

**Non-Farm Economy In Telhara Village Of Nalanda District Of Bihar State: A Pilot
Research Report**

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Abstract

The purpose of this paper is to improve our understanding of the role of the non-farm rural economy in Telhara village of Bihar state. India's economy has accelerated sharply since 1990s, but agriculture has not. Agriculture in India is ailing for a long time. It has been grappling with issues like fast depleting groundwater, soil degradation, fragmented markets, barely functioning agricultural extension services and speeding up of climate change. It is due to these factors agriculture cannot overturn contraction in other sectors, but along with the non-farm rural sector, it could jump-start the economy. Apart from this, non-farm rural activities (livestock, fisheries and food processing, etc.) are advantageous in lifting the poor above the poverty line. Therefore, it becomes imperative to identify the issues of the non-farm rural sector in India to focus on building strong growth links between the non-farm rural economy and agriculture. This paper examines the role that the RNFE may play in the development and reconstruction of the village.

Keywords: RNFE, Non-Farm Rural Economy, Agriculture

Introduction

Agriculture sector is the backbone of the rural Indian Economy that provides an important source of employment, income and livelihood to the rural people. However, this sector has been suffering from different types of limitations. Despite the continuous

efforts by the government to improve the conditions of this sector, it has failed to show any improvement. After 1970's, attention has been diverted to the non-farm sector, there occurred a shifting of employment away from agriculture to secondary and tertiary sector. Non-farm sectors have gradually evolved to play a major role in Rural Indian Economy. The Rural Non-Farm Sector (RNFS) has gained immense attention as an effective source of creating employment opportunities and gaining income & reducing poverty in rural areas and thereby stimulating further growth in rural economics. Thus, there is need to analyze the nature, significance and determinants of RNFS growth in different sector (Mishra,1997). Non-Farm sector not only contributes to economic growth, but it also accelerates agriculture development.

Definitions of the rural non-farm sector are not easy to explain thus it is necessary to define the non-farm sector. There is not any suitable standard definition, either internationally or within India, as the sector is too diverse to allow neat and clear classification (Fisher et al, 1997). The rural non-farm sector is defined as a sector which involves all economic activities in rural areas, except agriculture, livestock, fishing and hunting (Lanjouw and Lanjouw,1995).

The National Bank of Agriculture and Rural Development (NABARD) was the first agency which used the word 'Rural Non-Farm Sector' in the Year 1992. It defined the form by listing small, cottage, tiny and village industries in 22 major categories of activities. Planning Commission of India includes Khadi and village industries, handicrafts, handlooms and power looms, coir and sericulture and small-scale industries under village and small industries.

Source: Image taken from google (<https://www.nabskillnabard.org/off-farm-sector.php>)

Non- agricultural activities include all those activities which are undertaken outside the farm sector, rural non- agricultural activities are essentially agricultural a residual category. These non-farm activities are mining and quarrying, manufacturing, construction, trade and commerce, transport, storage and communication and the other services (According to census of India). If we classify farm and non-farm activities according to census of India distribution of workers among industrial categories are as follows:

Aim And Objective Of The Study

The aim of the study is to examine the contributions of non-farm activities in Economy of Telhara village of Ekangarsarai block of Nalanda district of Bihar state.

Objective

To examine the workforce involved in different non-farm activities in study area.

To examine the status of employee whose contribution in rural non-farm sector in study area.



Table: Categorisation Of Farm And Non-Farm Activities

Categories	Farm activities
A	Agriculture, Hunting and Forestry
B	Fishing
	Non-farm activities
C	Mining and Quarrying
D	Manufacturing and Repairs

E	Electricity, Gas and Water Supply
F	Construction
G	Wholesale and Retail Trade
H	Hotel and Restaurants
I	Transport, Storage and Communication
J	Financial Intermediation
K	Real Estate, Renting and Business Activities
L	Public Administration and Defence, Compulsory Social Security
M	Education
N	Health and Social Work
O	Other Communication, Social and Personal Service Activities

Source: Based on Census of India, Compiled by Researcher

Study Area And Data Collection

The basic data in this paper is collected through survey in study areas. The survey was conducted in the month of Nov-Dec 2022 through a structured questionnaire. The survey was conducted in the Telhara village of Bihar state. The sample size was 30. It was collected from entire part of the Telhara village of Nalanda District of Bihar state.

