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LINKAGES AMONG STOCK MARKETS: BRICS COUNTRIES

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ABSTRACT

The purpose of the study is to look into the short-run and long-run relationships between Indian stock market (Nifty) and stock indices of BRICS countries. Monthly closing stock market indices of India (Nifty) and that of the Brazil (IBOVESPA), Russia (RTSIndex), China(SSE Composite) and South Africa (FTSE) for the period of April, 2009 to March, 2014 are taken as sample.

The study is tested with Cross correlation, Unit root test, Granger causality test and Johansen cointegration test to seek the relationship, stationarity, directional causality and either short or long run equilibrium between the Nifty and the selected indices of BRICS stock markets. The result obtained by the econometric tools shows that the correlation between the Nifty and the other selected indices is significant, the data are stationary at their level and its first difference (ADF and PP), both unidirectional and bidirectional causality occurs and the long term relationship is found between Nifty and selected indices.

Key Words: Stock Indices, BRICS, Cointegration, Causality

INTRODUCTION

The globalization of the world stock markets is the most noteworthy development that has occurred during the last decade. Various factors contributed to this including: the advancement of technology and remote access which have been utilized in security trading, the emergence of new international financial institutions offering financial services regardless of geographical jurisdictions, trends of liberalization and the removal of restrictions used to be imposed on foreign ownership, and the movement towards regional integration of that stock exchanges, clearing and settlements organizations, and other financial institutions. Along with various measures, opening up of the home market for the foreign investors is one of the important steps taken by the Indian Government that may lead the Indian stock market to be strongly integrated with the stock market of the rest of the world.

The globalization phenomenon may be blessing, since many experts believe that globalization may improve market efficiency, lower its risk due to the possibility of diversification, and use arbitrage in a relevant way. On the other hand, it may increase pricing volatility and trading instability, due to the high correlation between leading - major stock markets (BRICS) and other markets as well as to the fact that the irrational trading in one market may move to other markets as witnessed in the last two decades.

IMPORTANCE OF BRICS NATIONS

In the past few decades, some large economies such as Brazil, Russia, India and China, (BRICs) have acquired a vital role in the world economy as producers of goods and services, receivers of capital, and as potential consumer markets. The BRICs economies have been identified as some of the fastest growing countries and the engines of the global recovery process, which underscores the changed role of these economies. Even in the G-20 countries' forum, BRICs are playing a formidable role in shaping the macroeconomic policy after the recent financial crisis. At present, these four countries encompass over 40 per cent of the global population and a share in world GDP (in PPP terms) that increased from 16 per cent in 2000 to nearly 27 per cent in 2011, and is expected to rise significantly in the near future. If one compares the GDP in PPP terms for 2011, four economies figure among the G-20 top ten, with China, India, Russia and Brazil in 2nd, 4th, 6th and 8th place respectively. In terms of contribution to growth of PPP-adjusted global GDP of the world, these four economies accounted for 55 per cent during 2000–11, and their contribution is expected to rise in the coming years.

According to an estimate by Goldman Sachs, the four original BRICs countries are expected to represent 47 per cent of global GDP by 2050, which would dramatically change the list of the world's 10 largest economies. An important change that we may expect over the medium to long term is that the top 10 countries in terms of GDP may be different from the top 10 countries in terms of per capita GDP. The inherent strength of the BRICs emanates from strong domestic demand-based economies in the case of India and Brazil and the significant outward linkages of China and Russia.

LITERATURE REVIEW

Bailey & Stulz (1990) applied simple correlation technique to find interrelationship among US and Pacific basin stock market and found that the correlation differed in terms of daily, weekly and monthly time series data.

Arshanapalli & Doukas (1996) applied Johansen cointegration technique on daily data belonging to different Asian markets and found that there was no long term relationship among the Asian stock market.

Ghosh (1999) in contrary to Arshanapalli & Doukas (1996) found that some of the Asian market showed a long run equilibrium relationship with the world's major stock market.

Floros (2005) found a long term relationship among the stock prices of US, Japan and UK. He also observed that through Granger causality test some of the stock indices have shown bidirectional effect and some other showed unidirectional effect.

Amanulla & Kamaiah (1995) examined the long run equilibrium between the RBI stock price indices of Bombay, Calcutta, Madras, Delhi and Ahmedabad. They found that there existed long run equilibrium. Nath & Verma (2003) tested the cointegration between India and other selected countries with daily price indices and found that no cointegration

existed among India, Taiwan and Singapore for the period January 1994 to November 2002. Jayanthi & Pandiyan (2008) tested the cointegration between the stock price indices of India, Malaysia, Taiwan, China, South Korea, US, UK, Germany, Singapore, Hong Kong and Japan. The study period was from April 2000 to March 2007 and they found that no correlation and cointegration among the selected stock price indices.

Chakravarty & Ghosh (2011) made an attempt to find the relationship among the indices of Sensex 30, S&P 100 and FTSE 100 through Granger causality test and found that unidirectional causality occurred for S&P100 and FTSE 100 from Sensex.

Sen (2011) made an attempt to investigate the relationship between Sensex and some selected Stock Price Indices of the Asia Pacific region and found that the correlation among the selected Stock Price Indices were highly correlated and significant. Granger causality test revealed the unidirectional effect from the Asian tigers to Sensex and Johansen cointegration test clearly showed that there existed a long run relationship between Sensex and stock indices of the major Asian Pacific countries.

It is worth mentioning that the present study is carried out as an extension of the study of Sen (2011) with the time interval from January 2000 to June 2013 to find out the relationship among the selected market indices in amid strident recessionary trends.

OBJECTIVES OF THE STUDY

1. To test the stationarity of the BRICS Stock Market Indices
2. To examine directional effect among the BRICS Stock indices
3. To understand the effect of Long term relationship among the BRICS market.

METHODOLOGY

This study is conducted in an empirical format by using secondary data gathered from monthly stock market indices of India (Sensex) and that of the Brazil (IBOVESPA), Russia (RTSIndex), China (SSE Composite) and South Africa (FTSE).

DATA

Monthly time series data of the above-mentioned indices have been used for the purpose of empirical investigation covering the study period from April, 2009 to March 2014. The data for these indices were collected from the website www.Finance-yahoo.com

The following standard statistical and economic tools have been applied for empirical investigation.

- Cross Correlation,
- Unit root test,
- Granger causality test, and
- Johansen cointegration test.

Cross-Correlation

Cross-Correlation is a useful statistical tool to measure the co movement of variables and the lead-lag relationship between them.

Using the following formula, pair-wise cross-correlations between Sensex and other prices indices have been computed

$$r = \frac{\sum_i (x_i - \bar{x})(y_{i-d} - \bar{y})}{\sqrt{\sum_i (x_i - \bar{x})^2} \sqrt{\sum_i (y_{i-d} - \bar{y})^2}} \quad (A1)$$

Where r is greater than, equal or less than zero.

From the cross-correlations, it would be clear whether Nifty is correlated to other selected stock price indices in different times (monthly) lags.

Unit Root Test

Before using the time series data for further investigation, all the time series data must be tested for stationarity. Mean, Variance and covariance of such stationary time series data do not change with the time shift. If the data is non-stationary, then regression results using such data would be spurious, as the usual t test would not be applicable to test the significance of coefficients.

To test the stationarity, the unit root test has been applied on the time series index data. In this regard, the Phillips-Perron unit root test has been preferred against ADF test, as the latter is considered the low power test. In Phillips-Perrson test, non-parametric statistical methods are used to take care of the serial correlation in the error term(μ_t) of the following equation.

$$\nabla Y_t = \nabla Y_{t-1} + u_t$$

The test is based on the null hypothesis $H_0: Y_t$ is not I(0). If the computed PP statistics are less than the critical value, the Y_t is non-stationary.

Granger Causality Test

Granger causality test has carried out to observe the direction of the short-run relationship between the sensex and other indices. To test for Granger causality between two stock price indices Y_t and X_t , the following two equations have been estimated.

$$Y_t = \sum_{i=1}^m \alpha_i Y_{t-i} + \sum_{i=1}^m \beta_i X_{t-i} + it_i$$

$$X_t = \sum_{i=1}^m \gamma_i Y_{t-i} + \sum_{i=1}^m \delta_i X_{t-i} + e_t$$

Where Y_t and X_t are the first difference of time series variable. Therefore, F-test has been conducted for joint insignificance of the coefficients. The null hypothesis of such test Y_t does not Granger cause X_t and vice versa. A rejection of the null hypothesis indicates the existence of Granger causality; for each of the stock indices, two Granger causality tests have been performed to investigate whether Y Granger causes X or X Granger causes Y or both or there is no causal relationship between the variables.

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 raise 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 AND ANALYSIS

Descriptive statistics results

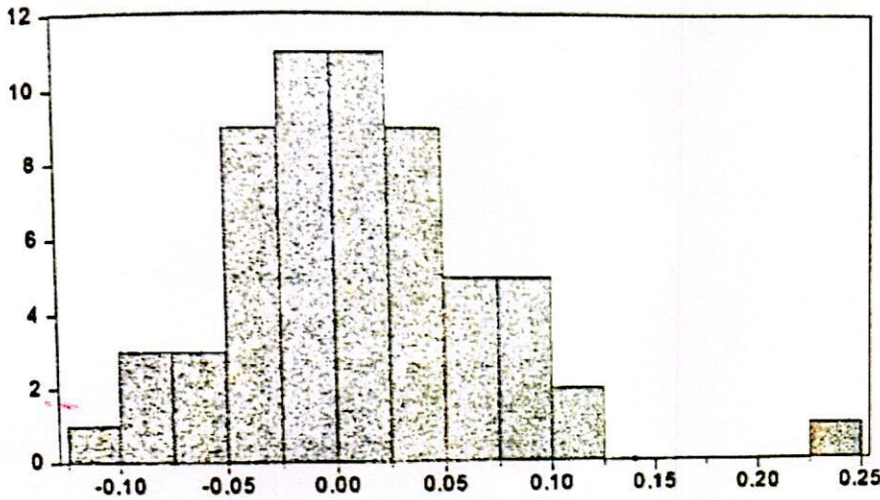
Figure 1 to 5 revealed that the variables considered in the scope of the analysis are examined, the average values of variables were found to be Nifty (0.011316), BOVESPA (0.001169), SSE (-0.0028), RTSINDEX (0.0065) and FTSE (0.0142), standard deviation values are found to be Nifty (0.06075), BOVESPA (0.054), SSE (0.068), RTSINDEX (0.0882) and FTSE (0.038). When average values of the variables are considered in terms of the case that data do not have normal distribution and that variables are not distributed normally in full, but are distributed very close to normal distribution as the median values of variables are very close to average values.

Regarding whether series are distributed normally or not; skewness, kurtosis and Jarque-Bera statistics were considered. If kurtosis value of relevant variables is bigger than three, it indicates that series is sharp, if it is smaller than three, it indicates that series is oblate. In consideration of skewness values, if skewness value is equal to zero, it indicates that series has normal distribution, if the skewness value is bigger than zero; it means that series is skew in the positive direction, if skewness value is smaller than zero; it indicates that series is skew in negative direction.

Following values were found: skewness value of Nifty variable 0.8622, kurtosis value (5.32), Jarque-Bera value (20.95), skewness value of BOVESPA (0.142), kurtosis value (2.831), Jarque-Bera value (0.27), skewness value of SSE (-0.5356), kurtosis value (4.5619), Jarque-Bera value (8.968), skewness value of RTSINDEX (-0.2595), kurtosis value (4.5022), Jarque-Bera value (6.3152) and skewness value of FTSE (0.2547), kurtosis value (2.488), Jarque-Bera value (1.303).

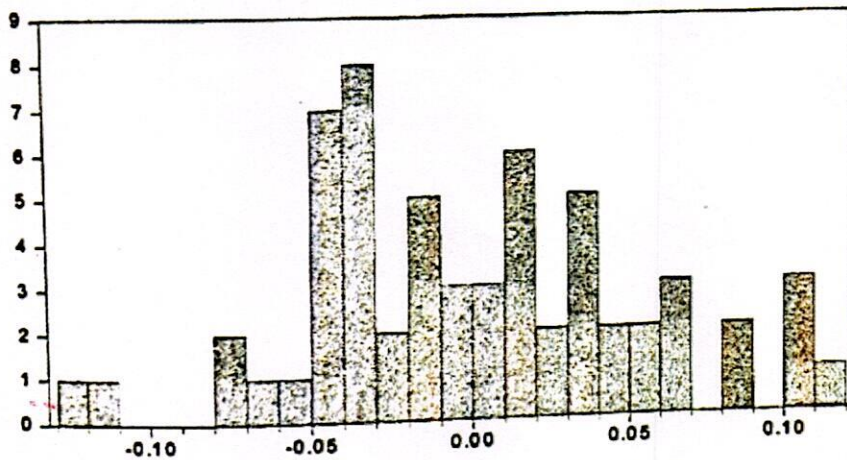
It has been found that Nifty variable is skew (inclined) and sharp in the positive direction, BOVESPA variable is skew (inclined) and oblate in positive direction and SSE variable is skew (inclined) and sharp in negative direction, RTSINDEX variable is skew (inclined) and sharp in negative direction and FTSE variable is skew (inclined) and oblate in positive direction.

