

# ***THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT***

## **Role of Himachal Backward Classes Finance and Development Corporation in Economic, Social and Educational Upliftment of Backward Classes in Himachal Pradesh, India**

**Savita Rana**

Research Scholar, Department of Commerce,  
Himachal Pradesh University, Shimla, Himachal Pradesh, India

### ***Abstract:***

*The effort is made to study the status of OBCs (Other Backward Classes) in India with special reference to Himachal Pradesh. National Backward Classes Finance and Development Corporation (NBCFDC) is studied thoroughly to analyze its role in providing funds to Himachal Backward Classes Finance and Development Corporation (HBCFDC) for the economic and social development of Other Backward Classes in the state of Himachal Pradesh. In this study efforts are made to study the role of HBCFDC in Economic, Social and Educational Upliftment of Backward Classes in Himachal Pradesh with special reference to district Shimla.*

**Keywords:** OBCs, NBCFDC, HBCFDC

### **1. Introduction**

Other Backward Classes (OBC) is a collective term used by the Government of India to classify castes which are socially and educationally disadvantaged. The OBCs were found to comprise 52% of the country's population by the Mandal Commission report of 1980, a figure which had shrunk to 41% by 2006 when the National Sample Survey Organization took place. In the Indian Constitution, OBCs are described as "socially and educationally backward classes", and the Government of India is enjoined to ensure their social and educational development. The list of OBCs maintained by the Indian Ministry of Social Justice and Empowerment is dynamic, with castes and communities being added or removed depending on social, educational and economic factors.

### **2. National Backward Classes Finance and Development Corporation**

National Backward Classes Finance & Development Corporation (NBCFDC) is a Govt. of India Undertaking under the aegis of Ministry of Social Justice and Empowerment. NBCFDC was incorporated under Section 25 of the Companies Act 1956 on 13th January 1992 as a Company not for profit with an objective to promote economic and developmental activities for the benefit of Backward Classes and to assist the poorer section of these classes in skill development and self-employment ventures. NBCFDC provides financial assistance through State Channelizing Agencies (SCAs) nominated by the State Governments/UTs. NBCFDC also provides Micro Financing through SCAs/ Self Help Groups (SHGs). The Corporation can assist a wide range of income generating activities to assist the poorer section of these classes in skill development and self-employment ventures under following broad sectors such as Agriculture and Allied Activities, Small Business, Artisan and Traditional Occupation, Technical and Professional Trades/Courses, Transport and Service Sector etc.

### **3. Objectives of NBCFDC**

- 1) To promote economic and developmental activities for the benefit of Backward Classes.
- 2) To assist, subject to such income and/or economic criteria as may be prescribed by government from time to time, individual or groups of individuals belonging to Backward Classes by way of loans and advances for economically and financially viable schemes and projects.
- 3) To promote self-employment and other ventures for the benefit of Backward classes.
- 4) To grant concessional finance in selected cases belonging to Backward Classes living below double the poverty line.
- 5) To extend loans for Backward Classes for pursuing general/professional/technical education or training at graduate and higher level.
- 6) To assist in upgradation of technical and entrepreneurial skills of Backward Classes for proper and efficient management of production units.

### *3.1. Himachal Backward Classes Finance and Development Corporation*

Himachal Backward Classes Finance & Development Corporation (HBCFDC), a Government of Himachal Pradesh Undertaking under the aegis of Ministry of Social Justice and Empowerment, was set-up on 31st January, 1994 as a Company under Section 25 of the Companies Act, 1956 with an authorized share capital of Rs.10 Crores. The main objective of the Corporation is Social, Economic and Educational upliftment of the people belonging to the Backward Classes of Himachal Pradesh whose annual family income does not exceed Rs. 40,000 for those residing in the Rural Areas and Rs. 55,000 for those residing in the Urban Areas and aged between 18 to 55 years. HBCFDC provides Educational Loan (For pursuing professional / technical education at graduate and post graduate levels). The rate of interest is 4% p.a. to the beneficiaries. The loan limit per student is Rs.1, 25,000 per year subject to maximum of Rs.5,00,000 or actual expenses for the entire Course. The Corporation also provides Interest Free Study Loan to the deserving poor students with having their annual family income upto Rs. 36,000 for pursuing technical & higher degree/diploma courses beyond High School stage at Rs. 10,000 per year or maximum Rs. 50,000.

The Corporation is providing loan to promote Micro Finance Scheme for improvement of credit facilities for the target groups, especially for women beneficiaries. The Corporation has adopted Micro Finance through Self Help Group (SHG's). The loan upto Rs.25000 per beneficiary is given under this Scheme. The Corporation also provides loan to eligible beneficiaries for their self-employment ventures. The Corporation takes security either in the shape of Land Mortgage Deed amounting to 95% of the total project cost or FDR/NSC/KVP amounting to 50% of the total Project Cost or guarantee for the loan from a Govt. Servant against proposed loan schemes.

