population of 300. In spite of the proximity to the city of Pune, it still remains underdeveloped and many households fall in the category of below poverty line.

Kondgaon is located in Velhe Tehsil of Pune district in Maharashtra, India. It is situated 15km away from sub-district headquarter Velhe and 35km away from district headquarter Pune. The village is accessible only from one side as it is locked by hills on the remaining sides. The principal crop of this region is rice. Water in this region is available in abundance. Villagers are engaged in agriculture during the four months (June to September) of monsoon. Once the monsoon season is over, farming activities will be stopped; thus the source of income will also become NIL. For sustenance of livelihoods for the remaining months of the year, the male population of the village migrates temporarily to the nearby Pune city in search of employment. Over the years, the situation is that all the younger population have permanently migrated to Pune and other cities for employment purpose.

Pratibha's husband, Shankar too works in a private organization in Pune city to earn his livelihood. But Pratibha decided to stay in the village, to continue farming and supporting her in-laws, who were not very happy about Shankar's decision to migrate to Pune. The job being temporary in nature and with the difficult task of looking for a new job every year, Shankar decided to return back and concentrate on farming and some other means to earn livelihood.

Response

Mr. Sahebrao Patil, a resident of the village who has been successfully running a dairy in Pune decided to meet the people of the village, and encourage them to take up animal husbandry through which they can breed cattle for milk. He assured the villagers that he would buy the milk for his dairy from them. This would provide a means to stabilise income of the villagers during the absence of farming activity.

Action Taken

Pratibha's eyes lit up after listening to this. She had already heard about the White Revolution and the Amul story. As a member of the local Self-Help Group, Pratibha had a discussion with the fellow female members of the group and decided to have a discussion with Mr. Patil and gain more insights from him regarding the same. "We have many questions which are unanswered and we needed satisfactory answers for the same", Pratibha said with a smile. As the SHG members and villagers started their interaction with Mr. Patil, all the doubts and inhibitions started melting and the women got empowered.

Pratibha recalls that in the previous SHG meeting, an NGO - 'Helping Hands' had interacted with the members, and had discussed about the various schemes started by the government to promote Farm-allied activities, and they had assured the villagers to volunteer to help them in situations wherever and whenever required. Pratibha had befriended Ms. Surabhi, one of the founder members of the NGO and she had communicated with her regarding the suggestions put forward by Mr. Patil. After the discussion with Ms. Surabhi, Pratibha was appointed as KrishiSakhi for their village. Pratibha's responsibilities included providing agricultural inputs to the farmers. Pratibha's family supported her in the decision.

Pratibha and the other members of the SHG were trained in technical methods to reduce costs and risks associated with the techniques. The participants were encouraged to try the new methods and share the knowledge with fellow villagers. Subsequent trainings on rural entrepreneurship helped her to develop her caliber as a leader and guiding others. After the training, since Pratibha already had cows in her livestock, now she decided to purchase a new breed of cow. "Never have I heard anything so crazy", her husband mocked. She was able to convince her husband for purchasing a new breed of cow. She also secured loan from the local co-operative bank for purchasing new livestock. She was able to get a yield of 20 liters of milk daily with the implementation of her learning in

practice. She has succeeded in her venture and many families approached Pratibha for consultation to follow suit.

Not only was Pratibha able to convince the women of her group, but also she was able to persuade the men to attend the meetings and actively take part in the process. Persuading others was an uphill task since many of them were adamant to listen to her advice in the initial stages. But after observing that her techniques were giving her an increasing yield, many followed suit.

Despite her success as a KrishiSakhi, she decided to quit the project, since it was not feasible for her to attend the meetings and training sessions. Mr. Patil too kept his promise and continued to buy milk from the villagers on a regular basis and thus playing an important role in helping the fellow villagers in self-employment.

Besides Rice cultivation and milk production, Pratibha also had a small poultry in her backyard, which assured her a steady monthly income of Rs.15000. The poultry provided her family with a regular supply of eggs. The chickens were sold in response to immediate financial needs. All the landless women followed her footsteps and have kept chickens in their backyard.

Today, Pratibha has reached a stage of self-sufficiency. "I love my work. My biggest achievement was that I first tried everything, gained experience and then advised others," she told while talking about her success. Pratibha now offers consultancy services free of cost, to people from four villages viz, Khamgaon, Ambed, Ranjane, Osade, and is continuing to make a difference.

Learning

The objective behind taking up this caselet is to make the students aware about how scarcity of resources, remote locations and even lack of developmental and infrastructural facilities do not act as hindrances to any person who wants to perform against all odds, not only for self-development but also for others.

Questions

- Explain the role of leader in setting up an example.
- Explain the relevance of Self-Help Groups for the development of Rural Entrepreneurship.
- Discuss the importance of Farm allied products in the lives of rural population.
- Is over reliance on the government a hindrance to self-development? Discuss.

Course Positioning

The caselet is suitable for a course in Start-up New Venture Management, Rural Entrepreneurship. As the caselet discusses how the women of a particular village successfully organized themselves through Self-Help Group. It will be helpful in introducing topics like strategies of rural entrepreneurship, participatory approach, in rural management.

Fresh Harvest: Entrepreneur Game Changer!

Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad

Ms. Parvati Menon can be considered a role model in the Indian horticulture sector, changing perceptions of an Indian farmer. As an entrepreneur farmer she has set up an agribusiness which focuses on horticulture⁴¹ as an alternative for farmers of mid-size and small holdings.

Challenges

Parvati Menon, management graduate (program on Women Entrepreneurs) from Indian Institute of Management, Bangalore., started a consulting firm, Innovation Alchemy, in 2009 in India. She found that a number of social enterprises, large NGOs, and government agencies were looking for insights on social innovation, sustainable agribusiness, supply chain management and ways and means to scale up their solutions for the poorest of the poor in the country. For a number of years, Parvati Menon built a network of 2,000 social enterprises around the world and assisted around 60 social enterprises to grow. Doing so, Ms. Menon acquired a deep knowledge of the developmental challenges facing India.

In 2014 Ms Menon decided to test her consulting hypotheses. To do so, Parvati Menon launched Fresh Harvest Pvt. Ltd. and became a farmer entrepreneur. Regarding the challenges she faced while she set up the business, she say, "In agriculture, the ability to do a business and to be willing to work in a rural area can be challenging. So we developed our own approach and became farmers ourselves. I chose to be a farmer instead of an aggregator to be able to demonstrate mid-size horticulture farming as a sustainable enterprise."⁴²

In India most of the agricultural sector is burdened by a huge lack of knowledge and training. A large percentage of farmers are poor – resulting in an absence of capital and technology in the field, and an over dependence on monsoons. Small-scale and marginal farmers in India have been struggling since ages as outside investment in the sector has been very poor and negligible due to a lack of

⁴¹ Horticulture is the science and art of producing, improving, marketing, and using fruits, vegetables, flowers, and ornamental plants.