Figure: 1



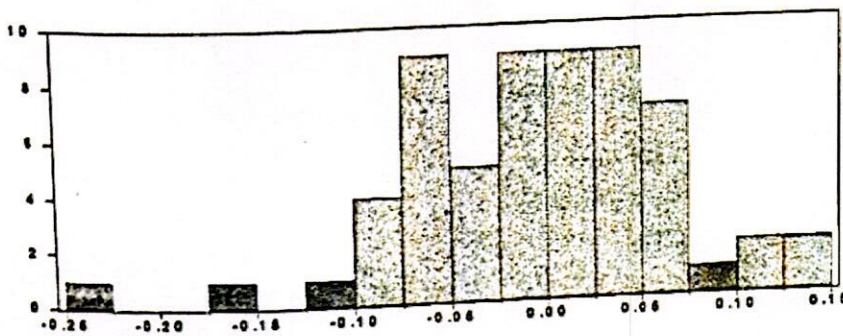
Series: NIFTY	
Sample 1 61	
Observations 60	
Mean	0.011316
Median	0.005571
Maximum	0.247376
Minimum	-0.108108
Std. Dev.	0.080756
Skewness	0.862211
Kurtosis	5.325072
Jarque-Bera	20.84897
Probability	0.000028

Figure: 2



Series: BOVESPA	
Sample 1 61	
Observations 60	
Mean	0.001169
Median	-0.002305
Maximum	0.117722
Minimum	-0.126210
Std. Dev.	0.053658
Skewness	0.142132
Kurtosis	2.831104
Jarque-Bera	0.273330
Probability	0.872262

Figure: 3



Series: SSE	
Sample 1 61	
Observations 60	
Mean	-0.002763
Median	-0.001903
Maximum	0.142343
Minimum	-0.248061
Std. Dev.	0.068460
Skewness	-0.535630
Kurtosis	4.561922
Jarque-Bera	6.968002
Probability	0.011288

Linkages Among Stock Markets: BRICS Countries

Table 4: Cross- Correlation between S&P CNX Nifty to other Selected Indices

Lag	IBOVERSPA	RTSINDEX	SSE	FTSE
-5	-0.0244	0.0314	-0.1287	0.0900*
-4	-0.05	-0.121	0.1351	-0.0771
-3	-0.1017	-0.1596	-0.0743	-0.005
-2	0.0436	0.1787*	-0.1654	0.1412*
-1	0.0854*	0.1002*	0.1663*	-0.2074
0	-0.1014	-0.364	-0.0734	0.0521*
1	0.6662*	0.6234*	0.2570*	-0.0004
2	-0.0814	0.0691*	0.1537*	-0.0849
3	-0.1392	-0.19	-0.0024	0.0915*
4	0.1027*	-0.1879	-0.0905	0.1121*
5	0.1237*	0.0543*	0.2350*	-0.0263

Note: *significant at 1% level

Source: Computed Data

The pair-wise cross correlation co-efficient between Nifty and other indices are presented in table 4. It that there is a positive correlation between the Nifty and other selected indices at 1% level of significance.

The pair wise Granger causality test is shown (Table-5) that no causality exists between

- | | |
|--------------------------|---------------------------|
| (i) RTSINDEX and BOVESPA | (ii) NIFTY and BOVESPA |
| (iii) BOVESPA and NIFTY | (iv) SSE and BOVESPA |
| (v) BOVESPA and SSE | (vi) FTSE and BOVESPA |
| (vii) BOVESPA and FTSE | (viii) NIFTY and RTSINDEX |
| (ix) RTSINDEX and NIFTY | (x) SSE and RTSINDEX |
| (xi) RTSINDEX and SSE | (xii) FTSE and RTSINDEX |
| (xiii) RTSINDEX and FTSE | (xiv) SSE and NIFTY |
| (xv) FTSE and NIFTY | (xvi) NIFTY and FTSE and |
| (xvii) SSE and FTSE. | |

The only Bidirectional causality exists between

- (i) BOVESPA and RTSINDEX
- (ii) NIFTY and SSE and
- (ii) FTSE and SSE.

It is important to note that the pronouncement of causality between the selected variables does not mean that movement in one variable actually causes movements in another variable. To a certain extent, causality basically entails in order of movements in the time series.

Table 5 : Granger Causality Test-Results

Null Hypothesis	F-Stat.	P-Value	Decision
RTSINDEX does not Granger Cause BOVESPA	2.08192	0.1348	No Causality
BOVESPA does not Granger Cause RTSINDEX	3.47199	0.0383	Bi-directional
NIFTY does not Granger Cause BOVESPA	19.4874	5.00E-07	No Causality
BOVESPA does not Granger Cause NIFTY	2.71817	0.0754	No Causality
SSE does not Granger Cause BOVESPA	1.54488	0.2228	No Causality
BOVESPA does not Granger Cause SSE	2.36276	0.104	No Causality
FTSE does not Granger Cause BOVESPA	26.1302	1.00E-08	No Causality
BOVESPA does not Granger Cause FTSE	0.05678	0.9449	No Causality
NIFTY does not Granger Cause RTSINDEX	14.5548	1.00E-05	No Causality
RTSINDEX does not Granger Cause NIFTY	1.84631	0.168	No Causality
SSE does not Granger Cause RTSINDEX	0.06349	0.9386	No Causality
RTSINDEX does not Granger Cause SSE	3.09227	0.0537	No Causality
FTSE does not Granger Cause RTSINDEX	17.6885	1.00E-06	No Causality
RTSINDEX does not Granger Cause FTSE	0.81435	0.4485	No Causality
SSE does not Granger Cause NIFTY	2.40146	0.1006	No Causality
NIFTY does not Granger Cause SSE	4.06017	0.023	Bi-directional
FTSE does not Granger Cause NIFTY	2.05702	0.1379	No Causality
NIFTY does not Granger Cause FTSE	1.64957	0.2018	No Causality
FTSE does not Granger Cause SSE	8.39016	0.0007	Bi-directional
SSE does not Granger Cause FTSE	0.41982	0.6594	No Causality

The result obtained in the table 6 through Johansen cointegration test revealed that trace statistics is significant at 5% level in cases and it leads to conclude that there is long run equilibrium between the Nifty and other selected indices of the stock market. Therefore, this suggests that there will belong run relationship among the BRICS economics.

Table 6: Johansen Cointegration Test Results (Lags Interval: 1 to 4)

Unrestricted Cointegration Rank Test (Trace)				
Hypothesized		Trace	0.05	
No. of CE(s)	Eigenvalue	Statistic	Critical Value	Prob.**
None *	0.508015	119.8398	69.81889	0.0000
At most 1 *	0.383041	80.11860	47.85613	0.0000
At most 2 *	0.341966	53.07321	29.79707	0.0000
At most 3 *	0.260582	29.63730	15.49471	0.0002
At most 4 *	0.203355	12.73137	3.841466	0.0004

Note: Trace test indicates 3 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michells (1999) p-value

CONCLUSION

The study revealed certain facts that there is positive correlation between Nifty and other selected indices (BRICS) during the study period April, 2009 to March 2014. Further it is worth noted that both unidirectional and bidirectional causality effect took place among the selected indices. The result obtained through cointegration test proved that long run equilibrium exists between the Nifty and other selected market indices. Due to this cointegration prices indifferent markets cannot move away far from each other and therefore the investor community cannot get abnormal gain due to the price differences among the markets.

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Size and Age of Npas and Their Implications for Financial Exclusion

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Among the institutional sources of credit, the cooperatives have been relatively more stable sources of financing the agriculture. But the recovery of loans has become the strenuous problem. The problem of mounting NPAs not only jeopardizes the interests of the defaulters but also of the regular members, auditors, and the very cooperative banking itself. There is no gainsaying the fact that a safe, sound and solid kind of credit structure depends to a considerable extent on the speedy recovery of funds advanced to the borrowers. The cooperative credit is no exception to this rule. The real test of its future strength lies in the record of the realization of loans. But there has been sluggishness in the recovery of loans in the cooperative credit agencies as well as in the societies financed by the commercial banks. This has made the RBI to give a call for a proper climate to tackle the problem of mounting NPAs which are smothering the progress of the cooperative movement. It has also exhorted the various cooperative organizations to make concerted efforts to reduce NPAs. The magnitude of NPAs have a direct impact on banks' profitability as legally they are not allowed to book income on such accounts and at the same time banks are forced to make provision on such assets as per the RBI guidelines. The rapid hike in NPAs of banks is a matter of great alarm and anxiety to the government since it causes obstacles in the free flow of credit jeopardizing the health of the banking system and the economy ending up in doldrums.

The chief objective of the paper is to discuss the size and age of NPAs in the study area. The financial exclusion is measured in terms of increasing level of dependence on informal sources of credit, high interest burden, worsening financial

situation, mounting poverty and mounting indebtedness. Towards this end, samples of 500 who are financially excluded from the formal financial institutions were selected for the purpose of the study from the three regions of Andhra Pradesh. Bhaimsa and Rebbana Mandals of Adilabad district of Telangana, Adoni, Bandi Atmakur mandals of Kurnool district of Rayalaseema and Sullurupeta and Vinjamur Mandals of Nellore Districts of Andhra Pradesh, mostly by resorting to the method of stratified random sampling. The stratification is done on the basis of size of the land holding and social status.

RESULTS AND ANALYSIS

Table-1

Size of the loan borrowed

Rs in thousands	Frequency	Percent	Cumulative Percent
Up to 25	260	52.0	52.0
25-50	110	22.0	74.0
50-75	80	16.0	90.0
Above 75	50	10.0	100.0
Total	500	100.0	

Source: Primary data

Table-1 refers to the distribution of the sample farmers by the size of the loan borrowed from various banks. It is observed that 52 percent of the sample farmers have borrowed an average of up to 25000 rupees followed by 25000-50000 rupees of loan by 22 percent of the sample farmers, 50000-75000 rupees of loan by 16 percent of sample farmers and above 75000 rupees of loan by 10 percent of the sample farmers.

Table-2
Extent of repayment

Extent of repayment (%)	Frequency	Percent	Cumulative Percent
40	275	55.0	55.0
40-50	145	29.0	84.0
50-60	80	16.0	100.0
Total	500	100.0	

Source: Primary data

Table-2 refers to the distribution of the sample farmers by the extent of loan repayment. It is observed that 55 percent of the sample farmers have made the repayment of the loan to the extent of 40 followed by 29 percent made repayment to the extent of 40-50 percent of their loan and 16 percent have made repayment to the extent of 50-60 percent of the loan.

Table-3
Extent of NPAs

Extent of NPAs (%)	Frequency	Percent	Cumulative Percent
Up to 20	290	58.0	58.0
20-40	140	28.0	86.0
Above 40	70	14.0	100.0
Total	500	100.0	

Source: Primary data

Table-3 refers to the distribution of the sample farmers by the extent of NPAs. It is observed that the extent of NPAs is up to 20 percent in case of 58 percent of sample farmers, and the same is 20-40 percent of their borrowings in case of 28 percent of the sample farmers and above 40 percent in case of 14 percent of the sample farmers.

Table-4
Period of NPAs

Period of NPAs (Years)	Frequency	Percent	Cumulative Percent
one	295	59.0	59.0
Two	150	30.0	89.0
More than two	55	11.0	100.0
Total	500	100.0	

Source: Primary data

Table-4 refers to the distribution of the sample farmers by the period of NPAs. It is observed that the period of NPAs one year in case of 59 percent of sample farmers, and the same is two years in case of 30 percent of the sample farmers and more than two years in case of 11 percent of the sample farmers.

Table-5
Type of Bank

Type of Bank	Frequency	Percent	Cumulative Percent
Cooperative bank	265	53.0	53.0
Commercial bank	170	34.0	87.0
Others	65	13.0	100.0
Total	500	100.0	

Source: Primary data

Table-5 refers to the distribution of the sample farmers by the type of bank from which they have borrowed. It is observed that 53 percent of the sample farmers have borrowed from cooperative banks, 34 percent have borrowed from commercial banks and 13 percent from other banks.

Table-6

**Financial exclusion attributable to NPAs-
increasing level of dependence on informal
sources of credit**

Response	Frequency	Percent	Cumulative Percent
Yes	350	70.0	70.0
No	150	30.0	100.0
Total	500	100.0	

Source: Primary data

Table-6 refers to the distribution of the sample farmers by their response about financial exclusion attributable to NPAs with a focus on increasing level of dependence on informal sources of credit. It is observed that 70 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of increasing level of dependence on informal sources of credit and 30 percent of the sample street children did not subscribe to this view.