Methodology

Descriptive and Inferential statistics were used in analyzing the data collected. The descriptive statistics such as mean, averages and frequency distribution were used to summarize the data.

Bihar Profile

Bihar is the third most populous state of India. In 2011, the total population of the state was more than 10 crores and it's grew by 25.4% during last decade. In Bihar 88.7% people were lived in rural area (Census of India, 2011). So, we can say that the economy of Bihar is basically depends on agriculture. Bihar is the poorest state of India with 51.91% (Multidimensional Poverty Index-2021) of its population living below the officially defined poverty line. This number was significantly bigger for rural area of Bihar. Last few decades, the state has seen significant economic changes. Even through large proportion of its population is classified as primarily employed in agriculture, the

economic landscape of rural Bihar has changed significantly. According to the recent study, farm contributed only 14.3% of total rural incomes in Bihar (Datta, 2016). Income from local non-farm sources accounted for more than double the income from agriculture (30.4%). The participation of rural worker in non-farm economic activities has been steadily rising, both in Bihar and for the Country as a whole.

Table: Non-farm Workers In Bihar

Year	Total non-farm workers in Bihar (In Millions)	Rural workers (% in Bihar)	National average workers (%)
1983	2.7	15.8	19.2
1993-94	3	14.2	21.9
1999-2000	4.1	17.5	24.6
2004-2005	5.8	22.8	27.9
2011-12	8.7	34.3	37.6

Source: - National Sample Survey Office, GOI, New Delhi.

A Brief Profile Of Telhara Village

Telhara is a village in Ekangarsarai block of Nalanda district in Bihar. It is also the site of the Telhara monastery which dates back to 1st century CE. Telhara was the site of a Buddhist monastery in ancient India. It has been mentioned as Teladhaka in the writings of the Chinese traveler Hiuen Tsang, who visited the place in the 7th century CE. A Pala sculpture from the site is present at the Rietbery Museum in Zurich. The Indian Museum in Kolkata houses the Maitreyer and twelve-armed Avalokitevar image from Telhara.

Excavation of Telhara site was started in December 26, 2009, by Nitish Kumar, Chief Minister of Bihar. There were only vague references but recent excavations at the mound suggest that Telhara was indeed an ancient university, older than Nalanda and Vikramshila Universities. Telhara University were found in January 2014 during excavation of a 45-foot high mound. Based on previous findings, archaeologists placed the Telhara University in the Gupta period between fourth and seventh century. But during a recent excavation at Telhara site archaeologists have discovered bricks that were used to lay the ancient university's foundation. Bricks' dimension 42x32x6cm and dates back to first century AD to Kushan Empire. That is strong evidence that the Telhara

University is older than fourth century's Nalanda University and seventh century's Vikramshila University.

According to Census 2011 information the total geographical area of village is 229 hectares. Telhara has a total population of 6,236 peoples, out of which male population is 3,161 while female population is 3,075 thus the average sex ratio of Telhara is 973 and child sex ratio is 963. Literacy rate of Telhara village is 72.9% out of which 82.9% males and 62.61% females are literate. There are about 1,075 houses in Telhara village. Schedule Caste constitutes 11.45% of total population in Telhara village.

Work Profile

In Telhara village, out of total population 1,888 were engaged in work activities 82.4% of workers describe their work as main work (Employment or Earning more than 6 months) while 17.6% were involved in marginal activity providing livelihood for less than 6 months of 1,888 workers engaged in main work, 319 were cultivations (Owner or Co-owner) while 379 were Agricultural labours.