### *3.2. Schemes of HBCFDC*

#### 3.2.1. General Loan Scheme

In this scheme, the loan is disbursed under 4 sectors i.e., Small Business Sector, Agriculture & Allied Sector, Transport Sector & Service Sector for 52 Schemes approved by the NBCFDC, New Delhi. At present, the loan amount of each project is shared @ 85% by NBCFDC, 10% by the HBCFDC and the remaining 5% by the beneficiary. The loan is repayable in 5 years in 20 equal quarterly instalments.

#### 3.2.2. Swarnima Loan Scheme

Loan under this Scheme is provided to those women beneficiaries of backward classes who belongs to BPL families or whose annual family income from all sources does not exceed Rs. 19,999. The loan under this Scheme is given for Dairy Unit (2 Cattle) and Small Business at a still lower rate of interest of 4% per annum.

The loan amount of the project cost is shared 90% by the NBCFDC & 10% by the HBCFDC and beneficiary share is not required under this Scheme. The loan is repayable in 5 years in 20 equal quarterly instalments.

#### 3.2.3. New Educational Loan Scheme (NBCFDC)

The "New Educational Loan Scheme (NBCFDC)" was launched during the year 2007-2008 under which educational loans at a concessional rate of backward classes whose annual family income is below Rs. 40,000 for the families residing in Rural Areas and Rs. 55,000 for the families residing in Urban Area. The loan is given for pursuing Professional Degree Courses viz. MBA, MCA or equivalent (approved by AICETE), other Graduate Programs in Engineering conducted by IIT and other Institutes (approved by AICETE) or Medicine (including Ayurvedic, Homeopathic, Unani), programs conducted by Colleges recognized by the Medical Council of India and Diploma Courses in Hospitality Management recognized by National Council of Hotel Management etc.

The loan is given to the eligible students for higher studies to the extent of Rs. 1,25,000 per year upto a maximum limit of Rs. 5,00,000 for four years. The loan amount is repayable in 5 years in 20 equal installments. The repayment is effected after six months from the date of completion of Course or after three months of getting employment, whichever is earlier. Under this Scheme 2 Cases were sanctioned during 2007-08 and 34 Cases upto 14.08.2008 during the financial year 2008-09.

#### 3.2.4. Interest Free Educational Loan Scheme (HBCFDC)

Under the "Interest Free Educational Loan Scheme (HBCFDC)", the Corporation also provides Interest Free Loan @ Rs. 10,000 per year, with maximum limit of Rs. 50,000 for full term to the deserving poor students (whose annual family income does not exceed Rs. 36,000) for pursuing technical and higher degree/diploma courses beyond High School stage.

The loan is repayable in 5 years in 20 equal installments. The repayment is effected after one year from the date of completion of Course, or after getting employment whichever is earlier. Under this Scheme, 15 Cases involving Rs. 4.00 lakh have been sanctioned since 1998-99 to date.

Sr.No.	Name of District	Population of OBC	
		Population	Percentage
1.	Bilaspur	20106	2.17%
2.	Chamba	11853	1.28%
3.	Hamirpur	72626	7.83%
4.	Kangra	518897	55.94%
5.	Kinnaur	0	0
6.	Kullu	5749	0.62%
7.	Lahaul-Spiti	00	00
8.	Mandi	36046	3.89%
9.	Shimla	20906	2.25%
10.	Sirmour	63643	6.86%
11.	Solan	38477	4.25%
12.	Una	139239	15.01%
	Total	927452	100%

Table 1: District Wise Population of Backward Classes

#### 4. Review of Literature

➤ Menon, K.S.V., (1979) in his work "Development of Backward Areas (through Incentives), made an attempt to discuss the major issues which govern the development of backward areas through incentives'. He included every aspect related to the development of backward areas and also studied that which section and area can be classified as backward areas.

➤ Hanumantha, Yappal and Deepak Grover, (1979) conducted a study on employment planning for SC and ST. This study aims at to study the problems of employment and unemployment among the weaker sections of the community, particularly SC and ST and the various attempts made by the government to improve their living and working conditions. The SC and ST are concentrated on small holdings and agricultural labourers, the wage rate is low as compare to other weaker sections of the society. The rate of unemployment is high among the ST. The problem of unemployment can be solved by providing relief measures by the government.

➤ Sengupta (1979) made the observation that the poor and needy tribals have remained at the 1947 levels as worse, since for the last 30years their quest has been as usual for food and the appeal of utilization of educational and economic incentives has not reached them. He further revealed that the provisions for the upliftment of the rural people has benefited the headman and few of his relatives. The official has had a hand in exploiting the poor tribal in collusion with the tribal elite.

