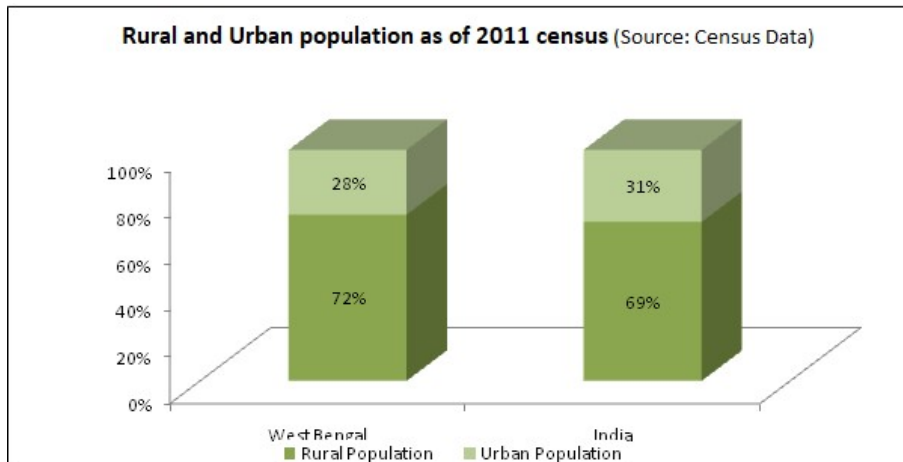


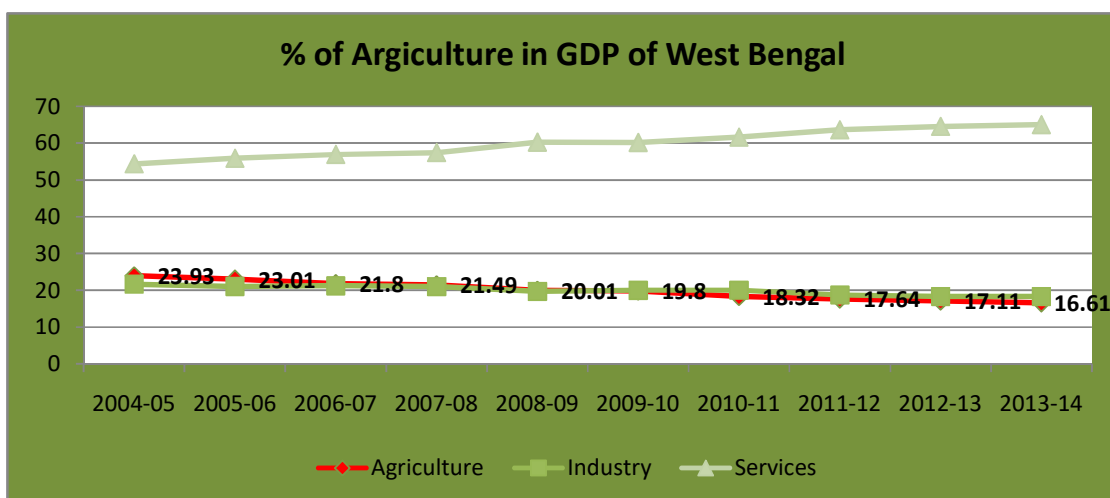
West Bengal Overview: An introduction to “Gram Bangla”

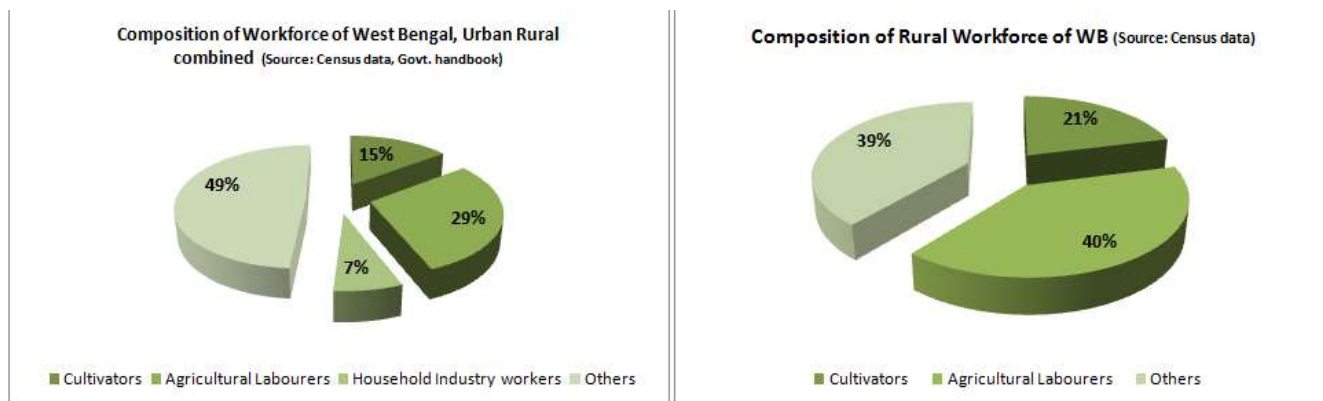
West Bengal, the gateway to Eastern India, is the 6th largest GDP contributor of India (with a GDP of Rs. 10.49 Lakh crore) and is home to 9.1 crore population (4th in India). It is the second most densely populated state of India. The importance of Rural Bengal is accentuated by the fact that, amongst the 9.1 crore population of West Bengal 6.6 crore is Rural Population.



The higher than national-average rural population of West Bengal calls for a closer look in order to understand their dynamics. Now, when we try to define the rural dynamics or discuss “*Rural Connect*”, it is a

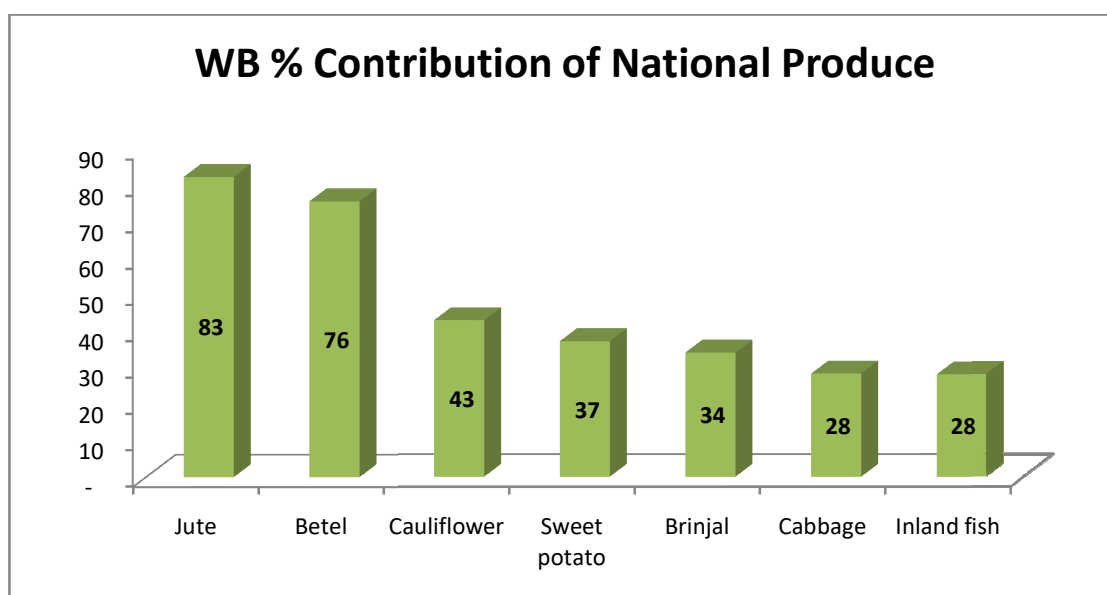
wide canvas having many aspects and perspectives. However, for the purpose of this paper, we will consider the two critical aspects, namely the source of Income of Rural West Bengal and their consumption pattern. Despite the changes in the socio economic landscape of India, and the consequent changes in that of Rural India, Agriculture is still the single largest employment generator there, and a significant employer even if the workforce of entire West Bengal is considered, although the contribution of Agriculture is declining as % of GDP. Out of the total rural workforce of 2.53 crores, the number of Cultivators and Agricultural Labourers are 1.53 crores. Thereby, we shall start with a deeper discussion on Agriculture.