Workers	Total	Male	Female
Main Workers	1,555	1,323	232
Cultivators	319	246	73
Agriculture laborers	379	299	80
Household Industries	50	48	2
Other Workers	807	730	77
Marginal Workers	333	126	207
Non-working	4,348	1,712	2,636

Source: - Census of India, 2011

Data Analysis Of Field Report Of Telhara Village

Responses received on the account of field survey from different parts of the village Telhara has been presented and analyzed in different table, map and graphs as given below:

In the given table, informations regarding distribution of non-farm sector in different age group of selected 30 samples of the village. Age group has been arranged in the table as below 25 years, between 26-40 years, 41-60 years and above 60 years.

Distribution Of Non-Farm Sector In Different Age Group

	Age Group				
	Below 25	26-40	41-60	Above 60	Total
Number	3	13	9	5	30
Percentage	10	43.3	30	16.7	100

Source- Compiled by researcher on basis of field survey, 2022

In above table, 3 unit holders were in the age group of below 25 years, 13 between 26-40, 9 between the age of 41-60 and 5 above 60 years of age. In percentage wise 10 % of the unit holders were below 25 years of age, 43.3% between 26-40, 30 % between 41-60 years and 16.7 % above 60 years. 26-40 age group have got maximum number than other age group followed by 41-60 age group.

Gender Wise Distribution Of Those Engaged In RNF's

	Gender			
	Male	Female	Other	Total
Number	27	3	0	30
Percentage	90	10	0	100

Source- Compiled by researcher on basis of field survey, 2022

By doing this field survey, we found exact number of males, and female engaged in RNFS. Above table shows that the number of males is more than female in Telhara village of Ekangarsarai block of Nalanda district. The participations of females (3) were minimal as compared to male (27) on the basis of the survey in different parts of Telhara village.

The study of different categories (Caste Wise) participated in RNFS activities which have been shown below.

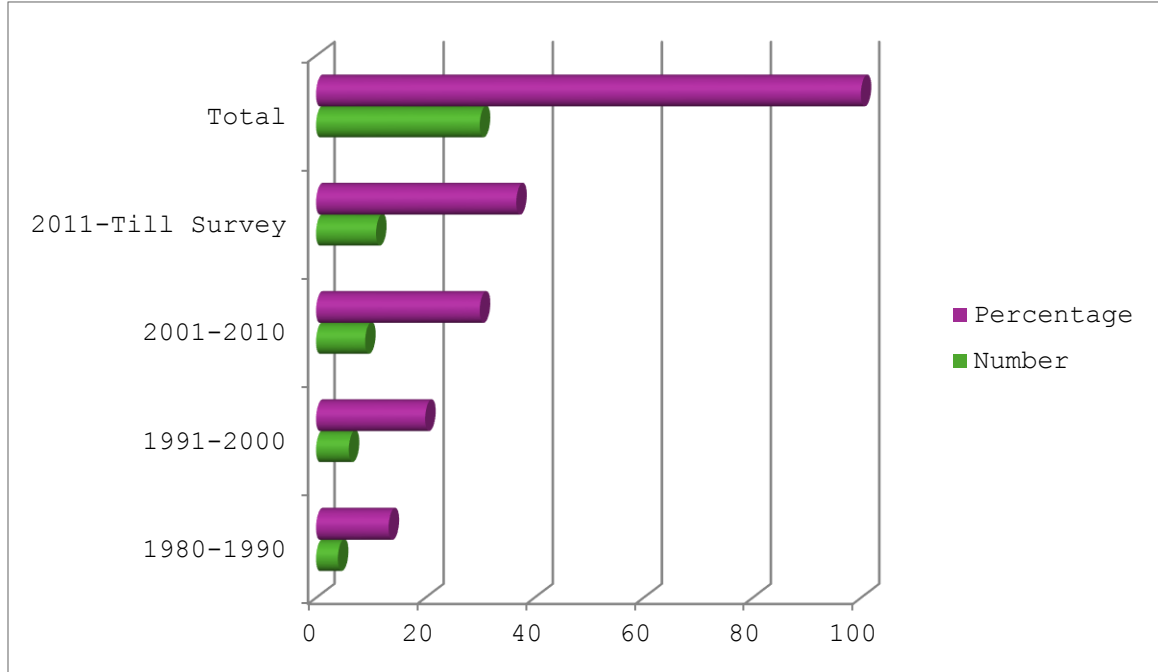
Distribution Of Non-Farm Sector In Different Category