➤ Nemjundappa, D.M., Sirika.R.K., (1982) conducted study on "Backward Area Development (Problems and Prospects), and made efforts to study backward area and the problems because of which some areas come under the category of backward areas. He made an attempt to study the basic problems which actually are being faced by backward areas.

##### 4.1. Need of Study

The present study is being conducted to study the role played by the Himachal Backward Classes Finance & Development Corporation in the development of backward classes of the state. The need for this study is felt to know whether this Corporation is able to meet the objectives basically for which it was established.

##### 4.2. Scope of Study

The study will be conducted for District Shimla, of Himachal Pradesh. The present attempt will be made to measure the role played by HBCFDC in the development process of backward classes through various schemes.

##### 4.3. Objectives of the Study

1. To study the role of Himachal Backward Classes Finance & Development Corporation in economic, social and educational upliftment of backward classes in Himachal Pradesh.

##### 4.4. Hypothesis

2. Education has no relation with social development.
3. Beneficiaries are aware of the schemes.
4. People prefer to take loan from HBCFDC.

#### 5. Research Methodology

The research is secondary and primary in nature. The efforts have been made to examine the problem empirically.

##### 5.1. Primary Data

The primary data was collected through following sources:

- Questionnaire Schedule (regarding satisfaction with regard to existing system), Observation

### 5.2. Secondary Data

For the given study the data would be collected from secondary sources. The main sources of secondary data would be as following:

- Publications of National Commission for Backward Classes, Official records, published and unpublished documents, Other published material related to Backward Classes Finance & Development Corporation.

### 5.3. Tools and Techniques for Analysis

The methods used for simplifying and analyzing the data are known as analytical tools. Simple mathematical and statistical tools have been used, for satisfying the objectives and with a view of keeping the analysis simple and easily understandable.

#### 5.3.1. Mathematical Tools

Percentage:

$$P = \frac{x}{y} \times 100$$

Where, P = Percentage

X = No. of respondents of particular option

Y = Total number of respondents

#### 5.3.2. Statistical Tools

The main statistical tools used to analyze the data would be:

- Data Collection
- Mean
- Standard Deviation
- Data Presentations Pictorials:

The following data presentation pictorials have been used in the research:

- Pie-Diagrams
- Bar Diagrams
- Histograms

### 5.4. Limitation of the Study

1. The present study is based on secondary data also, so the limitations of secondary data are the limitations of the study too.
2. The respondents hesitated to disclose the all information due to fear of any kind of problem to their services which was a major limitation of the research.

#### 5.4.1. Sample Profile of the Respondent:

The data has been collected with the help of predesigned questionnaire from a sample of 50 respondents.

##### 5.4.1.1. Gender wise classification of the respondent

Gender	No. of respondents	Percentage of respondents
Male	33	66
Female	17	34
Total	50	100

Table 2: Gender classification

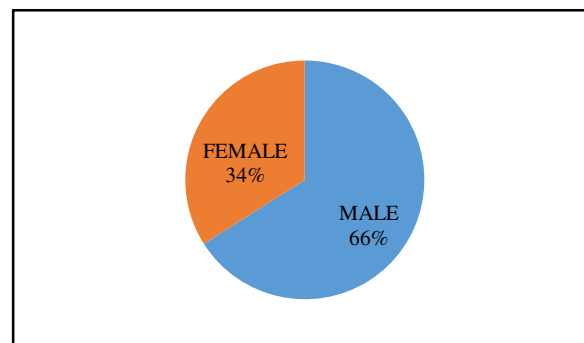


Figure 1: Gender Classification

Tabulated and graphical representation reveals that 66 % of the respondents are male, 34% are female respondents. This can be attributed to the reason that mainly males are the bread earners in the families. It can be said that mostly people avail benefit from HBCFDC are male beneficiaries and female beneficiaries are comparatively less.

5.4.1.2. Age wise status of the respondents

Age group	No. of respondents	Percentage of respondents
15-25	3	6
26-35	9	18
36-45	17	34
46-55	21	42
<b>Total</b>	<b>50</b>	<b>100</b>

Table 3: Age wise status

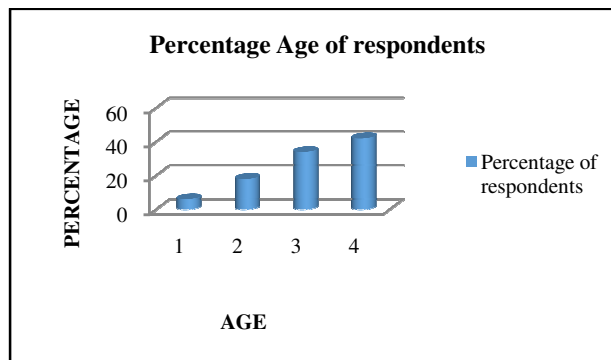


Figure 2: Age Wise Status

Tabulated and graphical representation reveals that 42% of the respondents fall in the age group of 46-55 years, 34% in the age group of 36-45 years, 18% in the age group of 26-35 years and 6% in the age group of 15-25years. Number of respondents of age group 15-25 years is lowest. It can be said that mostly people avail benefit of HBCFDC in middle stages of their life.

