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EDITORIAL

I am very happy that one more volume of Manjeera heralding the finest quality of research has ushered its place in your hands and takes the credit of making acquaintances with finest academicians and readers across the country. Hundreds of mails from the readers with appreciations, suggestions and of course criticisms on the content and context of the papers published in the previous volume have continued to remind my duty as an editor of UGC approved journal and motivated me to fortify my editorial competencies. It certainly implies the alacrity and diligence of the readers to scan and absorb the thoughts of paper contributors.

I and my editorial board have been endeavouring from the beginning to preserve three important elements in every volume of this journal, i.e. divergence, novelty and genuineness. This volume is a collection of the contemplations of teachers and scholars from different streams among whom, few have authored on accounting ethics and few others on judiciary system which requires courage of authors and editors to accept and shape the same into journal. Mew Companies Act, Corporate Social Responsibility, Entrepreneurial development and virtually every facet of Social Sciences has been considered by the contributors to retain the element of divergence. There are few areas still waiting to gain space in the curriculum of regular universities like Carbon Credits, but they could find enough room in this journal to drag the attention of readers and other stakeholders with the genuine and novel efforts of the authors.

I solicit all of you to continue your priceless support and contribution that can help us indexing this journal in more international directories in very short span of time. Have a happy reading.

Dr. K. Mallikarjuana Rao
Managing Editor.

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CONSTITUTIONAL SAFEGUARDS, INSTITUTIONAL AND POLICY INITIATIVES FOR THE DEVELOPMENT OF SCHEDULED CASTES IN INDIA: A BIRD'S EYE VIEW

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ABSTRACT

After witnessing the miserable socio-economic, political and educational backwardness of the weaker sections especially Scheduled Castes, the Government of India realized the need for and importance of their development. Hence, since Independence, many constitutional safeguards, institutional and policy initiatives have been made for their well-being and development from time-to-time. It is evident from the literature that there is a plethora of research has been carried out and a few stray articles also have been written on the development of Scheduled Castes on different aspects. But no article or study is found touching upon the constitutional safeguards, institutional and policy initiatives or schemes at length in an exclusive effort. The present paper is an attempt to fill such gaps and presents a bird's eye view of such initiatives, the budgetary allocations, actual expenditure made and number of beneficiaries covered. This gives a glimpse of idea about the status of development of SCs, various institutional efforts and policy initiatives or schemes implemented by Government for the welfare and development of SCs in India.

Introduction

The Constitution of India in its Article 366 (4) defined Scheduled Castes as "Such Castes, races or tribes or parts of or groups within such castes races or tribes are deemed to be Scheduled Castes". The 1931 census systematically categorized certain castes as 'depressed castes' or socially disadvantaged castes as 'Scheduled Castes'. These communities have been denied or deprived of certain social, economical, political, educational and cultural benefits for generations together.

The habitations of the Scheduled Castes are scattered all over the country generally in parts of villages or small villages. While some of the SC families are small and marginal farmers, most of them are employed largely as agricultural labours. Almost all the primary workers in the leather industry are from these castes. Fishermen belonging to SCs are found in the eastern region of the country. There is a large concentration of weavers belonging to this category in the western parts of India. In the urban areas, a large portion of unorganized workers belongs to SC category. The scavengers and sweepers constitute one of the most vulnerable

sections among the SCs. Even the proportion of the SCs among the poverty groups is high and they are among the poorest of those live below the poverty line. Similarly, majority of the bonded labourers identified in the country are SCs.

Scheduled Castes constitute more than 16 per cent of the Indian population. They were called by different names such as Panchamas, Sudras, Untouchables and more sophisticatedly used to be called 'Harijans'. They were isolated socially, economically, politically and educationally when compared to other communities. They were not allowed to enter into temples, attend social ceremonies, and marriage functions, drinking water and other rituals. They engaged themselves in unacceptable and unclean activities in the society. They used to live in deplorable conditions and they were denied and deprived of many developmental benefits in the society.

It is evident from the above that Scheduled Castes constitute the bedrock on which the society and the economy rest. Thus, these communities have been rendering their services to the society by putting their might for the activities which are avoided by other communities. However, it is unfortunate to mention that though India is celebrating its 70th Independence Day still nearly seventy per cent of the SCs are reportedly away from enjoying the fruits of constitutional safeguards, welfare and development schemes that are being initiated by various national and state level institutions and policy initiatives.

Against this background, an attempt is made in this paper to discuss various institutions that are working for the cause of SCs, their budgetary provisions, their achievements, beneficiaries covered and also suggests the measures as to how best these institutions can strive for the upliftment of the Scheduled Castes.

The demographic profile of SCs as seen in the table.1 that the SCs constitute 16.63 per cent of the total population, the *Total Literacy* among these communities is only 14.89 per cent. The proportion of *Total Main Workers* of SCs constitutes 16.04 per cent while the *Total Marginal Workers* was found more than 1/5th of population i.e. 20.21 per cent. From this it can be deduced that the literacy rate is found very less among the SCs both in urban and rural and also among males and females.

Table 1
Demographic Profile of SCs in India

(in numbers)

Aspect	Total Population			SC Population		
	Male	Female	Total	Male	Female	Total
Total Population	623270258	587584719	1210854977	103535314	97843058	201378372
Total Literacy	434763622	328875190	763638812	66476964	47283033	113759997
A - Main Workers						
<i>Cultivators</i>	73067137	22875276	95942413	7345209	2212159	9557368
<i>Agricultural Labourers</i>	55255858	30912848	86168706	15262424	8137253	23399677
<i>Household Industry</i>	7540768	4792034	12332802	938588	698373	1636961
<i>Other Workers</i>	137346213	30775437	168121650	18703138	4886337	23589475
Total Main Workers	273209976	89355595	362565571	42249359	15934122	58183481
B - Marginal Workers						
<i>Cultivators</i>	9695797	13170570	22866367	1099580	1487285	2586865
<i>Agricultural Labourers</i>	27486479	30678505	58164984	7118894	7282522	14401416
<i>Household Industry</i>	2235762	3769604	6005366	384638	631322	1015960
<i>Other Workers</i>	19311861	12974719	32286580	3767402	2349628	6117030
Total Marginal Workers	58729899	60593398	119323297	12370514	11750757	24121271

Source: Data compiled from census 2011.

The details on state-wise poverty ratios among SCs in rural India for a period of ten years are depicted in table. 2. It is evident that the rural poverty on all India basis is found 37.27 per cent while the same ratio in case of SCs is found 48.11 per cent during 1993-94 while the same has come down to 36.8 per cent by 2004-05. Thus, it can be noted that the poverty ratio among SCs across the country, over a period of ten years, has decreased to the extent of 11.31 per cent. This might be because of the implementation of welfare and development schemes of the Government and also the effective use of such schemes by the SC households.

Table 2 :State-wise Poverty Ratios of SCs in India

(in numbers)

Sl. No.	State	1993-94			2004-05				
		Sc	St	All	Sc	St	Obc	Others	Total
1	Andhra Pradesh	26.02	25.66	15.92	15.4	30.5	9.5	4.1	32.3
2	Assam	45.38	41.44	45.01	27.7	14.1	18.8	25.4	36.4
3	Bihar	70.66	69.75	58.21	64.0	53.3	37.8	26.6	55.7
4	Gujarat	32.26	31.20	22.18	21.8	34.7	19.1	4.8	39.1
5	Haryana	46.56	41.55	28.02	26.8	--	13.9	4.2	24.8
6	Himachal Pradesh	36.89	63.94	30.34	19.6	14.9	9.1	6.4	25.0
7	Jammu & Kashmir	--	--	30.34	5.2	8.8	10.0	3.3	14.1
8	Karnataka	46.36	37.33	29.88	31.8	23.5	20.9	13.8	37.5
9	Kerala	36.43	37.34	25.76	21.6	44.3	13.7	6.6	20.2
10	Maharashtra	51.64	50.38	37.93	44.8	56.6	23.9	18.9	47.9
11	Madhya Pradesh	45.83	56.69	40.64	42.8	58.6	29.6	13.4	53.6
12	Odisha	48.95	71.26	49.72	50.2	75.6	36.9	23.4	60.8
13	Punjab	22.08	27.00	11.95	14.6	30.7	10.6	2.2	22.1
14	Rajasthan	38.38	46.23	26.46	28.7	32.6	13.1	8.2	35.8
15	Tamil Nadu	44.05	44.37	32.48	31.2	32.1	19.8	19.1	37.5
16	Uttar Pradesh	58.99	37.11	42.28	44.8	32.4	32.9	19.7	42.7
17	West Bengal	45.29	61.95	40.80	29.5	42.4	18.3	27.5	38.2
18	Chhattisgarh	--	--	--	32.7	54.7	33.9	29.2	55.1
19	Jharkhand	--	--	--	57.9	54.2	40.2	37.1	51.6
20	Uttarakhand	--	--	--	54.2	43.2	44.8	33.5	35.1
	All India	48.11	51.94	37.27	36.8	47.2	26.7	16.1	42.0

-- : Not Available

1. The estimates are based on the methodology outline in the Report of the Expert Group on Estimation of Proportion and number of poor.

2. The Poverty line for all population is used for SCs and STs.

3. All India Poverty ratios are worked out from the NSS distribution of persons and All India Poverty line.

I – Constitutional Safeguards for the Development of SCs

The Constitution of India has incorporated various provisions and safeguards under its Articles 366 (24) and 341 to protect the rights and ensure the development of Scheduled Castes. These safeguards are prescribed either specially or by way of insisting on their general rights as citizens with a view to promote and uphold their educational and economic interests and remove social disabilities.

These safeguards broadly include:

- a) Social Provisions and Safeguards
- b) Economic Provisions and Safeguards
- c) Educational & Cultural Provisions and Safeguards
- d) Political Provisions and Safeguards, and
- e) Provisions and Safeguards regarding service

A brief explanation of each one of them is given below.

a) Social Provisions and Safeguards

The Indian Constitution in its Articles 17, 23, 24, and 25(2)(b) empowers the State to provide social safeguards to SCs. Article 17 pertains to providing safeguard to SCs from the evil practice of untouchability being followed in the society. Protection of Civil Rights Act, 1955 and SCs and STs Prevention of Atrocities Act, 1989 are the specific Acts enacted by the Indian Parliament to safeguard the SCs from inhuman practices that are being followed in the society.

Article 23 prohibits traffic in human beings and ‘begar’ and other forms of forced labour. Though not a specific mention has been in this Article exclusively for SCs but a special significance is made in Bonded Labour System (Abolition) Act 1976 for identification, liberation and rehabilitation of bonded labour as majority of bonded labour come from the SCs. Similarly, Article 24 provides that no child below the age of 14 years shall be engaged to work in any factory or any other hazardous employment. Even this Article also did not make any specific provision about SCs but a majority of the child labour is engaged in hazardous employment and hence, this Article extends such safeguard to their children also. Article 25 (2)(b) provides that Hindu religious institutions of a public character shall be opened to all classes and sections of Hindus including Sikh, Jain and Buddhist religions.

b) Economic Provisions and Safeguards

In one form or the other Article 23, 24 and also 46 form parts of the economic safeguards for SCs. Article 46 specifically states that the State shall promote with special care the educational and economic interests of weaker sections and protect them from social injustice and all forms of exploitation.

c) Educational & Cultural Provisions and Safeguards

Article 15(4) of the Constitution empowers the Governments at all levels to make specific Provisions for the advancement of any socially and educationally weaker sections including SCs and also enabled the State to reserve seats for SCs in educational institutions in general and professional courses etc.

d) Political Provisions and Safeguards

Article 243 D, 243 T, 330, 332 and 334 of the Constitution shall provide reservation of seats for SCs in the local bodies of the States/Union Territories, Legislative Assemblies of the State and in Parliament. It also enforces that the number of seats so reserved shall bear, as nearly as may be, the same proportion to the total of seats.

e) Provisions and Safeguards regarding Service

Articles 16(4), 16(4A) and 335 have made safety provisions in the matters of promotion to any class. The 85th Amendment Act, 2001 was made by the Parliament wherein in Article 16 (4A) for the words: “in matters of promotions to any class” the words “in matter of promotion, with consequential seniority to any class” has been substituted. The result of this Act is that the SCs promoted earlier

than their counter-part in general category by virtue of reservation policy shall be senior to general category in the promoted scale/post.

II - Institutional Initiatives for the Development of SCs:

The SCs have also been provided institutional initiatives or commitments through some statutory bodies both at national and state level launched for their development. Hereunder a brief description, objectives, targets and achievements of each one of such initiatives is outlined:

A - Educational Initiatives

Various scholarships are provided to the students belonging to the Scheduled Castes (SCs) to ensure that education is not denied due to the poor financial condition of their families. These scholarships are provided at both pre-matric and post-matric levels. Scholarships are also provided to SC students for obtaining higher education in India and abroad, including premier educational institutions. The Scholarships can broadly be classified into the following three types:

1. Pre-Matric Scholarship for SC students studying in IX and X

This scheme is a centrally sponsored one and has been implemented by the State Governments and Union Territory Administrations since 2012. As per this scheme, the state Government and UTs will receive 100 per cent central assistance from Government of India for expenditure. The aim of this scheme is to support the parents of SC children for educating their children, so that the incidence of school drops outs at this stage is minimized and thus help for ensuring educational empowerment of SCs.

2. Post-Matric Scholarship for SC students

This scheme is the single largest educational intervention being extended by Government of India since 1944 for educational empowerment of the students belonging to SCs. According to this scheme 100 per cent central assistance is released by the Central Government to all State Governments/UTs for meeting expenditure incurred by the former. This scheme was last revised on 31.12.2010 w.e.f. 01.07.2010 with regrouping of courses and revision of maintenance and other allowances. The income ceiling of the parents to avail this scholarship was enhanced from Rs. 2.00 lakh per annum to Rs. 2.5 lakh per annum from 01.04.2013.

Table 3 shows the details of Pre and Post-matric scholarship released as Central assistance and the number of SC beneficiaries covered for a period of five years i.e. from 2012-13 to 2016-17. It is further noticed that as much as Rs. 2841.23 crore has been released at central scheme to states/UTs Government towards Pre-matric scholarship and covered 130.96 lakh beneficiaries. Similarly, Rs. 10,688.53 crore was released towards Post-matric scholarship covering about 251.95 lakh SC students.

Table 3
Pre-Matric and Post-Matric Scholarship for SC Students in India
(Rs. in crore)

Year	Budget Allocation		Central Assistance Released		No. of Beneficiaries (Rs. in lakh)	
	Pre-Matric	Post-Matric	Pre-Matric	Post-Matric	Pre-Matric	Post-Matric
2012-13	824.00	1500.00	931.37	1654.64	40.56	49.42
2013-14	900.00	1500.00	546.53	2153.49	27.38	49.95
2014-15	900.00	1500.00	514.03	1963.37	25.13	53.38
2015-16	842.55	1599.00	524.70	2213.88	24.45	57.59
2016-17	550.00*	2791.00*	342.60*	2703.15*	13.44*	41.61*
Total	4016.55	8890.00	2841.23	10688.53	130.96	251.95

* As on 31.12.2016

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, pp.48-49.

3. Scholarships for obtaining Higher Education and Coaching Scheme SC students

a) Scholarship Scheme of Top Class Education

The purpose of this scheme is to promote qualitative education amongst the students belonging to SCs, by providing full financial support for pursuing studies beyond 12th class, in notified professional institutes of excellence like IITs, NITs, IIMs, reputed national Medical/Law and other institutions. Maximum 1250 fresh scholarships are given each year and SCs students whose parent's total family income is upto Rs. 4.50 lakh per annum are eligible to avail this scholarship and this scheme has been in force since year 2012-13.

Table 4
Top Class Education Scholarship for SC Students in India
(Rs. in crore)

Year	Budget Allocation	Expenditure	No. of Beneficiaries
2012-13	16.70	16.70	1306
2013-14	21.00	24.18	1574
2014-15	21.00	19.38	1569
2015-16	21.42	29.77	1907
2016-17	21.00	17.85	1276
Total	101.12	107.88	7632.00

* As on 31.12.2016

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.58.

Table 4 exhibits the details of top class education scholarships availed by SC students in India. It can be found from the table that the budgetary allocations made, actual expenditure incurred and the number of students availed the

scholarship for a period of five years i.e. from 2012-13 to 2016-17. It is evident from the data that Rs. 107.88 crore has been spent against the budgetary allocations of Rs. 101.12 crore and as many 7632 lakh of SC students have got the benefit. It is further noticed that scholarships were sanctioned and released more than the budgetary allocations.

b) National Fellowships for SC Students

The scheme provides financial assistance to SC students for pursuing research studies leading to M.Phil, Ph.D and Post-doctoral fellowship research degrees. The University Grants Commission (UGC) is the nodal Agency implementing this scheme. The number of fellowships was increased from 1333 to 2000 w.e.f. academic year 2010-11. There is no income-ceiling prescribed under the Scheme.

Table 5
National Fellowships for SC Students in India

Year	Budget Allocation	Funds Released (Rs. in crore)	Fellowships Awarded		
			Male	Female	Total
2012-13	125.00	0.00	1083	917	2000
2013-14	100.00	24.5	1090	910	2000
2014-15	200.00	148.84	1034	966	2000
2015-16	209.55	200.55	1090	910	2000
2016-17	200.00	100.00*	1340	660	2000
Total	834.55	473.89	5637	4363	10000

* As on 31.12.2016

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.51.

The year-wise details of budget-allocations, actual funds released and the number of SC beneficiaries availed the national fellowship for pursuing higher degrees leading to M.Phil, Ph.D and Post-doctoral fellowship, for a period of five years are furnished in table.5. As per the data available, it is found that Rs. 834.55 crore has been allocated and only Rs. 473.89 crore has been released and only ten thousand SC Research Scholars have enjoyed the fellowships. A close observation of the data from the table brings us to infer that there is a yawning gap between budget allocations to that of actual amount released. It throws light on the fact that the SC students have been accorded priority in release of funds to the extent they are supported to get for undertaking higher degrees like research studies.

c) National Overseas Scholarship for SC Students

The scheme provides for fees charges by institutions as per actual, monthly maintenance allowance, passage visa fee and insurance premium etc. annual contingency allowance, incidental journey allowance. Only two children of the same parents/guardians are eligible to get benefit under the schemes. The prospective awardees should not be more than 35 years of age. The total number of awards to be given each year is 100 and 30 per cent of the awards have been

earmarked for woman candidates. Financial assistance under the scheme is provided for a maximum period of 4 years for Ph.D and 3 years for Master's programme. The income ceiling from all sources of the employed candidate/parents/guardians should not be more than Rs. 50,000 /- per month.

Table 6
National Overseas Scholarship for SC Students in India

Year	Budget Allocation	Funds Released (Rs. in crore)	No. of Awards	No. of Finally Selected Candidates		
				Masters' Degree	Ph.D	Total
2012-13	6.00	6.89	30	11	12	23
2013-14	6.00	6.13	60	20	19	39
2014-15	6.00	8.78	100	30	29	59
2015-16	6.12	13.45	100	17	33	50
2016-17	15.00	4.94*	100 [#]	-	-	-
Total	39.12	40.19	390.00	78.00	93.00	171.00

* As on 31.12.2016, # The selection of applicants is under process.

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.52.

Besides the national fellowships, the Government has also been extending financial assistance towards overseas scholarships to SC students to pursue higher studies in foreign countries. All such details are shown in table. 6. The table also furnishes the details in terms of budget allocations, actual funds released, number of awards including the number of students finally selected for a period of five years. Though as many as 390 awards have been approved for sanction, only 171 candidates have been selected. Out of these, 93 students were selected for pursuing Ph.D degrees while only 78 got selected for Master's degree. It is also witnessed from the table that during a five years period, Rs. 40.19 crore have been released as against Rs. 39.12 the budget allocations. It is explicitly found that the Government has been liberal in releasing the financial grants for overseas studies but the number of students really benefited is found to be less. Hence, more awareness about the existence of such schemes has to be created among the SCs.

d) Free Coaching for SC and OBC Students

The objective of the scheme is to provide coaching of good quality for economically disadvantaged SC and OBC candidates to enable them to appear in competitive examinations and succeed in obtaining appropriate jobs in public/private sector. The scheme provides central assistance to institutions/centers run by the Central/State Governments/UT Administrations, Central/State Universities, PSUs, Registered Private Institutions, NGOs, etc. Coaching is provided for Group 'A' and 'B' examinations conducted by the UPSC, SSC, various RRBs and State PSCs.

Table 7
Free Coaching for SC and OBC Students in India

(Rs. in crore)

Year	Budget Allocation	Expenditure	No. of Beneficiaries
2012-13	12.00	5.38	5765
2013-14	12.00	8.94	4400
2014-15	12.00	8.14	6126
2015-16	12.00	6.83	4300
2016-17	25.00	0.36*	50
Total	73.00	29.65	20641

* As on 31.12.2016

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.57.

As a part of educational inclusion and empowerment of SCs, the Government has also introduced the free coaching schemes for SCs and also OBC candidates for getting into Jobs in both public and private sectors. The details of budget allocations, actual expenditure made and the number of beneficiaries who availed these facilities are shown in table. 7. It is surprising to observe that though as much as Rs. 73 crore has been allocated for the purpose only Rs. 29.65 crore has been spent and only 20641 candidates have got benefited during a five years period. It is further found that during five years period that is no year the fully allocated budget was spent for the purpose.

B - Economic Initiatives

1. National Scheduled Castes Finance & Development Corporation (NSFDC)

The NSFDC is an institutional setup made under the Ministry of Social Justice & Empowerment, Government of India on 08-02-1989. It is an apex institution established for financing, facilitating and mobilizing funds from other sources and promotes the economic development activities of the persons belonging to the Scheduled Castes living below double the poverty line. It provides financial assistance for income generating schemes for the target group through state channelizing Agencies which are nominated by respective States/Union Territories/Governments.

NSFDC's main vision is to fight poverty through entrepreneurship. It also provides concessional finance for setting up of self-employment projects and skill-training grants to unemployed SC persons living below the poverty line. NSFDC provides term-loan for project(s) unit(s) costing upto Rs.30 lakh. Regarding the quantum of assistance, it provides term-loan 90 per cent of the cost of project, subject to the condition that the state channelizing agencies contribute their share of assistance as per their schemes.

It also provides the required subsidy tying up of the financial resources from other sources available. Beneficiaries are eligible for subsidiary @ Rs. 10,000 or 50 per cent of the unit cost, whichever is less and the funds are released by the Ministry of Social Justice & Empowerment to the State Government. Besides, whoever the beneficiaries are not provided their share of Margin Money. The beneficiaries are also provided placement assistance and Entrepreneurial guidance to start their ventures with concessional finance from NSFDC and State Channelizing Agencies.

2. National Safai Karamacharies Finance & Development Corporation (NSKFDC)

The NSKFDC is another institutional initiative under the Ministry of Social Justice & Empowerment that came into operation in 1997. It provides credit facilities to beneficiaries amongst Safai Karamacharies, manual scavengers and their dependents for income generating and viable projects for socio-economic development through state channelizing Agencies. During 1999-2000, the Corporation disbursed Rs. 20.16 crore for 78 schemes to its various Channelizing Agencies benefiting 5005 Safai Karamacharies.

Table 8 :State/UT-wise Disbursements made and SC Beneficiaries covered by NSFDC during 2015-17

(Rs. In Lakh)

Sl. No.	State/UT	2015-16		2016-17	
		Amount Disbursed	No. of Beneficiaries Covered	Amount Disbursed	No. of Beneficiaries Covered
1.	Andhra Pradesh	2504.36	3650	607.28	1186
2.	Arunachal Pradesh	0.00	0	0.00	0
3.	Assam	42.19	103	0.94	2
4.	Bihar	2881.36	4590	7.06	9
5.	Chhattisgarh	656.54	118	4.13	1
6.	Goa	6.09	1	0.00	0
7.	Gujarat	2259.47	1995	1030.83	504
8.	Haryana	1223.96	2116	23.30	45
9.	Himachal Pradesh	128.02	274	5.45	7
10.	Jammu & Kashmir	782.44	285	6.20	2
11.	Jharkhand	953.34	1030	3.21	8
12.	Karnataka	3153.40	4505	62.52	93
13.	Kerala	4366.04	5431	369.63	360
14.	Madhya Pradesh	39.21	72	0.96	1
15.	Maharashtra	992.86	1614	37.12	1
16.	Manipur	100.00	340	100.00	345
17.	Meghalaya	0.00	0	0.00	0
18.	Mizoram	0.00	0	0.00	0
19.	Nagaland	0.00	0	0.00	0
20.	Odisha	46.51	28	7.29	14
21.	Punjab	4.32	7	1010.82	1897

22.	Rajasthan	1346.81	20-72	3.76	7
23.	Sikkim	110.40	80	0.00	0
24.	Tamil Nadu	11.58	7	2965.06	4281
25.	Telangana	1893.40	2707	179.37	315
26.	Tripura	2226.75	1117	236.46	101
27.	Uttar Pradesh	7884.47	13677	7.16	9
28.	Uttarakhand	712.35	656	0.00	0
29.	West Bengal	3357.74	25259	67.32	18
30.	A&N Islands*	0.00	0	0.00	0
31.	Chandigarh	30.00	79	0.28	1
32.	D&N Haveli, Daman & Diu	0.00	0	0.00	0
33.	NCT of Delhi	180.86	102	2.99	7
34.	Lakshadweep*	0.00	0	0.00	0
35.	Puducherry	0.00	0	0.00	0
	Total	37894.47	71915	6739.14	9214

*As per Census-2011, there is no Scheduled Castes population.

Source: Annual Report of Ministry of Social Justice and Empowerment, Government of India, 2016-17, p.215.

Table 8 incorporates the state/UTs-wise details of disbursements made and also no. of SC beneficiaries covered by NSFDC during 2015-17. Regarding the disbursements of amount by NSFDC, the state of U.P has disbursed the highest amount of Rs. 7884.47 lakh to the SC beneficiaries and the least out of Rs. 4.32 lakh was disbursed by the Punjab State and the no. of beneficiaries covered during 2015-16, the West Bengal covered the highest no. (25259) and the least number of beneficiaries (one Member) were benefited in the Goa state. With regard to the disbursements and total beneficiaries covered during 2016-17, the highest amount of Rs. 2965.06 lakh and also the highest no. of (4281) covered by the Tamilnadu state and the least disbursement was made 0.28 lakh by the Chandigarh state and the states like Chhattisgarh, MP, Maharashtra and Chandigarh were found least no. of beneficiaries.

Table 9

Statement Showing Year-wise and State-wise Funds Disbursed and Number of SC Beneficiaries covered by NSFDC during 2014-17 (upto 31.12.2016)
(Rs. in lakh)

Sl. No.	Name of State/UT	2014-15		2015-16		2016-17		Total	
		Fin.	Phy.	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.
1.	Andhra Pradesh	0	0	706.51	923	352.49	460	1059	1383
2.	Assam	0	0	0	0	0	0	0	0
3.	Bihar	0	0	0	0	0	0	500	1225
4.	Chandigarh	9.68	31	9	40	60.75	95	86.85	192
5.	Chhattisgarh	495	350	0	0	9	1	1044	1101
6.	Delhi	0	0	900	820	0	0	900	820
7.	Gujarat	2133.81	5000	60.94	11	1884.4	2909	5250.59	11593
8.	Himachal Pradesh	70	175	0	0	0	0	70	175
9.	Haryana	1.8	1	5.85	5	7.29	9	34.9	24
10.	J & K	577.15	385	453.96	155	126	120	1485.84	1068
11.	Jharkhand	0	0	192.88	417	0	0	192.88	417
12.	Karnataka	33.29	10	2894.7	2422	892.74	516	6643.23	7249
13.	Kerala	0	0	0	0	0	0	0	0
14.	Madhya	0	0	0	0	0	0	0	0

	Pradesh								
15.	Maharashtra	12.28	0	0	0	3.24	0	5135.71	3659
16.	Manipur	0	0	0	0	0	0	0	0
17.	Meghalaya	0	0	0	0	0	0	0	0
18.	Mizoram	0	0	0	0	0	0	0	0
19.	Nagaland	157.5	250	0	0	218.03	319	375.53	569
20.	Odisha	195.75	127	0	0	0	0	195.75	127
21.	Pondicherry	0	0	131.75	85	0	0	276.25	185
22.	Punjab	49.5	55	0	0	0	941	99	1051
23.	Rajasthan	199.42	263	162.99	184	584.01	0	1467.31	1043
24.	Tamilnadu	0	0	0	0	0	0	0	0
25.	Tripura	491.04	374	509.4	295	169.2	122	1416.61	1055
26.	Uttar Pradesh	0	0	0	0	0	0	0	0
27.	Uttarakhand	0	0	0	0	0	0	66.08	108
	Total	4426.22	7021	6018.98	5357	4307.15	5492	26299.53	33044

Source: Annual Report of Ministry of Social Justice and Empowerment, Government of India, 2016-17, p.216.

Year-wise and state-wise funds disbursed and no. of SC beneficiaries carried by NSKFDC during 2014-17 can be seen in table. 9. Further it is found that during 2014-15 out of the total Rs. 4426.22 lakh disbursed throughout the country nearly 50 per cent of the funds were distributed to Gujarat state and it was also found that the Gujarat state has the highest no. of beneficiaries who were covered under NSKFDC. Whereas, the Haryana state stands last in getting the funds disbursed and also no. of beneficiaries covered. The details of funds disbursed and the no. of beneficiaries covered during 2015-16 shows that out of the Rs. 6018.98 lakh the Karnataka state stood first in getting funds disbursed to the tune of Rs. 2894.7 lakh and also recorded the highest no. of beneficiaries i.e. 2422. Similarly, during 2016-17 the total funds disbursed across the country were Rs. 4307.15 lakh and the total beneficiaries covered for the same period was about 5492 beneficiaries. Surprisingly, during 2016-17 also the Gujarat state stood first in funds disbursement and also no. of beneficiaries throughout the country. While the least funds were availed by Maharashtra state and the least no. of beneficiaries availed for said period by the state of Chhattisgarh.

Special Central Assistance (SCA) to Scheduled Castes Sub-Plan (SCSP)

Special Central Assistance to Scheduled Castes Sub-Plan is a central sector scheme, started in 1980, under which, 100 per cent assistance is given as an additive to SCSP of the States/UTs on the basis of certain criteria such as SC population of the States/UTs, relative backwardness of States/UTs, percentage of SC families in the States/UTs covered by composite economic development programmes in the State Plan to enable them to cross the poverty line, etc. It is an umbrella strategy to ensure flow of targeted financial and physical benefits from all the general sectors of development for the benefit of Scheduled Castes. Under this scheme, States/UTs are required to formulate and implement Special Component Plan (SCP) for Scheduled Castes as part of their annual plans by earmarking resources.

Table 10
Physical and Financial Achievements under the Scheme of SCA to SCSP
(Rs. in crore)

Year	Budget Allocation	Expenditure	No. of Beneficiaries (Rs. in lakh)
2013-14	1051.00	790.24	22.90
2014-15	1060.00	700.00	10.08
2015-16	1107.44	800.00	68.33
2016-17	800.00	600.67*	0.17
Total	13985.44	2890.91	101.48

* As on 31.12.2016

Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.59.

Table.10 furnishes the details of Special Central Assistance to Scheduled Castes Sub Plan for a period of four years i.e. from 2013-17. It is unfortunate to find that the actual expenditure did not exceed more than the budget allocations. It has led to conclude that during all these four years period the actual expenditure is very low despite the fact that the budget provisions were made on grand scale. Thus, it can be inferred that only 101.48 beneficiaries are alone get benefited out of Scheduled Central Assistance to Scheduled Castes Sub-Plan.

3. Scheme of Assistance to Scheduled Castes Development Corporation (SCDCs)

The Centrally Sponsored Scheme for participating in the equity share of the SCDC in the ratio of 49:51 was introduced in 1979. At present, SCDCs are functioning in 27 States/UTs. The SCDCs are playing an important role in providing credit and inputs by way of margin money loans and subsidy to the target group. The main functions of SCDCs include identification of eligible SC families and motivating them to undertake economic development schemes, sponsoring the schemes to financial institutions for credit support, providing financial assistance in the form of margin money at low rate of interest, providing subsidy out of the funds made available to the States under the SCA to SCSP of the States to reduce the repayment liability.

Table 11 :Physical and Financial Achievements under the Scheme of Assistance to SCDCs

Year	Budget Allocated	Expenditure	No. of Beneficiaries
2012-13	20.00	5.00	293116
2013-14	20.00	20.00	164369
2014-15	20.00	20.00	182039
2015-16	20.00	20.00	138803
2016-17	20.00	20.00*	NR
Total	100.00	85.00	778327

* As on 31.12.2016, NR - Not Reported, Source: Annual Report of Ministry of Social Justice and Empowerment, Govt. of India, 2016-17, p.59.

The physical and financial achievements under the scheme of Assistance to Scheduled Castes Development Corporations for a period of five years can be seen in table. 11. Except during 2012-13 the rest of the years all Budget Allocations were fully spent. On the whole it is also found that out of the Rs. 100 crore allocations the budgetary provisions under the scheme of Assistance to Scheduled Castes Development Corporations only Rs. 85 crores spent as actual expenditure. All together as many as 778327 beneficiaries got benefited from the scheme of Assistance to Scheduled Castes Development Corporations.

IFCI Venture Capital Fund for Scheduled Castes Entrepreneurs

The objective of the fund is to promote entrepreneurship amongst the Scheduled Castes who are oriented towards innovation and growth technologies and to provide concessional finance to the Scheduled Castes Entrepreneurs. Accordingly, the scheme has been launched on 16.01.2015. The scheme would be implemented by the IFCI Limited. During 2014-15, Rs. 200 crore was released initially for the fund to the IFCI Limited, which is a Nodal Agency to implement it.

4. Credit Enhancement Guarantee Scheme for Scheduled Castes (CEGSSC)

The Finance Minister during the Union Budget speech (2014-15) on July, 2014, had announced that a sum of Rs.200 crore shall be allocated towards credit enhancement facility for young and start-up entrepreneurships, belonging to Scheduled Castes, who aspire to be part of neo middle class category with an objective to encourage entrepreneurship in the lower strata of the society resulting in job creation besides creating confidence in Scheduled Castes.

The objective of the Scheme is to promote entrepreneurship amongst the Scheduled Castes, by providing Credit Enhancement Guarantee to Banks and FIs, who shall be providing financial assistance to these entrepreneurs. The Government of India has initially allocated a corpus of Rs.200 crore for the Scheme, out of which the guarantee shall be extended to Banks & FIs. IFCI Ltd is the Nodal Agency under the Scheme, to issue the guarantee to the Banks & FIs, who shall be encouraged to finance Scheduled Caste entrepreneurs, so that these enterprises become profitable ventures.

Under the Scheme, Sole Proprietorship, Companies, Partnerships & Societies belonging to Scheduled Castes are eligible for loans from Rs.25 lakh and above, subject to a maximum guarantee cover of Rs.5 crore. So far 31 Banks have registered under the Scheme. The Scheme has since taken off from the FY 2015-16 with registration of 31 Member Lending Institutions under it. IFCI shall issue Guarantees to Member Lending Institutions (MLIs) for Term Loan or Composite Term Loan Facility. The scheme covers loans from Rs.25.00 lakh and above subject to a maximum guarantee cover of Rs. 5 crore.

III - Policy Initiatives in the form of Welfare and Development Programmes for the Development of SCs

- 1. Pradhan Mantri Adarsh Gram Yojana (PMAGY):** This scheme is being implemented primarily for integrated development of Scheduled Castes majority villages having SC population concentration of more than 50 per cent. Initially, the scheme was launched in 1000 villages in five states. The scheme was further revised w.e.f. 2015 and extended to 1500 SC majority villages in 11 state including Andhra Pradesh. The selected villages under this scheme are being provided central assistance in the form of gap-filling funds to the extent of Rs. 20 lakh per village to be enhanced by another Rs. 5 Lakh if the State Governments make a matching contribution.
- 2. Babu Jagjivan Ram Chhatrawas Yojna:** The main objective of the scheme is to attract implementing agencies for undertaking hostel construction programme with a view to provide hostel facilities to SC boys and girls pursuing studies in middle schools, higher secondary Schools, Colleges and Universities. This scheme provides central assistance to State Government/UTs Administrations, Central and State Universities and Institutions for fresh construction of hostel buildings and for expansion of the existing hostel facilities, the NGOs and Deemed universities in private sector are also eligible for central assistance and for expansion of their existing hostel facilities.
- 3. Upgradation of merit of SC Students:** This scheme is instituted with the prime objective to upgrade the merit of SCs students studying in class IX to XII by providing them with facilities for education in residential/non-residential schools. In this regard, central assistance is also released to the State Governments/UT administrators for arranging remedial and special coaching for SC students. The remedial coaching aimed at removing deficiencies in school subjects special coaching in provided with a view to prepare the students for competitive exams for entry into professional courses like Engineering and Medical.

Besides the above, the Self-Help Group Bank linkage, and Dwacra Programmes, Indira Kranthi Pathakam, Micro Credit, Self-Employment Programmes, State Sponsored schemes are also some of the initiatives taken both by State and Central Government of SC Communities.

Conclusion:

Despite the fact that many Constitutional safeguards are provided, institutional and policy initiatives have been taken-up by the Government at all levels, but it is unfortunate to state that the fruits of such efforts have not yet been properly reached to the SC Communities to the extent they are supposed to be reached. Further, it is also observed from the budget provisions and actual expenditure of various schemes implemented for the development of SCs show that there is an under spent of allocated budget. This may be due to non-release of the allocated funds for implementation. Therefore, it is suggested that the allocated

funds are to be released within a timeframe and the Government machinery should take concrete steps in spending and implementing the schemes in good spirit.

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MAJOR FACTORS AFFECTING INDIAN JUDICIAL PROCESS

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ABSTRACT

Judicial process is a set of legal procedures to be followed by any judicial system for delivery of justice to anyone whose right is injured in the eyes of court. Generally, judicial process is amounted to be started when the matter of litigation is put on the Bench of judges to deliver adequate justice in pursuance of law, legal theories or doctrines but actually judicial process should be considered to be incepted when a cause of action arises and the victim wants to go to court to seek justice. This is the very moment when the nature and quality of the judicial process plays a pivotal role in encouraging or discouraging to the victim to take the recourse of court seeking grievances. Therefore, the real judicial process starts not when the litigation-matter is put before the Bench but when it is filed in the registry of a particular court and ends with passing of the judgment.

In between the complete procedures, there are many factors that affect directly/indirectly to the judicial process of any judicial system.

The judicial process encompasses many steps/procedures to be followed by the court of law. The established procedures of judicial process of any country talk a lot about the reliance of the people in the particular justice delivery system. The instant paper based on doctrinal method of research, would critically analyse the factors affecting, whether positively or negatively, the judicial process of India and would try to find out a solution to cope up the obstacle coming in the way to the justice during the procedures of judicial process.

Key words: Judicial - Process, Justice, Judiciary, Jurimetrics.

INTRODUCTION

‘Judicial process’ is that very specific legal procedure through which ‘justice’ can be administered by the courts. According to **Blackstone**, “Justice is a reservoir from where the concept of *right, duty and equity* evolves.”¹ Thus, the notion of ‘justice’ is the centre point for which courts strive through out to dispense.

Benjamin N. Cardozo says about judicial process that “What is it that I do when I decide a case? To what sources of information do I appeal for guidance? In what proportions do I permit them to contribute to the result? In what proportions ought they to contribute? If a precedent is applicable, when do I refuse to follow it? If no

¹.Paranjape, Dr.N.V., Jurisprudence & Legal Theory, Central Law Agency, Allahabad (ed.Vth), 2008, P.164.(3)

precedent is applicable, how do I reach the rule that will make a precedent for the future? If I am seeking logical consistency, the symmetry of the legal structure, how far shall I seek it? At what point shall the quest be halted by some discrepant custom, by some consideration of the social welfare, by my own or the common standards of justice and morals”² Meaning there by that whatever a judge has to do to deliver a judgment, is the judicial process. It is the soundness of judicial process upon which the legality of the judge – made – law depends. In other words, judicial process is a mean to attain the end i.e. justice.

Actually, judicial process is the method of attaining justice which seeks to achieve desirables and to prohibit undesirables.³ It basically confines itself to the study of “is” of law in the light of fact or dispute in hand and if the ‘is’ of law is not clear, judges move to “ought” of the law in the light of the objectives of the legislature and the concern statute itself.⁴

The Preamble of the Constitution of India proclaims to ensure justice (Social, Economic and political), liberty (of thought, expression, belief, faith and worship) and equality of status and opportunity to every citizen of India. The Constitution of India provides various fundamental and legal rights. And, the judiciary of India has been made the very custodian of the said sureties and protector of such rights by the Constitution itself. The Constitution guides to the judiciary of India that which kind of judicial process has to be adopted for various kind of litigation.

The judicial process of Indian judiciary is a bit technical and that’s why not easily accessible for a common man. Even after 70 years of independence, the Indian judiciary is carrying on the judicial process sat by the British India and henceforth, many flaws have tuned into hindrances to the path of justice while the same time, there are many aspects that proves the judicial process of Indian judiciary more scientific and systematic.

The Indian judiciary is layered at three levels i.e. lower, higher and Supreme Court and at all levels it follows the adversary judicial process. There are various positive characteristics of the adversary judicial process but at the same time in the lac of good administration and vigilance, there are many flaws of this judicial process.

FACTORS AFFECTING JUDICIAL PROCESS – POSITIVELY

Separation of Powers

Article 50 of the Constitution of India talks about the separation of judiciary from executive. It says that the State shall take steps to separate the judiciary from the executive in the public services of the State. The notion behind the

².Cardozo, Benjamin N., (1921), *The Nature of Judicial Process*, pp.1-2

³. Patel, A. *Indian Judicial Process : A critique*. <http://www.lawyersclubindia.com/articles/Indian-Judicial-Process-A-Critique> visited on 12/04/13

⁴.Id.

incorporation of this Article is that each organ of the government can work freely without unreasonable interference of the other. The constitution of India empowers Indian judiciary only to interpret the laws enacted by the Indian legislature. It makes Indian judiciary focused in its functioning and unbiased in the eyes of public that boasts its judicial reliability. The exclusive domain of working of the Indian judiciary makes its judicial process smoother and speedy.

Judicial Activism

Under Article 13, 14, 19, 21, 32 and 226 of the constitution of India the Supreme Court and the High Court respectively have been bestowed with immense judicial power. The judiciary has to be judicially proactive if other constitutional body of the government fails to respond their constitutional duty or there is legislative vacuum in the changing society. The higher judiciary of India can play the role of a judicial activist by liberating the strict judicial process of the locus standi and many others. The Most of Indian laws are yet of British India period but it has been the higher judiciary of India who by judicial activism has been administering due justice that vary in different aspect viz. interpretation of the constitution, while protecting the fundamental rights as in the case of *KeshwanandBharati*⁵, etc. extending the scope of —Locus Standi in Public Interest Litigation like *Vellore Citizen Welfare Forum*⁶, *Vishakha Vs. State of Rajsthan*⁷, *NALSA Vs. UOI*⁸, *ShabnamHashami Vs. Union of India*⁹ etc. or suo moto cognizance of more sensitive cases relating to fundamental rights like *Sunil Batra Case*¹⁰, Omni presence of judicial review, expansion of horizons of Article 21 viz. *Sheila Varse*¹¹, *Rudal Shah*¹², *NilabatiBeheras Vs. State of Orissa*,¹³ *Mithu Vs. State of Punjab*¹⁴ *M.C. Mehta Vs. Union of India*¹⁵, *Olga Tellis Vs. Bombay Municipal Corporation*,¹⁶ *Hussainara Vs. Home Secretary, State of Bihar*¹⁷ etc. and guarding certain directive principles of State as fundamental rights, etc.

Disciplined Judiciary

Because of the separation of powers Indian judiciary is highly disciplined. The most important thing Indian judiciary has been conferred certain powers to

⁵ . *KeshwanandBharati Vs. State of Kerela* , AIR 1973 SC 1461

⁶ . *Vellore Citizen Welfare Forum Vs. Union of India*, (1996) 5 SCC 650

⁷ . *Vishakha Vs. State of Rajsthan*, AIR 1997 SC 3014

⁸ . (2014) 5 SCC 438

⁹ . (2014) 4 SCC 1

¹⁰ . *Sunil Batra Vs. Delhi Administration*, AIR 1978 SC 1675

¹¹ . *SheelaBarseVs State Of Maharashtra*, (1997) 4 SCC 373

¹² . *RudulSahVs State Of Bihar And Another*, (1983) 4 SCC 141

¹³ . (1993) 2 SCC 746

¹⁴ . AIR 1983 SC 473

¹⁵ . (1997) 3 SCC 715

¹⁶ . AIR 1986 SC 180

¹⁷ . AIR 1979 SC 1369

make some rules for its own working and since the Indian judiciary is run by skilled legal professionals, they make judiciously sound rules that move Indian judiciary in a right direction.

Lack of Biasness

Nemo iudex in causa sua (no one should be made a judge in his own cause) popularly known as the “rule against bias” has been considered as a part of Indian judicial process because it is the minimum requirement for natural justice in any judicial system. The judge presiding over the bench to hear the litigation must be supposed to be impartial, acting fairly. The objective is to ensure litigants’ confidence in the impartiality of the court and fairness of the judicial process. The Indian judicial process is quite unbiased because there is less political nexus with the judiciary because of the application of the doctrine of ‘Separation of Powers’ and ‘Rule of Law’ by the Indian judiciary.

Less Political Interference

Since the Constitution of India keeps judiciary separate from other organs of the Government, the Indian judiciary is apparently intact from any kind of political nexus. The judges are selected on the merit list of written and *viva voce* tests at the lower judiciary level, so there is less chance of political influence. Every judge of the Supreme Court is appointed by the president after consultation with the Chief Justice of India [Article 124(2)] and in the case of high court judges, chief justice of the concerned High Court and the Governor of the State [Article 217(1)] as well.

But, after the judgement of *In re Presidential Reference*¹⁸ case, the Supreme Court held that in regard to the appointment of judges to the SC under Art. 124(2), the Chief Justice of India should consult “a collegium of four senior most judges of the SC” and in regard to the appointment of HC judges, the court held that the collegium should consist of the Chief Justice of India and any two senior most judges of the SC. Further, in regard to transfer of HC Judges the court held that in addition to the collegium of four judges, the chief justice of India is required to consult chief justice of the two HCs (one from which the judge is being transferred and other receiving him).

FACTORS AFFECTING JUDICIAL PROCESS – NEGATIVELY

Socio-economic background of judges

Though the judges under the Indian Judicial process are supposed to be objective but it’s misfortunate for Indian judiciary that judges have been found personally involved in the matter in hand and so the judgement passed in such a matter are influenced by the personal interest of the presiding judge.

¹⁸ . AIR 1999 SC 1.

The Logo of Supreme Court of India is inscribed with in Devnagari script “*YatoDharmastatoJayah*”. Here *Dharma* may be corresponded to the ‘supreme law of the land’ and *Jayah* means ‘victory’. So, the very vision of the Indian jurists may be inferred from the logo of the Supreme Court when it says *YatoDharmastatoJayah*, it intends to say that people dealing with law must strive for the victory of law and here victory of law can prevail only if the implementation of law is observed objectively. The logo of the Supreme Court of India corresponds to the doctrine of the Rule of Law popularised by A.V.Dicey. The basic tenets of the Rule of law are ‘no one is above the law, Equality before the law and the Bench must be impersonal and impartial’. The corruption charges against judges like K.Veerawami¹⁹, V.Ramaswami²⁰, K.G.Balakrishnan²¹, NirmalYadav²², InderjitMohanty and Sangam Kumar Sahoo²³, SoumitraSen²⁴, RachanaTiwariLakhanpal²⁵ civil Judge, Tis Hazari Court, Delhi, etc. is rather dismay for the dignity of the Indian judiciary. Many times judges are biased to a particular class of people, viz. the statement of the Bombay High Court judge, while granting bail to three accused of murder of Mohsin Sheikh, is highly relevant to prove the personal biasness of the judge presiding over the Bench. The reliance of people to Indian judiciary has shattered because of in and out corruption stories of the judges at all levels. Now this is the scene that the judgements of each and every high profile political, socio-economic cases are seen with dubious mind. People try to look into the connection between the judgment-debtor and the judge passing the judgment and this is the sign of the decline of people towards the judiciary.

Litigation-Cost

The Indian judicial process is comparatively costly. It is costly firstly because the laws dealing with advocacy is not specific about the fee of the private-practitioners and secondly because the court-fee is equal for all irrespective of the income of the litigants. The government does not use systematic, scientific and transparent mechanism for imposition of court-fees. That is the reason that justice is cheaper for the rich but insurmountable for the poor.

¹⁹ .1991 SCC (3) 655

²⁰ .1992 (4) SCC 506

²¹ . <http://www.dailymail.co.uk/indiahome/indianews/article-2100640/Former-Chief-Justice-K-G-Balakrishnan-faces-Supreme-Court-heat-corruption-charges.html> visited on 10/10/17

²² . <http://www.thehindu.com/news/national/other-states/charges-framed-against-nirmal-yadav-in-cashatjudgesdoor-scam/article5589736.ece> visited on 10/10/17

²³ . <https://barandbench.com/corruption-orissa-hc-judges-stalled/> visited on 10/10/17

²⁴ . <https://timesofindia.indiatimes.com/india/Justice-Soumitra-Sen-impeached-by-Rajya-Sabha-on-corruption-charges/articleshow/9649995.cms> visited on 10/10/17

²⁵ . <http://indianexpress.com/article/india/india-news-india/senior-civil-judge-rachna-tiwari-lakhanpal-arrest-cbi-bribery-ch9arges-case-3056493/> visited on 10/10/17

Illiteracy and Poverty

Though as per the 2011 census the literacy rate of India is 74.04 per cent but the truth is different. It's a matter of fact that corruption in the education and examination systems of India is open secret. The actual rate of illiteracy is higher than the rate recorded by the census. So, because of illiteracy people in India are not aware about their legal grievances, the legal process how to seek justice, the judicial process where they can initiate due legal action. Illiteracy is the major factor behind the poverty of any society. Most of the legally-injured people in India could not access to the court because of their financial incapability. They do not have resources either to hire an advocate or to pay court fees. In such a situation to say 'justice to all' is just a myth.

Delay in Justice

'Justice Delayed is Justice Denied' is a legal maxim. But, in India it is common. There are many reasons causing delay in justice delivery. The major reason is the lack of will of the government. In the all governments there have always been enough resources for various scams but not for recruitment of judiciary. The other reason behind delayed-justice delivery is the corruption and lack of professionalism in the police-system. The judiciary depends on police for the investigation of the facts in dispute and the police bargains with the truth, distorts the actual evidences, manipulates the facts, and intentionally stretches the investigation-time causing delay in the court procedure. The 'Prison Statistics India 2015' report says that sixty-seven per cent of the people in Indian jails are under-trials — people not convicted of any crime and currently on trial in a court of law.²⁶ There are many cases wherein people (Nisar-ud-din Ahmad with two others acquitted by the SC of all charges after 23 years in jail²⁷, Gulzar Ahmed Wani²⁸ has been acquitted after 16 years in jail, Mohammad Aamir Khan acquitted after 14 years in jail²⁹, in 2005 Hyderabad suicide blasts, ten prisoners declared innocent after 12 years in jail³⁰), and many mores. These are just few, the actual data would be more and more. This is the reason that despite of the knowledge of infringement of the legal rights, people either don't want to take resort of the judicial process or to settle down the matter out of the court compromising with their interest.

²⁶ . <http://www.thehindu.com/news/national/%E2%80%98Two-thirds-of-prisoners-in-India-are-undertrials%E2%80%99/article16080519.ece> retrieved on 15/11/17.

²⁷ . <http://indianexpress.com/article/india/india-news-india/babri-masjid-demolition-train-blast-tada-supreme-court-acquitted-in-babri-anniversary-train-blasts-case-nisar-2824883/> retrieved on 15/11/17.

²⁸ . <https://thewire.in/140512/gulzar-wani-acquitted-terror-cases/> retrieved on 15/11/17.

²⁹ . <http://www.hindustantimes.com/analysis/framed-as-a-terrorist-mohammad-aamir-khan-s-14-years-behind-the-bars/story-TJnysSHMj0yCj8yXf15lrN.html> retrieved on 15/11/17

³⁰ . <https://sabrangindia.in/article/2005-hyderabad-suicide-blasts-ten-muslims-declared-innocent-after-12-years-jail-surprise> retrieved on 15/11/17

Lack of legal literacy

In the lack of legal education, people do not know their legal rights and duties. Because of legal illiteracy people do not get to claim their due either from the State or from the person/s injuring their rights. Legal-illiteracy is the major cause behind the exploitation by the police, government machineries, employers, socially superior class of people and relationships.