	Category				
	General	OBC	SC/ST	OTHERS	Total
Number	9	15	6	0	30
Percentage	30	50	20	0	100

Source- Compiled by researcher on basis of field survey, 2022

After analyzing abovetable, we found that the category of OBC is the most dominant than the other castes who are involved in RNFS in this study area.

In this study, 30 samples were collected from different area of Telhara village of Ekangarsarai block of Nalanda district. Respondents possessed establishment of non-farm units in different years as found in the survey.



Source- Compiled by researcher on basis of field survey, 2022.

Above figure suggests details about the year of establishment of RNF units in different area of Telhara village. In this village, 4 units of RNFS were established between 1980-90, 6 units between 1991-2000, 9 units between 2001-2010 and 11 units since till survey. India is primarily an agricultural country. It is known for its agrarian economy. Here, most of the people are directly and indirectly connected with agriculture. However, the agriculture sector has not developed at the same rate as other sectors. In such a situation, the non-farm sector has been promoted as a support to the people associated with the agriculture sector.

Engaged In Farm As Well As Non-Farm Activities And Non-Farm Activities

	Farm and Non-Farm	Only Non-Farm	Total
Number	24	6	30
Percentage	80	20	100

Source- Compiled by researcher on basis of field survey, 2022.

In the study, attempt was made whether non-farming activities were done side by side farming activities. In Telhara village, 24 of the respondents were engaged in non-farm activities along with farming activities whereas 6 solely depended on non-farm activities.

Field Result

On the basis of survey done in the area of study, we can conclude that males outnumbered females in RNF activities, male being 27 and female being 3 from among the persons engaged in RNFS. Age wise distribution of the target group from the different area of Telhara village 3 persons engaged in RNFS were found below 25 years of age, 13 persons in the age group of 26-40 years, 9 between 41-60 years and 5 above 60 years.

Again, out of total sample, 50 % respondents belonged to OBC community followed by 30 % General community. 20 % respondents were found belonging to SC/ST. The proportion of Scheduled Caste and Scheduled Tribe was found minimum compared to General and OBC communities.

Next, it was found that 20 % of the target group were only engaged in non-farm sector. Majority 80 % of the total respondents reported that they engaged in non-farm sector as well as farm sector. We can conclude from the survey that above 90 % RNFS has been established after LPG. 36.7 % respondents reported that they establish or engaged in RNF units after 2010. In this village, most of respondents reported that they were engaged in traditional work activities. The traditional products were manufactured more and more by OBC and Scheduled Caste category in target group from village Telhara.

In this study, the analysis has been done to find out the proportion of persons engaged in different vocation prior to joining or establishing RNF units in Telhara village. This analysis indicated that most of the people who used to do farming earlier have newly joined non-farm sector.

On the basis of surveys done in the area of study, 98 % respondents admitted that there has been a positive change in their income after entering RNF units whereas 2 % respondents believe that there has been no any change.

Major Findings Of The Study

- Growth of RNFS has provided other options to earn besides agriculture.
- RNFS provides cash income and increase its saving capacity.
- A planned strategy of RNFS has reduced the migration.
- RNFS help in enhancing the level of income in the rural areas.
- RNFS help in improving the standard of living of the rural masses.

Conclusion

Understanding and paying attention to all the aspects of a forecited we can conclude that for the development of rural India, the development of non-farm sector is most important. This sector leads to the construction of new India and also gives valuable contribution in all social abnormalities like unemployment and poverty.

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