

POVERTY AND UNEMPLOYMENT IN INDIA

MINI PROJECT

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MARCH 2023

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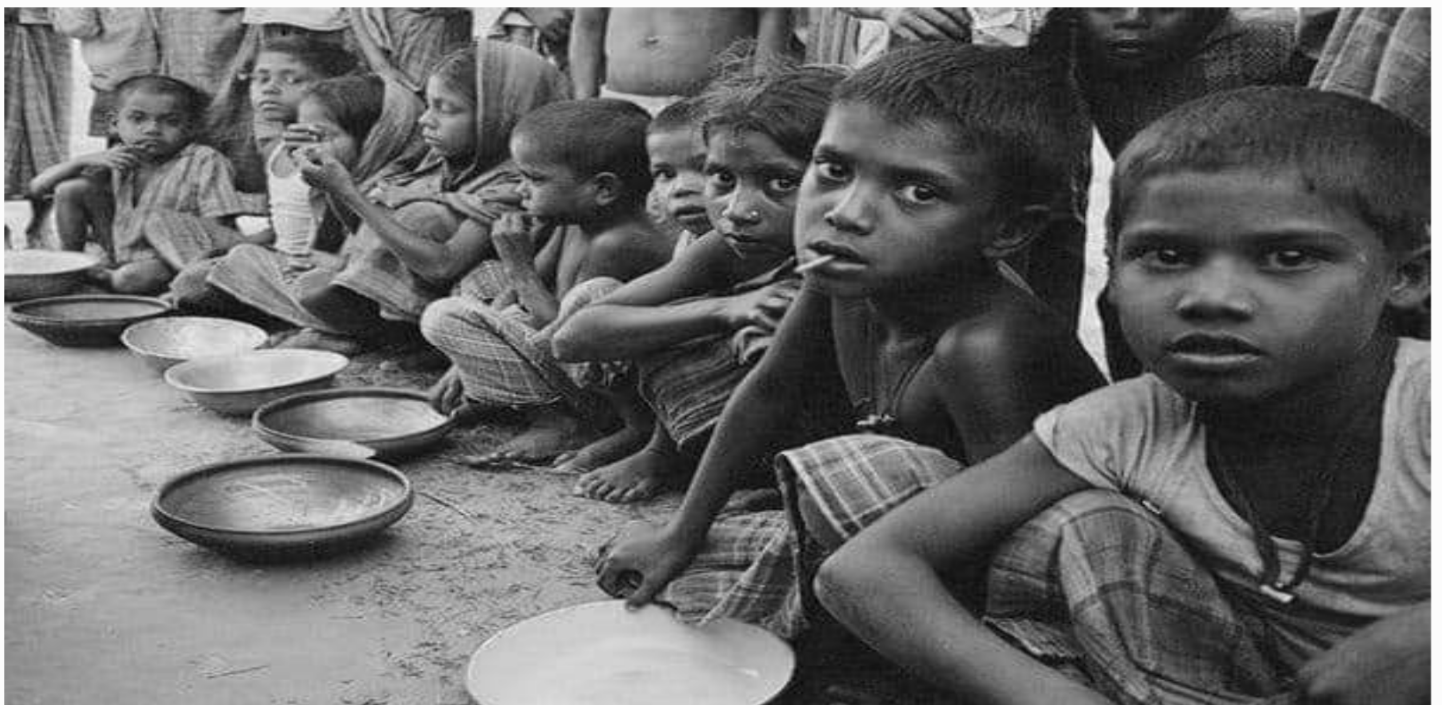
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INTRODUCTION

Poverty: Poverty can be defined as a situation where people are unable to satisfy the basic needs of life. Unemployment: Unemployment can be defined as a state of worklessness for a person who is fit and willing

to work at the current wage rate

POVERTY AND UNEMPLOYMENT IN INDIA



Poverty and unemployment are the significant impediments to the country's growth. Both are two sides of the same coin when we are going to solve that one problem in the society, the second will be taken care with that. In India the problem of poverty and unemployment have always been major obstacles to economic development.