Legal-political nexus

It is the most apparent cause of corruption in the Indian judiciary, especially in the higher judiciary and so it affects badly to the sanctity of the whole judicial process of India. Bar- members are not debarred from joining politics. Indian judiciary selects certain number of judges from the Bar. When advocates having a political connection are got selected for the Bench, judgments passed by them seems to be biased. There are bunch of such cases in the history of the Indian judiciary wherein the order, judgment or opinion of a particular judge shows allegiance to the government or to the individual having political background. In return they get benefits from them. For example, in the independent India whenever the integrity of a judge is questioned in the Parliament, such a judge is indirectly protected by one or more political party, viz. the impeachment process in the matter of Justice SoumitraSen, .C.V. NagarjunaReddy . P.D Dinakaran, J.B. Pardiwala, and V. Ramaswami could not succeed because of the judicial-political nexus and this is really a matter of dismay for Indian Judiciary.

Overburdened judiciary

Indian judiciary is one of the most overburdened judiciary in the world. India has more than 22m legal cases pending, 6m of which have been stuck in the courts for five years or longer. (The Supreme Court nevertheless deals with 47,000 cases a year; America's dismisses 8,000 a year and hears only about 80.)³¹

To manage the huge caseload India has only 16,000 courtrooms and barely as many working judges—14 of them per million people compared with 107 in America. As far back as 1987 a government-advisory body, the Law Commission of India, recommended a fivefold increase in the number of judges. That target has not remotely been reached.³²

No need to say that on this point there is complete absence of the executive's motive in improvement of the quality and speedy justice delivery to people.

³¹ . <https://www.economist.com/news/asia/21699156-overburdened-yet-overactive-indias-courts-are-failing-do-justice-dropping-scales> retrieved on 19/11/17

³² . Ibid.

Lack of professionalism

Now a day there is flux of private and deemed universities in India. They are ready to compromise with anything for money. Neither they are meeting the standard of teaching staffs nor the minimum qualification for admission in any particular course. From such institutions lacs and lacs law degree holders are coming each year in the court campuses for practicing law. Such people are just creating the crowd in the profession. They lack professionalism and it really jeopardises the judicial process of India, especially it slowdown the speed of the court process and justice delivery.

Judicial vacancies

Indian judiciary can be quoted as “the judiciary producing maximum work with minimal manpower.” The population of the country is growing, so number of litigation is increasing day by day. But, it seems that the executive of India and all States intentionally ignoring the pathetic condition of the Indian judiciary and the disappointing condition of the speed of the justice delivery. It is common from lower to Supreme Court’s judicial process that it is overburdened with work because required vacancies are not filled.

Open-ended Laws

The judgment of the court depends on the judicial process followed by a particular judicial system. Indian judicial system is adversarial. Courts have to interpret the written text of law in the context of litigation in hand. Sometimes the text of statutes is mandatory while other times it may be directory or permissive statute that leaves open space for the court to pass an order/judgment/decreed in the disputed- matter as per their discretion wherein the court is supposed to apply their judicious mind. When the court is given discretionary power, if the concerned Statute is silent whether the court is bound to pass a speaking order, the court generally pass a non-speaking order. Such kind of open-ended-laws that leaves space for the judiciary to apply their discretion, are one of the major factors behind the corruption in Indian judiciary. In such a situation where judges have not to explain the reason in support of their judgments/order/decreed, they easily sell justice in favour of the person who is capable enough to pay an exorbitant amount and thus such open-ended-laws breed corruption, shatters the integrity and dignity of the judiciary and shakes the trust of people who looks with a great and last hope towards the judiciary. Most of times, the corruption in judiciary keeps the real victim away from judicial process because they think justice can not be sought, it is sold in the premises of the judicial courts.

Jurimetrics

Justice Holmes asserted that an ideal system of law should draw its postulates and its legislative justification from science.³³ So far as Indian judicial process is concerned it's highly theoretical. Generally, the Indian legislature does not go through a proper research process before enacting a particular law. Neither it always sets up a professional, specialised and skilled committee to suggest or recommend its expert opinion in connection with a particular law. If ever committee is set up, their reports are not implemented years and years and thus it loses its value if implemented after a decade because society is dynamic. The condition and circumstances of the social-fact do change day by day.

Judges are also recruited only after their graduation wherein they are not inculcated with the research aptitude. They have only theoretical knowledge of law and under moot court practices they are trained how to draft legal documents, how to cite relevant laws in the litigation but they are not empowered with the skill of research so that during their legal practices they can collect data during their law-practices from litigants, court-visitors so that it can be analysed and applied to solve a particular type of litigation by the legal professionals or by the legislature before enacting/amending any particular law.

Moreover, law has connectivity with other discipline life like medical science, psychology, technology, sociology, social-sciences, etc. But, the people presiding over the Bench under Indian judicial process are only from legal profession. When a witness comes in the dock to corroborate the evidence, there is none specialist in the Bench to cross the witness hailing from other profession, especially when it relates to technology or any other pure science. In such a situation witness may misguide the court or the court may not cross-verify the witness in the proper way to find out the needful information because it is the advocate who communicate, verify or cross - verify to the witness while the advocate has only legal knowledge. Therefore, for a highly professional and scientific judicial process, it is expedient to have a specific expert professional, dealing with other than law, in the Bench.

CONCLUSION

The judicial process of India needs overhaul retrospection from very beginning. It was established by Britishers mostly keeping in mind their own interest and convenient. Now, it should be reset in such a way that even the utmost downtrodden person of society can think to approach to the courts or even the Supreme Court of India in case injustice is caused with them. For this matter, firstly the judicial process should be transparent and then so cheap for poor that they can

³³ . OLIVER W. HOLMES, Learning and Science,'speech delivered at a dinner of the Harvard Law School Association, June 25, 1895, reprinted in COLLEC FD LEGAL PAPERS 138 (1920).

not be deprived from justice in the lack of court-fee or advocate-fee but so dear for rich that they can not exploit the precious time of courts.

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A STUDY ON PERCEPTION OF BANKERS ON NON PERFORMING ASSETS

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Abstract

The global economies feel that the financial institutions have been equivalent of a high velocity roller coaster ride and they have seen major ups and downs, with twists and turns along the way. The Indian banks are not an exception. In the liberalized economy, Banking and Financial sector get high priority. The Indian banking sector has been facing serious problems of Non-Performing Assets (NPAs). Effective NPA Management has become very vital in view of the multifarious impact NPAs have on profitability. The image of the bank also gets a beating. Effective NPA Management is a real challenge to day and the entire staff members need to be sensitized to the urgency of task on hand .This paper attempts to analyze the perceptions of bank officials of State Bank of Hyderabad on handling NPA accounts in Ranga Reddy District and to suggest practical solution in order to reduce Non Performing Assets (NPAs). The data has been analyzed based on the information furnished by the bankers. The earning capacity and profitability of the banks are highly affected because of the existence of NPAs. It is necessary to trim down NPAs to improve the financial health in the banking system..Though complete elimination of losses due to NPA is not possible but banks can always aim to keep the losses at a lower level.

KEY WORDS: Nonperforming Assets (NPAs), Gross NPA, Net NPA, Public and Private Sector Banks, Standard Assets, substandard Assets, Scheduled Commercial banks

Introduction

The Chief function of the bank is to accept deposits on one hand and lend money on another. With regard to the advance portfolio of the commercial banks the safety of the advances is a remedial measure consideration of reserve bank. The primary responsibility of the bank is attributed to its ability in minimizing the costs of deposits and maximizing the return on advances and to derive good margin from lending operations. Since all advances are the deposits received from customers a bank is bound to repay either upon maturity or on demand. Loans and advances are the assets of the banks; they play an important role in generating the profits to a bank. The strength and the soundness of the banking system depend upon the health

of the advances. In other words improvement of asset quality is the fundamental of strengthening the banks and financial viability. If these loans are not realized or partly realized, then to return the public money will be seriously affected. Therefore it is necessary to provide for cushion in nature of provisions and reserves to absorb the shock but in fulfilling its primary responsibility the bank is facing a serious problem especially after nationalization, because the main objective of nationalization was branch expansion, branch mobilization and loan maximization.

No doubt the banks successfully achieved their objectives but at a cost of poor credit appraisal and monitoring and as a result there was a delay in payment of loan and non repayment of loan remaining overdue started increasing. These over dues constitute a size able portion to total advances and affected the banks. These non payments of loans referred as Non Performing Assets (NPA). . Moreover the non-performance or non-receipt of interest and principal blocked banks money in the form of funds and is not available for further use of banking business and thus the profit margin of the banks goes down. Thus the NPAs growth has a direct impact on profitability of banks. In this connection bank must aware of the problems and recovery legislations of NPAs. . The NPAs would destroy the current profit, interest income and would affect the smooth functioning of the recycling of the funds. Banks also redistribute losses to other borrowers by charging higher interest rates, lower deposit rates and higher lending rates repress savings and financial markets, which hampers economic growth. Non-performing assets are one of the major concerns for scheduled commercial banks in India. If the concept of NPAs is taken very lightly it would be dangerous for the whole banking sector. If the proper management of the NPAs is not undertaken it would hamper the business of the banks

Objectives of the study

1. To study the perceptions of bank officials on handling NPA accounts
2. To suggest practical solution in order to reduce Non Performing Assets (NPAs)

Research methodology

To study the NPAs management in commercial banks, State Bank of Hyderabad at Ranga Reddy District (RR Dist) has chosen. As far selection of bank is concerned it was done based on highest number of bank branches i.e. in Ranga Reddy District among all banks the State Bank of Hyderabad has maximum number of branches as compare to other banks. This indicates proper and adequate representation of the NPA level at Ranga Reddy District

As on 31st march 2017 there are 73 branches of State Bank of Hyderabad in Ranga Reddy District. The census method has been adopted to select the bank branches. For the purpose of the survey, a structured questionnaires / schedules are canvassed among all 73 bank branches to collect primary data from each bank

branch. The data has been analyzed based on the information furnished by the bankers. The primary data has been analyzed with the help of percentages and consolidated ranks

Review of literature

Many published articles are available in the area of non-performing assets and a large number of researchers have studied the issue of NPA in banking industry. A review of the relevant Literature has been described below:

Srinivas K T (2013), in his study “A Study On Non Performing Assets Of Commercial Banks In India” viewed that a well built banking sector is significant for a prosperous economy. The crash of the banking sector may have an unfavorable blow on other sectors. A banker shall be very cautious in lending, because banker is not lending money out of his own capital. A major portion of the money lent comes from the deposits received from the public and government share.. In this direction present paper is undertaken to study the reasons for advances becoming NPA in the Indian Commercial banks Sector and to give suitable suggestion to overcome the mentioned problem

Asha Singh (2013), in her study “Performance Of Non-Performing Assets (Npas) In Indian Commercial Banks” observed that in India Non-performing assets are one of the major concerns for banks. NPA is the best indicator for the health of the banking industry. NPAs reflect the performances of banks. NPAs are the primary indicators of credit risk. NPAs are an inevitable burden on the banking industry. Hence the success of a bank depends upon methods of managing NPAs.. The Public Sector Banks have also shown imperatively good result. On the contrary, the non performing assets of private sector banks have been decreasing regularly year by year except some years. The Indian banking sector is facing a serious problem of NPA. The magnitude of NPA is comparatively higher in public sectors banks than private sector banks. To improve the efficiency and profitability of banks the NPA need to be reduced and controlled.

Namita Rajput, Anu Priya Arora, Baljeet Kaur (2012), in their study “Management of Non Performing Assets : A Study of Indian Public Sector Banks”, stated that a mounting level of NPA's in the banking sector can severely affect the economy in many ways. If NPA's are not properly managed, it can cause financial and economic degradation which in turn signals an adverse investment climate. This study highlight on management of non - performing assets in the perspective/view point of the Indian public sector banks under stringent asset classification norms, use of latest technological platform based on Core Banking Solution (CBS), recovery procedures and other bank specific indicators in the perspective of stringent regulatory framework of the Reserve Bank of India.

Suresh Kumar M.A. and Vijayakumar (2014) in their paper entitled “Performance of Non-Performing Assets in Commercial Banks - An Analytical

Study” found that in the liberalized economy, Banking and Financial sector get high priority. The banks in India are facing the problem of Non-Performing Assets (NPAs). The earning capacity and profitability of the banks are highly affected because of the existence of NPAs. Moreover the non-performance or non-receipt of interest and principal blocked banks money in the form of funds and is not available for further use of banking business and thus the profit margin of the banks goes down. In this connection bank must aware of the problems and recovery legislations of NPAs.

Mayur Rao and Ankita Patel (2015), in the research paper entitled “A Study On Non Performing Assets Management With Reference To Public Sector Banks, Private Sector Banks And Foreign Banks” viewed that in India” Non Performing Assets (NPA□s) are one of the major areas of concern for the Indian banking industry. Non-Performing Assets are like a double edged sword. They do not generate any income, whereas, the bank is required to make provisions such as assets. NPAs do not just reflect badly in a bank’s account books, they adversely impact the national economy.

Vivek Rajbahadur Singh (2016) in his paper titled “A Study of Non-Performing Assets of Commercial Banks and it’s recovery in India”, stated that the Indian banking sector has been facing serious problems of raising Non-Performing Assets (NPAs). The NPAs growth has a direct impact on profitability of banks. Non-performing assets are one of the major concerns for scheduled commercial banks in India. The recommendation of Narasimham committee and Verma committee, some steps have been taken to solve the problem of old NPAs in the balance sheets of the banks.. The problem of NPAs is not only affecting the banks but also the whole economy. In fact high level of NPAs in Indian banks is nothing but a reflection of the state of health of the industry and trade. It is necessary to trim down NPAs to improve the financial health in the banking system.

The different aspects of literature related to Non Performing Assets of researchers over the years have been collected and used for this study, but there is a gap existing for the Research on banker’s perception towards NPA problem. So the present study is focused on banker’s perception towards NPA problem.

Data analysis

With a view to ascertain the opinion of bankers and officials connected with the banking system, on the implications of NPAs of banks, a survey was conducted by means of questionnaire and schedule and was issued to the officials of State Bank of Hyderabad.

The interpretation of facts and figures of all 73 branches is presented in a consolidated statement and the collected information is drawn as follows:

Table- 1: Perception of bankers towards the Awareness of role to be performed in NPA monitoring

	Frequency	percent
Yes fully	65	89
To some extent	8	11
Total	73	100.0

The above data gives us an idea that 89 per cent of the respondents were aware of their role to be performed in NPA monitoring cell to the full extent and only 11 per cent of the respondents were aware of their role to some extent.

Table- 2: Perception of bankers Satisfaction Level about working in NPA team as compared to other assignments

	Frequency	Percent
Fully satisfied	10	13.7
Satisfied to a larger extent	44	60.3
Satisfied to a little extent	17	23.3
Not satisfied at all	2	2.7
Total	73	100

Source: Field Data

From the above data, we observe that many were satisfied to a large extent in working with NPA team as it offers the opportunities to meet the borrowers and felt that this task is challenging one. About 23.3 per cent respondents satisfied to a little extent as they do this job along with the other routine work. About 2.7 per cent felt that they are not satisfied at all about handling the NPA accounts because the follow up of single NPA account takes much of their time without yielding any tangible result and 13.7 per cent were fully satisfied. It is well known that officers / staff will work interestingly only when they are satisfied in working. Therefore, this proves that the respondents in survey are satisfied with their work and as a result they work interestingly.

Table 3: Perception of bankers towards the important factor for credit decision

	Frequency	Percent
Borrowers character	10	13.7
Proper appraisal	27	37.0
Financial status	4	5.5
Social status	3	4.1
All of the above	29	38.0
Total	73	100

Source: Field Data

The survey shows that 37 per cent of the respondents opined that the important thing for the credit decision is proper credit appraisal, but 5.5 per cent

and 4.1 per cent of the respondents were said that it is financial status and social status but the majority of the respondents i.e. 38 per cent of the respondents opined that all factors are equally important.

Table-4: Perception of bankers at Getting the information

	Frequency	Percent
Immediately as per requirement	7	9.6
With a reasonable time	59	80.8
At the ease of the borrower	4	5.5
Do not get it at all	3	4.1
Total	73	100.0

Source: Field Data

The data clearly shows that 80.8 per cent of the bankers will get the desired information within reasonable time and 9.6 per cent of the respondents will get the required information immediately and serve the purpose. Only 4.1 per cent of bank branches reported that they will not get the desired information, and 5.5 per cent of the respondents opined that they get the information at the ease of the borrower

Table 5: Perception of bankers about the Volume of Work they handle

	Frequency	Percent
Too Much	13	17.8
Heavy	34	46.6
Reasonable	23	31.5
Comfortable	3	4.1
Total	73	100

In case of volume of work 17.8 per cent of the respondents feel it too much and 46.6 per cent of the respondents feel that it is heavy. 31.5 per cent and 4.1 per cent of the respondents feel that it is reasonable and comfortable respectively.

Table 6: Suggestions of bankers to enhance the effectiveness in performance of job

	Frequency	Percent
Staff support is required	31	42.5
Recognition by superior	14	19.2
Training needs	16	21.9
Any other	12	16.4
Total	73	100.0

Source: Field Data

To enhance the effectiveness in performance of their job, respondents stress on the requirement of the staff support.

Table- 7: Perception of bankers towards the percentage of priority sector lending NPAs to total NPAs

	Frequency	Per cent
Less than 10 per cent	55	75.3
10 -20 per cent	8	11.0
21 – 30 per cent	6	8.2
31 per cent and above	4	5.5
Total	73	100

Source: Field Data

This table is very significant and valuable as it is directly concerned to percentage of NPA to total advances. The above table reveals that the 75.3 per cent of the NPAs to advances is less than 10 per cent and 11 per cent of the respondents are in the slab of 10 – 20 percent.

Table-8:NPA Target set by the bank

	Frequency	Percent
Less than 5%	42	57.5
5per cent - 8%	23	31.5
9per cent - 12%	6	8.2
Above 12%	2	2.7
Total	73	100

Source: Field Data

It is good sign to see from the above study that 57.5per cent of the banks set their target of NPA less than 5per cent and 31.5per cent between the slabs of 5 – 8%

Table 9: Perception of bankers towards the Movement of NPA figures As compared to the previous years

	Frequency	Percent
Upward trend	15	20.5
Downward trend	45	61.6
Remaining Constant	4	5.5
Fluctuating trend	9	12.3
Total	73	100

Source: Field Data

It is good to see from the above statistics that 61.6 per cent of bank branches are showing downward trend, which is healthy sign

Table- 10: Perception of bankers towards the Impact of DRT on the position of NPAs at their branch

	Frequency	Percent
Excellent	7	9.6
Good	12	16.4
Average	21	28.8
Poor	33	45.2
Total	73	100.0

Source: Field Data

Here it is observed that 45.2 per cent of the respondents opined that the performance of DRT is poor and 28.8 per cent of the respondents opined that the impact of DRT on NPA is average. Even though 16.4per cent and 9.6 per cent of the respondents opined that DRT functioning is good and excellent, still, the main functioning of DRT i.e., solving the cases within six months is far from reality. This is because of delay in decision-making.

Table 11: Training Program created more confidence in bankers

	Frequency	Percent
Yes	53	72.6
No	20	27.4
Total	73	100

Source: Field Data

The above table reveals that 72.6 per cent of the respondents viewed that they are confident after getting such institutional training. However, the remaining 27.4 per cent respondents gave a negative answer, that they did not get any confidence.

Table 12: Adoption of compromise proposals

	Frequency	Percent
Yes	73	100
No	0	0
Total	73	100

Source: Field Data

It is very interesting to observe from the above table that all the 73 banks have settled some of their cases through compromise proposals. This gives us an idea that compromise proposals play an important role in recovery of loans.

Table-13: Steps taken by the branch for recovery of bank loans are adequate

	Frequency	Percent
Yes	58	80
No	15	20
Total	73	100

Source: Field Data

From the above table it is revealed that 80 per cent of the respondents opined that the steps taken by the branch for the recovery of loans are adequate, and 20 per cent feels that whatever steps are taken by their branches for recovery of loans are not adequate.

Table 14: Need for changes in the existing procedure

	Frequency	Percent
Yes	10	13.7
No	63	86.3
Total	73	100

Source: Field Data

The survey reveals that 13.7 per cent of them want some changes in the existing procedure of recovery of loans, but 86.3 per cent says that the existing procedure holds.

Table- 15: Presence of recovery team at the branch to reduce NPA

	Frequency	Percent
Yes	39	53.4
No	34	48.6
Total	73	100

Source: Field Data

The above statistics reveals that 53.4per cent of the respondents have reported that they have recovery team at their branches, but 46.6per cent of the respondents said that they are not having any such teams.

Table- 16: Perception of the bankers towards the reasons for assets becoming N PA

		1st Rank	2nd Rank	3rd Rank	4th Rank	5th Rank	6th Rank	7th Rank
Failure of project	Count	12	12	16	23	0	10	0
	%	16.4%	16.4%	21.9%	31.5%	.0%	13.7%	.0%
Market Slump	Count	0	9	23	19	22	0	0
	%	.0%	12.3%	31.5%	26.0%	30.1%	.0%	.0%
Got. Policy	Count	8	0	8	6	30	19	2
	%	11.0%	.0%	11.0%	8.2%	41.1%	26.0%	2.7%
Death	Count	0	4	4	8	16	37	4
	%	.0%	5.5%	5.5%	11.0%	21.9%	50.7%	5.5%
Diversion of funds	Count	26	22	13	4	5	3	0
	%	35.6%	30.1%	17.8%	5.5%	6.8%	4.1%	.0%
Willful defaulters	Count	25	26	9	9	0	4	0
	%	34.2%	35.6%	12.3%	12.3%	.0%	5.5%	.0%
any other reasons	Count	2	0	0	4	0	0	67
	%	2.7%	.0%	.0%	5.5%	.0%	.0%	91.8%

Source: Field Data

From the survey, it is observed that the majority of the respondents opined that the Diversion of funds by borrowers contribute maximum for accounts becoming NPA. A study by Reserve Bank of India on the Non Performing Advances of Public sector banks also confirms diversion of funds as a major cause for NPAs. Willful defaulters occupy the second place. The third reason for assets becoming NPAs is market slump. Further, the next place is occupied by the project failure. Next, it is government policy. Last but one is the death of the borrower and last but not the least is any other reason

Table 17: Perception of the bankers towards the importance of strategies for reducing the NPAs

		1st Rank	2nd Rank	3rd Rank	4th Rank	5th Rank
Recovery through regular followup	Count	60	8	0	5	0
	%	82.2%	11.0%	.0%	6.8%	.0%
By seizure and public auction the seized goods	Count	13	15	6	17	22
	%	17.8%	20.5%	8.2%	23.3%	30.1%
By invitation of legal action against the borrowers and the	Count	0	13	17	19	24
	%	.0%	17.8%	23.3%	26.0%	32.9%
Compromise settlements	Count	0	20	29	24	0
	%	.0%	27.4%	39.7%	32.9%	.0%
Replacement of recovery	Count	0	17	21	8	27
	%	.0%	23.3%	28.8%	11.0%	37.0%

Source: Field Data

It is also asked in the questionnaire about various strategies used by the branches to tackle NPAs. Among the various strategies adopted to improve the quality of NPAs / reduce the amount of NPAs, many of them have responded that vigorous supervising follow up by meeting customers is employed as important tools for managing NPAs in the first instance and compromise settlement is given the second preference.

Many of the respondents felt that they were required to handle more NPA accounts, which really hampered the effective follow-up, and a lot of time is spent in doing only maintenance function rather than going aggressively towards reduction of NPAs. They also felt that the number of units they are handling is too many, so that they are unable to give undivided attention.

The respondents have given a list of major problems faced by them in performing their roles are:

- Delay in receiving approval / rejection of compromise put by the branch.
- They are frequently disturbed to take other routing work like takeover of system administrator, accountant or as branch manager etc, due to which the continuity of their job suffers.
- Lack of proper guidance / instructions regarding different strategies

Suggestions

It is necessary that appropriate amendments in the existing act be made to enable the Debt Recovery Tribunal to function effectively providing adequate infrastructure and opening more DRT branches to strengthen the DRT. Therefore, unless the DRTs function efficiently there is no sound hope of improvement in the banking system and banks cannot use them effectively to achieve the all-important objectives of recovering high value bad debts.

Field officer should be allowed to their specific job only instead of attending to day-to-day routine works of the branch. Field officers and their assistants should not be disturbed.

NPAs are unavoidable in lending business and therefore to think of NPA free lending is a fallacy. The aim should be to improve the timely delivery of credit to the borrower and appraisal should be qualitative, constant follow up of credit/ credit supervision should be intelligently carried out.

As the Chinese proverb says “If the intensions are good the rest follows” it is in the contest of this sincere commitment on the part of the bankers, lenders, government, politicians, are highlighted. So to ensure the full public confidence and support at all levels this suggestion should be never weakened or overlooked.

Since the problem of NPAs emanates from borrowers and it is problem of money, which ultimately only money can solve, a model has been developed through this study to find some practical solution to contain the menace in future and at the same time strengthen the balance sheets of banks. Since, the increase of NPA is a universal phenomenon, serious thinking and fresh strategy is to be evolved through a long-term strategy. This important suggestion is represented in the diagram

Conclusion

If above suggestions are implemented in true spirit and effectively, then it will definitely improve the quality of the advances portfolio. Thus, the problem of performing assets becoming NPA will be taken care of and the level of NPA in the bank could be brought down. The bank can make profits and prevent the banking system from collapsing under the weight of its burning NPAs in the years to come. Banking industry in India would rise to the occasion by both reducing NPAs and make further safe advances and would steal the show in the market in the millennium. Reduction of NPAs in banking sector should be treated as a national priority item to make the Indian banking system stronger, resilient and geared to meet the challenges of globalization. Thus, bank can reduce NPAs in a big way so as to increase their profits and to compete with private sector banks in a competitive global marketing environment.

Thus, the study concluded that NPAs greatly affect the financial health of the banks and therefore in the present scenario control and management of NPAs have assumed critical importance for banks. The experience of branches covered in the study suggest that recovery from NPAs is possible provided proper care is taken with the careful approach, sincerity and involvement of staff, recovery problem can be effectively solved.

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THE EFFECT OF ACCOUNTING ETHICS ON THE QUALITY OF FINANCIAL REPORTS OF INDIAN FIRMS

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Abstract

The important objective of this study is to investigate the effect of ethics on financial reporting quality of Indian firms. Primary data was used for the study. The data was sourced from questionnaires administered to respondents. The analysis of the data showed that accounting ethics had a significant relationship with financial reporting quality. On the basis of the findings, the study concludes that high ethical standard is fundamental in achieving an objective, reliable and transparent financial report.

The study also recommends that the employment processes of companies should be improved upon so as to ensure that men and women with high level of ethical standing would be employed. Ethics and compliance department should be put in place by firms to direct and monitor ethics implementation in their day-to-day operations. Also accountants as custodians of good financial reports should adhere to the codes of professional practice ethics issued by the Institute of Chartered Accountants of India in carrying out their everyday responsibility.

Keywords: Ethics, Code of Ethics, Accounting Ethics, Financial Reporting.

Introduction

Financial reports of an enterprise depict the wholesome financial situation of the enterprise for a particular period / at a particular date. The information in these reports is of vital importance for a large section of the society, which deals with that enterprise. It may be suppliers of material, customers, investors, banks, financial institutions, insurers, government, tax authorities, employees, collaborators and even their competitors. Keeping in view the importance of these reports and the large section of the society who use these reports for taking many vital decisions, it is necessary that these reports are attested by some person who is expert in this field so that the objectivity, integrity, reliability and credibility of the information is assured to a large extent (ICAI)³⁴.

³⁴. The Institute of Chartered Accountants of India (2014), Code of Ethics for Chartered Accountants, Page No.1.

Ethics is a term subject to numerous, sometimes conflicting, interpretations and as such ethical problems are a very relevant issue present in many aspects of real life. Ethics can be examined through several branches and under several grids of analysis, modern or classic (Filipe, Alberto, Ferreira, 2011)³⁵. A distinguishing mark of the accountancy profession is its acceptance of the responsibility to act in the public interest (IFAC, 2005)³⁶. Key qualities which appear in the codes of ethics of professional bodies include independence, integrity, objectivity, competence and judgment. For example, the ICAI's Code of Ethics includes a list of five fundamental principles which either expressly mentions or clearly implies all of these qualities, along with other related qualities such as honesty, fair-dealing, truthfulness, courtesy, skill and diligence. Hence, this study is initiated to examine the effect of accounting ethics on the quality of financial reports of Indian firms.

Review of Literature

The important studies reviewed under this topic are presented as follows:

The history of the need for accountants to establish high ethical standards began with the failure of the technology bubble followed by the collapse of Enron, WorldCom and Arthur Anderson among others (Rockness & Rockness, 2010)³⁷. The resulting lack of confidence in financial information provided or prepared by accountants led Congress of the United States to enact the Sarbanes-Oxley (SOX) Act in 2002, including the creation of the Public Company Accounting Oversight Board (PCAOB), both of which advocated renewed pressure for accountants to have ethics education to improve the chances that practicing accountants make ethical decisions when confronted with difficult choices. The widespread corruption in the society and the failure of organizations in every part of the world have once more increased the need for accounting professionals to adhere strictly to the codes of professional conduct. According to Ogbonna and Appah (2011)³⁸, the widespread corruption in the business environment seems to be the order of the day in all societies. Therefore, accountants as professionals responsible for the preparation of financial reports need to adhere to the codes of ethical accounting standards to produce reliable, relevant, timely, accurate, understandable and comprehensive financial reports.

³⁵. Filipe, J.A., Alberto, M., & Ferreira, M. (2011), An Ethical Issue in Anti-commons Management Aquaculture Case in Portugal, *International Journal of Academic Research*, 3(1), Pp.250-252.

³⁶. IFAC (2005), *Building an Investment Climate of Trust: IFAC IFAC's Role and Major Initiatives*. FCM Seminar, Cairo, Egypt.

³⁷. Rockness, H.O., & Rockness, J.W. (2010), Navigating the Complex Maze of Ethics, Accounting and the Public Interest, 10, Pp.88-104.

³⁸. Ogbonna, G.N., & Appah, E. (2011), Ethical Compliance by the Accountant on the Quality of Financial Reporting and Performance of Quoted Companies in Nigeria, *Asian Journal of Business Management*, 3(3), Pp.152-160.

According to Nzotta (2008)³⁹, financial reporting forms the basis for economic decision making. The various shareholders need financial reports for decision making on the investment and financial aspect of the organization. The financial reports produced by the accountant should be based on certain fundamental qualities for various users to understand the content of the report. As a result, an accountant is responsible for the consequences of his moral choices not only for his own life but also on the lives of other people. An accountant who commits fraud not only ruins his own moral being but also harms the interests of the other members of society who depend on him (Catacutan, 2006)⁴⁰. Alexander and Britton (2000)⁴¹ noted that the fundamental objective of financial reports is to communicate economic measurements of information about resources and performance of the reporting entity useful to those having reasonable rights to such information. IASB (2008) noted that providing high quality financial reporting information is important because it will positively influence capital providers and other stakeholders in making investment, credit and similar resource allocation decisions enhancing overall market efficiency. The quality of financial reporting indicates a limit in which the financial reports of a company, its economic status, and functions, which are measured over period of time, are presented honestly. Truthfulness of the trust in the financial reporting system depends on far more than the actions and decisions of individuals or sophisticated mechanisms for the whole system (Enderl, 2006)⁴². Companies in the energy, accounting and banking industries and the professional associations of the certified public accountants and the investment managers and researcher have, in varying degrees, affected the quality of confidence in the financial reporting systems. Therefore, truthfulness of the trust in the financial reporting system cannot be a matter of either personal or institutional ethics alone (Brenkert, 2004)⁴³.

According to Ogbonna and Appah (2011), Ethics are the moral principles that an individual uses in governing his or her behavior. It is the personal criteria by which an individual distinguishes right or wrong". In Ogbonna's view, when we talk about ethics and ethical values, we mean our concern about things, which we think, say and / or practice that may not necessarily violate the rules of the organization or infringe the law of the land or amount to outright crime or offense, but which borders on our sense of morality, our sense of right and wrong. It concern itself with issues like conflict of interest, insider's dealings, compromising integrity, objectivity, independence, confidentiality, disclosure of official secrets

³⁹. Nzotta, S.M. (2008), Accounting: Theory and Principles. Good-Davis Associate, Owerri.

⁴⁰. Catacutan, R. (2006), A Humanistic Perspective in Teaching Business Ethics in Accountancy, paper presented at the 6th Annual Ben-Africa Conference University of Stellenbosch, Cape Town, South Africa 26-28 Strathmore University Nairobi, Kenya, 1-6.

⁴¹ Alexander, D., & Britton, A. (2000), Financial Reporting. (5th Ed.). London: Thomson Learning.

⁴². Enderl, G. (2006), Confidence in the Financial Reporting System: Easier to Lose than to Restore, 10In: Lu, X and Enderle, G. (Eds.) Developing Business Ethics in China. New York: Palgrave Macmillan.

⁴³. Brenkert, G.G. (2004), Corporate Integrity and Accountability: Thousand Oaks.

and destruction of official documents for financial benefits and other similar acts that are against moral principles and ethical standards. Nwagboso (2008)⁴⁴ argues that ethics or morality as matters of good and evil, right and wrong and subscribes to the fact that “we are living today in an ethical wilderness”. He believes that ethics is in ferment and chaos among all people.

Accountants have obligations to shareholders, creditors, employees, suppliers, the government, the accounting profession and the public at large. In other words, their obligations go beyond their immediate client. Therefore, behaving ethically is an essential and expected trait (Carrol, 2005)⁴⁵. Professional ethics is important to accountants and those who rely on information provided by accountants because ethical behavior entails taking the moral point of view. Internalizing and developing professional ethics in accounting profession lead to promoting the quality of financial reporting. Statement of the Research Problem Individual from time to time has to face ethical dilemmas and the problem of weakness of will. Accountants are no different. In the working life of an accountant they encounter numerous situations where they are tempted to choose between right or wrong. That is why a feature of accountancy’s claim to professionalism is its commitments to ethical standards. This involves an assurance that the accountancy bodies and their members will not pursue their material self-interests in ways that conflict with their duties to the public interest (Appah, 2010)⁴⁶.

Table-1: Bird’s Eye View of Financial Frauds in India

Sl. No.	Scams and Frauds	Year	Losses Suffered (Rs.)
01	Harshad Mehta Securities Market Scam	1991	5,000 Crore
02	Fodders Scam	1992	950 Crore
03	C.R. Bhansali Scam	1995	1,200 Crore
04	Ketan Parekh Securities Market Scam	2001	1,250 Crore
05	The UTI Scam	2001	4,800 Crore
06	Uttar Pradesh Food Grains Scams	2003	35,000 Crore
07	Abdul Karim Telgi Fake Stamp Paper Scam	2003	30,000 Crore
08	IPO Demat Scam	2005	-
09	Satyam Scam	2008	10,000 Crore
10	The 2G Sprectrum Distribution Scam	2008	1,75,000 Crore
11	Illegal Money in Swiss Banks (Estimated in 2008)	2008	71,00,000 Crore
12	Madhu Coda Mining Scam	2009	4,000 Crore
13	Commonwealth Games Scam	2010	2,342 Crore
14	Adarsh Housing Society Scam	2010	-
15	Sahara India Pariwar Investor Fraud, Scam	2010	25,000 Crore
16	Coal Block Allocation / Coalgate Scam	2012	1,856 Billion

⁴⁴ . Nwagboso, J. (2008). Professional Ethics, Skill and Standards. Inspirations Media, Jos.

⁴⁵ Carrol, R.A. (2005), Model for Ethical Education in Accounting, In Gowthorpo, C. and Blake J. (Eds.) “Ethical Issues in Accounting” (2nd ed), Taylor and Francis e-Library, Pp.149-164.

⁴⁶. Appah, E. (2010), Ethical Accounting Standards and Societal Expectations, International Journal of Social. Policy Issues, 7(1), Pp.53-63.

17	Karnataka Wakf Board Land Scam	2012	20,000 Crore
18	Uttar Pradesh NHRM Scam	2012	10,000 Crore
19	Saradha Group Financial Scandal	2013	200-300 Billion
20	NSEL Scam	2013	5,600 Crore
21	PACL Fonzi Scheme Scam	2014	40,000 Crore
Source: Compiled from various newspapers and websites.			

A critical look at all these cases show that they all were as a result of the violation of ethical practices, hence there's need to critically appraise ethical issues in an organization and how they affect financial reporting quality. The aforementioned issues above lead us to the following questions:

- 1) What is the effect of ethics on disclosure of financial reports of Indian firms?
- 2) What effect does is ethics have on the objectivity of financial reports of Indian firms?
- 3) To what extent do ethics affect the integrity of financial reports of Indian firms?

Objectives of the Study

The broad objective of this study is to examine the effect of accounting ethics on the quality of financial reports of Indian firms. The specific objectives are:

- 1) To examine the effect of ethics on disclosure of financial reports of Indian firms.
- 2) To investigate the effect of ethics on objectivity of financial reports of Indian firms.
- 3) To ascertain the effect of ethics on integrity of financial reports of Indian firms.

Hypotheses of the Study

The above objectives are tested with the help of following null hypotheses:

- 1) H₀1: There is no significant relationship between ethics and disclosure of financial reports of Indian firms.
- 2) H₀2: Ethics has no significant effect on the objectivity of financial reports of Indian firms.
- 3) H₀3: There is no significant relationship between ethics and integrity of financial reports of Indian firms.

RESEARCH METHODOLOGY

Sources of data

Data used for this study was collected from primary and secondary sources.

Primary data was collected through structured questionnaire. **Secondary data** was

collected from previous relevant studies published in text books, journals, reports and websites.

Questionnaire

The questionnaire is developed according to Likert's five point scale. The respondents are asked to select the response for each statement in multiple item scale ranging from 'strongly agree' to 'strongly disagree'. The questionnaire developed for the respondents is divided into two parts. Part-A consists of personal data of respondents and Part-B is divided into four parts. They are (I) Financial Reporting Quality; (II) Disclosure; (III) Objectivity and (IV) Integrity.

Population: The population consisted of all accounting practitioners in India.

Sample: The sample was restricted to accounting practitioners in Telangana State, twin cities of Hyderabad and Secunderabad.

Sample Size: A total of fifty questionnaires were completed and used for the analysis.

Sample Type: A convenience sample method is used for the collection of data from respondents. A convenience sample is one of the main types of non-probability sampling methods.

Statistical Tools: The data generated were analyzed using the Ordinary Least Square Regression Technique. The results are tested with the help of t-test, F-test and Durbin-Watson Statistic. In addition to these Akaike Info, Schwarz and Hannan-Quinn criterions were employed in this present study.

Reliability and Validity of Data

Before applying statistical tools, testing of the reliability of the scale is very much important as it shows the extent to which a scale produces consistent result if measurements were made repeatedly. If the association is high, the scale yields consistent results, thus it is reliable. Cronbach's alpha is the most widely used method. It may be mentioned that its value varies from 0 to 1 but the satisfactory value is required to be more than 0.60 for the scale to be reliable (Malhotra, 2002⁴⁷ and Cronbach, 1951⁴⁸). In the present study, Cronbach's alpha scale is used as a measure of reliability. Alpha value of the scale of 20 variables was calculated that was as high as 0.900. To further validate the reliability of the scale employed in research, Guttman Split-half reliability analysis and Spearman-Brown Co-efficient was performed. The Guttman Split Half Coefficient and Spearman-Brown Coefficient value is 0.863 that is satisfactory for social science research. Hence, it can be concluded that the data collected and used for this study is more reliable.

⁴⁷. Malhotra, N. K. (2002). Marketing Research and Applied Orientation, Third Edition, New Delhi, India, Pearson Education Asia.

⁴⁸. Cronbach, L. J. (1951). Coefficient Alpha and Internal Structure of Tests, *Psychometrika*, Vol. 6, No. 3, pp.297-334.

Scope of the Study

This study focused on the effect of ethics on financial reporting quality. Geographically, this study was limited to firms operating in India. The study focused on firms operating in Telangana State, twin cities of Hyderabad and Secunderabad.

Effect of Accounting Ethics on Disclosure of Financial Reports

Ethics in accounting are concerned with how to make good and moral choices in regard to the preparation, presentation and disclosure of financial information. During the 1990s and 2000s, a series of financial reporting scandals brought this issue into the forefront. Disclosure violations are errors of ethical omission. While intentionally recording transactions in a manner that is not in accordance with generally accepted accounting principles is considered fraudulent financial reporting, the failure to disclose information to investors that could change their decisions about investing in the company could be considered fraudulent financial reporting, as well. Company executives must walk a fine line; it is important for management to protect the company's proprietary information. The results of effect of ethics on disclosure financial reports of Indian companies are presented in table-2.

Table-2: Effect of Accounting Ethics on Disclosure of Financial Reports				
Dependent Variable: DIS				
Included Observations: 50				
Variable	Co-efficient	Std. Error	t-statistic	Prob.
C	11.8163	1.55979	7.575567	0
ETH	0.325973	0.156749	2.079585	0.0429
R-squared	0.682651	Mean dependent var		14.9
Adjusted R-squared	0.663539	S.D. dependent var		3.535534
S.E. of regression	3.421368	Akaike info criterion		5.337136
Sum Squared resid	561.8764	Schwarz Criterion		5.413617
Log likelihood	-131.428	Hannan-Quinn criter.		5.36626
F-Statistic	4.324674	Durbin-Watson stat		2.217199
Prob. (F-Statistic)	0.042928			
Source: Compiled from primary data.				

Table-2 shows that the relationship between ethics and financial reporting quality as represented by faithful disclosure of financial reports. The result of analysis shows R-square value of 0.68 indicating that 68 percent of systematic variation in disclosure of financial reports has been explained by the explanatory variable. The result showed that ethics had a negative and significant relationship

with faithful disclosure of financial report. The Probability (F-Statistics) is 0.043 indicating that the model is significant at 5 percent. The Durbin Watson value is 2.22 indicating the absence of auto correlation.

Effect of Accounting Ethics on Objectivity of Financial Reports

The principle of objectivity imposes the obligation on all professional accountants to be fair, intellectually honest and free from conflicts. This principle requires four basic needs of credibility, professionalism, quality of service and confidence. A professional accountant, in agreeing to provide professional services implies that he is competent to perform the services. Accountants should refrain from agreeing to perform professional services which they are not competent to carry out unless competent advice and assistance are obtained. A professional accountant should respect the confidentiality of information acquired during the course of performing professional services. They should not use or disclose any such information without proper and specific authority. Accountants must not only maintain an independent attitude in fulfilling their responsibilities, but the users of financial reports must have confidence in that independence. Professional services should be carried out in accordance with the relevant technical and professional standards. The effect of accounting ethics on objectivity of financial reports is presented in table-3.

Table-3: Effect of Accounting Ethics on Objectivity of Financial Reports				
Dependent Variable: OBJ				
Method: Least Squares				
Sample: 50				
Included Observations: 50				
Variable	Co-efficient	Std. Error	t-statistic	Prob.
C	17.80177	2.394912	7.433164	0
ETH	0.084379	0.240673	0.350597	0.0274
R-squared	0.42554	Mean dependent var		18.6
Adjusted R-squared	0.418226	S.D. dependent var		5.205962
S.E. of regression	5.253189	Akaike info criterion		6.194726
Sum Squared resid	1324.608	Schwarz Criterion		6.271207
Log likelihood	-152.868	Hannan-Quinn criter.		6.22385
F-Statistic	4.122918	Durbin-Watson stat		2.199665
Prob. (F-Statistic)	0			
Source: Compiled from primary data.				

Table-3 shows that the relationship between ethics and financial reporting quality as represented by financial report objectivity. The result of the analysis shows R-square value of 0.42 indicating that 42 percent of systematic variation in financial report objectivity has been explained by the explanatory variable. The

result showed that ethics has a positive and significant relationship with financial information objectivity. The probability (F-statistic) is 0.00 indicating that the model is significant at 5 percent. The Durbin Watson value is 2.199 indicating the absence of auto correlation.

Effect of Accounting Ethics on Integrity of Financial Reports

Integrity is the quality of being honest and having strong moral principles. It implies not merely honest but fair dealing and truthfulness. This principle of integrity imposes an obligation on all accountants to be straight forward and honest in professional and business relationships. A professional accountant should be straight forward and honest in all professional and business relationships. A professional accountant has a responsibility to avoid actual or apparent conflict of interest. The professionals should be able to refrain from engaging in any activity that would prejudice their ability to carry out their duties ethically. Integrity is the ultimate test of professionalism; it is the state of being complete, unified. The effect of accounting ethics on integrity of financial reports is presented in table-4.

Table-4 shows the relationship between ethics and financial reporting quality as represented by financial report integrity. The result of the analysis is shows R-square value of 0.61 indicating that 61 percent of systematic variation in financial report integrity has been explained by the explanatory variable. The result showed that ethics has a positive and significant relationship with financial report integrity. The probability (F-statistic) is 0.0006 indicating that the model is significant at 5 percent. The Durban Watson value is 1.91 indicating the absence of autocorrelation.

Table-4: Effect of Accounting Ethics on Integrity of Financial Reports				
Dependent Variable:				
INT				
Included Observations:				
50				
Variable	Co-efficient	Std. Error	t-statistic	Prob.
C	20.49183	2.104182	9.738624	0
ETH	-0.16616	0.211457	-0.78577	0.0059
R-squared	0.6127	Mean dependent var		18.92
Adjusted R-squared	0.57869	S.D. dependent var		4.597426
S.E. of regression	4.615479	Akaike info criterion		5.935886
Sum Squared resid	1022.527	Schwarz Criterion		6.012367
Log likelihood	-146.397	Hannan-Quinn criter.		5.965011
F-Statistic d	8.61743	Durbin-Watson stat		1.914696
Prob. (F-Statistic)	0.0006			
Source: Compiled from primary data.				

Conclusion

In this study, the effect of accounting ethics on the quality of financial reports of firms in India was evaluated. This hypothesis was tested by using data from the administered questionnaires using the Ordinary Least Square regression technique. The analysis of the data showed that accounting ethics had a significant relationship with financial reporting quality. The result is consistent with the study of Ogbonna and Appah (2011) that ethics in the accounting profession is fundamental in the quality of financial reports of organizations. On the basis of the findings, the study concludes that high ethical standard is fundamental in achieving an objective, reliable and transparent financial report.

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IMPACT OF THE NEW COMPANIES ACT 2013 ON CSR ACTIVITIES OF SBI AND ICICI BANKS– A STUDY

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Abstract

Companies in India are incorporated under the Companies Act 1956. In addition to managing the business activities, companies have been contributing funds voluntarily towards the development of the society in the form of charity or philanthropy. It may be noted that many well known institutions like Tata and Birla have initiated the Corporate Social Responsibility (CSR) Activities during the pre-independence and after independence in India. There are several other industrialists who contributed towards society, mainly out of their social consciousness. Thus one can say that CSR has been continuing in one form or other since pre-independence days. The CSR Activities build-up the brand, positive image of the business in the society and encourage the employees to protect them from socially and environmentally. The Government has insufficient funds in providing necessary schemes/welfare activities to the people who can cross their poverty line and entire the process of economic development and growth. The Government of India enacted the new Companies Act 2013 in which CSR is made mandatory for all those companies whose annual net profits are more than five crores of rupees. They have to contribute 2% of their profits for the CSR initiatives. This paper makes an attempt to study the impact of CSR initiatives of SBI and ICICI bank after passing the New Companies Act 2013. The required data is collected through the secondary sources for the study. The paired t-test is used to test the hypothesis whether there is a significant difference in CSR initiatives of SBI and ICICI bank before and after the implementation of New Companies Act 2013.

Key Words: Companies Act 2013, CSR Initiatives, Corporate Social Responsibility.

Introduction

Indian companies are incorporated under the Companies Act 1956. The companies have been contributing the funds voluntarily towards the development of the society in the form of charity or philanthropy. It may be noted that many well known institutions like Tata and Birla have initiated the Corporate Social Responsibility (CSR) Activities during the pre-independence and after independence in India. BITS Pilani (Birla Institute of Technology) was founded by

GD Birla. Kasturbhai Lalbhai of Ahmedabad along with other prominent Gujratis started Ahmedabad Education Society, which was instrumental in establishing a number of institutions, including IIM, Ahmedabad and Physical Research Laboratory among several others. In Delhi, Lala Shri Ram, the founder of the DCM Group, set up some of the most important colleges for technical education and for women, including the Shri Ram College of Commerce and the Lady Shri Ram College for Girls. In south Murugappa Group and Kuppuswamy Naidu established a number of educational institutions and hospitals, which still sustain and serve the society. There are several other industrialists who contributed towards society, mainly out of their social consciousness. Thus one can say that CSR has been continuing in one form or other since pre-independence days. The CSR activities build-up the brand, positive image of the business in the society and encourage the employees to protect them. The Government has insufficient funds in providing necessary schemes/welfare activities for the people to help them cross their poverty line and enter the process of economic development and growth. Companies are trying to share the responsibility to some extent. With the passing of new Companies Act 2013, CSR activities have become mandatory for those companies which have net worth of rupees five hundred crores or more or turnover of rupees one thousand crores or more or a net profit of rupees five crores or more during any financial year.

Review of the Literature

Adeyanju and Olanrewaju David (2012) found that in the Nigerian society, Corporate Social Responsibilities [CSR] has been a highly cotemporary and contextual issue to all stakeholders including the government, the corporate organization itself, and the general public. However, the general belief is that both business and society gain when firms actively strive to be socially responsible; that is, the business organizations gain in enhanced reputation, while society gains from the social projects executed by the business organization. Their study considered the benefits of CSR on the Nigeria society. The perceived gap supposedly created is harnessed and investigated for possible resolution, using the banking and communication industries as a case study. The research approach is both descriptive and analytical. The study concluded that CSR plays a significant role in Societal Progressiveness in terms of environmental and economic growth and recommends that, while improvement in the depth of participation by banking and telecommunication industries in economic and environmental development is desirable, they are encouraged to close ranks and forge common interest in addressing certain social responsibilities, especially those bothering on security and technological advancement of the polity.

Dharmika Dharmapala and Vikramaditya S. Khanna (2016) discussed on CSR activity using quasi-experimental variation created by Section 135 of India's Companies Act of 2013, which requires (on a "comply-or-explain" basis) that firms satisfying specific size or profit thresholds spend a minimum of 2% of their net profit on CSR. They examined the effects along a number of different dimensions including firm value, CSR spending, and other outcomes, as well as exploring broader theoretical implications. They used the financial statement and stock price data on Indian firms from the Prowess database, along with hand-collected data from firms' disclosures on CSR activity. There is no robust evidence of any significant impact on sales or accounting performance, although a modest decline in the return on assets cannot be ruled out. For a subset of large firms, it was found that while firms initially spending less than 2% increased their CSR activity, large firms initially spending more than 2% reduced their CSR expenditures after Section 135 came into effect. They explored various explanations for this presumably unintended consequence of Section 135.

Divya Mehta & Monica Aggarwal (2015) studied on the new Companies Act, 2013 specifying the legislative provisions for making CSR mandatory, India becomes the first country to take this move. Though, the concept of corporate social responsibility is much talked about over nearly seven decades, there is lack of clarity in terms of both its definition and implementation. India by making CSR mandatory attempted to resolve these subjectivities by clarifying how much to spend, who has to spend and where to spend for CSR. The paper discussed the problems and prospects of making CSR mandatory in India.

Dr. Ratan Borman and Dipanjan Chakraborty (2014) The paper examined the issues and challenges of CSR that may pose in implementation of CSR with reference to provisions of Indian Companies Act. The study was primarily descriptive in nature. The findings suggested that there are few issues like restricted thematic areas with geographic focus, promotion of CSR ahead of corporate responsibilities, contribution to funds set up by Government, FCRA Regulation and others which need to be addressed to employ CSR strategically to achieve more sustainable businesses.

Hariom Manchiraju and Shivaram Rajgopal (2015) observed that from the year 2013, a new law required Indian firms, which satisfied certain size and profitability thresholds, to spend at least 2% of their net income on CSR. They studied the shareholder value implications of CSR activities. The study suggested that the law caused a significant drop in the stock price of firms forced to spend money on CSR, consistent with the idea that firms voluntarily choose CSR levels to maximize firm value. Firms with greater agency costs and political connections benefit from mandatory CSR. Their results potentially clarify the direction of causality underlying decades of mixed findings on the association between CSR and firm value.

Ms. Mani Goswami (2015) studied on Corporate Social Responsibility which has gained much attention in the recent past and the paper focused on Companies Act, 2013 and its provision on mandatory spending and disclosure of Corporate Social Responsibility activities. The paper also discussed the major loopholes in the provision that can prove as a hindrance in its practical applicability.

Nitin Kumar (2014) studied on the concept of CSR which has evolved from being regarded as detrimental to a company's profitability, to being considered as somehow benefiting the company as a whole, at least in the long run He analyzed the CSR status in India, and focused on the finding & reviewing of the issues and challenges faced by CSR activities in India.