5.4.1.3. Religion wise classification of Respondent

Religion	No. of respondents	Percentage of respondents
Hindu	23	46
Muslims	4	8
Christian	7	14
Sikh	11	22
Others	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

Table 4: Religion classification

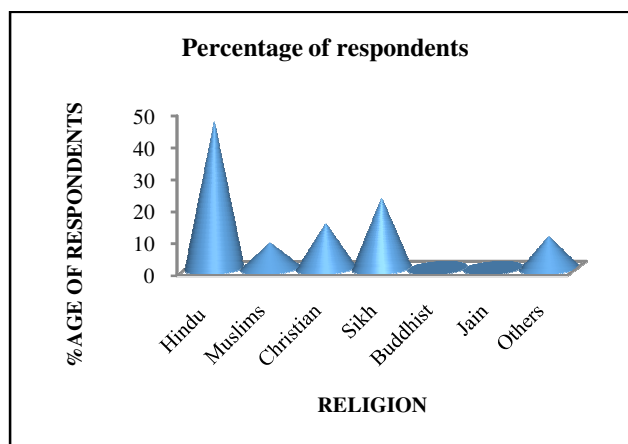


Figure 3: Religion classification

Table 4 reveals that 46% of respondents are Hindu, 22% of respondents are Sikh, 14% of respondents are Christian, 10% of respondent belongs to other category and 8% of respondents are Muslims. No respondents fall in the category of Buddhist and Jain. It can be said that mostly beneficiaries of HBCFDC are Hindu and Sikh.

5.4.1.4. Area wise classification

Area	No. of respondents	Percentage of respondents
Urban	29	58
Rural	21	42
Total	50	100

Table 5

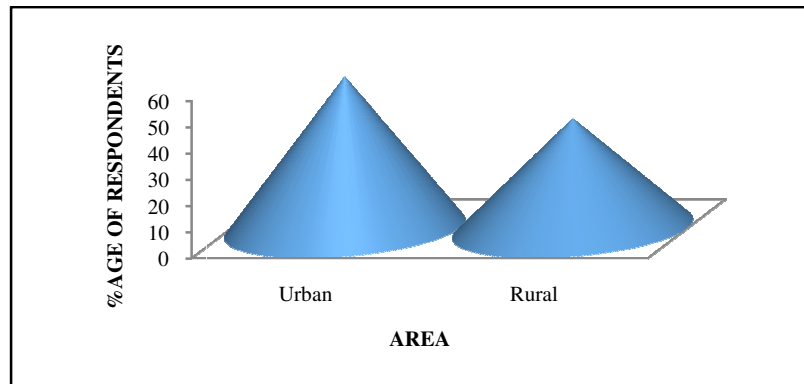


Figure 4: Area Classification

Table 4 reveals that a large majority of the respondents (58%) are from urban area and few (42%) are from rural area. This can be attributed to the reason that comparatively people of urban area are more aware of corporation and avail the benefit of HBCFDC.

5.5. Education Status

Education status	No. of respondents	Percentage of respondents
Illiterate	8	16
Matric	17	34
Plus Two	19	38
Graduate	6	12
Total	50	100

Table 6: Education status

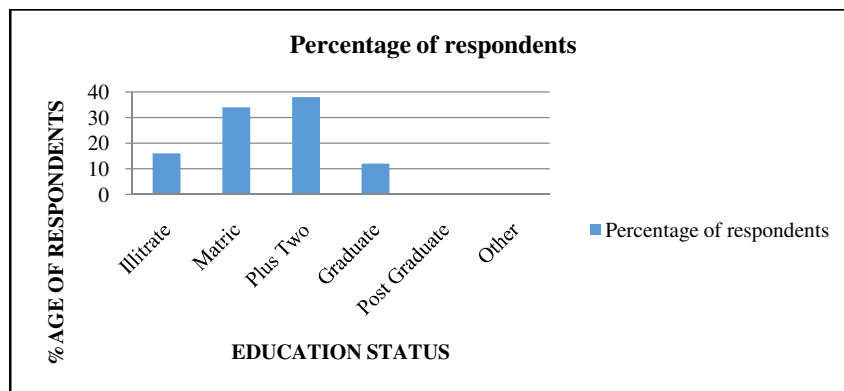


Figure 5: Education Status

Table 6 presents the profile of the respondents with respect to educational qualifications. It is evident from the table and graph that 38% of respondents are plus two, 34% of respondents are matric, 16% are illiterate and only 12% of respondents are graduate. No respondent was found to be post graduate. It can be said that educational status of mostly beneficiaries of HBCFDC is plus two and matric.