Table-7

**Financial exclusion attributable to NPAs-
high interest burden**

Response	Frequency	Percent	Cumulative Percent
Yes	300	60.0	60.0
No	200	40.0	100.0
Total	500	100.0	

Source: Primary data

Table-7 refers to the distribution of the sample farmers by their response about financial exclusion attributable to NPAs with a focus on high interest burden. It is observed that 60 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of high interest burden and 40 percent of the sample farmers did not subscribe to this view.

Table-8

**Financial exclusion attributable to NPAs-
worsening financial situation**

Response	Frequency	Percent	Cumulative Percent
Yes	400	80.0	80.0
No	100	20.0	100.0
Total	500	100.0	

Source: Primary data

Table-8 refers to the distribution of the sample farmers by their response about financial exclusion attributable to NPAs with a focus on worsening financial situation. It is observed that 80 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of worsening financial situation and 20 percent of the sample farmers did not subscribe to this view.

Table-9

**Financial exclusion attributable to NPAs-
mounting indebtedness**

Response	Frequency	Percent	Cumulative Percent
Yes	250	50.0	50.0
No	250	50.0	100.0
Total	500	100.0	

Source: Primary data

Table-9 refers to the distribution of the sample farmers by their response about financial exclusion attributable to NPAs with a focus on mounting indebtedness. It is observed that 50 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of mounting indebtedness and 50 percent of the sample farmers did not subscribe to this view.

Table-10

Financial exclusion attributable to NPAs-mounting poverty

Response	Frequency	Percent	Cumulative Percent
Yes	450	90.0	90.0
No	50	10.0	100.0
Total	500	100.0	

Source: Primary data

Table-10 refers to the distribution of the sample farmers by their response about financial exclusion attributable to NPAs with a focus on mounting poverty. It is observed that 90 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of mounting poverty and 10 percent of the sample farmers did not subscribe to this view.

Table-11

Size of the farmer and size of the loan borrowed

Size of the farmer	Size of the loan borrowed (Rs in thousands)				Total
	Up to 25	25-50	50-75	Above 75	
Marginal	30	5	25	5	65
	46.2%	7.7%	38.3%	7.7%	100.0%
Small	11.5%	4.5%	31.3%	10.0%	13.0%
	155	75	30	40	300
Medium	51.7%	25.0%	10.0%	13.3%	100.0%
	59.6%	68.2%	37.5%	80.0%	60.0%
Big	50	25	20	5	100
	50.0%	25.0%	20.0%	5.0%	100.0%
Total	19.2%	22.7%	25.0%	10.0%	20.0%
	25	5	5		35
Total	71.4%	14.3%	14.3%		100.0%
	9.6%	4.5%	6.3%		7.0%
Total	260	110	80	50	500
	52.0%	22.0%	16.0%	10.0%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square=49.673, df=9, =0.000, r=-0.101

Source: Primary data

Table-11 refers to the distribution of the sample farmers by their farm size and by their loan size. The correlation between the size of the farmer and loan size is found to be negative($r=-0.101$). The rejection of the null hypothesis with level of significance=0.05 and degree of freedom=9 implies that the relationship between the size of the sample farmers and their loan size is found to be statistically dependent.

Table-12

Size of the farmer and extent of repayment

Size of the farmer	Extent of repayment (%)			Total
	40%	40-50	50-60	
Marginal	50	15		65
	76.9%	23.1%		100.0%
Small	18.2%	10.3%		13.0%
	140	95	65	300
Medium	46.7%	31.7%	21.7%	100.0%
	50.9%	65.5%	81.3%	60.0%
Big	60	25	15	100
	60.0%	25.0%	15.0%	100.0%
Total	21.8%	17.2%	18.8%	20.0%
	25	10		35
Total	71.4%	28.6%		100.0%
	9.1%	6.9%		7.0%
Total	275	145	80	500
	55.0%	29.0%	16.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Chi-Square=35.799, df=6, =0.000, r=0.004

Source: Primary data

Table-12 refers to the distribution of the sample farmers by their farm size and by the extent of repayment of their loan. The correlation between the size of the farmer and the extent of repayment of their loan is found to be positive($r=0.004$). The rejection of the null hypothesis with level of significance=0.05 and degree of freedom=6 implies

that the relationship between the size of the sample farmers and the extent of repayment of their loan is found to be statistically dependent.

Table-13

Size of the farmer and extent of NPAs

Size of the farmer	Extent of NPAs (%)			Total
	Up to 20	20-40	Above 40	
	40	10	15	65
Marginal	61.5%	15.4%	23.1%	100.0%
	13.8%	7.1%	21.4%	13.0%
Small	170	80	50	300
	56.7%	26.7%	16.7%	100.0%
Medium	58.6%	57.1%	71.4%	60.0%
	55	45		100
Big	55.0%	45.0%		100.0%
	19.0%	32.1%		20.0%
Total	25	5	5	35
	71.4%	14.3%	14.3%	100.0%
	8.6%	3.6%	7.1%	7.0%
	290	140	70	500
	58.0%	28.0%	14.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Chi-Square=37.384, df=6, =0.000, r=-0.056

Source: Primary data

Table-13 refers to the distribution of the sample farmers by their farm size and by the extent of repayment of their loan. The correlation between the size of the farmer and the extent of repayment of their loan is found to be positive (r=0.004). The rejection of the null hypothesis with level of significance=0.05 and degree of freedom=6 implies that the relationship between the size of the sample farmers and the extent of repayment of their loan is found to be statistically dependent.

Table-14

Size of the farmer and period of NPAs

Size of the farmer	Period of NPAs			Total
	one	Two	More than two	
Marginal	50	10	5	65
	76.9%	15.4%	7.7%	100.0%
Small	16.9%	6.7%	9.1%	13.0%
	145	120	35	300
Medium	48.3%	40.0%	11.7%	100.0%
	49.2%	80.0%	63.6%	60.0%
Big	80	10	10	100
	80.0%	10.0%	10.0%	100.0%
Total	27.1%	6.7%	18.2%	20.0%
	20	10	5	35
	57.1%	28.6%	14.3%	100.0%
	6.8%	6.7%	9.1%	7.0%
	295	150	55	500
	59.0%	30.0%	11.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Chi-Square=46.007, df=6, =0.000, r=-0.046

Source: Primary data

Table-14 refers to the distribution of the sample farmers by their farm size and by the period of NPAs. The correlation between the size of the farmer and the period of NPAs is found to be negative (r=-0.046). The rejection of the null hypothesis with level of significance=0.05 and degree of freedom=6 implies that the relationship between the size of the sample farmers and the period of NPAs is found to be statistically dependent.

It is concluded that 52 percent of the sample farmers have borrowed an average of up to 25000 rupees, 55 percent of the sample farmers have made the repayment of the loan to the extent of 40 percent of the loan, the extent of NPAs is up to 20 percent in case of 58 percent of sample farmers, the period of NPAs one year in case of 59 percent of sample farmers. 70 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of increasing level of

dependence on informal sources of credit. 60 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of high interest burden. 80 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of worsening financial situation. 50 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of mounting indebtedness. 90 percent of the sample farmers have opined that due to their NPAs, they are subjected to financial exclusion in terms of mounting poverty.

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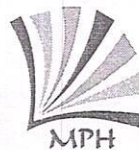

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ABOUT THE BOOK

This book conglomerates twenty six research papers selected by experts after conducting a peer review and endorses the most contemporary rubrics of foreign direct investments attributable to Indian economic conditions. It chronicles the metrics of foreign investments right from the Philosophical advocacy of Koutilya to the recent trends of FDIs in India. The editorial team has exercised its prudence to wrap all the major sectors which are under the influential spectrum of FDIs ranging from infrastructure to retail sector and from Banking to insurance sector to provide a vivid picture on the sectoral and macro level aspects of foreign direct investments. It also emphasize on the new policies and guidelines giving an impetus to foreign investors like Make in India programme and also gives an equal priority to econometric models like Granger Causality to table the quantitative evidences for scrutinizing the issues of FDIs. Three articles written on higher education in the light of foreign investment aid are duly placed in this book to show the societal and human development elements influenced by FDIs.

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Key indicators of BRICS countries

KEY INDICATORS	Brazil	Russia	India	China	South Africa
Total population (millions)	200.36	143.50	1259.14	1357.83	52.94
Population growth (%)	1.81	1.52	2.51	1.66	2.41
Fertility rate (births per woman)	0.97	0.86	1.07	1.08	0.90
Overall population sex ratio (male:female)	1166.72	993.51	1458.74	4864.00	113.47
GDP (US\$ billion)	14323	23310	3050	10756	12042
GDP (PPP) per capita (constant 2005, international \$)	9	5	4	NA	28
Female adult unemployment rate (% of female labour force)	5	6	3	NA	23
Male adult unemployment rate (% of male labour force)	28	5	NA	NA	11
Female part-time employment (% of total female employment)	10	3	NA	NA	5
Male part-time employment (% of total male employment)	47	51	19	39	45
Share of women employed in the non-agricultural sector (% of total non-agricultural employment)	46	NA	85	36	49
Female workers in informal employment (% of non-agricultural employment)	39	NA	83	30	30
Male workers in informal employment (% of non-agricultural employment)	51	48	26	60	51
Women who have an account in a formal financial institution (%)	61	49	44	68	56
Men who have an account in a formal financial institution (%)	4	4	5	5	5
Ability of women to rise to positions of enterprise leadership	18	20	NA	NA	NA
Firms with female top managers (% of firms)	9	NA	7	NA	13
Share of women on boards of listed companies (%)	59	29	9	NA	23

Table 3 reveals the gender gaps between males and females of four categories that determines Economic Participation and Opportunity, Educational Attainment, Health and Survival and Political Empowerment. The table also reveals the female-to-male ratios of each sub-category. In case of labour participation, female-to-male ratios exceed 0.70 for all countries except for India (0.36), implying a smaller gender gap. The opinion survey on wage equality for similar work is above 0.6 for all countries except Brazil (0.51), implying that the gender gap is not that big. The female-to-male ratios for estimated earned income was most profound in India (0.24) while the rest of countries had ratios exceeding 0.5, implying the gender gap was still quite high. Only Brazil and Russia fared well with regard to the female-to-male ratio for legislators, senior officials and managers while India and China still have a long way to go. For the sub-category professional and technical workers, all exhibit reverse gender gaps implying that they contain a large amount of female workers.

Table 3: Gender Gap of BRICS nations in 2014

	Brazil		Russia		India		China		South Africa	
	Rank	F to M ratio	Rank	F to M ratio	Rank	F to M ratio	Rank	F to M ratio	Rank	F to M ratio
Economic Participation and Opportunity	81		42		134		76		83	
Labour force participation	81	0.76	39	0.87	130	0.36	56	0.84	79	0.77
Wage equality for similar work (survey)	124	0.51	52	0.68	109	0.62	77	0.63	83	0.62
Estimated earned income (PPP US\$)	79	0.59	92	0.56	135	0.24	55	0.64	100	0.52
Legislators, senior officials and managers	36	0.59	26	0.64	NA	NA	101	0.20	65	0.43
Professional and technical workers	1	1.2	1	1.81	NA	NA	1	1.08	1	1.05
Educational Attainment	1		28		126		89		85	
Literacy rate	1	1.01	48	1.00	126	0.68	94	0.95	85	0.97
Enrolment in primary education	1	1.02	1	1.00	117	0.97	75	1.00	101	0.99
Enrolment in secondary education	-	NA	NA	NA	116	0.79	NA	NA	1	1.11
Enrolment in tertiary education	1	1.29	1	1.26	111	0.78	1	1.13	NA	NA
Health and Survival	1		37		141		140		1	
Sex ratio at birth (female/male)	1	0.95	94	0.94	139	0.89	137	0.90	1	0.98
Healthy life expectancy	1	1.08	1	1.18	95	1.04	106	1.03	1	1.08
Political Empowerment	74		125		15		72		12	
Women in parliament	123	0.09	100	0.16	111	0.13	60	0.31	4	0.81
Women in ministerial positions	41	0.34	122	0.07	107	0.11	115	0.09	16	0.59
Years with female head of state (last 50)	29	0.08	64	0.00	1	0.72	28	0.08	64	0.00

Tables 4.1 and 4.2 shows that South Africa 83th on the Economic Participation and Opportunity category having increased its place from 93 in 2008. Other countries like china decrease its rank from 53 in 2006 to 74 in 2014. In case of India has lost their rank 110 in 2006 to 134 in 2014 and is placed 8th from bottom (ranked 134 to 142 countries). Other three BRICS countries fall within the range of 60 to 80 ranks. In Educational attainment category Brazil has recorded the greatest improvement in all the BRICS countries during 2006 to 2014. South Africa decreased its performance in this category from 42 in 2006 to 85 in 2014. Russia has improved its position from 36th rank in 2013 to 28th rank in 2014. China has

Blumberg (2005) held the view that economic empowerment of women was the key to achieve gender equality as well as wealth and well being of nation. The author opined that financial autonomy would enhance women's capacity of decision making in various arenas of life. Moreover, it would lead to less corruption, less armed conflict and less violence against female in the long run.