⁴² ET Online, [//economictimes.indiatimes.com/articleshow/64253962.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](http://economictimes.indiatimes.com/articleshow/64253962.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst), May 2018

clear-cut business models and the myths surrounding small-landholder farming. Fresh Harvest, through its business model, training and use of technology, wanted to clear these misconceptions.

Action Taken

Ms Menon believed that mid-size farms in India (ranging from 8-10 acres) can become profitable, sustainable businesses. In a country where the majority of the population is dependent on agriculture, the success of small landholding farmers is intimately connected to the economic growth of the nation. Fresh Harvest also wanted to show that a business model for small sustainable farm can be successful in an urban setup as well.

Fresh Harvest farm, located outside Bangalore, India, a horticulture venture, produces vegetables including cabbage, carrots, beans, tomatoes, beetroot, leafy greens, chillies and lemon. It delivers its produce to large retail chains in South India like Reliance Fresh, Aditya Birla More and Namdharis. It provides direct-to-home vegetables in Bangalore. Additionally, it cultivates and delivers exotic Gerbera flowers, which are sold across South India. Flowers are a source of reliable cash flow as it has a local market access everywhere in India, due to their important role in religious ceremonies.

Fresh Harvest has been experimenting with various new technologies like precision farming⁴³, drip irrigation⁴⁴, rainwater harvesting⁴⁵ and energy efficient greenhouses, to reduce costs and improve sustainability. The company has a food processing unit which helps in preparing the food more efficiently for delivery to market.

⁴³ Precision agriculture (PA) is a farming management concept based on observing, measuring and responding to inter and intra-field variability in crops. The goal of precision agriculture research is to define a decision support system (DSS) for farm management aimed at optimizing returns while preserving resources.

⁴⁴ Drip irrigation is a micro-irrigation system that is helpful in saving water. It allows water to drip slowly to the roots of plants. The goal is to let the water directly into the root zone and thus minimize evaporation.

⁴⁵ Rain water harvesting is a method of collection and storage of rainwater into natural reservoirs or tanks, or the infiltration of surface water into subsurface aquifers.

Sample initiatives taken by Fresh Harvest

Fresh Harvest

August 11, 2018 ·

A small patch of Beetroot, thriving in the monsoon rains. Growing small patches of vegetables with just farm yard manure as fertilizer, lots of healthy rain and sunshine. Perfect weather for small kitchen gardens to thrive. #eathealthy# freshharvest# beetgreens# beetroot# greens#vegetables @ Fresh Harvest

Fresh Harvest

September 21, 2017 ·

A small batch of healthy, nutritious, medicinally rich Moringa leaves, packed for delivery. These fragile leaves are difficult to store & transport...some experiments in trying to get them from #farmtotable in a quick and effective manner# .eathealthy# FreshHarvest# moringapower

Source: The face book page of Fresh Harvest

Response

Fresh Harvest has been in the market only a few years but it has already witnessed success to some extent .This shows that horticulture is indeed a good option in Indian small holdings. In fact India is witnessing a change in its agriculture scene. A horticulture revolution is taking shape. The year 2017-18 was the sixth straight year when production of food grains were surpassed by horticulture crops—the difference which has been increasing steadily (Refer Exhibit 1). The Indian farmers' seem to have begun to prefer horticulture, as vegetables are short duration crops that are usually grown on very small pieces of land by marginal farmers. As land holdings have become more and more fragmented, production of vegetables has helped the farmers garner quick returns, in comparison to other agricultural produce that need almost six months to harvest.

Better incomes, urbanisation and higher consumption of fruits and vegetable seem to be driving demand. However, several gaps remain. First, prices crashing during peak harvest season and peaking during lean months means India needs to invest more in food processing units that are located close to the farm gate. A better cold chain network with pack houses and access to refrigerated transport can also help prolong the shelf life of fresh produce and earn better value for farmers.

Rajesh Srivastava, Chairman and Managing Director of Rabo Equity Advisors says, "In India, the way to do business is to become a local player first - go to the region, dominate it, begin from the bottom and scale your way up, and then spread to the national regions. These new startups and small

companies started by educated people are a fresh change because they have the foresight to make a business plan; they know their numbers.”⁴⁶

Mostly agribusinesses in India are passed on from generations and are usually run according to the age old methods and practices It is entrepreneurs like Menon, who are becoming game changers by carrying out agriculture in a scientific manner.

The opportunity for impact for a company like Fresh Harvest is enormous. If methods like those adopted by Fresh Harvest can be adopted by more small-landholding farmers across India, India could see a doubling or tripling of income over the next few years which in turn can play a leading role in reducing poverty than nearly anything else that India could do.

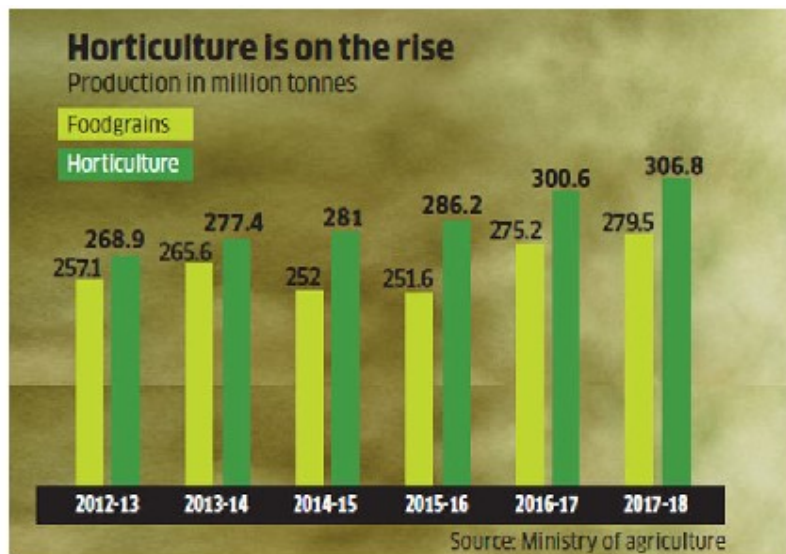


Exhibit 1

Source: ET Online,

[//economictimes.indiatimes.com/articleshow/65823924.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](http://economictimes.indiatimes.com/articleshow/65823924.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst), May 2018

Learning Objectives

- The caselet can be used to analyse how a sustainable agribusiness can be formed in a small landholding.