Ramandeep Mann and Karamjeet Singh focused on corporate social responsibility (CSR)'s potential to make positive contribution to the development of society and businesses. They emphasized to study the relationship between social and financial performance of a company. Using a sample of twenty banks, this study has tried to examine the impact of CSR activities on financial performance measured in terms of return on equity and return on assets. The study concluded that financial performance may get affected by CSR to some extent but on the other hand it can be drawn from the results that if the banks start following CSR practice to the desired extent then these may have significant impact on their financial performance.

Ritika Sharma and Priya Chaudhary (2016) studied on the new law making CSR expenditure and reporting mandatory for certain companies. The paper assessed the outcome of Section 135 of the Companies Act, 2013, in the first year of its implementation among the BSE-SENSEX companies. Secondary sources were utilized for collecting profits and CSR expenditure figures of the selected 30 companies for conducting an ex-post analysis for the year 2014-15. Less than 15% of the BSE-SENSEX companies had spent on CSR activities an amount that is equal to or greater than the stipulated 2% of the average profits of the preceding 3 years as per Section 135 of Companies Act, 2013. Immediate attention of regulatory bodies is desired towards companies failing to dispense the funds earmarked for CSR as stipulated by the law to ensure compliance.

A research study is conducted by **Sai P.V.S (2017)** to understand the change if any in the CSR spending by Indian Corporate after the amendment of Company law in 2013. The study concluded that it is disheartening to observe that 20 percent of the companies which come under the definition of Corporate under the amendment have not spent the required 2% of their net profits towards CSR.

Research Gap

The review of literature suggests that various aspects of companies' CSR have been researched. These studies are basically on CSR activities of companies and banking organizations directly. There was very less work done on impact of CSR activities of SBI and ICICI banks after passing of New Companies Act 2013. Keeping in view the gap and importance of the topic, this study is attempted at.

Objectives of the Study

The research study is descriptive in nature and is attempting to explain the impact of CSR activities in SBI and ICICI banks after passing the New Companies Act 2013. It also examines the CSR activities which are to be implemented as per the New Companies Act 2013.

The following hypotheses have been set up in connection with the study and tested using paired t-test in excel software.

H₀: There is no significant difference between the amounts spent on CSR activities of SBI Bank before and after the New Companies Act 2013

H₀: There is no significant difference between the amounts spent on CSR activities of ICICI Bank before and after the New Companies Act 2013

Research Methodology

The research methods adopted for the study are case analysis and documentary analysis. The data about the two organisations under study are taken to analyse the impact on the CSR activities. Further, the data are obtained from the documents of the banks under study. The required information is collected from the secondary sources. The secondary data is collected from the SBI and ICICI banks of Annual Reports. The other sources used are websites, journals, and magazines. The data are analyzed with the help of ranks, averages and paired t-test.

Period and Scope of the Study

The period of the study is confined to 6 years i.e., from 2010-11 to 2015-16 relating to the CSR activities of SBI and ICICI banks. The six years information is taken for the study from the annual reports which are related to three years before and three years after the implementation of New Companies Act 2013. The study covers the CSR activities of SBI bank and ICICI bank.

Discussions and Analysis

The New Companies Act 2013 was enacted in the Lok Sabha and Rajya Sabha and implemented in India contains the detailed provisions regarding CSR. The CSR was made mandatory for the first time through the said Act in India. The New Act through Section 135 deals with CSR of companies. Schedule VII of the New Act lists out the CSR activities which may be undertaken by the companies.

According to Section 135 (1) of the New Companies Act 2013, every company having the net worth of rupees five hundred crores or more or turnover of rupees one thousand crores or more or a net profit of rupees five crores or more during any financial year shall constitute a corporate social responsibility committee of the board consisting of three or more directors, out of which at least one director shall be an independent director. The committee of the board of directors of the company constituted under section 135 shall be accountable and responsible for the undertaking of CSR activities. The board has to recommend the amount of expenditure to be incurred on CSR activities, formulate and monitor the Company's CSR policy as specified in the schedule VII of the New Companies Act 2013. The board of directors has to review the recommended made by the CSR committee, approve the CSR policy of the company and disclose the contents in the reports and on the company's website. They also need to ensure that the company spends in every financial year, at least two percent of the average net profits made during the three immediately preceding financial years of the companies in CSR activities in pursuance of the CSR policy of the company. Further, a company qualifying for CSR activities under section 135 of the new Act will have to explain if it fails to do so under section 134 of the new Act which states that any company that fails to spend prescribed amount and also fails to specify the reasons for not spending the amount in its Board report, shall be punishable with a fine not less than Rs. 50,000 but which may extend to Rs 25 lakhs.

Schedule VII of the new Act contains the activities, given below, which may be included in the CSR Policy:-

- Eradicating extreme hunger and poverty
- Promotion of education
- Promoting gender equality and empowering women
- Reducing child mortality and improving maternal health Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
- Ensuring environmental sustainability;
- Employment-enhancing vocational skills;
- Social business projects;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development, and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, Minorities and Women;
- Such other matters as may be prescribed.

With the enactment of the Companies Act, 2013, companies would be required to spend at least 2% of their net profits on CSR activities, and hence it

becomes imperative for corporate India to plan its spending on CSR activities and avail appropriate benefits/ deductions available under the Income Tax Act, 1961. Investments/ spending on scientific research appear to be one such area which apart from complying with the requirement of law is going to encourage scientific research hugely in India.

The SBI and ICICI banks are also covered under the Indian Companies Act. The banks have adopted the activities voluntarily before the implementation of new Companies Act because they felt socially responsible towards the society. These banks need to focus now and adopt only those CSR activities which have been made mandatory under the New Companies Act 2013. The present study is to know whether there is an impact on CSR activities after passing the New Companies Act 2013.

Impact on SBI CSR Activities:

Various CSR activities of SBI bank were taken into consideration before and after implementation of New Companies Act 2013 for the study. The three years period were chosen for the study because the New Companies Act 2013 was implemented from the financial year 2013-14 onwards.

Table-1
Fund Allocated by SBI to Different CSR Initiatives before and after implementation of New Companies Act 2013 (in Rs Crores)

CSR Initiatives	Before New Companies Act 2013				After New Companies Act 2013			
	2010-11	2011-12	2012-13	Average	2013-14	2014-15	2015-16	Average
Health Care	0	15.03	14	9.68(II)	27.25	28.56	56.00	37.27(II)
Education	0	38.33	100	46.11(I)	106.37	41.20	19.50	55.69(I)
Skill Development	0	5.37	0	1.79	0	24.24	44.66	22.97
Sanitation	0	0	0	0.00	0	13.64	4.04	5.89
Disability	0	0	0	0.00	0	0	5.41	1.80
Environment	0	0.67	0	0.22	0	0	4.78	1.59
Sports	0	0	0	0.00	0	0	2.21	0.74
Culture	0	1.15	0	0.38	0	0	1.20	0.40
Natural Calamities	2.00	5.50	9	5.50	6	4.00	2.16	4.05
Others	22.44	1.38	0	7.94	0.35	4.16	1.98	2.16
Research and Development Fund	0	3.75	0	1.25	1.03	0	1.98	1.00
Total	24.44	71.18	123	72.87	141	115.80	143.92	133.57

Source: SBI Annual Reports

Table-1 shows that the SBI bank has allocated the funds during the period of six years for various CSR activities before and after the implementation of New Companies Act 2013. Education occupied first priority followed by health care under both the periods. To test whether there is a significant difference in the

amount spent on CSR activities before and after implementation of New Companies Act 2013, the paired t –test is used. The average of all the three years period of SBI bank before and after the New Companies Act was taken for the study.

Table -1.1: Paired T-Test Results

t-Test: Paired Two Sample for Means	CSR Average Before Companies Act	CSR Average after Companies Act
Mean (Rs Crores)	6.62	12.14
Variance (Rs Crores)	183.52	345.92
Observations	11	11
Pearson Correlation	0.84	
Hypothesized Mean Difference	0	
Df	10	
t Stat	-1.79	
P(T<=t) one-tail	0.052	
t Critical one-tail	1.81	
P(T<=t) two-tail	0.10	
t Critical two-tail	2.23	

The mean amount spent on CSR activities after the implementation of New Companies Act 2013 has been Rs. 12.14 Crores which is higher compared to the mean amount spent on CSR before the Act. The variance of amount spending on CSR activities has been Rs.345.9 Crore which is more variable than the amount of CSR spent before the implementation of New Companies Act 2013. The Karl Pearson correlation is 0.84 shows that both the situations of the amount spent on CSR is positively correlated. The paired t-test shows that the null hypothesis accepted. The p-value is 0.10 which is more than the value of $\alpha=0.05$ therefore accepts the null hypothesis. Hence there is no significant difference in the amount spent on CSR activities before and after the implementation of New Companies Act 2013.

Impact on CSR Activities in ICICI Bank:

To analyse the changes in CSR activities and fund allocation, the amount spent on CSR activities for a six year period is taken. The null hypothesis is set as H_0 : There is no change in the amount spent on CSR activities by the ICICI bank before and after passing New Companies Act 2013.

Table -2

Funds Allocated by ICICI to CSR Initiatives before and after implementation of New Companies Act 2013 (in Rs crores)

CSR Activities	Before New Companies Act 2013				Before After Companies Act 2013			
	2010-11	2011-12	2012-13	Average	2013-14	2014-15	2015-16	Average
Elementary Education	7.283	1.63	6.62	5.18(I)	7.84	8.71	5.71	7.42(II)
Primary Health	0.9	2.5	7.72	3.71(II)	3.04	2.32	1.69	2.35
Skill Development	2.5	0.61	0	1.04	13.31	39.25	65.20	39.25(I)
Other Projects	1.503	2.85	5.87	3.41	3.24	2.05	1.79	2.36
Total	11.293	7.59	20.21	13.031	27.43	52.33	74.39	51.38

Source: ICICI Annual Report

Table 2 shows that the ICICI bank allocated funds on various CSR activities during the period of six years, three years before and three years after the implementation of New Companies Act 2013. Education was given the first priority and health care was given the second rank by ICICI Bank before implementation of New Companies Act 2013. Skill development was given first choice and elementary education was given second preference among the CSR activities after implementation of New Companies Act 2013 on the basis of average. To test whether there is a significant difference in the amount spent on CSR activities before and after implementation of New Companies Act 2013, the paired t –test is used.

Table- 2.2 :Paired T-Test Results

t-Test: Paired Two Sample for Means		
	Before New Companies Act 2013	Before After Companies Act 2013
Mean (Rs Crores)	3.33	12.84
Variance (Rs Crores)	2.94	315.64
Observations	4	4
Pearson Correlation	-0.82	
Hypothesized Mean Difference	0	
Df	3	
t Stat	-0.99	
P(T<=t) one-tail	0.19	
t Critical one-tail	2.35	
P(T<=t) two-tail	0.39	
t Critical two-tail	3.18	

The mean amount spent on CSR activities after the implementation of New Companies Act 2013 is Rs. 12.84 Crore which shows that the amount spent on CSR

is more after it was made mandatory by the companies Act 2013. The variance in amount spent on CSR activities is Rs 315.6 Crore after the Companies Act 2013 whereas the amount spent on CSR before the implementation of New Companies Act 2013 was of greater uniformity. The Karl Pearson correlation is -0.82 shows that the amount spent on CSR activities are negatively correlated before and after the companies Act 2013. The paired t-test results in acceptance of the null hypothesis. The p-value is 0.39 which is more than the value of significance i.e., $\alpha=0.05$. Therefore accept the null hypothesis i.e., there is no significant difference in the amount spent on CSR initiatives before and after the implementation of New Companies Act 2013.

Conclusion

The CSR activities need to be formulated and monitored by the Banks' CSR committees. The board needs to be given immense powers to plan, implement and monitor the various CSR programs. However the funds allocation to various activities and their implementation are in the hands of Banks. If the plans are strategic enough, proper documentation is taken care, utilisation of funds is transparent, no doubt, the banks will be successful in conducting their activities as per schedule VII of Section 135 of New Companies Act 2013.

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TRADE IN CARBON CREDITS- AN INDIAN PERSPECTIVE

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Abstract

The Flipside of any development activity in the sphere of industrialization is the deterioration of environmental standards that holds valid for India either. The gears of competition, which sped fast the process of economic growth and development in the era of globalization, have invariably accelerated the growth of production centers with liberal approval procedures and enhanced Green House Gases and other industrial emissions. These emissions have not only disturbed the natural environs of industrialized societies, but also led to the development of a hazardous phenomenon called global warming and started effectuating those countries, which are not culprits of carbon emissions. Thus, the concept of carbon credits has been designed to incentivize the individuals, firms and state at large which strive to reduce the Green House Gases. India being a peninsular country is more prone to be buffeted by global warming if it fails to curtail the carbon emissions. It is the reason why, it had an accord with other countries to promote trade in Carbon credits and generated a lot of prospective waves with respect to the incremental benefits on the premise of lesser Carbon emissions generated by its civilians and firms comparing to its counterparts. But, an experience of one decade ever since the emergence of Carbon credits, made it possible to understand that there is a wider gap between the expectations and actual outcome in Indian context and motivated to conduct a study on “ Trade in Carbon Credits- An Indian Perspective” with the core objectives of understanding the present status of India on Carbon credits and to advocate the more feasible methods of promoting trade in Carbon credits after duly examining the best practices of those nations which took the stewardship of bringing down the Carbon emissions.

Key Words: *Green House Gases, Carbon credits, Kyoto protocol*

Introduction

Discovery of fossil fuels and their usage in industrial applications has unveiled revolutionary changes in the way industrial emissions surfaces the atmosphere. Especially Carbon Dioxide, Methane and Nitrous gases which are often referred to Green House Gases (GHGs) having potential to trap the atmospheric infrared energy and cause global warming have started showing their evil impact on climate conditions due to rapid industrialization and became a concern for one hundred and ninety two countries in the year 1992. Indeed, it was a

year of great divide in the literature of Environmental Science when United Nations Framework Convention on Climate Change (UNFCCC) has fastened these one hundred and ninety two countries with a common agenda of reducing industrial emissions by means of clean technology and clean development mechanism. It took them five years to deliberate on technicalities and brought out a doctrine called Kyoto Protocol which came into being from the year 2005. It is this protocol which has innovated a mechanism called Carbon credit in the form of tradable certificate issued to the corporations or individuals who succeeds in mitigating the emissions below the yardsticks prescribed. The reduction of one ton of Carbon is certified as one credit which can be traded or offset by the holders and gain a commercial advantage. Therefore, Carbon credit is obviously understood to be globally recognized and tradable incentive and expected to attract many stakeholders with lucrative benefits. But, the actual scenario is found to be capsized, as many countries including India could not tap the gains of carbon credits. For that matter, few countries like Canada have withdrawn themselves from Kyoto Protocol and compelled the researchers to review the developments impacting the trade in Carbon credits. Accordingly the literature survey is made to further this paper.

Review of Literature

Athira (2013) has presented in her paper that Carbon credits will not be a feasible business model at the individual or firm level due to the diseconomies of small quantity. She has proposed in her paper to grant tax incentives on the merits of carbon credits earned by the firms.

Shetty (2014) drew a conclusion in his paper that, clean development mechanism should not be coupled with carbon credits alone. Rather, the clean development mechanism should be implemented on mandatory lines and nor on incentive merits. He further argued in his paper that, those corporate houses which consume more factors from the society should take clean development as social responsibility and should not look forward for the carbon credits. Alfanz (2015) has stated in his article that, carbon credits should not be viewed as trading instruments. Because, tradable instruments are subject to price volatility and any bearish trend in the speculative prices of carbon credits derails the thoughts of firms generating lesser carbon emissions at additional costs.

Toonz & John (2016) have conducted a study on selected South Asian countries and revealed that India has got huge potential to generate carbon credits, provided the generators of carbon emissions prefers to replace the emission control technology installed in large scale firms. They have also observed that, sizable number of large scale plants and machinery in northern part of India are still adopting the dated production techniques and releasing more emissions, which can be brought down and converted into credits through technology transformation. Rupani (2017) has argued in his paper that, the present system of incentivizing

carbon credits is not profitable in long run. He has compared the depreciation value of clean technology with the market value of the tradable carbon credits in selected firms of cement industry and found that the net benefit derived after completion of payback period is very notional.

Gaps in Literature

Environmentalists and other social scientists have conducted a very fair amount of survey on the merits and demerits of carbon credits and forwarded many suggestions to reduce the emission levels. But the profitability dimension of carbon credits is not examined by many of them with the recent data available on emission volumes. Of course, the approach of many researchers is holistic as they ultimately advised measures parallel to the very objectives why carbon credits are designed. India has witnessed many changes in the past four years with respect to the listing of carbon credits in Multi Commodity Exchange, granting tax incentives on carbon credits and so on. Therefore, there is a need to review the current status of the country on carbon credits and to revitalize its existing policies. It is the core reason why, the following objectives are considered to draft this paper.

Objectives of the Study

1. Understanding the current status of tradable carbon credits in India.
2. Studying the measures that improve India's position in the trade of carbon credits.

Research Methodology

The first objective is executed with the help of secondary data available on the volume of carbon emissions, number of carbon credits created in the country and the same shall be compared with the projected values of UNFCCC. On the other hand, the second objective pertaining to the study of measures that can augment the position of India on carbon credits shall be executed with the help of expert opinions published on the merits of empirical evidences in various sources.

Time Period & Sample size

This paper is drafted with the secondary data available for four years from April 2013 to March 2017, as the year 2013 has been a historic watershed with respect to trade in carbon credits with the listing made in Multi Commodity Exchange. The first phase of Kyoto Protocol also came to an end by 2012 and marked 2013 as the new era of carbon credits. This paper is macro level study conducted on the status of entire country on carbon credit. Therefore, it does not propose any specific sample frame. However, the data on three important variables namely the volume of carbon emissions, number of credits and projected volume of credits are collected from the web sources of UNFCCC, MCX and CPCB.

Current Status of India with Respect to Carbon Credits

India being a third category signatory of UNFCCC falls in the ambit of non annexure list of Kyoto Protocol, which has got more liberty to prescribe the emission standards of Green House Gases and create more credits which are tradable in international markets. India has granted approvals to 5603 clean development mechanism projects by the end of March 2017 which have generated the carbon credits worth \$ 646.5 million in the previous financial year. This value is of course, very notional (less than one percent) when compared with the total revenues of CDM based projects.

Table-1: data released by UNFCCC provides a vivid view on carbon credits in India.

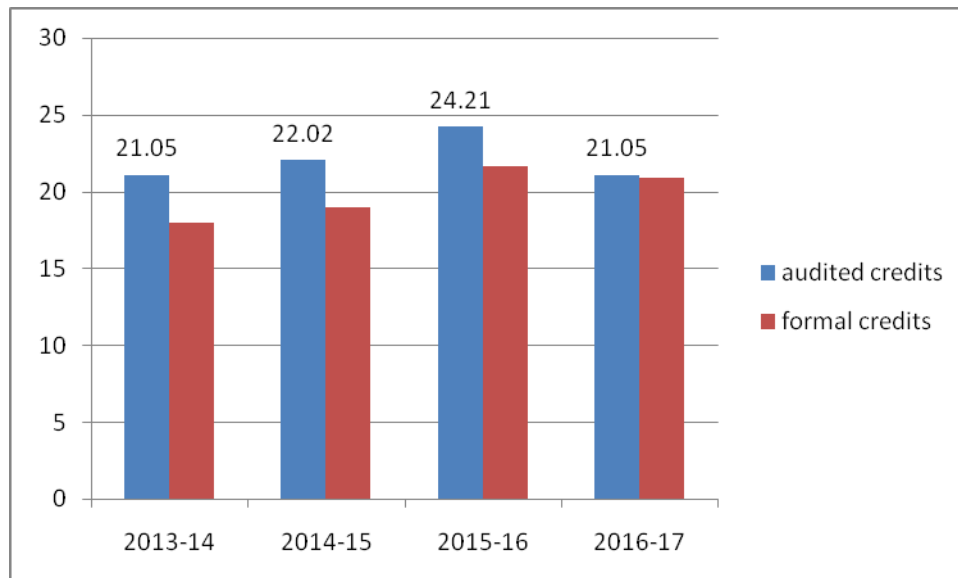
Year	Number of credits in million	Market value* in Rs of million	Number of Credits (UNFCCC projections)	Market value** UNFCCC in Rs of Million
2013-14	17.95	546.22	20.05	550.02
2014-15	19.01	658.56	22.00	662.05
2015-16	21.66	622.8	20.04	620.25
2016-17	20.93	646.5	21.00	648.15

Source: UNFCCC. *market value of the closing day in March forward contract of MCX. **market value projected by UNFCCC in terms of \$ converted into Rs @ exchange rate prevailing on 31st March.

It can be seen from the table that, there is a minor dichotomy of carbon credits generated in India when compared with UNFCCC projections except in the year 2015-16, when India has outperformed the expectations and acquired 1.62 million of additional carbon credits. The steep change in the forward market prices of tradable credits or CERs from 2013 onwards is the reason why the mean price per credit is not calculated in this paper.

Volume of GHGs which could not be converted into Credits

One of the major problems faced by India in converting Green House Gases (GHGs) into tradable credits is the poor rate of assessment. The statistics released by the union Ministry of Environment have shown dichotomous results from that of the Green Audits conducted by the third party assessors of UNFCCC. The following chart reveals the same.



Source: Green Audit Report 2017 of UNFCCC.

It is well evident that, formal figures on number of carbon credits released by the state are less than the audited credits in the selected time period, except in 2016-17 where there is a negligible amount of difference. The main reason for this difference is not the inability of the stakeholders in reducing the emissions. But, it is due to the non conversion of meager amount of emission reduction volumes at micro level which were ignored by the firms and accumulated to huge difference at macro level. This problem can be avoided when industries engaged in CDM projects are directed to conduct carbon audits which hardly any Indian firm has done so far.

Measures that Can Improve India's Position in Carbon Credits

The World Forum for Clean Technology has estimated that India has got the potential of owning twenty percent of global carbon credits which presently trades only at three percent. Therefore, certain proactive measures are very required to improve the present conditions. This paper endorses the following suggestions after reviewing the expert opinions from various sources.

The first measure which needs to be initiated on war foot basis is the mandatory adoption of clean technology. At present, only CDM projects are directed to adopt the clean technology measures advocated by Kyoto Protocol. This must be extended to all the industrial units releasing carbon emissions in a phased manner. The second measure that improves the tradable position of carbon credits is the proper accumulation. I.e. carbon audit must supplement the Green audit and help the industrial units to properly recognize and register their share of carbon credits which in turn can be deposited with central agencies to achieve sizable CERs.

The third measure which can enhance carbon credits is the accumulation of micro credits by intermediaries. For example, individual automobiles can create very small amount of credits which can be accounted by local authorities and such other intermediaries and create a pool of carbon credits from all the automobiles of their vicinity. The owners of such vehicles can be incentivized in other form based on the value of credits created. The fourth measure which can be perceived by the state is, tax relaxations. The government has proposed to waive tax on the earnings made from the trade of carbon credits. This is only a notional measure, as each credit is presently traded at \$22 in international market which may not fetch huge benefits at micro level. Therefore, government should provide tax reliefs on the carbon credits created by the firms and not on the trade earnings of such credits. After all, the macro level benefits of clean environs must be considered by the state before making such tax relaxations. Finally, the small and medium enterprises should also be encouraged to form societies or associations to accumulate minor amount of carbon credits into tradable volumes. Because there are very large number of SMEs functioning in isolation and capable of creating carbon credits if they join together.

Conclusion

Trade in carbon credits may not yield lucrative dividends in short run. But it can bestow the society with clean environment and bring down the effect of global warming in long run. Therefore, government must buck up its competencies and enlarge the scope of trade in carbon credits in terms of participants, intermediaries and other stakeholders. The data analysis made in this paper makes it possible to conclude that, India is yet to reap the potential benefits of creating carbon credits as projected by international agencies and create more viable markets for trading carbon credits.

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COMMERCE EDUCATION: ISSUES AND CHALLENGES IN THE 21ST CENTURY

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Abstract

Commerce Education is business education. Industrial development, growing needs of business society, preparing entrepreneurs, business leaders, managers, corporate professionals can be possible through sound Commerce and business education. The economic processes like Liberalization, Privatization and Globalization rapid strides in communication and Information Technology and growing needs of people have provided new dimensions and direction for the development of Commerce and trade and business. Taking the advantages of these developments capital markets many business process outsourcing agencies , Micro, Small and Medium Enterprises, IT and IT enabled service sectors have witnessed ex-potential and slope for growth in Commerce education. All these developments demand paradigm shift in teaching and learning process stressing more on practical aspects. Institutionalization, vocationalisation and effective Governance in Commerce Education and restructuring its curriculum pedagogy need a special attention and focus to prove its relevance, marketability, useful and productive as per the growing expectations of the corporate sector, world economics and also different stakeholders. There are some but more important challenges of commerce education need special focus and attention in order to reap the fruits of commerce education in the changed global business scenario. The paper on "Commerce Education: Issues and Challenges in the 21st century" is an attempt in this direction.

Key word: Commerce Education, Institutionalization of Commerce education, Vocationalisation of Commerce education, Governance in Commerce education.

Introduction:

Education is a three-fold process-impacting knowledge, developing skills, inculcating proper attitudes and values towards life and society in general. The higher education system across the globe has witnessed significant growth and expansion in terms of institutions, enrolment of students, research and development, quantity and quality of knowledge on professional basis. Thus, the role of higher education in national building and development is well recognised and established.

The growing phenomenon of Liberalisation, Privatisation and Globalisation has a tremendous impact and influence on the system of higher education in general

and commerce and business education in particular. Commerce education is business education. It is that area of education which develops the required knowledge, skills, and attitudes for effective and efficient handling of Trade, Commerce, Business and Industry. Industrial development, growing needs of business society, preparing potential entrepreneurs, tomorrow's business leaders, managers and professionals can be ensured through sound commerce and business education. It is reported that the commerce education lacks practical orientation exposure and approach. Thus, the imperative need and importance of commerce education is felt in promoting commerce professionals, business leaders, meeting corporate needs and needs of business society and make the India as a vibrant society with inclusive growth for sustainable development of the country as a whole.

In the early part of 19th century, Commerce education and training programmes were formally started as the vocational courses intended for meeting the requirements of different local cadres in business and industry as also in Government Departments. Commerce courses were formally elevated to the level of under-graduate and post graduate. By 1930, many Universities and Colleges in the country introduced B.Com and M.Com training programs suitable for seeking knowledge on Commerce after the plus 12. A number of commercial institutes were established in the country during 1920-40, The Indian Institute of Bankers was established in 1926. The Institute of Chartered Accountants and the Federation of Insurance Institutions were established in 1934 and 1955 respectively. The Commerce courses on large scale proliferated in India at the School College and University level during this period. Commerce education is designed and started as practical training. However, unfortunately in India it is more of theoretical education rather than focusing on practical aspect.

Scope of Commerce Education

Commerce teacher is Jack of all trade who is expected to teach all the subjects. In earlier days, Commerce programmes were linked to clerical and accounting personnel only. However, due to demand and after economic liberalization in India things have started changing many institutes offering practical exposure in the field of accounting banking taxation payroll e-commerce have emerged successfully due establishment of a Premier Institute in India. The Institute of Professional Accountants Delhi – India engaged in enhancing the practical skills of students and making them employable in the industry.

To cope with the increasing demand for the trained people to transact commercial and governmental jobs, it became essential to introduce the commerce education at the school level. To start with the teaching of short-hand and typing was introduced in the Government schools and aided schools and afterwards the

teaching of commerce was introduced in such schools. Now, the commerce education has been included in the school curriculum.

In the new scheme of education (10+2+3 pattern of education) sufficient attention has been paid to commerce education in Indian schools. In addition to shorthand and typing, some more subjects that have been included for teaching in commerce are as:

- Book-keeping and Accountancy
- Sectarian practice
- Commercial English
- Commercial Law
- Industrial law
- Taxation
- Salesmanship
- Applied economics
- Advertising

At present, the Commerce education is considered as the professional course, a vibrant course opted by large student's community because of its distinct advantages that a commerce student has over his counter-part courses in the arts faculty. It is believed that a commerce student not only achieves just training and perfection, but also a general professional intelligence and ample job opportunities today than ever before.

Dimensions of Commerce

The activities concerning with the smooth and continuous flow of goods and services between the buyer and the sellers are termed as Commerce. The activities of (i) purchase and sale of goods and (ii) smooth and continuous flow of goods are respectively called 'trade and 'aids to trade'. The former refers to safe, transfer or exchange of goods and services with the motto of earning profit while the auxiliaries' to trade are referred as aid to trade. The aids to trade include banking, transporting, warehousing, insurance and advertising in addition to e-commerce which is, of late, burgeoning as an aid to trade and showing every sign of continuing to expand. Commerce is a fundamental stream of academic discipline along with the humanities and science.

What role commerce education is expected to play in the changing scenario of today can fulfil the expectations adequately in compliance to the modernized according to the ever changing demands of the society? The study of commerce involves the understanding of business or trade with special emphasis on market, economies, fiscal policies, industrial policies and so on. It includes various

interdisciplinary branches of Accountancy, Business Administration, E-Commerce, Finance, Economics and Marketing and hence its scope is heralded in various domains of business and human activities.

Important Dimensions of Commerce Education

Above all, the Commerce course is a fundamental stream of academic discipline along with humanities and science. One who prefers Commerce as a field of study can make career in the subject of Accounting, Auditing, Banking, Business Management, Company Secretary (CS) in 1980, Chartered Accountant (CA) in 1949, the Institute of Company Secretaries of India (ICSI) in 1980 and Cost and Works Accountant (CWA) in 1959. Meanwhile, a number of management institutions were also established in different parts of the country which have been playing a paramount role in imparting professional education and introduction of codes of conduct for their professional members.

Institutionalisation of Commerce education

In the era of Liberalisation, Privatisation and Globalisation processes across the globe, commerce, trade, business and services sectors have been playing their strategic and crucial role and the world economy is moving around it. The essential sectors like Banking, Insurance, Capital market, Communication, Retail transport etc are being treated as a separate potential and thrust areas for necessary attention and development. Commerce education should be made as an integral part of overall business activities and there is a need to restructure the Commerce education as per growing expectations of the corporate sector, world economics and also different stakeholders.

Vocationalisation of Commerce education

Vocationalisation of Commerce education has become the order of the day and need of the hour. In a growing economy like ours much of the expansion has taken place especially in service sector which particularly requires knowledge and skill of a special nature with practical bias. Besides, self-employment ventures in the form of startup and potential entrepreneurs are emerging to take up the competition advantage of globalisation, liberalisation and avail the incentives and benefits extended by the Government. Thus, if Commerce education has to prove its relevant and marketability, useful and productive, it is essential to vocationalise it.

Emerging need for effective Governance in Commerce Education

The common curriculum and structure of Commerce course itself needs to be changed as per the society, trade, industrial corporates and the Government. This task has to be initiated and implemented by national apex bodies and Universities at state level.

High time for Retrospection

Gone are the days when the Commerce education used to produce the job seekers on traditional lines. But, now things have changed it is emerging as a multiple discipline and more so being viewed as a profession. Hence, all our old methods of teachings and contents are to be changed and updated and train the students to become job providers and take up business enterprises.

TECHNOLOGY IN COMMERCE EDUCATION

The evolution and revolution of IT has given rise to E-commerce, E-finance, E-marketing, E-banking, E-governance, E-filing of tax returns and so on. All these provide an impulsion to the modern organizations for restructuring and reengineering their operations to tap the benefits of such technological advancements. These amazing developments have caused a paradigm shift in the nature and quality of jobs required by the companies from their employees. Now, the employers demand adequate IT skills, more analytical power, critical thinking and responsiveness to real life situations, problem facing attitudes, opportunity and utilizing capabilities, ability to locate, obtain and organize information etc. So, it is very essential for the higher learning institutions like Universities and Colleges to suitably and appropriately restructure the commerce curriculum and place more emphasis on the managerial aspects of the organizations in order to provide an edge to the students in dealing with the changes in the industrial and trading environment.

Future Prospects

With the increase of Foreign Direct Investment and also with more internationalization of Indian economy, the demand for Commerce students will grow up who can speak different languages, which can move easily between cultures and countries and above all, who have adequate skills to work efficiently in global environment. The silver-lining is that a few leading universities and colleges have already taken serious concern on this issue. They have adopted a number of measures like modernization of curriculum, introduction of need-based and relevant job-oriented courses, replacement of teaching by chalk and duster with new pedagogy like audio-visual training, business games, computer-aided teaching, case study and group discussion.

Conclusion

Having considered the vast requirements of the business world and the vast size of the eligible students' community (Think Tank) of the country, very little progress has been taken place so far in respect of modernization of Commerce education. Now, Commerce education has to face new challenges and threats in terms of quality education with professionalism, global competition, ever changing science & technology and talented human resources. This, as a matter of fact, calls

for improvement in the quality of Commerce education in order to fulfil the demands of the corporate bodies for employable Commerce graduates for sustainable industrial development and inclusive growth of the society at large.

The emerging need and significance of Commerce education is well established and can be considered as a solution to many problems in the society. For instance, now that is a high rate of unrest and unemployment and has become a structural problem in India, so also in many countries. In order to weed out this problem impart equality education especially Commerce and business which encompasses a whole lot of livelihood activities is an important solution even for achieving inclusive growth and sustainable development of the society at higher speed.

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A COMPARATIVE STUDY ON CUSTOMER SERVICES IN COMMERCIAL BANKS

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Abstract

Since nationalization of major banks, with increase in the multifarious responsibilities of banks, coupled with the entry of millions of new types of clients who were hitherto out of reach of the banks, the subject of customer services has gained crucial importance in marketing of banking services. The role of the bank in relation to its customers is fast changing. Banks have a large number of customers of diverse type to deal with and large number of newly recruited, promoted and de-motivated existing staff to attend to them. The challenge of the 90s is ensuring services to every customer so as to acquire image by potential contribution to economic progress and social welfare over the next decade that lies ahead. Being personalized services oriented industry, banks primary aim is creation, maintenance and satisfaction of customer – needed service¹. The paper emphasis that Since customer's perception of bank's products are influenced more by the quality of services associated with it than by the physical product itself, banks have to undertake a continuous process of monitoring customer's perceptions of service quality, identifying the causes for service quality shortfalls and taking appropriate remedial action to improve quality.

“A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption on our work. He is the purpose of it. He is not an outsider on our business. He is a part of it. We are not doing him a favour by serving him. He is doing us a favour by giving us an opportunity to do so”

- Mahatma Gandhiji

INTRODUCTION

During the last two decades the commercial banks in our country went through significant qualitative and quantitative changes and manifold growth in all business dimensions. The fast changing environment has been characterized by rapidly growing size, complexity, uncertainty and ambiguity. On one hand, banks have to shoulder the social responsibility of taking a leading role in the balanced socio-economic development of India, and, on the other hand, they are asked to be concerned about their level of profitability.

For the past few years, there has been a persistent trend toward financial sophistication and diversification. The dynamic process of development and diversification, coupled with structural, financial and technological changes, has led to an ever growing competition, not only among banks but also among non-banking

institutions. With yields on deposits down, bank customers are going to turn to mutual funds and other high yielding financial services in a big way. The trend in profit on traditional banking is pointing downwards. Therefore, banks have to offer new high yielding financial services on a large scale.

In view of the above, it is high time that bankers realized the need to improve banker customer relationship and to anticipate, identify, reciprocate and satisfy their needs efficiently, effectively and profitably. For the above purpose, banks must utilize relevant marketing concepts to promote marketing orientation in planning, operations and communication and modify existing strategies for attracting deposits on one hand and quality borrowers and users of services on the other.

CUSTOMER SERVICE

Customer satisfaction is an important theoretical as well as practical issue for most marketers and consumer researchers. Customer satisfaction can be considered the essence of success in today's highly competitive world of business. Thus, the significance of customer satisfaction and customer retention in strategy cannot be overstated. Consequently, customer satisfaction is increasingly becoming a corporate goal as more and more companies strive for quality in their products and services².

The progress of any organization, and particularly a service organization like a bank, depends upon the quality of service offered to clients. Customers judge you not from what you say and talk about yourself but by the sincerity of approach you adopt in serving them. Catchy slogans and colorful brochures may attract some customers initially but ultimately it is efficient and prompt service that helps a banker in retaining the customers' patronage. Definition of "customer" has been constantly expanding in the context of service of a bank. Bank not only accepts deposits and lends money. It is a multi-purpose, multi-locational and multi-service agency. To day's bank is essentially an institution engaged in meeting financial as well as non-financial service needs of the society. Servicing a customer is not an easy job today. His expectations are very high and he desires instant personalized service. The customer will not think about the strain and cost of the expected service³.

A customer is said to be the king under market economy. Banks which thrive on public monies have been giving a raw deal to the customer in all their transactions particularly over the counter. This is evident from delays in various services like collection of outstation cheques, crediting of proceeds, sanction and disbursements of loans, insurance of drafts, dispatch of statement of accounts and so on. The customers in metropolitan and urban areas have much wider choice now because with the expansion of the branches, both banking access and banking convenience were provided to many people. A great deal of joy to the customers is derived from the technological innovation. The benefits of technological up-gradation are now available to bank customers in different ways such as computerized banking, speedier transactions, accurate statements, ATM offering 24 hours banking, tele-banking, any where banking and customer terminals. Even after implementing many reforms, the banks are miles behind in terms of "delivering them in a customer satisfactory manner". Staff in general, and those attending to

the customer in particular, should be made to realize that. It is they who make a major difference in terms of customer satisfaction. There is an urgent need for greater training and up-gradation of skills of these people. To conclude, in the words of Dr. C. Rangarajan, “the ultimate success of the financial sector reforms depends on how far banks are able to improve their services to customers as both depositors and borrowers”.⁴

The Reserve Bank has been taking various initiatives for fair treatment and empowerment of customer. Banks have been sensitized to focus attention on good and efficient customer service. To give adequate attention to customer service, a fourfold structure is in place in commercial banks. Viz., board-level Customer Service Committee for policy formulation, Standing Committee to review customer service, nodal department/ nodal officer for liaisoning with the Reserve Bank and the bank branch level Customer Committee. Periodic meetings with nodal officers of banks by Banking Ombudsmen and the Reserve Bank’s Customers Service Department are also held to communicate the importance of customer service. During the year 2007-2008, several initiatives were taken by the Reserve Bank in the area of customer services in banks such as guidelines on engagement of recovery agents, strengthening of grievance redressal mechanism in banks, branch level committee on customer service, furnishing a copy of loan agreement to borrowers, settlement of claims in the case of missing persons, permission for appointing guardian of disabled persons (those afflicted by autism, cerebral palsy, mental retardation and multiple disabilities.) to open and operate bank accounts and spread of banking facilities to the visually challenged.

The Reserve bank has taken a number of steps to issue guidelines/instructions relating to customer service and grievance redressal by banks through its multi-lingual website by placing all customers related notifications and press releases in a specific page titled ‘For Common Person’. Customer of commercial banks can also approach the Reserve bank with their grievances and queries through ‘Contact Us’ icon on the home page of the website. A complaint form for sending complaints to the banking Ombudsman has also been made functional. The Banking Ombudsman Scheme 2006 has been made more customer-friendly by increasing the areas covered under the scheme, by allowing complainants to use e-mail or any other means including post cards for submitting their complaints and by permitting complainants to appeal against the decisions of the Banking Ombudsman.⁵

CUSTOMERS EXPECTATIONS FROM BANKS

Today the customers are demanding fast, accurate and reliable services. The absorption of technology, therefore, becomes inevitable for the banks to enable them to respond to customer needs at all times and at competitive prices.

In the changed socio-economic conditions, the customers, individual or corporate, no longer want to be restrained by the physical place where their funds and information are stored and wish that the banks should offer access to banking services at a place and time convenient to the customers. The use of improved telecommunication technology has made unhindered information flow possible in real- time, online and industry wide.

However, as the facilities provided by the banks increase, there will be a corresponding increase in the demands of the customers. The business compulsions steered by telecommunications breakthroughs are putting tremendous pressures on individual banks to continuously evaluate newer techniques for making business transactions better, faster and more efficient than those offered by rival banks.

Prompt service at the counter-turnaround time.

- Courteous behavior at counters
- Accuracy of records maintained – for prevention of errors / frauds
- Security and liquidity for deposits.
- Reasonable returns.
- Good value for the cost of services.
- Financial assistance for business.
- Affordable and justified service charges.
- Making available all required information to the customers.
- Transparency in banker-customer relations,
- Convenience of customer banking with the banks and not with the branches,
- Minimum amenities in the premises like seating, lighting, fans and drinking water.
- Acceptance of mutilated notes, small denominations for exchange.
- A quick disposal of cases relating to customer needs like loans proposals etc.
- Education regarding banking schemes.
- Fair and simplified pricing procedures,
- Geographical proximity
- Adequate product information through information technology.
- This can be achieved by introducing a one point service, data capture with transaction processing, self-service banking at different timings and from different geographical locations and enhanced service for the price paid.

CUSTOMER SERVICE OF INDIAN BANK IN TIRUPATI TOWN

Managing an excellent customer relationship decides the future of any business. Customer focusing is not being viewed as just a business strategy but has become a corporate mission. Once good service is extended to a customer, a loyal customer will work as an ambassador to the bank and facilitate growth of business. It is imperative to have customer orientation as a culture in the bank for delivering quality service. Customer orientation builds long term relationships resulting in customer satisfaction and cash flows to banks.

Factors like branch location and design, variety of services, rates and charges, systems and procedures, delegation and decentralization, mechanization and computerization, competitive efficiency, complaint redressal and, very importantly, staff skills, attitudes and responses are the major drivers for customer satisfaction in banks. A good customer service in banks should have three basic tenets courtesy, accuracy and speed. In this chapter an attempt is made to assess the level of satisfaction of customers regarding services, offered by Indian Bank compared with four other public sector banks in Tirupati town and solicit their suggestions to improve customer service.

OBJECTIVES OF THE STUDY

To identify customer satisfaction variables which lead to building relationships with customers in the selected banks

To study the differences in perception of the customers of the banks that were surveyed with respect to the various services provided and identify whether demographics have a role to play in the satisfaction of the customer.

SELECTION OF SAMPLE

The samples of various types of customers from Indian Bank and other public sector bank branches have been selected by using simple random sampling. The public sector banks namely, the State Bank of India, Andhra Bank, Union Bank of India, and, the Corporation Bank, have been considered for a comparative study with regard to customer service. From each of the above branches, a modest sample of 60 customers has been selected and, totally, 300 customers are selected. To analyse the service, customers were contacted directly in the bank, in their offices, residences and their views and opinions were collected through a structured questionnaire.

HYPOTHESIS

The hypothesis to be tested or examined in the present study is;

There is no evidence of more inconvenience to the customers in the service offered by Indian Bank compared with the other public sector banks in Tirupati town.

SOURCE OF DATA

The empirical data has been collected by primary sources. The chief technique used for the collection of primary data is questionnaire method.

SCOPE OF THE STUDY

Customer Service evaluation is done with the qualitative aspect in mind. Here also, customers of certain branches of Indian Bank, Andhra Bank, State Bank of India, Union Bank of India, and Corporation Bank are taken up for convenience and accessibility. Customers here refer to the individual depositors, borrowers, credit card holders, locker holders and debit card holders.

Classification of Customers by Age

The sample covered different age groups of customers and it is presented in Table 1. The table below reveals that 75.99 per cent of the total sample respondents are in the active economic age of 25 to 55 years. Generally people are more interested in earning money between 25 and 55 years. The active economic age group sample in Indian Bank is 76.66 per cent. In the total sample 9.34 per cent were below 25 years of age and 14.67 per cent were above 55 years.

Table-1: Classification of Customers by Age

Age in years	IB	SBI	AB	UBI	CB	Grand total
<25	4(6.67)	7(11.67)	6(10.00)	5(8.33)	6(10.00)	28(9.34)
25-35	15(25.00)	13(21.67)	12(20.00)	13(21.67)	11(18.33)	64(21.33)
35-45	19(31.66)	15(25.00)	18(30.00)	16(26.67)	17(28.33)	85(28.33)
45-55	12(20.00)	14(23.33)	16(26.67)	18(30.00)	19(31.67)	79(26.33)
>55	10(16.67)	11(18.33)	8(13.33)	8(13.33)	7(11.67)	44(14.67)
Total	60(100.00)	60(100.00)	60(100.00)	60(100.00)	60(100.00)	300(100)

Source: - Compiled from the Sample Survey.

Note 1: - Figures in brackets indicate percentage to total

Note 2:- IB: Indian Bank, SBI: State Bank of India, AB: Andhra Bank,
UBI: Union Bank of India, CB: Corporation Bank

Classification of Customers by Educational Status

Respondents' classification based on their educational status is presented in Table 2. Out of 300 customer respondents, 8.67 per cent had professional qualifications followed by 11 per cent post graduates, 30.67 per cent graduates, 18 per cent undergraduates, 12.66 per cent with secondary education, 11.67 per cent with primary education and 7.33 per cent who are illiterates.

Table- 2: Classification of Customers by Educational Status

Educational status	IB	SBI	AB	UBI	CB	Grand Total
Illiterate	3	2	5	8	4	22 (7.33)
Primary	5	7	9	6	8	35 (11.67)
Secondary	8	9	7	8	6	38 (12.66)
Under Graduate	11	12	10	10	11	54 (18.00)
Graduate	20	18	19	17	18	92 (30.67)
Post Graduate	8	6	4	7	8	33 (11.00)
Professional	5	6	6	4	5	26 (8.67)
Total	60	60	60	60	60	300 (100.00)

Source: - Compiled from the Sample Survey.

Note: - Figures in brackets indicate percentage to total

Classification of Customers by Occupation

The sample covered home makers, service, self employees, agriculture, retired, business, and students. The data relating to the customers occupation is presented in table 3. According to table3, service, self-employed and businesses are the main occupation of the respondents. Out of 300 total respondents 21.67 per cent are in service, 21 per cent are self employed, 17.66 per cent are business men and the others belong to various minor categories. Interesting finding is that students also maintain accounts in banks. They are saving their pocket money in savings bank accounts. It is a very good habit of students.

Table: 3: Classification of Customers by Occupation

Occupation	IB	SBI	AB	UBI	CB	Grand total
Home maker	5	4	6	5	7	27 (9.00)
Service	12	14	15	11	13	65 (21.67)
Self-employed	16	12	13	12	10	63 (21.00)
Agriculture	4	7	5	6	5	27 (9.00)
Retired	6	8	7	9	8	38 (12.67)
Business	12	8	8	13	12	53 (17.66)
Student	5	7	6	4	5	27 (9.00)
Total	60	60	60	60	60	300 (100.00)

Source: - Compiled from the Sample Survey.

Note: - Figures in brackets indicate percentage to total

Classification of Monthly Family Income of Customers

In table4 the customer respondents are classified on the basis of their monthly family income. The table clearly indicates that most of the respondents of each bank are in the range of less than Rs.20, 000 monthly family income groups. Out of 300 total respondents 34 per cent are in the Rs.10001 to 20000 income range, 27 per cent are in the Rs.20,001 to Rs.30,000 income range, 22 per cent are below Rs.10,000 income group and the others belong to various minor categories.

Table- 4:Classification of Monthly Family Income of Customers

Income range	IB	SBI	AB	UBI	CB	Grand total
Below,10,000	14	12	11	15	14	66 (22.00)
10,001-20,000	22	21	18	21	20	102 (34.00)
20,001-30,000	18	15	17	16	15	81 (27.00)
30,001-40,000	4	7	7	5	6	29 (9.67)
Above, 40,000	2	5	7	3	5	22 (7.33)
Total	60	60	60	60	60	300 (100.00)

Source: - Compiled from the Sample Survey.

Note: - Figures in brackets indicate percentage to total

Level of Inconvenience in Service

The level of inconvenience in service in the five selected Banks i.e. Indian Bank, State Bank of India, Andhra Bank, Union Bank of India and Corporation Bank is presented in Table 5. The inconvenience in service is recorded on 10 parameters. The inconvenience in each criterion is further analysed under four categories i.e. regular, occasional, rare and never, assigning some weight. The weights given are regular =4, occasional =3, rare = 2, and never=1. The score for each criterion is obtained by multiplying the number of respondents in each criterion. Under each category the weights are defined. The maximum score for each criterion is 240 and it is deflated to 100 for conveniences in interpretation. The overall average of the scores of 10 criteria has been computed. The data collected from the five banks is analysed through a statistical tool," ANOVA".

Table- 5:Level of Inconvenience in Service

Criteria	Regular	Occasionally	Rarely	Never	Score
INDIAN BANK					
Non-availability of clerk	0	7	15	38	37.08
Delay in transactions	7	10	13	30	47.50
Lack of courteous behaviour	5	8	16	31	44.58
Delay in commencement of business	6	12	15	27	48.75
Closing of business before/ schedule/ appointed hour	0	0	18	42	32.50
Mistakes due to carelessness of staff	0	7	12	41	35.83
Dishonour of cheques	0	0	22	38	34.17
Due to continuous holidays	0	2	11	47	31.25
Due to congested premises	15	0	0	45	43.75
Lack of proper sign boards	13	0	0	47	41.25
				Mean Score	39.67
STATE BANK OF INDIA					
Non-availability of clerk	0	9	12	39	37.50
Delay in transactions	5	13	18	24	49.58
Lack of courteous behaviour	3	6	15	36	40.00
Delay in commencement of business	7	9	11	33	45.83
Closing of business before/ schedule/ appointed hour	0	0	13	47	30.42
Mistakes due to carelessness of staff	0	5	10	45	33.33
Dishonour of cheques	0	8	13	39	37.08
Due to continuous holidays	0	3	20	37	35.83
Due to congested premises	18	0	0	42	47.50
Lack of proper sign boards	15	0	0	45	43.75
				Mean Score	40.08
ANDHRA BANK					
Non-availability of clerk	0	11	15	34	40.42
Delay in transactions	4	15	19	22	50.42
Lack of courteous behaviour	3	8	17	32	42.50
Delay in commencement of business	5	12	13	30	46.67
Closing of business before/ schedule/ appointed hour	0	0	15	45	31.25
Mistakes due to carelessness of staff	0	4	12	44	33.33
Dishonour of cheques	0	9	16	35	39.17
Due to continuous holidays	0	6	14	40	35.83
Due to congested premises	17	0	0	43	46.25
Lack of proper sign boards	15	0	0	45	43.75
				Mean Scores	40.96
UNION BANK OF INDIA					
Non-availability of clerk	0	8	11	41	36.25
Delay in transactions	6	17	13	24	52.08
Lack of courteous behavior	5	12	15	28	47.50
Delay in commencement of business	7	8	12	33	45.42
Closing of business before/ schedule/ appointed hour	0	0	16	44	31.67

Criteria	Regular	Occasionally	Rarely	Never	Score
schedule/ appointed hour					
Mistakes due to carelessness of staff	0	3	14	43	33.33
Dishonour of cheques	0	6	17	37	37.08
Due to continuous holidays	0	7	15	38	37.08
Due to congested premises	16	0	0	44	45.00
Lack of proper sign boards	17	0	0	43	46.25
				Mean Scores	41.17
CORPORATION BANK					
Non-availability of clerk	0	8	12	40	36.67
Delay in transactions	6	16	18	20	53.33
Lack of courteous behaviour	4	12	15	29	46.25
Delay in commencement of business	6	13	17	24	50.42
Closing of business before/ schedule/ appointed hour	0	0	12	48	30.00
Mistakes due to carelessness of staff	0	4	11	45	32.92
Dishonour of cheques	0	9	17	34	39.58
Due to continuous holidays	0	6	16	38	36.67
Due to congested premises	14	0	0	46	42.50
Lack of proper sign boards	16	0	0	44	45.00
				Mean Scores	41.33

Source: Compiled from the Sample Survey.

Note: Weights : Regular =4, Occasional =3, Rare = 2, Never = 1.

The difference between the average inconvenience score between banks has been tested using analysis of variance. The results of the ANOVA are shown in Table.6

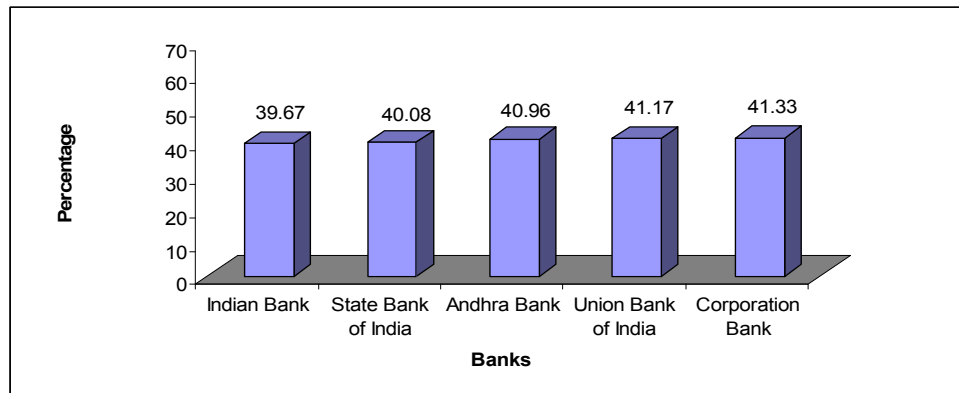
Table- 6: ANOVA Results

Source of Variation	Sum of Squares	DF	Mean square	F-value
Between Banks	4.924	4	1.231	0.025
With in Banks	486.029	10	48.603	
Total	490.953	14		

Note: N.S. – Not Significant

From the above table it is clear that the variation between banks and with in Banks is statistically not significant. The mean scores of inconvenience in service Bank – wise, are graphically presented in Figure 1.

