



## An evaluation of village economy of Himachal Pradesh India A research paper case study of Ani Tehsil of Distt. Kullu

Dr. Dhan Parkash

Assistant Professor, Department of Commerce, Govt Degree College Ani, Himachal Pradesh, India

### Abstract

Village economy is mostly depended upon agriculture, horticulture, cottage industry, craftsmanship, Business and trade, employment in govt sector and private sectors and Tourism. Per capita income of the village is significant factor which represent the level of advancement and standard of living of the village. In the present research occupation of the population has been studied to know the most significant factor responsible to the Income of the entire region of Ani tehsil. The population under study is divided in different Economic classes living under BPL, APL and Rich class in relation with their respective professional and working skill. Overall the study has good impact to define the most significant contribution of Business and trade in the per capita income of the region.

**Keywords:** Income, govt job, private job, agriculture, skill, economic classes, correlation, chi square test, standard deviation, per capita income

### Introduction

India is a country of village. There are about 70% population living in villages. There was not the economic condition as such it is now. The villages were under developed and backward. There was not even the electricity and water supply in the villages. The population of village was depended upon agriculture and horticulture that was not so developed. There was no other source of employment so far. The mobilization of labor was very nominal that constituted the large share of unemployment in the villages. There was no road connectivity. But, after independence with the economic planning of India the economy of village got a major boost. The present research is a study of village economy of Ani. Ani is a tehsil of district of Kullu in Himachal Pradesh. This is situated in a narrow bay valley which has a good potential of Apple farming and agriculture. There are two mini hydle power projects situated in the valley also.

### Review of Literature

Before conducting the study researcher has studied the geogrphical area of the Ani Tehsil which shows the economic hike in the area that it has become an interesting topic to evaluate the economy of this region. Following are some significant study of review of literature.

K. V. *et al.* 2021 <sup>[1]</sup> A study was conducted on village economy "Village survey study in Andhra Pradesh" in october 2021. The study revealed that Govt schemes are beneficial in the rural area especially in the village economy. 100% of the households were covered under PMKISSAN benefit scheme and housing scheme of the central govt, the coverage of the govt housing scheme was found 60% as per the study. The study revealed that the Govt influence is greater in the development of village economy.

Md Monirul Islam *et al* (2014) <sup>[2]</sup> A study on "Socio-Economic Status of Rural Population: An Income Level Analysis" The study reveals that Education is the most important component to enhance the stander of living and per capita income. the income of household was affected by

different occupatiion while the resopndents was actively engaged in agriculture cultivation.

Yogesh Bhatt (2021) <sup>[3]</sup> A study was conducted on Village Survey Study in Uttarakhand. The study revealed that live stock is one of the major source of income of the marginal farmers. 99% of thge marginal farmers was engaged in live stock farming. above the average marginal farmers engaged in live stock farming was from schedule cast.

### Objective of the study

1. To study the Association of income and occupation of the household
2. To study the income pattern of the household.
3. To know the economic classes of the household.

### Scope of the study

The present research has some specific area for studying employment, income, profession, agriculture, horticulture and economic classes of the households. The Geographical area of the study is Ani tehsil of Outer Seraj of district of kullu Himachal Pradesh.

### Importance of the study

Ani is a young economic region covering A progressive villages in the field of economic development through business and trade, agriculture, horticulture, fisheries and cottage industries. Ani tehsil is known for it's Apple production at business level and some part of it for agriculture. Ani has a gifted scenic beauty for tourism development. It has a beautiful town having police station, hospital, hotels, Taxi, banks, post office and a shopping mall etc. The people have traditional values. There are famous temples of local deities the attraction of Indian religion.

### Hypothes of the Study

1. Income of the region is not Related with occupation of the households.

### Limitations

1. Limited number of villages has been covered from the entire region.

- No secondary data has been used.
- Data is not based on physical verification of Income record of the households.
- Size of the sample is limited.

