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JAMSHEDPUR RESEARCH REVIEW ISSN: 2320: 2750		
INDEX		
S. No	Title/Author	Page Nos.
1.	TWO YEARS OF BJP GOVERNMENT IN JHARKHAND Dr. Mithilesh Kumar Choubey, Director, Gyanjyoti Educational & Research Foundation, Jamshespur, Jharkhand	08-15
2.	ETHNO MEDICINAL PLANTS USED TO CURE DIFFERENT DISEASES BY TRIBAL PEOPLE OF ARKI BLOCK OF KHUNTI DISTRICT OF JHARKHAND Dara Sinngh Gupta , Dept of Botany, Kolhan University, Jharkhand Pushpa Salo Linda , Dept of Botany, Jamshedpur, Worker's College, Jamshedpur, Jharkhand	16-26
3.	RURAL URBAN MIGRATION IN ANDHRA PRADESH: A STUDY OF SOCIO-ECONOMIC IMPACT ON MIGRATION FARMERS Dr. M. Maschendar Goud , Commerce Department, OU College of Commerce & Business Management, Osmania University, Hyderabad Prof. V. Usha Kiran , Department of Commerce, OU College of Commerce & Business Mgt. Osmania University, Hyderabad.	27-42
4.	ENTREPRENEURSHIP: A GENDER PERSPECTIVE STUDY Bendangienla Aier , Research Scholar, Department Of Management, Mizoram University, Mizoram, India Prof E Nixon Singh , Head, Department of Management, Mizoram University, Mizoram, India	43-52
5.	EFFECT OF BREXIT ON THE INDIAN ECONOMY Dr Swati Chakraborty , Royal Thimphu College, Bhutan	53-54
6.	FINANCIAL LITERACY OF INVESTORS IN INDIA - A CASE STUDY OF WARANGAL DISTRICT IN TELANGANA STATE Dr.G.Shailaja , Asst. Professor, Dept. of Management, KITS Warangal. Dr.K.Rajender , Asst. Professor, Dept. of Commerce and Business Management, Kakatiya University, Warangal.	55-64
7.	REQUISITE OF BUILDING EFFECTIVE CSR STRATEGY & IMPLEMENTATION IN THE FMCG SECTOR Anit Dubey Research scholar, Department of commerce, university of Allahabad, Allahabad, U.P Prof. A.K Singhal , Professor, Department of commerce, university of Allahabad, Allahabad, U.P	65-75

8. REFORMING INDIA'S FINANCIAL SYSTEM - FINANCIAL REGULATORY GOVERNANCE Mr. K. Madhava Rao , Associate Professor, Dadi Institute of Engineering & Technology, Visakhapatnam Andhra Pradesh India	76-83
9. GLOBALISATION OF MARKETS AND HUMAN RESOURCE MANAGEMENT Avinash Kumar , Research Scholar at P.G. Dept. of Commerce, Ranchi University, Ranchi, Jharkhand Fouzia Tabassum , Research Scholar at P.G. Dept. Of Commerce, Ranchi University, Ranchi Jharkhand	84-89
10. CHALLENGES AND OPPORTUNITIES IN THE COMMERCE EDUCATION IN INDIA: A REVIEW Dr. Gautam Chandra Deb , Assistant Professor, Department of Commerce, Nabinchandra College, Badarpur, Assam, India. Piyali Das , Assistant Professor, Department of Botany, Nabinchandra College, Badarpur, Assam, India.	90-96

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TWO YEARS OF BJP GOVERNMENT IN JHARKHAND

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Abstract

Jharkhand, carved out of the southern part of Bihar on 15 November 2000. In last sixteen years, people of the state witnessed six chief ministers in office. None of the chief minister completed his tenure of five years. It mainly happened because none of the political parties got clear mandate in the state election. For the first time in the history of Jharkhand, BJP alliance got majority in 2014 state elections and on 28 December 2014, Raghubar Das of the Bhartiya Janata Party, was sworn-in as the tenth CM of the state, became first non-tribal Chief-minister of Jharkhand. Raghuwar Das has recently completed two years in office as a chief minister. The paper presented here critically analyses the performance of two years of BJP Government in Jharkhand.

Keywords: CNT & SPT Act, Jharkhand, Raghuwar Das Government, Education, Health, Skill Development, Women Welfare, Malnutrition, Open defecation, Infrastructure etc.