⁴⁶ ET Online, “After years of working with industry giants, this IIM alumnus chose to be a farmer “, [//economictimes.indiatimes.com/articleshow/64253962.cms?fbclid=IwAR18Mi-uFIFQDNyANKM7qHwvQOgtQWt1HpShR5hMIMnfSKTTVOd4HTZ3OJs&utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](http://economictimes.indiatimes.com/articleshow/64253962.cms?fbclid=IwAR18Mi-uFIFQDNyANKM7qHwvQOgtQWt1HpShR5hMIMnfSKTTVOd4HTZ3OJs&utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst), May 2018

- The caselet helps students understand and analyse the entrepreneurial opportunities that exist in horticulture.

Questions

- Analyse if Ms. Menon can be termed as an entrepreneur. If so, why?
- Analyse the different ways in which rural development can take place by promoting horticulture.
- Taking ideas from the caselet, elaborate on a micro enterprise which can be helpful in rural development.

Case Positioning

The caselet can be used in teaching a subject like Rural Entrepreneurship and Micro Enterprises. It can be used to introduce topics like entrepreneurial motivation, innovation and entrepreneurship and micro rural enterprise. The analysis of micro rural enterprises as a sustainable enterprise can be a major take away from the caselet.

Handloom Industry in the Rural Market

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

Unknown to many, one of the biggest differentiators of India is its handloom industry. Among the largest in the world (90% of the world's handlooms come from India), this industry employs close to 10 million artisans in India and is considered the second largest income generating activity after agriculture in rural India.

India has close to 2.3 million handlooms with major centres in Andhra Pradesh, West Bengal and Madhya Pradesh. What are positive about this sector is its global business potential, social and climatic impact, quality and uniqueness. Contrary to what people say, handloom is not a dying industry; it is, in fact, one of the most promising industries and is going through a lot of transformation right now.

As a woman, she had to face a number of issues and challenges. She faced challenges like balance between family and career obligations, lack of direct ownership of the property, poor degree of financial freedom, absenteeism of all entrepreneurial skills, negligence of financial institutions, lack of self-confidence and lack of education. The start was rough with Dhanalaxmi facing challenges.

Response

PV Dhanalaxmi is from Ganguluru, a village in Krishna District. She says that, "If we are ready to think inventively and do hard work, change is possible". Aditya Self Help Group (SHG), of which Dhanalaxmi is a member, received Rs. 5 lakhs to start a collective saree weaving unit under the Chandranna Cheyutha scheme, a state government scheme under which rural women can get loans. However, soon the products started getting good publicity in her locality and today, she says, the 10-member SHG has a profit of Rs 50,000 per month.

She sells handloom sarees at various craft bazaars and melas. She sells sarees at the Vijayawada Saree Craft Bazaar that was organised by the Society for Elimination of Rural Poverty (SERP). SERP is a wing of the Department of Rural Development at Vijayawada.

She said, "I have two kids who are pursuing professional courses in medical colleges. I have been a part of the SHG for 12 years and the schemes and assistance has helped me a lot". For many women

who are part of SHGs, self-employment is not a full-time job. They also have to work in the fields, apart from also taking part of household chores.

Action Taken

First, she ensured to have a large premium design choice. Handloom enables more varieties of design to be spun out. This enables a consumer to literally own apparel that is unique and which is made only for him. This is something no power loom can give. Handloom is a designer's paradise. It just needs the right design interventions.

Second, she had planned and organised for high return on investment. The return on investment on handloom is handsome. The cost of handloom can vary and a weaver can produce at least Rs. 30,000 to Rs. 50,000 worth fabric in a month. The cost of material is usually 10% to 15%; this gives a handsomer return on investment in only about two to three months. Very few asset investments give that kind of return on investment.

Third, she aims at generating employment and positively contributes to the growth and development of the economy. In a country like India where young people are looking for employment with high income, the handloom sector provides a golden opportunity to earn handsomely. It can enable reverse migration possibilities, from urban to rural, and reduce stress on urban infrastructure. It employs 10 million artisans already and can employ more.

Fourth, she is moving towards a technical advancement. There are multiple tech disruption possibilities here. Looking at disaggregated supply, 2.3 million handlooms scattered across India and disaggregated demand to rural, urban and international. Handloom has the opportunity to create a cab aggregator type of business model which enables matching of this disaggregated demand and supply.

Fifth, she strives to empower women. This is an industry which employs 83% women. There are not many industry or corporate or government institutions that have such an inclination towards employing women. Those working in the handloom industry rejoice in the activity. It is a hidden treasure of India and does not need charity. In fact, it is possible to mine gold here.

Learning

- Handloom industry is one of the most promising industries and is the second largest income generating activity after agriculture in India. The positive aspects of this business is that it has global business potential, it's impact on social and climate, the quality of products and uniqueness of apparels due to large premium design choices.
- PV Dhanalaxmi believed that change is possible if we can think creatively and work hard. She is a prime example of how Handloom industry provides income for her family and other members of the Self Help Groups.
- The main achievements and objectives of the company are:
 - Large premium design choices
 - High Return on Investment
 - Generating employment and contribute towards growth and development of economy
 - Empower women through employment
 - Technical advancement

Questions

- What are the benefits of entering into the handloom industry?
- What steps should Dhanalaxmi take to capture a decent market share in AP's rural market?
- What innovation can Dhanalaxmi bring-in in her company?

Course positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how the handloom industry is growing and becoming popular in the rural market. The caselet also explains how entrepreneurs can positively contribute to the nation through various ways while being in the rural market. The caselet will be helpful in introducing topics like handloom industry, women empowerment, return on investment, technical advancement, employment generation and providing choice to customers.

Reference

<https://www.thenewsminute.com/article/change-possible-rural-women-entrepreneurs-share-success-stories-andhras-craft-bazaar-69733>

<https://www.thehindubusinessline.com/opinion/dream-handlooms/article9433186.ece>

Novartis – Mission Rural Health Care

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

For around 800 million men, women and children in more than 60,000 villages across India, the idea of accessible and high quality medicines is often as remote as their rural homes. Institutional healthcare services are individual driven and unstructured. The Government offers health services free of cost but over 70% rural people pay for healthcare. The main challenge in healthcare for the rural people is relating to 4 As, Affordability, Availability, Awareness and Acceptance. Perceived cost of treatment of TB, if the patient has to be taken to a nearby town to treatment is from six to nine months. It is estimated to be more than Rs. 10,000 in Government hospitals, against Rs. 15,000 through private hospitals and clinics. In Government centres, patients have to go to private diagnostics centres and buy medicines. For simple infection or skin allergies, the cost of private treatment was between Rs. 250 to Rs. 1,000.