**Research methodology**

**1. Data collection**

Data of 100 sample is collected through filling pre designed Questionnaire based on available economic resources in the selected villages.

**2. Methods of sampling**

Following method of data has been used.

**2.1 Convenience sampling:** The area of study is selected as per the convenience in data collection.

**2.2 Quota sampling:** Data collection is based on quota sampling. 100 samples have been collected. Fourteen villages have been selected on the convenience of the research. On the second stage the quota has been fixed for the selected fourteen villages.

**2.3 Random sampling:** After fixing the quota, random sampling has been used. The data has been collected keeping in view the appropriate representation of the universe. Random sampling is used scientifically by distributing the population of each village on the basis of observation in the different groups of similar economic status and then the data is selected proportionately by using random sampling from each group to qualify quota for each village. Ultimately Quota sampling is used

**3. Method of Data Analysis**

The study is based on the statistical methods. The non parametric test has been used the chi square for goodness of fit and to test the dependency factor of the variables. Correlation is used to test the association of income with occupation. Mean is used to know the average per capita income and standard deviation is used to study the dispersion of the data. Mathematical percentages have been used to study the proportion of the variables responsible for their attributes.

**Hypothesis testing**

**1. Association of Income with business, profession, agriculture and horticulture**

Income in Rs	No of Business	No of Professionals	No of Agriculture and horticulture etc	Total
50K-1Lc	6	7	18	31
1lc-2lc	2	4	23	29
2lc-3lc	4	2	7	13
3lc-5lc	4	3	3	10
Above5lc	3	5	9	17
Total	19	21	60	100

Source: Data collected through questionnaire

In the above table simple correlation has been used to test the association between income and Business, Income and Profession, Income and Agriculture horticulture. As per the above table using Karl pearson coefficient of correlation following results has been found.

- The value of correlation between income and business is +0.86 a high degree of positive relation was found. It depicts the growth of business activities in the area under study with larger extent.
- Income and profession is - 0.73 a moderate degree of negative relation was found. It depicts less professional growth in the area covered under study.
- Income and agriculture -0.12 a low degree of negative relation is found. It depicts negligible agriculture in the area under study that is responsible for income.

**2. Association of Income and types of employment**

Income in Rs	No of Govt job	No of private job	No of professionals	Total
50K-1Lc	16	8	7	31
1lc-2lc	7	18	4	29
2lc-3lc	4	7	2	13
3lc-5lc	4	3	3	10
Above 5lc	11	1	5	17
Total	42	37	21	100

Source: Data collected through questionnaire

Chi square test has been employed to test the hypotheses of dependency of income and different types of employment. The value of chi square is 14. 128. The critical value of chi square at 1% level of significance for 8 degree of freedom is 20.092 which is less than the critical value. Hence the hypotheses accepted. The income of the households are not depended upon govt, private and professional job entirely. Simple correlation has been employed to test the relationship of income and individual component of employment.

- Correlation between level of income and the number of govt job in the entire region is -0.218 a low degree of negative relation was found in the study. Which indicates that there are less govt job in the region studied and income of the households are not depended upon govt job. It has insignificant representation.
- Correlation between level of income and number of private job is -0.396 a low degree negative correlation. Which indicates that the level of income is not depended upon private job of the household. It has insignificant representation in the income of the region.
- Correlation between level of income and number of professionals is -0.73. a moderate degree of negative correlation. Which indicates that professional growth is very less which is also insignificant.
- The average annual income of the household in the entire region is Rs. 241250. This is above the income covered under poverty line and above the per capita income of the state. This depicts that the region is a prosperous area of the state.

There is non linear relationship between the variables. Both the tests are validating the result. Chi square is testing the dependency of income whereas the correlation is testing the extent of dependency of individual component of occupation.

The value of standard deviation is 188.12 whether the mean value of income is Rs 241.250. The value of dispersion is in excellent state of dispersion which shows that the data is representing the entire population of the study of the region. The data of income is representing the universe of the study.