Kabeer (2005) in his paper highlighted the third Millennium Development Goal (MDG) on gender equality and women's empowerment. It explored the concept of women empowerment and highlighted ways in which the indicators associated with this Goal.

Data and Methodology:

The present paper is based on secondary sources of data. The extent of gender gap in BRICS countries has been analysed in four fundamental areas like economic participation and opportunity, education, health and political empowerment using the indicators such as work participation rate (WPR), literacy rate, enrollment ratio, sex ratio, life expectancy at birth and political participation.

Criteria for Measurement

Five important dimensions of female empowerment and opportunity have been chosen for examination, based mainly on the findings of UNIFEM, concerning global patterns of inequality between men and women: 1. Economic participation and opportunity, 2. Educational attainment, 3. Health and well-being and 4. Political empowerment.

1. The economic participation of women

Economic participation concerns not only the actual numbers of women participating in the labour force, but also their remuneration on an equal basis. Worldwide, outside of the agricultural sector, in both developed and developing countries, women are still averaging slightly less than 78% of the wages given to men for the same work, a gap which refuses to close in even the most developed countries. While globalization has generated opportunities for local producers and entrepreneurs to reach international markets, it has at times intensified existing inequalities and insecurities for many poor women, who already represent two-thirds of the world's poorest people. Since the gains of globalization are often concentrated in the hands of those with higher education—those who own resources and have access to capital—poor women are usually the least able to seize the longer term opportunities offered.

Economic opportunity concerns the quality of women's economic involvement, beyond their mere presence as workers. This is a particularly serious problem in developed countries, where women may gain employment with relative ease, but where their employment is either concentrated in poorly paid or unskilled job "ghettos," characterized by the absence of upward mobility and opportunity.

2. Educational attainment is, without doubt, the most fundamental prerequisite for empowering women in all spheres of society, for without education of comparable quality and content to that given to boys and men, and relevant to existing knowledge and real needs, women are unable to access well-paid, formal sector jobs, advance within them, participate in, and be represented in government and gain political influence. Moreover, the risk increases for society as a whole that the next generation of children will be similarly ill-prepared. If, as a broad body of empirical work has shown, education and literacy reduce mortality rates of children—including the bias toward female child mortality—and help

reduce fertility rates, the importance of literacy for women is all the greater, considering that women still constitute two-thirds of the world's illiterate population.

3. Health and well-being is a concept related to the substantial differences between women and men in their access to sufficient nutrition, healthcare and reproductive facilities, and to issues of fundamental safety and integrity of person. According to the World Health Organization, 585,000 women die every year, over 1,600 every day, from causes related to pregnancy and childbirth. Women's particular vulnerability to violence is perhaps the most obvious aspect of reduced physical security and integrity of person, but one which is perhaps the least amenable to accurate statistics. We include reproductive health data, such as the percentage of births attended by skilled health staff, and maternal and infant mortality ratios. Since these variables are particularly affected by the level of poverty in a given nation, i.e. poor health facilities in general as opposed to poor reproductive health facilities, we have adjusted these data by the number of physicians available per 1,000 people, as an indicator of the quality of the country's health system in general. In this way, we do not penalize developing countries in particular, but all those nations that provide poor reproductive health facilities to women, given the existing health infrastructure.

4. Political empowerment by using data on the number of female ministers, seats in parliament held by women, women holding senior, legislative and managerial positions and the number of years a female has been head of state (president or prime minister) in each of the 58 countries.

Table 1: Global Gender Gap Index during 2006 to 2014

Country	2006 (out of 115 countries)	2007 (out of 128 countries)	2008 (out of 130 countries)	2009 (out of 134 countries)	2010 (out of 134 countries)	2011 (out of 135 countries)	2012 (out of 135 countries)	2013 (out of 136 countries)	2014 (out of 142 countries)
Brazil	67	74	73	81	85	82	62	62	71
Russia	49	45	42	51	45	43	59	61	75
India	98	114	113	114	112	113	105	101	114
China	63	73	57	60	61	61	69	69	87
South Africa	18	20	22	6	12	14	16	17	18

Table 1 reveals the Global Gender Index in 2014 out of five BRICS countries, only South Africa maintain its top 20 performing countries in the overall index since 2006, except in the year 2008. India has a slight decrease in 2014 due to a drop on the economic participation and opportunity and education category. Other three BRICs countries post their position in between 70 to 90 ranks.

Figure 3: Global Gender Gap Index Rankings of BRICS in Health and Survival during 2006 to 2014

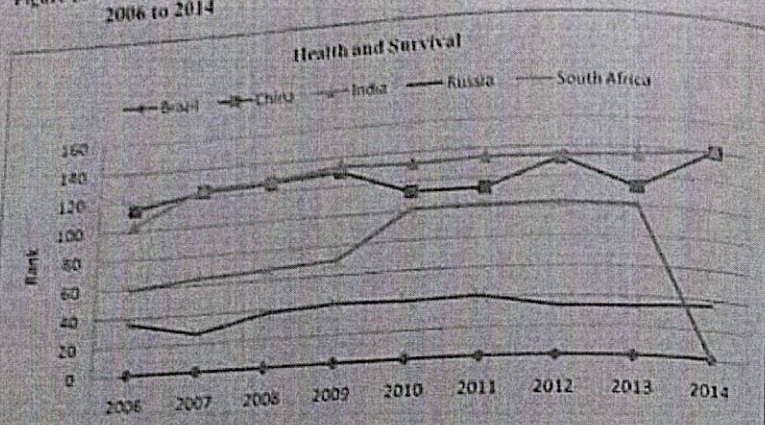
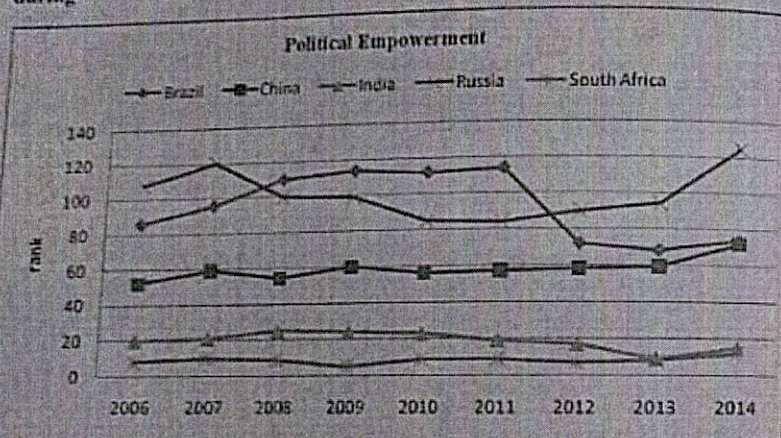


Figure 4: Global Gender Gap Index Rankings of BRICS in Political Empowerment during 2006 to 2014



Conclusion

The past three decades have witnessed a steadily increasing awareness of the need to empower women through measures to increase social, economic and political equity, and broader access to fundamental human rights, improvements in nutrition, basic health and education. Along with awareness of the subordinate status of women has come the concept of gender as an overarching socio-cultural variable, seen in relation to other factors, such as

race, class, age and ethnicity. Gender equality refers to the condition when social development at which "the rights, responsibilities and opportunities of individuals will not be determined by the fact of being born male or female" in other words, a stage when both men and women realize their full potential.

The study concluded that Brazil is 6 percent closer to the gender gap since 2006. In case of Russia to 2013, the economic participation & opportunity and education category improved. Whereas the health and survival category remained same. In the year 2014, India is below average in three categories i.e., economic participation & opportunity, education attainment category and Health and Survival. China improved their position due to advances on all four categories.

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decreased its rank from 78th in 2006 to 89th in 2014. Since 2006, India has experienced the largest decrease from 102 to 126th rank in 2014.

While in Health and Survival category India (141st) and China (140th) are the second and third lowest performing countries on this category, just ahead of Armenia. On the other hand, Brazil and South Africa posted first rank close to 98 per cent of its gender gap. South Africa and India are among the top twenty best performing countries of the political empowerment category. While Russia is placed 17th from the bottom (ranked 125 out of 142 countries). Other two nations fall within the range of 70 to 75.

Table 4.1: Global Gender Gap Index Rankings in Category wise during 2006 to 2014

year	Economic Participation and Opportunity					Education Attainment				
	Brazil	China	India	Russia	South Africa	Brazil	China	India	Russia	South Africa
2006	63	53	110	22	79	74	78	102	19	42
2007	62	60	112	16	85	84	91	116	22	52
2008	59	43	125	16	93	1	87	116	28	45
2009	75	38	127	24	60	32	87	121	29	43
2010	66	46	128	28	55	63	88	120	26	43
2011	68	50	131	29	58	66	85	121	33	86
2012	73	58	123	39	69	1	85	121	35	87
2013	74	62	124	42	78	1	81	120	36	54
2014	81	76	134	42	83	1	89	126	28	85

Figure 1: Global Gender Gap Index Rankings in Economic Participation & Opportunity during 2006 to 2014

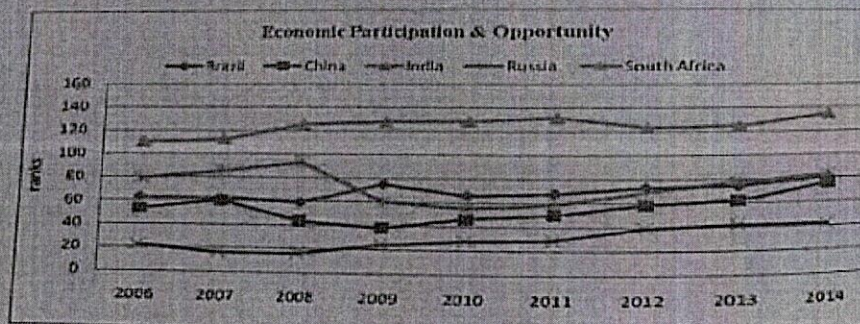


Figure 2: Global Gender Gap Index Rankings in Education Attainment during 2006 to 2014

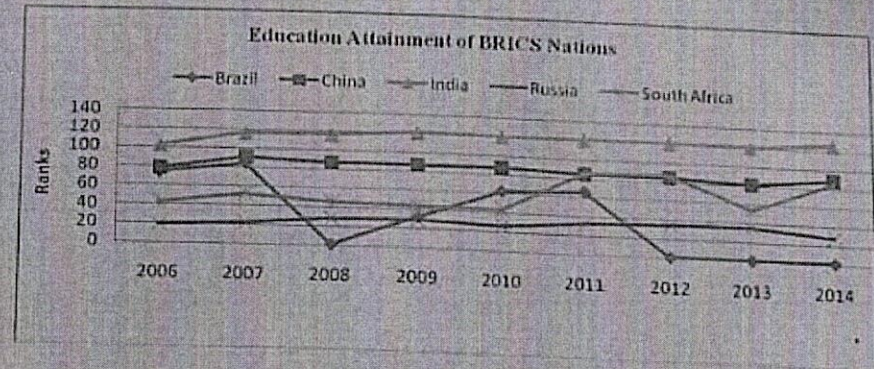


Table 4.2: Global Gender Gap Index Rankings of BRICS in Category wise during 2006 to 2014

year	Health and Survival					Political Empowerment				
	Brazil	China	India	Russia	South Africa	Brazil	China	India	Russia	South Africa
2006	1	114	103	36	59	86	52	20	108	8
2007	1	124	126	27	65	96	59	21	120	10
2008	1	126	128	38	67	110	54	25	100	9
2009	1	130	134	41	70	114	60	24	99	5
2010	1	113	132	40	101	112	56	23	85	9
2011	1	113	134	41	102	114	57	19	84	9
2012	1	132	134	34	103	72	58	17	90	7
2013	1	113	135	34	102	68	59	9	94	8

countries with younger populations, greater gender equality is associated with the start of the 'demographic transition,' which is typically a period of rapid economic growth.

Importance of BRICs Nations:

In the past few decades, some large economies such as Brazil, Russia, India, China and South Africa (joined in 2010), BRICS have acquired a vital role in the world economy as producers of goods and services, receivers of capital, and as potential consumer markets. The BRICs economies have been identified as some of the fastest growing countries and the engines of the global recovery process, which underscores the changed role of these economies. Even in the G-20 countries' forum, BRICs are playing a formidable role in shaping the macroeconomic policy after the recent financial crisis. At present, these four countries encompass over 40 per cent of the global population and a share in world GDP (in PPP terms) that increased from 16 per cent in 2000 to nearly 27 per cent in 2011, and is expected to rise significantly in the near future. If one compares the GDP in PPP terms for 2011, four economies figure among the G-20 top ten, with China, India, Russia and Brazil in 2nd, 4th, 6th and 8th place respectively. In terms of contribution to growth of PPP-adjusted global GDP of the world, these four economies accounted for 55 per cent during 2000-11, and their contribution is expected to rise in the coming years.