Jharkhand the State Legislative Assembly consists of 81 seats. On 28 December 2014, Raghubar Das of the Bhartiya Janata Party, was sworn-in as the tenth CM of the state, after his party emerged as the biggest party in assembly elections by winning 41 seats. His government has recently completed two years in office.

The paper presented here critically evaluates the performance of Raghuwar government in Jharkhand in last 2 years. Performance analysis of Raghuwar Government is significant because it is the first government in the history of newly formed state Jharkhand, not dependent on independent MLAs & small regional political parties.

It is assumed that stable and independent governments can take bold decisions without any pressure. In this regard Raghuwar government must be given good marks for taking some very bold decisions. In last 16 years domicile policy of the state was remained undecided. As a result there had been many different versions of definitions of 'domicile' and 'local' was prevailing around. As a result, many economic and social reforms were under the condition of indecision.

In last two years Das government took

some very bold steps and tried to remove the impediments, said to be responsible for slow growth of this mineral abundant state. (Jharkhand consists of 40 percent of the total ore and mineral reserves of the country)

Raghuwar government's decision to amend Chhota Nagpur Tenancy (CNT) Act 1908 and Santhal Pargana Tenancy (SPT) Act 1949 is also a very bold decision. Provisions of 49 of the CNT Act regulate sale and purchase of tribal land. Before the amendment, Section 29 of CNT Act 1908 disallowed the transfer of land from tribes to non-tribes. This could be done only for industries or agriculture. As per the previous Section 49 of the CNT Act, tribal land could sold to non-tribes too but only for the purpose of putting up industries or for agriculture work. Raghuwar Das government, despite having very strong protests from the opposition political parties, social activists and tribal organizations, decided to amend the provisions of section 49 of CNT Act 1908. Important points of new amendments in CNT and STP Act¹ are as such:

- In case any tribal land is acquired for non-agriculture purposes by government

or others, the ownership of the tribal land will remain untransformed. That means, the tribe will remain the owner of the land.

- Now 1(C) has been included in the section 49 of CNT Act. According to the new amendment, a tribal land can be acquired for roads, canal, railways, cable transmission, water pipes, public welfare services, pipelines, schools, colleges, universities, Panchyat Bhawan, Hospital and Anganbadi centers.
- If land is remained unused for 5 years of acquisition, or used for any other purpose but the predefined objectives, it will be returned back to the owner and the owner will have not to return the compensation.
- In Jharkhand, large number of families is displaced from their native land for government projects like dams, canals, railways etc, Now government has decided to provide them 'caste certificate' and ownership of the acquired land. People who displaced in past, will also come under the new scheme.

Now government is facing huge protest against the amendments in Chotanagpur Tenancy Act, 1908 (CNT Act) and Santhal Paragana Tenancy Act, 1949 (SPT Act). According to the protesters, the approved amendments would quicken the alienation of land owned by the state's predominantly poor tribal population.¹

New Domicile policy:

In 2016, the Raghubar Das cabinet defined the domicile policy of Jharkhand. The issue of domicile policy had been hanging in the balance since the state's formation in 2000. It has been decided that

- Those who have been living in Jharkhand in pursuance of their business or jobs and have acquired immovable assets in the last 30 years (1986), or their children, would be considered local residents of the state.
- Those having their or their ancestors' names in the land records in the survey

already conducted would be considered as 'domicile' of the state.

- The landless would have to be identified by their gram pradhan on the basis of their language, culture and tradition to be considered as permanent residents of the state.
- The employees of the Jharkhand government or state-controlled institutions or other such entities and their children would also be covered under the domicile policy. The statute would remain the same for the central government employees and those holding Constitutional posts.
- The ones who were born in Jharkhand and have had their education up to class 10 from the State Board or equivalent within Jharkhand too would be considered within the ambit of the domicile policy.

Welfare schemes of Jharkhand government

- Opened single window system for farmers:** Jharkhand has become the first state in India to launch a single-window facility for farmers, an initiative that earned the praise of Prime Minister Narendra Modi when he visited Jamshedpur in August 2016 to attend an agriculture exhibition. Single-window facility for farmers complements the Prime Minister's push for the Kisan Suvidha App, a farmer-specific mobile application, and eNAM, a national electronic marketing platform for agriculture products, which were launched on March 19 and April 14 respectively. This facility seeks to provide farmers with crucial information on government schemes, weather, pricing of agricultural products, soil health cards, seeds, fertilisers, crop insurance and loans. "The Kisan Suvidha App" is a mobile application that provides weather forecasts for the next

five days, besides information on prices of agricultural products at 50 nearby mandis (agri-markets); diseases likely to affect crops; advice from agricultural experts; technologies; and dealers in agricultural equipment. Any farmer can download it for free. Since April 14, the eNAM (electronic national agriculture marketing) platform has become functional in 21 mandis across eight states. By December, it will reach 200 mandis across the country – fetching farmers good prices for their crops.