Access to health care has been a major problem in rural India. Qualified doctors, private or government, or licensed drug stores are not available in villages. Therefore, there is the cost of travelling to the block town, where the PHC (Public Health Centre) or a private doctor is located.

Patients have poor discerning capabilities and cannot identify the appropriate doctor for their ailment. They have no idea if the medicine prescribed by the doctor is the same as those given by the chemist. Patients have no idea if the medicine are preventive, curative or for maintenance. Patients have their own perceptions about ailments. Only those ailments that have an impact on their work are attended to. Also, the treatment of children gets priority over that of adults.

Response

To address the health issue in rural India, Novartis designed a business model and called it 'arogya parivar', which also won many awards for the best long-term rural market initiative. It offered pharmaceutical solutions and also integrated the need to network with local doctors, educate potential customers (patients), and link patients to specialized doctors. Novartis addressed the challenges by using an innovative direct approach to make villages aware of prevalent diseases and encourage them to seek treatment.

Novartis followed a decentralized model where the field force is in autonomous cells, each covering a radius of approximately 35 km. Each cell is managed by a supervisor, assisted by a few health

educators who collaborate with local health professionals, pharmacy chain and NGOs to address the whole patient flow, including education, diagnosis, treatment, delivery, availability and accessibility of medicines. A key differentiator is offering patients integrated solutions to health problems rather than mainly selling products to health professionals. Products selected for the initiative are simple to use and packages are reduced in size to keep out of pocket costs low. The initiative aims to build a sustainable, profitable business that improves access to healthcare among the underserved millions in rural India by creating awareness, enhancing local availability and designing appealing and affordable health solutions. The social business approach represents a mix of corporate citizenship and creative entrepreneurship.

Action Taken

The brand was created for the unique health services offered by Novartis. The umbrella brand helped to overcome brand related issues and became easy recall for the illiterate and semi-literate villages. Novartis brand is supported by consistent graphics of leaflets, banners, education programmes, uniforms of health educators and decorations for bicycles. All collateral is designed keeping in mind the nature of the audience, particularly in terms of literacy and comprehension levels. Effort is made to focus on specific diseases on respected World Disease Days through active doctor participation.

To create awareness among the local populations, Novartis established a network of Health Educators recruited from villages to provide patience with support and follow up to complete the treatment process. The Health Educators are provided with branded T-shirts, caps and bags. Novartis also used branded audio visual vans, community meetings and advisory leaflets to communicate the benefits to the rural masses. The Health Educators move from village on a permanent journey plan. They conduct group meetings, identify patients in different households, educate the family and convince them of the need for treatment. They also ensure that the patients have their support when they decide to visit the doctor.

It is also important that the medicine is consumed as prescribed. One to one communication is necessary to convince the patient and their family. An informed patient is more positively oriented towards completing the treatment. The Health Educators serve two blocks and thirty active patience and is paid Rs. 1,500 per month and new products are being added by Novartis to supplement income. The Novartis expenses on communication and promotion is compensated through the margin from increased sales of their medicine. Due to this the chemists stock medicine which is

prescribed by Novartis. The initiative is structured as a perfect opportunity to expand and reach of healthcare to those people who fall out of the current system simply because they do not live in urban or semi-urban India. Novartis targets at all age groups, especially women and children. The target was selected on the basis of published data and market research. This population was effectively disfranchised from the right to quality health. The reach of the project to those 50 million people through 250 cells, where a cell is an area of 25 to 30 km, including 80 to 100 villages each, is indicative of the model's success to date.

Learning

- The poor are willing to pay for quality and effective treatment.
- Earlier, male patients were reluctant to consult ANMs (females); however, the Arogya Health Educator is male and able to gain acceptance, convince patients and support them.
- Chemists began stocking Novartis products once doctors began prescribing them.
- Doctors are motivated due to the increase in income and are therefore willing to practice in the programme. They are professionally satisfied that patients now complete treatment and get cured.

Questions

- What problems of the rural community were addressed through this model?
- List the key reasons of the sustainability of this model?
- Can this model be replicated in other countries? Discuss.

Course positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how a health care unit can function effectively and be profitable in a rural market. The caselet also explains how various marketing strategies can be successfully implemented to the target audience. The caselet will be helpful in introducing topics like health care sector, rural entrepreneurship, sustainable business model, marketing strategies and affordability, availability, awareness and acceptance in the rural market.

Reference

https://www.novartis.com/sites/www.novartis.com/files/Arogya-Parivar-fact-sheet_2014_final.pdf

<https://healthmarketinnovations.org/program/arogyaparivar>

<https://www.novartis.in/our-work/expanding-access-healthcare/novartis-social-ventures>

<https://cases.insead.edu/arogyaparivar/>

<http://www.csrvision.in/how-csr-benefits-business-arogyaparivar-a-novartis-initiative/>

Nutrine Confectionery Company Limited - Ruling The Rural Market

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

The overall confectionery industry growth rate is 6% per annum whereas organised sector is growing at the rate of 8% – 10 %. By next year, the present Rs. 1,500 crore market is likely to touch Rs. 2,400 crore. The confectionery industry does not have a strong hold in rural India. Whatever confectioneries are sold in the rural market is majorly controlled by the unorganized sector. Nutrine Confectionery Limited enjoys a high market share of 34% in confectionery in the organised sector in India. The strength of Nutrine lies, not only in its manufacturing capabilities, but rests to a great deal on its wide marketing reach. Nutrine is available throughout the country through a network of 32 depots with more than 2210 distributors and 4 lakh retailers. The major competitors to Nutrine in confectionery are Parrys, Parle, Bakemans, Ravalgon and Nestle. In Chocolates the competitors are Nestle, Cadbury and Campco. In gums the competitors are Wrigley, Perfetti and V M Confectionery. In instant foods the competitors are Orkay, Nestle and MTR. In fruit bars the competitor is Sunrays.