According to an estimate by Goldman Sachs, the four original BRICs countries are expected to represent 47 per cent of global GDP by 2050, which would dramatically change the list of the world's 10 largest economies. An important change that we may expect over the medium to long term is that the top 10 countries in terms of GDP may be different from the top 10 countries in terms of per capita GDP. The inherent strength of the BRICs emanates from strong domestic demand-based economies in the case of India and Brazil and the significant outward linkages of China and Russia.

Review of Literature:

Wallace and March (1991) in their work examined the effects of global issues on the lives of women and explored the conceptual basis of gender awareness planning and implementation of development project.

Moser (1993) in their research focused on the interrelationship between gender and development, formulation of gender policy and implementation of gender planning and practices.

Anand and Sen (1995) in their work tried to develop a measure of gender inequality. They focused on the use of gender-equity-sensitive indicators and the formulation and utilization of measures of gender equality and inequality.

Nussbaum (2001) in their study revealed that international political and economic thought must be sensitive to gender difference as a problem of justice, and feminist thought must begin to focus on the problems of women in the third world.

The edited volume of **Mahanta (2002)** sought to explain the question of women's access to or deprivation of basic human rights as the right to health, education and work, legal rights, rights of working women besides issues like domestic violence, all the while keeping the peculiar socio-cultural situation of the North East in mind.

Sullivan (2004) in her paper explained the changing gender relations between heterosexual couples in the domestic spheres. While doing so she presented evidences for change of gender relation at home. She also discussed the changes in attitude to gender equality, images of masculinity and intimacy in personal relationship. She presented cross national quantitative evidence based on time use diaries suggesting long term changes in gender practices around the domestic division of labour. Gender gap reports of World Economic Forum assessed the status accorded to women in a broad range of countries. The first report on global gender gap published in 2005 attempted to measure gender inequality among 58 countries. India secured 53rd position among those 58 countries. Seven reports have been published so far and the coverage of countries has increased to 187.

Rout and Panda (2008) held the view that ensuring gender parity has become a great challenge for the modern world. Gender equality formed part of development strategy in many countries of the world including India. When both men and women had equal access to services and resources, enjoyed equal rights, and got equal opportunities to develop skills and capabilities then the country would be fast and balanced.

Gaye, et al (2010) analysed ways to measure and monitor gender inequality. They provided a critique to the existing measures including the first global gender indices that were launched in the 1995 Human Development Report, i.e., the Gender-related Development Index and the Gender Empowerment Measure. Further they also introduced a new index that was presented in the 2010 Human Development Report. The sixth human development report put special emphasis on women empowerment (UNDP, 1995). It mainly concerned on formulation and utilization of measure of gender inequality and the identification of efforts and contribution made by women that went unrecognized in standard national income and employment statistics. The concepts of GDI and GEM evolved out in that report. Assam Human Development Report threw light on inequality in the achievement between men and women of Assam in different spheres of life (Govt. of Assam, 2003). The report viewed that poverty, violence and lack of political participation were the main issues of concern for South Asian Women, and Assam was no exception. Human development reports of the northeastern states also showed that women of the region were at disadvantageous position relative to men. However the status of women in the region in areas like education, employment, health, etc were far better than that of the nation as a whole.

Bardhan and Klasen (1999) in his research sought to explain GEM as an inadequate index of measuring women empowerment at aggregate level. While supporting the need to develop indicators that reliably track women's empowerment as well as the impact of gender inequality on overall human development, they argued that the particular ways in which these indices are constructed and the assumptions are made to overcome data gaps severely limit their usefulness and result in very misleading international comparisons.

Kishor and Gupta (2004) opined that average women in India were disempowered absolutely and there have been little change in their empowerment over time. The authors viewed that there were several cogent and pressing reasons for evaluating, promoting and monitoring the level of women's empowerment in India, not the least of which was that household health and nutrition were generally in the hands of women and their empowerment were necessary to ensure not just their own welfare but the wellbeing of households. They also asserted that empowerment was critical for the very development of India, as it enhanced the quality and quantity of human resources available for development.

A Study on Gender Equality in BRICS Nations

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Abstract

Gender refers to socially constructed and learned female and male roles, behaviors, and expectations. All cultures interpret and translate the biological differences between men and women into beliefs about what behaviors and activities are appropriate for each gender as well as their rights, resources, and power. The Global Gender Gap Report of the World Economic Forum serves as a useful data base for the purpose of examining and understanding the Gender Gap of BRICS economies on a broad set of indicators like Economic participation & opportunity, Education, Health and Political Empowerment. The Goldman Sachs report in 2003 and then in subsequent years focuses on the incredible growth and development of BRICS nations that seems to overwhelm the entire world by the growth prospects suggested in the report. The study reveals that women are relatively disempowered and enjoy somewhat lower status than that of men in the region. Gender gap exists in terms of access to education, employment and health. A large gender gap exists in political participation both at the levels of state and nation.

The study concluded that India is below average in three categories i.e., economic participation & opportunity, education attainment category and Health and Survival. China improved their position due to advances on all four categories.

Key words: Gender, economic participation, Health and well-being, BRICS

Introduction:

...investing in women is not only the right thing to do. It is the smart thing to do. I am deeply convinced that, in women, the world has at its disposal, the most significant and yet largely untapped potential for development and peace.

Ban Ki Moon- Ban Ki Moon, UN Secretary General. www.iheu.org, (International Humanist and Ethical Union), 8 March 2008

Around much of the world, women lag men in terms of education, access to healthcare, empowerment, wages and involvement in political institutions. Although evolving views of women's roles over the past half century have moved the reality closer to the aspiration, there are still significant gaps in many countries especially in BRICS.

Gender equality can be viewed in many ways: as a development goal in its own right; as a means of achieving other development goals; and as a fundamental human right recognized by international treaty. It also has a key role to play as a source of support for long-term economic growth. Bringing more women into the labour force could provide a substantial boost to GDP growth and per capita income. Productivity levels would likely rise as higher competition for jobs raised the average quality of the overall workforce. BRICS

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Inspired by such visionaries, the college was established to bring out the innate potential of the rural poor of Zaheerabad, a small town in Medak district, surrounded by a number of hamlets where people live cultivating land and struggling to eke out a living, deprived of higher studies. To endow students with creative intelligence and to help them to walk in the footsteps of eminent personalities, the college aims at giving its best to the students and at helping them become role models.

Government Degree College, Zaheerabad was established in August 1991, in a 2.35 acre campus with a meagre strength of 60 students. Gradually it has grown to 654 students now. Our collective efforts towards better academic standards and discipline in the campus, and the efforts of the Internal Quality Assurance Cell have yielded good academic dividends.



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ABOUT THE BOOK

This book focuses on micro finance and the micro enterprises in India which help provide livelihoods generate export earnings and touch upon the lives of the remotest and most marginalized people. It analyses the issues relating to the emerging microfinance services of micro-insurance, micro enterprises and money transfers, ongoing efforts in training and capacity building, opportunities facing commercial financiers such as bankers and social venture capitalists, the remaining need for development financing, and ongoing research in the sector. This work will be great help to the researchers and teachers of Commerce, Management and Social Sciences.

ABOUT THE EDITOR



Dr.R.Neelaiah, Assistant Professor of the Department of Commerce, Govt. College for Men (Autonomous), Kadapa, YSR District, Andhra Pradesh. In addition to M.Com, MBA, L.L.B, Ph.D and qualified UGC National Eligibility Test (UGC NET) in M.Com, Andhra Pradesh State Eligibility Test (APSET) in M.Com and MBA. He has 12 years of teaching experience at both UG and PG level.

His areas of specialization and research are Accounting, Financial Management, Micro-finance, Human Resource Management and Taxation. He is recipient of Doctoral fellowship from Indian Council of Social Science Research (ICSSR), New Delhi. He has undertaken minor UGC sponsored research project. He has served as Academic Counselor for BR Ambedkar Open University, Hyderabad, Andhra Pradesh. He has published 30 research articles in National and International journals of repute. He is attended and presented 50 research papers in National, International seminars and conferences.



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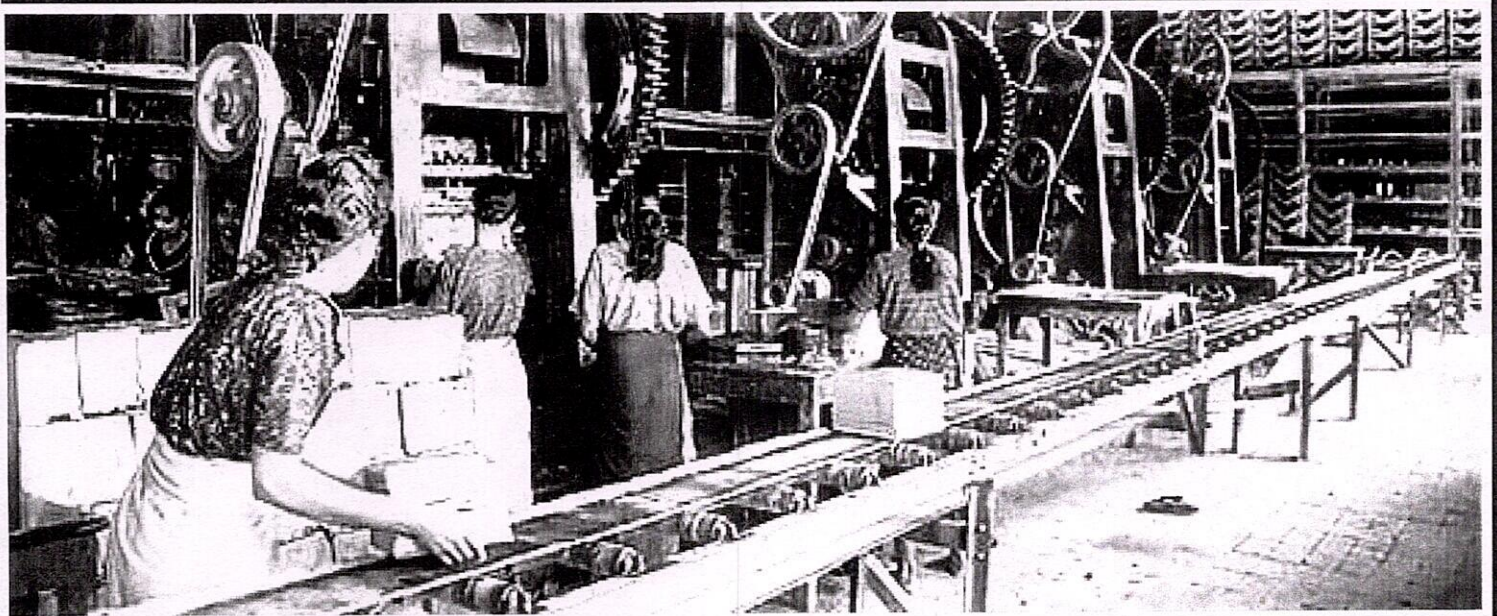
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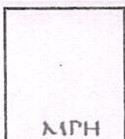
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ROLE OF MSME SECTOR IN INDIAN ECONOMY PROSPECTS & CHALLENGES



**EDITOR
N. SURESH**



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ROLE OF MSME SECTOR IN INDIAN ECONOMY: PROSPECTS & CHALLENGES

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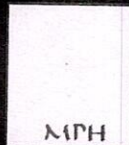
About the Book:

This book is the conglomeration of research papers and articles presented by the delegates in UGC sponsored two day national seminar conducted by the department of Commerce, MVS Government Arts & Science College, Mahabubnagar in the month of March 2015 to provide a common rostrum for researchers and small scale entrepreneurs to share their magnificent ideas on the prospects of MSME sector in India. This book mirrors multiple facets of small scale industries covering the rural and woman enterprises, policy frame work corroborating the growth of MSMEs, export potential and vulnerabilities encountered by MSMEs in the context of Foreign Direct Investments being forayed into Indian markets. Few chapters have meticulously emphasized on sector wise performance of MSMEs like Dairy farming, Fisheries and Chemical industries. It not only elevates the contemporary HR and marketing strategies fostered by Indian MSMEs but also brought forward few case studies on MSME milieu in the states of Telangana and Andhra Pradesh which have been endeavouring to culminate the prospects of MSMEs.

About the Editor

Mr. N. Suresh is currently working as Assistant Professor of Commerce at MVS Government Arts & Science College, Mahabubnagar and conducted UGC sponsored two day national seminar on MSME Sector, the proceedings of which, are brought in the form of this book. He holds ten years of teaching experience and served at prestigious Sai Sudhir PG College of Hyderabad in the department of Management Sciences and guided more than two hundred live projects in Finance and Entrepreneurial Development. He has also extended his services in the capacity of nodal IQAC and NAAC Coordinator and Convener of Faculty Forum at MVS Government Degree College with innumerable best practices to his credit.

Suresh took his M. Com and MBA from Osmania University with Finance as his specialization and qualified UGC NET in Commerce. He is currently pursuing his research work on Export Promotion Schemes of MSMEs in India. He has delivered extension lectures in seven government degree colleges and published papers in eighteen international and ten national journals on International Finance, Business Environment and Business Law which are his core areas of interest.