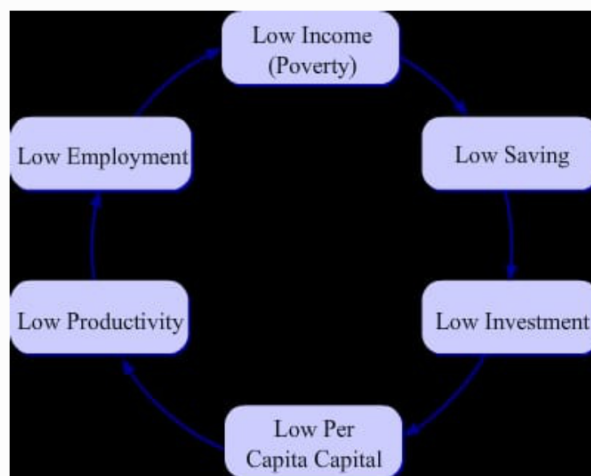
The problem of poverty in India is not new. Since the pre independence era, the majority of the population of India has been living in poverty. Poverty in simple words, is the state of extreme economic poorness, where the person doesn't have enough money to fulfill the basic life needs such as food, shelter, cloth etc. For any country to progress its poverty level should be as low as possible.

Unemployment is one of the biggest problems that are confronting the Indian society. The term unemployment has assumed a place of importance in economic literature ever since the great depression of 1930's when the unemployment had virtually posed serious threat to the highly developed countries. But today the problem of unemployment still looms large over a wide globe horizon.

According to Jawaharlal Nehru-"the prosperity of a nation is judged by members of people who are employed, unemployment is bane of nation." There exist a direct and positive relationship between poverty and unemployment. Unemployment leads to poverty and poverty in turn leads to unemployment. An unemployed person has no means to earn money and cannot fulfill his own and his family basic needs. He and his family cannot avail quality education and has no means to create income earning assets. Such circumstances often compel indebtedness.

This confirms the positive relationship between

unemployment and poverty. This study discusses the factors affecting and resulting from poverty and unemployment.



REVIEW OF LITERATURE

1. Gupta S.P

In his book 'Structural dimensions of poverty in India' New Delhi, Mittal publication- 1987. Deals with both theoretical and empirical aspects of Indian poverty. Various measures of poverty and their appropriateness form an important area of enquiry of the book. Also concerns with the perceptions by the poor, of themselves of their lives and of their roles in the society.

2. Bairagya Indraj

Bairagya Indraj (2018) shows that the rate of unemployment was higher among educated than the uneducated and the rate of unemployment increases with higher education. The paper analysis the factors responsible for higher rates.

3. Dandekar V.M & Nilakantha Rath

In their study in 1981 concerned with the problem of poverty in India highlighted that poverty is problem of low national income and its unequal distribution; of low space of development and inequitable distribution of the small gains of development.

4. S. Mahendra Dev & M. Venkatanarayana

S. Mahendra Dev & M. Venkatanarayana (2011) 'Youth employment and unemployment in India- Research gate. The paper offers policy recommendations for increasing productive employment and reduction in unemployment for youth. The poor employability of the workforce would hamper the advantage due to demographic dividend if measures were not taken to improve the educational attainment and skill development of the youth.

STATEMENT OF THE PROBLEM

Poverty can have adverse effects on business operations. Poverty is often associated with illiteracy, which can affect productivity. Employees with poor literacy skills may struggle to fully understand workflow instructions. Consequently, they are prone to making work-related mistakes, resulting in lost profits and reduced customer confidence.

Poverty can also profound impact on the community in which business operate. The lack of stable income may drive people to illegal activity to survive. In addition, areas with rampant criminality can render a location unsuitable for business, which may cause companies to move to safer areas, perpetuating the cycle of poverty and crime in a community.

This negative cycle can be countered with a positive one, business can avoid these scenarios by helping to alleviate poverty.

Business can have positive impacts on communities and healthy communities are good for business.

OBJECTIVES OF THE STUDY

1. To empower rural and urban poor communities to make informed choices for improving their social, economic, and health conditions leading to empowerment, poverty alleviation, sustainable livelihood and development initiative;
2. To facilitate the formulation and implementation of better targeted pro-poor social, education, economic, food and health policies for poverty reduction and district/regional growth and development;
3. To develop replicable models of social, economic, health, housing and development, programme coverage, and behaviour adoption through demonstration projects;
4. To develop human, economic, technical and financial technical expertise/knowledge of government and civic society stakeholders at various levels, for better planning and monitoring of rural and urban development programmes; and
5. To undertake research (applied and conceptual) in alternative models and processes of poverty reduction, and improvement in quality of life.

SIGNIFICANCE OF THE STUDY

This study makes some important contributions to the development of the country and the welfare of our people. For the allround development of the economy, the government has

introduced a number of programmes, where the main aim is to reduce unemployment and poverty in rural India. Rural India is no doubt endowed with abundant labour force, but is unskilled.