Response

B. Venkatramana Reddy, a graduate from National University, Adyar, established Nutrine Confectionery Limited. The company right from its inception has a special interest in rural areas. They have been concentrating more in the untapped areas of rural India because of growing competition in urban areas. The projected market size of chocolates in rural areas is taken as 20,000 to 22,000 tonnes which was only 10,000 tonnes 3 years ago. The company has found a large potential in the rural market, especially for its brands like Mahalacto, Kokanaka, Dishum and Aasay. The main competitors for Nutrine confectionery in the rural market are Parrys, Ravalgon, Kwality and to a large extent the unorganized sector. In this competitive market, the company has nearly 40% of the rural market.

Action Taken

Products are made according to the familiar tastes like Coconut, Mango, and Papaya. Unfamiliar and alien flavors like strawberry, apple, litchi, etc., are not considered. The colours used in the packaging are thick, attractive and glossy to capture the fancy of children. The products are made available in three types of packaging twist, basket and pillow. However, consumer preference seems to be in favour of the pillow type.

The Government has imposed huge tax on confectioneries. It has an adverse effect compelling the industry to increase the prices of chocolates. Many products which were priced at Rs. 50 paise were increased to Rs. 1. Rural consumers are highly price sensitive. The price comes first followed by quality in purchase consideration. So as to convince the rural folks, the company increased the wrapper size with a small increase in the quantity. They then relaunched the brand as new and improved.

The traditional processes include the groceries, pan shops, platform shops near schools, etc. The company has adopted a strategy of covering unconventional shops. The areas where one could not think of buying chocolates like hair style saloons, phone booths, coffee centres, and such other shops where people gather. The company has rural van operations. The company has a number of vans which are allotted to places where major market exists.

School level promotional activities include wrapper collection, slogan contests and games. The company was keen on projecting their logo in the mind of consumers. Their advertisement themes stress the involvement of family and their relatives in the choice and consumption of chocolates. Print media is not a good idea in the rural market as very few households purchase newspapers and magazines. Radio has been considered so far as the most effective medium. But television advertisements are considered to be most popular. Apart from this road shows are also organised to promote the products.

The company also believes in social responsibility. They have been contributing to the society by way of donations and charities, sponsoring different events, working with local hospitals to eradicate diseases like Vitamin-A deficiency, organising blood donations camps and eye operation camps.

Learning

- 1. Nutrine Confectionery Company Limited was founded by B. Venkatarama Reddy. The company enjoys a high share of 34% in Confectionery sector in the organised market.
- 2. The company manufactures a wide range of products such as instant foods, fruit pulp, chewing gums, processed fruits, and dehydrated fruit bars of Guava, Mango, Papaya, and Banana. It has various competitors in every product line. For instance, Nestle, Cadbury and Campco in chocolates.
- 3. Due to the growing competition in urban areas, the company concentrated in rural areas. It found tremendous potential in the rural market. When higher tax rate was imposed on

confectioneries, the company skillfully tackled the situation by increasing the price of products from 50paise to Re.1 by increasing the wrapper size with a small increase in the quantity. This was because rural people are very much price sensitive than urban people.

Questions

- Analyse the competitive situation of Nutrine.
- Evolve, strategy for Nutrine to win both the rural market.
- Explain how the company would face competitions with the entrants of big players in the market?

Course positioning

The caselet is suitable for a course in Rural Entrepreneurship. The caselet elucidates how a confectionery company strives to sustain itself in the rural market. The caselet explains how competitions exist in the rural market and how innovative methods can be adopted in the rural market. The caselet will be helpful in introducing topics like rural completion, product, price, place, promotion and social responsibility.

Reference

TIME: The Management School, Tirupati

Painting Rural India

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

Indradhanush Paints Limited has been traditionally operating in the rural market in the early 40s. It was aptly called Indradhanush to add colour to the life of rural India. At that time the whole paint industry was dominated by multinationals like ICI, British Paints, Goodlass Nerolac and others.

Indradhanush Paints Limited had a very humble and modest beginning. By the 1960s IPL had a wide network of distribution system with 47 sales offices in the country. Today, it is one of the largest paint companies with four manufacturing units' incorporating state of the art technology. Indradhanush Paints Limited is a market driven producing the entire gamut of decorative and industrial paints, comparable in quality with the best in the world.

The rural paint market has been observed to be highly price sensitive. This was over and above the requirements of timely supply and high quality of service. The rural retailers preferred a personal touch. The buck of the sales was during different festival seasons in various parts of the country.

The use of distemper or paint in rural areas is usually the same as in urban areas. Traditionally the rural folk used the cheapest material available, a mixture of lime and gum called 'chuna' for white washing the walls of their houses. But they were slowly getting disenchanted with this, since it has to be done every year. The process is not only tedious but also hazardous since 'chuna' affected the hands, eyes and sometimes even the lungs. Moreover there is not choice of colours, even though it is possible to add strainers to get a few shades, where the scope is somewhat limited. This problem is a significant one since the rural people preferred dark, bright and strong colours. This is not possible in the case of 'chuna'. Further 'chuna' also tends to flake off over time, leaving ugly patches on the walls.

Paints are mostly used by the rural people to paint the horns of animals and the wheels and body of bullock carts. Companies also use paint to paint advertisements on outdoor walls, shot shutters and body of bullock carts. The rural households which could afford it, painted the front door of the house to make it look more attractive. Distemper is used to colour wash the walls as in any urban households. The sale of paints and distemper was seasonal and it is associated with festivals where the farm animals were worshipped. In such seasons, the rural retail shopkeepers purchase stocks from nearby urban towns and sold it in the villages. This often deflated the share of rural market for all companies. Of late, the unorganized sector in the paint industry has started making inroads into

the rural areas. These paints and distemper were cheaper but the quality was poor. The share of rural paint and distemper market in the organised sector is 40% and 60% in the unorganized sector. Indradhanush Paints Limited had a 31% share in the organised sector market in rural areas for paints and distempers.

Response

Initially the company started off with small distributions, since the large distributors were already under the control of the multinationals. The rural market was totally neglected by the multinationals and as a conscious strategy Indradhanush Paints Limited entered the rural market. Over the years Indradhanush Paints Limited build up a strong distribution network which covered the rural areas also. Now it has a presence in all settlements with a population of at least 5,000 people.

Indradhanush Paints Limited enjoys the highest market share in rural markets among the organised sector units. As stated earlier, this was due to the fact that Indradhanush Paints Limited adopted a strategy of going rural. They realised the potential in the rural market and introduced small size packs. Indradhanush Paints Limited recommended low margins for its rural retailers, traditionally Indradhanush Paints Limited kept a margin of 10% for itself and allowed one to two percent for retailers. The rural retailers were to be compensated by ensuring a higher turnover with adequate promotion measures, steady supply and better service. In spite of having the largest market share, Indradhanush Paints Limited adopted a market skimming strategy.