Agriculture Scenario of West Bengal: Trends and Patterns

West Bengal occupies nearly 3% of India's productive land, and produces more than 8% of India's food. The crops for which West Bengal is the largest/one of the largest producer in the national scenario are as under:

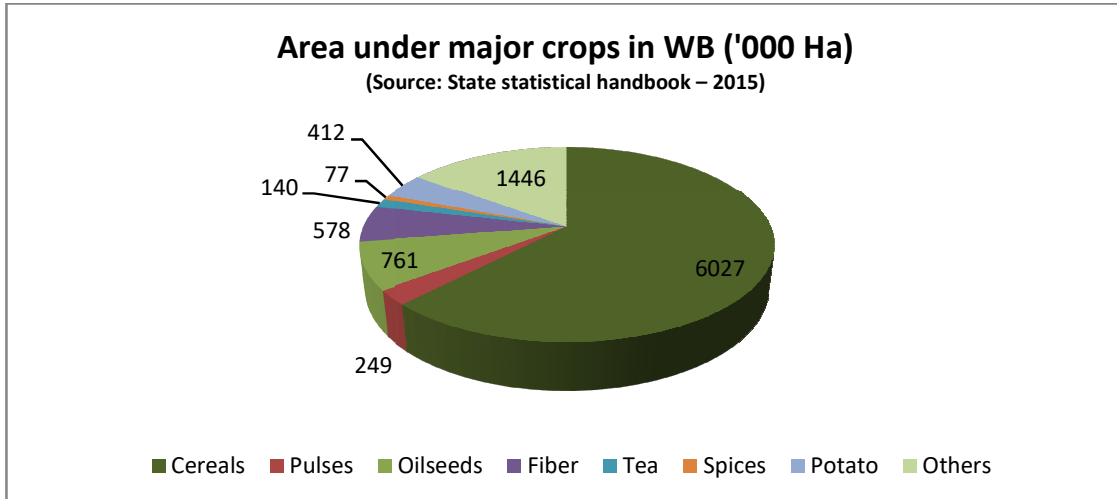


However, this doesn't imply that these crops occupy majority of area sown in West Bengal, the key statistics of the area sown in of West Bengal are as follows:

No. of Cultivators	51.17	Lks
No. of Ag. Labourers	101.89	Lks
Net Area Sown	5238	000 Ha
Gross Cropped Ar.	9690	000 Ha
% of Irrigated Area	54%	
Cropping Intensity	1.85	

(Source: State statistical handbook – 2015)

Though there are some records showing the total number of Farming Households to be about 71.30 lakh, the number of active owner cultivators as of 2011 census was 51.17 lakhs.

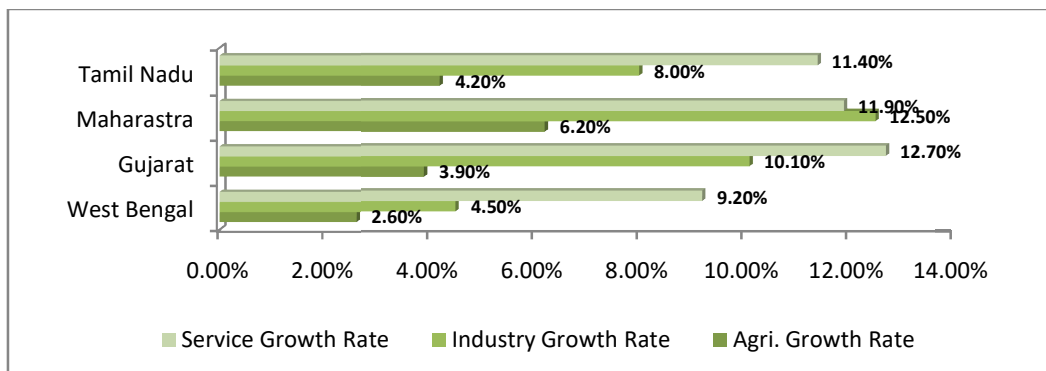


The agriculture sector of West Bengal is dominated by small and marginal farmers, and the small farm sizes have had both its advantages and disadvantages. On one hand, the smaller land holding sizes have been historically prohibitive for purchase of large farm equipments. On the other hand, West Bengal has historically done very well in crops where a lot of manual intervention is required, and the scope of mechanization is minimal, like betel vine, Brinjal etc to name a few.

Agriculture used to be the key growth driver in the late 90's. West Bengal had a record agriculture growth rate of 6.8% in the 8th Five Year Plan, nearly double than that of other major states. However, in the 9th Five Year it fell sharply to 2.4%, and increased only marginally to 2.6% in the 10th Five year Plan. A PwC Report indicates that the State Government's policy during the 9th 5 year plan to promote industry at cost of agriculture was the causal factor for this shift.

It is noteworthy though that during the period, the drive for industrialization too did not accelerate growth to comparable levels of that of other major states. In that duration, only the growth of service sector was comparable to, though lower than, that of other major states.