To realise the goal of employment, a massive training program should be there to support the ambitious rural development programs. There is considerable evidence that productivity growth rates and inequality growth rates are inversely related. Poverty also limits people to realize their full human capital potential thus impacting productivity.

The measurement and analysis of poverty, deprivation, inequality and vulnerability are crucial for several reasons. It is very significant to study unemployment. We will know more about our country and what population of our country is employed. We will know the types of unemployed in our countries like educated unemployed which is very common in urban areas. Many students with matriculation & post matriculation cannot find jobs this leads to the waste of resource of our country.

Other employed likes seasonal, disguised etc which turn the people in a liability rather than an assets for the country..while studying this you would come to a conclusion to how stop these unemployment for example; to stop unemployment we must give appropriate jobs to a eligible person.

The unemployment rate is one of the primary economic indicators used to measure the health of an economy. It tends to fluctuate with the business cycle, increasing during recessions and decreasing during expansions. It is among the indicators most commonly watched by policy makers, investors, and the general public. This study provide proper and adequate resources for the

unemployed people. Development of educational structure becomes stable.

SCOPE OF THE STUDY

The study focuses on delineates of unemployment and poverty in India. As a developing country like India Poverty and unemployment plays an important role. This study discusses the factors affecting and resulting from poverty and unemployment. It enhances the ideas behind overcoming the situations of unemployment and poverty. Unemployment is the situation in which a person in the working-age group and actively looking for a job is unable to find work.

Poverty can be defined as a situation where people are unable to satisfy the basic needs of life. Poverty in India is a significant problem that impedes the growth of our nation. It leads to many other issues like malnutrition, unemployment, low education, etc. One of the primary reasons for poverty is not being able to find work. Without work, people do not have access to the money required to afford goods and services. Hence, poverty and unemployment are not exclusive. They are closely related to each other.

Chhattisgarh has the least unemployment rate among the Indian states, while Rajasthan has the highest unemployment rate. (Higher rank represents higher unemployment among the population). The national average stands at 6.4 percent. While discussing poverty, the highest of 51.91 per cent of the population of Bihar is poor, followed by 42.16 per cent in Jharkhand, 37.79 per cent in Uttar Pradesh. Kerala in India has the lowest poverty ratio

of 0.71%. Thus, we know that if an individual doesn't have employment it leads to poverty. So, to avoid unemployment there are certain corrective measures; the suggestions made to reduce the problem of unemployment in India and to improve the status of workers:

- By providing adequate skill based and vocational training, unemployed youth can obtain jobs in industrial and services sector.
- An increased investment from the government and diversification in the agricultural sector will not only increase productivity but also help to reduce unemployment.
- Labour-intensive technology must be adopted by the formal and informal sectors to increase employment opportunities in both rural and urban areas.
- An increased and continual growth in the services sector can create greater employment opportunities for highly skilled workers and improve the standard of living in society.
- Improvement in education and health care services increases human capital formation and provides more employment opportunities to the public.
- On-the Job training and employment subsidies can be provided to the existing employees to improve their current skills and to increase job satisfaction and reduce shift from one job to another

The study's main concept is the topic "unemployment and poverty. It begins with the core problems of unemployment and poverty in India, then it leads to significance and objective of study which

enables to understand in an elaborative view. Importantly the scope of study is to show the real image and position of unemployment and poverty in India as an individual every citizen should be aware of this.

RESEARCH METHODOLOGY

According to the National Sample Survey Organization (NSSO) collects data on poverty in India. It is estimated on the basis of consumption expenditure.

Unemployment Rate in India: According to the recent CMIE Report, the urban unemployment rate declined to 7.93% in February from 8.55% in the previous month while the rural unemployment rate rose to 7.23% from 6.48%. India's unemployment rate rises to 7.45% in February from 7.14% in January.

According to separate quarterly figures prepared by the state-run National Statistical Office (NSO) and released in November 2022, the unemployment rate decreased to 7.2% in the July-September quarter from 7.6% in the preceding quarter.

The Centre for Monitoring Indian Economy, a private organization (CMIE), estimates India's unemployment rate in India is around 7.45% at present. It is 7.93% in urban India whereas only 7.44% in rural India. India's daily and monthly unemployment rates are made public by CMIE on 1st March 2023.