Figure-1: Average score of inconvenience in service



It is observed from the above statistical results that there is an inconvenience in service provided by the five banks in Tirupati town, but the level of inconvenience in service is more in Corporation Bank when compared with other banks studied. So the formulated hypothesis that there is no evidence of more inconvenience to the customer in the service offered by the Indian Bank with the other Public sector banks in Tirupati town and the level of inconvenience in service between the banks is accepted. There could be several reasons for this. Many large numbers of customers, high expectations of customers, congested premises etc. There is a greater need to bring a change in the mindset of employees of Public Sector Banks for providing better service to their customers. Otherwise, they may definitely lose their existing customers which will, in turn, result in a loss of market share and, in the long run, will have a significant effect on their existence.

A majority of the customers in Banks complained against congested premises. Customers suggested that the premises should be spacious with a display of interest rates, collection charges, various schemes etc. Basic infrastructure – lighting, drinking water, seating facilities, fans etc., were also considered essential in the premises. They pointed out that none of the banks displayed in the premises the time norms for transactions. A large number of customer respondents from all banks have mentioned that they were facing inconvenience regularly in the exchange of mutilated and soiled notes.

Overall Rating of Bank Branches

The overall rating of the bank branches marked by the respondents is tabulated in table 7. They were given a choice of rating the branches as excellent, good, satisfactory, bad and very bad.

Table- 7:Overall Rating of Bank Branches

Rating	IB	SBI	AB	UBI	CB
Excellent	4 (6.67)	5 (8.33)	3 (5.00)	4 (6.67)	3 (5.00)
Good	21 (35.00)	18 (30.00)	20 (33.33)	21 (35.00)	19 (31.67)
Satisfactory	30 (50.00)	28 (46.67)	32 (53.34)	29 (48.33)	31 (51.66)
Bad	5 (8.33)	9 (15.00)	5 (8.33)	6 (10.00)	7 (11.67)
Very bad	-	-	-	-	-
Total	60 (100)	60 (100)	60 (100)	60 (100)	60 (100)

Source: - Compiled from the Sample Survey.

Note: - Figures in brackets are percentage to the total.

Table 7 clearly indicates that no respondents gave “very bad” rating for any of the bank branches. At the same time, 5 per cent of respondents gave excellent. This is mainly because of the expectations, attitudes, and different needs of customers. Banks have to take care of their customers’ satisfaction and improve their rating from good to excellent.

SUGGESTIONS

- The staff should be trained to closely monitor credit worthiness of the borrowers and the end use of bank loans to avoid major post reforms defaults.
- To fulfill the expectations of customers and to improve profitability and efficiency, banks should adopt the latest and cost-effective technology, because technology has emerged as a strategic tool in the operation of banks.
- The Indian Bank should turn its attention to the SME (Small and Medium Enterprises) sector. The initiatives included reaching out to customers in the under served markets and the introduction of specific products and services.
- In the coming years, the key word in marketing would be innovation. It would become impossible to survive and prosper unless organizational skills are effectively channelised towards innovating new ideas, new products, and strategies for winning over and retaining the customer.
- There may be several reasons for the indifferent behavior of the staff towards the customers like less number of staff, too much of work, lack of training and orientation etc. Whatever may be the reason, it is certain that behavior of the staff with the customer needs improvement.
- In order to overcome the inconvenience in Banks, the Bank officials can think of increasing the working hours for the benefit of customers at the time of giving agricultural loans and educational loans.

CONCLUSION

21st century banking has become wholly customer driven and technology driven. During the late decade technology has been dramatically transforming banking in India. The customers expect speed, courtesy and accuracy concern from the bank. These are the important aspects of customer service. Depositors being the main suppliers of credit, assess the quality of services. The banks are driven by the challenges of competition, rising customer expectations and shrinking margins. Banks have been using technology to reduce cost and enhance efficiency, productivity, and customer convenience.

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MARKETING OF MINOR FOREST PRODUCE THROUGH MINIMUM SUPPORT PRICE: A STUDY ON GIRIJAN CO- OPERATIVE CORPORATION LTD-TELANGANA STATE

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Abstract

Important sources of livelihoods for tribal people are minor forest produce (MFP). The MFP provides both subsistence and cash income for people who live in or near forests. They form a major portion of their food, fruits, medicines and other consumption items and also provide cash income through sale. The Minor Forest Produce has significant economic and social value for the forest dwellers as an estimated 100 Million people derive their source of livelihood from the collection and marketing of Minor Forest Produce (Report of the National Committee on Forest Rights Act, 2011). The Ministry of Tribal affairs India introduced a centrally sponsored scheme of 'Mechanism for marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) and Development of Value Chain for MFP' in 2013-2014 as a measure of social safety for MFP gatherers who are primarily member of Scheduled Tribes. The scheme seeks to establish a system to ensure fair monetary returns for their efforts in collection, primary processing, storage, packaging, transportation etc. It also seeks to get them a share of revenue from the sales proceeds with cost deducted. It also aims to address other issues for sustainability of process. The present study is an evolutionary study which focuses on the MFP through minimum support price and its implementation status in Girijan Co-operative Corporation Telangana state.

Keywords: *Minor Forest Produce, Minimum Support Price, Ministry of Tribal affairs, Girijan Co-operative Corporation*

INTRODUCTION

An important source of livelihoods for tribal people are non-wood forest products, generally termed 'Minor Forest Produce (MFP)' means all non-timber forest produce of plant origin and will include bamboo, canes, fodder, leaves, gums, waxes, dyes, resins and many forms of food including nuts, wild fruits, Honey, Lac, Tusser etc. The Minor Forest Produces provide both subsistence and cash income for people who live in or near forests. They form a major portion of their food, fruits, medicines and other consumption items and also provide cash income through sale. The Minor Forest Produce has significant economic and

social value for the forest dwellers as an estimated 100 Million people derive their source of livelihood from the collection and marketing of Minor Forest Produce (Report of the National Committee on Forest Rights Act, 2011). Tribals derive 20-40% of their annual income from Minor Forest Produce on which they spend major portion of their time⁴⁹.

The Ministry of Tribal affairs India introduced a centrally sponsored scheme of 'Mechanism for marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) and Development of Value Chain for MFP' in 2013-2014 as a measure of social safety for MFP gatherers who are primarily member of Scheduled Tribes. The scheme seeks to establish a system to ensure fair monetary returns for their efforts in collection, primary processing, storage, packaging, transportation etc. It also seeks to get them a share of revenue from the sales proceeds with cost deducted. It also aims to address other issues for sustainability of process.

Review of the Literature

Manish Mishra and Mukta Shrivastava (2015) the study concluded that the rates of minor forest produce are highly fluctuating and there were no regulating agency and hence, rate in these markets are govern by big traders. Traders are often accused of exploiting gathers some cooperative societies, including those of the forest department and tribal welfare department do sometimes assist the tribal folk in getting proper price for NTFPs but more organized effort is suggested.

Vikas Kumar (2015) the study found that the non timber forest produce were found to be collected and utilized for various purposes such as food, medicines and raw materials for making implements and also a source of income. It suggested that alternate source of income to the villagers to improve their socio-economic conditions as well as increasing the income level and employment opportunities by effective collection and selling of NTFPs.

Shivaprasad TM and Chandrashekar H.M (2014) the study concluded that the Collection and marketing of minor forest produce are highly influenced by the implementation of Forest Act of 2006. The Forest Act of 2006 and its amendments are not fully aware by the Tribals in the study area and its implications also neglected by the study area till date, whereas lack off policy implication by the state and conflict between forest department and Tribals has increased the gap between them which directly have impact on the collection of minor forest produce in the study area of Karnataka.

Nandini, N and Shiddamallayya N (2015) the study observed that the utilization of minor forest products yielding plants and traditional knowledge related to minor

⁴⁹ <http://www.trifed.in>

forest products yielding plants need pertinent management and utilization. More awareness on minor forest products yielding plants helps in conservation of remnant and associated species. A few customarily used minor forest products yielding plants species will be utilized for the widespread requirement in the inhabitants for low cost and easy accession

Objectives of the Study

1. To know the minimum support price scheme for minor forest produce in India
2. To study the impact of minimum support price in increasing sales of MFP in GCC Telangana
3. To know the awareness of respondents on the Minimum Support price scheme for Minor Forest Produce

Hypothesis

- 1) **H₀₁** There is no significant association between the male and female respondents about the awareness of MSPs on Minor Forest Produce
- 2) **H₀₂**-There is no significant association between respondents education and awareness of MSPs on Minor Forest Produce
- 3) **H₀₃**- There is no significant association between respondent's income levels and awareness of MSPs on Minor Forest Produce

Scope of the Study

The present study is restricted to know the minimum support price scheme for minor forest produce in India and examine the impact of minimum support price to increasing sales of minor forest produces in Girijan Co-operative Corporation in Telangana state.

Research Methodology

The present study is based on the *secondary* as well as *primary data*. The secondary data has collected from the ministry of tribal affairs – India annual reports and tribal cooperative marketing development federation of India (TRIFED) and also Girijan Co-operation annual reports. The sample units of the present study are GCC beneficiaries. The primary data has collected directly from the GCC beneficiaries through a structured interview schedule method. The sample size of the present study is 120 respondents which include 40 respondents from each division out of three divisions of the Telangana Girijan Co-operative Corporation (viz. Bhadrachalam, Eturunagaram and Utnoor). The study used the convenience sampling technique to collect the primary data. The primary data which was collected from the respondents has tested using various statistical techniques like Mean, Standard Deviation, Chi-square test to get the results in scientific way.

Minimum Support Price Scheme in India

MFP contributes to livelihoods and alleviating poverty of nearly 100 million people. Ensuring fair returns to these poor people is duty of the State. The people who depend on MFP are also beset with a number of other problems such as perishable nature of the produce, lack of holding capacity, lack of marketing infrastructure, exploitation by middlemen, lack of Government intervention at the required time and scale, volatile nature of markets etc. Consequently, the MFP gatherers who are mostly poor are unable to bargain for fair prices. Government of India has taken a number of initiatives for socio economic development of tribals and recognizing the critical importance which MFP hold for tribals and its potential to create large scale employment opportunities thereby helping in reducing poverty and increasing empowerment of tribals particularly women and poor people in backward districts of the country, Govt. of India has decided to introduce the scheme of “Mechanism for Marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) and development of value chain”. The scheme is designed as a social safety net for improvement of livelihood of MFP gatherers by providing them fair price for the MFPs they collect.

The scheme is initially being implemented in States having areas under Fifth Schedule of the Indian constitution e.g. Chhattisgarh, Madhya Pradesh, Odisha, Jharkhand, Gujarat, Maharashtra, Rajasthan and Andhra Pradesh including Telangana State for non- nationalized and abundantly available items out of 12 MFP namely (i) Tendu, (ii) Bamboo, (iii) Mahuwa Seed, (iv) Sal Leaf, (v) Sal Seed, (vi) Lac, (vii) Chironjee, (viii) Wild Honey, (ix) Myrobalan, (x) Tamarind, (xi) Gums (Gum Karaya) and (xii) Karanj.

According to the guidelines issued for the implementation of the scheme, the Centre needs to provide 75 per cent of the working capital in the form of revolving funds in the initial two years and share losses, if any, in the ratio of 75:25 between the Centre and the state. The scheme also emphasizes the development of a value chain for MFPs, which includes creation of cold storage facilities, warehouses, processing units and modernization of *haats* (markets). The total outlay for the Scheme is Rs.967 Crore as Centre’s share for the plan period during 2013-14 to 2016-17.

Minimum Support Price of the following Minor Forest Price under MSP Scheme

On the recommendation of Pricing Cell constituted within TRIFED, the Ministry has announced the Minimum Support Price (MSP) of the following MFPs under MSP Scheme. In October 2016, the Ministry of Tribal Affairs (MoTA) revised the guidelines for the scheme. On one hand, the scheme was extended to all the states of India and added another 14 MFPs to the list eligible for MSP. The

revised price of MFPs along with 14 MFPs which were added newly in India⁵⁰ are shown in Table 1.

Table 1: The revised and new price of MFPs on MSP Scheme

Sl. No.	Minor Forest Produce	Existing (MFP) (Price per kg in Rs.)	Revised (MFP) (Price per kg in Rs.)	Change
1	Tamarind	22	18	-18.18%
2	Honey	132	150	+13.63%
3	Gum Karaya	108	108	0%
4	Karanj Seed	21	18	-14.28%
5	Sal Seed	10	10	0%
6	Mahuwa Seed	22	20	-9.09%
7	Sal Leaves	21	21	0%
8	Chironjee Pods with seeds	100	60	-40%
9	Myrobalan	11	8	-27.27%
10	Lac			
(a)	Rangini	230	100	-56.52%
(b)	Kusumi	320	150	-53.12%
11	Kusum Seed		10	
12	Neem Seed		12	
13	Puwad Seed/Chakramard		8	
14	Baheda		15	
15	Hill Broom Grass		10	
16	Shikakai		30	
17	Guggul(exudate)		700	
18	Bael (dried & without crust)		15	
19	Nagarmotha		25	
20	Palash/Kesuda Flower		8	
21	Shatavari(dried)		22	
22	Madhunashini		35	
23	Kalmegh		15	
24	Tamarind (de-seeded)		40	

Source: MoTA guidelines dated October 31, 2016

IMPACT OF MSPs ON GIRIJAN CO-OPERATIVE CORPORATION TELANGANA

The Girijan Co-operative Corporation (GCC) is a public Sector undertaking of Govt. of Andhra Pradesh established in the year 1956 with a Single Mission which is the Socio-economic upliftment of Tribals in the State of Andhra Pradesh. GCC was instituted with the sole purpose to protect Tribals from exploitative middlemen, petty traders and establish a mutually beneficial relationship between them and rest of the world⁵¹. After the bifurcation of united Andhra Pradesh State in 2014, the

⁵⁰ Ministry of Tribal Affairs Annual Report 2016-2017, page no 15

⁵¹ <http://twd.telangana.gov.in>

Corporation also divided and renamed as the Telangana Girijan Cooperative Corporation. The Girijan Cooperative Corporation is functioning with the 3 divisional offices in Bhadrachalam, Utnoor and Eturunagaram in Telangana state. Since establishment of the new state, the government of Telangana has been initiating the Tribal development through 18 Girijan Primary Cooperative Marketing Societies and 365 domestic requirement depots in various agency areas of Telangana State.

Table 2 shows the total procurement of MFPs during 2014-2016. It is observed that the total procurement of Gum Karaya quantity is 1721.2 qtls before implementation of the MSP whereas the same is decreased to 813 qtls after the implementation of MSPs. It is also identified that the total procurement of the Honey is 1105 qtls whereas the same is 646 qtls after the implementation of MSP scheme. It is concluded that the MSP impact is very low on the procurement of the minor forest produces due to high price offered by the private traders, deforestation and low rain fall.

Table- 2: Procurement of MFPs for the last 2 years by GCC Telangana

Name of the Commodity	2014-15		2015-16	
	Qty	Value	Qty	Value
Minor Forest Produce				
Gum Karaya	1721.2	308.39	813	111.86
Myrobalans	24.53	0.14	36	0.2
Nuxvomica	2877	67.94	1558	49.98
Tamarind seeded	1528.5	26.64	107	2.85
Tamarind deseeded	574.63	19.95	849	30.87
Tamarind seed	18.98	0.45	0	0
Pungam seed	274.25	2.37	100	1.01
Cleaningnuts	248.76	4.49	25	0.46
Markingnuts	4.11	0.05	13	0.15
Mohwa seed	2795.5	45.06	1819	28.03
Mohwa flower	4230.8	42.3	1647	17.27
Honey	1105	145.73	646	90.42
Sheekakai	0	0	0	0
Soapnuts	193.67	2.08	441	4.88
Hill Brooms (Nos)	37030	17.67	14	0.66
Naramamidi Bark	147.48	5.46	155	5.24
Wax	7	0.79	4	0.45
Maredugeddalalu	46.1	4.81	40	5.21
Others		3.44		0.99
Total of MFP	52827.51	697.76	8267	350.53

Source: Girijan Cooperative Corporation Ltd-annual report

AWARENESS OF RESPONDENTS ABOUT MSPs

Table 3 shows the demographic results of the selects respondents for the study. It is observed that 74.26% of male respondents and 25.83% of female respondents were covered under the study. It is also identified that majority of the respondents comes in the age group of 41-60 years (54.2%) followed by 21-40 age group (42.5%). Other observations are mentioned below.

Table -3:Demographic Results

Variables	Characteristic	Frequency	Percentage (%)
Gender	Male	89	74.16 %
	Female	31	25.83 %
	Total	120	100
Age	Up to 20 years	01	0.8 %
	21-40 years	51	42.5%
	41-60 years	65	54.2%
	Above 60 years	03	2.5%
	Total	120	100.0%
Education	Illiterate	69	57.5%
	Informal	06	5%
	Primary	21	17.5%
	Secondary	22	18.3%
	Higher education	02	1.7%
	Total	120	100.0%
Main Occupation	Cultivation	41	34.2%
	Minor Forest produce collection	55	45.8%
	Agricultural labor	24	20%
	Employed in private office	0	0%
	Making bamboo made products	0	0%
	Total	120	100.0%
Annual Income	below Rs. 40000	9	7.5%
	Rs.40001- 60000	75	62.5%
	Rs.60001- 80000	28	23.3%
	Rs.80001-100000	7	5.9%
	More than 100000	1	.8%
	Total	120	100.0%
Marital Status	Married	108	90%
	Un-married	3	2.5%
	Widow/Widower	9	7.5%
	Total	120	100.0%
Family Size	Nuclear Family	74	61.7%
	Joint Family	46	38.3%
	Total	120	100%

Source: Primary Data

- The majority of the tribal's who depended on Forest Produce gathering were uneducated (57.5%) and studied below 10th standard.
- It is identified that 45.8% respondents were occupied with collection of MFPs as main occupation.
- It is observed that the respondent's annual income is between Rs. 40000 to 60000 (62.5%) followed by Rs 60001-80000 (23.3%).
- It is observed that 90% the tribal respondents were married.
- The study identified that majority of the respondents family is nuclear family (61.7%).

Testing of Hypothesis

Table 4 shows the statistical results of the study. The results are pertaining to identify the significant association between select characteristics and respondent's awareness of MSP on MFP. The summary of the results (used chi-square test through SPSS) is highlighted below.

Table- 4: Statistical results

Hypothesis	Chi-Square	Df	Asymp. Sig.	Results
H ₀₁ There is a significant association between the male and female respondents about the awareness of MSPs on Minor Forest Produces.	8.360 ^a	1	.004	Rejected Null Hypothesis
H ₀₂ .There is a significant association between respondents education and awareness of MSPs on Minor Forest Products	65.589 ^a	4	.000	Rejected Null Hypothesis
H ₀₃ . There is a significant association between respondent's income levels and awareness of MSPs on Minor Forest Products.	42.626 ^a	15	.000	Rejected Null Hypothesis

Source: Primary Data

Findings and Suggestions

- The study identified that there is a significant difference between the male and female about the awareness of Minimum Support Price Scheme on Minor Forest Produces. As per the results, majority of the respondents who depended on MFP were the male respondents. Therefore, it is suggest that the GCC has to understand the fact and focus on male tribal's compare to female.
- The study found that there is a significant difference between respondent's education and awareness on Minimum Support Price Scheme of Minor Forest Products. As per the results, majority of the respondents who are dependent on MFP were uneducated. Therefore, it is suggested that the

GCC has to take into the consideration of the education levels of the MFP gatherers to create the awareness on MSPs.

- It is also found that there is a significant difference between respondent's income levels and awareness on Minimum Support Price Scheme of Minor Forest Products. As per the results, majority of the respondents who are dependent on MFP were poor and less income holders. Therefore, it is suggested that the GCC has to take into the consideration of the income's level of the MFP gatherers to create the awareness on MSPs.

Conclusion

After the bifurcation of united Andhra Pradesh State in 2014, the Corporation also divided and renamed as the Telangana Girijan Cooperative Corporation. Since formation of GCC , it has been initiation on creation of the awareness among the MFP gatherers (Tribals) about the Minimum Support Price Scheme of Minor Forest Produces. The present study is aimed at to examine the awareness on MSP of Minor forest produce. Majority of MFP gatherers were male compare to female respondents it seem that all MFP gathers were depended on MFP gathering only. However, it is concluded that the GCC has to take into the consideration of education and income levels of the MFP gatherers (Tribals) to create the awareness on minimum support price which should be accelerate their growth.

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THE IMPACT OF DEMONETISATION ON RURAL LIFE: A CASE STUDY IN FIVE VILLAGES OF SIDDIPET DISTRICT IN TELANGANA STATE

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Abstract

A study has been conducted in five villages of Siddipet district in Telangana State on the impact of demonetisation on rural life. Primary Data has been collected with a structured schedule of questions and interview. 10 percent or at least 100 adult population have been taken as sample size. It is revealed that 99.5 percent people faced severe difficulties after demonetisation move. Problems ranged from purchase of daily necessary goods to Rabi investment. 73 percent of rural population opposed demonetization on the basis of various reasons, 27 percent supported demonetisation move on the basis of various notions and 99.5 percent people did not get any additional benefit from demonetisation during the study period. The rural life got stagnated after demonetisation. When we apply Pareto's criterion of welfare in reverse mode to the findings, it is concluded that, hitherto, "it (Demonetisation) is a welfare loss move."

Introduction

India's Prime Minister Narendra Modi in the evening of 8th November, 2016 for announced that the high value notes Rs. 1000 and Rs. 500 then in circulation (then after called Specified Bank Notes-SBNs) would lose the state recognition from the next day i.e., 9th November, 2016. The Specific Bank Notes were allowed to be exchanged for value at Reserve Bank of India (RBI) offices till December 30, 2016 and till November 25, 2016 at bank branches/ Post offices and could be deposited at any of the bank branches/Post offices during the period from November 10, 2016 to December 30, 2016. It was announced as Notification (Ministry of Finance, 2016). Later an Ordinance (Ministry of Law and Justice, 2016) was issued to provide for cessation of liabilities on the Specified Bank Notes. In terms of the ordinance, with effect from December 31, 2016, the Specified Bank Notes shall cease to be the liabilities of Reserve Bank of India and shall cease to have the guarantee of the Central Government. A grace period (March 31, 2017 for Resident Indian Citizens and June 30, 2017 for Non Resident Indian Citizens) has been provided during which the Specified Bank Notes can be deposited at five RBI offices (Mumbai, New Delhi, Chennai, Kolkata and Nagpur) with an explanation.

As the result, People stopped accepting SBNs from the 9th November 2016 as Prime Minister said these notes will become as common papers from 9th November 2016.

Generally the withdrawal of state recognition to its currency is termed as Demonetisation. This paper analyses “the impact of Demonetisation on Rural Life’ with ground level study in five villages of Siddipet district in Telangana State.

Objectives of the study

To find out whether rural people faced any problems due to Demonetisation

If yes:

To find out what types of problems they faced

To find out the opinion of rural people on Demonetisation (whether they support it or oppose it

To find out whether any additional benefits are obtained by rural people from Demonetisation.

Research Methodology

Inductive analysis with survey method has been adopted

Sample: Convenient sampling method was adopted. Five villages have been selected on convenient basis. 10 percent or at least 100 of adult population (18 years and above aged) of a village have been selected as sample. Adult individual is a sample unit and 10 percent or at least 100 from a village is a sample size.

Data: Primary data is the source for analysis. A structural schedule of questions and interview method has been followed to collect the primary data.

Study period: From 9th November 2016 to 23rd December, 2016 has been taken as study period for impact analysis.

Technique: Simple central tendency technique has been used. Collected data has been arranged in table format. Percentage and central tendency have been calculated and analyzed.

Impact of Demonetisation

Studied five villages are Chebarti in Murkuk *Mandal* (an administrative unit between village and district), Datarpally in Gajwel Mandal, Itikyala in Jagdevpur Mandal, Kolguru in Gajwel Mandal and Medhinipur in Kondapaka Mandal of Siddipet district of Telangana State. We can be analyse the impact of demonetisation with the help of the following table.

Impact of Demonetisation on Rural Life: Table-1

Sl. No.	Name of the Village	Total Population	* Adult population	No. of Respondents	People who faced problems		People who did not face problems		people who supported		People who opposed		People who got additional benefit		People who did not get additional benefit	
					No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1.	Chebarti (Murkur (M))	2235	1565	157	140	89.00	17	11.00	40	33	117	67.00	0	0	157	100
2.	Datarpally (Gajwel (M))	968	678	110	109	99.09	01	0.90	22	20	88	80.00	0	0	110	100
3.	Itikyala (jagadevpur (M))	3622	2535	254	240	94.49	14	5.51	34	13.38	220	86.62	4	1.57	250	98.42
4.	Kolguru (Gajwel (M))	2046	1432	185	180	97.29	5	2.7	80	43.24	105	56.76	0	0	185	100
5.	Medhinipur (Kondapaka (M))	1424	997	100	95	95.00	5	5.00	40	40.00	60	60.00	0	0	100	100
Total		10295	7207	806	764	94.78	42	5.21	216	26.79	590	73.20	4	0.49	802	99.80

Source : Primary Data
 * 70 percent of Total population
 (M): Mandal

As given in Table-1, total population in these villages is 10,295 and adult population is 7207, total respondents 806. Respondents from Chebarti village are 157, from Datarpally 110, from Itikyala 254, from Kolguru 185, from Medhinipur 100, thus total respondents are 806.

People who faced problems in Villages:

As given in table-1, 94.78 percent of rural population have faced problems due to demonetisation. As number is concerned, out of total 806 respondents 764 people faced the problems due to demonetisation. It is 140 out of 150 in Chebarti, 109 out of 110 in Datarpally, 240 out of 254 in Itikyala, 180 out of 185 in Kolguru and 95 out of 100 in Medhinipur. As the percentage is concerned; it is 89 percent in Chebarti, 99.09 percent in Datarpally, 94.29 percent in Itikyala, 97.29 percent in Kolguru and 95 percent in Medhinipur. The highest percentage of people that faced problems in Datarpally (99.09 percent) and the lowest percent of people that faced problems are in Chebarti, (89 percent)

Rural people who did not face problems:

Out of total 806 respondents in five villages who did not face any problem due to demonetisation are 42. As percent it is 5.21. People who did not face any problem due to demonetisation in Chebarti are 17, in Datarpally 1, in Itikyala 14, in Kolguru 5 and in Medhinipur 5. As percent, in Chebarti 11 percent, in Datarpally 0.90 percent, in Itikyala 5.51 percent, in Kolguru 2.71 percent and in Medhinipur 5 percent.

People who did not face problems are very few and they are the old people who are well cared by there children.

Support to Demonetisation in Rural Areas:

As given in Table-1, 26.79 percent people supported demonetisation move. The number is concerned out of total 806 respondents 216 supported the demonetisation move. Village wise taking, in Chebarti it is 40, in Datarpally 22, in Itikyala 34, in Kolguru 80, in Medhinipur 40. If percentage is considered, in Chebarti it is 33 percent, in Datarpally 20 percent, in Itikyala 13.38 percent, in Kolguru 43.24 percent and in Medhinipur 40 percent. The highest percentage of people who supported demonetisation are in Kolguru (43.24 percent) and the lowest percentage of people who supported demonetisation are in Itikyala (13.38 percent).

Against Demonetisation move:

As given in Table-1, 73.20 percent of rural population are against demonetisation move. The number is concerned, out of total 806 respondents 590 persons opposed demonetisation. The number is 117 out of 157 in Chebarti, 88 out of 110 in Datarpally, 220 out of 254 in Itikyala, 105 out of 185 in Kolguru and 60 out of 100 in Medhinipur. If the percentage is taken into consideration, 67 percent in Chebarti 80 percent in Datarpally, 86.62 percent in Itikyala, 56.76 percent in Kolguru, 60 percent in Medhinipur. The highest percent of people who opposed demonetisation move are in Itikyala (86.62 percent), the lowest percent of people who opposed demonetisation move are in Kolguru (56.76 percent).

Any Additional benefit from Demonetisation:

As shown in Table -1, in the study period 99.5 percent rural people did not get any additional benefit from demonetisation move. If the number is concerned, out of total 806 respondents 802 people did not get any additional benefit. Only 0.5 percent people responded with 'Yes' when the question (whether you got any additional benefit from demonetisation move?) The number is concerned out of 806 respondents 802 respondents did not get any additional benefit from demonetisation move. Only 4 persons in Itikyala village responded positively to the question (whether you got any additional benefit from demonetisation move).

The above data can be summarized as follows:

95 percent of rural people encountered problems after demonetisation move.

27 percent of rural population supported demonetisation.

73 percentage of rural population are against demonetisation.

99.5 percent of rural population did not get any additional benefit from demonetisation in the study period.

Types of problems that various categories of rural population faced after demonetisation:

As we have seen in the previous explanation 95 percent of rural people faced the problems after demonetisation. Now we analyze types of problems that various categories of rural population faced after demonetisation.

Farmers

All categories of farmers whether they are marginal, small, medium or big faced the problems after demonetisation. October and November are the sowing time for *Rabi*¹ crops. Medium and Big farmers kept their money in banks to utilize as Rabi investment. But due to demonetisation and restrictions on withdrawals from banks imposed there in, the farmers were unable to withdraw their own money and investment for Rabi, became a difficult task.

Farmers have to sell their *Kharij*² season crops like Maize, Cotton and Paddy, as it is harvesting season for Kharif crops. In some cases when the farmers sold their crop to local brokers, in return they have received old notes. As some farmers don't have bank accounts, when they received old notes, neither could they deposit them in bank nor they could give to their labourers or to input sellers from whom they have purchased inputs on credit. They had to wait every day to exchange those old notes at banks.

Some farmers have been given bills by local brokers in return to agri products. When the farmers went to banks to encash the bills, banks refused to honour the bills. Even in the cases, where farmers were given cheques in return to their agri-products farmers faced hard times to encash the cheque amount. Farmers had to make payment to agri-labourers and on the another hand they had to re-pay the loans of local money lenders/Traders from whom they had purchased inputs like seeds, fertilizers, pesticides etc on credit. But whenever they went to bank to encash their cheques, they had waited at least 3 hours in queues in front of banks and even after waiting for 3-4 hours in front of banks, they returned empty handed. Even when they got the opportunity to encash cheque, they were unable to encash the total amount. They got as little as Rs. 2000 or Rs. 4000. Rarely, they have been given Rs. 10,000.

The farmers faced humiliation with this little money to manage the agri labourers and local *Shavkars* (Private money lenders and traders)

Small and Marginal Farmers faced additional problems along with marketing of their little agri product, they had hard time managing their cattle, farming and going to bank and waiting for hours at banks and at ATM centers. Before demonetisation many people were ready to give micro loans in the villages but only few people offered loans to farmers with high interest after demonetisation.

Milk centers did not give bills to dairy farmers after demonetisation. Poultry farmers faced scarcity in demand for their chicken.

Due to shortage of money, poultry farmers had hard time to purchase inputs like food items and medicine for their chicken.

Shepherds too faced cash crunch due to which they were also unable to purchase the required medicine for their sheep. They were unable to sell the sheep to fulfill their needs. Even when they sell; they could not get cash in return.

Agricultural Workers:

Unorganized agri-workers have faced severe problems after demonetisation. Nobody was offering them work as there was no cash with the farmers. Even the payments for previous work also were pending with farmers. The agri-workers had hard time in fulfilling their daily needs due to no work no cash situation.

Beedi Rollers:

*Beedi*³ Rollers in the villages did not get their one month pending payment and also their next month payment is going to bank and not to their hands. There was a fear in their faces when they think of banks and the queues in front of them.

Small Traders:

Small *Kirana* (grocery) business people faced scarcity in demand to their stock of goods. It has happened due to no cash and due to no change situation.

Old aged:

Old aged specially who don't have sufficient family support faced difficult days due to demonetization. Their two months (1st Nov. and 1st Dec.) pensions were not paid. Some of these old aged are suffering with various types of diseases. Unless the pension is given to them they are unable to go to hospitals and purchase medicine.

Students and Education:

In villages, payment of school fee became a big problem for parents while getting bus pass became hard for students. In the villages, many students go for agri-work as labourers in holidays to get cash for their bus pass. As there is no work in villages, the students did not get work and cash even for their bus passes. For mid-day meal and in *Anganwadi* centers (Pre-Primary child care centers) purchasing daily needs became a major problem.

Health:

In the villages, people who are suffering with different diseases like Sugar, Fatty liver, kidney problems had difficult time to purchase their daily used medicine.

Social Rapport decreased social obligations postponed:

Either due to no cash or due to no change, people meeting their dear ones in other places was drastically reduced and social obligations like marriages were postponed.

Special problems of Basket making people:

In Itikyala village, one community called *Erukala* (It is the name of a community in local area) has been continuing their traditional basket making profession. One old aged couple in a half collapsed home, were making these baskets with bamboo wood. They said nobody was coming to purchase their baskets after demonetisation. They had to maintain a five member family as their three sons are unemployed.

Auto business:

Unemployed youth in villages run Autos from their villages to local Mandal head quarters. Their daily earning was declined, either due to no cash or due to no change. Pre-demonetization, average earnings of an Auto driver per day was R. 700. It was reduced to Rs. 200 a day.

Other problems:

Demand for hair cutting work, demand for tent-house business, demand for small hospitals (Registered Medical Practitioner (RMP)/Private Medical Practitioner (PMP)) was reduced. Even some people did not have money to purchase food grains from low priced public distribution shops. Some people saved money to repay the money lenders. Now they cannot repay with old notes and they feared that they may lose their gold jewellery which they kept with money lenders while taking loan and by promising to pay on time.

Some people have started taking commission to exchange small notes with Rs. 2000 new note. This corrupt act deeply bothered rural people, yet they had offered commission to get change of Rs. 2000 new big value note. 70 percent of rural people don't have knowledge of cashless transactions. They have many doubts and fear regarding cashless transactions. Some of the illiterate villagers even don't know how to use ATM cards.

All the villagers faced the difficulty in purchasing even their daily needs like Rice, Millets, Maize, Vegetables, Pulses, salt, Chilli, edible oil etc., and undergone hard times to pay electricity bills, cable bills etc., Even toddy tappers told the demand for toddy declined after demonetisation.

Why support for Demonetisation:

As given in Table-1, 27 percent of village people supported demonetisation move. The reasons that they have given for their support are as follows (Reasons from all people consolidated):

They were hopeful that, rich people's money (Black Money) will come out (their feeling is all money that is saved and hoarded by rich people is black money)

In the case if rich people's money comes out, poor may get benefited (Their notion was, the caught black money may be distributed to poor)

Probably corruption would be uprooted and ended.

Fake currency may be eradicated.

Terrorist activities may decline

It is good for the country. It is better to welcome change with an open mind.

These are consolidated reasons/opinions/views of 27 percent of rural people who supported demonetisation.

Against demonetisation:

As given in Table-1, 73 percent of rural population are against demonetisation move.

Their conviction was:

If people face so many difficulties, how can one say that, it is a good move?

If the hard ship is for one week or two weeks, then it was OK

Take action on black money holders but do not punish innocent common man.

This move was unnecessary and uncalled for

This move has disrupted daily life

Punished common man without making any alternate arrangement.

Findings:

95 percent of Rural People have encountered problems after demonetisation

Difficulties are varied from severe Rabi-investment problem to purchase of daily necessary foods.

27 percent of rural population supported demonetisation move (for reasons, see 7th heading) and 73 percent of rural population are against demonetisation move (for their contention see 8th heading), 99.5 percent of rural population did not get an additional benefit (0.5 percent told they got benefitted but did not explain in what way they got benefitted)

Conclusion:

As we understand from the above findings, we can say that, the rural economy got stagnated after demonetisation. If Pareto criterion⁴ of social welfare is applied in reverse mode, we can conclude that the demonetisation move has lead to welfare loss in rural areas as 95.5 percent people in rural area have encountered great difficulties due to demonetisation and 99.5 percent people of rural area did not get any additional benefit from demonetisation during the study period. Hypothesis one is proved positively (Rural people faced difficulties due to demonetisation).

Hypothesis two is proved negatively (majority people in rural areas are against demonetisation. Hypothesis three is proved positively (99.5 percent of rural people did not get any additional benefit from demonetisation).

Suggestions:

Rural people must be trained in cashless transactions. Research must be encouraged to assess the long term impact of demonetisation. Farmers must be allowed to withdraw their saving at full extent for the sake of Rabi crop investment.

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THE ROLE OF FAMILY MEMBERS IN DECISION MAKING FOR PURCHASE OF CONSUMER DURABLES -A STUDY

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Abstract

A large number of purchase decisions are influenced by a person's interaction with his family members. Studies on family influence have revealed that a number of family members may be involved in the decision to purchase durable products. This study is an attempt in understanding the roles played by family members in purchasing of consumer durables like Television, Refrigerator and Washing machine. This study made an attempt to identify the role of family members at different stages of purchase decision.

Key words: Purchase decision, Durable product, Family role

Introduction

The increasing pressure of highly competitive marketing makes firms to understand their consumer's needs and the environment in which they take decisions. The purchase of a durable product is an important occasion in Indian families.

Marketers consider the family is most important decision making and consumption unit. Of all reference groups, family has one of the strongest, immediate and most pervasive effects on consumer's personality, motivation and attitude. There are four distinct roles in a family buying decision process. They are: Initiator, Influencer, and information gatherer and decision maker.

Initiator: In this role, one of the family members may recognize the problem or need for the product.

Influencer: A second role is that of influencer, which is the person who informs or persuades others in purchase situation.

Information gatherer: A third and related role is that of information gatherer, in which one or more individuals will secure information related to the possible purchase. This information may pertain to products or places of shopping.

Decision maker: The role of decision maker involves having authority to make the buying decision. The individual who makes this decision might be the same as the

influencer or information gatherer, although not necessarily so. Often, the decision is a joint or shared one in which more than one family member participates.

Individual members of families often serve different roles in decisions that ultimately draw on shared family resources. The amount of influence exerted by the husband, wife and children will vary depending on the stage of the decision process. The stages are problem recognition, information search, and evaluation of alternatives, purchase decision and post purchase behavior.

For some products, wives are involved heavily in the initiation, information searching and purchase stages than their husbands. At some other times, husbands involved much in decision making especially when products are high priced or technically more complex. At majority time's children also plays vital role in each stage of decision process.

Need for the study

India witnessed major changes in the cultural and sociological areas which brought the changes in the purchasing process and consumption pattern, emergence of nuclear families, increasing independence of women, convenient life style, media exposure, fewer children and many other changes led India to a paradigm shift in decision making.

Objectives of the study

The main objective of this study is to explore the roles performed by the members of family in the purchasing decision making process.

1. To study and analyses the role of husband in purchase decision process
2. To study and analyses the role of wife in purchase decision process
3. To study and analyses the role of children in purchase decision process.

Research Methodology:

Source of Data: the survey method used to obtain the required information. The primary data has been collected from a sample of 200 respondents who have purchased in recent past consumer durable products like Television, Refrigerator, and washing machine through a structured questionnaire. Secondary data has been collected from articles from journals and books.

Data Analysis:

Profile of the respondents: profile of the sampled house-holds has been presented here covering gender, age, education, family size, earning capacity and number of earners in the family.

Table 1: Profile of the Respondents

Respondents profile		No .respondents	of per cent of respondents
Gender	Female	81	40.5
	Male	119	59.5
Age	Up to 40 years	20	10.0
	41 - 45 years	42	21.0
	46 - 50 years	82	41.0
	51- 55 years	44	22.0
	Above 55 years	12	06.0
Educational qualification	Primary school	12	06.0
	High school	62	31.0
	Intermediate	21	10.5
	Graduate	62	31.0
	Post graduate	20	10.0
	Professional	23	11.5
Family size	3 members	63	31.5
	4 members	94	47.0
	5 members	32	16.0
	6 members	11	05.5
Number of earners in the family	One	72	36.0
	Two	93	46.5
	3 and above	35	17.5
Monthly Family income	Less than Rs 10,000	12	06.0
	Rs 10,001 - Rs 20,000	58	29.0
	Rs 20,001 - Rs 30,000	72	36.0
	Rs 30,001 - Rs 40,000	35	17.5
	Rs 40,001 and above	23	11.5

Source: Primary data

Table 2: Family decision making process

		Husb and only	Wife only	Childr en only	Husband & wife	Joint decision	Total
Initiation of the purchase	No. of. respondents	36	32	61	17	54	200
	per cent o f respondents	18.0	16.0	30.5	08.5	27.0	100.0
Information search	No. of. respondents	43	21	65	18	53	200
	per cent o f respondents	21.5	10.5	32.5	09.0	26.5	100.0
Information processing	No. of. respondents	57	15	19	22	87	200
	per cent o f respondents	28.5	07.5	09.5	11.0	43.5	100.0
Time of purchase	No. of.	77	26	13	49	35	200

	Respondents						
	per cent of respondents	38.5	13	06.5	24.5	17.5	100.0
Selection of brand	No. of. respondents	47	10	24	26	93	200
	per cent of respondents	23.5	05.0	12.0	13.0	46.5	100.0
Selection of show room	No. of. respondents	68	17	22	35	58	200
	per cent of respondents	34.0	08.5	11.0	17.5	29.0	100.0
Final decision	No. of. respondents	60	17	11	39	73	200
	per cent of respondents	30	08.5	05.5	19.5	36.5	100.0

Source: Primary data

Table 3: Consensus among family members

Consensus among members of the family	No. of. respondents	Percentage of respondents
No	41	20.5
Yes	159	79.5
Total	200	100.0

Source: Primary data

Table 4: Conflict settlement

Conflict settlement	No. of. respondents	Percentage of respondents
Wife made Husband to agree	18	43.90
Husband made Wife to agree	11	26.82
Children made parents to agree	12	29.26
Total	41	100.0

Source: Primary data

Table 5: Considering the children's views in purchasing decision

Consideration	No. of respondents	Percentage of respondents
No	21	10.5
Yes	179	89.5
Total	200	100.0

Source: Primary data

Findings:

- Majority of the respondents (59.5 per cent) are male and the remaining 40.5 per cent are female
- 41 per cent of the respondents are found to be in the age group 46-50 years, 22 per cent belongs to between 51-55 years and 21 per cent are between 41-45 years.
- 52.5 per cent of the respondents are having the educational qualification of graduation and above.
- Most of the families' i.e. 47 per cent have 4 members in the family and 31.5 per cent have 3 members.
- 46.5 per cent of families having two earning persons in their family and 36 per cent of families are depended on single person earning.
- Income level of a house-hold is an economic factor which influences the purchase decision of a durable product. This study observes that, Rs 20,001-Rs 30,000 has been the income level of 36 per cent of the families and 29 per cent of families income is in between Rs 10,001-Rs 20,000.
- In 30.5 per cent of families, Children's are initiating the purchase decision of durable product followed by joint decision in 27 per cent of families.
- children's are playing a vital role searching the information about durable products ,in this study ,children collected the information at 32.5 per cent of families and information collected jointly in 26.5 per cent of families, while the contribution of wives is only 10.5 per cent .
- In most of the families (43.5 per cent) the information collected have been processed and analyzed jointly by all the members of family and 28.5 per cent of the families it has been the husband only.
- In most of the families (38.5 per cent), the decision regarding the time of purchase made by the husbands and 24.5 families the decision has been made by husband and wife jointly.
- The families analyze number of factors like features, price, and quality to decide the brand of their durable product. In most of the families (46.5 per cent) the brand of the durable product has been decided jointly. In 23.5 per cent families' husband played a significant role.
- Show room is also selected based on analyzing few factors like availability of brands, discounts and after sales service. Husbands played a significant role in selecting the show room where to purchase the durable product in 34 per cent of families, followed by joint decision in 29 per cent of families.
- The final purchase of product has been made by jointly in majority (36.5 per cent) of the families and in 30 per cent of the families it has been made by husbands.
- Purchase of durable product requires the involvement of all members in the family. In most (79.5 per cent) of the families there has been a good understanding between the family members.

- In the absence of consensus, wife has convinced her husband in 43.9 per cent of families, in 29.26 per cent of families children convinced their parents and in 26.82 per cent of families husband convinced the wife.
- Majority (89.5 per cent) of families are taking the views from their children and considering them while making the purchase decision.

Conclusion

The family is a primary group - characterized by intimate, face to face interaction and a reference group and members referring to some family values, norms and standards in their behavior. The family functions directly in the role of ultimate consumption. Members of the family influence the decision making process in the purchase of different products, particularly high value products such as consumer durables like television, washing machine, and refrigerator. The study showed that both husband and wife are playing dominant role in purchasing decision in different forms depending on the nature of the product, stage of the decision process and their consideration of equity or fairness issues within the context of their relationship. Children are also expressing their views strongly particularly in selection of brand and the product features which is leading to a joint decision.

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IMPACT OF PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME ON EMPLOYMENT AND INCOME FOR RURAL EDUCATED YOUTH – A STUDY IN KARIMNAGAR DISTRICT IN TELANGANA STATE

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Abstract

In this paper an important objective of development of planning in India has been to provide for employment opportunities for the skilled and unskilled people. Poverty alleviation and employment generation remain a prime challenge for systematic economic development right from the beginning of the planning process in India. Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. In the light of this the study makes a sincere attempt to contribution to the economic progress of beneficiaries PMEGP scheme, in Karimnagar district.

Key Words: Poverty Alleviation, Employment opportunities, Micro enterprises and entrepreneurship development

Introduction

Educated unemployment in developed countries, particularly in Asia and Africa has emerged to be serious problem in recent years. The causes for the growth of educated unemployment vary from country to country. However, they are more or less similar and can be generalized. Generation of employment in the government services as well as in the organized, private sectors for the educated has not been commensurate with the growth of educated population. This situation is a result of expansion of opportunities for improving the educational levels in their countries. The unemployed youth in these countries, having been educated, are not interested in working either in the farm sector or in the unorganized private sector. Further, most of them have poor access to capital. They lack the technical skills and entrepreneurial abilities. In addition, due to inequalities in assets distribution, weak infrastructure facilities and absence of basic necessities, most of the educated were forced to remain unemployed. Realizing this, several self-employment schemes have been devised over the years in the

developing countries. In excess of 44 million families existing in rural India are accounted to beneath the poverty line and the main reason behind this is lack of employment or less work and low efficiency. Employment prospects in rural province for labour are largely limited to agriculture oriented and development is achievable, if special efforts are made to generate work. In goals of planning of India, suppression of poverty and hunger through employment in the community has been one of the main objectives. To achieve this objective, various rural improvement strategies have been intended by the government to get better socio-economic life of the poorer segments of the society.

Review of Literature:

In the part of research work pertaining to this topic, the earlier studies related directly or indirectly to the present investigation are reviewed in the following sections.

Mohammad Yunus (1988) opines that financial assistance provided by the banks to the poor is not charity hence the banks should ensure that the loan granted to the weaker sections are repaid in time. He adds that banks without strict control will lead to misutilisation of funds and the result will be default in repayment of the loans for which the lending institution is responsible and not the borrower.

Manmohan Singh and Gill (1990) conducted a study on the problems of the borrowers in obtaining bank loans and impact of bank loans and their economic and social status. The study reveals that most of the loans under the sponsored schemes are sanctioned on the recommendations of the political leaders and officials and that the beneficiaries have given bribe to these leaders and officials for obtaining loans. The study also reveals that though there is no much progress in the social status, the loans have helped the beneficiaries to improve their income status.

Mohammed Iqbal Ali and P.Krishnamachary (1992) conducted a study on the performance of commercial banks in the implementation of developments schemes for weaker sections. The study reveals that bank credit is essential for improving economic conditions of the weaker section. The study also reveals that the performance of the commercial banks in financing the developmental schemes in rural and semi urban areas is satisfactory.

S.Dhineshsankar and DR. S. Mayilvaganan (2012) in their study Performance of PMEGP in Nagapattinam District. The Ministry of Micro, Small and Medium Enterprises has been implementing the Prime Minister's Employment Generation Programme (PMEGP) for generating employment by setting up 'micro enterprises', through Khadi and Village Industries Commission (KVIC) as the nodal agency at the national level and through field offices of KVIC State and Union Territory Khadi and Village Industries Boards and District Industries Centers at the State and Union Territories level, with involvement of banks.

Swapna Kurian (2012) in her article on women welfare through Prime Minister Rozghar Yojana at Coimbatore District India's five year plans have been effectively implemented in the field of agriculture, technology, science and industries etc. However, the main concern of these successive plans is required for employment and poverty alleviation. Banks has played a vital role in the process of implementing aims and objective of the five year plan.

Fatima Hasna Hasnat Unisa Begum and Basvaraj Kumnoor (2015) in their research paper PMEGP in Gulbarga District. The development of a backward region is hidden in the proper utilization of human resources and natural resources available in particular region. To utilize available human and natural resources it is necessary to have suitable planning in backward areas. The development of a particular region is closely connected with the human resource development, employment generation and infrastructural development. It represents cyclic, treeless extensive plateau with employment mainly in dry land agriculture which is insecure and less remunerative.

Satrajeet Choudhary and Anupam Ghosh (2015) In their study investigate the performance of PMEGP in the economy of India as well as Jharkhand State in the 11th Five Plan (2007 -2012) in terms of numbers of project started, production, sales, employment and earnings. An explorative as well as descriptive research methodology is used to get the data related to the production and employment generated by village industries in India which is well segregated into six zones by the commission (East, West, North, South, Central and North East). The correlation analysis shows a very strong relationship between the selected variables in India.

Research Methodology

The present study is based on primary data only. In order to elicit the information in regard to the socio-economic impact of PMEGP on educated unemployment youth, a structured interview scheduled is prepared and administered to a selected sample. Statistical tools formulated the hypothesis and the tested at 5 per cent significance level by setting up the null hypothesis using the χ^2 –Test, (Pronounced as Chi-Square Test) and analysis of variance (ANOVA) test have been used. Accordingly, the period of study is from 2008-09 to 2016-17.

Objectives of the study

To study the socio-economic characteristics of the sample beneficiaries in the study area;

To identify the working of Prime Minister's Employment Generation Programme on employment generation, income and asset creation of the sample beneficiaries.

To derive the policy implications which may emerge from the study and suggest policy measures for the strengthening of the PMEGP.

Selection of Sample Size

For the purpose of conducting research, the sample size of 240 respondents from PMEGP units of Karimnagar district covering 09 mandals, a multi stage stratified purposive random sampling design has been adopted for the present study.

Socio-Economic Back Ground of Respondents:

In this section a modest attempt has been made to analyze the socio-economic profile of respondents in terms of age, community, category and educational status.

The age group distribution of the sample respondents of the total respondents, 35.42 per cent belongs to the age group of 25-30 years followed by the age group of 20-25 years with 30.00 per cent and the remaining 8.33 per cent respondents are in the age group of above 35 years. This could be reflection of lack of independence and confidence is young generation. It is noted from the table that the respondents who above 35 years of age in rural and urban mandals are not benefited by government schemes.

The community wise distribution revealed that 59.58 per cent of respondents belong to Backward Classes, 18.33 per cent belong to Forward Castes, 13.33 per cent belong to Scheduled Castes and remaining 8.75 per cent belong to Scheduled Tribes.

The educational status of the sample respondents and it is revealed that of the 240 respondents, 31.67 per cent have completed intermediate education followed by 25.00 per cent have completed technical and other courses and 16.67 per cent have completed secondary education, and only 5.00 per cent of respondents have completed post-graduation. The gender composition of the respondents, Out of the 240 respondents, 72.08 per cent of respondents are male and 27.92 per cent of respondents are females.

Table – 1: Community and sector wise distribution

Community	Sector wise			Total
	Industry	Service	Business	
FC	4 (12.12)	15 (17.86)	25 (20.33)	44 (18.33)
BC	26 (78.79)	35 (41.67)	82 (66.67)	143 (59.58)
SC	2 (6.06)	22 (26.19)	8 (6.50)	32 (13.33)
ST	1 (3.03)	12 (14.29)	8 (6.50)	21 (8.75)
Total	33 (100.00)	84 (100.00)	123 (100.00)	240 (100.00)

Source: Field study, Note: Figures in parentheses denote percentage to total

Table-1 shows the community and different sectors wise distribution of sample respondents in the study area. Out of 33 respondents are in industry sector, while 78.79 per cent belong to Backward Classes, 3.03 per cent belongs to Scheduled Tribes. 84 respondents are in service sector while 41.67 per cent belong to Backward Classes followed by 26.19 per cent belong to Scheduled Castes and 14.29 per cent belong to Scheduled Tribes. 123 respondents are in business sector 66.67 per cent belong to Backward Classes, 20.33 per cent belong to Forward Castes and 6.50 per cent belong to Scheduled Castes and Scheduled Tribes.