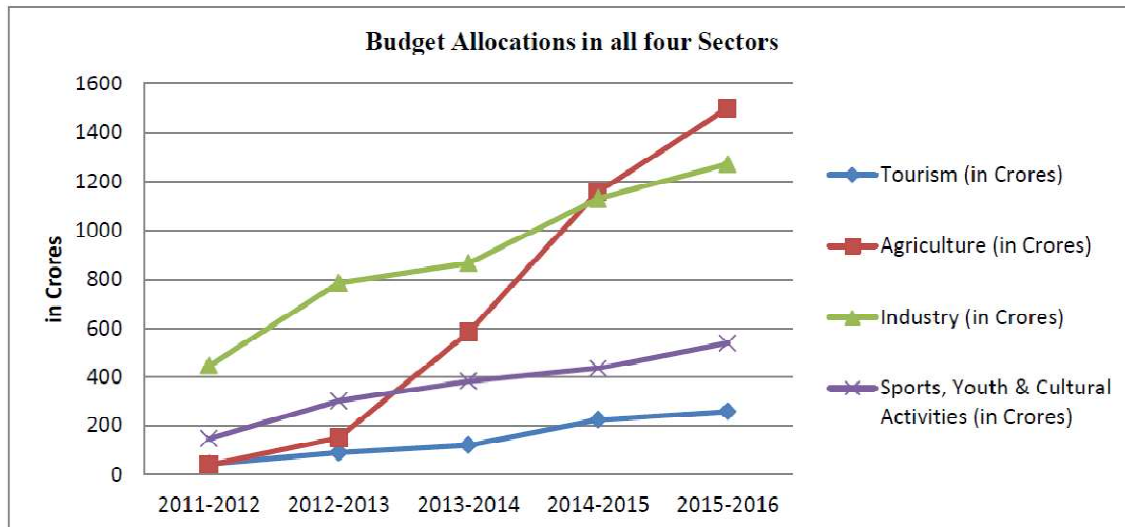
2005-10 Growth Rate of Various sectors of major states (Source: PwC Report:)



Thereby, despite a shift in policy the prominence of Rural Bengal still prevailed; and villages and the dominance of agrarian economy was only marginally reduced in comparison to that of other major states.

However, the focus of policy shifted back to Agriculture since 2011-12. If the Government expenditure alone is looked upon, it would be evident from the fact the Agricultural Expenditure of the Government has gone up from a paltry sum of Rs. 40 crores in 2011-12 to Rs. 1500 crores in

2015-16. The impetus to Agriculture since 2011-12 has been holistic, with equal emphasis on all the aspects viz. infrastructure building, financial inclusion and technological enabling.



Source: Available from the Budget Speeches from 2011-2016 at www.wbfin.nic.in

As of today, the expenditure on Rural Development of West Bengal is higher than many other states, although there is a scope for improvement on Capital Expenditure component of Rural Development in West Bengal. Below is an excerpt from NABARD annual report comparing various states on Rural Infrastructure spending.

Budgetary Estimates in Select States' Expenditure for Rural Development – Capital Expenditure 2017–18 (Revised Estimates) (Amount in ₹ crore)

State	Total State Budget	Revenue+ Capital Expenditure (Rural Development)	Capital Expenditure (Rural Development)	Share (%) of Capital Expenditure to Total Expenditure (Rural Development) (Col. 4 as % of Col. 3)	Share (%) of Expenditure on Rural Development to Total State Budget (Col. 3 as % of Col. 2)
(1)	(2)	(3)	(4)	(5)	(6)
Andhra Pradesh	1,59,822	8,837	879	10.0	5.5
Assam	99,454	7,137	1,280	17.9	7.2
Bihar	1,72,884	22,249	9,335	42.0	12.9
Chhattisgarh	78,623	4,406	669	15.2	5.6
Gujarat	1,67,611	5,030	1,232	24.5	3.0
Jharkhand	76,044	9,688	2,085	21.5	12.7
Karnataka	1,76,880	7,950	1,042	13.1	4.5
Kerala	1,11,351	2,280	490	21.5	2.0
Madhya Pradesh	1,64,295	9,895	2,285	23.1	6.0
Maharashtra	3,23,652	12,216	1,586	13.0	3.8
Odisha	1,07,235	8,357	149	1.8	7.8
Punjab	1,12,797	689	166	24.1	0.9
Rajasthan	1,90,615	20,286	2,354	12.5	10.6
Tamil Nadu	2,05,442	6,265	1,604	25.6	3.2
Telangana	1,42,506	6,777	4,507	66.5	4.8
Uttar Pradesh	3,68,401	22,403	4,261	19.0	6.1
West Bengal	1,85,998	19,930	2,176	10.9	10.7

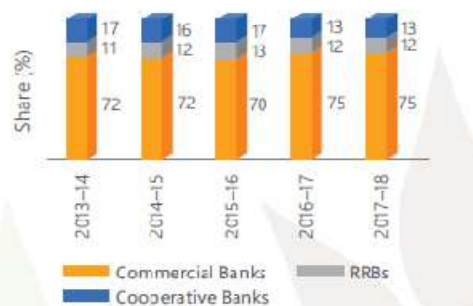
Rural Development, Rural Financing and NABARD

In the financial enablement, the role of NABARD has been Pivotal. The Rural Infrastructure and Development Fund (RIDF) is a fund set up by Govt. of India to fund the state government and state owned corporations to undertake and execute rural infrastructure projects. The fund is maintained by NABARD, and it provides loans to state government to execute these projects. During the current year, the cumulative funding by NABARD to RIDF in West Bengal is Rs. 1,172.16 crore. The major activities undertaken by RIDF are:

- Irrigation projects
- Flood protection projects
- Rural Bridge and Road development

The main route of funding by NABARD is that provides funding at farm level is by intermediaries. The flow of funds by NABARD to the Central Co-operative Banks (CCBs) and Regional Rural Banks (RRBs) is a lifeline to the Agrarian community of Rural Bengal. Given that West Bengal is dominated by small and marginal farmers, the capital formation and accumulation is an impediment. The flow of funds

Figure 1.9 Agency-wise Share (%) of Credit Flow to Agriculture



Source: NABARD (as reported by banks) (2017-18 figures are provisional)

via NABARD to CCB/RRB and in turn from CCB/RRB to the farmer has been a game changer. Although the commercial banks have been the major provider on a national scale, a large number of small and marginal farmers still depend on the CCBs and RRBs for their credit line. Hence, this part is very important for the Bengal scenario. Apart from this main route NABARD has in the last decade directly funded/ sponsored many innovative schemes, models and start ups in the Agri domain, although it is a very small part of their scope. Many paradigm shifting ideas have been executed and flourishing owing to the seed funding of NABARD, and the results are gradually being visible.

In order to understand better the financing of the most important occupation of Rural Bengal, i.e.

	2001	2015
Rural Branch		
Deposits RB '000 Cr	2277	3124
Advances RB '000 Cr	11.5	91.57
	2.6	21.22
Semi Urban Branch		
Deposits SU '000 Cr	563	1191
Advances SU '000 Cr	9.12	64.72
	1.56	13.55
Total Branches		
Deposit Tot. '000 Cr	4430	7487
Advances Tot. '000 Cr	72.1	579.31
	32.13	320.06