Objective of study : to provide gainful employment to the urban unemployed through the setting up of self-employment ventures or provision of wage employment.

The aim of this study is to develop multi-dimensional techniques to identify the most deprived households and communities. The methods that countries use to determine income poverty tend to

differ across countries and this makes comparisons difficult. At risk of poverty or social exclusion rate (AROPE), at-risk-of-poverty rate (ARPR) and severe material and social deprivation rate (SMSD).

Research methodology: We use secondary data for accessing information for the project. Secondary data collected through websites, journal etc...

LIMITATIONS OF THE STUDY

Limitations of poverty and unemployment in India

1. High infant mortality :

The current infant mortality rate for India in 2023 is 26.619 deaths per 1000 live births, a 3.89% decline from 2022. The infant mortality rate for India in 2022 was 27.695 deaths per 1000 live births, a 3.74% decline from 2021.

2. Uncertainty of agriculture:

Fluctuations in crop yield take place over which the farmer has no control and which he is unable to foresee. The extent of yield fluctuation is, however, likely to be greater in some regions as compared to others. For example, tropical regions are more prone to yield uncertainty than the temperate area's.

3. Lack of productive Employment: The magnitude of poverty is directly linked to the unemployment situation. The present employment conditions don't permit a reasonable level of living, causing poverty.

4. Lack of education :

Without quality education, children face considerable

barriers to employment and earning potential later in life. They are more likely to suffer adverse healthy outcomes and less likely to participate in decisions that affect them – threatening their ability to shape a better future for themselves and their societies.

5. *Malnutrition :*

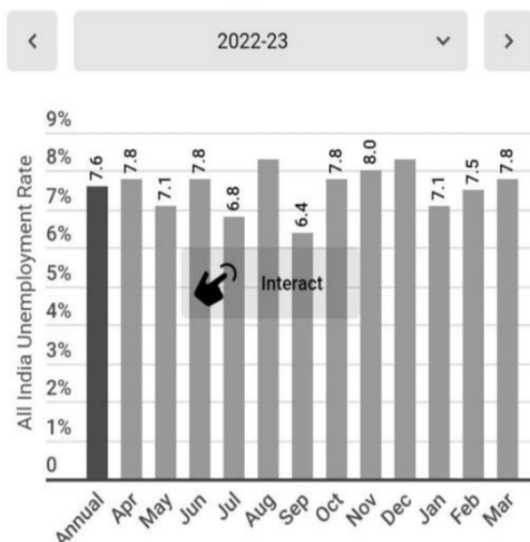
Malnutrition is the condition that develops when the body is deprived of vitamins, minerals and other nutrients it needs to maintain healthy tissues and organ function. Malnutrition occurs in people who are either undernourished or overnourished.

6. *Uncertainty of marriage :*

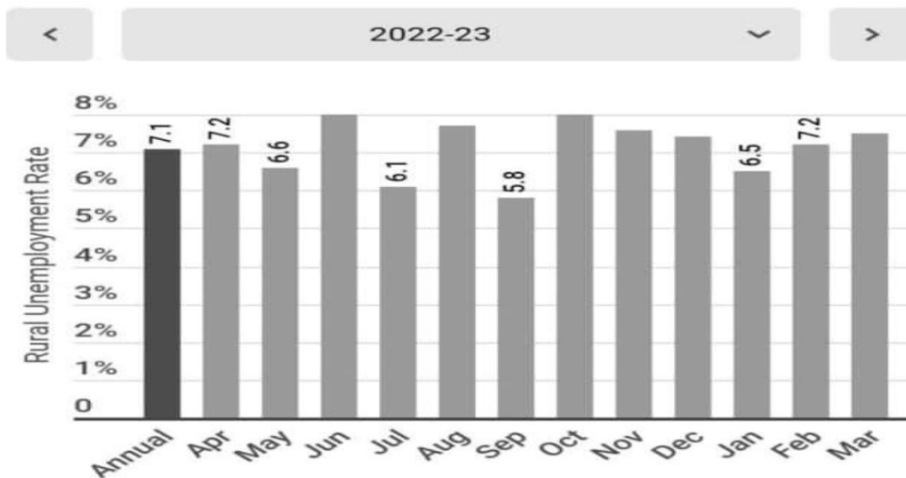
If you're experiencing uncertainty in relationship, take time to communicate your fears to your partner. It may be that the feelings of anxiety are simply from a misunderstanding that can be resolved through a conversation. If you hide your feelings, you may build resentment, and the issue will never be resolved.