Table – 2:Sector-wise classification of respondents

Sector	Rural	Urban	Total
I. Industry sector			
a. Engineering Works	4	8	12 (5.00)
b. Flour Mills	6	4	10 (4.16)
c. Iron and Welding Works	4	7	11 (4.58)
Sub total	14 (11.67)	19 (15.83)	33 (13.75)
II. Service sector			
a. Books and Xerox Shops	7	18	25 (10.41)
b. Tent Houses	16	10	26 (10.83)
c. Mineral Water Plants	10	6	16 (6.66)
d. Repairing Centers	12	5	17 (7.08)
Sub total	45 (37.50)	39 (32.50)	84 (35.00)
III. Business sector			
a. General Stores and Stationery	12	13	25 (10.41)
b. Readymade Shops and Cloth Stores	16	12	28 (11.66)
c. Fruits Shops	21	17	38 (15.83)
d. Wood and Furniture Shops	12	20	32 (13.33)
Sub total	61 (50.83)	62 (51.66)	123 (51.25)
Grand Total	120 100.00	120 100.00	240 100.00

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-2 shows the sector-wise classification of respondents' rural and urban areas. Out of 240 respondents, 51.25 per cent of respondents had business sector, 35.00 per cent of respondents had service sector and 13.75 per cent of respondents had industry sector. Out of 120 respondents in rural areas, 50.83 per cent of respondents had business sector, 37.50 per cent of respondents had service sector likewise 11.67 per cent of respondents had industry sector.

Out of 120 respondents in urban areas, 51.66 per cent of respondents had business sector, 32.50 per cent respondents had service sector and only 15.83 per cent of respondents had industry sector. It is observed that most of the respondents are interested in starting general stores as its process is very simple and it is like at home business when the risk is very low as started by the respondents. Further, in all the above three category of PMEGP schemes, the industries sector is able to earn more profits and provide employment to other people also in the selected respondents. It is also noted in the table that rural and urban area respondents are better performance of business sector. But service sector had variance in rural and urban areas.

Table – 3: Reasons for selection present activity

Particulars	Rural	Urban	Total
Extension of family business	12 (10.00)	2 (1.67)	14 (5.83)
Experience in private employment	8 (6.67)	6 (5.00)	14 (5.83)
Training undergone	13 (10.83)	0 (0.00)	13 (5.42)
Advice of friends	15 (12.5)	7 (5.83)	22 (9.17)
Appropriate qualification	20 (16.67)	7 (5.83)	27 (11.25)
Profit potential	24 (20.00)	93 (77.50)	117 (48.75)
No reasons	28 (23.33)	5 (4.17)	33 (13.75)
Total	120 (100.00)	120 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-3 shows the reasons for selection present activity of the sample respondents. It revealed that of the 240 respondents, 48.75 per cent of respondents due to profit potential, 13.75 per cent of respondents there is no specific reason for activities and 5.83 per cent of respondents are extension of family business and

experience in private employment. Out of 120 respondents in rural areas, 20.00 per cent of respondents are profit potential activities, 23.33 per cent of respondents are there is no reasons for activities and 6.67 per cent of respondents are experience in private employment. Out of 120 respondents in urban areas, 77.50 respondents are profit potential activities 5.83 per cent of respondents are advice of friends and appropriate qualifications of predominant reasons.

The table also reveals that in selecting activities for financial sanctions, reasons play an important role. They may be the extension of family business experiences in private employment, training undergone, education levels, profit potential in the activity, etc. Expertise available may prompt individuals to begin their activities; profit potential may entice attention in rural and urban areas.

IMPACT OF EMPLOYMENT AND INCOME:

Table – 4:Pre-scheme employment status

Particulars	Rural	Urban	Total
Unemployed	20 (16.67)	54 (45.00)	74 (30.83)
Household work	20 (16.67)	21 (17.50)	41 (17.08)
Working in family business	19 (15.83)	25 (20.83)	44 (18.33)
Daily wage earner	21 (17.5)	0 (0.00)	21 (8.75)
Self employment	24 (20.00)	10 (8.33)	34 (14.17)
Private employment	12 (10.00)	10 (8.33)	22 (9.17)
Others	4 (3.33)	0 (0.00)	4 (1.67)
Total	120 (100.00)	120 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-4 shows the pre-scheme employment status of the beneficiaries and about the family members who have already received the benefit of private employees. Out of 240 respondents, 30.83 per cent of respondents are unemployed youths, 8.75 per cent of respondents are daily wage earners and 9.17 per cent of respondents are private employment youths. Out of 120 respondents in rural areas, 20.00 per cent of respondents are self employment followed by 17.50 per cent of respondents are daily wage earners 3.00 per cent of respondents are others. While the scheme has largely been opted by the unemployed youths in urban areas. A

maximum of 45.00 per cent of respondents were unemployed in urban areas., 20.83 per cent of respondents are working in family business activities, followed by household workers and these who worked in family business of food in second and third rank respectively. The table also infers that the scheme in rural and urban beneficiaries are unemployed or by the individuals with temporary private employment.

Table – 5: Family income in pre-scheme

(Per Annum)

Particulars	Rural	Urban	Total
Below Rs.50000	76 (63.33)	72 (60.00)	148 (61.66)
Rs.50000 to 75000	20 (16.67)	13 (10.83)	33 (13.75)
Rs.75000 to 100000	12 (10.00)	20 (16.67)	32 (13.33)
Rs.100000 to 150000	8 (6.66)	9 (7.50)	17 (7.08)
Above Rs.150000	4 (3.33)	6 (5.00)	10 (4.16)
Total	120 (100.00)	120 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-5 indicates that the family income in pre scheme period. out of 240 respondents, 61.66 per cent of respondents had the income below Rs.50,000, 13.75 per cent of respondents had the income between Rs.50,000 to Rs.75,000 and 7.08 per cent of respondents had the income between Rs.1,00,000 to Rs.1,50,000.

Out of 120 respondents in rural areas, 63.33 per cent of respondents had the income below Rs.50,000 and only 3.33 per cent of respondents had the income above Rs.1,50,000. While, out of 120 respondents in urban areas, 60.00 per cent of respondents had the income below Rs.50,000 and 16.67 per cent of respondents had the income between Rs.75,000 to Rs.1,00,000. Further, 7.50 per cent of respondents had the income between Rs.1,00,000 to Rs.1,50,000 and remaining 5.00 per cent of respondents had the income above Rs.1,50,000. In rural area respondents have very least per cent of income range in between 1,00,000 - 1,50,000 and above 1,50,000.

Table – 6: Parental occupation of respondents

Parental Occupation	Rural	Urban	Total
Business activities	6 (5.00)	10 (8.33)	16 (6.67)
Govt. employee	8 (6.67)	5 (4.17)	13 (5.42)
Employee in a private organization	33 (27.50)	18 (15.00)	51 (21.25)
Self employed	12 (10.00)	52 (43.33)	64 (26.67)
Agriculturist / Artisan	29 (24.17)	6 (5.00)	35 (14.58)
Others	32 (26.67)	29 (24.17)	61 (25.42)
Total	120 (100.00)	120 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-6 shows the parental occupation of the sample respondents. Out of 240 respondents, more than 26.67 per cent of respondents are self employed, 25.42 per cent of respondents are other activities and only 6.67 per cent of respondents are business activities. In rural areas out of 120 respondents, 27.50 per cent of respondents are employees in a private sector, 24.17 per cent of respondents are agriculturists and artisans and only 5.00 per cent of respondents are business activities. While, 120 respondents in urban areas, 43.33 per cent of respondents are self employees in a private sector and only 4.17 per cent of respondents are government employees. The table also indicates that the self employment is the highest in urban areas due to number persons are engaging in a private organization are at the highest level in rural areas. The present units predominate both in rural and urban areas and majority of beneficiaries were unemployed in the part scheme period. A majority of the beneficiaries were unemployed in the study once. Only few beneficiaries were found self employed in one or other activities in the past-scheme period, through the scheme is purely meant for the educated and uneducated youths.

Table-7 shows the monthly income of sample respondents before and after joining the PMEGP. Out of total respondents, 54.17 per cent expressed that their monthly income is below Rs.5000 and 8.33 per cent said that their monthly income is between Rs.10,000 and Rs.12,500 before joining the PMEGP, while 43.75 per cent expressed that their monthly income was below Rs.5000 and 10.42 per cent said that they earned a monthly income in the ranging of Rs.10,000 and Rs.12,500 after joining the PMEGP. There was a change in the economic status of educated youth and particularly after PMEGP started functioning. The monthly income level

of beneficiaries has increased from below R.5,000 to above Rs.12500 in certain ventures in both rural and urban areas. It is also observed that nobody can get income more than Rs 12500 per month even after Prime Minister’s Employment Generation Programme through various ventures.

Table-7:Monthly income of respondents
(Monthly income)

Monthly income	Before PMEGP	After PMEGP
Below 5000	130 (54.17)	105 (43.75)
5000 - 7500	55 (22.92)	70 (29.17)
7500 -10000	35 (14.58)	40 (16.67)
10000 - 12500	20 (8.33)	25 (10.42)
12500 -15000	0 (0.00)	0 (0.00)
Above 15000	0 (0.00)	0 (0.00)
Total:	240 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table – 8: Monthly savings of the respondents
(Monthly savings)

Savings of respondents	Before PMEGP	After PMEGP
Below 1000	125 (52.08)	110 (45.83)
1000 -2000	59 (24.58)	66 (27.50)
2000 - 3000	38 (15.83)	42 (17.50)
3000 - 4000	8 (3.33)	9 (3.75)
4000 - 5000	7 (2.92)	8 (3.33)
Above 5000	3 (1.25)	5 (2.08)
Total:	240 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-8 shows the savings of respondents before and after joining the Prime Minister’s Employment Generation Programme by the sample respondents. Out of the total respondents, 52.08 per cent expressed that they saved below Rs.1000 and 1.25 per cent said that they saved above Rs.5,000 monthly savings before joining the Prime Minister’s Employment Generation Programme. Whereas, 45.83 per cent expressed that they saved below Rs.1000 and 2.08 per cent said that they saved above Rs.5000 after joining the Prime Minister’s Employment Generation Programme. There is a clear change in the savings of Prime Minister’s Employment Generation Programme respondents in a positive manner in the higher brackets of savings after Prime Minister’s Employment Generation Programme programmes implementation. Thus, PMEGP had been responsible for an improvement of savings levels. It is helps to improves the level of education, health conditions, nutrition food and standard of living conditions of the family members.

Table – 9:Working hours for ventures

(In week)

Working hours	Before PMEGP	After PMEGP
Nil	175 (72.92)	32 (13.34)
Below 20	6 (2.50)	25 (10.41)
20 – 40	45 (18.75)	86 (35.84)
40 – 60	14 (5.83)	97 (40.41)
Total:	240 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

Table-9 shows the working hours for ventures in a week of the respondents by the sample of respondents. Of the total respondents, 72.92 per cent of respondents were not working while this percentage is 13.34 per cent after joining Prime Minister’s Employment Generation Programme. A majority of educated youth are working very hard for their ventures in order to get success through their efforts. They are an average working for 40 hours per week even before they joined Prime Minister’s Employment Generation Programme. However, they continued them even after becoming the members of after Prime Minister’s Employment Generation Programme at a higher order. It is found that after joining as members of Prime Minister’s Employment Generation Programme the ventures could generate more employment opportunities for others.

Table – 10: Income and ventures

Income from venture	Income from the Ventures after PMEGP											Total
	Engineering Works	Floor Mills	Iron & Welding shops	Books and Xerox	Tent House	Mineral Water plants	Repairing shops	General stores	Ready made	Fruits	Wood & Furniture	
Below 50,000	0 (0.00)	2 (20.00)	3 (27.27)	5 (20.00)	4 (15.38)	3 (18.75)	12 (70.59)	3 (12.00)	6 (21.43)	15 (39.47)	4 (12.50)	57 (23.75)
50,000 -75,000	1 (8.33)	6 (60.00)	4 (36.36)	6 (24.00)	8 (30.77)	6 (37.50)	4 (23.53)	2 (8.00)	4 (14.29)	15 (39.47)	6 (18.75)	62 (25.83)
75,000 -1,00,000	8 (66.67)	2 (20.00)	2 (18.18)	8 (32.00)	8 (30.77)	5 (31.25)	1 (5.88)	8 (32.00)	6 (21.43)	6 (15.79)	16 (50.00)	70 (29.17)
1,00,000 - 1,50,000	2 (16.67)	0 (0.00)	1 (9.09)	4 (16.00)	5 (19.23)	1 (6.25)	0 (0.00)	7 (28.00)	4 (14.29)	2 (5.26)	4 (12.50)	30 (12.50)
Above 1,50,000	1 (8.33)	0 (0.00)	1 (9.09)	2 (8.00)	1 (3.85)	1 (6.25)	0 (0.00)	5 (20.00)	8 (28.57)	0 (0.00)	2 (6.25)	21 (8.75)
Total	12 (100.00)	10 (100.00)	11 (100.00)	25 (100.00)	26 (100.00)	16 (100.00)	17 (100.00)	25 (100.00)	28 (100.00)	38 (100.00)	32 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentages to total.

Table-10 shows the income and venture after PMEGP by the sample respondents. Out of the total respondents, 23.75 per cent of respondents earned income below Rs.50,000, 25.83 per cent of earned income between Rs.50,000 and Rs.75,000, while 29.17 per cent earned income between Rs.75,000 and Rs.1,00,000. Likewise 12.50 per cent earned income between Rs.1,00,000 and Rs.1,50,000 and only 8.75 per cent of earned income above Rs.1,50,000 from different ventures.

The table denotes that, the in the case of flour mills among the income levels, 66.67 per cent earned income between Rs.75,000 and Rs.1,00,000 from engineering works, 60.00 per cent of respondents earned income between Rs.50,000 - Rs.75,000 from floor mills, 36.36 per cent of respondents earned income Rs.50,000-75000 from iron and welding shops and 32.00 per cent of respondents earned their income from books and xerox, 70.59 per cent respondents earned income below 50,000 in repairing shops, 28.57 per cent respondents earned income above,150,000 in readymades, 50.00 per cent of respondents earned income between Rs.75,000 -Rs.1,00,000 from wood and furniture. The table denotes that a less number of respondents could not earned the annual income above Rs.1,50,000 and a large number of respondents earned the annual income between Rs.50,000- 75,000 expect engineering works, books/xerox, readymades and general stores.

Table – 11:Income from ventures and community wise

Income from venture	Community wise				
	FC	BC	SC	ST	Total
Below 50,000	15 (34.09)	24 (16.78)	12 (37.50)	6 (28.57)	57 (23.75)
50,000 -75,000	10 (22.73)	35 (24.48)	10 (31.25)	7 (33.33)	62 (25.83)
75,000 - 1,00,000	9 (20.45)	54 (37.76)	3 (9.38)	4 (19.05)	70 (29.17)
1,00,000 - 1,50,000	6 (13.64)	20 (13.99)	2 (6.25)	2 (9.52)	30 (12.50)
Above 1,50,000	4 (9.09)	10 (6.99)	5 (15.63)	2 (9.52)	21 (8.75)
Total	44 (100.00)	143 (100.00)	32 (100.00)	21 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentages to total.

Table-11 shows the income from venture and community wise distribution of the respondents after Prime Minister’s Employment Generation Programme by the sample respondents. The table denotes that, among the social strata, out of 44 respondents belonging to Forward Castes, 34.09 per cent earned income below Rs.50,000 where as 9.09 per cent earned income above Rs.1,50,000. While, out of 143 respondents belongs to Backward Classes of that 37.76 per cent earned income in the range of Rs.75, 000 and Rs.1, 00,000 followed by 24.48 per cent in the range of Rs.50,000 and Rs.75,000, Out of

32 respondents belongs to Scheduled Castes of that 37.50 per cent earned income below Rs.50,000, 15.63 per cent each earned income above Rs.1,50,000. Similarly, out of 21 respondents belonging to Scheduled Tribes, 33.33 per cent earned income in the ranges of Rs.50,000 and Rs.75,000. Whereas 9.52 per cent earned income above Rs.1,50,000.

The table infers that respondents from all communities are earning on an average Rs.50, 000 and Rs.75, 000. Only a few members of Backward Classes and Scheduled Castes could earn more income even above Rs.1, 50,000. It is not more reflected in the case of Forward Castes and Scheduled Tribes as they are under privileged in terms of wealth and education and they are facing the problems of economic and social inequalities rooted in tradition and they have lack of experience in running the ventures of rural and urban areas.

To determine the relationship between income from venture and community wise distribution in working of PMEGP in Karimnagar district and a chi-square test was performed.

The hypothesis formulated as follows:

Null Hypothesis H₀: There is no association between income from venture and community wise distribution of PMEGP particulars.

Alternative Hypothesis H₁: There is association between income from venture and community wise distribution of PMEGP particulars.

Table – 11(a): Result of chi-square test

Degrees of freedom (V)	12
Calculated value χ^2	1.94
Table value $\chi^2_{.050}$	21.026
$1.94 < 21.026$	H ₀ is not rejected

Since the calculated value 1.94 is less than the table value 21.026 at 5 per cent or $\chi^2_{.050}$ level of significance then the null hypothesis (H₀) is not rejected and we conclude that there is no association between income from venture and community wise distribution of PMEGP in Karimnagar district is concerned.

Table – 12: Income earned by beneficiaries

Category	Equals the project income	More than the project income	Less than the project income	No proper activity planning	Total
FC	6 (13.63)	10 (22.72)	22 (50.00)	6 (13.63)	44 (100.00)
BC	16 (11.18)	78 (54.54)	37 (25.87)	12 (8.39)	143 (100.00)
SC	2 (6.25)	4 (12.50)	22 (68.75)	4 (12.50)	32 (100.00)
ST	1 (4.76)	2 (9.52)	12 (57.14)	6 (28.57)	21 (100.00)
Total	25 (10.42)	94 (39.16)	93 (38.76)	28 (11.66)	240 (100.00)

Table-12 shows the net income earned by the sample respondents, out of the total respondents 10.42 per cent of respondents income, equals the project income 39.16 per cent of respondents income more than project income 38.76 per cent of respondents income less than project income and 11.66 per cent of respondents there is not taking proper activity.

Among the social strata, Backward Classes opined that they were 11.18 per cent of respondents had equal the project income, 54.54 per cent of respondents had more than the project income, 25.87 per cent of respondents had less than the project income and 8.39 per cent of respondents had no proper activity planning. Forward Castes opined that they were 13.63 per cent of respondents had equal the project income, 22.72 per cent of respondents had more than the project income and 13.63 per cent of respondents had no proper activity planning. While, scheduled castes opinion that they were 68.75 per cent of respondents had less than the project income only 6.25 per cent of respondents had equals the project income as well as only 4.76 per cent of scheduled tribes respondents had equal the project income, 9.52 per cent had less than the project income 57.14 per cent had less than project income, and 28.57 per cent had no proper activity. It shows that above analysis it can be noted that Scheduled Castes and Scheduled Tribes respondents were having less than the projected income.

Hypothesis testing

To examine the income earned by beneficiaries among the category wise, let up set up the Null hypothesis that there is no significant difference with the mean of the income earned by beneficiaries in the category wise for which ‘F’ test has been applied and the result was presented in the two-way ANOVA (Analysis of Variance) table given below.

Anova Table – 12 (a): Income earned by beneficiaries

Source of Variance	SS	df	MS	F	F crit	H ₀
Between Columns	4494	3	1498	9.18	3.86	Rejected
Between Rows	8437	3	2812.33	17.24	3.86	Rejected
Error	1468	9	163.11	-		
Total	14400	15				

Since the calculated values 9.18 are greater than the table value 3.86, we conclude that there is a significant change of mean among the income earned by the beneficiaries within category wise. Since the calculated value 17.86 are greater than the table value 3.86, we conclude that there is a significant change within the category wise earned by the respondents.

Table – 13: Reduce the unemployment problem

Particulars	Rural	Urban	Total
Yes	112 (93.33)	110 (91.67)	222 (92.50)
No	8 (6.67)	10 (8.33)	18 (7.50)
Total	120 (100.00)	120 (100.00)	240 (100.00)

Source: Field study

Note: Figures in parentheses denote percentages to total.

Table-13 shows the suggestions are useful to reduce the unemployment problem. Out of the total respondents, 92.50 per cent of the respondents opined that this programme will help reduce the unemployment problem and very few respondents held negative opinion about the scheme. In rural areas, 93.33 per cent of respondents said that it is reduce the unemployment problem and 6.67 per cent of respondents negative opinion about the scheme. While in urban areas, 91.67 per cent of respondents opined it is reduce the unemployment problem and 8.33 per cent of respondents opined the negative opinion about the scheme.

Suggestions:

- There are various schemes and plans of government for the encouragement of educated youth in rural and urban areas but on ground level their execution is poor, there should be a strong monitoring of these policies at different levels of executions. The DIC need to create such awareness to the unemployed youth in the rural areas.
- Industrial sector must receive priority as one beneficiary in this sector will create employment for a few others with spill-over effect. But not many avenues are explored in this sector, therefore, model projects be prepared in each district on successful local activities based on which banks could release the finances.
- In PMEGP assistance is provided to proprietary business only. It is suggested that it should be also available to the partnership business.
- Educated unemployed in business should be offered loans and subsidies for encouraging the industrial activities. The financial institutions should provide more working capital assistance both for small scale and large scale ventures.
- PMEGP ventures of educated unemployed youth to mobilize resources and pooling capital funds in order to help the youth in the field of industry, trade and commerce can also play a positive role to solve this problem.

▪ **Concluding remarks:**

The scheme has grand objective of eradicating the educated unemployment in India, its performance over a period of time has been less satisfactory. The study area of Karimnagar district is no exception. The regulations and conditions of the scheme are flouted with impurity at all levels. The scarce resources are squandered at huge cost. The problem of the educated employment has remained unsolved at all levels including in the study area. The employment effects, income effects and asset creation effects have remained only policy objectives rather than becoming a reality. However, a strict vigil on the utilization of released amount and its continuous monitoring will definitely help in achieving the desired objectives.

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A STUDY ON RANKING OF INVESTMENT OBJECTIVES OF INVESTORS IN ERSTWHILE STATE OF ANDHRA PRADESH

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Abstract

The present aims on ranking of investment objectives of individual investors carried out in four districts of combined Andhra Pradesh. The districts covered are: Hyderabad, Anantapur, Guntur and Warangal. A representative sample of 1575 respondents was selected for examining the hierarchy of investment objectives of individual investors. Weighted average method, correlation, chi-square and Kruskal-Wallis test were carried out to rank the preferences of objectives of individuals. The results as revealed from the analysis state that the key preferences are: first rank safety, second rank income, third rank: liquidity and marketability, and fourth rank tax benefits. Two other objectives are indicated as the lowest in terms of preference. These are capital appreciation and diversification.

Introduction

In the present days the financial services sector has become vast and diversified, offering the investor with a wide range of investment avenues. With proper investment strategies and financial planning investor can increase personal wealth which will contribute to higher economic growth. Economic growth is among the most vital factors affecting the quality of life that people lead in a country. Three variables that measure the growth of an economy are Income, Savings and Investment. Money saved is of no use if it is not invested in some productive assets or capital goods. After investment in productive areas, it enhances the national product or per capita income and raises the standards of living of the investor. Savings and investments by individuals are important both for personal financial well-being and for economic growth.

The objectives for making investments are many and varied, and differ from person to person and from one situation to another. They may be either to get a standard, uniform, safe and continuous return on investment in future with moderate risk or to enjoy the benefits of capital appreciation with attached risk. An individual's investment objectives depend on various personal factors such as age, sex, occupation, education, income level, etc. In this connection, Dixit, R.K. (1996) remarked that, "the objectives with which the individual investor enters the market differ widely, depending upon their financial needs, social outlook, family exigencies and moral views about the use of money". Hence, the individual investor awareness, preferences, and objectives of investment decision are the result of a number of factors.

Objectives of the Study

The study focuses on the following objectives:

- i. To know the investment objectives of individual investors;
- ii. To measure and rank various investment objectives based on the perception of a sample of individual investors.

Research Methodology

As part of a larger study on investment perspectives of individual investors, the present paper is brought out with the limited focus on individual investment objectives with reference to a stratified purposive sample from four districts of combined Andhra Pradesh. The study was carried out in November – December 2013. The districts selected are Hyderabad, Anantapur, Guntur, and Warangal. The city of Hyderabad is selected to represent the metropolitan area, and in the other three districts covered, the district headquarters are considered as urban areas, and three mandal headquarters from these districts are taken up as semi-urban areas. The mandals covered are Kalyan Durgam from Anantapur district, Vinukonda from Guntur district, and Janagama from Warangal district. As mentioned in table 1, the sample respondents number 600 from Hyderabad, 200 from each of the urban areas, and 125 from each of the semi-urban areas, totaling 1575 in all.

Table 1: Distribution of Sample Respondents

Geographical area	Place	Number of Respondents
Metropolitan	Hyderabad	600
Urban	Ananthapur	200
	Guntur	200
	Warangal	200
Semi-Urban	KalyanDurgam	125
	Vinukonda	125
	Janagama	125
Total		1575

Tools of Analysis

The statistical tools used to carry out the above said analysis are as follows: Mean scores, frequencies, and percentages for all the variables used in the study. The nature of distribution of the variables examined in the study could be assessed from mean scores and standard deviations of the same. For selected variables, based on the scores given by the sample respondents, ranks are also assigned in order to know their level of significance. For testing two hypotheses regarding significant differences between specific objectives, correlation, chi-square, and Kruskal-Wallis Test have been carried out.

Investors' Investment Objectives

To ascertain the investment objectives of individuals influencing the investor preferences and their investment behavior, the sample respondents from metropolitan, urban and semi-urban areas are asked to indicate their preferences for various objectives in the descending order of their preference. For this purpose, six objectives are specified, based on literature survey attempted earlier. These are: safety, liquidity and marketability,

income, capital appreciation, tax benefits, and diversification. The responses as preferences one to six are pooled for each objective and analysed.

The responses in terms of absolute number preference-wise (first to sixth) are presented in Table 2. Table 3 presents the same information percentage-wise for each objective. Table 4 presents weighted score for each objective. The weights given from first to sixth preferences are 6 for first, 5 for second, and so on up to 1 for sixth. The number of responses is multiplied by the corresponding weight. The aggregate weighted score followed by mean score is presented in Table 4 for each objective, based on which ranking is assigned for the six objectives.

Table 2: Investor’s Investment Objectives (No. of Respondents)

Preference	Safety	Liquidity & Marketability	Income	Capital Appreciation	Tax Benefits	Diversification
First	982	66	366	81	99	48
Second	345	233	772	126	144	68
Third	116	414	216	207	538	69
Fourth	57	445	129	407	288	198
Fifth	66	291	71	438	324	373
Sixth	9	126	21	316	182	819
Total	1575	1575	1575	1575	1575	1575

Source: Field Survey

Table 3: Investor’s Investment Objectives (Figures in percentage)

Preference	Safety	Liquidity & Marketability	Income	Capital Appreciation	Tax Benefits	Diversification	Total
First	62.3	4.2	23.2	5.1	6.3	3.0	104.2
Second	21.9	14.8	49.0	8.0	9.1	4.3	107.2
Third	7.4	26.3	13.7	13.1	34.2	4.4	99
Fourth	3.6	28.3	8.2	25.8	18.3	12.6	96.9
Fifth	4.2	18.5	4.5	27.8	20.6	23.7	99.2
Sixth	0.6	8.0	1.3	20.1	11.6	52.0	93.5
Total	100	100	100	100	100	100	600

Source: Derived from data given in table 2.

Table 4: Investment Objectives -Weighted Score

Preference	Safety	Liquidity & Marketability	Income	Capital Appreciation	Tax Benefits	Diversification
First	5892	396	2196	486	594	288
Second	1725	1165	3860	630	720	340
Third	464	1656	864	828	2152	276
Fourth	171	1335	387	1221	864	594
Fifth	132	582	142	876	648	746
Sixth	9	126	21	316	182	819
Total Score	8393	5260	7470	4357	5160	3063
Mean Score	5.33	3.34	4.74	2.77	3.28	1.95
Rank	1	3	2	5	4	6

Source: Computed based on responses given in Table 2

Among the six objectives of investment decisions considered, based on the first preference given by the respondents, the ranking assigned is safety 62.3%, income level 23.2%, tax benefits 6.3%, capital appreciation 5.1%, liquidity and marketability 4.2%, and diversification 3.0%. Safety is followed by income level. All others are much lower in terms of percentage of responses. In terms of the aggregate weighted score and mean score as given in Table 4, safety gets a score of 8393 (rank 1), followed by income 7470 score (rank 2), liquidity and marketability, score 5260 (rank 3), tax benefits - score 5160 (rank 4), Capital appreciation - score 4,357 (rank 5), and diversification - score 3063 (rank 6). Based on the aggregate weighted score method, the ranking as given above is– safety comes first, and diversification last; second is income, followed by liquidity and marketability as third, tax benefits as fourth, and capital appreciation as fifth. The major benefits in terms of individual preferences in metropolitan, urban and semi-urban areas of the districts and mandals covered can be stated as: safety (first), income level (second), liquidity and marketability as third, and tax benefits as fourth.

Correlation, X² test, and Kruskal-Wallis Test

Table 5: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Rank
Safety	1575	1	6	1.67	1.097	1
Liquidity and Marketability	1575	1	6	3.66	1.274	3
Income	1575	1	6	2.26	1.118	2
Capital appreciation	1575	1	6	4.23	1.393	5
Tax Benefits	1575	1	6	3.72	1.366	4
Diversification	1575	1	6	5.06	1.302	6
Valid N (listwise)	1575					

Table 6: Correlation

			Safety	Liquidity and Marketability	Income	Capital appreciation	Tax Benefits	Diversification
Spearman's rho	Safety	Correlation Coefficient	1.000	-.080**	-.250**	-.170**	-.005	-.249**
		Sig. (2-tailed)	.	.001	.000	.000	.839	.000
		N	1575	1575	1575	1575	1575	1575
	Liquidity and Marketability	Correlation Coefficient	-.080**	1.000	-.228**	-.019	-.367**	-.015
		Sig. (2-tailed)	.001	.	.000	.450	.000	.554
		N	1575	1575	1575	1575	1575	1575
	Income	Correlation Coefficient	-.250**	-.228**	1.000	-.068**	-.020	-.041
		Sig. (2-tailed)	.000	.000	.	.007	.437	.104
		N	1575	1575	1575	1575	1575	1575
	Capital appreciation	Correlation Coefficient	-.170**	-.019	-.068**	1.000	-.253**	-.164**
		Sig. (2-tailed)	.000	.450	.007	.	.000	.000
		N	1575	1575	1575	1575	1575	1575
	Tax Benefits	Correlation Coefficient	-.005	-.367**	-.020	-.253**	1.000	-.045
		Sig. (2-tailed)	.839	.000	.437	.000	.	.073
		N	1575	1575	1575	1575	1575	1575
	Diversification	Correlation Coefficient	-.249**	-.015	-.041	-.164**	-.045	1.000
		Sig. (2-tailed)	.000	.554	.104	.000	.073	.
		N	1575	1575	1575	1575	1575	1575

** . Correlation is significant at the 0.01 level (2-tailed).

Kruskal-Wallis Test

Hypothesis-1

There is no significant difference between Safety as the First Preference and Income level.

Table 7: Ranks

	Income per Month	N	Mean Rank
Safety	Up to Rs.10000	489	753.69
	Rs10001- Rs.20000	522	704.85
	Rs.20001-Rs.30000	315	871.63
	Rs.30001-Rs.40000	141	994.80
	Rs40001-Rs.50000	51	663.06
	Above Rs. 50001	57	981.87
	Total	1575	

Test Statistics^{a,b}

	Safety
Chi-Square	99.434
Df	5
Asymp. Sig.	.000
a. Kruskal Wallis Test	
: Income per Month	

The Kruskal –Wallis Test revealed a statistically significant difference between Safety as the First Preference for Investment and Income Levels (Rejected Null Hypothesis), (Gp 1, n=489: Up to Rs. 10000, Gp 2, n=522: 10001-20000, Gp 3, n=315: 20001-30000, Gp 4, n=141: 30001-40000, Gp 5, n=51: 40001-50000, Gp 6, n=57: Above 50001), Chi-square (5, n=1575) 99.434, p=.000. Rs.30001-40000 group recorded a higher Mean rank (994.80) than the other groups.

Kruskal-Wallis Test

Hypothesis-2

There is no significant difference between Diversification as the least Preference and Income level.

Table 8: Ranks

	Income per Month	N	Mean Rank
Diversification	Up to Rs.10000	489	816.12
	Rs10001- Rs.20000	522	834.34
	Rs.20001-Rs.30000	315	756.60
	Rs.30001-Rs.40000	141	733.39
	Rs40001-Rs.50000	51	671.74
	Above Rs. 50001	57	535.00
	Total	1575	

Test Statistics^{a,b}

	Diversification
Chi-Square	37.674
Df	5
Asymp. Sig.	.000
a. Kruskal Wallis Test	
b. Grouping Variable: Income per Month	

The Kruskal –Wallis Test revealed a statistically significant difference between Diversification as the least preference for Investment and Income Level (Rejected Null Hypothesis), (Gp 1, n=489: Up to Rs.10000, Gp 2, n=522 : 10001-20000, Gp 3, n=315: 20001-30000, Gp 4, n=141: 30001-40000, Gp 5, n=51: 40001-50000, Gp 6, n=57: Above 50001), Chi-square (5, n=1575)=37.674, p=.000. Rs.10001-20000 group recorded a higher Mean rank (834.34) than the other groups.

Conclusion

Hypothesis 1 states, there is no significant difference between safety as the first preference and income level as the second preference. This has been proved wrong, indicating the presence of significant difference.

Hypothesis 2 states that there is no significant difference between diversification as the least preference and income level. Statistically significant difference has been noticed. This shows that they are far away from each other.

The tests mentioned above reveal the priority as indicated through the weighted score method. The four major objectives of individual investors in the descending order are thus: safety, income level, liquidity and marketability, and tax benefits.

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**SOCIO-ECONOMIC EMPOWERMENT OF WOMEN
THROUGH MICRO FINANCE –WITH SPECIAL REFERENCE
TO SC SHG WOMEN IN ANANTAPURAMU DISTRICT OF
ANDHRA PRADESH; AN EMPIRICAL STUDY**

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Abstract

Micro-Finance is one of the tools for eradicating poverty in rural areas. It also improves socio-economic conditions of the rural women and also has definite impact on socio-economic empowerment of women in rural India in general and Andhra Pradesh in particular. In rural areas, it has been found that they enjoy freedom of mobility, ability to make small purchases economic security but little participation in the decision making process of economic and financial nature. Against their backdrop, Micro-finance has gained a lot of significance and momentum in the recent times, in accomplishing the goal of growth and poverty alleviation especially in rural areas. The present study focus on socio-economic empowerment of SC women in Anantapuramu district of Andhra Pradesh.

Key words: Micro Finance, Empowerment, Poverty, Self Help Groups ,scheduled castes

Introduction

Women empowerment indicates the process of any economic development in any country and also the World Bank has suggested that empowerment of women should be a key aspect of all social Development program. Micro-Finance is a new method to meet the credit requirements in rural areas. Since the bank borrowing does not have any type of such collaterals, in the recent period, considerate emphasis has been placed on the promotion of micro-credit enterprises Micro-Finance programme through self-help group (SHG) has been effective in making positive social change to the group members. A Self Help Group (SHG) is a registered or unregistered voluntary association of poor (male or female) of 15 to 20, from the same socio-economic background involving primarily is saving and credit activities. A SHG can be a voluntary association of all women group, all men group or even a mixed group. However over 90 percent of these groups have only women members. The SHGs are taking small loans out of the corpus available with the group. The group corpus consists of savings, government assistance and also bank loan.

Empowerment

The concept of empowerment has been evolving over the years since the nineteenth century. In the broader sense empowerment means expansion of freedom of choice and action which comes with increasing one's authority and control over the resources and

decisions that effect one's life. Empowerment is more closely related to the people who are disempowered or powerless due to some socio-economic and cultural barriers in the society of which they are part. The choices of these powerless people are extremely limited due to lack of resources and lack of better negotiations with the range of formal and informal institutions. Thus empowerment can also be defined as the process through which those who are currently disadvantaged achieve equal rights, resources and power.

Empowerment through Micro –finance

Micro finance is emerging as a powerful instrument for poverty alleviation in the new economy. Micro finance refers to a collection of banking practices built around providing small loans (typically without collateral) and accepting tiny deposits. In India, microfinance scene is dominated by self help groups (SHGs)- bank Linkage Programmes, aimed at providing a cost-effective mechanism for providing financial services to the “unreached poor”. Based on the philosophy of peer pressure and group savings as collateral substitute, the SHG programme has been successful in not only in meeting the peculiar needs of the rural poor, but also in strengthening collective self-help capacities of the poor at the local level, leading to their empowerment. Micro finance for the poor and women has received extensive recognition as a strategy for poverty reduction and for women's economic empowerment. There are good reasons to target women. Gender equality turns out to be good for everybody. The World Bank reports that societies that discriminate on the basis of gender have greater poverty, slower economic growth, weaker governance, and a lower standard of living. Studies in Latin America and elsewhere show that men typically contribute 50-68 per cent of their salaries to the collective household fund, whereas women “tend to keep nothing back for themselves”. Because “women contribute decisively to the well –being of their families”, investing in women brings about a multiplier effect. Again, every microfinance institution has stories of women who not only are better off economically as a result of access to financial services, but who are empowered as well. Simply getting cash into the hands of women can lead to increased self-esteem; control and empowerment by helping them achieve greater economic independence and security, which in turns gives them the chance to contribute financially to their households and communities.

Statement of the problem

The Anantapuramu district is one of the backward districts in the Rayalaseema region of Andhra Pradesh. It indicates lowest rainfall area in the country. The rural economy of Anantapuramu district is noted for wide spread poverty, inequalities in income distribution, unemployment, harassment of women, growing problem of alcoholism among men. Women are considered sub-ordinate and since she is economically weak she finds no place in decision-making in the family. Their poor economic status leads to no social, economic and political empowerment at all. It is in this background the self help groups are a source of help to these affected downtrodden women like Scheduled Castes. Self help groups are formed to launch a wide spectrum of micro-enterprises. Most of the self help groups are comprised of women of identical character, identical outlook, and identical social-cultural back ground.

Objectives of the present study

1. To analyze the economic empowerment of SHG SC women
2. To find out the whether SHG has resulted on decision making role of women

Sample design

Ananthapuramu district is the one of the backward districts of Rayalaseema Region in Andhra Pradesh. It consists of five revenue divisions Viz., Dharmavaram, Penukonda, Kadiri, Anantapuramu and Kalyandurg. In the first stage three revenue divisions (Kadiri, Dharmavaram and Anantapuramu) were selected and second stage two mandals were selected from each division, 50 sample respondents were selected from each mandal. Altogether three revenue divisions, six mandal and 300 sample respondents were taken from the Ananthapuramu district of Andhra Pradesh.

Data collection

The study is based on both primary and secondary data. The primary data were collected from sample respondents of SHG women who belong to Scheduled Castes in Anantapuramu district, Rayalaseema region of Andhra Pradesh through a structure interview-scheduled.

The secondary data was collected from dailies, journals, books, statistical reports, DWAMA, DRDA, published and unpublished theses/ dissertations, various university libraries, government institutions and official websites.

Statistical tools used

In the present study some of the statistical tools used are averages, percentages and mean etc.

Result Analysis

Table- 1: Details of income level of SC households before and after joining SHGs

S. No	Monthly Income	Before SHG	After SHG
1	<Rs. 1000	168 (56.00)	30 (10.00)
2	Rs.1000-Rs.2000	90 (30.00)	54 (18.00)
3	Rs.2000-Rs.3000	42 (14.00)	138 (46.00)
4	Rs. 3000-Rs.4000	00 (0.00)	48 (16.00)
5	Rs.4000 and above	00 (0.00)	30 (10.00)
	Total	300 (100)	300 (100)

Source: Field survey

The table 1 shows that the particulars of SHG SC women respondents according to level of income in the Anantapuramu district of Andhra Pradesh. It is found that 56 per cent of the sample households are getting income below one thousand rupees per month,

30 per cent of the sample respondents income level is Rs. 1000-Rs.2000 and rest of the households income level is Rs. 2000-Rs.3000 before joining the SHGs.

The study found that the income level of the women after Self Help Groups is also covered in the table. Majority of the sample households are getting income between Rs.2000-Rs.3000 it represents 46 per cent, 16 per cent of the self help group women are getting income between Rs. 3000-Rs.4000 and 10 per cent it represents 30 women income is above 4 thousand only.

It is noticed that there is a positive impact on income level of women after joining the SHGs in the selected backward drought prone district of Anantapuramu in Andhra Pradesh.

Table-2:Particulars of durable goods of SHGs SC women before and after in the study area

S. No	Goods	Before SHG	After SHG
1	Television	168 (56.00)	30 (10.00)
2	Refrigerator	90 (30.00)	54 (18.00)
3	Gas	42 (14.00)	138 (46.00)
4	Motor Cycle	00 (0.00)	48 (16.00)
	Total	300 (100)	300 (100)

Source: Field survey

The above table 2 discuss that the particulars of consumable goods used like television, refrigerator, gas and motor cycle by the selected sample respondents before and after joining the SHGs in Anantapuramu district. The question was raised by the researcher on economic status of women from the sample mandals in the district. It is found that 31 per cent of the households in the SHG women have television after they have become a SHG member, 80 per cent of the SHG members have attained gas after they joined in the SHG group, and 51 per cent of the sample households have motor cycle after they joined SHG in the study area.

Table-3: Decision making role of SC women on various issues before and after joining SHGs

S.No	Issue	Before			After		
		Men	Women	Both	Men	Women	Both
1	Decision making with regard to the schooling of children	75 (25.00)	39 (13.00)	186 (62.00)	45 (15.00)	39 (13.00)	216 (72.00)
2	Decision making for medical treatment of family members	150 (50.00)	24 (08.00)	126 (42.00)	105 (35.00)	60 (20.00)	135 (45.00)
3	Gender differentiation regarding caring of children	21 (07.00)	219 (73.00)	60 (20.00)	33 (11.00)	150 (50.00)	117 (39.00)

Source: Field survey

The table 3 shows that the decision making role of women in various issues before and after joining the SHG in the Anantapuramu district of Andhra Pradesh. It is found that

the percentage of male members taking care of their children has increased from 7 per cent to one per cent after joining SHGs, female point of view, the percentage has been decreased from 73 per cent to 50 per cent. In case both of them taking care of their children has been increased from 20 per cent to 39 per cent.

It is further found that majority of the respondents reported that high involvement of male members in taking decision about the medical treatment before joining SHGs of women, the male decision making has been decreased and female involvement has been increased after joining SHGs.

In case of children’s education/schooling, the male is dominated before joining SHG, after joining SHGs female dominated and the male decision involvement has been decreased and the percentage increased when the decision is taken by both of them after joining SHGs of women.

Table -4:Opinion of SC sample respondents on different issues in the study area

S. No	Issue	Before SHG	After SHG
1	Actively participated in community organization	18 (06.00)	30 (10.00)
2	Member in any community development / organization	21 (07.00)	60 (20.00)
3	Actively participated in local government/ nominated/elected in local institutions	15 (05.00)	24 (08.00)
4	No involvement	246 (82.00)	186 (62.00)
	Total	300 (100)	300 (100)

Source: Field survey

The table 4 depicted that the women participated in social and political activities before and after joining SHGs like community organizations, member in community development organization and nominated or elected for any local government/ institutions in Anantapuramu district. It is found that a small number of female respondents have reported that the involvement of female in social/ community organizations have been increased from 6 per cent 10 per cent, in case of membership in any social organization of SHG women have been increased from 7 per cent to 20 per cent after joining SHGs. A little percentage of sample respondents has been increased from 5 per cent to 8 per cent after joining SHGs.

Conclusion

The study found positive impact on income level of SC women after joining the SHGs in the selected backward district like Anantapuramu in Andhra Pradesh. . The government has been providing all facilities and implementing welfare programmes to the development of rural SC women. It also concluded that the Government and NGOs should conduct awareness programmers for empowering the SC Women.

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THE EFFECTS OF FIRM CHARACTERISTICS ON LOAN REPAYMENT BEHAVIOUR OF MSMEs

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Abstract:

The contribution of Micro Small and Medium-sized Enterprises (MSMEs) in economic development, job creation and income generation has been recognized globally. However, these contributions are not effectively harnessed for this sector; the main challenge limiting this sector to contribute fully is a shortage of finance. Generally, a substantial amount of loan is given against security and guarantee which has to be repaid in a time bound manner. However, repayment problems turn into a main hurdle for the banks and financial institutions to continue providing credit services. The present paper studies the loan repayment behavior of MSME and its relationship with firm characteristics. A descriptive analysis was done to permit the study to make use of both quantitative and qualitative data collection techniques and data analysis procedures. In all, 112 enterprises were chosen for the research. The results show that that firm repayment performance is significantly associated with the firm characteristics namely profitability and type of industry and is not associated with ownership status of the firm and different type of sectors

Key words: Financing, Guarantee, security, Loan Repayment, Ownership, Profitability.

Introduction

MSMEs huge contribution to employment generation and the role they play in sustainable development prompted many countries around the world to come up with special programs and support organizations for the development and growth of this sector. But, the rate of MSMEs failure in developing countries as well as developed countries is alarming. A majority of new MSMEs fail within the first five years of their business operation. Every three out of five MSMEs fail within their first three years of operations. Lack of access to finance and cash flow problems are reported as a major hurdle to low firm creation and failure, after education and training. However, failure of MSMEs cannot be limited to just lack of funding. The management of finance to MSMEs is principal concern for the policy makers, banks and other finance institutions as it has a direct impact on the success, creditworthiness and growth of these enterprises. Efficient loan management determines the cash flows and the success of the day-to-day functioning of these businesses whereas poor credit management leads to late payment to creditors and other stakeholders in the supply chain. Thus effective credit management needs to make sure sufficient monitoring of cash flow as well as collection strategies from debtors. Crucial to this practice are measures to assess with due caution the customer's ability to meet the business's credit

payment terms. Consequently, a study that examines firm characteristics and its impact on loan repayment performance establishes the basics for this research.

Review of Literature

McMahon (2001) discovered that enterprise size is significantly related to improved business performance, where bigger enterprises were found to have a superior intensity of achievement and success. It was further evaluated that greater dependence upon external finance is related with enhanced business development.

Majed (2010) founded that firm characteristics have an impact on capital structure and performance of SMEs. Firm characteristics include attributes such as firm's location, firm industry, size, period of establishment, legal status and the availability of business information.

Olutunla (2008) stated that financing from internal or external source are required to stimulate firm's profitability which is the accelerator of the any business development and steadiness.

Alex & Zhongzhi (2012) viewed that firm's location, industry, size, age, incorporation and collateral security influence firms access to loans. The study recommends that SME entrepreneurs should maintain attractive firm characteristics to attract lenders to extend debt financing to their enterprises.

Islam, Khan, Alam & Obaidullah (2011), analysed that only one of the demographic factors age of the enterprise has significant effect toward business success of SMEs. SMEs that are older in terms of establishment have been more successful in comparison to those who have been in operation for a shorter period.

Mukono, Ann (2015), evaluated the determinants of loan repayment by Small and Medium Enterprises (SMEs). The study concluded that loan, borrower, firm and lender characteristics influence loan repayment by SMEs. It was suggested that financial institutions should modify their lending procedures so that they can lessen loan repayment problems arising from loan and lender characteristics while SMEs owners and managers should develop efficient strategies to ensure they reduce loan repayment problems arising from firm and borrower characteristics.

Atsmegiorgis (2013) studied the factors affecting repayment performance, these factors were grouped into four factors specifically individual/borrowers factors, firm factors, loan factors and institutional/lender factors

Nawai and Shariff (2010) also classified that the underlying repayment factors can be basically divided under four headings, namely, individual/borrower, firm, institutional/lender, and loan characteristics affecting repayment performance.

Roslan and Karim (2009) identified three broad categories as characteristics of the borrower, characteristics of the firm, and attributes of the loan.

Objective of the study:

To evaluate the impact of firm characteristics on loan repayment behavior of MSMEs

Hypotheses of the study

- H1 Loan repayment is dependent on type of industry
- H2 Loan repayment is dependent on type of sector
- H3 Loan repayment is dependent on ownership of firm
- H4 Loan repayment is dependent on profitability of firm

Research Methodology

Area of Study

In order to select the sample units the prime task before the researcher was to select the districts which should be representative of highly industrialized areas, moderately industrialized areas and also the under developed areas. With this objective the researcher has selected two districts of Telangana namely, Hyderabad and Rangareddy.

Sample Selection

To conduct the study, 112 MSMEs were surveyed pertaining to eight different sectors namely food, chemical, pharmaceutical, engineering, service, plastic, printing and miscellaneous were selected.

Collection of Data

Primary data for the study is collected from Micro Small and Medium enterprises by using a structured questionnaire.

Data Analysis

The information gathered was tabulated and analyzed by using percentages and Chi square test.

Loan Repayment Performance of the select micro small and medium enterprises (MSMEs)

The repayment performance of select MSMEs is shown in Table 1 and Graph 1. It is observed that 73 per cent of the enterprises are paying both principal and interest to banks and financial institutions, while 8 per cent have fully repaid the loan amount. The enterprises who on account of their poor performance paid only interest are 15 per cent and 4 per cent of enterprises have defaulted.

Repayment performance	Number of units	Percentage of enterprises
Fully repaid	9	8.04
Payment of interest only	17	15.18
Payment of principal and interest	82	73.21
Defaulted	4	3.57
Total	112	100.00
<i>Source: Primary data</i>		

In order to analyze in a better manner, the repayment factors are divided into three namely borrower, firm and lender characteristics. The studies show that when a loan is not repaid, it may be a result of the borrower’s unwillingness or inability to repay.

Similarly collateral requirements and sufficiency of loan amount also are important factors that have significance over the repayment behaviour. Table 2 to 5 below shows the various firm characteristics influencing the repayment performance of the MSMEs.

Classification on the basis of firm behaviour affecting repayment performance

Type of Industry

Table 2 shows that from among the Medium Scale Industries (MSI) enterprises 9 per cent have fully repaid the loan and 88 percent had paid interest as well as principal and only 3 per cent had defaulted. From the Small Scale Industries (SSI) enterprises 9 percent fully repaid, 67 paid principal and as well as interest, the default rate being 4 per cent. 22 per cent of the enterprises of SSI owing to their poor performance could manage to pay only the interest.

Industry	Fully repaid	Payment of interest only	Repayment of interest and principal	Defaulted	Total
SSI	6 (8)	17 (22)	52 (66)	3 (4)	78 (100)
MSI	3 (9)	0	30 (88)	1 (3)	34 (100)
<i>Source: Primary data, Note: Figures in the parenthesis are percentage to total</i>					

Pearson chi-square value χ^2 9.007, df=3, p value = 0.029

Ho: Loan repayment is not dependent on type of industry

Ha: Loan repayment is dependent on type of industry

The χ^2 value at 5 per cent significant level with 3 degree of freedom and “P” value reveal statistically significant relation exists between type of industry and its repayment position. As the calculated value of 9.007 for χ^2 is higher than the table value of 7.81 and the ‘P’ value 0.029 is less than 0.05 it, it can be concluded that there is significant association between type of industry and its repayment performance. The MSI enterprises have outperformed SSI in terms of fully repaid, payment of interest and payment of interest and

principal. On other hand significant number of SSI enterprises has paid only interest and have defaulted more.

Hence the null hypothesis that loan repayment is not dependent on type of industry is rejected and it is concluded that MSI enterprises are repaying better than compared to SSI enterprises hence there is a significant relation between type of industry and loan repayment performance of the enterprises.

Sector wise repayment

Table 3 states that among the sectors pharmaceutical and chemical have highest percentage of units which have paid interest and principal and also significant percentage of fully repaid amount. Printing sector, owing to its small nature has maximum percentage of defaults with 14 per cent followed by food and service sectors with 7 per cent and 6 per cent each.

Table 3 Association between type of sector and repayment performance					
Sectors	Fully repaid	Payment of interest only	Repayment of interest and principal	Defaulted	Total
Food	2 (14)	5 (36)	6 (43)	1 (7)	14 (100)
Chemical	1 (16)	0 (0)	5 (84)	0 (0)	6 (100)
Pharmaceutical	1 (13)	0 (0)	7 (87)	0 (0)	8 (100)
Engineering	2 (14)	2 (14)	10 (72)	0 (0)	14 (100)
Service	1 (6)	4 (24)	11 (64)	1 (6)	17 (100)
Plastic	2 (12)	1 (6)	14 (82)	0 (0)	17 (100)
Printing	0 (0)	1 (7)	11 (79)	2 (14)	14 (100)
Miscellaneous	0 (0)	4 (18)	18 (82)	0 (0)	22 (100)
Total	9 (8)	17 (15.2)	82 (73.2)	4 (3.6)	112 (100)

Source: Primary data, Note: Figures in the parenthesis are percentage to total

Pearson chi-square value χ^2 24.260, df=21, p value = 0.281

Ho: Loan repayment is not dependent on type of sector

Ha: Loan repayment is dependent on type of sector

In order to assess whether there is any statistically significant relation between the different industry sector and their repayment performance, χ^2 value at 5 per cent significant level with 21 degree of freedom and 'P' value were calculated. As the calculated value of χ^2 24.260 is less than table value of 32.7 and 'P' value 0.281 is more than 0.05, it can be concluded that there is no significant relation between various sectors and their repayment performance.