- b) **Ner Nirmal Pariyojna:** Jharkhand has bagged the first position by securing 82.59 per cent marks in implementation of Neer Nirmal Pariyojana, the survey for which was conducted by World Bank.³ Neer Nirmal Pariyojana is being implemented in six districts- Khunti, Saraikela, East Singhbhum, Garhwa, Palamu and Dumka- for six years. Under the mission, 532 rural water supply projects are considered for construction in three phases and eight lakh people will benefit from it.

The budget of the project is Rs 900 crore, of which 50% is being funded by the World Bank, 33% by the Centre, 16% by the state and 1% by public contribution. The project is to be completed in FY2016-17.

- c) **First state to introduced yojna Banao Abhiyaan:** The Jharkhand government rolled out its new Yojana Banao Abhiyaan⁴ to ensure participation of rural dwellers in framing development plans at the panchayat level. According to the chief minister of Jharkhand, the divide between people and the government has grown over years for the fact that governments have never asked villagers what they need. Under the new scheme, the government goes to them and ask what they need. Under the programme, the government has taken up

development of 32,000 villages under 4,402 gram panchayats of the state. The state government will get funds it gets from the Centre under the 14th finance commission and MGNREGA. Five lakh families who are extremely deprived under socio-economic caste census will be benefitted under the livelihood development programme. The programme is focused on building canals, toilets, cattle and horticulture sheds and eradicating malnutrition. The programme comes at a time when the state's 41% population lives in poverty, 42% of them are malnourished and 76% defecate in the open.

The Yojna Banao Abhiyan is involving gram panchayats, self-help groups, NGOs in preparing development and livelihood plans at the grass root level. Panchayat level planning teams have been formed to collect suggestions. The district development commissioners are appointed as the nodal officers for collating and requirements, creating resource maps and creating awareness. A state level resource team has also been formed.

Emphasizing on the need to reach villages to understand their necessities, Das said he will participate in the panchayat planning team meetings in 2016. Das also said the ministers of his cabinet, bureaucrats and members of civil society will visit villages and listen to their needs. The government is now aiming at collecting and collating the recommendations by February end and accordingly make provisions in the upcoming annual budget of 2016-17 fiscal.

According to the chief minister the primary objective of the programme is to ensure water availability at the fields in every village.

- d) **Mobile kitchens providing meals at rupees five:** The state government

launched Mobile kitchens providing meals at rupees five in June 2016 to provide dal-bhaat-sabji to below poverty line (BPL) residents for only Rs 5 as a part of the Mukhya Mantri Dal Bhaat Yojna in Ranchi, Jamshedpur, Dhanbad, Dumka and Palamu. Jharkhand is among the few states in India that provide low-cost meal to the urban poor at minimum prices. This scheme is very similar to Amma Canteens in Tamil Nadu. States like Andhra Pradesh, Odisha, Telengana and Rajasthan have come up with Rs 5 per meal for the poor living in towns. The Mukhya Mantri Dal Bhaat Yojna was first launched by former chief minister Arjun Munda on August 15, 2011. Although these centres were opened to provide meals to BPL families, students and public transport drivers also benefit from it. The state runs at least 375 dal-bhaat centres that provide rice, dal and soybean to around 60,000 BPL residents across Jharkhand for Rs 5. The proposed mobile vans, which have been named 'mobile kitchens', will serve the same purpose but ensure that the beneficiaries don't have to travel long distances for their meals. According to Food and public distribution secretary Vinay Choubey said two such mobile kitchens will be launched in Ranchi, Jamshedpur and Dhanbad by the end of the year, with one each in Dumka and Palamu. He said the department was aiming to provide a one-time meal to at least 300 people through each van. Government is planning to outsource the vans to self-help groups and NGOs. Even corporates can pitch in under their corporate social responsibility initiatives and help run the vans. These vans are provided rice at a subsidised rate of Re 1 per kg and soybean free of cost. The vans go around public places such as bus stands and markets. They get their daily raw materials from the concerned district supply officer. The vans are monitored

online. The deputy commissioner is responsible for maintaining hygiene. Now, each van is given 60 kg rice and 3.5 kg soybean every day. An estimated expenditure on each van is around Rs 500 per day.