5.6. Occupational Status of the Respondents

Occupation	No. of respondents	Percentage of respondents
Student	8	16
Pvt. Employee	18	36
Businessmen	9	18
Agriculture Labour/ Farm work	11	22
Others	4	8
Total	50	100

Table 7: Occupational status

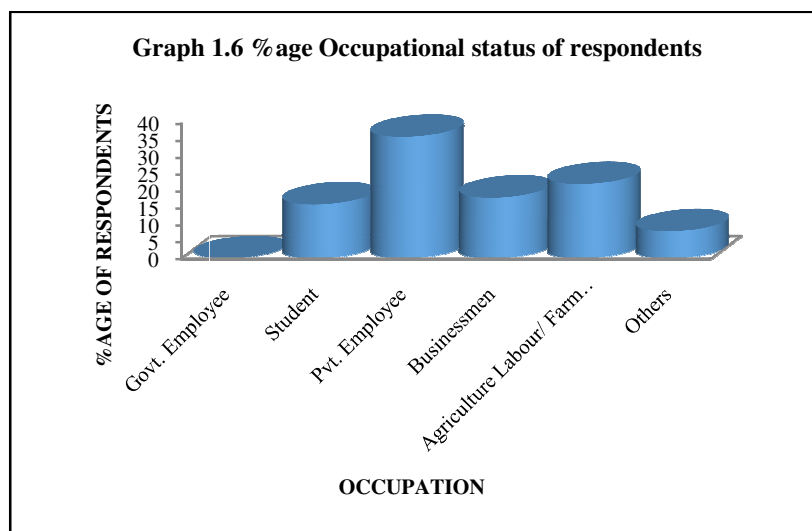


Figure 6: Occupational status

Table 7 shows that (36%) of the respondents are private employees, (22%) are involved in agriculture labour / farm work, (18%) are businessmen, (16%) are students and remaining (8%) are into some other work. No beneficiaries are government employee. Hence, it can be said that most of the respondents from private sector and agriculture labour/farm work have availed benefit of HBCFDC as compared to other sectors.

5.7. Annual Income Wise Classification

Annual Income in Rs.	No. of respondents	Percentage of respondents
Upto 25000	5	10
25000-50000	21	42
50000-100000	24	48
Total	50	100

Table 8: Annual Income classification

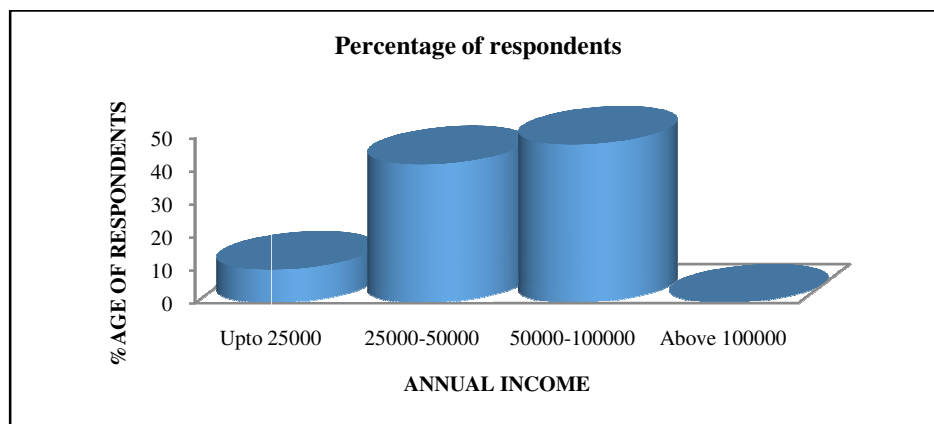


Figure 7: Annual Income classification

Table 8 presents income wise distribution of respondents. It is quite evident from the above tabulated and graphical representation that 48% of the respondent's lies in the income bracket of 50,000 – 1 lakhs, 42% in 25,000 – 50,000 and 10% have income below 25,000. No respondent was found to be in the income bracket of 1 lakh and above. Hence, it is concluded that most of the respondents were from lower middle income class of the society. Further, it can be said that comparatively people of lower income avails more benefit from HBCFDC.