Hence the null hypothesis that loan repayment is not dependent on type of sector of enterprise is accepted and it is concluded that enterprises from all the sectors are repaying loan to the banks and financial institutions and hence there is no relation between type of sector and loan repayment performance of the enterprises.

Legal status or ownership of firm

Table 4 discloses that public limited companies are better in case of repayment with 88 percent repaying interest and principal and 6 per cent have fully repaid the amount to

banks and financial institutions followed by partnership firms wherein 77 percent among them are repaying interest and principal and fully repaid enterprises being 15 per cent. The repayment performance is poor in case of sole trading concerns and private limited companies. Both of them have 5 per cent of defaulters and 38 per cent of sole trading concerns have paid only interest and 57 per cent repaying interest and principal. The private limited companies are moderate performing concerns with 10 per cent have fully repaid, 12 per cent paying only interest and 73 per cent repaying interest as well as principal.

Table 4 Association between legal status or ownership of enterprise and repayment performance					
Legal Status	Fully repaid	Payment of interest only	Repayment of interest and principal	Defaulted	Total
Sole trading	0 (0)	8 (38)	12 (57)	1 (5)	21 (100)
Partnership	2 (15)	1 (8)	10 (77)	0 (0)	13 (100)
Pvt. Ltd	6 (10)	7 (12)	44 (73)	3 (5)	60 (100)
Public Ltd	1 (6)	1 (6)	16 (88)	0 (0)	18 (100)

Source: Primary data, Note: Figures in the parenthesis are percentage to total

Pearson chi-square value χ^2 15.221, $df=9$, p value = 0.085

Ho: Loan repayment is not dependent on ownership of firm

Ha: Loan repayment is dependent on ownership of firm

In order to assess whether there is any statistically any association between legal status of enterprise and their repayment performance, χ^2 value at 5 per cent significant level with 9 degree of freedom and 'P' value were calculated. As the calculated value of χ^2 15.221 is less than the table value of 16.9 and the 'P' value 0.085 is more than 0.05, it can be concluded that there is no significant association between legal status of enterprise and their repayment performance.

Hence the null hypothesis that loan repayment is not dependent on legal status or ownership of the firm is accepted and it is concluded that all the types of firms are repaying to banks and financial institutions and hence there is no relation between ownership of firm and loan repayment performance of the enterprises.

Profitability

The most important factor for the repayment performance of an enterprise is its profitability. The repayment behavior of an enterprise often depends on its profitability position and the willingness of the entrepreneur. As discussed earlier out of the total 112 enterprises 84 per cent of enterprises have earned profit and 18 per cent have suffered loss. Table 5 reveals that 80 per cent of the profitable firms have repaid the principal and interest 12 per cent have repaid only interest and 8 per cent have fully repaid the loan amount. Among the loss suffering enterprises 39 per cents have repaid interest and principal, 33 per cent paying only interest and 6 per cent have fully repaid. The defaulters are one who has suffered a loss. The study of Oke (2007) supports this study wherein the repayment performance of SMEs was linked with its profitability.

Table 5 Association between profitability of enterprise and its repayment performance					
Profitability	Fully repaid	Payment of interest only	Repayment of interest and principal	Defaulted	Total
Profit	8 (8)	11 (12)	75 (80)	0 (0)	94 (100)
Loss	1 (6)	6 (33)	7 (39)	4 (22)	18 (100)

Source: Primary data, Note: Figures in the parenthesis are percentage to total

Pearson chi-square value χ^2 29.162, df=3, p value = 0.000

Ho: Loan repayment is not dependent on profitability of firm

Ha: Loan repayment is dependent on profitability of firm

The table 5 shows the association between profitability of an enterprise and its repayment performance the χ^2 value at 5 per cent significant level with 3 degree of freedom and 'P' value was calculated. As the calculated value of χ^2 29.162 is more than the table value of 7.81 and the 'P' value 0.000 is less than 0.05, it can be concluded that there is significant association between profitability of an enterprise and its repayment performance.

Hence the null hypothesis that loan repayment is not dependent on profitability of firm is rejected and it is concluded that enterprises which are profitable will repay loan to banks and financial institutions and hence there is significant relation between profitability of the firm and loan repayment performance of the enterprises.

Conclusion:

The firm's characteristics and its relationship towards repayment performance and its determinants were discussed in this study. The study concludes that firm repayment performance is significantly associated by firm characteristics of profitability and type of industry and is not associated with ownership status of the firm and different type of sectors. The study recommends that MSMEs should ensure they have built a strong asset base in order to make sure that their business achieves profitability and success. Business success is usually the result of the approach of doing business and teamwork, which also enables the MSME firms to develop their strategic position, focus on its core business, enter different markets, reduce operational costs, learn new skills, and cope positively with rapid technological changes. Successful firms were likely to spend more time communicating with partners, customers, suppliers, employees. The implications of this study are that MSMEs should develop suitable mechanisms to make sure that they improve their profitability focus on their business and build a good asset base so that they refund their loans within the specific time period otherwise poor loan repayment can impinge on the future access to finances from financial institutions.

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A STUDY ON ENROLLMENT SYSTEM AT TALENTED MINDS COMPANY

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Abstract

This paper examines how enrollment system is carried out at Talented Minds Company. Enrollment is the procedure of discovering and drawing in proficient candidates for business. The enrollment need of an association will rely on different variables like; Strategic choice of development and enhancement, the level of whittling down in the organization and Starting another endeavor. There are a couple of circumstances in which having a merchant performs the enrolling and starting screening may be ideal to the affiliation. The essential circumstance incorporates hard-to-fill occupations. Enlistment firms frequently speak to impressive power in filling specific positions, for instance, CEO or examination specialist. In these cases, outside traders may be in a better position than the relationship than attract qualified candidates. The study was conducted on 50 employees who are working at Talented Minds Company. The conclusion is drawn from the study and overview of the organization with respect to the Recruitment procedure did there. The enrollment process at Talented Minds, Constrained to some degree is not done impartially and in this way part of predisposition hampers the representatives' fate. A large portion of the representatives were fulfilled yet changes are presupposed by changing situation as enrollment procedure has an extraordinary reflect on the organization's working as a crisp blood, new thought enters in the organization.

KEY WORDS: *Enrollment, Enrollment variables, Recruitment, Crisp blood.*

Introduction

Human asset is an essential corporate resource and the general execution of organization relies upon the way it is put to use. Effective enrollment systems incorporate a careful examination of the employment and the work economic situations. Enrollment is the procedure of discovering and drawing in proficient candidates for business. The procedure starts when newcomers are looked for and closes when their applications are submitted. The outcome is a pool of candidates from which new workers are chosen. Enrollment is the procedure of making a pool of candidates and fortifying those candidates to apply for the occupation.

A sound enlistment exertion helps the association in the accompanying ways:

- Attract exceedingly qualified and equipped individuals.
- Ensure that the chosen competitor stays longer with the organization.
- Make beyond any doubt that there is a match in the middle of expense and advantage.
- Help the firm to make all the more socially different work power.

Recruitment

An association can't be controlled by insignificant machines and altered resources it has. The apparatuses and capital can just add to organization's prosperity when there are sufficient individuals to run and keep up those machines. There are distinctive offices in an office like account division, creation office, advertising and deals office and to deal with the general population piece of every one of these offices there is constantly one Human Resource office. Every single division needs individuals of diverse training and capability for its smooth running and commitment to the association destinations. The enrollment need of an association will rely on different variables like:

1. Strategic choice of development and enhancement.
2. The level of whittling down in the organization.
3. Starting another endeavor.

Recruitment Process

In the wake of getting the labor demand frame the HR supervisor of the IT Company complete the enrollment process. As specified prior, enlistment alludes to the procedure of recognizing and pulling in occupation seekers in order to construct a pool of qualified employment candidates. The procedure includes the accompanying stages:

1. Planning
2. Strategy improvement
3. Searching
4. Evaluation

Recruitment Strategies

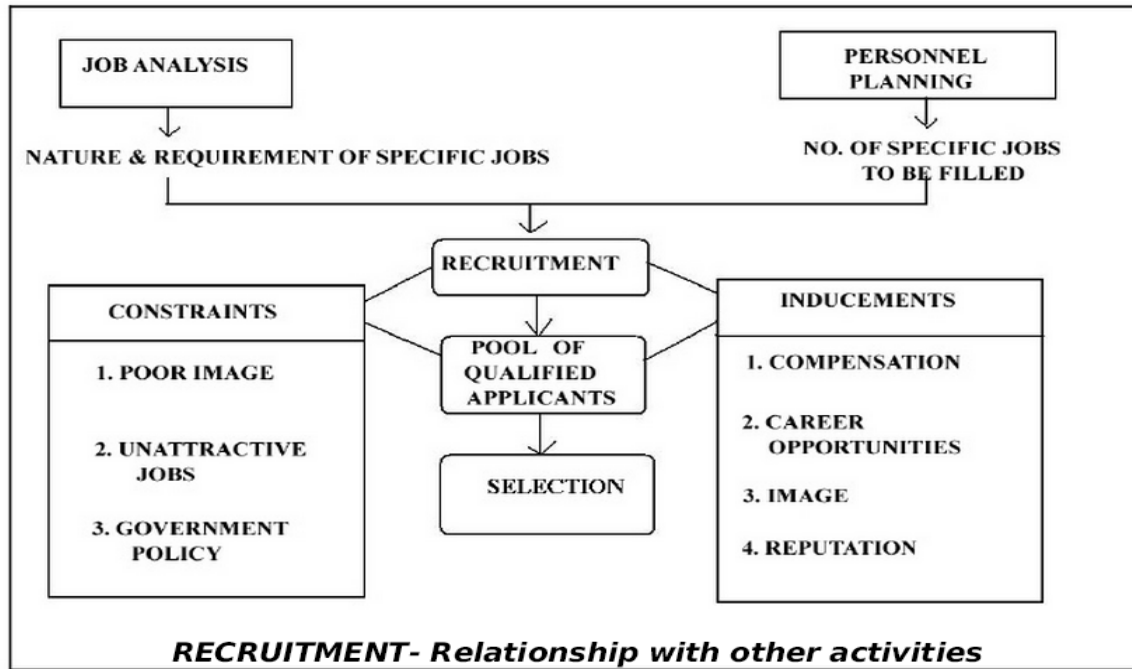
Two key determinations must be made at first before the strategy begins. The chief is whether the affiliations need to do its own particular selecting or to contract it out. Affiliations lacking internal capacity may need to have an outside dealer to do the enrolling for them. The dealer may be used for all enlisting or only for showed jobs. A couple of affiliations find that it is fiscally smart to outsource all enrolling becoming acquainted with capacity and efficiencies of scale. Distinctive affiliations find that using dealers to enlist for specific livelihoods is best and compelling. By the day's end enlistment is a strategy of finding and attracting capable contender for occupation. The methodology begins when newcomers are searched for and closes when their applications are submitted. The result is a pool of employments from which new delegates are picked.

There are a couple of circumstances in which having a merchant perform the enrolling and starting screening may be ideal to the affiliation. The essential circumstance incorporates hard-to-fill occupations. Enlistment firms frequently speak to impressive power in filling specific positions, for instance, CEO or examination specialist. In these cases, outside traders may be in a better position to attract qualified candidates. The second circumstance oversees entry level workers. Affiliations consistently find it astute to oversee occupation and employing associations to find these sorts of pros.

The second key issue is "make or buy." The affiliation must pick whether to tune in a routine of inward headways and trades (make) to fill its positions or to go to the external work business segment (buy) to fill them. The decision is driven by the key's consequence workforce-orchestrating method, which surveys the openness and skill levels of internal hopefuls. It is the HR's commitment to ensure that the enlistment framework is in game plan with legitimate targets and destinations. Case in point, a rising relationship in an extraordinarily particular field may take part in overwhelmingly external enrollment in light of the way that it doesn't have space plan shrewd or capacity to make dominance inside and because the specific aptitudes required are ceaselessly advancing. Regardless, an affiliation working in a for the most part stable environment and trying to fight in light of cost activity and capability may find that inside enrollment is more in game plan. Moreover, affiliations are frequently constrained by work understandings that require an inward method before hunting down competitors remotely. The decision, for all intents and purposes, is not an either/or choice. Affiliations routinely look for after both techniques, constantly in the meantime.

Seeking

Seeking of applicants is a standout amongst the most imperative parts of the enlistment process. Presently the inquiry emerges that where to seek the competitors and how to look the hopefuls. So as to diminish cost, association investigates work advertises well on the way to offer the obliged occupation seekers. Organizations additionally choose whether to look in the national business sector or the nearby market for the obliged work power. In the business the nearby or national business sector is overlooked to a huge degree in light of the fact that the way of employment is such that the impact of neighborhood applicants is not really utilized. In the business the information and ability of the competitors are given more significance in the enlistment exercises. The most effective method to look alludes to the systems or wellspring of enrollment. The sources can be extensively sorted into interior and outside source.



Company Profile

Talented Minds is an established company in July, 2008 and delivering recruitment Process Outsourcing Services of any complexity to clients globally. The Management team being in IT, Banking, Finance, Media, .Com, Telecom, recruitment for over 8 years now. Talented Minds has a strong team of experienced Recruiters and Sourcers. Customers are companies of all sizes ranging from start-ups to large enterprises. With the valuable experience the company gained over the years of interactions with some of the best organizations in their respective industries, they have developed cross-industry expertise and leverage on it to provide the most practical and result-oriented solutions to the clients.

Talented Minds understands the growing need for Middle & Senior Management Professionals. It is managed by seasoned experts from the IT Industry who understand the evolving needs of the corporate and the psyche of Candidates seeking new challenges.

Talented Minds also offers Recruitment Outsourcing Service Solution, a complete Outsourcing approach in which they take over full responsibility for managing the Recruitment function and executing all recruitment activities for the enterprise. Essentially Talented Minds becomes the recruiting department for the client Organization assuming full responsibility for strategy, operations and delivery - for managing the critical talent acquisition process.

SERVICES

1. Staffing

The need for flexibility of workforce, improvement in productivity and legal compliance at the workplace is more than ever before. To help organizations meet this demand, the company offers the right solution that covers almost every aspect of HR needs right from recruitment to exit requirements.

2. Recruitment

Recruitment consultants have vast experience in Sourcing, Interviewing and Skill Assessment. The company has been able to attract the local talent pool and provide resources to the clients on a timely basis. The various sourcing methods adapted are advertising, headhunting, networking, employee referral schemes and existing database. The recruitment teams are trained on diverse recruitment requirements across industries and have a uniform delivery process at all locations.

3. Account Management

A fixed term contract of employment ensures all the benefits to the flexi workforce are at par with employees of a reputed long-standing company with global reputation.

Review of Literature

Ms.G.Karthiga, Dr.R.Karthi & Ms.P.Balaishwarya analyzed that in order to compete with the present business environment situations, well defined recruitment policy is essential for the organizations. The researchers suggested various factors that affect the recruitment and selection procedure.

Syamala Devi bhoganadam in her study revealed some important considerations regarding recruitment and selection. The research findings reveal that sai global yarntex private limited follows best recruitment and selection process and they are satisfied with the organizational climate and the organization follows ethical recruitment policy. She suggested that HR department should involve various departmental heads while recruiting the candidates, because it is easy to analyze the technical knowledge and skills of the candidate if various departmental heads are present at the time of interview.

Geeta kumara & Jyoti bhat in their study examined the process of recruitment and selection at Hindustan Coca-cola Ltd. They mentioned that the company is following a well defined recruitment policy in order to get eligible and efficient employees to work in the company. All employees said that the company hires consultancy firms or recruitment agency for hiring candidates. It can be said that in spite of some odd factors, the company is doing well since establishment. They also concluded that the company is doing well in the area of soft drinks because of its employees only.

Naveen & Raju in their study they analyzed that recruitment processes in three different industries namely; cement electronics and sugar industry. They mainly focused on how recruitment and selection practices affect the organizational outcome. For this they conducted a survey on 150 respondents and analyzed the data. They suggested that the selected industries should give equal importance to external sources like agencies, references and data banks in order to get the desired & required employees. And also selected industries have to encourage the fresher's based on their skills, along with the experienced candidates.

Need for the Study

- To understand the enrollment system process at Talented Minds Company.
- Manpower Budget analysis for the recruitment process and also for identifying the sources of recruitment at Talented minds company.
- For determining the present and future requirements of the organization regarding personnel planning and job analysis activities.

Scope of the Study

The study is conducted to investigate theoretically the prospects and challenges in recruitment and selection process. The effective Recruitment and selection at talented minds company get much better results in its recruitment process if we advertise specific criteria that are relevant to the job.

Objectives of the Study

1. To determine present and future requirement to the organization in conjunction with its personnel planning and job analysis activities.
2. To determine the reasons for the stated candidates aspirations.
3. Increase the pool of job candidates at minimum cost.

RESEARCH METHODOLOGY

The primary data is collected by discussions with the employees and also by distributing questionnaire to the employees of Talented Minds

The secondary data is collected from the company records available at the regional offices, websites. An effort has also been made to present different studies in newspapers, journals, magazines and also from the doctoral works.

Sampling Method

The sampling method adopted for this study is non-probability sampling method in which convenience sampling method is used. The researcher has chosen the company as per her convenience and availability of permissions, contacts with the employees.

Sample Size

The total number of employees chosen for the study is 50. All are working in the sample company.

Data analysis and Interpretation

A detailed analysis of the study is necessary and is to be considered in order to compare the actual theory with the practical variants of which may form the basis for improvements. An attempt has been made to segment the various respondents on the basis of some aspects collected from them through questionnaire. These are depicted through tables and graphs.

Table-1: Form of Recruitment

Criteria	Frequency	Percentage
Centralized	45	90%
Decentralized	5	10%

As per the above table, 90 per cent of the respondents said centralized recruitment is used for Recruitment and 10per cent of the respondents said Decentralized form of Recruitment.

Table-2: Method of Recruitment:

Criteria	Frequency	Percentage
Direct Method	25	50%
Indirect Method	15	30%
Third Party Method	10	20%

As shown in the above table, for 50 per cent of the respondents direct methods of recruitment is used by the recruitment firms, 30 per cent of the respondents indirect methods of recruitment is used by the recruitment is firms and 20 per cent of the respondents third party methods of recruitment used by the recruitment firms.

As shown in the below table, 50 per cent of the respondents said Cost factor is taken into consideration while formulating the policy, 30 per cent of the respondents said Target market factors are taken into consideration while formulating the policy and 20 per cent of the respondents said Competitors factors are taken into consideration while formulating the policy.

Table-3: Factors taken into Consideration while formulating the Policy:

Criteria	Frequency	Percentage
Cost	25	50%
Target market	15	30%
Competitors	10	20%

Table-4: Supervisory Authority for Processes

Criteria	Frequency	Percentage
Upper level managers	20	40%
Middle level manager	16	32%
Participatory	14	28%

As shown in the above table, 40 per cent of the respondents said upper level managers process, 32 per cent of the respondents said middle level managers process and 28 per cent of the respondents said Participatory process.

Table-5: Recruitment Process Review

Criteria	Frequency	Percentage
Most of the time	18	36%
Often	16	32%
Sometimes	8	16%
Rarely	5	10%
Almost Never	3	6%

As shown in the above table, 36 per cent of the respondents most of the time think that recruitment and selection process reviewed from time to time, 16 per cent of the respondents sometimes think that recruitment and selection process reviewed from time to time and 6 per cent of the respondents almost never with the above statement.

Table-6: Recruitment Process Effect on Company's Turnover

Criteria	Frequency	Percentage
Most of the time	30	60%
Often	8	16%
Sometimes	6	12%
Rarely	4	8%
Almost never	2	4%

As shown in the above table, 60 per cent of the respondents most of the time recruitment and selection process affect the company's turnover, 12 per cent of the respondents sometimes recruitment and selection process affect the company's turnover and 8 per cent of the respondents rarely with the above statement.

Table-7: Source of Recruitment

Criteria	Frequency	Percentage
Employee Referral	12	24%
Gate Recruitment	10	20%
Labour Contractor	8	16%
Advertisement	6	12%
Promotion	5	10%
Transfer	4	8%
Former Employee	3	6%
Any Other	2	4%

As shown in the above table, 24 per cent of the respondents said employee referral source of recruitment, 12 per cent of the respondents said advertisement source of recruitment, 10 per cent of the respondents said promotion source of recruitment and 6 per cent of the respondents said former employee source of recruitment.

Table-8: Satisfaction Regarding Interviews Conducted for Recruitment Process

Criteria	Frequency	Percentage
Highly Satisfied	16	32%
Satisfied	11	22%
Neutral	10	20%
Dissatisfied	7	14%
Highly Dissatisfied	6	12%

As shown in the above table, 32 per cent of the respondents are highly satisfied with round of interviews conducted for recruitment, 20 per cent of the respondents are neutral with round of interviews conducted for recruitment and 12 per cent of the respondents are highly dissatisfied with round of interviews conducted for recruitment.

Conclusion

The study concludes that connection to the Recruitment in Talented Minds. The conclusion is drawn from the study and overview of the organization with respect to the Recruitment procedure did there. The enrollment process at Talented Minds, Constrained to some degree is not done impartially and in this way part of predisposition hampers the representatives' fate. That is the reason the pursuit or headhunt of individuals ought to be of those whose aptitude fits into the organization's qualities. A large portion of the representatives were fulfilled yet changes are presupposed by changing situation as enrollment procedure has an extraordinary reflect on the organization's working as a crisp blood, new thought enters in the organization. Determination procedure is great yet it ought to additionally be changed by necessities and ought to occupation profile so that fundamental goal of selecting the hopeful could be accomplished.

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ENTREPRENEURSHIP DEVELOPMENT IN MSMEs IN INDIA: ISSUES, PROBLEMS AND CHALLENGES AHEAD

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Abstract

MSMEs sector is one of the most vibrant and sensitive sectors in India. Their emergence and significance is felt for as they can provide large employment to local people, low capital and technology requirement, make use of inherited skills, use of local resources, recognizing their role in reaching industrial development vis-à-vis social economic inclusive growth of Indian economy, many policy initiatives, institutional support, incentives and special schemes and programmes have been initiated from time-to-time. Enactment of MSMEs Act 2006 is one of the measures aimed to promote and develop the MSMEs sector. In spite of the all possible support and encouragement, skills, unfortunately the desired growth and development could not be achieved in this sector. There are many impediments pulling down the growth and prosperity of this sector. One of the in heredent hurdles that is causing for slow and halting progress is lack of entrepreneurial and entrepreneurial skills among the owner-cum-entrepreneurs. With background, an attempt in this is made to review the progress and performance of MSMEs, problems being encountered by the entrepreneurs and the challenges ahead before MSMEs sector especially in the globalised business scenario and suggest possible solutions to ensure entrepreneurship development and growth & development of MSMEs sector in India.

Key words: *Micro, Small and Medium Enterprises, Entrepreneurs,*

Entrepreneurships, MSMEs Act, 2006

Introduction

India is one of the fast growing economies of the World. Yet, it is confronted with the problems like high rate of population growth, a relatively low rate of economic growth, a low level of per capita income with more than one-third of the population subsisting below poverty line and mounting increase of educated unemployed youth. Though India is an agro-based country but unfortunately, the agricultural sector has not been considered as viable and feeble one because of adverse climate and other reasons. Therefore, the solid solution and large scope to mitigate these problems and achieve these goals lie in the development of industrial sector and only the alternative to raise the high levels of standard of living and inclusive growth is the promotion and development of entrepreneurs and entrepreneurship.

The small scale industrial sector in the past, at present and in the future also continuous to play for the overall economic development of the third world economics in general and India in particular. Oflate, the concept of Micro, Small and Medium Enterprises world over is attracted the attention of policy-makers, industrialists, economists, researchers and also among the academicians and recognised as the engines of

inclusive, and faster economic growth and development. The MSMEs sector in India employs 69 million in 44 million enterprises which is about 40 per cent of the total industrial work-force, contributes approximately 8 per cent of India's GDP, is responsible for a stunning 45 per cent of its total industrial output and 40 per cent of India's total exports. In India in manufacturing sector, MSMEs constitute a little longer than service sector and 90 per cent of the total industrial units are in the MSMEs sector. Above all, MSMEs are labour intensive in nature, and even geographically distributed and can result in provide large scale employment both for self-employed and job seeking people and, promote equity and inclusive growth in India by utilizing local resources, talents with less capital and low technology.

Thus, faster socio-economic development of India can be achieved through industrial development, and industrial development through MSMEs and the growth and development of MSMEs sector through tapping, training and exploiting the local human resources i.e., promoting entrepreneurship and entrepreneurship among the local youth. Against this background, the present paper presents a glimpse of idea about the need for an importance of MSMEs sector, emerging need for entrepreneurial skills in this sector various issues of entrepreneurship, problems involved in developing entrepreneurship and the challenges ahead in promoting entrepreneurship in MSMEs sector and possible measure for the development of MSMEs sector on one side and promotion and development of industrial entrepreneurship for achieving inclusive growth and faster sustainable development of vibrant India on the other side.

The following tables present a brief note on MSMEs in terms of their establishments, gender-wise proprietorship, work-force employed, performance, and the status of filling of entrepreneurs over the years across India followed by a note on the basic issues and problems involved in development of entrepreneurship and the challenges ahead before the MSMEs sector.

The table below depicts the details of establishment of MSMEs among the top 10 states in the country. It is clear from the table that West Bengal stood first having the 11.62 per cent of MSMEs share in the total establishment of industrial units followed by UP (11.55%), Maharashtra (10.02%), Tamilnadu (7.24 %) and AP (6.13%) has got only 6.13 per cent of MSMEs in the overall registration of industrial units.

Table -1: Top 10 states in terms of number of MSME establishments

Rank	State	Number of MSME establishments	per cent share
1	West Bengal	5269814	11.62
2	Uttar Pradesh	5238568	11.55
3	Maharashtra	4545581	10.02
4	Tamil Nadu	3282197	7.24
5	Andhra Pradesh	2781291	6.13
6	Kerala	2364085	5.21
7	Rajasthan	2270936	5.01
8	Gujarat	2218464	4.89
9	Karnataka	2188860	4.83

10	Madhya Pradesh	1958550	4.32
	Total	32118346	70.80
	All India	45363786	100.00

Source: MSMES Annual Report, 2015

Table- 2: Break-up of male and female proprietors and employment provided by each

Ownership	Number of Establishments	Number of workers
Male owner	3,40,26,592 (86.28)	7,11,15,400 (87.9)
Female owners	52,89,052 (13.41))	93,94,832 (11.6)
Other owner	1,21,371 (0.31)	3,83,213 (0.50)
Total	3,94,37,015 (100)	8,08,93,445 (100)

Source: MSMES Annual Report, 2015

The table above reveals that gender wise owner –managers of MSMES and including the followers of MSMEs in National wide industrial sector. The Proprietary non-agricultural establishments under male, female and other ownership were 34.03 million (86.28%), 5.29 million (13.41%) and 0.12 million (0.31%) respectively and the employment in the same were 71.12 million (87.90%), 9.39 million (11.60%) and 0.38 million (0.47%) workers at the all Indian level.

Performance of MSMEs

Table- 3: Performance of SSI/MSME, employment and investment

S.No	Year	Total working enterprises (in lakhs)	Employment (in lakhs)	Market value of fixed assets (in crore)
1	2006-07	361.76	805.23	868543.79
2	2007-08	377.36	742	920459.84
3	2008-09	393.7	880.84	977114.72
4	2009-10	410.8	921.79	1038546.08
5	2010-11	428.73	965.15	1105934.09
6	2011-12	447.64	1011.69	1182757.64
7	2012-13	467.54	1061.40	1268763.67
8	2013-14	488.46	1114.29	1363700.54
9	2014-15	510.57	1171.32	1471912.94

Source: MSME Annual Report, 2016

Performance Evaluation of MSMEs

As per the provisions of the MSMEs Act, 2006 all MSMEs are required to file an Entrepreneurs Memorandum (Part-I) at District Industries Centers (DICs). After commencement of the project, the entrepreneur concerned is required to file an Entrepreneurs Memorandum (Part-II) [EM (Part-II)]. Prior to enactment of the MSME Act, 2006 there was a system of registration of small scale industrial units by the DICs.

Table No. 2 shows category wise entrepreneurs under Micro, Small and Medium for the last eight years ending 2014-15 those who filed their memorandum to DICs.

Table -4: Status of filing of Entrepreneurs Memorandum Part-II

Year	Micro	Small	Medium	Total
2007-08	1,56,051	17,777	491	1,74,319
2008-09	1,71,031	18,757	690	1,93,077
2009-10	1,86,126	23,999	1,412	2,13,894
2010-11	2,04,064	29,101	1,260	2,37,263
2011-12	2,42,606	34,192	2,939	2,82,496
2012-13	2,75,867	41,502	5,449	3,22,818
2013-14	2,96,526	59,127	7,338	3,62,991
2014-15	3,46,206	70,933	8,219	4,25,358
AVERAGE	2,34,810	36,923	3,475	2,76,527
CAGR	10.47%	18.89%	42.22%	11.80%

Source: EM Part-II data on MSME sector, Development Commissioner, MSME- 2014-15

During the period from 2007-08 to 2014-15, the average growth of Micro, Small and Medium Enterprises are 234810(10.47%), 36923 (18.89%) and 3475(42.22%) respectively, with overall average growth of 2,76,527 (11.80%). The maximum annual growth rate was witnessed by medium scale enterprises, i.e. 42.22%. In the year ending 2014-15, there were 346206 micro enterprises with an annual growth rate of 10.47%.

Table - 5 :Contribution of MSME sector in GDP and Output

Year	Share of MSME sector in total GDP (%)		
	Manufacturing sector MSME	Services Sector MSME	Total
2006-07	7.73	27.40	35.13
2007-08	7.81	27.60	35.41
2008-09	7.52	28.60	36.12
2009-10	7.45	28.60	36.05
2010-11	7.39	29.30	36.69
2011-12	7.27	30.70	37.97
2012-13	7.04	30.50	37.54

Source: 1. Fourth All India Census of MSME 2006-07
 2. National Account Statistics (2014), CSO, MoSPI and
 3. Annual Survey of Industries, CSO, MoSPI.

Table above shows the share of MSMEs sector in GDP in India from 2006-07 to 2012-13. It is evident from the table that the share of manufacturing sector MSME in total GDP is showing a decreasing trend, however, the share of service sector MSME in total GDP is witnessing an increasing trend. On the whole, the share of MSME sector in the total GDP is indicating a positive growth rate.

Basic Issues of Entrepreneurship

Entrepreneurship: A Primary function of innovation

Joseph A. Schumpeter (1934) is the first major theorist and for the first time, put the human agent at the centre of the process of economic development and assigned a

critical rule to the entrepreneurship is his theory of economic development. According to him, both interest and profit arose from prospective change and would not exist in static society. Change in turn is the work of innovative businessmen or innovators. To him, entrepreneurs are the individuals innovated by a will to power, their special characteristics being an inherent capacity to select correct answers. Energy will and mind to overcome fixed faculty of thoughts and capacity to withstand social opposition. Thus, the progressive change would not exist in static society, but happens with a creative response to a situation is innovation.

Entrepreneurship: A function of group level result.

The mantra of success happens and when purity of thought, clarity in goals and solidity in action are assured and ensured. Frank. W. Young was of the opinion that the entrepreneurship does not work single handedly, though it is the most visible hand. He further asserted that entrepreneurial activity is generated by the particular family backgrounds, examines as a member of certain kind of groups and as a reflection of general cultural values. He was also of the strong opinion that group will be relative and when three factors conditions prevail and coincide each other. They are when a group experiences low status recognition, when a group is denied of access to important social network and the group has better institutional resources than other groups.

Entrepreneurship: A function of Managerial Skills and Leadership.

Bert. F. Hoselitz (1952) confessed that managerial skills and leadership are the important factors and facets of successful entrepreneurship. He states that “a person who is to become an industrial entrepreneur must have additional personality traits to those resulting from a drive to a mass wealth. In addition to being interested by the expectations of profit he must also have some managerial abilities and more important he must have inner ability to lead. Finally, he attributes and identifies three types of business leaderships in the analysis of economic development of underdeveloped countries. The merchant money-lender type, the managerial type and the entrepreneur type.

Entrepreneurship: An organization building function.

Fredrick Harbison states that the organization building ability is the most critical skill need for the industrial organization. To him, successful leadership means to the skills to build an organization. Harbison’s idea is that entrepreneur is not merely an innovator, but an “Organization builder” who must be able to learn the new ideas of different innovators to the rest of the organization. He confirms and concludes that the success of entrepreneurship lies with the ability to create organizing skill that ultimately facilitates the economic use of other innovations.

Entrepreneurship: A function and result of higher achievement drive.

David.C.McClelland states that a Psychological motive – the need achievement formed during early childhood through family socialization and child – rearing practices which sets standards of excellence, material warmth, self-reliance training and low father – dominance. All these ideological drives illuminate and produce the need for achievement and result in entrepreneurial behavior. He further identified two characteristics of entrepreneurship – (a) ‘doing things in a new way and better way (Innovative trait) and (b) ‘decision - making under uncertainty (risk – bearing). The personalities with those characteristics continue in entrepreneurial activity because by an inner use, a design to achieve which propels them to take to entrepreneurial activities.

Entrepreneurship: A function of “Status Withdrawal”

Everett Hagen (1962) identified ‘Creative Innovation’ or ‘change’ as the fundamental characteristics of economic growth through entrepreneurial activity in any economy. He further describes that the process of change as the transition to economic growth searched for the causes of the transition. The economic growth has been led not by individual randomly distributed thought a society but disproportionately by individuals from some distinctive group. Hagen’s idea & analysis fail to get the attention of the policy makers especially for backward countries which are striving for economic development as he is identifying ‘status withdrawal’ as the casual factor in enclosure of creative personality and status withdrawal by force cannot be contemplated in a demonic system.

Entrepreneurship: A function of social, political and Economic Structure.

John Kunkel (1970) an experimental psychologist states that sociological variables of people as the determinants or entrepreneurial supply. According to him, entrepreneurial behavior is a function of the surrounding social structure – both past and present, and can be readily influenced by manipulable economic and social incentives. He viewed that an entrepreneur is the major determinant deviant individual in economic development and major determinant which causes such a deviance is a social structure which also restricts the behavioral pattern of a population segment. Thus, the society limits such specific activities to members of particular structures. This limitation structure affects all the members of a given society.

MSMEs were termed as an effective tool to expand employment opportunities, help ensure equitable distribution of the national income and facilitate effective mobilization of private sector resources of capital and skills.⁴

With globalization, all enterprises irrespective of their nature and type are being subject to international competitive pressures and to face the emerging challenges they have to address their strategies and activities in its entirety. In recent times, the reports across the globe reveal that there is a spectacular performance in case of certain MSMEs while some have seen utter failures. In most cases, it is the top management’s entrepreneurial initiatives which give direction to the organisations. While entrepreneurship results in new directions for organisations, entrepreneurship nurtures them and takes them to a higher level of performance. Hence, entrepreneurship and entrepreneurship two factors make the organisations to see the vibrant success.

Factors affecting entrepreneurship growth with special reference to MSMEs.

The following are some of the factors that are hampering the growth and development of MSMEs especially in the context of globalised competitive business environment.

They broadly include

At the level of Policy framework

1. Lack of physical infrastructure
2. Complex Policy guidelines
3. Complex Legal framework
4. Bankruptcy laws are yet emerging to support business/entrepreneurship unlike in developed economies.
5. Comprehensive review of regulatory framework to improve the business environment.
6. Labour laws are different/discriminatory for IT and IT enabled services.

7. Difficulty in opening and closing the business.
8. Multiple agencies to clear the projects causing delays, closures of business due to change in govt. policies as and when there is change in guard especially in cancellation of mining rights.
9. No special drive to encourage entrepreneurship- which gives them basics of running the business in addition to domain knowledge.

Lack of Intrapreneurship

1. Lack of quality education, motivation, socio economic back ground, lack awareness, No mandatory training, knowledge imparted at School/Collages.
2. Only 10-20 per cent of the graduates out of universities are employable thanks to old and outdated curriculum, no practical training and experience, no university and industry interaction.
3. Lack of self-motivation on the part of the individual, shyness and inhibition, ignorance of opportunities that he can avail himself or herself., lack of required managerial competitiveness and skills, and a tendency that even if he starts the enterprise, he is not sure of sustained support from the other agencies.

Financial bottlenecks

1. No cheap capital is made available & MSMEs and hence it is a serious problem impelling the entrepreneurs.
2. Too much reliance on collateral based lending / funding is a big bolt to the emerging of entrepreneurs.
3. Low presence of angle investors is also another pulling down factor causing for slow growth entrepreneurship and MSMEs.
4. No laws and guidelines on new methods of raising funds like crowd funding.
5. New Govt. policies / funding schemes support IT & IT enabled sectors, Biotech more than to manufacturing, MSMEs despite tangible assets are available with them.
6. Majority of funding flows to IT & IT enabled sectors, Biotech and less to MSMEs which are engaged in manufacturing, engineering etc.
7. Banks reluctance to revive and rehabilitate the MSMEs which are under stress category despite GOI & RBI guidelines being issued from time-to-time for their development.

Challenges of MSMEs ahead

1. Growth rate among MSMEs in India is very high compared to the US and other countries, but sustainability is less and failures are also found more.
2. Opportunities for growth of MSME sector in the context of globalised era are enormous, creating matching business environment is a serious challenge in terms of infrastructure, supply and availability of cheap capital, banking frame work, less rigorous tax laws, high rates of taxes absence of exclusive start up laws, ease of doing business is grossly missing.
3. The MSMEs sector has got global market avenues because of liberalized policies of the Governments across the globe as any company or industry can enter or withdraw at any point of time. Thus, this sector can get spin-off benefits provided the policy-makers, financial agencies and above all, the entrepreneurs of MSMEs will prepare their minds with vision, innovative thinking and ability to withstand the calculated risks.

4. In the liberalized and market economy, there is a wider chance to emerge and grow rural entrepreneurship and also entrepreneurship among women has also been increasing.
5. The mindset of the many MSME entrepreneurs is an challenging one. Unfortunately even today many Indian entrepreneurs and their mind set is not yet changed but they expect protection polices, incentives and preferential treatment. By conducting workshops, success story based approach may to a some extent reduce this tendency.

Conclusion

The emerging need for promoting and developing MSMEs sector has been widely recognized both at global level and more importantly among the third world countries like India. Recognizing the role of this sector in industrial development vis-à-vis socio-economic upliftment of the society many promotional measures have been initiated and by the Govt. and other agencies. One of such measures is enactment of MSMEs Act 2006. Notwithstanding all these measures, it is unfortunate to noted that this sector has not achieved the targets and achievements as desired. Along with financial, marketing, raw material problems, lack of sufficient managerial and entrepreneurial skills are found to be causing concern among the owner-managers of MSMEs. Therefore to reap the fruits of globalization and provisions of MSMEs Act, there is a dire and urgent need to focus and stress upon the development of entrepreneurship and intrapreneurship among the existing owner-managers and the potential entrepreneurs who wish to stant their industrial enterprises in the name of stantsup availing the benefits from the programmes like ‘make India’ and Skilling India etc initiated by the Govt. of India.

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SATISFACTION LEVEL OF CONSUMERS USING INTERNET ON SMART PHONES

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Abstract

Today the Indian economy is influenced by the information technology and the world is getting closer day by day because of Technology. If you speak about the technology the first thing which comes to the mind is Internet. Internet has become a part of our life 2020, about 315 million Indians will be connected to the Internet, compared to around 120 million at present. That's about 36 per cent of the country's total population. The various electronic gadgets through which an internet connection can be established are like mobile, laptop, personal computer, tablet, internet TV. All these gadgets act as a rich source of entertainment. Smartphone enables for communication and most important it provides access to the Internet. This study helps in understanding the satisfaction levels of the consumers who connect to internet by using smartphones.

Key Words: Satisfaction, Mobile phones, Technology

Introduction

Until a decade ago people were considering the mobile phones as a luxury product but today the scenario has changed and now people are using mobile phones as a necessary product. There is a drastic change in the usage of the mobile phones. A mobile phone¹ is a portable telephone that can make and receive calls over a radio frequency link while the user is moving. Earlier, mobiles were used for calling and text messaging, later on they started using for MMS, and slowly the technology has changed. Modern mobile telephone services use cellular network architecture, and, therefore, mobile telephones are also called cellular telephones or cell phones. Mobile phones which offer greatly advanced computing capabilities are referred to as smartphones and now we are using it for reading news, watching movie, for shopping, for messaging via Facebook, messenger, whatsApp, LinkedIn etc., using it as a hotspot, playing games, booking movie tickets, train tickets, bus tickets, online banking, payments, buying grocery, to navigate a map for reaching a particular destination and so on.

Today all around the world the mobile manufacturers are producing 4G handsets, which are having better specifications than the earlier 3G handsets. Smartphones are on par with a personal computer. They perform all the tasks which a computer does and at a better speed. This smartphones comes handy with better features like good looks, bigger battery, powerful ram, more storage space, with android software and a multi tasker. There are different brands of smartphones in the market like Apple, Samsung, Sony, Motorola,

Lenovo, Intex, Lyf, Nokia, LG, HTC, Huawei, BlackBerry, Micromax, Mi, Asus, Acer, Lava, OPPO, Vivo, Panasonic and HP.

Review of literature

Chongyang Chen, Kem Z. K. Zhang¹, Sesia J. Zhao³ (2015) evaluate the effects of perceived enjoyment and habit on smartphone addiction, says that that perceived enjoyment and habitual usage of information systems (IS) are favorable factors which lead to positive outcomes of IS adoption. Satisfaction can facilitate the formation of habit and smartphone addiction. However, habit shows no significant impact on smartphone addiction.

S. Nemat Sheereen⁴ (2014) Most of the studies conducted in this area indicate the exploring development of services provided by number telecommunication providers which opened new world to the customer around the world. Quality of service and maximum network coverage are the most important factor which satisfy the customers in relation to telecommunication.

M. Gurusamy, A. Velsamy and N. Rajasekar⁵ (2012) in their article have noted that influencing customer satisfaction is the main goal of every business organization. In this competitive business scenario each and every activity starts and ends with the customer. The telecommunication is lifeblood for every business activity. Even in this industry there prevails a stiff competition between the service providers. It is seen that most of the respondents are not much satisfied with the features of the phone provided by BSNL when compared to other private landline providers.

T. Kavipriya and P.Rengarajan⁶ (2012) have pointed out that in recent the demand for mobile phone is increasing. There are many players in the mobile phone industry. Though cell phone industry has its origin in the recent past and the growth has been excellent. To market their services, every company is adding many new features. Day by day, many new competitors enter the market with new attractive schemes, provide additional facilities, adding new features to existing ones, reduce the charges incoming and outgoing calls.

Objectives of the study:

1. To study the satisfaction level of internet users on smart phones
2. To study the major factors influencing the purchase of Smart phones

Research methodology:

This study is based on both the primary and secondary data. The available information was collected at various levels. The data was collected personally with the respondents, by administering the questionnaire.

Sample size:

Marketing plan is a field of study in research. . The researcher, being a student of marketing has more interest in this marketing plan research. Where consumer's inclinations were taken as subject of study i.e basic need of product are smartphones. .

Kurnool⁷ is a city and is often referred as The Gateway of [Rayalaseema](#). After the bifurcation of A.P. and Telangana, Kurnool is developing swiftly. As of 2011 [census](#) its population is 460,184. The literacy rate was 77.37 per cent. Primary data was collected from 60 respondents across the City of Kurnool. Random sampling technique is used to get the information.

Hypothesis of the study:

H₀₁=There is no significant relationship between age and level of satisfaction of the respondents using smart phones.

H₀₂=There is no significant relationship between Gender and level of satisfaction of the respondents using smart phones.

H₀₃=There is no significant relationship between educational qualification and level of satisfaction of the respondents using smartphones.

H₀₄=There is no significant relationship between marital status and level of satisfaction of the respondents using Smartphone.

H₀₅=There is no significant relationship between area of location of accessing internet and level of satisfaction of the respondents using Smartphone.

Data Analysis:

Table- 1: Demographic characteristics of smartphone users		
Particulars	Frequency (n= 60)	Percent
1. Age in years		
i. 16 to 26 years	36	60.0
ii. 26 to 36 years	18	30.0
iii. 36 to 46 years	06	10.0
2. Gender		
i. Male	36	60.0
ii. Female	24	40.0
3. Education qualification		
i. Intermediate	24	40.0
ii. Degree	17	28.33
iii. PG	19	31.67
4. Marital status		
i. Married	25	41.67
ii. Single	35	58.33
5. Location of accessing internet		
i. Home	20	33.33
ii. Office	17	28.33
iii. College	19	31.66
iv. Others	04	6.67

Source: computed from primary data

From the table 1 it is clear that the smartphone users in regard to age, gender, education qualification, marital status & accessing of Internet are determined with percentage.

It is observed that most of the Internet users on smartphone are between 16 to 26 years of age which comes to 60 per cent , 30 per cent of the users are between 26-36 years and 10 per cent of the users are between 36-46 years of age. In regard to gender 60 per cent of them are male and 40 per cent are female users. In terms of education qualification it is observed that 40 per cent of them are pursuing intermediate, 28.33 per cent are degree holders and 31.67 per cent users are having PG. About 58.33 per cent of the smartphone users are still single (unmarried) while 41.67 per cent of users are married.

It is found that 33.33 per cent of the people access Internet through smartphones at home, 28.33 per cent access internet at office, 31.66 per cent access internet at colleges and 6.67 per cent users access internet from other places.

Table 2. shows the different levels of satisfaction of the internet users on smartphones

S. No.	particulars	Frequency (n=60)	Percent	Rank
1.	Network connectivity	39	65.00	VIII
2.	Accessing internet / data	50	83.33	II
3.	Usage of app's	48	80.00	III
4.	Compatibility of handset	40	66.67	VII
5.	Watching videos and movies online	46	76.6	V
6.	Listening to music online	47	78.33	IV
7.	Playing online games	38	63.33	IX
8.	Reading books and newspaper online	41	68.33	VI
9.	Heating of handset after certain time	51	85.00	I
10.	Hanging / restart of handset	23	38.33	X

Source: computed from primary data

From the table 2 it is clear that the smartphone users are facing problem of handset getting heat after certain time period with 85 per cent . 83.33 per cent of users say that they are accessing internet and data from various places. 80 per cent of users are using different apps on their handsets for various uses. . It is observed that 78.33 per cent users listen to music online and followed by 76.6 per cent users watch videos and movies online. In regard to reading books and newspaper, 68.33 per cent are using smartphone.66.67 per cent users say that they are having compatibility with the handset. 65 per cent users say that at times they are facing network connectivity problem. 63.33 per cent users say that they are playing games online and at last 38.33 per cent users face hanging and restart problems.

1. H₀₁=There is no significant relationship between age and level of satisfaction of the respondent using smartphones.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.081 ^a	20	.163
Likelihood Ratio	33.506	20	.030
Linear-by-Linear Association	4.437	1	.035
N of Valid Cases	60		

- a. 41 cells (97.6 per cent) have expected count less than 5. The minimum expected count is .35.

Inference:

A chi-square for an independent indicates that, there is significant difference in the level of relationship between age and level of satisfaction of the respondent using smartphones with respect to age. Hence null hypothesis is rejected

- 2. H₀₂=There is no significant relationship between Gender and level of satisfaction of the respondent using smartphones

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	33.878 ^a	20	.027
Likelihood Ratio	43.296	20	.002
Linear-by-Linear Association	7.280	1	.007
N of Valid Cases	60		

a. 42 cells (100.0 per cent) have expected count less than 5. The minimum expected count is .38.

Inference:

A chi-square for an independent indicates that, there is significant difference in the level of relationship between gender and level of satisfaction of the respondent using smartphones with respect to gender. Hence null hypothesis is rejected

- 3. H₀₃=There is no significant relationship between educational qualification and level of satisfaction of the respondents using smartphones.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.376 ^a	2	.001
Likelihood Ratio	17.986	2	.000
Linear-by-Linear Association	6.630	1	.010
N of Valid Cases	60		

a. 2 cells (33.3 per cent) have expected count less than 5. The minimum expected count is 3.97.

Inference:

A chi-square for an independent indicates that, there is significant difference in the level of relationship between educational qualification and level of satisfaction of the respondent using smartphones with respect to educational qualification. Hence null hypothesis is rejected

4. H₀₄=There is no significant relationship between marital status and level of satisfaction of the respondent using smartphone.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.338 ^a	2	.001
Likelihood Ratio	17.310	2	.000
Linear-by-Linear Association	5.035	1	.025
N of Valid Cases	60		

a. 2 cells (33.3 per cent) have expected count less than 5. The minimum expected count is 3.68.

Inference:

A chi-square for an independent indicates that, there is significant difference in the level of relationship between marital status and level of satisfaction of the respondent using smartphones with respect to marital status. Hence null hypothesis is rejected

5. H₀₅=There is no significant relationship between area of location of accessing internet and level of satisfaction of the respondent using smartphone

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.088 ^a	3	.378
Likelihood Ratio	3.042	3	.385
Linear-by-Linear Association	.921	1	.337
N of Valid Cases	60		

a. 2 cells (25.0 per cent) have expected count less than 5. The minimum expected count is 1.47.

Inference:

A chi-square for an independent indicates that, there is significant difference in the level of relationship between area of location of accessing internet and level of satisfaction of the respondent using smartphones with respect to accessing of internet at various places. Hence null hypothesis is rejected

Conclusion

This study reveals the number of respondents who advocated in what way the smartphone has personified intimacy for some users. Some of the people had access to a far wider range of operations and communications via social networks than were previously available in a pre-mobile world.

The belief of in timely was strengthened by further responses which indicated that greater personal online access has changed the concept of private space. However, the Smartphone empowered actions conducted by service providers reveal specific invention to preceding works. This study supports how smart phones can enhance and there by allow users intake down regions. Therefore it is quite conceivable that smart phones will remain dominant over for some time

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LAND ACQUISITION, DISPLACEMENT AND PEOPLE'S PROTEST: STUDY OF KAKINADA SPECIAL ECONOMIC ZONE

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Abstract

Special Economic Zones set up through an Act in 2005 to boost industrial growth has displaced thousands of farmers all over the country. The major concern associated with establishment of SEZs is acquisition of land and displacement of owners of land holdings and villagers. While rules stipulate that only barren and unused land has to be acquired for SEZs, it is being violated with impunity and thousands of hectares of fertile agriculture land is being allocated to SEZs inviting opposition from farmers, land owners and landless labourers. Displacement is another major problem caused by SEZs, both in urban and rural areas and has social, economic and local dimensions. Artisans like potters, blacksmiths, goldsmiths, carpenters, weavers, cobblers, shepherds and animal growers were badly affected. Rehabilitation package lacks credibility. Tenant farmers are deprived of livelihood and compensation. Massive protests were witnessed against the setting up of Kakinada Special Economic Zone (KSEZ) in East Godavari district in Andhra Pradesh. The Andhra Pradesh government decided to acquire nearly 12,000 acres of land, most of being fertile lands, on behalf of promoters and has already acquired 2048 hectares. It was an issue during 2009 and 2014 elections. This paper examines the responses of various political parties to SEZ Act, government's response to popular resistance, explain differential resistance response to KSEZs, analyse land issue and politics, map the process of formation of pro-SEZ dispensation and study the role of the state to the present rural unrest.

Keywords: Displacement, Kakinada, Land Acquisition, People's Protest, SEZ

Introduction

The Special Economic Zones (SEZ) Act was passed in 2005 with purported objective of boosting up industrial growth in India. The main focus is to attract investments, increase exports and boost up employment generation capacity. The SEZs replaced the earlier Export Processing Zones (EPZ), which were first launched in 1965 in Kandla, Gujarat. It was the first EPZ in Asia.

Export Processing Zones were conceived of as duty-free areas in which the operating units avail of a host of tax and other concessions to produce and export goods and services. The EPZ units operated within the framework of export-import policies.

Though the performance of Indian EPZs was not satisfactory compared to their counterparts in other parts of Asia, the EPZ continued through the 1970s and the '80s. With a view to overcome the multiplicity of controls and clearances, the absence of world-class infrastructure, and an unstable fiscal regime, and to attract larger foreign investments, the Special Economic Zones (SEZs) Policy was announced by the Government of India in April 2000. The policy envisaged the development of an internationally competitive and hassle-free environment for exports in the designated zones so that the then prevailing hurdles could be removed.