Action Taken

The company's strength is its distribution network, a conscious strategy of widening the distribution base to reach as many customers as possible. Indradhanush Paints Limited had about 15,000 retailers, 47 branches and 7,000 distributors. Indradhanush Paints Limited followed a policy of keeping identical margins for all dealers irrespective of their size and location. The company fixed a maximum retail price and the retailer was given the freedom of discounting the retail. The company had a cash and carry system with the result that the incidents of bad debts were minimal. It also discouraged the distributors from monopolizing the stock. Indradhanush Paints Limited's sales people visited the rural areas regularly even if there was no immediate expectation of sales. This formed a part of their public relations exercise.

Indradhanush Paints Limited's 'Harvester' brand of distemper introduced about six years ago was not doing well in the rural areas. A high quality distemper which provides a smooth finish to the

walls, this brand was quite popular in urban areas but surprisingly did not do too well in rural areas. This distemper is currently available in shades of light pink, sky blue, pale yellow, sea green and red. Of these the red shade was the only colour selling decently in rural areas.

Learning

- 'Chuna' application was found to be tedious by the rural people.
- Those who use Harvested distemper accepted this as very superior 'chuna'.
- Cheap paints and distempers used low price as their USP.
- Price of Harvester distemper was found to be prohibitive for a large number of rural customers.
- Paints were normally found to be used for painting the horns of animals and bullock carts. Very few people used paints to paint the front door of the house. Distemper was used to colour wash the walls by well to do households.
- Painting and distempers were very much associated with festivals and hence the demand was purely seasonal.
- In addition to about 1,000 manufactures in the unorganized sector, another 400 units were coming up and their products were to reach the market in three to four years' time.

Questions

- As the paint industry has improved, will it be a right decision for the company to introduce quality and costly paints in the rural market?
- What is the best way to brand wall paint in the rural market?
- What strategies should Indradhanush Paints Limited adopted to face competition of multinationals companies in the rural market?

Course positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how the paint industry works in rural areas and how people perceive different types of paints. The caselet explains how paint is normally found to be used for painting the horns of animals and bullock carts. It also explains how few people used paints to paint the front door of the house and how distemper was used to colour wash the walls by well to do households. The caselet will be helpful in introducing topics like paint industry, international competition and rural need and demand for paint.

Pitching for Co-op Models to Take Jobs to Rural

Dr Syed Kazim, Associate Professor, Acharya Bangalore B School, Bangalore

Challenge

Neelam Chhiber is co-founder of Industree. She has pitched for an Amul-like model to create several cooperatives in India and make them more viable by using technology. According to her India can grow and rich will become richer, but poor will remain poor. For a country the size of India, it is second after Nigeria in terms of people having less than USD 5 a day. At the same time, India has such a huge middle class, so the focus is always on that. But until we look at people who have less income, we will face a lot of social consequences. And the key issue here is women and we need to empower them. Neelam in the past helped build India's two largest farm producer companies. They are exporting baskets to Ikea as a global supplier. They are doing apparel for H&M (Hennes&Mauritz), a clothing retail company they are supplying to Future Group and to Westside. They need to build these cooperatives that will do world class production in consumption areas.

India has got a falling rate of labour force participation of women and it is similar to some of our neighboring countries right now, which does not speak well of us as a society, who is associated with several social enterprises such as Industree Foundation, Mother Earth and Industree Skills. She blamed the prevailing scenario on all models of growth and development being linked to urban migration.

Corporates are investing in hubs in cities because that is where all kinds of talents are available and so it's getting concentrated. Now women from rural areas are not going to migrate, because their children may be getting free schooling, subsidies, etc. So, men may go sometime and come back, but for women it is very difficult. The solution is to create more work for women at rural levels and we will have to take manufacturing to them. Neelam doesn't expect that corporates will do it. The corporates have to be competitive. She is not suggesting government intervention which is out of question. She is suggesting a public private partnership model.

Neelam also referred to greater use of farm producers' organisations, which are private limited companies owned by the farmers. She is actually going back to the Amul model. Amul used farm produces' 60 years ago and they made the country milk-positive. Every farmer has a cow and is

getting an additional income and this is professionally managed and it's the women who are managing the cows and everything.

Response

By 2025, Neelam and her team aim to directly impact a million artisans by organising them into producer companies, enabling them to diversify into newer products and markets. This is the task which they will strive to accomplish in the middle of the major and minor challenges in the industry. Neelam believes that Mother Earth and the Foundation's biggest challenge and reward has been facilitating and equipping producers to manage themselves in changing scenarios. Neelam planted the seeds of her entrepreneurial journey in rural India in 1994 and has never looked back. Through her undertakings Industree and Mother Earth she has created a flourishing handicraft manufacturing and retail business effectively closing the gap between rural artisans and the retail market. Industree is an enterprise that links rural producers to urban markets. Industree has obtained investment from Future Group (India's largest retail chain) to build a retail brand called Mother Earth, which is part of (14%) producer owned. Industree which links rural producers to urban, is converging backwards to create a complete solution for fair and equitable distribution of returns from consumer to producer.

Action Taken

India's processed food consumption is going to go up 10-times in the next decade, but people in metros do not have time to cook. While pitching for quality products being made by rural women and sent to the cities, but they should be left where they are rather than making them migrate. Neelam feels that these entities can start with some grant and after a size has been reached, they can look for investments, including in the form of CSR funding or impact investing, and each cooperative can be tied up to a private sector entity supply chain.

If the company is very small and raises investment, then the investor owns it, which is avoidable. After all, Amul is still owned by farmers. 13 million farmers own a \$5 billion business and the management keeps 16%, rest all profits are shared to the farmers. By 2030, experts are saying India should be a USD 6 trillion economy, but less than 1% of it is cooperative economy. It's 18% in Denmark and 16% in New Zealand. It has to be revived in a modern way and technology will play a big role there. It's too ambitious, but we should look at 5-10%. We have to show the path beyond Amul.

Industree works as an incubator and accelerator by facilitating the aggregation of producers into self-owned enterprises, implementing capacity building, assisting in developing products that appeal

to modern markets, and enabling their access to vital working capital. Industree's model employs a professional management team to streamline enterprise operations, empowering microenterprise leaders from the community to take charge. It also has a range of digital tools, including a digital societal platform with a dedicated e-commerce portal, to bring traceability and transparency to otherwise opaque and unaccountable supply chains.