#### 5.8. Type of Family classification

Type of Family	No. of respondents	Percentage of respondents
<b>Nuclear</b>	36	72
<b>Joint</b>	14	28
<b>Total</b>	50	100

Table 9: Type of Family classification

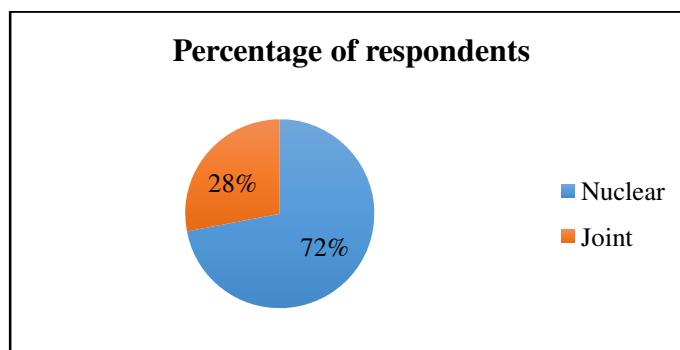


Figure 8: Type of Family classification

Table 9 reveals that a large majority of the respondents (72%) have nuclear family and few (28%) have joint family. So this can be said that nuclear families are more beneficiaries of HBCFDC as compared to joint families.

#### 5.9. Marital Status of Respondents

Marital Status	No. of respondents	Percentage of respondents
<b>Married</b>	38	76
<b>Unmarried</b>	12	24
<b>Total</b>	50	100

Table 10: Marital Status

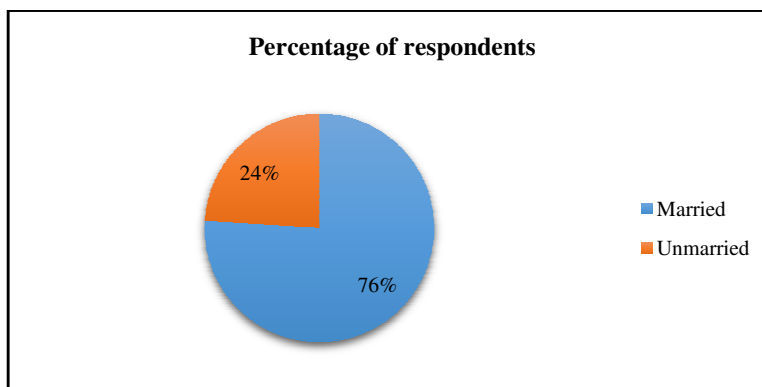


Figure 9: Marital status of Respondents

Table 10 reveals that a large majority of the respondents (76%) have married marital status and few (24%) have unmarried marital status. So this can be said that married people are more beneficiaries of HBCFDC as compared to joint families.



## 5.10. Age group of Children of Respondents

Age group in year	No. of respondents	Percentage of respondents
0-5	NIL	NIL
6-10	6	12
11-15	12	24
16-20	13	26
21-25	15	30
>25	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

Table 11: Age group of Children of Respondents

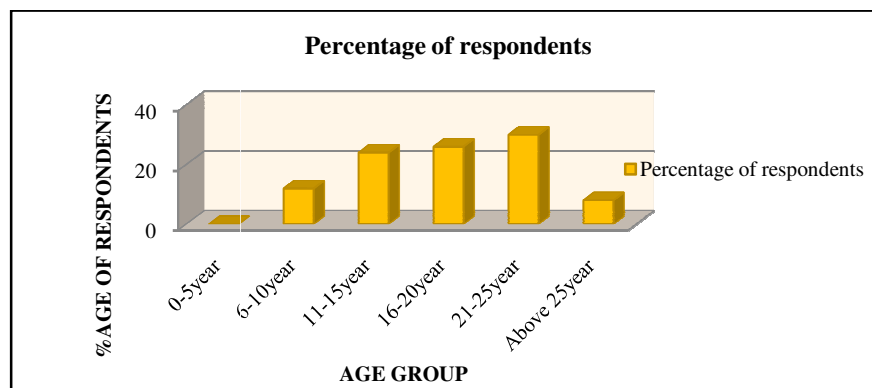


Figure 10: Age group of Children of Respondents

Table 11 shows that (30%) of the respondents have children of age group 21-25, (26%) have children of age group 16-20, (24%) have of age group 11-15, (12%) have of age group 6-10 and remaining (8%) have above 25 age group children. No beneficiaries have children of age group 0-5. Hence, it can be said that most of the respondents have children of age group 21-25 and 16-25 who have availed benefit of HBCFDC.

## 6. General Views of the Respondents Regarding Impact of HBCFDC

This section of the chapter deals with general perception of the beneficiaries toward HBCFDC.