### 3. Association of Economic class and type of Skill

Economic classes	Plumber/Electrician /drivers /Machenics etc	Messon/ carpenter/ craftsmen etc	Unskilled	Total
BPL	11(33.33%)	11(33.33%)	11(33.33%)	33(33%)
APL	20(40.81%)	4(8.16%)	25(51.03)	49(49%)
Rich	5(27.77%)	1(5.55%)	12(66.68%)	18{18%
Total	36	16	48	100(100)

Source: Data collected through questionnaire

It is shown in the above table that distribution of population as per economic class is showing that 33% population is under below poverty line following the 1/3<sup>rd</sup> of total BPL equally the skill of plumber, electrician, driver and mechanics and the same percentage have the skill of meson, carpenter and craftsman whether the same percentage is unskilled labour. 49% of population is under above poverty line. 40.81% population of APL have the skill of plumber, electrician, drivers and mechanics whereas 8.16% population of APL have the skill of meson, carpenter and craftsman. 51.03% of APL population are unskilled labour. 18% of the entire population is rich class of the region. Under which 27.77% rich population have the skill of plumber, electrician, drivers, and mechanics. 5.55% of the rich class is associated with the skill of meson, carpenter and craftsman. Whereas 66.68% of the rich class have not these mentioned skill.

#### Findings of the study

1. It is found in the study that income of the households is greatly brought by business activities of the entire region. It is also found that there is a big scope of expansion of business activities in the region. There are 19% population engaged in business activities.
2. Income and profession of the households has found negative relation. There is less development of professional activities in the entire region whether 21% population has professional skill.
3. 60% population are engaged in agriculture activities but the income of the region is not influenced by agriculture.
4. it is found in the study that 36% electrician,plumber, driver, machenic. 16% are craftsman and meson or carpenter. 48% are unskilled workers. 66.67% of rich community are unskilled.
5. 33% population are living under BPL, 49% Population are APL whereas 18% population in the entire region are Rich.
6. It is found in the study that govt job, private job and professions has negative relation to gross total income of the entire region that these are insignificant factors. The significant factor is found Business and trade.

#### Suggestions

1. Road condition is not good that adversely affects the business activities. It should be developed with reasonable extent.
2. There is no technical institute in the entire region whether Ani is the center place of activities of some part of Mandi and Shimla District also.
3. There is a famous mountain jalodi jot where tourists visits during summer and normal season but there is no facility of residence, Hotel, food and water at the top of the hill. The temporarily things are being managed that is not appropriate. This discourages the tourism. The

permanent Hotels should be constructed and a good shopping mall can be constructed there which shall make the place more valuable to the tourists. And this can be a good market for traditional art and crafts product of the entire region.

4. There is a lake named sarol sar which is situated four to five kilometer far from jalori jot but having no road facility. Whether the area is approachable to construct a road. A road should be constructed that children and old age people can go to enjoy the natural beauty of the lake and it is a thick forest location. There is also a good place approachable to construct hotels and shops near the lake also. Lake is famous for a temple of Goddess.
5. The activities of financing should be grown through Self help group, NGOs and financial advisers etc.

#### Conclusion

The study presents a progressive view of the economy of entire region of ani Tehsil. The standard of education is good. The study reveals that the total income of the entire region is associated with different business activities of the population. The region has greater potential for businessmen and tourists.

#### Reference

1. K V, *et al.* Agro economic research centre for the state of Andhra pradesh Telangana and odisha (Ministry of Agriculture and farmers welfare, Govt of India) Andhra University, Vishakapatnam, Andhra Pradesh october, 2021, 2021.
2. Md Monirul Islam, Md Mustaquim. Aliah University, January Asian Academic Research Journal of Multidisciplinary,2014:1(24):98-106.
3. Yogesh Bhatt. Agricultural Economics Research Centre University of Delhi Delhi, 2021, 110007.