Source: Govt. handbook

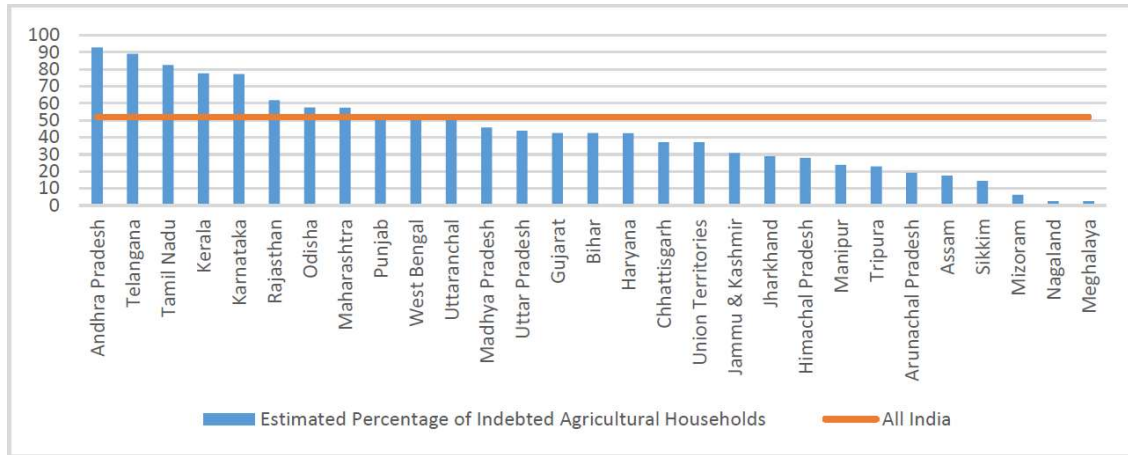
Agriculture, we need to look at the banking infrastructure of rural Bengal. For the end user, i.e. the farmer/ cultivator actually receive his/her line of credit through a bank in his/her locality.

As is evident from the table, rural branches and Semi Urban branches have grown significantly in the period of 2001-2015, and so has the assets under management from the rural and semi urban branches. However, the advances from the rural and semi urban branches as a percentage of deposits are still way

lower than that of urban branches.

As discussed before, the funding of Agriculture is done by both commercial banks, and NABARD through RRBs and CCBs. However, the farmer gets the disbursement through Kisan Credit Card

(KCC). The KCC scheme, originally conceptualized by NABARD and initiated in 1998, has undergone many modifications in the last 20 years and has achieved great success. In terms of penetration of Agri loans in West Bengal, as per a 2015 RBI report, the agricultural credit reaches about 50% farming households in West Bengal, close to the national average.



In summary, it could be said that in the recent years, financial inclusion and funding of agriculture has gathered momentum in the recent years. However, agriculture being a vagarious business by its very nature, the repayment of Agri loans has always been a concern, and the systematic risks have been addressed by various means like insurance etc. On a related topic, the frequent claims for farm loan waiver by various political and other groups have adversely impacted the repayment of farm loans. Given that loan is a very important source of fund in this business of slow capital formation, it is arguable that claims like farm loan waiver could be far more judiciously used for the greater good of the society.

Technological enablers Agriculture:

As discussed earlier, since the 9th Five year plan, the focus of both the state and central government has been a holistic development of agriculture, and unlike previous plans they did not stop with just the subsidies and infrastructure development. As we have seen in the prior section, financial enabling was one key aspect. The second most important aspect has been technological intervention.

The focus of the technological intervention has been to help the last mile farmer in improving his practises. Some important steps in this direction have been:

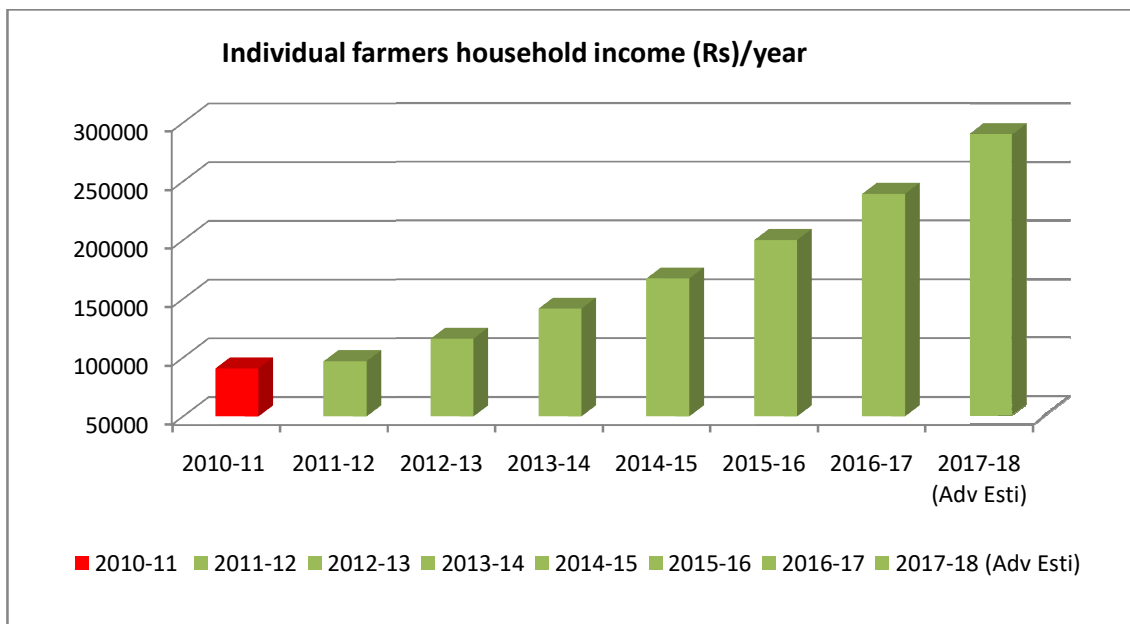
- Crop Insurance:** This is a techno-financial way of addressing the systemic risk of cultivation. Crop insurance schemes in various forms have been discussed since independence, and various models are being tried. This is an evolving field, and under the ambit of Pradhan Mantri Fasal Bima Yojana (PMFBY), West Bengal is the only state where the premium for field crops on the farmer's end was fully subsidised. Now, in order to further improve the services of Crop Insurance and ease the process of registration etc., the state government has moved out of PMFBY regime, and have launched its own scheme. West Bengal still remains the only state where the premium is fully subsidized, fully by state government under the new regime.
- Soil Health Card:** The aim of this scheme is to provide a detailed report on each farmer's soil type, and recommendations based on his crop cycle. This would help the farmer get better yields by incorporating the corrective measures required for his/her soil. Although initiated in

2007, the scheme really gathered steam when cloud based platform was introduced, and from satellite mapping of soil mapping of soil to card generation was automated in 2015. Since then, more than 40 lakh health cards have been distributed. The scheme is still ongoing with many new farms being included by the day.

- Farmer Help Line:** To provide assistance in aspects of crop protection, yield improvement etc. The traditional system of Govt. appointed extension workers still exists, but given the vast geographical area their coverage at the exact time of need becomes limited. Thus this call centre helps the farmer identify the pest/ disease on farm gate level, so that it can be addressed in time. More than 2 lakh queries have been serviced using this route.
- Farm Mechanization and custom hiring centre (CHC):** As discussed before, the biggest impediment in adoption of larger farm machineries is the small holding size. With these small holding sizes, despite there being subsidy on the purchase price, larger machineries become unviable even on an operational level for the individual farmers. To address this issue, the concept of CHC is being implemented, although it is at a nascent stage right now. A CHC would be a village level entity who will buy the farm machineries, and in turn would lease it to the individual small and marginal farmers, for whom owning the machinery is operationally unviable. This could one hand create employment at village level, on the other hand improve the yield at farm level by implementation of mechanization. In 2018, the process for application for purchasing farm machinery and availing subsidy has been automated.