Industree's interventions address the neglected rights of producers at the sub-contractor level by using a hub-and-spoke model where each person, even in the smallest enterprise, is a willing and documented participant in a compliant value chain process. The professional management team handholds enterprises through key activities, including the creation and incubation of producer companies, as well as training and building the long-term capability of the producers that own them. This team provides high-level administrative support and mentors the producer enterprises, leveraging digital tools to create a traceable, transparent value chain. The professional management layer operates as the handholding implementers, ensuring development and production of new designs, competitive costing through productivity improvements and access to well negotiated bulk raw materials, quality and timely supply, ensuring customer satisfaction and repeat orders, and access to a wide variety of markets and working capital.

Supply chain transparency is vital to solving issues of substandard working conditions. In order to develop this, Industree has launched two key initiatives to create technology that facilitates conscious and responsible production and consumption. Industree, with pro-bono support from Mindtree, is developing a digital societal platform accessible to all producer enterprises that will build traceable systems to track on-boarded producers' age, work hours, minimum wages and payments, and facilitate access to resources like raw material, capital and design, thereby ensuring implementation of fair practices across the value chain. As part of the platform, Industree, together with Sonata Software, is creating a producer owned e-commerce portal exclusively for traceable handmade products that connects producers directly to customers and retail markets.

Neelam was declared WomenChangeMakers Fellow in 2013 by Womanity Foundation. She won the L'Oreal Paris Femina Women Awards 2012 in the Social Impact category. Schwab Foundation/World Economic forum declared her the Schwab Social Entrepreneur of the Year for India in 2011.

Learning

- Industree Foundation has been building sustainable livelihoods through the creative manufacturing sector. It aims to provide increased and regular incomes to households in the rural areas, empower women and access to quality education of children.
- Neelam Chibber has immensely contributed to the growth of farm producer companies. Women's participation in labour force was falling down. Therefore, Neelam created job opportunities for women in rural areas by taking the jobs to them so that they need not migrate to urban areas.
- Industree Foundation values the right of each person, even from the smallest units by addressing their neglected rights. It is creating a producer owned e-commerce that directly connects producers and consumers. At this rate of growth, the company aims to directly impact a million artisans by organising them to producer companies.

Questions

- Can co-operative models like Amul still be established in a country like India?
- What are the practical problems faced by Entrepreneurs who start co-operative societies?
- Can Industree play a significant role in improving the economic condition of people? Discuss.

Course Positioning

The caselet is suitable for a course in Rural Entrepreneurship. As the caselet elucidates how co-operative societies can be created in rural areas to build business. Amul is a big and practical model of doing successful and consistent business. The caselet explains the issues and challenges which the Entrepreneurs would face. The caselet will be helpful in introducing topics like co-operative society, Amul business model, rural employment and women empowerment.

Reference

<https://yourstory.com/2019/01/amul-coop-model-davos-rural-jobs/amp>

Kheyti's Greenhouse in a Box

Dr. Rasheeda Shums, Assistant Professor, AAKCBA, Hyderabad

Challenge

India has been plagued by draughts through the ages. These draughts have been instrumental in widening the class biases across India; they have impacted the poorest the hardest. It is found that depending on the severity of draught, a poor farmer takes around three to four years to recover. Trends show that severe drought strikes every eight to nine years in India –directly leading to perpetuation of poverty.

The drought-prone districts account for around 42 per cent of the country's farm lands. Rain-fed agriculture plays a very important role in India's economy. Almost 70 per cent of India's net farm areas are rain-fed. Nearly 50 per cent of the rural workforce is concentrated in these areas. According to data from the National Crime Records Bureau, farmer suicides in India touched nearly 8000 in 2015. The main reason for these farmer suicides has been indebtedness, caused due to crop-failure.

Sathya Raghu, a successful chartered accountant working for PwC India, had a striking childhood memory of a farmer in Telangana (former part of Andhra Pradesh) eating mud. The farmer had told him, "My stomach does not know that my pocket is empty"⁴⁷. Upon narrating the incident and expressing his determination to fight the farmer problems, his grandfather had told him, 'Solve them, don't just fight them.'⁴⁸ The advise had stuck. After working for a number of years, Sathya decided to let go of his consulting career and started work to come up with solutions for making a difference in the lives of small farmers.

Action Taken

Kheyti, a non-profit was co-founded in December 2015 by Satya Raghu, Kaushik Kappagantulu, Saumys and Ayush Sharma. Kheyti introduced a solution for a sustainable income for small farmers – The solution is the 'Greenhouse-in-a-Box' (GIB), a low-cost modular greenhouse which is integrated with an end-to-end service support. For a long time, greenhouses have been used in India for

⁴⁷ <https://yourstory.com/2017/08/sathya-raghu-ca-khyeti>

⁴⁸ Ibid

commercial flower and vegetable production, but these are very large and unaffordable for the marginal farmers. Kheyti has created several smaller versions which range from 250 to 550 square yards. This is the area that comprises just around two to five percent of a typical small farm. The size of the greenhouse reduces the risk in investment —farmers can grow different crops on the rest of their land.

A Kheyti Greenhouse



Source: <https://yourstory.com/2017/08/sathya-raghu-ca-khyeti>

Kheyti's small greenhouses cost a small fraction of the amount that a regular half-acre greenhouse would cost. But even this amount comes to around \$2,500, an amount which very few small farmers can afford. To overcome this issue, Kheyti is working with banks to get loans on the farmers' behalf. Kheyti has partnered with India's second largest bank—the Bank of Baroda, to broaden the reach of the program. Initially a farmer can make a down payment of 30,000 rupees [\$471] and then instalments of 15,000 rupees [\$233] after each season, usually every three months, until the loan is paid off.

To empower the farmers, the Kheyti has partnered with different organisations like Big Basket⁴⁹, Northwestern Institute for Sustainability and Energy⁵⁰, T-Hub⁵¹, AgriPlast⁵², AIP-ICRISAT- Agribusiness

49 One of well known online grocery stores in India.

50 ISEN advances global sustainability and energy solutions through transformational research, interdisciplinary education, and public engagement

51 T-Hub (Telangana Hub) is India's largest incubator for startups which is headquartered in Hyderabad, Telangana, India.