INTERPRETATION

All India (Rural + Urban) Unemployment



Rural Unemployment Rate

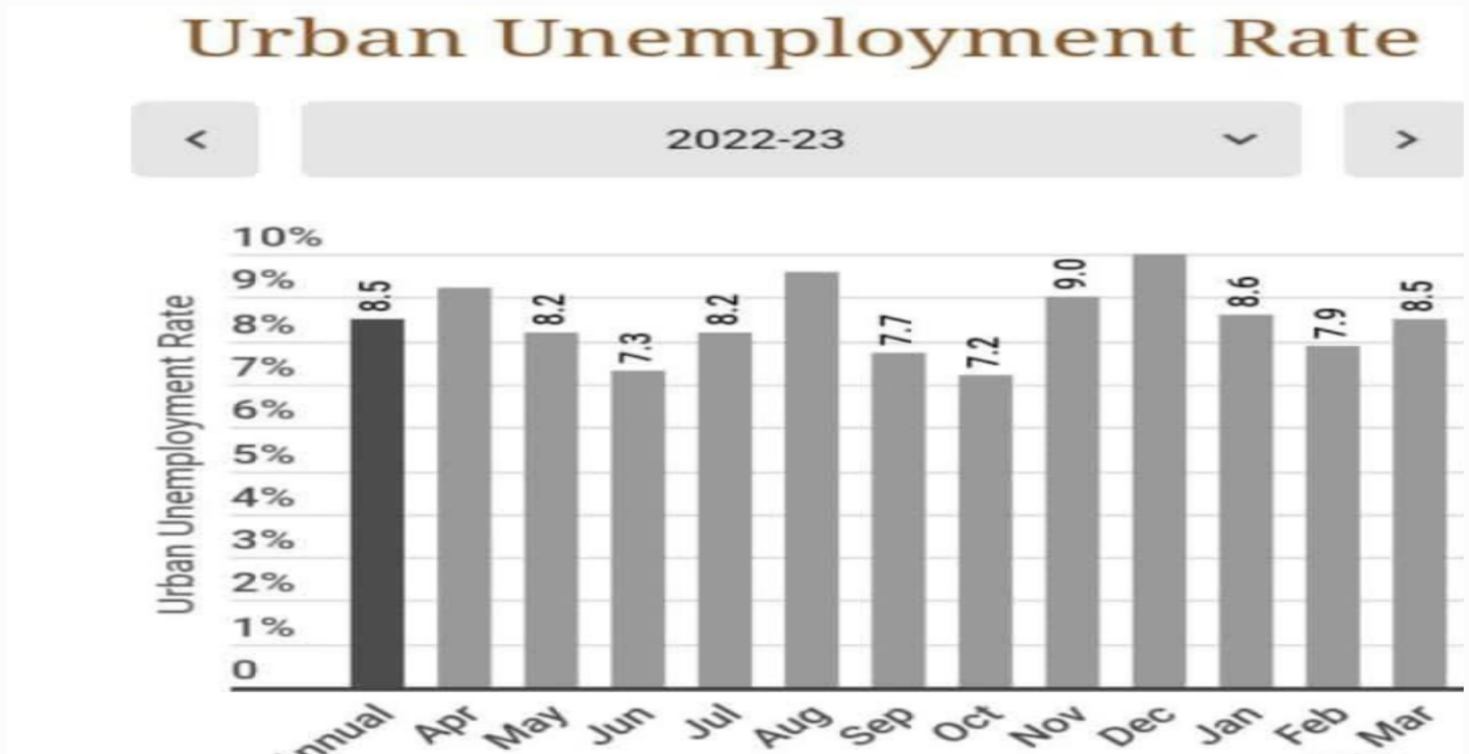


The all India unemployment level increased to 7.8% in March 2023 from 7.5% a month ago.

The annual all-India unemployment level in 2021-22 rose to a 6-

- Unemployment levels rose more sharply in urban India than in rural areas in Mar'23. The unemployment level in urban India was recorded at 8.5% in March. In comparison, rural unemployment was recorded at 7.5% in comparison to 7.2% a month ago.
- The annual rural unemployment level in 2021-22 rose to a 6-year high of 7.5% (excluding the Covid impacted period of 2020-21). The annual rural unemployment level in 2021-22 rose to a 6-year high of 9.2% (excluding the Covid impacted period of 2020-21).

year high of 8% (excluding the covid impacted period of 20



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