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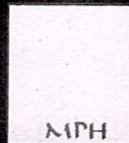
About the Book:

This book is the conglomeration of research papers and articles presented by the delegates in UGC sponsored two day national seminar conducted by the department of Commerce, MVS Government Arts & Science College, Mahabubnagar in the month of March 2015 to provide a common rostrum for researchers and small scale entrepreneurs to share their magnificent ideas on the prospects of MSME sector in India. This book mirrors multiple facets of small scale industries covering the rural and woman enterprises, policy frame work corroborating the growth of MSMEs, export potential and vulnerabilities encountered by MSMEs in the context of Foreign Direct Investments being forayed into Indian markets. Few chapters have meticulously emphasized on sector wise performance of MSMEs like Dairy farming, Fisheries and Chemical industries. It not only elevates the contemporary HR and marketing strategies fostered by Indian MSMEs but also brought forward few case studies on MSME milieu in the states of Telangana and Andhra Pradesh which have been endeavouring to culminate the prospects of MSMEs.

About the Editor

Mr. N. Suresh is currently working as Assistant Professor of Commerce at MVS Government Arts & Science College, Mahabubnagar and conducted UGC sponsored two day national seminar on MSME Sector, the proceedings of which, are brought in the form of this book. He holds ten years of teaching experience and served at prestigious Sai Sudhir PG College of Hyderabad in the department of Management Sciences and guided more than two hundred live projects in Finance and Entrepreneurial Development. He has also extended his services in the capacity of nodal IQAC and NAAC Coordinator and Convener of Faculty Forum at MVS Government Degree College with innumerable best practices to his credit.

Suresh took his M. Com and MBA from Osmania University with Finance as his specialization and qualified UGC NET in Commerce. He is currently pursuing his research work on Export Promotion Schemes of MSMEs in India. He has delivered extension lectures in seven government degree colleges and published papers in eighteen international and ten national journals on International Finance, Business Environment and Business Law which are his core areas of interest.



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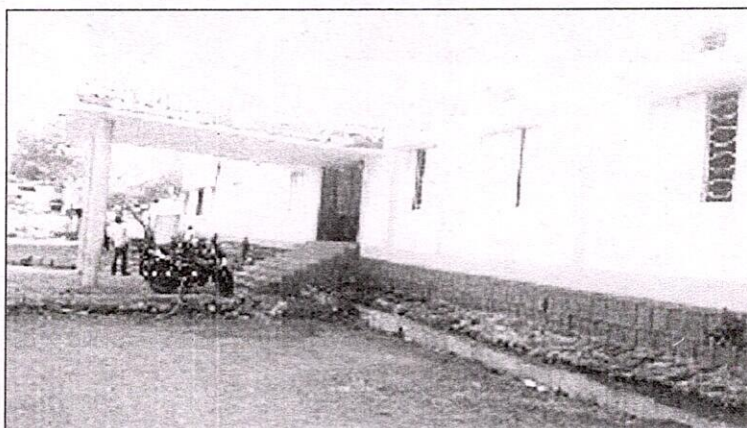
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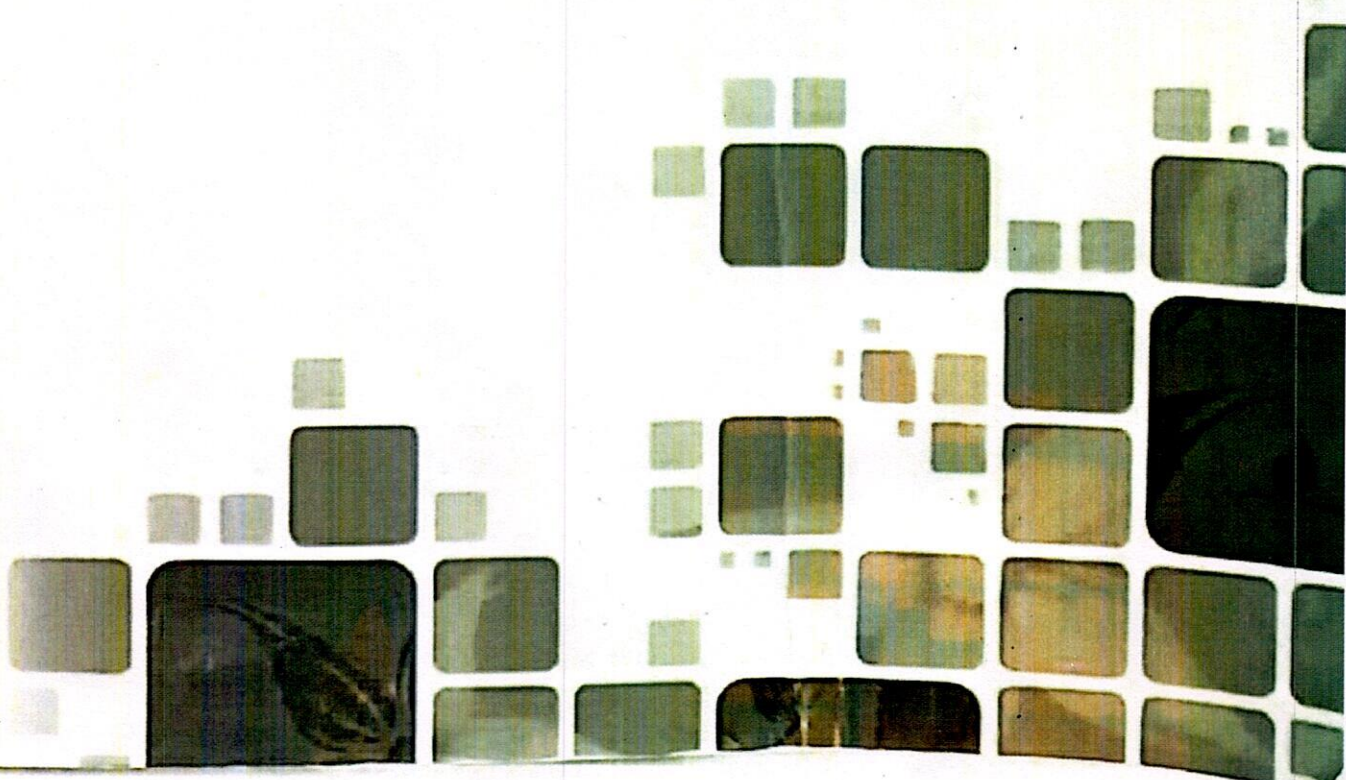
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Socio Economic Background of Mutual Funds Investors and its Relationship with Buying Factors and Attitudes

K. Mallikarjuna Rao*

Abstract

A mutual fund is an investment company that pools the resources from a large number of investors, who share common investment goals, and then diversifies its investment into the securities of different industrial sectors and companies in order to realize potential returns with reasonable safety. In the era of globalization, rapid price fluctuations are occurring in financial assets like equity shares, bonds and also in physical assets like real estate, gold silver etc. Therefore, an individual investor finds it difficult to keep track of ownership of his assets, investments, brokerage dues and bank transaction, etc. Thus, mutual funds have emerged as a better alternative investment avenue. This study focuses on the significance of socio economic factors such as gender, age, education, occupation, marital status, annual income, annual savings and family size over elements of investment in mutual funds in semi urban and rural area of Rayalaseema region of Andhra Pradesh. It also highlights that there is significant relationship between factors influencing investment in mutual fund schemes, source of information, experience in mutual fund investments and, the attitudes towards safety of the various investment avenues and socioeconomic factors.

Key words: Mutual funds, Socio economic factors, Rayalaseema region, Investment avenues

Introduction

Mutual funds are the most suitable investment for a common man as it offers an opportunity to invest in a diversified, professionally managed portfolio at a relatively low cost. Anybody with an investible surplus of a few hundred rupees can invest in mutual funds. Changes in the economic scenario, falling interest rates of bank deposits, volatile nature of capital market and recent bitter experience of

investors in making direct investment in capital market instruments led to the increasing importance of mutual funds. They have been playing a significant role in financial inter-mediation, development of capital markets and growth of the financial sector as a whole. The active involvement of mutual funds in economic development can be seen by their dominant presence in the money and capital market.

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Mutual fund industry started in India with the establishment of Unit Trust of India (1964), which was the only player in the industry up to 1987. In 1987, the government allowed public sector banks and financial institutions to join the fray. From 1993 onwards the industry was open for private sector and foreign players who started setting up mutual funds in India since then.

Review of Literature

Saha and Rama Murthy (1994) identified that return, liquidity, safety and capital appreciation played an important role in the preference of the schemes by investors. The study suggested that, fund managers could adopt portfolio selection techniques to make more informed judgments rather than making investments on an intuition basis.

Rajeshwari and Rama Moorthy (2001) studied the financial behaviour and factors influencing fund/scheme selection of retail investors. The survey revealed that the most preferred investment vehicle is bank deposits and that the scheme selection decision is made by the respondents themselves. Newspapers and magazines, brokers and agents, television, suggestions from friends and direct mail in that order are the other sources influencing the choice of a mutual fund scheme.

Vyas (2012) evaluated the forms of investment, mode of investment preferred by investors. He has also examined the investor's knowledge of risk and

preference over switching of funds by using Chi-Square test, Pearson's correlation, mean and median. The study found that it has a significant relationship between occupation of investors and mode of investment. Majority of the investors have the knowledge of risk factors in mutual funds.

Sharma (2012) attempted to examine the reasons responsible for lesser recognition of mutual fund as a prime investment option.

Jani, Patel & Jain (2012) studied how different demographical factors have influenced the perception of customers. Majority of consumers of valsad city have positive perception towards mutual fund. The demographic factors (i.e. age, gender, income, education etc.) have influence on investors' perception.

Prasad and Srinivas (2012) in their study identified that the selection of mutual fund schemes by the investor are affected by different factors. The identified factors are infrastructure, reputation of fund, flexibility, transparency, additional facilities, and brand name. The Overall Mean Score value towards financial instruments (8.638 per cent) is greater in all financial instruments except shares and gold.

Rathnamani (2013) observed that many investors prefer to invest in mutual funds in order to have high return at low level of risk, safety and liquidity. In the demographic profile most of the investors are willing to invest only 10 per cent in

their annual personal income; around 39 per cent investors belong to age group of 31 to 40 years. Investors showed willingness to take moderate and low level risk. The study concluded that most of the investors belong to moderate investment style.

Jani & Jain (2014) in their study attempted to examine the buying behaviour of rural investors for financial assets specifically focused on mutual fund. The study found that there is significant impact of demographical factors like age, gender, occupation, education and income on the decision making process of buying the mutual funds.

Khitoliya (2014) in his study conducted in Delhi found that only 49 per cent of respondents were aware of mutual funds despite the fact that 60 percent of respondents were post- graduates and 34 per cent were graduates from a metropolitan city. Of the 95 respondents who are aware of mutual funds only 57 had invested in mutual funds.

Chaturvedi, Singh and Singh (2014) concluded that investors are seen to primarily invest in the mutual fund without knowing the entire working of the investment. The customers normally tend to invest in those areas where they have faith and hence building of faith is very important.

Gaglani and Rao (2014) conducted a study on the impact of various demographic factors on investors' attitude towards investment in mutual fund in

Nagpur district of Maharashtra state. The study revealed that demographic factors - age, gender, qualification, income and occupation have significant influence on the investors' attitude towards mutual funds investment.

Rajkumar and Venkatramaraju (2014) in their study analysed whether investors have chosen their funds based on liquidity rather than having chosen them on the basis of the level of safety. The study concluded that investors' preference for liquidity is possible through mutual funds and that open ended funds offer more liquidity.

Sharma and Agrawal (2015) in their research on buying behaviour of mutual fund investors, sources investors rely more while making investment and preferable mode to invest in mutual funds.

Objectives of the study

- To analyze the relationship between the socio economic background of investors of mutual funds and their buying factors.

Research Design and Methodology

The study is based on both primary and secondary data. The primary data has been collected from individual investors through a structured questionnaire. The total sample size is 400 individual investors of semi-urban and rural areas from the four districts of Rayalaseema region - Chittoor, Anantapuram, Kurmool and YSR Kadapa. A sample of 100 individual investors each from the above

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four districts is used for this purpose. The secondary data has been collected from various investment periodicals, such as *Dalal Street*, *Capital Market*, *RBI Bulletin*, *RBI Reports*, the *SEBI Reports* and *SEBI Bulletins*, business newspapers like *Business Standard*,

Business Line, *Economic Times* and *Financial Express* to know the risk and return of various mutual funds. Statistical inferences have been drawn using statistical package for social science (SPSS). ANOVA and Chi-square test are used in the study.