Conclusion and Learning:

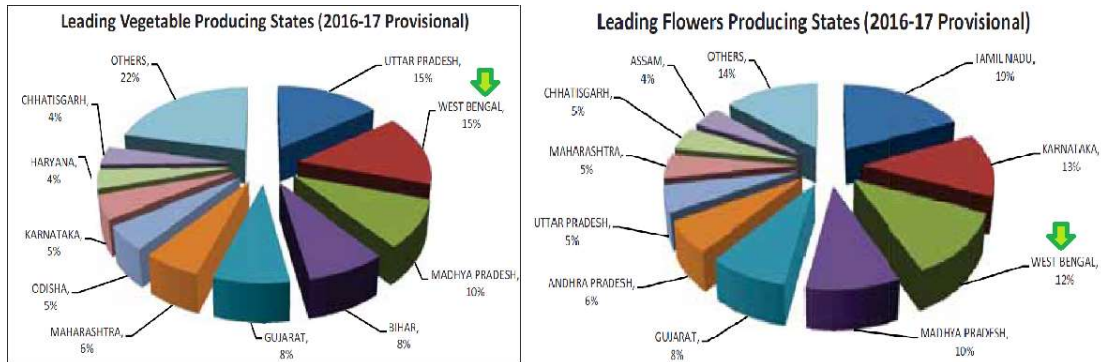
For the single largest employment generator in the rural sector, it can be said that after some incoherent policy and decisions, the activities are on the right track now to amend for the lag in growth. The results of these interventions are visible in the increasing farm income for the farming families of West Bengal from 2010-11 till date.



The recent trends which are likely to affect the future growth of Agriculture are:

- The concern for market and Sufal Bangla:** Though yield is a concern, in present

the government support infrastructure is for food grains, the production of alternative crops like Vegetables (one of the highest producer of India now), Flowers (a leading producer of India now) etc. has steadily risen in West Bengal. It is this concern that has driven many progressive farmers to start cultivation of medicinal crops, tobacco and other narcotic crops, and other cash crops which are not sold in the general market. This niche market offers them a more secure return.



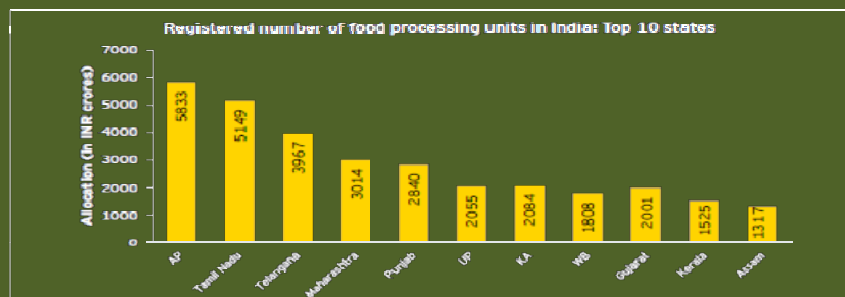
Source: Govt. Horticulture Handbook 2017

West Bengal government’s Sufal Bangla is a very good farm to market initiative in this direction. Since its inception in October 2014, when it helped connect Singur vegetable producers to Kolkata’s consumers, the project has been a great success. On one hand the producers got much better returns on their produces, on the other hand the consumers got fresh produce at a reasonable rate. As of July 2017, Sufal Bangla operated 34 retail outlets directly, and 7 more by franchisee. More such innovative linkage platforms would go far in helping the producers.

- **Post harvest technology:** With Horticulture gaining prominence, and as such post food processing is growing concern. In that segment, there is yet a lot of scope of improvement for West Bengal. As we can see from the adjoining excerpt from an E&Y report, West Bengal’s no. of food processing unit is far from being commensurate to its production status, and in Government spending West Bengal doesn’t rank in the top 10 states in regard to spending under national mission on food processing.

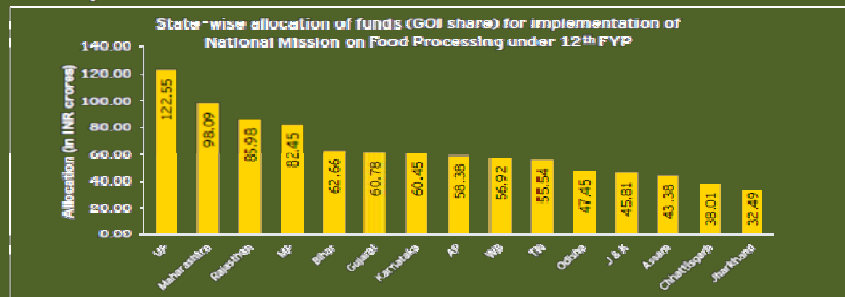
According to Annual survey of Industries⁸⁷ (ASI), the total number of registered food processing factories in the country is 37,173, with fixed capital of nearly USD4 billion and aggregate output of around USD 114 billion. Andhra accounts for 23% of the total registered food processing units followed by Tamil Nadu (14%), Telangana (10%), Maharashtra (8%) and Punjab (7.5%). Major industries constituting food processing sector are grains, sugar, edible oils, beverages and dairy products.

Figure 10: Registered no. of food processing industries in India 18

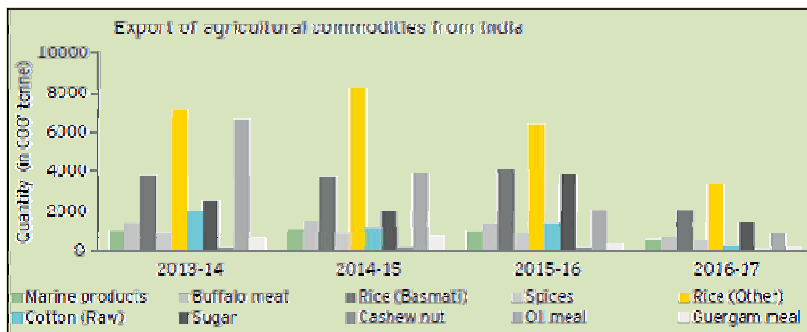


As per MOFPI, the statewide allocation of funds (GOI share for implementation of NMFP is indicated below). Under this, the state governments have been empowered to receive, sanction and release funds for all the new applications as per the 12th plan guidelines of Technology Upgradation Scheme of Mission. The eligible sectors for setting up of food processing units are consumers, bakery, dairy, fish, wine and beer, fruits and vegetables, meat, oil, pulses, rice and flour milling under the Scheme.

Figure 11: State-wise allocation of funds (GOI Share) for implementation of National Mission on Food Processing under 12th FYP



- Declining Exports:** The export from core agriculture sector has declined from 43.23 Billion \$ in 2013-14 to 33.87 Billion \$ in 2016-17, however the imports rose from 15.03 Billion \$ to 25.09 Billion \$ in the same duration. This lost market of exports has affected all major states, including West Bengal. The advance estimate of 2018 shows some upswing in the export trends.