Statements	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree	Mean	Std. Deviation
Better recognition in family	12 (24)	29 (58)	9 (18)	0 (0)	0 (0)	.96	.638
Better recognition in community	7 (14)	28 (56)	15 (30)	0 (0)	0 (0)	1.16	.650
Better access to health services	16 (32)	27 (54)	7 (14)	0 (0)	0 (0)	.80	.639
Better access to sanitation facilities	15 (30)	30 (60)	5 (10)	0 (0)	0 (0)	.82	.629
Better voicing your concern	14 (28)	27 (54)	7 (14)	2 (4)	0 (0)	.90	.678
Social acceptance	9 (18)	26 (52)	7 (14)	7 (14)	0 (0)	1.26	.922
Less Caste & Class Biasness	7 (14)	27 (54)	9 (18)	7 (14)	0 (0)	1.32	.891
Less religion/ Caste dominance	6 (12)	25 (50)	10 (20)	9 (18)	0 (0)	1.44	.929
Social Harassment	0 (0)	3 (6)	14 (28)	24 (48)	9 (18)	2.78	.815

Table 12: Analysis of impact of HBCFDC on social status of OBCs:

Note: Figures in parentheses are in percentages.

Table 12 presents percentage, mean & std. deviation analysis of impact of HBCFDC on Social Status of OBCs. The opinion of the respondents regarding the better recognition in family reflects that a substantial percentage of the respondents either agree (58%) or strongly agree with the statement. Similarly, majority of the respondents also agree (54%) or strongly agree (20%) with the better recognition in community disbursing the schemes of HBCFDC. However, (54%) and (60%) of the respondents agree or strongly agree with the statements better access to health services and better access to sanitation facilities respectively. As evident from the data, respondents agree for the better voicing your concern (54%) and social acceptance (52%). On the contrary; respondents do not face the problem of social harassment.

#### 6.1. Analysis of Impact of HBCFDC on Economic status of OBCs:

Statements	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree	Mean	Std. Deviation
Increase in access to credit sources	8 (16)	24 (48)	14 (28)	4 (8)	0 (0)	1.28	.834
Increase in assets building	5 (10)	21 (42)	18 (36)	6 (12)	0 (0)	1.50	.839
Increase in individual income	14 (28)	27 (54)	9 (18)	0 (0)	0 (0)	.90	.678
Increase in family income	19 (38)	25 (50)	6 (12)	0 (0)	0 (0)	.74	.664
Increase in conveyance/vehicle holding	9 (18)	26 (52)	11 (22)	4 (8)	0 (0)	1.20	.833
Encouragement for startup initiatives	17 (34)	28 (56)	5 (10)	0 (0)	0 (0)	.76	.625
Own accommodation	19 (38)	29 (58)	2 (4)	0 (0)	0 (0)	.66	.557
Increase in saving	21 (42)	25 (50)	2 (4)	2 (4)	0 (0)	.66	.626
Increase in spending power	20 (40)	26 (52)	4 (8)	0 (0)	0 (0)	.68	.621
Possession of Television, Mobiles phones, Laptops	20 (40)	25 (50)	5 (10)	0 (0)	0 (0)	.70	.647
Increase in land holding	17 (34)	28 (56)	5 (10)	0 (0)	0 (0)	.76	.625

Table 13

Note: Figures in parentheses are in percentages.

Table 13 presents percentage, mean & std. deviation analysis of impact of HBCFDC on Economic Status of OBCs. The opinion of the respondents regarding the increase in access to credit sources reflects that a substantial percentage of the respondents either agree (64%) or strongly agree and (28%) uncertain with the statement. Similarly, majority of the respondents also agree (42%) or strongly agree (10%) and (36%) uncertain with the increase in asset building. However, (82%) and (88%) of the respondents agree or strongly agree with the statements increase in individual income and increase in family income respectively. As evident from the data, respondents agree for increase in holding conveyance/vehicle (70%) and encouragement for startup initiatives (90%). The positive opinion of the respondents regarding the statements of holding own accommodation, increase in savings and increase in spending power is (96%), (92%) and (92%) respectively agree or strongly agree, which is more than any other statements. Similarly, majority of the respondents (90%) also agree or strongly agree with the statements possession of television, mobile phones & laptops and increase in land holding after being beneficiaries of HBCFDC.

Mean analysis of the impact of HBCFDC on economic status of OBCs indicates that respondents have realized change in economic status by increase in access to credit sources (M=1.28), increase in asset building (M=1.50), increase in individual income (M=0.90), increase in family income (M=0.74), increase in conveyance holding (M=1.20), encouragement for startup initiatives (M=0.76), own accommodation (M=0.66), increase in savings (M=0.66), increase in spending power (M=0.68), possession of TV, mobile phones, laptops (M=0.70) and increase in land holding (M=0.76), which shows growth in economic status of OBCs.

Std. Deviation analysis of the impact of HBCFDC on economic status of OBCs indicates that respondents have realized change in economic status by increase in access to credit sources (SD=0.834), increase in asset building (SD=0.839), increase in individual income (SD=0.678),s increase in family income (SD=0.604), increase in conveyance holding (SD=0.833), encouragement for startup initiatives (SD=0.625), own accommodation (SD=0.557), increase in savings (SD=0.626), increase in spending power (SD=0.621), possession of TV, mobile phones, laptops (SD=0.647) and increase in land holding (SD=0.625), which shows growth in economic status of OBCs.