Results and Discussion

Table 1: Socio Economic Profile of Investors in Four Districts

Profile particulars	Total Number of respondents	Ananta-puram	Chittoor	Kurnool	YSR Kadapa
Gender					
Male	346 (86.50)	86 (86.00)	86 (86.00)	90 (90.00)	84 (84.00)
Female	54 (13.50)	14 (14.00)	14 (14.00)	54 (10.00)	16 (16.00)
Age					
Below 30	208 (52.00)	49 (49.00)	51 (51.00)	54 (54.00)	54 (54.00)
31-40	119 (29.80)	27 (27.80)	33 (33.00)	34 (34.00)	25 (25.00)
41-50	38 (9.50)	12 (12.00)	9 (9.00)	6 (6.00)	11 (11.00)
51-60	27 (6.80)	09 (9.00)	4 (4.00)	6 (6.00)	8 (8.00)
(Above 60)	8 (2.00)	3 (3.00)	3 (3.00)	0 (0.00)	2 (2.00)

Level of Education					
Below Graduate	42 (10.50)	7 (7.00)	16 (16.00)	12 (12.00)	7 (7.00)
Under Graduate	224 (56.00)	51 (51.00)	55 (55.00)	65 (65.00)	53 (53.00)
Post-Graduate	110 (27.50)	32 (32.00)	28 (28.00)	20 (20.0)	30 (30.00)
Professional	15 (3.80)	6 (6.000)	1 (1.00)	2 (2.00)	6 (6.00)
Any other	9 (2.30)	4 (4.00)	0 (0.00)	6 (6.00)	4 (4.00)
Marital Status					
Married	298 (74.50)	79 (79.00)	68 (68.00)	72 (72.00)	79 (79.00)
Single	102 (25.50)	21 (21.00)	32 (32.00)	28 (28.00)	21 (21.00)
Occupation					
Agriculture	43 (10.80)	9 (9.00)	13 (13.00)	12 (10.80)	9 (9.00)
Salaried	79 (19.80)	21 (21.00)	14 (14.00)	20 (19.80)	24 (24.00)
Business	181 (45.30)	42 (42.00)	53 (53.00)	46 (46.00)	40 (40.00)
Professionals	71 (17.80)	21 (21.00)	13 (13.00)	19 (19.00)	18 (18.00)
Retired	26 (6.50)	7 (7.00)	7 (7.00)	3 (3.00)	9 (9.00)

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Annual income (in Rs.) Up to 2,00,000	181 (45.30)	43 (43.00)	38 (38.00)	50 (50.00)	50 (50.00)
2,00,001- 3,00,000	115 (28.80)	23 (23.00)	36 (36)	34 (34.00)	22 (22.00)
3,00,001- 4,00,000	61 (15.30)	14 (14.00)	21 (21)	14 (14.00)	12 (12.00)
4,00,001- 5,00,000	15 (3.80)	4 (4.00)	5 (5.00)	2 (2.00)	4 (4.00)
5,00,001- 6,00,000	17 (4.30)	9 (9.00)	0 (0.00)	0 (0.00)	8 (8.00)
Above 6,00,000	11 (2.80)	7 (7.00)	0 (0.00)	0 (0.00)	4 (4.00)
Annual Savings Up to 1,00,000	289 (72.30)	65 (65.00)	73 (73.00)	80 (80.00)	71 (71.00)
1,00,001- 1,50,000	80 (20.00)	19 (19.00)	25 (25.00)	20 (20.00)	16 (16.00)
1,50,001- 2,00,000	20 (5.00)	10 (10.00)	2 (2.00)	0 (5.00)	8 (8.00)
2,00,001- 2,50,000	7 (1.80)	4 (4.00)	0 (0.00)	0 (0.00)	3 (3.00)
2,50,001- 3,00,000	4 (1.00)	2 (2.00)	0 (0.00)	0 (0.00)	2 (2.00)

Source: Computed from primary data

Note: Figures in parenthesis denote percentages

The socio economic characteristics of 400 respondents of Rayalaseema region in Table 1 shows that most of the respondents are males (86.5 per cent) and the respondents who are married constitute 74.5 per cent and unmarried are 25.5 per cent. 52 per cent of mutual funds investors are in the age group of below 30 years, followed by 29.8 per cent from 31-40 years and 9.5 per cent from 41-50 years of age. Thus, most of the respondents are found to be relatively young. The educational level of the respondents shows that 56 per cent are undergraduates, 27.5 per cent are postgraduates and 10.5 per cent are below under- graduates.

The dominant occupational background of the respondents is: business group (45.3 per cent), followed by 19.8 per cent from salaried group, and professionals are 17.8 per cent. The annual income among respondents are up to Rs. 2,00,000 (45.3 per cent); 2,00,001 to 3,00,000 (28.8

per cent); and family size of the respondents is found to be 3 to 4 members in a family.

The relationship between various socio economic factors and investment patterns is analysed with the help of Chi-square test.

Factors Influencing Investment in Mutual Fund Schemes

Table 2 shows the factors influencing investment in mutual funds by the respondents from four districts of Rayalaseema region. Out of 400 respondents, 74.3 per cent of the respondents invested in mutual funds due to good returns, followed by safety of investment (58 per cent). Respondents felt that their investment in mutual funds was safe and not risky. The other reason for investing in mutual funds was capital appreciation (46 per cent). Only 33 per cent of the respondents prefer mutual funds due to diversification benefit provided by them.

Table 2: Factors Influencing Investment in Mutual Fund Schemes

Districts	Safety		Liquidity		Flexibility		Good Return		Capital appreciation		Professional Management		Tax benefits		Diversification	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Anantapuram	48 (48.0)	52 (52.0)	61 (61.0)	39 (39.0)	65 (65.0)	35 (35.0)	30 (30.0)	70 (70.0)	52 (52.0)	48 (48.0)	57 (57.0)	43 (43.0)	54 (54.0)	46 (46.0)	68 (68.0)	32 (32.0)
Chittoor	43 (43.0)	57 (57.0)	57 (57.0)	43 (43.0)	59 (59.0)	41 (41.0)	22 (22.0)	78 (78.0)	59 (59.0)	41 (41.0)	51 (51.0)	49 (49.0)	55 (55.0)	45 (45.0)	64 (64.0)	36 (36.0)
Kurnool	38 (38.0)	62 (62.0)	55 (55.0)	45 (45.0)	63 (63.0)	37 (37.0)	22 (22.0)	78 (78.0)	54 (54.0)	46 (46.0)	60 (60.0)	40 (40.0)	54 (54.0)	46 (46.0)	70 (70.0)	30 (30.0)
YSR Kadapa	39 (39.0)	61 (61.0)	61 (61.0)	39 (39.0)	68 (68.0)	32 (32.0)	29 (29.0)	71 (71.0)	51 (51.0)	49 (49.0)	58 (58.0)	42 (42.0)	57 (57.0)	43 (43.0)	66 (66.0)	34 (34.0)
Total	168 (42.0)	232 (58.0)	234 (58.5)	166 (41.5)	255 (63.8)	145 (36.3)	103 (25.8)	297 (74.3)	216 (54.0)	184 (46.0)	226 (56.5)	174 (43.5)	220 (55.0)	180 (45.0)	268 (67.0)	132 (33.0)

Source: Computed from primary data

Note: Figures in parenthesis denote percentages

Socio Economic Background of
Mutual Funds Investors and its Relationship with Buying Factors and Attitudes

Table 3: Relationship between Socio Economic Factors and the Factors that Influence Investment in Mutual Funds

Socio economic factors	F value	Sig. Value	Sig or not sig
Gender	0.24	0.887	Not significant
Age	2.912	0.021	Significant
Marital status	1.684	0.195	Not significant
Education	8.672	0.000	Significant
Occupation	7.001	0.000	Significant
Annual income	6.026	0.000	Significant
Annual savings	5.295	0.000	Significant
Family size	3.227	0.013	Significant

ANOVA test has been applied to find if there is any significant relationship between socio economic factors of the investors and factors influencing investment in mutual funds. It is clear, from Table 3, that except for gender and marital status of the investors, other socio economic factors have a significant relationship with the investor's attitude with regard to the factors that influence investment in mutual funds.

Experience in Mutual Fund Investments

Experience of investors in investment is an important factor for successful investing. The experience of investors in the field of investment brings out changes in investment attitude and their preference towards investment avenues and the extent of diversification in investment. Lengthy years of experience helps investors understand the complex behaviour of the market and to implement suitable strategy for investment. The level of experience is confined to less than one year, 2 to 5 years, 6 to 10 years, 11 to 15 years and more than 15 years (Table 4).

Table 4: Experience in Mutual Fund Investment (District-wise)

Districts	Experience in Mutual Fund Investments					Total
	1 year and below	2 to 5 years	6 to 10 years	11 to 15 years	15 years or more	
Anantapuram	35 (35.0)	39 (39.0)	14 (14.0)	5 (5.0)	7 (7.0)	100 (100.0)
Chittoor	32 (32.0)	50 (50.0)	17 (17.0)	0 (0.0)	1 (1.0)	100 (100.0)
Kurnool	40 (40.0)	46 (46.0)	13 (13.0)	1 (1.0)	0 (0.0)	100 (100.0)
YSR Kadapa	38 (38.0)	38 (38.0)	11 (11.0)	6 (6.0)	7 (7.0)	100 (100.0)
Total	145 (36.3)	173 (43.3)	55 (13.8)	12 (3.0)	15 (3.8)	400 (100.0)

Source: Computed from primary data

The years of experience among the investors of Rayalaseema region are two to five years, and below one year which constitute 43.3 and 36.3 per cent. The numbers of investors who have six to ten

years of experience are 13.8 per cent to the total. One significant observation from the table is that only 3 per cent of investors have 11 to 15 years of experience in investing in mutual funds.

Table 5: Relationship between the Socio Economic Factors and Experience in Mutual Fund Investment

Socio economic factor	F value	DF	Table value	Sign. value	Sig or not sig
Gender	25.054	4	9.49	4.000	Significant
Age	60.082	16	26.3	0.000	Significant
Marital status	16.100	4	9.49	0.003	Significant
Education	59.749	16	26.3	0.000	Significant
Occupation	51.791	16	26.3	0.000	Significant
Annual income	128.061	20	31.4	0.000	Significant
Annual savings	45.368	16	26.3	0.000	Significant
Family size	28.232	16	26.3	0.030	Significant

Chi-Square Test, at 5% significance level, has been applied on the data collected to find whether these socio economic factors have significant relationship with the period of investment. The result of the test is given in Table 5. The test clearly revealed that all the socio economic factors have significant relationship with the period of investment.

Source of Information on Mutual Funds

The sources from where one can acquire awareness would also be a crucial element in the process of investment decision making. The degree of information may vary from source to source. Brokers/Agents, Prospectus,

Advertisements, Annual reports, Newspapers, Magazines and Friends & Relatives are identified as different sources to create awareness on mutual funds.

Table 6 reveals that the sources of information on mutual funds were almost similar for respondents of all four districts of Rayalaseema region. Out of 400 respondents, 229 (57.3 per cent) got the information from newspapers, 196 respondents (49 per cent) from brokers/agents, 136 respondents got the information from magazines, and only 58 respondents collected the information from prospectus (14.5 per cent).

Socio Economic Background of
Mutual Funds Investors and its Relationship with Buying Factors and Attitudes

Table 6: Source of Information on Mutual Funds

Districts	Brokers/ Agents		Prospectus		Advertisements		Annual Reports		Newspapers		Magazines		Friends and Relatives	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Anantapuram	57	43	89	11	83	17	73	27	46	54	60	40	79	21
	57.0%	43.0%	89.0%	11.0%	83.0%	17.0%	73.0%	27.0%	46.0%	54.0%	60.0%	40.0%	79.0%	21.0%
Chittoor	46	54	79	21	81	19	67	33	40	60	70	30	79	21
	46.0%	54.0%	79.0%	21.0%	81.0%	19.0%	67.0%	33.0%	40.0%	60.0%	70.0%	30.0%	79.0%	21.0%
Kurnool	47	53	84	16	86	14	76	24	41	59	73	27	86	14
	47.0%	53.0%	84.0%	16.0%	86.0%	14.0%	76.0%	24.0%	41.0%	59.0%	73.0%	27.0%	86.0%	14.0%
YSR Kadapa	54	46	90	10	83	17	76	24	44	56	61	39	80	20
	54.0%	46.0%	90.0%	10.0%	83.0%	17.0%	76.0%	24.0%	44.0%	56.0%	61.0%	39.0%	80.0%	20.0%
Total	204	196	342	58	333	67	292	108	171	229	264	136	324	76
	51.0%	49.0%	85.5%	14.5%	83.3%	16.8%	73.0%	27.0%	42.8%	57.3%	66.0%	34.0%	81.0%	19.0%

Source: Computed from primary data

ANOVA test has been applied to find if there is any significant relationship between socio economic factors of the investors and the source of information

on mutual funds. It is clear from Table 7, that all the socio economic factors (except age) have a significant relationship with the source of information on mutual funds.