The data from E&Y Report shows that among the major export items from India, Rice has always been the key item. Bengal being one of the leading producers of rice, any loss in markets there is a blow to the West Bengal’s agricultural economy.

Non Agricultural Income in Rural Bengal

After delving into the most important source of rural income, i.e. agriculture, we need to look at other most impacting sources of income in rural West Bengal. The importance of non farm income at a national level was accentuated when the National Rural Employment Guarantee Act (the erstwhile NREGA) was passed in 2005. The act has undergone several modifications and later renamed Mahatma Gandhi National Rural Employment Guarantee Act (the present MGNREGA) in 2009. However, the crux of the act has remains the same that it guarantees a minimum of 100 days work to rural workforce, and the vast scope of its coverage demonstrates the importance both state and national governments bestow on enhancing non farm income at village level.

State	Work Days (Cr.)	Fund Spent (Cr.)
West Bengal	28.21	7335.31
Tamil Nadu	22.17	5981.75
Andhra Pradesh	18.16	5045.17

Source: The Hindu article

This scheme is noteworthy for rural Bengal for two reasons. The first is that the projects under MGNREGA provide a very stable employment opportunity for the women of unskilled labourer. The second reason is that as of 2017-18, West Bengal has been the highest job creator in MGNREGA scheme (table aside), and has been one of the top job creators for last few years.

Besides job creation through MGNREGA, there is an ongoing initiative from the state government to enhance the marketability of hand crafts, arts, and other small scale rural industries. Under the brand of “*Bishwa Bangla*” the Govt. has successfully unified to a great extent the hitherto scattered arts and crafts of West Bengal. As per the state Government’s data, the hubs that are being tried to be developed are shown here.

Other than these hubs, and the government data in this regard, data regarding the scattered major non agricultural products are very difficult to obtain from one source. Nevertheless, from the

belts are as below. This list however is in no way exhaustive, given the parsimony of information available regarding them, and we are in no position to quantify any of these.

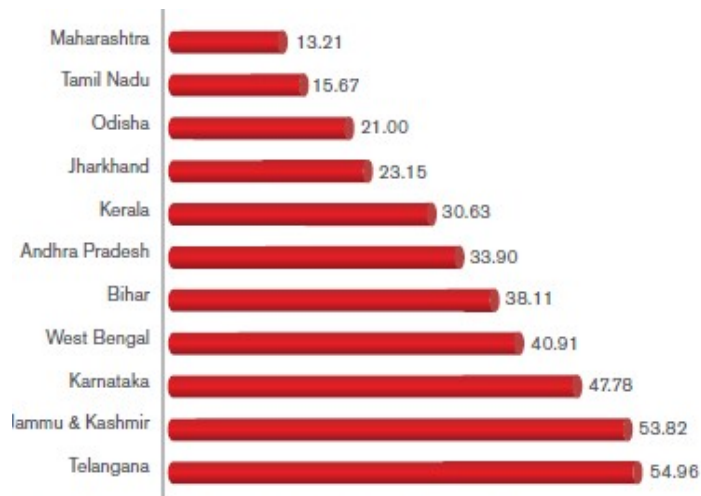
- Textile belt of Fulia (Nadia) and Mushidabad:** The village level textile houses of these two places and the adjoining districts around have already made a name for them in the national market, and the trade of these textiles (mainly sarees) has created a lot of employment and local level economic impact.
- Terracotta work of Bishnupur and Nadia:** Although large items of clay terracotta are most well known from these regions, there are numerous small home based workshops in many places that make and distribute these products. Although, unlike textile, a spectacular local level impact of this craft and trade is not seen in any one place; the cumulative level impact would probably be comparable when we consider the state as a whole.
- Jewellery and Metal Work:** There are various hubs of jewellery and metal work scattered throughout West Bengal, and the workers of Maldah District are famed for their skills in this craft. However, due to lack of capital investment by private jewellery houses in this state, a lot of them migrate to other state.
- Human Hair based products:** This craft is localized in a few blocks of Murshidabad, Medinipur, and Howrah. The final destination of this trade is almost exclusively export market; however a major part of West Bengal's produce is sold to export market intermediaries. This is one of the biggest exports from India's non Agri unorganized sector, and South India leads in this export. There is almost no Government data in this trade, however it might be presumed that West Bengal is a close third after Tamil Nadu, and Andhra Pradesh in this trade. The unarguable fact is that this trade has created tremendous wealth in the very specific localized belts.



Self Help Groups and Micro Finance in West Bengal: Even though a detailed discussion on Self Help Groups (SHG) is beyond the scope of this paper, it is imperative to briefly discuss it given the importance of SHG and Micro Finance in context of Rural Employment. The Govt. of West Bengal has recently launched a 700 crore project aiming at bringing 50 lakh rural women under its purview.

West Bengal has about 5 lakh registered SHG; however majority of them are women from BPL

family. These SHG create savings, and receive loans and social assistance like health and life insurance etc. These groups receive funds through various Micro Finance Institutions (MFI), and they in turn are funded by NABARD. Some large commercial banks have also ventured into the Micro Finance area, but unlike crop loan, Micro Financing directly by large commercial banks is a comparatively new phenomenon. West Bengal has one of the leading percentages of it's registered MFI's availing bank loans (Chart adjoining)

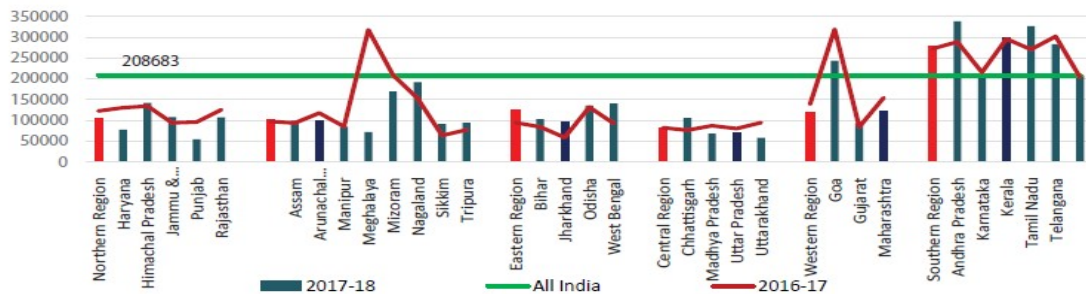


The leading states of India in % of MFI availing Bank Loan
(Source: NABARD Report)

adjoining)

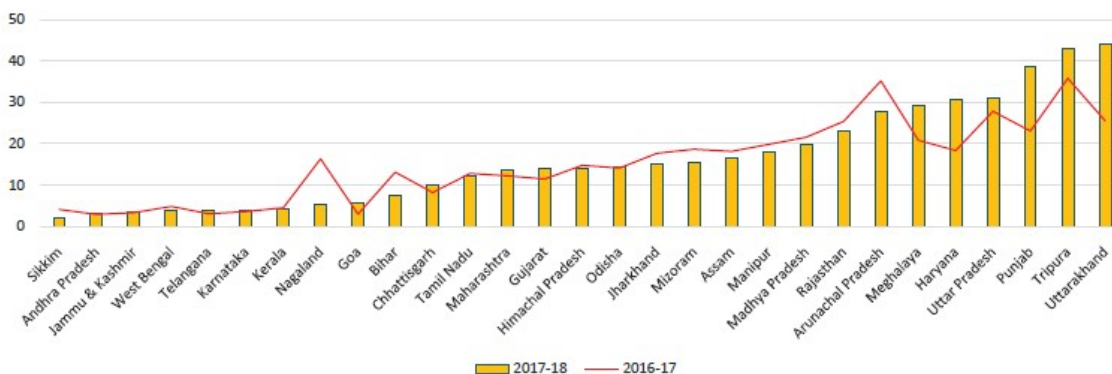
However the average size of loan to each SHG is quite small compared to that of the national scenario.