Statements	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree	Mean	Std. Deviation
Increase in Literacy/ Education	17 (34)	26 (52)	5 (10)	2 (4)	0 (0)	.84	.766
Increase girl child education	9 (18)	30 (60)	8 (16)	3 (6)	0 (0)	1.10	.763
Increase in higher education	16 (32)	28 (56)	5 (10)	1 (2)	0 (0)	.82	.691
Access to professional education	15 (30)	25 (50)	10 (20)	0 (0)	0 (0)	.90	.707
Access to technical education	18 (36)	24 (48)	8 (16)	0 (0)	0 (0)	.80	.700
Improvement in Professional skills	20 (40)	27 (54)	3 (6)	0 (0)	0 (0)	.66	.593
Improvement in IT education	19 (38)	25 (50)	6 (12)	0 (0)	0 (0)	.74	.664

Table 14: Analysis of impact HBCFDC on Educational upliftment of OBCs:

Note: Figures in parentheses are in percentages.

Table 14 presents percentage, mean & std. deviation analysis of impact of HBCFDC on Educational Upliftment of OBCs. The opinion of the respondents regarding the improvement in literacy/education reflects that a substantial percentage of the respondents either agree (86%) or strongly agree with the statement. Similarly, majority of the respondents also agree (78%) or strongly agree with the increase in education among girl child. However, (80%) and (84%) of the respondents agree or strongly agree with the statements access to professional education and access to technical education respectively. As evident from the data, respondents agree for improvement in professional skills (94%) and improvement in IT education (88%). This shows there is educational upliftment due to HBCFDC.

Mean and Std. Deviation analysis of the impact of HBCFDC on educational upliftment of OBCs indicates that respondents have realized improvement in literacy/education (M=0.84 & SD=0.766), increase in education among girl child (M=1.10 & SD=0.763), increase in higher education (M=0.82 & SD=0.691), access to professional education (M=0.90 & SD=0.707), access to technical education (M=0.80 & SD=0.700), improvement in professional skills (M=0.66 & SD=0.593) and improvement in IT education (M=0.74 & SD=0.664), which shows educational upliftment in beneficiaries of HBCFDC.

## 7. Conclusion

It is concluded from the above study that there has been tremendous growth in social status after availing the loans from HBCFDC. Majority of the respondents have felt better recognition in family and community, and access to health services, sanitation facilities has also increased. There has been a positive influence on the economic as well as social status of other backward classes due to services of HBCFDC. There is a positive wave in individual as well as family income of OBCs after availing loans from HBCFDC. The ratio of education among girls, higher education, professional and technical education has increased and improvement in professional skills and IT education has been observed after availing loans from HBCFDC. But on the same side beneficiaries are bit unsatisfied as they believe that there is difficulty in understanding the schemes of HBCFDC due to low education qualification and lack of awareness, many formalities are involved for availing loan due to rigid and lengthy procedure of corporation and repayment period of the loan is too short.

## 8. Suggestions

1. HBCFDC should make the procedure of loan schemes more flexible and there should be minimum delay in disbursing the loan amount.
2. The formalities of loans should be reduced.
3. There is more requirement of efficient dealing at ground level.
4. More loan Schemes should be launched.
5. Corporation should take initiative to spread awareness among these classes about the benefits of these loan schemes.
6. As these people are not that good educated so the corporation should ease the procedure of providing the loan.

## 9. References

- i. Rajshekahera, V.T, "Caste within a Nation, Books for Change", 2002, B.A.W.S Vol-9, p.410.
- ii. Sukhdev Khanna, "Reservation and its Implications".
- iii. <http://www.businessstandard.com/India/news/36-population-is-obc-not-52/239694/july>, 2010.
- iv. S.R.Maheshwari, The Mandal Commission and Mandalisation-A Critique, 1991, p.13, 15.
- v. Untouchables or depresses castes among the hindus, enumerated in a schedule prepared by the government.
- vi. Basu. Durga, Dass." Introduction to the Constitution of India," Lexis Nexis, Butter Worths Wadhwa, Nagpur, 2010, p
- vii. [http://en.wikipedia.org/wiki/other\\_Backward\\_class](http://en.wikipedia.org/wiki/other_Backward_class) March 2012.
- viii. <http://himachal.nic.in/hbcfdc/stories.htm>
- ix. Menon, K.S.V., (1979) "Development of Backward Areas (through Incentives)
- x. Marc Galanter, (1984) study on Competing Equalities: Law and the Backward Classes in India.
- xi. Hanumantha, Yappal and Deepak Grover, (1979) "employment planning for SC and ST."
- xii. Nemjundappa, D.M., Sirika.R.K., (1982) "Backward Area Development (Problems and Prospects),