Table 7: Relationship between Socio Economic Factors and Sources of Information on Mutual Funds

Socio economic factors	F value	Sig. Value	Sig or not sig
Gender	13.503	0	significant
Age	1.533	0.192	Not Significant
Marital status	22.659	0	significant
Education	3.179	0.014	Significant
Occupation	4.333	0.002	Significant
Annual income	3.825	0.002	Significant
Annual savings	4.004	0.003	Significant
Family size	2.949	0.02	Significant

Attitudes towards various Investment Avenues

It is observed from Table 8, that 90.5 per cent of respondents are having positive attitude towards safety of bank deposits, postal deposits (65.25 per cent) and Public

Provident Fund (53 per cent). Another significant observation is that 39.75 per cent respondents are feeling reasonably safe with investment in gold, followed by mutual funds (36 per cent), Public Provident Fund (30.25 per cent), shares (25.5 per cent), Insurance (23.25 per cent)

and Real estate (19.25 per cent). On the other hand, 153 respondents (38.25 per cent) found that investment in real estate is not safe, followed by shares (26.00 per cent), insurance (12.25 per cent), gold (12.00 per cent) and mutual funds (10.75 per cent).

Table 8: Attitude towards various Investment Avenues

Sl. No	Financial Assets	Absolutely safe	Reasonable safe	Somewhat Safe	Not Safe	Don't Know	Total
1	Saving Bank/Fixed Deposit	362 (90.5)	36 (9.00)	2 (0.5)	0 (0)	0 (0)	400 (100)
2	Gold/Silver	83 (20.75)	159 (39.75)	100 (25.00)	48 (12)	10 (2.5)	400 (100)
3	Shares/Debentures	12 (3.00)	102 (25.50)	158 (39.50)	104 (26.00)	24 (6.00)	400 (100)
4	Postal savings	261 (65.25)	88 (22.00)	26 (6.5)	18 (4.5)	7 (1.75)	400 (100)
5	Mutual funds	93 (23.25)	144 (36.00)	120 (30.00)	43 (10.75)	0 (0.00)	400 (100)
6	Real estate	36 (9.00)	77 (19.25)	100 (25.00)	153 (38.25)	34 (8.5)	400 (100)
7	Insurance	151 (37.75)	93 (23.25)	98 (24.50)	49 (12.25)	9 (2.25)	400 (100)
8	P.P.F/G.P.F	212 (53.00)	121 (30.25)	24 (6)	6 (1.5)	37 (9.25)	400 (100)

Source: Computed from primary data

Note: figures in parenthesis denote percentages

Table 9: Relationship between Socio Economic Factors and Attitude towards various Investment Avenues

Socio economic Factor	F value	Sig. Value	Sig / not sig
Gender	5.064	0.025	significant
Age	0.801	0.525	Not Significant
Marital status	0.433	0.101	Not Significant
Occupation	6.375	0	Significant
Annual income	0.491	0.742	Not Significant
Annual savings	4.342	0	Significant
Family size	6.02	0	Significant
	2.949	0.02	Significant

ANOVA Test, at 5% significance level, has been applied on the data collected to find whether these socio economic factors have significant relationship with the attitudes toward various investment Avenues. The test (Table 9) reveals that most of the socio economic factors such as gender, education, annual income, annual savings and family size have a significant relationship with the attitudes toward various investment avenues. On the other hand, socio economic factors like age, marital status and occupation have no significant relationship with the attitude towards various investment Avenues.

Conclusions

Mutual funds have emerged as an appropriate investment vehicle and a preferred investment destination. Retail/ small investors used to rely more on investment avenues like bank deposits, post office savings etc., which provide liquidity, assured returns and tax benefits.

But these avenues do not offer the benefit of investing in capital market and the real purchasing power of the investors is likely to decline with these investments when the rate of inflation rises. Further, the interest rates on these avenues have been slashed down from time to time with a view to channelize the savings to capital market and thereby regain the confidence of investors which they have lost since 1992 due to stock market crises/ debacle in 1992, 2001 and 2008.

It also revealed that except for gender and marital status of the investors, other socio economic factors have a significant relationship with the investor's attitude with regard to the factors that influence investment in mutual funds. All the socio economic factors have a significant relationship with the period of investment whereas with age, marital status and occupation there is no significant relationship with the attitude towards various investment avenues.

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FOREIGN DIRECT INVESTMENT IN INDIA

Issues and Challenges



Editor

Dr. K.MALLIKARJUNA RAO



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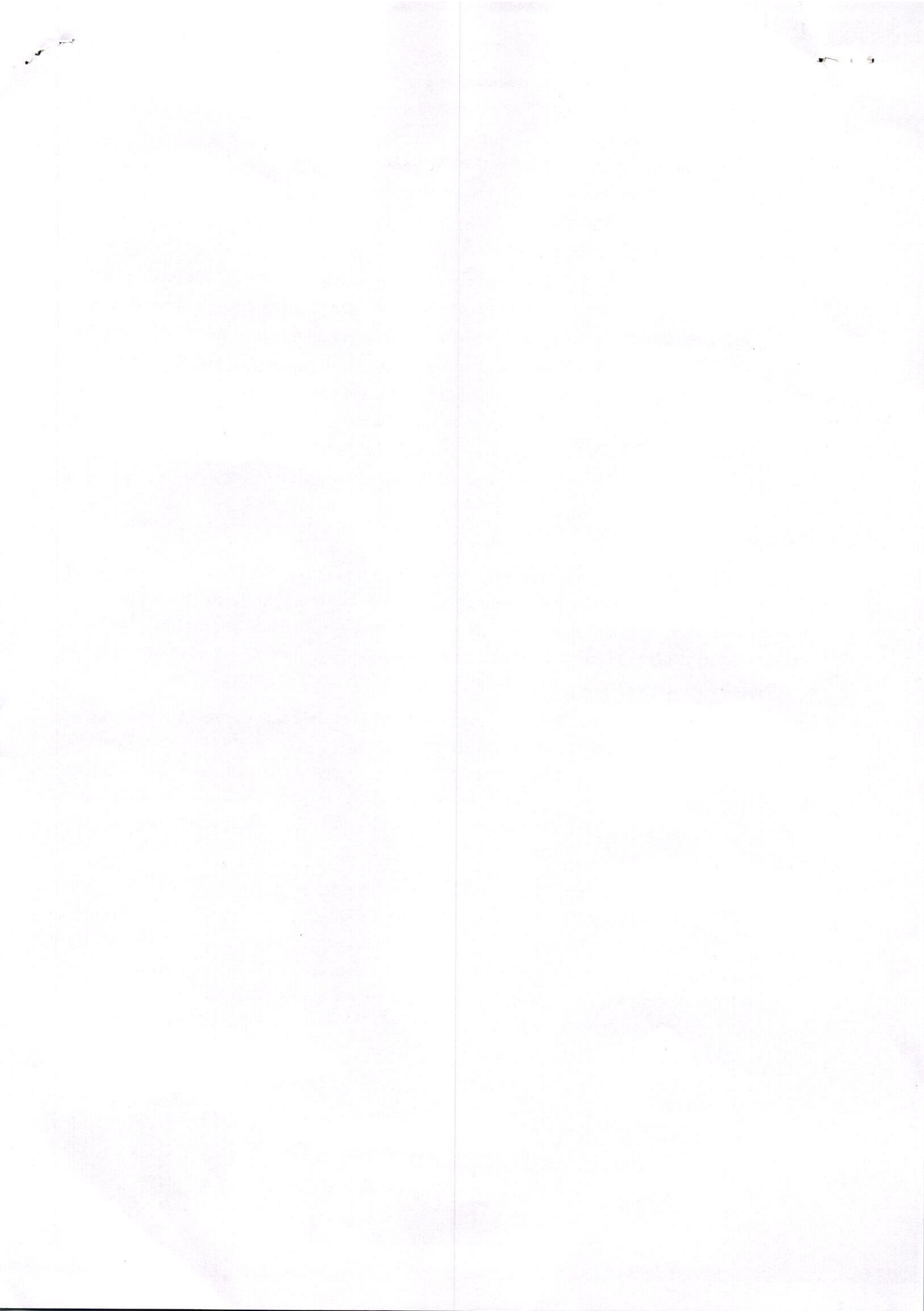
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ABOUT THE BOOK

This book conglomerates twenty six research papers selected by experts after conducting a peer review and endorses the most contemporary rubrics of foreign direct investments attributable to Indian economic conditions. It chronicles the metrics of foreign investments right from the Philosophical advocacy of Koutilya to the recent trends of FDIs in India. The editorial team has exercised its prudence to wrap all the major sectors which are under the influential spectrum of FDIs ranging from infrastructure to retail sector and from Banking to insurance sector to provide a vivid picture on the sectoral and macro level aspects of foreign direct investments. It also emphasize on the new policies and guidelines giving an impetus to foreign investors like Make in India programme and also gives an equal priority to econometric models like Granger Causality to table the quantitative evidences for scrutinizing the issues of FDIs. Three articles written on higher education in the light of foreign investment aid are duly placed in this book to show the societal and human development elements influenced by FDIs.

ABOUT THE EDITOR

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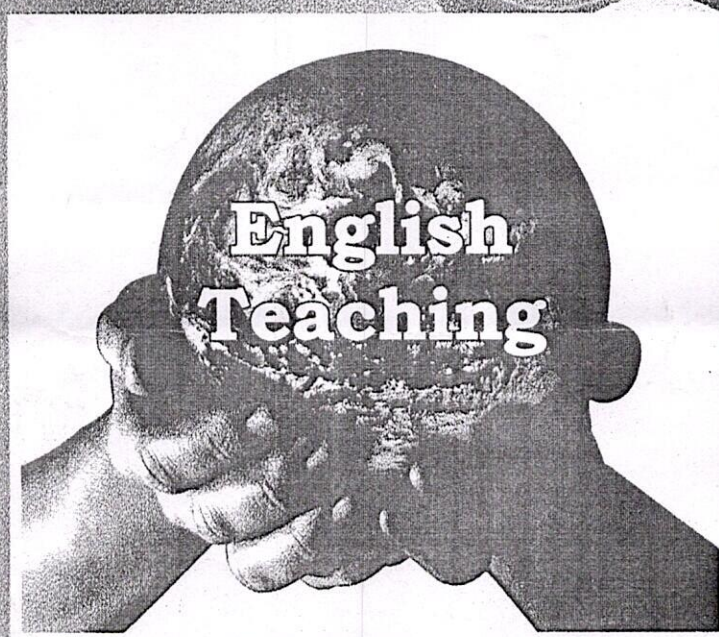
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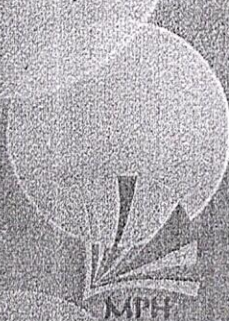
TEACHING ENGLISH TO RURAL STUDENTS OF HIGHER EDUCATION IN INDIA IN THE CONTEXT OF GLOBALIZATION

Issues, Concerns and Challenges



Editor

MD. JALEEL



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that day. In the part of this ceremony Banjaras built a temporary temple with holy clothes, Banjaras called it “pal”. A small Silver idol of Tulja Bhavani put under it and sacrifices a goat and worships this deity. During the celebration of Dasara the whole night the musical party of men will be engaged in singing and ladies will be engaged in dancing and singing in the praise of deity.

Banjaras did not build temples for their God and Goddesses because they were nomadic tribes. They carried the insignia of their Gods and Goddesses with them, wherever they went. They followed their own methods of worship and sacrifice to them on annual festival occasions. Large numbers of Banjaras families visit the Sevalal and Meryama Yadi temples once in a year. They dig long pits called “Bhog” on which food is cooked; they prepare sweet food with rice and jiggery called ‘Lapsis’. Other preparations are on the embers of the fire and they pour “Ghee and Udhi” which goes into flames. While pouring Ghee they pray seeking blessings for protection for themselves and their cattle.

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ABOUT THE BOOK

Globalization is generally understood as an economic, political and cultural process which is reshaping the role of many nations in relation to global markets, agreements, and traditions. Now it has become seldom analyzed in the context of education. However, there is a little work done on the implications of globalization on teaching and learning process. It is particularly true in the case of English in India.

Globalization brought into being many new situations to be addressed. Teaching English is among one of them. Globalization posed many new challenges worth of concern in this regard.

The modern student of higher education in India is constantly conditioned to be part of the world. English stands as an undisputed link to relate the pattern of globalization.

Teachers of English have been endowed with additional responsibilities to help their pupils to act according to the new demands. To fit in the scenario of globalization to eke out their livelihood they are compelled to have mastery over English. Thus teaching English has become a thing of concern. Particularly teaching English to rural students is involved with many issues which are to be addressed. The present volume tries to contribute to the discussion on this issue.

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MD. JALEEL was Post graduated with gold medal from Kakatiya University, Warangal, Telangana. He has been involved in teaching English for the last 15 years at various levels. He was also trained from EFLU, Hyderabad in this regard.

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The present volume is the first edited volume as editor to his credit.



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