52 The company produces Greenhouse Covering Film Mulch Films, Pond Lining and grape covering solutions, Soil less growing troughs, etc.

and Innovation Platform, and Acumen Funderscircle. Through these, Kheyti offers the farmers a whole gamut of services including financing, inputs, training, advisory and market services.

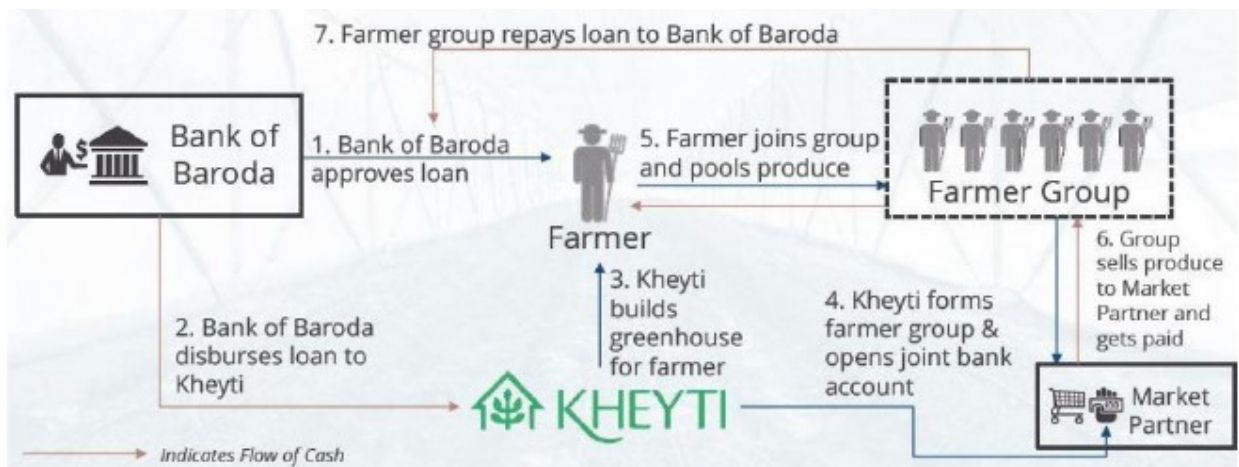
Services Provided By Kheyti



Source: Kheyti

Response

Kheyti has designed, adapted and implemented this low-cost farming solution to help small farmers increase their yield. The company has combined the greenhouse technology with an end-to-end support service which gives the farmers the assurance sustainability farming. Greenhouse-in-a-box helps the farmer use 90% less water while growing 7 times more food, thus providing them with a steady income.



Cash Flow cycle at Kheyti

Source: Kheyti

Kheyti has been incorporating the principles of meritocracy, legal clarity and community service. The business model has resulted in a community of farmers who are independent at the same time interdependent to some extent. Each farmer has a greenhouse in his farm and the income he earns is based on his/her own effort. But the input connections of Kheyti and the market connections of the company help the farmer to achieve economies of scale as these are planned for the benefit of the entire community.

Learning

The caselet helps the students analyse the impact of draught on the poor farmers and how it can be mitigated by some innovative methods. The strategy employed by the company Kheyti helps students to think out of the box and analyse the different methods through which a company can help in rural development.

Questions

- Discuss the impact of draught on the Indian farmers and analyse how it can be reduced.
- Analyse the strategy employed by the company Kheyti to make marginal farming sustainable.
- Analyse whether the model used by Kheyti can be used across the country. If yes, explain how it can be done. If not, give the reasons.

Case Positioning

This caselet can be used to teach strategic management in rural sector. The concepts of strategic management, importance of strategic planning, strategic intent can be studied. This can be done by showing that strategic management involves being clear about the “big picture” of a business. The essence of strategic management is matching business resources to market opportunities and in this case there is a big opportunity to be tapped. The caselet can be used to show that strategic management is most useful for businesses that have unique or differentiated products for a specialty or differentiated product markets.



Mahatma Gandhi National Council of Rural Education

Department of Higher Education

Ministry of Human Resource Development, Government of India

5-10-174, Shakkar Bhavan, Ground Floor, Fateh Maidan Road, Hyderabad - 500 004

Telangana State. Tel : 040-23422112, 23212120, Fax : 040-23212114 E-mail : editor@mgncre.in, Website : www.mgncre.in



Indian Journal of Rural Education and Engagement

Guidelines to the Authors

Typescript Requirement

Research papers of maximum length 3000 words containing original research findings in a clear and concise manner.

Review articles maximum length of 4000 words.

Submission of Typescript

Authors should submit the soft copy (MS-Word compatible) in A4 size, in Times New Roman, 12 font size.

It should include:

- Title page, containing the title and subtitle
- Abstract
- Keywords
- Author (s) affiliation with mailing address including the e-mails
- Authors to submit manuscript online (softcopy) in MS-Word to: editor@mgncre.in and also a hard copy to Editor, Indian Journal of Rural Education and Engagement, MGNCRE, 5-10-174, Shakkar Bhavan, Ground Floor, Fateh Maidan Road, Hyderabad-500 004.

Certificate by the Author(s)

It is mandatory on the part of the corresponding author to furnish the following certificate at the time of submission of manuscript in the online submissions.

“This is to certify that the reported work entitled.....submitted for publication in *Indian Journal of Rural Education and Engagement* is an original work and has not been submitted I published elsewhere. I/we further certify that proper citations to the previous reported works have been given and no data I tables I figures have been quoted verbatim from other publications without giving due acknowledgements and without the permission of the original author(s). The consent of all the authors has been obtained for submitting the paper to the said journal.

(Signature and Names of all the authors)

Title Page:

It should include title and subtitle of the article, name(s) and affiliations of the author(s), and the contact person to whom communications should be sent (in the case of multi-authored papers).

Abstract:

An abstract of about 200 words for research papers and about 150 words for review articles should be provided along with the paper.

Keywords:

Four to six key words representing the complete subject of the paper should be given.

References:

References to the published literature should be presented in the style of American Psychological Association (APA) Publication Manual.

₹ 1000



सत्यमेव जयते

Mahatma Gandhi National Council of Rural Education

Department of Higher Education

Ministry of Human Resource Development, Government of India

5-10-174, Shakkra Bhavan, Ground Floor, Fateh Maidan Road, Hyderabad - 500 004

Telangana State. Tel : 040-23422112, 23212120, Fax : 040-23212114 E-mail : editor@mgncre.in, Website : www.mgncre.in



Where there is Rural Wellbeing
there is Universal Prosperity

Indian Journal of Rural Education and Engagement

MGNCRE