The SEZ Act, 2005 came into effect on February 10, 2006, providing for drastic simplification of procedures and for single-window clearance in matters relating to the central as well as state governments. The SEZ Rules provide for different levels of land requirement for different classes of SEZs. With the enactment of the 2005 legislation, SEZs received a major thrust.

The main feature of SEZs is to attract local and foreign direct investment (FDI) in manufacturing sector. A variety of benefits have been extended for setting up of SEZs and these include a single window system to give various departmental approvals to the projects without much bureaucratic hassle, and availing tax incentives, land at low rent with extended lease period and provision of infrastructure and other facilities. The SEZs have also been exempted from import and customs duty and other Central government duties. India adopted this policy following the Chinese success with SEZs. They are very big in size with restricted number in China compared to SEZs in India, whose number runs into hundreds.

The major concern associated with the establishment of SEZs is acquisition of land and resultant displacement. While rules stipulate that only barren and unused land has to be acquired for SEZs, they are being violated with impunity and thousands of hectares of fertile agriculture land is being allocated to SEZs inviting sharp opposition from farmers, land owners and landless labourers. Thus displacement is a major problem caused by SEZs, both in urban and rural areas. Along with the farmers, artisans including potters, blacksmiths, goldsmiths, carpenters, weavers, cobblers, shepherds and cattle growers are some of the important communities who have been badly affected by displacement. Tenant farmers constitute another significant segment that is also deprived of livelihood. Rehabilitation package lacks credibility as it does not factor in these different social groups and communities that are adversely affected by land acquisition.

SEZs in Andhra Pradesh

Based on the GO in 2002, the UPA-I government promulgated the SEZ Act in 2004 and it came into effect in 2005, allowing Special Economic Zones all along coastal corridor of Andhra Pradesh including Kakinada SEZ. Andhra Pradesh is in forefront in establishing special economic zones in the country. Out of the total 424 formally approved SEZs all over the country, Andhra Pradesh has 30 and of the total 354 notified SEZs, Andhra Pradesh account for 26. Till now a total of 196 SEZs are in operation of which 19 are in Andhra Pradesh, the latest being the Kakinada Special Economic Zone.

The state governments of erstwhile Andhra Pradesh had established SEZs with great enthusiasm and took up land acquisition on a large scale for this purpose. The SEZs were planned in several places in Andhra Pradesh with Andhra Pradesh Industrial and Infrastructure Corporation (APIIC) acting as a promoter in some cases and private players forming a consortium promoting others. The Kakinada SEZ (KSEZ) is an important case of the latter category.

The Andhra Pradesh government sought to acquire nearly 12,000 acres of land on behalf of private promoters Kakinada Special Economic Zone Private Limited for setting up multi-product SEZ and Central government issued two notifications, one on April 23, 2007, for acquiring 1035.66 hectares in two villages of Ramanakkapeta and A.V. Nagaram villages in U Kothapallimandal of East Godavari district. Though this land was not put in use even after 2012, another notification was issued on February 6, 2013 for acquiring 1013 hectares in Ponnada, Mulapeta and Ramanakkapeta villages in U Kothapallimandal of East Godavari district (CAG, 2014).

Since the SEZs involve acquisition of lands, that too fertile lands, on a significant scale, there were resistances in some places which resulted in violent incidents. Establishment of SEZs witnessed different developments in Andhra Pradesh and got divergent responses from farmers and artisan communities. Setting up of SEZs has led to largescale displacement which has the social, economic and local dimensions. The issue of land acquisition has drawn wider attention as it became an election issue during 2009 and 2014 elections. Farmers in villages notified as part of KSEZ have strongly opposed acquisition of fertile lands.

The lands acquired in KSEZ are categorized as below:

1. Lands with illegal and fake documents (assigned, ceiling and *poramboku* lands). Majority of these lands were under the illegal possession of local landed and political elite and their families members who possess fake documents for the same and they were the first to surrender lands and take compensation.
2. Secondly, absentee landlords who retain lands as status symbol but live elsewhere. They started selling land with the announcement of Rs 3 lakh compensation for each acre.
3. Thirdly, D Patta lands⁵² were acquired by APIIC for the new port based on the newly formed KSEZ in addition to the land acquired for the port.

Kakinada Anti-SEZ movement: Protracted Struggle

There is a wide spread resentment among farming community over the guidelines framed on land acquisition as part of SEZ Act, and the protests turned vocal and violent in 2004 and 2005. This extended also to the plan of setting up of coastal corridor and thermal plants.

⁵² D Patta lands are which were given by the government to Dalits for cultivation, without any authority for alienation.

In 2005, the government issued a notification for acquiring land measuring 2,000 acres in favour of ONGC to set up SEZ in Kakinada. Later, this was transferred to a promoter named K.V. Rao increasing the extent of land to be acquired to 4,500 acres. Land owners started opposing government's move to take possession of land. But, protests were confined only to preventing KSEZ firm from occupying lands as farmers have poor knowledge in understanding the perils involved with SEZ Act. To dispel this problem, awareness camps were organized by local NGO activists to educate farmers, women, and landless labourers on clauses and provisions of Land Acquisition Act and they started forming small committees to raise voice against land acquisition.

Several farmers from affected villages participated in a massive protest 'Sangharsh 2007⁵³', organized as part of joint struggle against forcible acquisition of lands under SEZs on March 27, 2007 in New Delhi (Hindu, Anti-SEZ stir will be intensified: Medha, 2007). All these efforts culminated in the formation of anti-KSEZ Porata committee in 2006 with active support of farmers from Kapu, Brahmin and Reddy communities and social activist Rajender of Kadali Network, an NGO. The committee has farmers and landless labourers from all sections in villages. Its focus was to galvanize farmers and educate them about seriousness of the issue and to protest and prevent forcible acquisition of land.

The committee succeeded in receiving support of hundreds of land owners and artisans, articulating their anguish and aspirations. The movement didn't have the backing of any strong leader, but the Committee organized several protests like dharnas and rasta rokos drawing the attention of political parties and making them involve in the agitation.

The movement has a spiraling effect on all the affected villages of KSEZ, with leaders of different political parties visiting the villages to garner their support. State's repression had also increased following mass protests.

Major protests witnessed in 2007 demonstrated the resilience of agitation. Farmers and labourers campaigned vigorously against the KSEZ and the state's repressive tactics. On August 6, 2007, farmers from Srirampuram and Rayavarapadu dug trenches on roads to prevent KSEZ promoters and vehicles from fencing the lands acquired under KSEZ. Hundreds of policemen swopped and arrested leaders who were leading the agitation. The situation became volatile and arrested leaders were released five hours later after the intervention of State Human Rights Commission (SHRC). This incident boosted the morale of agitators.

In a significant move, the SHRC had issued an order on December 5, 2007, preventing the arrest of farmers agitating against KSEZ and forcible acquisition of land. However, these orders were violated by government which adopted stringent measures to frighten the protestors. On December 16, 2008, during Sankranthi festivities (Sankranthi is popular festival in coastal Andhra signifying the arrival of fresh crop and end of harvest season),

⁵³ A massive protest was organized at Jantar Mantar, New Delhi by various civil society organizations against the government's move to establish special economic zones all over the country without taking into consideration the fears expressed by land owners and the landless labourers on displacement.

policemen laid siege to Beach Road near Kakinada and arrested 50 leaders of anti-KSEZ Porata Committee. This incident drew national attention and agitators were released after intervention of human rights groups, that too after 50 days. The arrests had a demoralizing effect on the agitating farmers and movement suffered a temporary setback. Utilizing the situation local leaders started wooing the farmers to part with lands and succeeded to some extent as few took Rs 2 lakh per acre compensation offered and handed over the land.

Apart from protests, a section of civil society including Andhra Pradesh Vyavasaya Vruthidarula Samithi has flavoured the idea of filing cases in High Court. Even political parties rallied behind the decision. However, the move was strongly opposed by rights groups as they opined that courts have no jurisdiction and only Parliament has ultimate authority to amend the SEZ Act. Farmers received a major setback when their case was quashed by the High Court (Bhaskar, 2010)

A detailed micro plan study conducted by a group of intellectuals to know the impact of KSEZ revealed interesting facts, that the lands notified under the KSEZ are fertile much against the guidelines of SEZ Act. Only barren and waste lands should be acquired for setting up SEZs.

The agitation became an issue during the 2009 general elections, and leaders of all parties vowed to protect the lands. Actor turned politician Chiranjeevi who founded Praja Rajyam extensively toured KSEZ affected villages and opposed acquisition of fertile lands. Anti-KSEZ Porata Committee had given a call to back those parties which support their cause. After elections, all opposition parties including BJP and TD leaders started visiting affected villages and taking their support, the struggle committee devised new strategies and has succeeded to an extent to prevent the sale of lands by farmers.

A public hearing was conducted by intellectuals and activists groups at Vakadaripeta and Ramanakkapeta villages in 2010 and the findings were submitted to the Parliamentary Committee examining the issue of land acquisition.

The agitation adopted innovative methods to prevent the land acquisition and in 2010 and 2011, VantaVarpu programme (cooking and consuming food on the highways) was organized in villages protesting the move to acquire lands. Nearly 14 companies of police personnel were deployed to provide security to the representatives of the KSEZ. However, the police camps were removed after the massive protests from farmers.

The protestors launched Yeruvaka (traditional name given to mark tilling of land after initial rains) in 2012, to send a strong message that farmers would continue their struggle till demands are accepted. Even Telugu Desam president and then opposition leader N. Chandrababu Naidu participated in the programme and assured farmers to scrap KSEZ and restore lands to farmers when they come to power. This assurance has put a temporary hold on the acquisition process. However, the promise did not materialize even three years after he assumed power.

The youth of the agitating farmer families were taken to the national level meetings and protests where they were exposed to various national movements. Interactions were conducted with various forums like the HRF, NEPAM, INSAF and Delhi Forum. Youth

were also taken to universities and interaction was organized with intellectuals. This exposure has emboldened the young agitators and created confidence among them.

However, on legal front there were few setbacks and taking this as an opportunity, the KSEZ representatives started negotiations with farmers with the help of intermediaries. This was effectively tackled by the struggle committee and middlemen were made to realize their misdeeds and support the agitation after taking oath in the local temples.

In 2012, lands were returned to farmers who resumed cultivation after some rights groups started encouraging the farmers to till the lands which were acquired but no business activity was undertaken even after several years, excepting for starting one or two units.

Youth formed the new crux of the movement and were greatly disillusioned with the promises made by governments to provide employment to them in the SEZ affected villages. While the educated youth complain that the jobs being offered to them are only temporary without any authentication from the government.

The demand of A. Srinivas of Gaddipeta and Srinivas of Gorsapalem village are active in the porata committee. The demands put forward by the committee as far as jobs are concerned include that the job cards should be issued to educated family members of owners whose land was acquired. These job cards should be issued by government and not by KSEZ companies or firms as doubts were expressed about the credibility and authenticity of such cards. Secondly, lifelong pension facility should be accorded to all the illiterate farmers who surrendered their land. Finally, medical and other civic amenities should be provided to all the farmers and landless labourers.

In the movement spanning 12 years, the committee employed a multi-pronged approach in highlighting the issues of the KSEZ affected villages. Organizational setup was strengthened by forming village committees in each village. The committee received support from various political parties except from the party in power. This includes from rightist BJP to the Left parties i.e., CPM, CPI. Even Dalit parties including the BSP, Republican Party of India, Dalit Bahujan Vyavasayaka Karmika Sangham and Rythu Coolie Sangham extended support. The committee had succeeded in garnering the support of civil society organizations. Several intellectuals and activists MedhaPatkar, SandeepPandey, etc.

Former IAS officer late S.R. Sankaran, Thomas Kocheri, Anna Hazare, and Swami Agnivesh visited the KSEZ-hit villages, opined that destruction of coastal areas on such a massive scale should not be allowed as it would prove more disastrous than tsunami which devastated the coastal belt in 2004.

Anti-KSEZ committee never came under the gambit of any political party and on several occasions rejected offers by various parties to work under their guidance. The committee took only external support. The committee has clarity over taking support of political parties for their cause. They confined parties only for outside support and never involved them in the decision-making process. The committee never missed any opportunity to highlight their problem.

Women in forefront

Women played a key role in the development of the struggle as they came to the forefront whenever instances of violence were reported in anti-SEZ movement. Women argue that they had rights over lands as they inherited it from their forefathers and questioned the acquisition process. Women farmers are reluctant to give up their lands and expressed their readiness to continue their protest till the government announces cancellation of KSEZ.

The women farmers of Gorsapalem village spoke mainly about the assurance given by Chief Minister and Telugu Desam president N. Chandrababu Naidu, during his visit to their village, as an opposition leader in 2012. Naidu has promised that he would cancel KSEZ and return their lands if the Telugu Desam is voted to power. The women insist that Naidu should honour his promise and cancel KSEZ. In their opinion, it is the duty of local leader and Finance Minister Yanamala Ramakrishnudu and his brother to implement these assurances given by Naidu, as they supported these two leaders in 2014 elections, believing their word.

As an articulate women stated: We see no future without our land. We were born here and want to die here and are not ready to surrender our lands. KSEZ representatives with the connivance of revenue and police officials destroyed crops and plantations which fetch us income, after forcefully confiscating our lands. Our land is fertile which supports every crop and forceful acquisition for industries is ridiculous and a crime. Chief Minister N. Chandrababu Naidu during election campaign has promised to cancel KSEZ but kept ignoring our pleas to cancel KSEZ. Revenue and police officials regularly visit village and mount pressure on the farmers to handover the land. Nearly 12 cases were pending against our men. Even the collector visited the village and allowed us to grow plantations but later they were destroyed by KSEZ representatives.” Women said that their men were illiterate and without any knowledge of consequences of KSEZ, surrendered the lands due to fear of losing the compensation. They reiterated complete ownership over land and vowed to go to any extent to protect it. They rejected the job offers made. “Many of our people are illiterate and with the education qualification our children has, they will be employed as security guards, which we do not want as it doesn’t sustain our lives.” They said that job offer is only bait by the government to ensure that land acquisition process completes smoothly. Women are anger over the promises made by leaders during Eruvaka programme and refuse to leave the village. “Supporting family members has become difficult with the loss of land. No political party is supporting our cause.” The fact that nearly 12 cases were pending against the women from the village is an evidence of their intense involvement in the movement. An elderly woman said that none has authority to enter their lands without their permission.

Caste composition of the movement

Local leaders have set aside political affiliations and supported the anti-KSEZ movement. Leaders used to give support and provide meals to agitators and farmers during protests. Also the Congress leaders provided support to the farmers to get bail and to file court cases. Local contribution, both financial and material, is an important feature of the

movement. Leaders belonging to all parties within villages supported the movement. Outside support came in the form of intellectual inputs.. Also caste groups have helped strengthen the movement. Brahmins, Reddys, Kapus, BCs, SCs and fishermen community, all sections of society were involved in the movement. This has ensured that there is no friction between communities, and prevented in foisting fake SC, ST atrocities cases, as has been witnessed in protests in Srikakulam where nearly 500 SC,ST atrocities cases were booked.

The local ruling and opposition leaders acted as mediators in brokering peace with the farmers and ensured that lands were sold to private persons for a double compensation of Rs 3 lakh an acre against the state announcement compensation of Rs 1.5 lakh an acre. This way 4,850 acres of land were acquired which later came under the possession of K.V. Rao. The extent of land to be acquired has increased from 2,000 acres in 2005 to 12,500 acres now.

What needs to be highlighted is the flip-flop mechanism adopted by mainstream parties, especially the Telugu Desam during the 2014 elections. The TDP voluntarily extended its support to the anti-KSEZ agitation in 2012 when it was in opposition and its president Nara Chandrababu Naidu visited affected villages and assured to cancel the KSEZ once his party was voted to power.

KSEZ promoters with the help of state machinery have adopted several tactics to intimidate the farmers to dissuade them from participating in the agitation and force them to voluntarily hand over the land. As part of one such highhanded acts, Srinivas, a youth leader who discontinued diploma course and an active member of anti-KSEZ porata committee was arrested by police from his house during late hours in Gorsapalem village. Angered over this, hundreds of residents from Gorsapalem and adjoining villages laid siege to police station and demanded his release. Srinivas was produced before the judge, who reprimanded the police for arresting him with no valid reason and granted him self-bail. This episode emboldened the agitators. According to Srinivas middlemen employed by KSEZ companies were luring farmers, offering high compensation if they give up lands to create divisions among farmers and to weaken the movement. Packages were offered by the KSEZ representatives and middlemen depending upon land holdings, with big farmers receiving better package.

In a glaring example, an elderly farmer in Ramaraghavpuram who underwent an eye operation and returned home found that out of his three acres, one acre was allotted in the name of another farmer and compensation paid. When he approached the local revenue officials, he was asked to surrender his remaining two acres to get compensation for all three acres or forgo one acre. HRF president Balagopal who was approached on this issue filed affidavits in the State Human Rights Commission explaining the discrepancies committed in the acquisition process and in payment of compensation under the Right to Information Act. Nearly 120 affidavits were filed.

II. LARR and its aftermath

Promulgation of LARR has changed the perception of the farmers who have earlier surrendered their land. In a significant step, government issued a fresh deadline of August 31, 2015, and asked farmers to take additional compensation of Rs 2 lakh for lands already sold and Rs 9 lakh for lands which were not sold within the date. However, there was no response from the farmers. The latest demands of youth leaders and KSEZ committee include implementation of LARR Act 2013 and implement Act's guidelines to lands which were not surrendered.

The committee leaders said the compensation amount should be commensurate to providing job opportunity so that they lead a respectable life. They also demanded lifelong compensation to land losers. They said that the SEZ damaged the social fabric in villages, apart from destroying the flora and fauna. SEZs displaced artisan families like potters, blacksmiths, carpenters, and other artisans. The leaders advocated for transparency in the land acquisition process. They alleged that no mandatory legal guidelines were followed in the land acquisition process in 2006. No grama sabhas were conducted and no notification was issued. Revenue officials including the MRO and the collector visited villages and threatened the farmers of losing half the compensation amount of Rs 3 lakh an acre if they fail to surrender their lands with immediate effect. In this way thousands of acres of land were acquired.

The latest demands of youth leaders and KSEZ committee include implementation of LARR Act 2013 and implement Act's guidelines to lands which were not surrendered.

The committee demanded that the government implement the Land Acquisition, Rehabilitation and Resettlement Act, 2013, for KSEZ. Job cards should be issued to all the eligible youth. Nearly 30-40 per cent of villagers depend on daily wages and farmers who own land work in their fields.

Present Status

Farmers who handed over lands but still cultivating them and those refused to hand over the lands are in a quandary as uncertainty prevails over the ownership of lands for more than a decade. It has been nearly a decade since lands have been acquired forcibly from the first batch of farmers who gave the lands for a meager compensation of Rs 1.5 lakh. A second section of farmers have sold their lands for a compensation of Rs 3 lakh an acre. These two sections of farmers are still cultivating the lands which they have handed over. Land titles are on the names of the farmers, but they are denied to have access and also sell the lands. Farmers whose children have grown up are the most affected as they cannot sell the land to marry off their daughters. Another important aspect is that the land cost has quadrupled over the period of time. The farmers are now demand that the government pay the compensation as per the present market value, according to the LARR Act, 2013.

The issue that has come up for discussion in the present AP Assembly, Public Accounts Committee (PAC) conducted a social audit into KSEZ at Kakinada collectorate in August 2015 and presented a statement to the government. Various leaders including Telugu

Desam leader Thota Trimurthy openly came against the KSEZ stating that it is doing injustice to farmers.

Different sections of leaders, belonging to ruling party leaders, YSR Congress, CPI, BJP and who are in opposition and disgruntled elements within the ruling party are extending support to anti-KSEZ movement, keeping their political prospects in mind. Their actions are sending mixed signals to people.

Conclusion

The movement may have several mistakes, loopholes and drawbacks, but the biggest achievement and success of the agitation is to keep the issue alive even after 12 years of its inception. Those who are in opposition and in ruling are changing roles, and depending upon the situation, leaders support is taken. The movement is based on justice. Help is taken from different quarters for the purpose with the belief that once financial assistance reaches the agitators, it becomes clean money.

NGOs have withdrawn from the movement as already enough training has been given to farmers and geared the population towards the movement and has succeeded in this endeavor to a greater extent. The issue was highlighted and has drawn national attention. Negotiations were organized with the TD leaders over the compensation and the land acquisition. Now fresh round of negotiations are in progress with TD leaders giving an assurance while in opposition that it would cancel KSEZ and return lands after coming to power. There is a need for all like-minded people with social concern including intellectuals, social activists and socially conscious people from various political parties to come forward for a broader discussion on the issue and look KSEZ issue with business perspective but with development and food security and devastation aspects. A proper mechanism has to be evolved on the exact extent of land needed for setting up of industries and factories instead of making it a real estate venture.

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AWARENESS AMONG ADOLESCENT GIRLS OF JAMMU DISTRICT REGARDING UNSAFE ABORTIONS: AN INTERVENTIONAL STUDY

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Abstract

The Present study is conducted to assess the awareness among Adolescent Girls regarding Unsafe Abortions. Adolescents are creative, energetic and challenging. As adolescence is considered as a period of transition from childhood to adulthood. They are no longer children yet not adults. It is characterized by rapid physical growth, significant physical, emotional, psychological and spiritual changes. So, it is a transitional period that requires special attention and protection. The results revealed that most of the adolescent girls were not aware and their knowledge regarding unsafe abortions was very low. From the results it is clear that very few (19% & 34%) of adolescent girls in both Government and Private schools knew the meaning of unsafe abortion, but after the intervention their knowledge increased to (76% & 88%) respectively and this change was highly significant. Mean scores of Govt. School and Pvt. School was (2.35 and 3.04) respectively. After intervention the scores of the respondents increased to (5.56 and 6.46) in both setting. Mean score of Rural Area and Urban Area was (4.83 and 7.22) respectively. It is seen that adolescents faces many physical changes as well as behavioral changes, and majority of them still do not have proper access to information and suitable guidance from their environment especially, from their elders at home and teachers in schools.

Key Words : Adolescent , Girls, Abortion, Unsafe Abortion, Urban Area, Rural Area.

Introduction

Many adolescent girls become brides, get pregnant, and have children before they are physically, emotionally, and socially mature enough to be mothers. Married or unmarried, adolescent girls become pregnant for different reasons. For some pregnancy is accidental and the results of experimenting with sexually or lack of knowledge about how to prevent conception. Therefore they face situations in which they seek to abort because of societal pressures or because sometimes their physical health did not allow them to conceive. Every year, an estimated 2.0–4.4 million adolescents resort to abortion. In comparison with adults, adolescents are more likely to delay the abortion, resort to unskilled persons to perform it, use dangerous methods and present late when complications arise. Despite the availability of safe and highly effective methods of abortion, unsafe abortions continue to be widespread, nearly all in developing countries. The latest estimates from the World

Health Organization put the figure at 21.6 million unsafe abortions worldwide in 2008, up from 19.7 million in 2003, a rise due almost entirely to the increasing number of women of reproductive age globally. No substantial decline was found in the unsafe abortion rate globally or by major region; the unsafe abortion rate of 14 per 1,000 women aged 15–44 years globally remained the same from 2003 to 2008. Some 47,000 women per year are estimated to lose their lives from the complications of unsafe abortion, almost all of which could have been prevented through better access to sexuality education, fertility awareness, contraception and especially safe abortion services.

Objectives of the Study

1. To assess the awareness on unsafe Abortions among Adolescent Girls from rural and urban area of Jammu District.
2. To assess the awareness regarding Unsafe Abortions among Adolescent Girls from Government and Private Schools of Jammu District.

RESEARCH METHODOLOGY

Sample size

The sample consisted of a total 200 school going adolescent girls from Gandhi Nagar educational zone. Hundred girls were from Rural area (50 from Government school and 50 from Private school) and hundred girls were from Urban area (50 from Government school and 50 from Private school).

Sampling technique

The sample was collected from Jammu District. Gandhinagar educational zone was purposively selected for the study. The Rural area “Sunjwan” and the Urban area “Gandhinagar” were included in the study by convenient sampling technique. Two schools (one Government and one Private) were selected by systematic random sampling (fish bowl method) from each area. And the adolescent girl students were selected from the school enrolment register by random sampling technique.

Criteria for Sample Collection:

- **Gender:** Only girls were selected for the sample.
- **Age:** Girls in the age group of 13-18 years.
- **Education:** Only girls studying in 8th, 9th and 10th classes.
- **Ecological setting:** The study was conducted in Government and Private schools of Rural and Urban areas of Jammu District.

TOOLS TO BE USED:

QUESTIONNAIRE:- Self devised Questionnaire was used for data collection.

AWARENESS AMONG ADOLESCENT GIRLS ABOUT ABORTION

Table- 1: Awareness on meaning of abortion.

N=200

	Meaning of abortion								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	6	12	38	76	13	26	32	64	19	70	8.09**
Pvt. N=100	15	30	38	76	24	48	47	94	39	85	7.30**
Total	21		76		37		79				
Z-test	8.73**				6.66**						

**** Highly significant**

Table 1 Depicts the Awareness of adolescent girls regarding “meaning of abortion which means removing fetus from uterus”.

- The above table depicts that very few (19% & 39%) of adolescent girls in both Government and Private schools knew the meaning of abortion, but after the intervention their knowledge increased to (70% & 85%) respectively and this change was highly significant.
- Similarly the knowledge of the school going adolescent girls in both Rural and Urban school increased from (21% & 37%) to (76% & 79%) respectively and this change was highly significant.

Table- 2: Awareness on legal abortion.

N=200

	Legal abortion								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	7	14	39	78	17	34	34	68	24	73	7.77**
Pvt. N=100	14	28	46	92	19	38	48	96	33	94	9.68**
Total	21		85		36		82				
Z-test	10.15**				7.30**						

**** Highly significant**

Table 2 Depicts the Awareness of adolescent girls regarding abortion and it mainly focuses on “legal abortion that include abortions done because foetus and mother’s life is at risk & when there are complications during pregnancy”.

- Only (24% & 33%) adolescent girls in both Government and Private schools knew in which situations one should get abortion done legally but after the intervention

their Awareness increased to (73% & 94%) respectively and this change was highly significant.

- Similarly the Awareness of school going adolescent girls in both Rural and Urban schools increased from (21% & 36%) to (85% & 82%) respectively and this change was highly significant.

Table- 3: Awareness on safe abortion N=200

	By whom one should get the abortion done								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	39	78	42	84	40	80	45	90	79	87	1.81#
Pvt. N=100	46	92	50	100	46	92	50	100	92	100	3.33**
Total	85		92		86		95				
Z-test	1.59#				2.90**						

Not significant

** Highly significant

Table 3 depicts the Awareness of adolescent girls regarding safe abortion and this mainly focuses on “By whom one should get abortion done”.

- It is clearly depicted in the above table that majority (79% & 92%) of adolescent girls in both Government and Private schools knew that one should get the abortion done by the doctors only under their supervision and care, but after the intervention their knowledge only increased to (87% & 100%) respectively which was not significant.
- Similarly the knowledge of school going adolescent girls in both Rural and Urban areas increased from (85% & 86%) to (92% & 95%) respectively and it was very low significant. This shows that these school going adolescent girls from these respective areas already knew that one should get the abortion done by the doctors only.

Table -4: Awareness on safe abortion period N=200

	When one should get the abortion done								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	6	12	41	82	10	20	42	84	16	83	10.63**
Pvt. N=100	5	10	49	98	10	20	43	86	15	92	12.22**
Total	11		90		20		85				
Z-test	11.28**				10.31**						

** Highly significant

Table 4 depicts the Awareness of adolescent girls regarding safe abortion and this mainly focuses on “When one should get abortion done safely”. It reveals their knowledge that safe abortion period is 90 days after conceiving.

- The above depicts that very few (16% & 15%) adolescent girls in both Government and Private Schools knew about safe abortion period, but after the intervention their Awareness increased to (83% & 92%) respectively and this change was highly significant.
- Similarly the Awareness of school going adolescent girls in both Rural and Urban areas increased from (11% & 20%) to (90% & 85%) respectively and this change was highly significant.

Table -5: Awareness on meaning of unsafe abortion N=200

	Meaning of unsafe abortion								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	12	24	38	76	7	14	38	76	19	76	9.04**
Pvt. N=100	15	30	46	92	19	38	42	84	34	88	8.57**
Total	27		84		26		80				
Z-test	9.04**				8.57**						

**** Highly significant**

Table 5 depicts the Awareness of adolescent girls regarding meaning of unsafe abortion that means when unsterilized equipments are used & when abortion is done by untrained staff or dais.

- From the above table it is clear that very few (19% & 34%) of adolescent girls in both Government and Private schools knew the meaning of unsafe abortion, but after the intervention their awareness increased to (76% & 88%) respectively and this change was highly significant.
- Similarly the awareness of school going adolescent girls in both Rural and Urban areas increased from (27% & 26%) to (84% & 80%) respectively and this change was highly significant.

▪ **Table -6: Awareness on consequences of unsafe abortion N=200**

	consequences of unsafe abortion								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	30	60	41	82	7	14	39	78	37	80	6.82**
Pvt. N=100	15	30	50	100	44	88	49	98	59	99	7.40**
Total	45		91		51		88				
Z-test	7.30**				5.87**						

**** Highly significant**

Table 6 depicts the awareness of adolescent girls regarding consequences of unsafe abortion such as uterus gets weak, complications for next pregnancy and health risk of the mother.

- The above table depicts that (37% & 59%) of adolescent girls in both Government and Private Schools knew about the consequences of unsafe abortion, but after the intervention their awareness increased to (80% & 99%) respectively and this change was highly significant.
- Similarly the awareness of school going adolescent girls in both Rural and Urban schools increased from (45% & 51%) to (91% & 88%) respectively and this change was highly significant.

Table -7: Awareness on meaning of illegal abortion

N=200

	Meaning of illegal abortion								Total		Test of significance
	Rural				Urban				B.I	A.I	Z-test
	B.I		A.I		B.I		A.I				
	N	%	N	%	N	%	N	%			
Govt. N=100	21	42	43	86	20	40	44	88	41	87	7.30**
Pvt. N=100	6	12	46	92	26	52	42	84	32	88	8.88**
Total	27		89		46		86				
Z-test	9.84**				6.34**						

**** Highly significant**

Table 7 depicts the awareness of adolescent girls regarding meaning of illegal abortion that include abortion to abort female fetus and to abort without the consent of mother.

- The above table depicts that (41% & 32%) of adolescent girls in both Government and Private schools knew about the meaning of illegal abortion, but after the intervention their awareness increased to (87% & 88%) respectively and this change was highly significant.

- Similarly the awareness of school going adolescent girls in both Rural and Urban schools increased from (27% & 46%) to (89% & 86%) respectively and this change was highly significant.

Table- 8: Scoring of Awareness regarding abortion N= 200

	Awareness of adolescent girls regarding abortion					
	Rural		Urban		Mean score (7)	
	B.I	A.I	B.I	A.I	B.I	A.I
Govt. N=100	1.21	2.82	1.14	2.74	2.35	5.56
Pvt. N=100	1.16	3.25	1.88	3.21	3.04	6.46
Mean score	2.37	6.07	3.02	5.95	5.39	12.02

Table 8 reveals the mean scores of respondents about awareness regarding abortion. Total scores for the section were 7 marks.

- Mean scores of Govt. School and Pvt. School was (2.35 and 3.04) respectively.
- After intervention the scores of the respondents increased to (5.56 and 6.46) in both setting.
- Mean scores of Rural Area and Urban Area was (2.37 and 3.02) respectively.
- After intervention the scores of the respondents increased to (6.07and 5.95).in both setting.

CONCLUSION

A similar study was conducted in urban and rural areas of Belgum Taluka by Purohit revealed that adolescent girls had no awareness about unsafe abortion and its complications in both urban and rural girls. In India, many girls get married at an early age and become mothers. They need counseling regarding spacing and delaying the birth of the next child. Unmarried adolescents are exposed to the risk of unwanted pregnancy and unsafe abortion, as well as the possibility of acquiring AIDS and Sexually Transmitted Infections. Family planning and contraception becomes an important health care issue among adolescents. Whereas sex education will provide some benefits, many will require contraceptive guidance and provision of suitable guidance. The results of the present study shows that the knowledge of the school going adolescent girls in both Rural and Urban school increased from (21% & 37%) to (76% & 79%) respectively and this change was highly significant. Adolescent girls in both Government and Private schools knew about one should get abortion done legally but after the intervention their knowledge increased. From the results it is clear that very few (19% & 34%) of adolescent girls in both Government and Private schools knew the meaning of unsafe abortion, but after the intervention their knowledge increased to (76% & 88%) respectively and this change was highly significant. Mean scores of Govt. School and Pvt. School was (2.35 and 3.04) respectively. After intervention the scores of the respondents increased to (5.56 and 6.46) in both setting.

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CAUSAL RELATIONSHIP BETWEEN FIIs AND STOCK MARKET INDICES IN INDIA

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Abstract

The Foreign Institutional Investors (FIIs) have emerged as noteworthy players in the Indian stock market and their growing contribution adds as an important feature of the development of stock market in India. To facilitate foreign capital flows, developing countries have been advised to strengthen their stock market. As a result, the Indian stock markets have reached new heights and became more volatile making the research work in this dimension of establishing the link between FIIs and stock market volatility. This study is an attempt made to analyse the relationship between FIIs and impact on S&P CNX Nifty and BSE Sensex in India. By applying the tests like Augmented Dickey-Fuller (ADF) test, Phillips-Perron test, Kwiatkowski-Phillips-Schmidt-Shin test, Granger Causality test and Johansen co-integration test, relationship between FIIS and Indian stock market indices (NIFTY & SENSEX) were resoluted for data between 1st January, 2008 to 31st December 2016. Augmented Dickey-Fuller (ADF) test, Phillips-Perron test has reported two series to be non-stationary at level and thus it is first difference(1), the series are turned to be one of stationary. The empirical test of Granger causality test indicates that the FIIs Investments does not affect the Nifty & Sensex in the short run. Johansen co-integration test shows that bidirectional relationship exists between FIIs and Nifty & Sensex.

Introduction

Indian economy has been one of the stars of global economy in recent years, growing at around 8 per cent consistently. This growth has been supported by market reforms, huge inflows of FIIs, real estate booms and a flourishing capital market. The Indian security market in the last decade witnessed a significant transformation it has developed and grown simultaneously. As well as grown voluminously on several counts such as number of brokers, intuitional investors, number of listed companies, market capitalization, trading volume and turnover on stock exchange. India, after United States hosts the largest number of listed companies. Global investors now ardently seek India as their preferred location for investment. Once viewed with scepticism, stock market now appeals to middle class Indians also. Many Indians working in foreign countries now divert their savings to stocks. This recent phenomenon is the results of opening up of online

trading and diminished interest rates from banks. The stock brokers based in India are opening offices in different countries mainly to cater the needs of Non-Resident Indians.

The Securities and Exchange Board of India (SEBI) is the statutory body that controls and regulates the Functioning of stock exchanges, brokers, sub-brokers, portfolio manager's investment advisors etc. Many foreign Institutional investors (FII) are investing in Indian stock markets on a very large scale. Positive trading about the Indian economy combined with a fast-growing market have made India an attractive destination for foreign institutional investors.

Foreign Institutional Investors (FII) is defined as an institution organized outside of India for the purpose of making investments into the Indian securities market under the Regulations prescribed by SEBI. FII include "Overseas pension funds, mutual funds, investment trust, asset management company, nominee company, bank, institutional portfolio manager, university funds, endowments, foundations, charitable trusts, charitable societies, a trustee or power of attorney holder incorporated or established outside India proposing to make proprietary investments or investments on behalf of a broad-based fund. FIIs can invest their own funds as well as invest on behalf of their overseas clients registered as such with SEBI. These client accounts that the FII managers are known as 'sub-accounts'. A domestic portfolio manager can also register itself as an FII to manage the funds of sub-account.

REVIEW OF LITERATURE:

In India, the purchase of domestic securities by FIIs first allowed in September 1992 as part of the liberalisation process that followed the balance of payment crisis in 1990-91. Now days, a significant portion of Indian corporate sector's securities are held by Foreign Institutional Investors, such as pension funds, mutual funds and insurance companies. These investors are often viewed as sophisticated investors as these institutional investors are better informed and better equipped to process information than individual

Chakrabarti (2001) conducted the pair-wise Granger Causality tests between FII inflows and returns on the BSE National Index. He found that portfolio investment from FIIs was more an effect than a cause of market returns in India

Stanley Morgan (2002) has examined that FIIs have played a very important role in building up India's forex reserves, which have enabled a host of economic reforms. The study notes that FII strongly influence short term market movements during bear markets. However, the correlation between returns and flows reduces during bull markets as other market participants raise their involvement reducing the influences of FIIs. The study shows that the correlation between foreign inflows and market returns is high during bear and weakens with strengthening equity prices due to increased participation by other players.

Mukherjee, Bose and Coondoo (2002) studied the cause-and-effect relationship between FII flows and returns on the Indian equity market. They found that FII flows to and from

the Indian market tend to be caused by returns in the domestic equity market and not the other way round.

Gordon and Gupta, (2003) found causation running from FII inflows to return in BSE. They observed that FIIs act as market makers and book profits by investing when prices are low and selling when they are high. Hence, there are contradictory findings by various researchers regarding the causal relationship between FII net inflows and stock market capitalization and returns of BSE/ NSE. Therefore, there is a need to investigate whether FIIs are the cause or effect of stock market fluctuations in India.

Sivakumar S (2003) has analyzed the net flows of foreign institutional investment over the years, it also briefly analyses the nature of FII flows based on research, explores some determinants of FII flows and examines if the overall experience has been stabilizing or destabilizing for the Indian capital market.

The Impact of FII in equity investment behaviour in stock market was examined by Karimullah (1997-2007). He attempted to find out two way causes between behaviour and performance of Indian stock market. He researched about the idea, that financial liberalization increases the efficiency of financial market and permission of FIIs equity investment are an important example of financial liberalization. Apart from net investment of FII's the purchase and sale behaviour of FIIs were also analyzed in the study.

Agarwal, Chakrabarti et al (2003) have found in their research that the equity return has a significant and positive impact on the FII. But given the huge volume of investments, foreign investors could play a role of market makers and book their profits, i.e., they can buy financial assets when the prices are declining thereby jacking-up the asset prices and sell when the asset prices are increasing. Hence, there is a possibility of bi-directional relationship between FII and the equity return.

Roy (2007) explored the basic motives behind foreign portfolio capital flows into India. He found that they are primarily driven by capital gains, and in the Indian case, by the change in stock prices. The study further revealed that stock prices are causing net foreign portfolio inflows and not vice-versa. Further, he found bi-directional causality between the exchange rate and net foreign portfolio inflows.

Verma and Prakash (2011) found that the interest rate sensitivity of FII flows is not statistically significant and concluded that the BSE Sensex is a major pull factor for these flows into the domestic financial markets.

Objectives of the Study

To test the stationarity of the FIIs Investments in Indian Stock market

To examine directional effect among the FIIs Investments in CNX Nifty and SENSEX

To find out the relationship between the FIIs Investment and Indian stock market

Research Methodology

The present study is directed towards analysing the Causal between FIIs, S&P CNX Nifty and SEXSEX. The frequency of data is kept at Monthly level and time span of the study is taken from 1st January, 2008 to 31st December 2016. The series of data have been collected from the websites of www.nseindia.com, www.sebi.gov.in.

Following Econometric Models were used for Analysis

- Unit root test,
- Granger causality test, and
- Johansen co integration test

UNIT ROOT TESTS

Augmented Dickey-Fuller (ADF) Test

The standard DF test is carried out by estimating the following Equation after subtracting y_{t-1} from both sides of the equation:

$$\Delta y_t = \alpha y_{t-1} + \beta \Delta x_t + \epsilon_t,$$

where $\alpha = \rho - 1$. The null and alternative hypotheses may be written as,

$$H_0: \alpha = 0$$

$$H_1: \alpha < 0$$

The Phillips – Perron test

The Phillips – Perron test is carried out by estimating the following equation

$$\nabla y_t = \alpha y_{t-1} + u_t$$

Where y_t is the time series data under consideration.

The KPSS (1992) Test is based on the residuals (ϵ_t) from an ordinary least square regression of the variable of interest on the exogenous variable(s) as follows:

$$Y_t = X_t' \beta + \epsilon_t \quad (2)$$

where Y_t is the variable of interest (real exchange rate) and X_t is a vector of exogenous variable(s). The Lagrange Multiplier (LM) statistic used in the test as follows:

$$TM = T^{-2} \sum_{t=1}^T S(t)^2 / f_0$$

where T is the sample size, $S(t)$ is the partial sum of residuals which is calculated as

$$S(t) = \sum_{r=1}^t \epsilon_r$$

Here ϵ_t is the estimated residual from (3.1). f_0 is an estimator of the residual spectrum at frequency zero. This statistic has to be compared with KPSS et al. (1992) critical values.

Granger causality test

The test was carried out to identify the directional effect of selected indices. To test for Granger causality, the following two equations were estimated.

$$Y_t = \sum_{i=1}^m \alpha_i Y_{t-i} + \sum_{i=1}^m \beta_i X_{t-i} + u_t$$

$$X_t = \sum_{i=1}^m \gamma_i Y_{t-i} + \sum_{i=1}^m \delta_i X_{t-i} + e_t$$

Johansen cointegration test

The condition for testing Johansen cointegration test for any time series data is that the data should be non stationary at their level i.e. the natural logarithm of time series data should be non stationary and the first difference in the data should be stationary. If the return indices of different markets are correlated, the value may rise or fall. On the other hand, if the time series data are cointegrated, then the series in the long run will come to equilibrium point.

EMPIRICAL RESULTS

Descriptive statistics results

Figure 1 and 3 reveals that the variables considered in the scope of the study are examined, the average values of variables were found to be FIIs Net Investment (4980.689), Nifty (6040.068) and Sensex (19618.03), standard deviation values are found as FIIs Net Investment (10208), Nifty (1590.524) and Sensex (5141.867), When average values of the variables are considered in terms of the case that data distributed normally in full, but are dispersed close to normal distribution as the median values of variables are very close to average values.

Following values were found: skewness value of FIIs Net Investment (0.078857), kurtosis value (2.501432), Jarque-Bera value (1.230495), Nifty (0.141116), kurtosis value (2.281423), Jarque-Bera value (2.682037) and Sensex (0.207561), kurtosis value (2.333904), Jarque-Bera value (3.080049). It has been found that FIIs Net Investments, Nifty and Sensex variables are skew (inclined) and oblate in the negative direction.

Figure 1: Descriptive statistics of Net FII Investments during January 2008 to December 2016

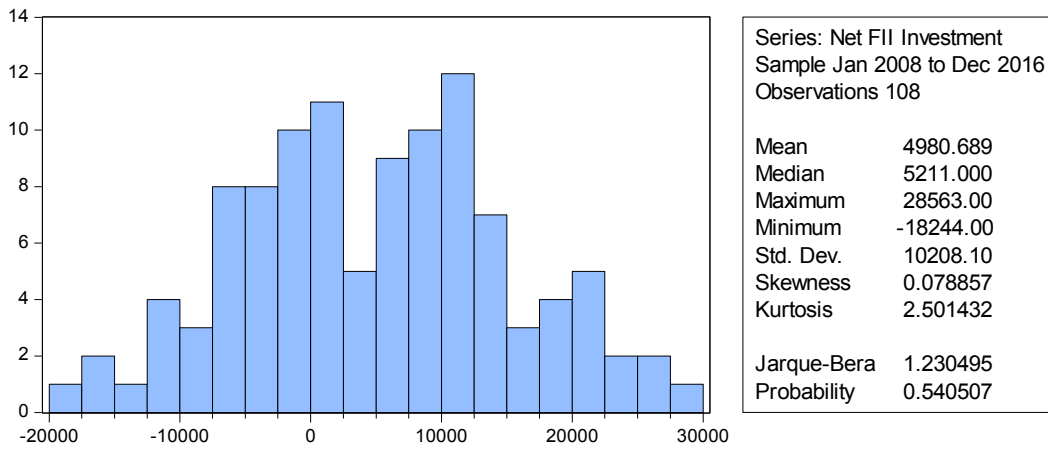


Figure 2: Descriptive statistics of CNX Nifty during January 2008 to December 2016

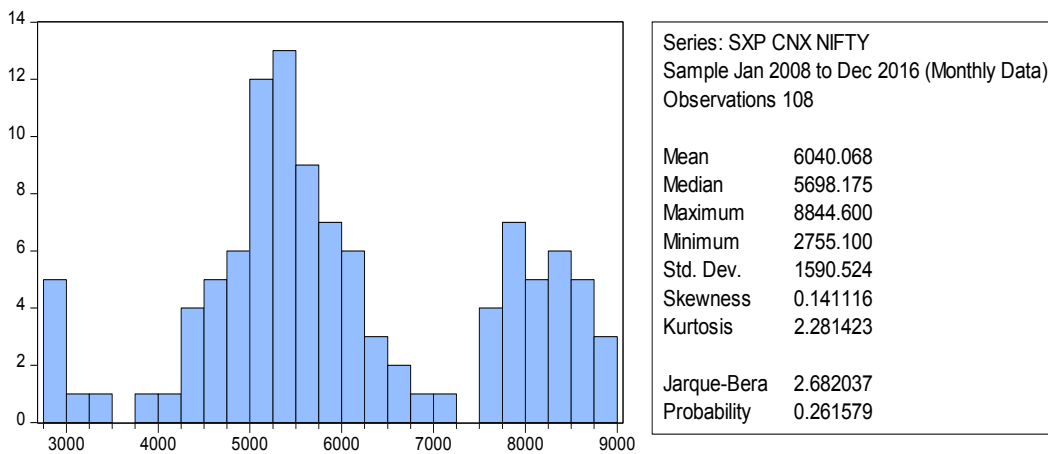
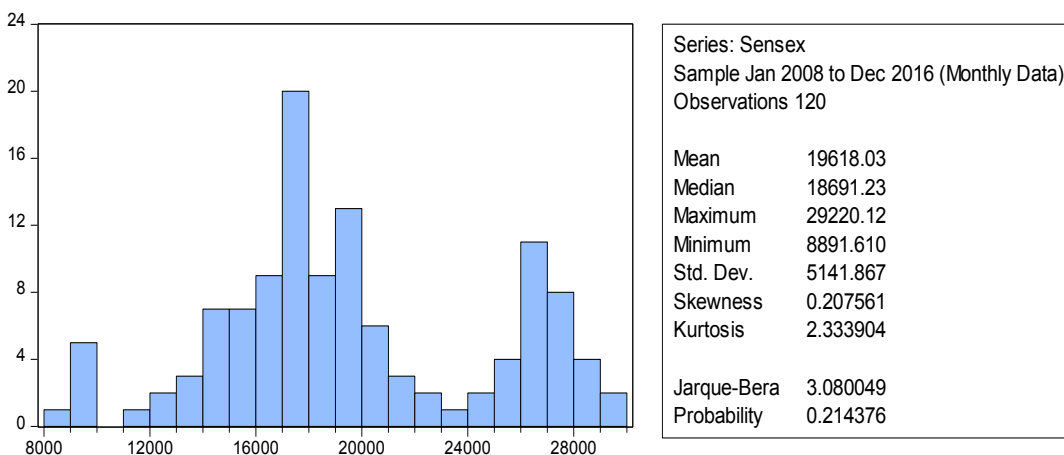


Figure 3: Descriptive statistics of Sensex during January 2015 to December 2016



Tables 1 to 3 present the results of the unit root test. Augmented Dickey Fuller test, Phillips-Perron (P-P) Test and Kwiatkowski-Phillips-Schmidt-Shin test results with drift and trend. All the three series were found to be non-stationary at level (0) except KPSS test but were found to be stationary at first difference at (1). This makes the data eligible for applying co-integration test.

Table: 1 Augmented Dickey-Fuller test

Variable	Augmented Dickey-Fuller test statistic		Order of integration critical values at 5% level = -2.88
	Level	1 st Difference	
Nifty	-0.730212	-10.44613	Stationary at 1 st difference
Sensex	-1.035543	-10.84877	Stationary at 1 st difference
Net FII Investment	-6.476691	-11.44313	Stationary at both its level and 1 st difference

Note: ADF Test critical values: 5% level-2.88, Data: Computed of Data

Table- 2: Phillips-Perron test

Variable	Augmented Dickey-Fuller test statistic		Order of integration critical values at 5% level = -2.88
	Level	1 st Difference	
Nifty	-0.804737	-10.4516	Stationary at 1 st difference
Sensex	-1.156742	-10.87404	Stationary at 1 st difference
FII Investments	-6.490861	-27.24728	Stationary at both its level and 1 st difference

*Note: PPTest critical values: 5% level-2.88,
Data: Computed of Data*

Table-3: Kwiatkowski-Phillips-Schmidt-Shin test

Variable	Augmented Dickey-Fuller test statistic		Order of integration critical values at 5% level = -2.88
	Level	1 st Difference	
Nifty	1.001339	0.094983	Stationary at 1 st difference
Sensex	1.062728	0.049254	Stationary at 1 st difference
Net FII Investment	0.177310	0.500000	Stationary level

KPSS Test critical values: 5% level 0.463000, Data: Computed of Data

Table 4: showing the Granger causality test results

Null Hypothesis:	F-Statistic	Prob.	Decision
Net FII Investments does not Granger Cause of Nifty	0.23392	0.7919	No Causality
Nifty does not Granger Cause of Net FII Investments	1.06807	0.3475	
Net FII Investments does not Granger Cause of Sensex	0.11915	0.8878	No Causality
Sensex does not Granger Cause Net FII Investments	0.72052	0.4890	

Table 4 shows the results of Pairwise granger causality test between FIIs Net Investments, Nifty and Sensex. It is revealed from the test that the F-value is 0.23392 and p-value is 0.7919 (7.919) which shows that Net FII Investments does not Granger Cause of Nifty and Nifty does not Granger Cause of Net FII Investments at 5% level of significance. It is also observed that F-value is 0.11915 and p-value is 0.8878 (8.878) which shows that Net FII Investments does not Granger Cause of Sensex and Sensex does not Granger Cause of Net FII Investments at 5% level of significance. It is observed that there is a unidirectional relationship FIIs Net Investments, Nifty and Sensex.

Table 5: showing the Johnsen cointegration test results (lags interval: 2)

Variables	Hypothesized No.of CE(s)	Eigen Value	Trace Test			Maximum Eigen Value test		
			Test Sta.	P. Value**	Critical value at 5%	Test Sta.	P. Value **	Critical value at 5%
Nifty and Net FII Investments	H0:r=0(None)	0.178782	21.50867	0.0055	15.4947	20.28735	0.0050	14.2646
	H1:r≤1 At Most 1	0.011786	1.221137	0.2691	3.84147	1.221137	0.2691	3.84147
Sensex and Net FII Investments	H0:r=0(None)	0.120402	14.89980	0.0613	15.4947	13.21389	0.0728	14.2646
	H1:r≤1 At Most 1	0.016235	1.685908	0.1941	3.84147	1.685908	0.1941	3.84147

Table 5 presents the results of Johansen’s (1991) of co-integration test which depicts two co-integrating equations which are highly significant at 5 percent level of significance as per trace test and maximum eigen value test. First null hypothesis is ‘none’ which means that there is no co-integration equation among the variables. The value of trace-statistics is more than critical value study can reject null hypothesis. Here the value of trace statistics is 21.50867 and critical value at 5% is 15.49471. The trace statistics is more than the critical value means that we can reject the null hypothesis. Here the probability value is very small than is less than 0.05 so we can reject the null hypothesis of ‘none’. Thus the three variables of the study has long run equilibrium relationship between them.

CONCLUSION:

The Study examined casual relationship between FIIs and Stock Market Indices in India (Nifty & Sensex). The monthly data which is collected from NSE website, BSE website and SEBI for the period from 1st January 2008 to 31st December, 2016 and unit root properties of the data were examined using the Augmented Dickey Fuller test (ADF), Phillips-Perron (PP) Test and Kwiatkowski-Phillips-Schmidt-Shin test results suggests that all series were found to be non-stationary at level (0) except FIIs but were found to be stationary at first difference. A Granger causality result indicates that FIIs net Investment does not cause Nifty and Sensex movements. Johansen Co-integration test proved that both FIIs investments and Nifty and Sensex Indices observe strong and stable long-run relationship.

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A STUDY ON VIOLATION OF WOMEN RIGHTS IN INDIA

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Abstract

India is a multiparty, federal, parliamentary democracy with a bicameral parliament. The principle of gender equality is enshrined in the Indian Constitution in its Preamble, Fundamental Rights, Fundamental Duties and Directive Principles. The Constitution not only grants equality to women, but also empowers the State to adopt measures of positive discrimination in favour of women. The Constitution of India grants Fundamental Rights, ensure equality before the law and equal protection of law, prohibits discrimination against any citizen on grounds of religion, race, caste, sex or place of birth, and guarantee equality of opportunity to all citizens in matters relating to employment. The women in India very often have to face discrimination, injustice and dishonour. Though women in India have been given more rights as compared to men, even then the condition of women in India is miserable. However, women often denied of their right to freedom at form part of everyday life such as freedom of movement, access to education and participation in decision-making process. There are many barriers to equality between the sexes. Important factors include gender stereotyping violence against women, social and cultural attitudes, and discriminating laws and practices. Women throughout the world live in constant fear and conditions of deprivation very often for their simple reason that they are women. Violation of women rights is one of the most direct expressions of the power imbalance between men and women. Therefore, any attempt to assess the status and problem of women in a society should start from the social framework; social structure, cultural norms, and value systems are crucial determinants of women's role and their position in society. In respect of the status there is a gap between the theoretical possibilities and their actual realization.