State wise and Region wise Average Loan Disbursement in 2017-18 and 2016-17 (per SHG) Source: NABARD Report



The NPA % of MFI loans in West Bengal is also one of the lowest in the entire nation.

State-wise NPA in Bank Loans to SHGs (%) Source: NABARD Report



Conclusion: The non farm income of West Bengal is mostly scattered and diverse, and the total potential is yet to be achieved. However, the impetus from MGNREGA, the efforts of organizing various rural products and crafts are some impacting steps in the right direction. The impact of these steps is difficult to enumerate, owing to the parsimony of data. However, it is imperative that these steps will soon start showing results. As far as financing the rural sector is concerned, Micro Finance is doing a decent work in that direction, particularly in the non-farm sector. Some clear policy initiatives in inciting rural industrialization, in food processing or other sector would be a welcome initiative.

Consumption Pattern of Rural India

Now that we have looked upon the main employment and income generators of rural Bengal, we will take a closer look at their expenditure pattern, more importantly the consumption pattern. As per NSSO data over the years, it is evident that the part of income spend on food expenses have been reducing in both Rural and Urban sectors. In rural areas the % of expenses on food still remains higher than that of urban areas, which is as expected given the lower per capita income in rural areas and the inelastic nature of food expenses.

Figure 3: Composition of consumption expenditure of Urban households

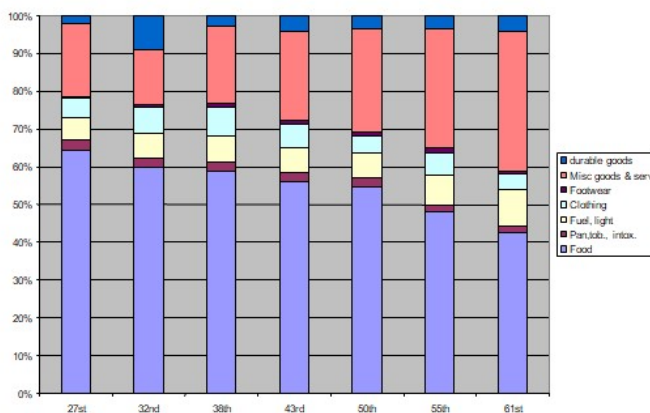
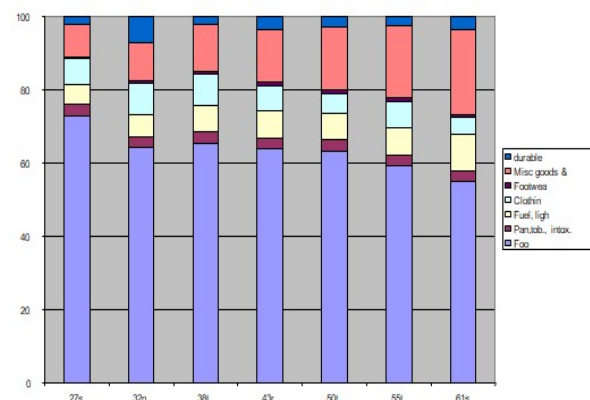


Figure 4: Composition of consumption expenditure of Rural households

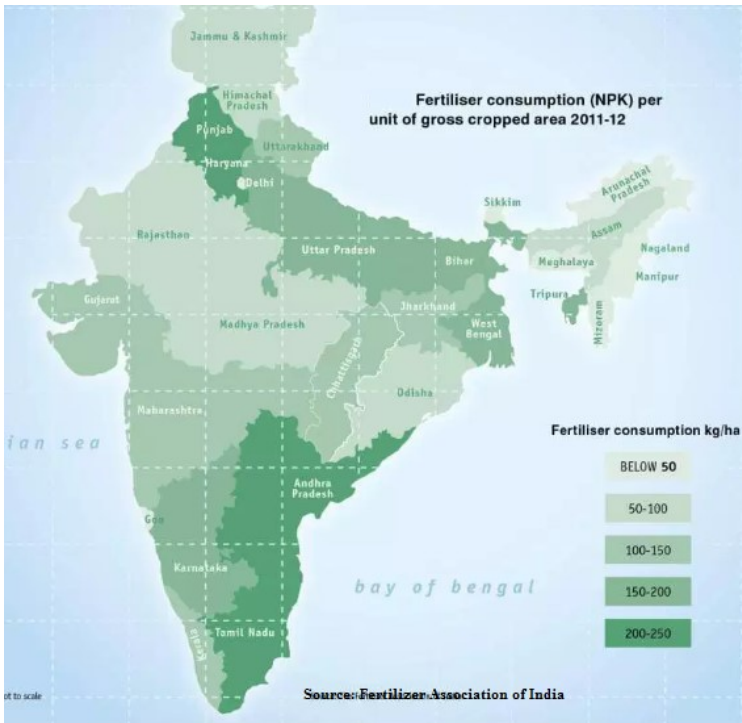


(Source: NSSO Data compilation by ISI Delhi Research Paper)

A detailed study of expenses of food products for both the rural and urban parts might be a good perspective and give some good insights; however for the purpose of this paper we will be looking more into the other non food expenses.

Agricultural Inputs: As we have seen Agriculture is a major source of income, the commensurate consumption of Agri inputs is also equally important for the rural Bengal's eco system. The market of Agri Inputs has two major categories, namely fertilizers and agro chemicals. There are other smaller segments of the market, but on a macro level we will be looking into these two segments.

Fertilizers: Per Hectare Fertilizer consumption in West Bengal is not the highest in India, but one of the Highest. The total consumption of fertilizer in West Bengal is as shown based on data retrieved from fertilizer association of India, and the fertilizer consumption of West Bengal is about



5.5 % of that of India however the total sales price of Fertilizer in West Bengal is not calculated here for the intricate accounts of government subsidies involved in that.

Agro Chemicals: The second important segment of Agri Inputs is agro chemicals, which comprises of all the plant protection chemicals like pesticides, fungicides etc. The total domestic market for Agro chemicals is projected to be 3.3 Billion USD, and in proportion of fertilizer market share, West Bengal contributes about 5% of the market (Source: Religare Report, CII Report). Thereby the market size of Agri Chemicals in West Bengal is about 165 Million USD, i.e. about Rs. 2,000 crores considering an approximate Rs. 400 crores additional contribution from tea gardens. It is interesting to note that though West Bengal contributes more than 6% of the national agricultural output, the agri input consumption in proportion is only 5%.