Key words: Women, Human Rights, Constitution, Women Right, India

Introduction

India is a pluralistic, republic, multilingual, and a parliamentary system consisting of 29 states and 7 union territories. The country has made considerable progress since independence, economic reform and liberalization measures over the 1990s have led to strong economic growth, increased exports and reduced inflation . Despite major changes that have occurred in the status of women in some parts of the world in recent decades, norms that restrict the women to the home are still powerful in India, defining activities that are deemed appropriate for women. They are, by and large, excluded from political life, which by its very nature takes place in a public forum. Women are under-represented

in governance and decision-making positions. Throughout history, women have generally been restricted to the role of a home-maker; that of a mother and wife. The Indian Constitution guarantees women equality before the law and the equal protection of laws under Article 14 and prohibits discrimination on grounds of sex under Article 15. Despite these guarantees, the position of women in India remains unequal. Women rights violation in India included rape, domestic violence, dowry-related deaths, honor killings, sexual harassment, and discrimination against women remained serious problems. Child abuse and child marriage, trafficking in persons, including widespread bonded and forced labour of children and adults, child prostitution, and forced adult prostitution, are also considered as serious problems in India. The official statistics showed a declining sex-ratio, health status, literacy rate, work participation rate and political participation among women. While on the other hand the spread of social evils like dowry deaths, child marriage, domestic violence, rape, sexual harassment, exploitation of women workers are rampant in different parts of India. Humiliation, rape, kidnapping, molestation, dowry death, torture, wife-beating etc. have grown up over the years.

Legal Provisions for women in India

The Constitution of India provided equality to men and women and also gave priority on special protection to women to realise their interests effectively. Special laws were enacted to prevent indecent representation of women in the media and sexual harassment in workplaces. The law also gives women equal rights in the matter of adoption, maternity benefits, equal pay, good working conditions etc. At the international level, the UN Charter, the Universal Declaration of Human Rights and Convention on Elimination of All Forms of Discrimination against Women (CEDAW) sought to guarantee better legal status to women. The law also provides women with the right to police assistance, legal aid, shelter, and medical care. The Crimes Identified Under the Indian Penal Code (IPC) 1. Rape (Sec. 376 IPC) 2. Kidnapping & Abduction for different purposes (Sec. 363-373) 3. Homicide for Dowry, Dowry Deaths or their attempts (Sec. 302/304-B IPC) 4. Torture, both mental and physical (Sec. 498-A IPC) 5. Molestation (Sec. 354 IPC) 6. Sexual Harassment (Sec. 509 IPC) 7. Importation of girls (up to 21 years of age)

Violation of Women Rights in India Violation of Right to Equality

Discrimination against the girl child starts the moment she enters into the mother's womb. Gender discrimination, female feticide and female infanticide. Is common in India, so here 'right to life' is denied to women. In India, men are always assumed to be superior to women and are given more preference. A girl is considered a burden by parents and they preferred male child because they think only male child is able earn for family and the sources of family income will increase. Since a girl child would be going to her husband's place upon marriage, the parents do not want to waste their resources on her upbringing. Again the demand for large dowry and the huge wedding expenses caused a lot of hardship to the parents. So, the parents preferred a male child as they would be able to bring in large dowry.

Violation of Right to education

Right to Education is the basic fundamental human right. The literacy rate in 2011 census was 74.04%: 65.46% among females and 82.14% among males. The position of women's education in India is bad shape. Specially in rural India women are not aware even the value of education in fact they give more preference on their male child education. Due to large percentage of uneducated women in India, they are not even aware of their basic human rights and can never fight for them. Though female employment rate is high in rural areas, they were engaged mainly in unskilled job but in urban areas due to better education were engaged in variety of jobs. Education especially female education is a major factor influencing health. It leads to better utilization of health care and greater community/ political participation.

Violation of Women Rights in India

Rasida Begum There was numerous reports of schools refusing admission or denying entry to underprivileged students. Across the country more than eight million children between six and 14 years of age remained out of school. UNICEF estimated that school attendance among girls dropped from 86 percent in primary school to 59 percent in secondary school. Potential causes included family pressure, lack of secondary schools in rural areas, and poor quality of school facilities, including a lack of dedicated sanitation facilities for girls.

Violation of Political Right

The political status of women in India is very unsatisfactory, particularly their representation in higher political institutions. In rural India specially among Muslim, they are not even permitted to go for their valuable vote though they are citizen of India. Their political Rights are denied and the representation of women in political participation is very low. The government has made 33% reservation of seats for women in Parliament and Provincial Legislation but inspite of willingness of women they don't get their family support for contrasting election.

Violation of Right to Property

In most of the Indian families, women do not have own property in their own names and unable to share the parental property. Though, women have been given rights to inheritance, but the sons had an independent share in the ancestral property, while the daughter's shares were based on the share received by the father. Hence, father could anytime disinherit daughter by renouncing his share but the son will continue to have a share in his own right. The married daughters facing harassment have no rights in ancestral home.

Violation of Right to reproductive Health

According to the 2012 UN Population Fund State of World Population Report, the maternal mortality ratio was 200 deaths per 100,000 live births in 2010. The major factors influencing the high maternal mortality rate were lack of adequate nutrition, medical care, and sanitary facilities. Most of the women suffer from anaemia, low weight due to the

inferior quality diet. Though women make cook but still they have to take meal after male member in the family. According to the World Bank report, malnutrition is the major cause of female infertility. Boys are given more nutritious foods like milk, eggs, butter, ghee, fruits, and vegetables as compared to girls. Lack of healthcare facilities and poverty has been resulting in India accounting for 27% of all maternal deaths worldwide.

Violation of Right to Equal Opportunity for Employment and Right to Get Equal Wages for Equal Work

The law prohibits discrimination in the workplace, but employers paid women less than men for the same job, discriminated against women in employment is common problem in India. Indian labour market is adverse to women workers. It shows that, the role of women in large scale industries and technology based businesses is very limited. But even in the small- scale industries their participation is very low. Only 10.11% of the micro and small enterprises are owned by women today. Statistics show that only 15% of the senior management posts are held by the women. Women mostly work in light industries as they are unsuitable for work in heavy industries. Also, most of the women work in unorganized sector where the wages tends to be very low. About 94% of the total working women are in unorganized sector (ICSSR, Status of Women in India, 1971-74, p.63.). Crimes Against Women in India: Although women may be victims of any of the crimes such as 'Murder', 'Robbery', 'Cheating' etc, the crimes, which are directed specifically against women, are characterized as 'Crime against Women'. Crimes against women occur every minute; every day and throughout the year, though several such crimes go unreported. A total of 2,44,270 incidents of crime against women (both under IPC and SLL) were reported in the country during the year 2012 as compared to 2,28,650 in the year 2011 recording an increase of 6.4% during the year 2012. These crimes have continuously increased during 2008 - 2012 with 1,95,856 cases in the year 2008, 2,03,804 cases in 2009 and 2,13,585 cases in 2010 and 2,28,650 cases in 2011 and 2,44,270 cases in the year 2012. Women and girls in urban India are also at high risk of gender-based violence. In Delhi, the country's capital, a scan of daily newspapers reveals shocking numbers of cases of violence against women. Assam has reported the highest rate of crime against women at 89.5 during the year 2012 as compared to 41.7 crime rate at the national level. The table below represents a list of top 5 most dangerous cities in India in terms of crimes against women.

Rank	Name of the City	Percentage of Crimes Against Women in Indian Cities
1 st	Delhi	16
2 nd	Hyderabad	8.1
3 rd	Bangalore	6.5
4 th	Ahmadabad	6.4
5 th	Mumbai	5.8

Source: crimes in India – 2010, NCRB, Ministry of Home Affairs

Child Marriage

Another serious problem that women faced was that of child marriage. Early marriage affected the growth and development of the children. Fixing the minimum age of marriage of men and women by law was voiced as early as the mid-19th century by Ishwar Chandra Vidyasagar and Keshab Chandra Sen. Vidyasagar argued that early marriage was detrimental to the health of women, their efforts, coupled with that of Mahatma Gandhi, resulted in the passing of the Child Marriage Restraint Act, 1929.

Women Trafficking In India

Indian Constitution prohibits all forms of trafficking under Article 23. It has been observed poor helpless families and tribal society have become the main target group of traffickers. Trafficking has become great human problem in all over human society. Trafficking in its widest sense include the exploitation girls by pushing them into prostitution, forced labour or services, slavery or practices similar to slavery and the trade in human organs. In the case of children who have been trafficked or have become victims of child marriages, it violates their right to education, employment and self determination.

Sexual Harassment and Rape Cases

Rape is recognized as a crime that typically is committed by a man forcing another person to have sexual intercourse against their will, intercourse by force (Smith 2004:169). The Government of India acted swiftly, modified laws and had set up fast-track courts to deal with the crime. It is ironical that in spite of awakening, the sexual assaults continue to rise while gender equality is enshrined in the constitution. The NCRB reported 24,206 cases of rape across the country in 2011, the latest year for which data was available; rape is considered an underreported crime. Law enforcement and legal avenues for rape victims were inadequate, overtaxed, and unable to address the issue effectively. Forty percent of all sexual abuse cases in India are incest, and 94% of the incest cases had a known member of the household as the perpetrator.

Molestation

Sexual harassment, sometimes euphemistically called “eve teasing,” remained prevalent. According to the NCRB, 8,570 cases of sexual harassment were reported in 2011, a 14 percent decline from 9,961 cases in 2010; however, there were 42,968 cases of molestation, nearly a 6 percent increase from 40,613 cases in 2010. Cases of rape and molestation remained largely unreported due to social pressure. Kidnapping & Abduction: Crimes against women were common. According to the NCRB Crime in India 2011 Statistics, there were 228,650 crimes against women in 2011, a 7 percent increase from 2010. These crimes included kidnapping and abduction, molestation, sexual harassment, physical and mental abuse, and trafficking. The NCRB noted that underreporting of such crimes was likely. The NCRB estimated the conviction rate for crimes against women to be 27 percent. Delhi recorded the highest proportion of crimes against women with 4,489 cases, followed by Bangalore, Karnataka, with 1,890.

Domestic Violence and Dowry Deaths

Globally, one out of every three women faces violence at the hands of their husbands, fathers, or brothers and uncles in their homes. The United Nations defines violence against women as any act of gender-based violence that results in, or is likely to result in, physical, sexual or psychological harm or suffering to women, including threats of such acts, coercion or arbitrary deprivation of liberty, whether occurring in public or in private life". Violence against women is perhaps the most shameful human rights violation. According to the NCRB, in 2011 there were 8,618 reported dowry deaths, mostly bridal deaths at the hand of in-laws for failure to produce a dowry. Uttar Pradesh had the highest number of dowry deaths with 2,322 cases, followed by 1,413 cases in Bihar. The NCRB reported that 23,280 persons were arrested and 6,503 persons were convicted for dowry death in 2011.

Torture (Cruelty by Husband & Relatives)

Domestic violence continued to be a problem, and the National Family Health Survey revealed that more than 50 percent of women reported experiencing some form of violence in their home. The NCRB reported that in 2011 there were 99,135 reported cases of cruelty by husband and relatives," an increase of 5.4 percent from the previous year. „Torture□ cases in the country have increased (99,135 cases) by 5.4% over the previous year (94,041 cases). 19.9% of these were reported from West Bengal (19,772 cases). The highest crime rate of 21.6 was also reported from West Bengal as compared to the National rate at 8.2. Although men, women and children can be abused, in most cases the victims are women. In every country where reliable, large-scale studies have been conducted, results indicate that between 16 and 52% of women have been assaulted by their husbands/partners.

Results and Findings of the study

The major finding of the whole study is that women are in a disadvantageous position in society both in absolute sense and relative to men in the area of access to education, employment and health care. Women face violence inside and outside their family, as well as at the workplace. The Indian girl child is disadvantaged right from birth. The sex ratio for girl children between the age of 0 and 6 years is 927, strengthening the fear that some girl children are never born nor have no opportunity to survive. In India, Most of the women do not have household decision making power, do not have freedom of movement and Women are under-represented in governance. In some states such as West Bengal, Orissa, Bihar, Assam and Arunachal Pradesh, between 63 and 85 percent of married women suffer from anaemia (IIPS, 2000 and ORC Macro 2000). Specially in rural areas it is seen that women are unaware about their rights, illiteracy is common in rural areas so most of the women has no idea regarding the schemes launched by government for protecting their rights, their skill development and welfare. So most of the rural women are engaged in unskilled work due to low education which ultimately increases disparity in rural areas. Sexual violence, domestic violence, torture, dowry deaths, rape , crime against

women is common in India. So the Violation of Women Rights is serious problem in India. It is one of the most pervasive of human rights violations, denying women and girl's equality, security, dignity, self- worth, and their right to enjoy fundamental freedoms.

Various Constitutional Provisions for Women are below

The Constitution of India not only grants equality to women but also empowers the State to adopt measures of positive discrimination in favour of women for neutralizing the cumulative socio economic, education and political disadvantages faced by them. Articles 14, 15, 15(3), 16, 39(a), 39(b), 39(c) and 42 of the Constitution are of specific importance in this regard.

1. Equality before law for women (Article 14)
2. The State not to discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them (Article 15 (i))
3. The State to make any special provision in favour of women and children (Article 15 (3))
4. Equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State (Article 16)
5. The State to direct its policy towards securing for men and women equally the right to an adequate means of livelihood (Article 39(a)); and equal pay for equal work for both men and women (Article 39(d))
6. To promote justice, on a basis of equal opportunity and to provide free legal aid by suitable legislation or scheme or in any other way to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities (Article 39 A)
7. The State to make provision for securing just and humane conditions of work and for maternity relief (Article 42)
8. The State to promote with special care the educational and economic interests of the weaker sections of the people and to protect them from social injustice and all forms of exploitation (Article 46)
9. The State to raise the level of nutrition and the standard of living of its people (Article 47)
10. To promote harmony and the spirit of common brotherhood amongst all the people of India and to renounce practices derogatory to the dignity of women (Article 51(A) (e))
11. Not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and the Scheduled Tribes) of the total number of seats to be filled by direct election in every Panchayat to be reserved for women and such seats to be allotted by rotation to different constituencies in a Panchayat (Article 243 D(3))
12. (Not less than one- third of the total number of offices of Chairpersons in the Panchayats at each level to be reserved for women (Article 243 D (4))
13. Not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and the Scheduled Tribes) of the total number of

seats to be filled by direct election in every Municipality to be reserved for women and such seats to be allotted by rotation to different constituencies in a Municipality (Article 243 T (3))

14. Reservation of offices of Chairpersons in Municipalities for the Scheduled Castes, the Scheduled Tribes and women in such manner as the legislature of a State may by law provide (Article 243 T (4))

Acts and provisions for women are as below:

Factories Act 1948: Under this Act, a woman cannot be forced to work beyond 8 hours and prohibits employment of women except between 6 A.M. and 7 P.M.

Maternity Benefit Act 1961: A Woman is entitled 12 weeks maternity leave with full wages.

The Dowry Prohibition Act, 1961: Under the provisions of this Act demand of dowry either before marriage, during marriage and or after the marriage is an offence.

The Equal Remuneration Act of 1976: This act provides equal wages for equal work: It provides for the payment of equal wages to both men and women workers for the same work or work of similar nature. It also prohibits discrimination against women in the matter of recruitment.

The Child Marriage Restraint Act of 1976: This act rises the age for marriage of a girl to 18 years from 15 years and that of a boy to 21 years.

Indian Penal Code: Section 354 and 509 safeguards the interests of women.

The Medical Termination of Pregnancy Act of 1971: The Act safeguards women from unnecessary and compulsory abortions. Amendments to Criminal Law 1983, which provides for a punishment of 7 years in ordinary cases and 10 years for custodial rape cases. 73rd and 74th Constitutional Amendment Act reserved 1/3rd seats in Panchayat and Urban Local Bodies for women.

The National Commission for Women Act, 1990: The Commission was set up in January, 1992 to review the Constitutional and legal safeguards for women.

The Protection of Human Rights Act, 1993: This Act is to provide for the constitution of a National Human Rights Commission, State Human Rights Commissions in States and Human Rights Courts for better protection of human rights and for matters connected therewith or incidental thereto. Violation of Women Rights in India Rasida Begum Volume-I, Issue-III November 2014 223 The National Plan of Action for the Girl Child (1991-2000) : The plan of Action is to ensure survival, protection and development of the girl child with the ultimate objective of building up a better future for the girl child. National Policy for the Empowerment of Women, 2001: The Department of Women & Child Development in the Ministry of Human Resource Development has prepared a "National Policy for the Empowerment of Women" in the year 2001. The goal of this policy is to bring about the advancement, development and empowerment of women. Protection of Women from Domestic Violence Act, 2005: This Act protects women from any act/conduct/omission/commission that harms, injures or potential to harm is to be considered as domestic violence. It protects the women from physical, sexual, emotional, verbal, psychological, economic abuse. Protection of Women against Sexual Harassment at

Workplace Bill, 2010: On November 4, 2010, the Government introduced protection of Women Against Sexual Harassment at Workplace Bill, 2010, which aims at protecting the women at workplace not only to women employee but also to female clients, customer, students, research scholars in colleges and universities patients in hospitals. The Bill was passed in Lok Sabha on 3.9.2012.

Suggestions

1. There is urgent need to create awareness specially in rural areas to disseminate information on legal safeguards, constitutional provisions, rights, which is provided by the Constitution of India for women. Women should be encouraged and support in their views in decision making process.
2. Strengthening the women empowerment programme which is helpful for women to participate in economic activities and for upgrading women's skills.
3. Training and professional development of women is very important for professionals who come into contact with the women issues.
4. The NGOs along with the women's organization can play a great role to eradicate the discrimination prevailing in society and to make the movement for women's rights stronger. Women should be motivated to participate in political representation.
5. A special emphasize must be given on education female child as she can stand in her own feet. There is need to educate women about the scheme, services, health and accommodation which is especially for women.
6. There is need for more research and study on the status of women which can help in establishing a society based on gender equality.
7. It is also necessary to take responsibility of society, family member, and stakeholder to mitigate violence against women. Media should play a major role organize awareness camps in the interior and remote areas to aware women about health education ,family planning, their rights , affects of early marriage , importance of female education various schemes which is for women. Media can educate and mobilize communities particularly those belonging to marginalized communities.
8. The women should be encouraged to organised themselves such as women's group, self- help group, N.G.O's etc. Some successful women's organisations can also act as catalytic agents for encouraging women's participation in social and political activities. The government should provide financial support and infrastructure to some of the successful women's organisations to take of the responsibility to safeguards the women's rights.

Conclusion

In the conclusion it can be said that in urban area women are more conscious about their rights, education and they are more empowered both economically and socially as compared with rural women. There is urgent need to create awareness in rural areas about the rights, education and government services, and schemes for improvement of their status

which is provided specially for women. There are various laws have been made by the legislature in the interests of women. The need of the hour is for the women to realize their rights and be vigilant. Women are the present and the future of India. But today in the world of the 21st century, women have attained a remarkable position in every field and their life style is improved, they are in no way inferior to men. Women have also started reaching out to state agencies for redressal and justice. India has a remarkable Violation of Women Rights in India Rasida Begum history with women from being the Prime Minister to the Governor and then to the President. Women are now able to doctors, lawyers, and top bureaucrats. Even in business they are occupying high positions. Women are in police force, air force and even scaling the Mount Everest is not beyond their capacity.

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PARADIGM SHIFT IN CONSUMPTION HABITS – A STUDY OF CONSUMER PREFERENCES FOR ORGANIC FOOD

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ABSTRACT

Businesses have been trying to delight customers by offering variety of products depending upon the changing needs and preferences of the customers. In a country like India, where health is a major social overhead for the government, the awareness levels among citizens related to consumption of healthy, wholesome and eco-friendly products is very low. This paper highlights the awareness levels about organic products (perishable and semi-perishable) and how companies are creating awareness about the benefits of using organic products. The paper analyses the impact of promotional media adopted on effectiveness of promotion. It is an empirical study wherein it is revealed that in case of organic product there are many more factors that attract consumers towards consumption of these products like health consciousness, eco-friendly attitude, product quality, packaging, availability and taste rather than the medium of promotion that companies adopt. It is also concluded that there is a high degree of correlation between these factors affecting and the products purchased. It is inferred from regression analysis that the predictor variable years of awareness did not do a good job of predicting the outcome variable years of use of the product and that awareness is not an important factor that leads people to use the product.

Keywords: *Organic, Perceived value, Eco-friendly, Labeling, Certification*

INTRODUCTION

Organic food products are based on Societal Marketing Concept, proven for providing Proteins, Minerals, Vitamins and Anti-oxidants than conventional products while preventing water pollution and preserving biodiversity at large. Previously, organic products were available in specialty stores on account of increased awareness and consciousness towards these products; these are now available at super stores also. Some of the popular brands in India are Mantra Organic Foods, Spencer's Organic Products etc. These products are grown organically without the use of pesticides and free from dangers arising from polishing of grains and are ecofriendly. Consumers view organic products as an investment and/or insurance in their health. The rationale behind this study is the increasing levels of awareness among people towards consumption of organic products (perishable and semi-perishable) and initiatives taken by companies to provide organically grown products to health conscious consumers. The most convincing evidence is the growth of ecologically favourable consumer behavior with increasing number of consumers willing to pay more for environmentally friendly and health conscious products.

REVIEW OF LITERATURE

Ajzen (1991) suggested that, in general, the intention to purchase organic products decreases with a limitation of knowledge and awareness towards those products, with many factors effecting consumers' perceptions and attitudes. In consumer behavior theory, consumers make their own decisions based on an individual's intention to perform a behavior, which is influenced by attitudes.

Nur Fathonah Sadek and Yuananda Parama Oktarani (2009) in their study threw light on the fact that the people were well aware of images and availability, but not loyal to organic food products. The respondents were attracted towards organic food products. So the marketers must create promotions which are both realistic and moral and the product availability in terms of volume and variety are required to become successful in marketing organic food products.

Pirjo Honkane Bas Verplanken and Svein Ottar Olsen (2006) documented that environmental and animal rights issues had a strong influence on attitudes towards organic food, suggesting that the more people are concerned about these issues, the more positive attitude they have towards organic food, and the more likely it is that they will consume organic food.

Ragavan. N. and Mageh. R. (2012) opined that the perception towards organic products, beliefs about product safety for use, belief about product friendliness to the environment and availability of product information are the major determinants for the consumers' purchase intention towards organic products.

Shaharudin (2010) discovered that consumers placed relatively high level of importance on health consciousness and perceived value whereas low level of importance on food safety concern and religious factor in their intention to purchase organic food products. There were several studies that supported empirically the assumption that consumers' environmental knowledge or eco-literacy was a significant predictor of environmentally friendly behaviour (Chan, 1999; Wahid and Rahbar, 2011).

Shashikiran.L and Shilpa.V (2013) their concluded that customers are opting for organic products in the wake of the health benefits provided by them. Degree of knowledge was also found to be contributing factor in consumers' perception towards organic products. This study also revealed that higher prices and non-availability of organic products all times and everywhere is the biggest reason driving customers to opt for conventional products.

Vermeir and Verbeke (2004) found that consumers did not always buy sustainable products as a consequence of environmental concern or to benefit the community or due to personal beliefs but mainly to give priority to health. Another factor that influenced a person to purchase sustainable food products was the situational factor. A person who came in a store with an intention of buying organic food products may be disturbed with the promotion of conventional products or the non-availability of the organic food products.

RESEARCH METHODOLOGY

This study is empirical in nature wherein data is collected from primary and secondary sources. Primary data is collected from customers of various certified organic stores and super markets in Hyderabad by administering questionnaire consisting of 17 questions (5 demographic and remaining related to the topic). While secondary data is collected from company websites, brochures, newsletters, books, journals and other online sources.

Sample Design: A sample of 100 customers from the twin cities of Hyderabad and Secunderabad is chosen for the purpose of the study. Respondents are selected using convenience sampling method.

Objectives of the Study

The broad objective of this study is to examine how companies manufacturing and selling organic products (perishable and semi-perishable) develop customer value.

- To identify the level of awareness among the customers about organic products.
- To analyze the various factors that help consumers buy organic products.
- To examine the various promotional media employed for promoting organic products and evaluate the effectiveness such media.
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Hypotheses: The above objectives are attained by validating the following hypotheses.

Hypothesis 1

Null Hypothesis H₀: Effectiveness of the promotion does not depend upon the promotional media adopted by companies manufacturing and selling organic products.

Alternate Hypothesis H₁: Effectiveness of the promotion depends upon the promotional media adopted by companies manufacturing and selling organic products.

Hypothesis 2

Null Hypothesis H₀: There is no significant relationship between factors leading to the choice of organic product and organic products preferred/bought.

Alternate Hypothesis H₁: There is a significant relationship between factors leading to the choice of organic product and organic products preferred/bought.

Hypothesis 3

Null Hypothesis H₀: There is no significant relationship between years of awareness about organic products and years of use of such products.

Alternate Hypothesis H₁ There is no significant relationship between years of awareness about organic products and years of use of such products.

Data Analysis Technique

Data is analysed using Anova test, Correlation, Regression test besides simple ratios and percentages.

Findings of The Study

The organic food market in India is expected to grow from 675 crore in 2010 to 7,000 crore by 2015 with a CAGR of 60 per cent. In the last few years, organic food has captured a shelf space of about 2-5 per cent in modern food retail. Organic food products are available in very large range and include not only fruits and vegetables but also dals, flours, edible oils, tea/coffee, jaggary ,cereals , jams , spread, sauces, soups, chocolates, cookies, meat , poultry, dairy etc., Leading organic producers in India during year 2014 were Sresta Natural Bioproducts, Organic India, Moraka Organic, Nature Bio Foods, Sunstar Overseas and Kashmir Apiaries. During 2013, there were 570000 organic food farmers in India with 510000 hectares of organic agricultural land and the size of Indian organic food market was Rs 100 crore while the size of the global organic food market was \$ 60 billion.

Organic products like other products have their own certifications which reflect the authenticity of those products. Organic food is one of the focus areas for the Indian Government. The National Programme for Organic Production (NPOP) provides an institutional mechanism for the implementation of National Standards for Organic Production through a National Accreditation Policy and Programme. Agricultural and Processed Food Products, Export Development Authority (APEDA) is the regulating authority for the same. APEDA governs each process before a product is labelled 'organic' and retailed. The NPOP standards for production and accreditation system have been recognised by the European Commission and Switzerland as equivalent to their country standards. When a grower or processor is "certified organic", International Federation of Organic Agriculture Movements (IFOAM), Agriculture Products Export Development Authorities (APEDA) accredited public or private organization has verified that the business meets or exceeds the standards set forth in the Indian (National standards for Organic Programme) / USA (National Organic Programme)/ European Organic Rules(Euro 2092/91). This means the farms and facilities have been inspected by the certifying agency and random samples of products, soil and water have been taken and tested.

In India the certification mark certifies that an organic food product conforms to the National Standards for Organic Products established in 2000. Those standards ensure that the product or the raw materials used in the product were grown through organic farming, without the use of chemical fertilizers, pesticides, or induced hormones. The certification is issued by testing centres accredited by the Agricultural and Processed Food Products Export Development Authority (APEDA). Under the *National Program for Organic Production* of the Government of India. Even though the standards are in effect since 2000,

the certification scheme and hence the certification mark came into existence in 2002. Government is promoting organic farming under National Project on Organic Farming (NPOF), National Horticulture Mission (NHM) and Rashtriya Krishi Vikas Yojana (RKVY). According to the India Organic Food Market Forecast & Opportunities, 2020 report published by TechSci Research, organic food market in India is projected to register a growth of CAGR of over 25% during 2015-2020.

Table 1: Descriptive Statistics about the sample’s Demographics

Sample Demographic	Frequency and Percentage
Gender	
Male	53.5
Female	46.5
Age	
Below 20 years	8.2
Between 21 to 30 years	52.4
Between 31 to 40 years	28.4
Between 41 to 50 years	8.8
Above 50 years	1.8
Occupation	
Self employed	14.7
Employee in a private organisation	45.3
Student	17.6
Employee in a government organisation	8.2
Retired Employee	7.6
Homemaker	4.7
Others	1.8
Annual Income	
Below Rs 1 Lakh	34.1
Between Rs 1 lakh to 5 lakhs	31.2
Between Rs 5 Lakhs to 10 Lakhs	21.8
Above Rs 10 Lakhs	10.6
Education	
High School	4.7
Diploma	35.3
Bachelor’s Degree	40.6
Master’s Degree	17.6
Doctoral Degree	1.2

(Source: Author –Primary Data Analysis)

It can be seen from table 1, that majority of respondents are youth in the age group between 21 to 30 years (52.4%) followed by young adults in the age group between 31 to 40 years (28.4%). 45.3 % of respondents are in employed in private organisations while 40.6% of respondents are holders of bachelor’s degree. A study of demographic profile and socio-economic conditions of respondents is helpful in understanding their preference for organic food especially in terms of their ability to pay a higher price based in their annual

income and their consumption habits being influenced by their age, education and occupation.

Hypothesis 1: Effectiveness of the promotion depends upon the promotional media used by companies manufacturing and selling organic products. Data has been collected related to the media employed to create awareness and attract customers and effectiveness of such promotional media. Respondents were asked to rate the effectiveness of the media on a scale of 1-5 (excellent to poor). They were also asked about the media of promotion tool multimedia, newspaper, events, word of mouth and social media. Data is analysed using ANOVA.

Table 2: ANOVA Statistics for Hypothesis 1

Variables		Sum of Squares	Mean Squares	F value	Significance
Effectiveness of the Promotional Media	Between	704.00	234.67	.17	.904
	Within	1352.00	1352.00		
	Total	2056.00			

As depicted in the table 2, the Sig. value is greater than .05, thus null hypothesis is accepted and it can be concluded that there is no significant difference in mean i.e., effectiveness of promotion does not depend upon the promotional media adopted. It can be concluded that in this case of organic product there are many more factors that attract consumers towards consumption of these products like health consciousness, eco-friendly attitude, and quality of products, packaging, availability and taste rather than the medium of promotion that companies adopt.

Hypothesis 2: There is a significant relationship between factors leading to the choice of organic product and organic products preferred/bought. Data is collected from the respondents related to the factors that they consider while purchasing and the products that they actually purchase. The products popularly purchased by respondents include fruits and vegetables, staples and snacks. Karl Pearson’s correlation coefficient is being calculated as depicted in table 3 to test the significance of relationship between factors leading to choice of organic products and the products purchased. The Sig. value is .006 and the correlation coefficient is 0.97. It can be seen that there is a high degree of correlation between the factors affecting choice i.e., health consciousness, eco-friendly attitude, quality of products, packaging, availability and taste and the products purchased (97%). It can be interpreted that the result is statistically significant as the Correlation coefficient is 0.006, which is less than 0.05.

Table 3: Correlation Coefficient for Hypothesis 2

Particulars	Statistic	Factors affecting choice	Product Bought
Factors affecting choice	Pearson Correlation	1.00	0.97
	Sig (2-Tailed)		0.006
	N	100	100
Product Bought	Pearson Correlation	0.97	1.00
	Sig (2-Tailed)	0.006	
	N	100	100

(Source: Author- Data Analysis and Interpretation)

Hypothesis 3: There is a significant relationship between years of awareness about organic products and years of use of such products. Data is collected from respondents related to years of awareness about organic products and years of use of such products. Regression is applied to test the hypothesis.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	St. Error of Estimate
a	0.94	0.89	0.83	4.80

(Source: Authors- Data Analysis and Interpretation)

The above table 4, tests the level of relationship between years of use (dependent factor) and years of awareness (independent factor). R value represents simple correlation=0.94 indicating high degree of correlation between years of awareness and years of use of product. It can be seen the value of R square is 0.89 indicating that years of use (dependent variable) is explained by the years of awareness (independent variable) to the extent of 89%.

Table 5: ANOVA Statistics

	Sum of Squares	df	Mean Squares	F value	Significance
Regression	357.88	4	357.88		
Residual	46.12	95	23.06		
Total	404.00	99		15.52	0.059

(Source: Author- Data Analysis and Interpretation)

Table 6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.88	5.41	0.00	1.09	0.000
	Awareness	0.76	0.19	0.94	3.94	0.059

(Source: Author- Data Analysis and Interpretation)

The value of B (unstandardized coefficient) is 0.76 which means that for every unit increase in years of awareness there is 0.76 unit increase in the years of use of product. It is observed that the significance value is 0.059 which is slightly higher than 0.05 and it signifies that the predictor variable years of awareness did not do a good job of predicting the outcome variable years of use of the product and that awareness is not an important factor that leads people to use the product.

CONCLUSION

The paper analysed the level of awareness among the customers about organic products and the factors that help consumers buy these products and also examined the various promotional media used for promoting these products. It can be concluded that organic produce contains fewer pesticides which is safe for consumption for all age groups. It is also recommended for the people who suffer from various allergies. Organic food is usually fresh because it does not contain preservatives which are found to be one of the underlying causes for development of cancerous cells. Organic Products give their customers greater taste thereby increasing their overall purchase experience. Organic farming practices reduce pollution (air, water, soil), conserve water, reduce soil erosion, increase soil fertility, and use less energy. It can be concluded that the principle reason behind marketing organic products is to create trust in consumers that they are safe, are of high quality and can enhance their health. It is also found that a majority of the population are aware and willing to buy organic products if it is affordable and available. It is also identified additional positive attributes that consumer associated with organic food products which included improved taste and that they were better for environment. Reasons of buying could be grouped according to general and commodity-specific concerns and it included food safety, human health, environmental impact, whereas commodity attributes included taste, freshness and packaging.

The study concludes that in case of organic product there are many factors that attract consumers towards consumption of these products like health consciousness, eco-friendly attitude, and quality of products, packaging, availability and taste rather than the medium of promotion that companies adopt. It is also revealed that there is a high degree of correlation between the factors affecting choice i.e., health consciousness, eco-friendly attitude, quality of products, packaging, availability and taste and the products purchased. The study significantly concludes that predictor variable years of awareness did not do a good

job of predicting the outcome variable years of use of the product and that awareness is not an important factor that leads people to use the product.

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DEMONETISATION IMPACT ON DIGITAL PAYMENTS IN INDIA: A COMPARATIVE STUDY OF RURAL AND URBAN AREAS

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ABSTRACT

'Cashless India' is a mission launched by the government of India to reduce the cash dependence on the growth of the economy and to reduce the block money by the transparency among the transactions. Cashless transaction slogan has turned into popular after the demonetization took place into the Indian economy. Since remonetisation, the Indian government has been showing an endless effort to bring the paperless, cashless, faceless services across the country, especially in rural and remote parts of India. The present research is aimed to study the various options available to distal payment and identify the mode of payment mechanism adopted by the rural and urban people after the remonetisation effect in India.

Keywords: Digital payment, rural people, urban people, payment mechanism, distal economy

Introduction

According to house hold survey, the aggregate household expenditure in India during 2015-2016 was Rs. 42.2 trillion. The rural householders accounted for 57% whereas urban householders registered at 43%. Majority of the Indian householders have been using the cash as a payment mechanism for various transactions in their regular life. Out of total expenditure in India, only 5% of the transitions payment was occurring through electronic mode. In India, the ratio of the cash to gross domestic product is one of the highest in the world i.e. 12.42% in 2014 compared to 9.47% in China and 4% in Brazil. 'Cashless India' is a mission launched by the government of India to reduce the cash dependence on the growth of the economy and to reduce the block money by the transparency among the transactions. Cashless transaction slogan has turned into popular after the demonetization took place into the Indian economy. Since remonetisation, the Indian government has been showing an endless effort to bring the paperless, cashless, faceless services across the country, especially in rural and remote parts of India. The Government of India and Ministry of Electronic and IT has been preparing various programs to create the awareness and launching various schemes as a payment mechanism to promote cashless transitions.

Statement of the Problem

Around 90% of the population in India was using 'cash' as a payment mechanism for various transitions. The government has recognised many problems by the cash payment

mechanism in India like black money, tax evasion, etc. Since remonetisation on November 8th 2016, the Indian government has been showing an endless effort to bring the paperless, cashless, faceless services across the country, especially in rural and remote parts of India. The Government of India and Ministry of Electronic and IT has been preparing various programs to create the awareness and launching various schemes as a payment mechanism to promote distal payments. So that, there is a high need to identify the mode of payment mechanism adopted by the rural and urban people after the remonetisation effect in India and how long the government initiatives influenced the people towards distal payments which should be helpful to the government for the advancement of the efforts.

Review of the Literature

Ashish Das & Rakhi Agarwal (2010)¹ the study concluded that the cash as a mode of payment was an expensive proposition for the Government. The country needs to move away from cash-based towards a cashless (electronic) payment system. This will help reduce currency management cost, track transactions, check tax avoidance / fraud etc., enhance financial inclusion and integrate the parallel economy with main stream. **Manpreet Kaur (2017)**² the author concluded that the cashless transaction system was reaching its growth day by day, as soon as the market become globalised and the growth of banking sector more and more the people moves from cash to cashless system. The cashless system was not only requirement but also a need of today society. All the online market basically depends on cashless transaction system. The cashless transition was not only safer than the cash transaction but was less time consuming and not a trouble of carrying and trouble of wear and tear like paper money. **Ms. Pranjali A Shendge & Mr. Bhushan G. Shelar (2017)**³ the authors were concluded that the benefits of the cashless transaction started trickling in with more and more people switching to digital modes of receiving and making payment. India was gradually transitioning from a cash-centric to cashless economy. Digital transactions are traceable, therefore easily taxable, leaving no room for the circulation of black money. The whole country was undergoing the process of modernization in money transactions, with e-payment services gaining unprecedented momentum. **Jain, P.M (2006)**⁴ the author opined that e- payments will be able to check black —An Analysis of Growth Pattern of Cashless Transaction System. Taking fullest advantage of technology, quick payments and remittances will ensure optimal use of available funds for banks, financial institutions, business houses and common citizen of India. He also pointed out the need for e-payments and modes of e-payments and communication networks.

Objectives of the study

1. To study the modes of distal payment in India.
2. To identify the changes in ‘distal payments’ after the demonetization in India.
3. To examine the mode of payments adopted by the urban and rural people after the demonetisation.

Scope of the study

The scope of the present study is restricted to identify the distal payment methods available in India and the changes took place in distal payments system after the demonetisation in India. It also covers the payment mechanisms adopted by the urban and rural people after the demonetisation in India. The urban and rural samples were selected only from Telangana state.

Hypothesis

1. H₀₁: There is no significant difference between the rural and urban respondents about the awareness on distal payments usage.
2. H₀₂: There is no significant difference between the rural and urban respondents regarding mode of payment of expenses.
3. H₀₃: There is no association between the respondent's education and income and adoption of the distal payment systems.

Research Methodology

The study is based on both primary and secondary data. The *secondary data* has collected from the Indian Government Reports, Telangana state level Bankers Committee Reports and various websites whereas the *primary data* has collected directly from the people who belong to urban and rural areas using structured questionnaire method. The sample size of the study is 100 respondents which include 50 from rural and 50 from urban areas and 'convenience sampling' technique has adopted to select the samples. The rural respondents were selected from *Kalvakolu village*, Nagarkurnool Dist. Telangana state whereas the urban respondents were selected from *Hyderabad city*. The primary data which was collected from rural and urban respondents has tested using various statistical tools like mean, standard deviation, Chi-square and ANOVA to get the results in a scientific way.

I. Distal Payments Methods

A cashless method or distal payment is more clear as every transaction can be mark out easily as it leaves its path. The Cashless economy is that it is easier to track the black money and illegal dealings. According to cashless India web portal, the followings⁵⁴ are the some of the cashless payment methods.

1. Cheque

The cheque is one of the oldest methods of cashless payment. In this method, we issue a cheque for the specific amount to someone else. The cheque gets deposited in the respective bank. The bank processes a payment through a clearing house. The entire transaction done through cheque gets recorded and there is a proof of payment. However, there are instances where cheque payments get dishonoured due to signature mismatch or insufficient fund.

⁵⁴ <http://moneyexcel.com/15775/10-best-cashless-payment-methods>

2. Demand Draft

Demand draft is another rudimentary way of cashless transaction. It is a safest option to receive payment from anyone. Demand draft (DD) never gets defaulted as it is signed by the banker. The disadvantage of DD and cheque is the customer need to visit a bank in order to deposit cheque and demand draft. The clearance of cheque or DD takes additional time.

3. Online Transfer- NEFT or RTGS

The third simplest method for the cashless transaction is online transfer using NEFT or RTGS. In order to do online money transfer, we need internet banking facility. Online transfer using NEFT or RTGS is comparatively faster than cheque or DD. Online transfer can be done from anywhere using internet facility.

4. Credit Card or Debit Card

Credit card or debit card is another cashless payment method. The usage of credit card and debit card was limited in India. However, usage of credit card and debit card is increasing for the last 5 years. The limitation of this payment method is an availability of swipe card facility at merchant end.

5. E-Wallets

E-wallet is next cashless payment option. E-wallet can be used to purchase products starting from grocery to airline tickets. In order to use E-wallets customer and merchant, both require a Smartphone with active internet connection. The most popular example of E-wallet is PayPal. Apart from PayPal, we can also use Payoneer, Transfer wise, Skill, and Paisa. After registering for E-wallet we need to link our credit card or debit card with our E-wallet id. We can also use the e-wallet for fund transfer or online shopping. It is a simplest cashless method.

6. Mobile Wallets

The next cashless payment method is a mobile wallet. We do not need a debit card, credit card or internet banking password for making payment using a mobile wallet. Just load money in our wallet via IMPS and use it on the move. We can download mobile wallet app from play store. Few examples of mobile wallets are Paytm, Pay money, Oxygen, Lime, Moby Kick etc.

7. UPI Apps

UPI is a mobile payment system which allows us to do various financial transactions on our Smartphone. UPI allows us to send or receive money using virtual payment address without entering bank information. Merchants can enrol with banks to accept payments using UPI. Like in the case of a PoS machine, the merchant would require a current account with a bank to accept UPI payments. The examples of few UPI Apps are SBI Pay, ICICI Pocket, Axis Pay UPI App, Union Bank UPI App, PNB UPI, PhonePe, TranZapp etc.

8. Gift Card

The next cashless payment method is a gift card. Gift Card is a readymade card and can be purchased from a merchant or from the bank. The gift card is loaded with a fix cash amount we can purchase any item from the specific vendor by using a gift card.

9. Aadhaar Enabled Payment System

Aadhaar Enabled Payment System (AEPS) is one of the best cashless payment methods. AEPS is like Micro ATM it uses Smartphone and a finger-print scanner for the transaction. In order to use this facility, it is mandatory to link our Aadhaar card to our bank account. We can use AEPS in order to perform transaction like Aadhar to Aadhar fund transfer, Cash withdrawal, Cash deposit etc.

10. Unstructured Supplementary Service Data

The use USSD cashless option if we don't have a Smartphone or internet connection. Unstructured Supplementary Service Data is mobile banking service. From any mobile phone, we can dial *99# and use this service. We can do all these things which are available to a person with Smartphone and internet connection. Almost all banks including SBI, ICICI, BOB, Axis Bank and PNB support USSD payment option.

11. BHIM app

BHIM is interoperable with other Unified Payment Interface (UPI) applications and bank accounts. Users can register their bank account with BHIM, and set a UPI PIN for the account. The mobile number then acts as the user's identifier, enabling transactions like sending or receiving money. NITI Aayog CEO Amitabh Kant said, "It is only a matter of time before the entire country goes digital."

II. Demonetization Impact on Distal Transactions

Table 1 shows the changes in distal transactions after the demonetization effect from 8th November, 2016 in India. It is found that there were many fluctuations took place in distal transitions from November 2016 to June-2017. During the month of March 2017 the total distal transactions were registered at high i.e. 893.9 million with the growth rate of 17.15 percentage which is equal to 149589.1 billion whereas the same is registered at 853.1 million with -4.56 growth rate. Therefore, it is identified that except the end of financial year, people were not interested to use the distal transaction with high quantum. It is also identified that the total distal transaction were not reached the expectations after the demonetization in India. However, it is appreciable that the distal transactions were increased from 671.5 million to 844.7 million during the past half year because of the urban people usage.

Table 1: Impact on distal payments since demonetization

Month	Total distal transactions (millions)	Increase or Decrease in percentage (%)	Total value of distal transaction (billions)	Increase or Decrease in percentage (%)
November	671.5	-	94004.2	-
December	957.5	+42.59	104055.3	10.69
January	870.4	-9.09	97011.4	-6.76
February	763.0	-12.33	92594.5	-4.55
March	893.9	17.15	149589.1	61.55
April	853.1	-4.56	109602.2	-26.73
May	858.5	0.63	111109.3	1.37
June	844.7	-1.60	113745.2	2.37

Source: Distal India official website

III. Results Analysis

Table 2 shows the rural and urban respondents awareness on distal payment methods available in India. It is observed that out of total 50 rural respondents, only 16 % (8) were aware and 42 respondents (84%) were not aware of the distal payment methods in India. It is also observed that out of total 50 urban respondents 88% were aware and 12% of respondents were not aware of distal payment methods. It is identified that there is a difference between the rural and urban respondents about distal payment methods. Based on the results, it is concluded that the central government has failed to create proper awareness on cashless methods and its benefits on rural people after the demonetization.

Table 2 :Awareness on distal payment system/methods

Area	Yes	No	Total
Rural	8	42	50
	16%	84%	100%
Urban	44	6	50
	88%	12%	100%
Total	47	53	100
	47%	53%	100%

Source: Primary data

Table 3 shows the mode which is used by the rural and urban respondents at the time of payment of the transaction. It is observed that all the rural respondents were paid the transaction expenses in the form of cash. It is also identified that out of total 50 urban respondents 56% were paid through distal modes and 48% were used cash mode to pay the expenses. It is identified that there is a difference between the rural and urban respondents

payment of expenses and it is concluded that the low awareness would be the cause for the payment of expenses in the form of cash by the rural respondents.

Table 3: Mode of payments of Expenses

Area	Cash	Cashless	Total
Rural	50	0	50
	100%	0%	100%
Urban	24	26	50
	48%	52%	100%
Total	74	26	100
	74%	26%	100%

Source: Primary data

Table 4 shows the association between the education of the rural and urban respondents and the adoption of the distal system in India. It is observed that majority of the rural respondents were uneducated and they selected the cash as payment mode whereas urban respondents who opted the distal payment mechanism were well educated. It is identified that there is an association between the respondent’s education level and adoption of the distal payment system. The distal system involves the use of technology so that the uneducated or low educated were not able to operate it.

Table 4: Association between the education and adoption of distal payment system

Education	Rural				Urban			
	Cash	%	Cashless	%	Cash	%	Cashless	%
Un educated	23	46%	0	0%	0	0%	0	0%
Below 10 th	12	24%	0	0%	3	6%	0	0%
Intermediate	7	14%	0	0%	11	22%	1	2%
Graduate	8	16%	0	0%	9	18%	12	24%
Post Graduate	0	0%	0	0%	1	2%	13	26%
Total	50	100%	0	0%	24	48%	26	52%

Source: Primary data

Table 5 shows the association between the monthly income of the rural and urban respondents and the adoption of the distal system in India. It is observed that majority of the rural respondents were earned below Rs. 15000 pm. and they selected the cash as payment mode whereas the majority of the urban respondents who opted the cashless payment mechanism were earned more than Rs.60000 pm. It is identified that there is an association between the respondent’s income level and adoption of the cashless system.

Table 5: Association between the monthly income and adoption of distal system

Income (INR)	Rural				Urban			
	Cash	%	Cashless	%	Cash	%	Cashless	%
Below 15000	41	82%	0	0%	8	16%	0	0%
15001-30000	9	18%	0	0%	11	22%	2	4%
30001-45000	0	0%	0	0%	5	10%	4	8%
45001-60000	0	0%	0	0%	0	0%	7	14%
More than 60001	0	0%	0	0%	0	0%	13	26%
Total	50	100%	0	0%	24	48%	26	52%

Source: Primary data

Table 6 shows the reasons for not adoption of the distal mechanism among rural and urban respondents. It is observed that majority of the rural residents 43% were stated that they don't know how to pay through online and 32% opted the 'payable amount is low'. It is observed that out of total 24 urban respondents 58% were opted the 'payable amount is low' followed by safety problems (37%). It is identified that there is a difference between the rural and urban respondents in not use of the distal mechanism.

Table 6: Reasons for stay away from the distal payment mode

Reason	Rural		Urban	
Don't know how to use	23	46%	0	0%
No internet	7	14%	0	0%
No bank account	0	0%	0	0%
No Debit/Credit cards	4	8%	0	0%
Technical problem	0	0%	1	4.16%
Safety problem	0	0%	9	37.50%
Expenses are in low	16	32%	14	58.33%
Total	50	100%	24	100%

Source: Primary data

The results pertaining to the differences between the rural and urban respondents opinion with the identified hypothesis are summarised in the below Table 7 (used **Chi-Square Test** through SPSS).

Table 7: Chi-square test results

Hypothesis	Chi-Square	Df	Asymp. ``.	Results
H₀₁ - There is no significant difference between the rural and urban respondents about the awareness on distal payments usage.	67.240 ^a	1	.000	Rejected the null Hypothesis
H₀₂ -There is no difference between the rural and urban respondents regarding mode of payment of expenses.	73.960 ^a	1	.000	Rejected the null Hypothesis
H₀₅ - There is no significant difference between the rural and urban respondents among the reasons for stay away from the distal transactions	98.000 ^a	6	.032	Rejected the null Hypothesis

Source: Primary Data

Table 8: ANOVA

	Sum of square	Df	Mean square	F	Sig.
Between groups	2.526	8	1.132	5.664	.000 ^b
Within groups	19.723	92	.200		
Total	22.249	100			

- a. dependent variable (adoption of the distal payment)
- b. predictors (constant) income

Table 8 shows the association between income and adoption of distal payment system. ‘p’ value is less than 0.05. Hence, null hypothesis is rejected. As per the results, there is a significant association between the respondent’s monthly income and adoption of the distal payment mechanism.

Table 9: ANOVA

	Sum of square	df	Mean square	F	Sig.
Between groups	1.018	4	1.001	4.804	.000 ^b
Within groups	21.714	96	.258		
Total	22.732	100			

- a. dependent variable (adoption of the distal payment)
- b. predictors (constant) education

Table 9 shows the association between education and adoption of distal payment system. ‘p’ value is less than 0.05. Hence, null hypothesis is rejected. As per the results, there is a significant association between the respondent’s education levels and adoption of the distal payment mechanism.

Findings and Suggestions

- The study found that there is a difference between the rural and urban respondents about the awareness on ‘distal payment mechanism in India’. It is observed that 88% urban respondents were aware whereas the same is only 8% in rural. Based on the results, it is concluded that the central government has failed to create proper awareness on distal payments and its benefits on rural people after the demonetization. It is suggested that the government has to take bottomless initiative to create the awareness of rural people about the distal payment system and its benefits to our economy.

- The study also found that there is a difference between the rural and urban respondents regarding 'payment of the expenses'. All the rural respondents were paid the transaction expenses in the form of cash whereas the majority of the urban respondents (52%) were used distal modes. Majority of the rural respondents were uneducated so that they were not able to perform distal payments. Therefore, it is suggested that the government has to rethink about the expansion of distal payment system all over the country and it has to come up with the distal mechanism which should be easy to operate by the rural people.
- It is identified that there is an association between the respondent's education level and adoption of the distal system in India. As we discussed above, adoption of the distal system involves the use of latest technology. Therefore uneducated and undeveloped rural or urban people were not able to operate the distal payment system. Whereas urban respondents were well educated and developed in all aspects compared to rural. Hence, it is suggested that, the government has to put the concentration on urban areas to convert them into distal.
- It is found that there is an association between the respondent's income and adoption of the distal payments system. According to the study, rural respondents were depended on seasonal income. So that, distal payment system is not suitable to rural areas.
- It is identified that there is a difference between the rural and urban respondents in not use of the distal payments. Rural respondents were stated that they don't aware on electronic payments whereas urban respondents were said that the 'cyber problem' could be the reasonable cause to avoid the distal system.

Conclusion

Since demonetization effect, the Indian government has been showing an endless effort to convert the Indian cash economy into a distal economy through distal system. After the above discussion, it is concluded that the conversion of cash economy into distal economy is very challenging task in India due to poor, un-education, seasonal income, small amount of payments, internet service, etc. in the rural areas and data safety and security, internet service, Smartphone usage, amount of expenses, etc. in urban areas. By conceding the above facts, the government has to take necessary steps.

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