Below is the statistics on Agrochemical market size from Religare Research Report.

Consumption of Fertilizer in West bengal ('000 tonnes)

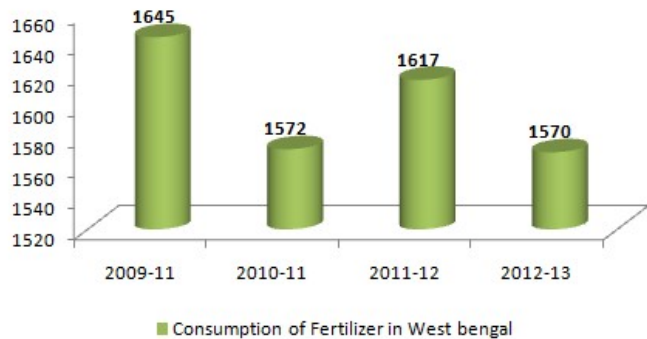


Figure 8: Indian Crop Protection Market (USD Billion)

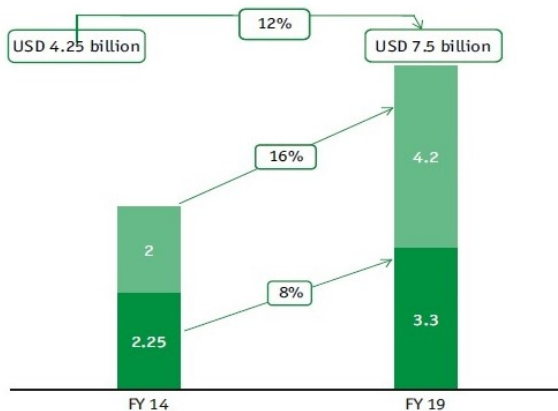
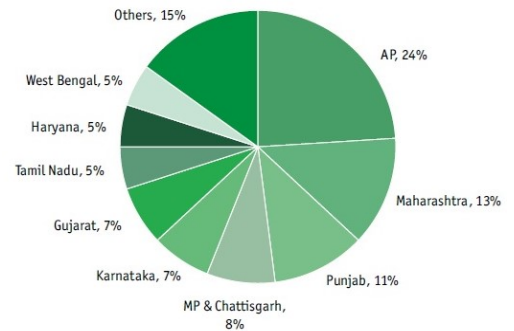


Figure 13: State wise agrochemical consumption



Source: Industry reports, Analysis by Tata Strategic

Consumables and Consumer Durables: After the study of Agri Input market, we will take a look at the general non-food consumption market of Rural Bengal. In this section, we would try to make an educated guess about the total market size of Rural Bengal. There could be many ways to arrive at this figure, and a great degree of divergence is expected in various approaches, given the wide scope of the definition, and the scope of ambiguity therein. However, the approach we would like to take is as follows:

	Statistic	Source/ Explanation
Per capita Income of WB	1,08,372	Wiki, IMF
Less Savings/Investment	16.3%	Study of Devendra Pant quoted by ET
Discretionary Expenditure	90,707	(Per capita income less savings)
Non Food Expenditure	30%	Rural (ISI Delhi Paper)
Non Food Expenditure	43%	Urban (ISI Delhi Paper)
Non Food Expenditure	33.64%	Weighted Average
Discretionary Expenditure per capita	30,515.19	In Rs.
Total Expenditure estimated at	2,78,750.17	Rs Crores (per capita x total population)

The distinction of this expenditure into the rural and urban sector is very difficult from secondary data, as the demarcation of GDP between rural and urban sector is very ambiguous. The only segment that is clear is that the 19% Agricultural contribution of GDP is exclusively from rural sector, the other segments are not very clear. However, it could safely be assumed that nearly half of this expenditure is from rural areas. Thereby, it could be safely assumed that the total discretionary expenditure from rural West Bengal is in excess of Rs. 1 lakh crore per year.

Conclusions and Learning: From this discussion, it is evident that the proverbial “Fortune at the bottom of pyramid” is an actual and happening phenomenon. Many innovative approaches for both selling to this market, and logistically catering to these markets are being tried, and all with good reason. Owing to the growing aspiration of the rural consumers, fuelled by quicker flow of information through television and internet is fuelling this growth, and in the times to come, it should be the fastest growing market segment. This is the main reason that a lot of large corporations are focusing all their attention in this segment to get a part of the pie.

However, having said that, there are still some constraints for operating in this segment. The first and foremost of them being lack of availability of finances in this segment, and consumer durables industry stands to gain the most if financing becomes free flowing in this segment. Some companies, like Eureka Forbes have exploited the SHG route to sell their water purifiers (Aqua Guard) to this segment with great success. This shows the great market potential, if the MFI’s can get to finance consumer durables through their model.

The second important consideration is the last mile logistics, given the vast and at times poorly connected terrains this market comprises of. Some new courier companies are exclusively focusing on these areas to grow their business; however the logistics sector for this market is yet to see some game changing innovative disruption.

Closing notes:

We have approached the topic of “Rural Connect” from one angle. But irrespective of the angle one takes to approach the topic, it would be as important to appreciate that the thrust on increasing the rural income is a cornerstone of all government policies. The increase of income for small businesses, farms and increase of employability for the workers are the key focus areas, and we have seen that many steps are being taken in the right direction. Considering the learning from the existing programmes and their implementation, the following can be said about increasing the impact on the future:

- Skilling alone, without earning potential will have little to no impact, in order to make such programmes successful; skilling has to be done in areas where there is immediate employment opportunity. The focus of any such programmes on large scale has to be complete livelihood enabling, rather than just training.
- Enabling small businesses and industries needs to be addressed with as much importance as that given to skilling. The Govt. of West Bengal has shown good initiatives in easing insurance process for small farmers, or organizing small artisans. If steps like arrangement of easy loans, quicker and easier registrations, possibly some tax reliefs etc. are taken for small businesses and industries of rural sector that would have great impact on uplifting the rural economy.
- On a broader basis, many steps have been taken to improve agriculture and they have already started to show their impact. Now the time has come for more specific measures like crop specific marketing programme, export focussed programme, food processing based programme etc. Some pilots in these areas (like Sufal Bangla etc.) have already demonstrated the scope. Now it is time to scale up those plans, either by Govt. or private parties.
- There are scope of innovative livelihood creation, for example we have seen that the consumption of both Agri Inputs, and other FMCG/CD are still low in Rural Bengal, however both has tremendous upside potential and limited supply. There are scopes for making innovative models to work on either of the two areas.
- The shift to M Governance and rapid adoption of technology has already demonstrated its benefits in the Agriculture sector. Has the time now come to unify the government to end user in identical technological platform for other sectors too?
- SHGs are an important platform to connect to mass of rural population, and the government has already stated its intent to dig even deeper in this platform. On the other hand, very few products and services too have been able to reach to mass using this platform. SHG platform is now ready to be used for many more purposes than it is being used for now. There is scope for both the government and corporate to utilize this platform for variety of other purposes, including but not limited to distribution of products and services, outsourcing activities etc.