- e) **Fast track courts in five districts for trial and witch hunting cases:** The state law department published the notification in a March 2 2016 gazette for setting up of fast-track courts in Ranchi, Chaibasa, Khunti, Palamu and Simdega to ensure speedy trial and disposal of such cases. Objective is to expedite trial in all such cases and speedy disposal to send a strong message. This will help victims and their families in cases that have come to the courts. But the problem is over 60% cases still go unreported and never come to a court. Then finding witnesses is also a major problem as this menace has social sanction.
- f) **Tejaswini Yojna to re-enroll dropout school girls and training:** On 21 June 2016 the World Bank Board approved the US\$ 63 million Tejaswini Yojna⁵ for socioeconomic Empowerment of Adolescent Girls & Young Women Project in Jharkhand, which will support adolescent girls and young women, ages 14-24, to complete their secondary level education and acquire relevant skills for the job market.² The project supports market-driven skills training and secondary education as well as broader socio-economic empowerment for adolescent girls and young women. The project is under implementation in 17 select districts of Jharkhand, is expected to benefit about 680,000 adolescent girls and young women. The project is intervened at two levels – at the community and at the institutional level. The community-based platforms

("clubs" and "centers") organizes regular counselling and guidance sessions, life skills education, livelihood support services, and provide information on, and access to, broader services and opportunities. At the institutional level, it works with partner institutions through performance-based contracts to deliver vocational training, business skills training, and non-formal education to a subset of adolescent girls and young women. Life skills education includes Resilience and "soft skills", Rights and protections, Health and nutrition and financial literacy. This is the first World Bank project in India that is solely focused on the welfare of adolescent girls and young women.

- g) **Jharkhand becomes the first state to start the Ujjawala Yojana:** Jharkhand becomes the first state to start the Ujjawala Yojana as the chief minister Raghuvar Das distributed free gas connections to the BPL families of the state on 20 October 2016. This scheme was launched by prime minister of the country and Jharkhand is the first state to start this scheme. Free regulators and free gas stoves are also distributed along with free gas refill. Under PM Ujjawala Yojana Jharkhand the state government will distribute 27 Lac free gas connections to the BPL families of Jharkhand. Under this scheme the central government will give half amount and half will be given by state government to the beneficiaries.

The government of Jharkhand also becomes the first state to start the scheme Direct Benefit Transfer (DBT) of kerosene in the accounts of the beneficiaries. Chief Minister of Jharkhand announced that the year of 2017 will be observed as Garib Kaiyan Vars. There would be many schemes and the programs for the benefits of the poor people under this scheme in 2017.

- h) **Free pilgrimages for senior citizens:** Indian Railway Catering and Tourism Corporation (IRCTC), along with Jharkhand Tourism Development Corporation (JTDC), has agreed to start a free pilgrimage trip for senior citizens below poverty line in Jharkhand.

The Swachhta (cleanliness) Survey conducted by the National Sample Survey Office (NSSO), Jharkhand was cited as the worst state in the country as far as cleanliness was concerned. As per Census 2011 records, in Jharkhand, 92.4% of the people residing in rural areas do not have toilets, followed by Madhya Pradesh (86.9%), Orissa (85.9%), Chhattisgarh (85.5%) and Bihar (82.4%). Now the state government has taken very strong initiatives to make the state open defecation Free State and targeted to make the state open defecation Free State by 2018. Now government is working with Grampanchayats to achieve this target. But this target is not easy to achieve habitual impediments.

Challenges and the Government's Responses

- a) **Pure drinking water:** In Jharkhand entire population does not have access to safe drinking water & sanitation. Rural sanitation coverage is very low. About 30% of habitations have partial facility with drinking water. All habitations do not have safe drinking water as source contains Fluoride, Arsenic & Iron. The programs such as Accelerated Rural Water Supply Programme (ARWSP), Swajaldhara and Total Sanitation Campaign were launched in serving the rural population with water and sanitation related services all across the State.

- a. Reorganization of Ranchi Urban Water Supply scheme was completed and commissioned.
- b. Improvement of Dhanbad Water Supply scheme completed and commissioned.
- c. Water Supply to Medininagar Urban Area started Phase-1 started.
- d. 4400 nos. of NC and 2799 nos. of PC covered.
- e. 270 Nos. of Fluoride/Arsenic Removal Attachments installed in water quality problem areas.
- f. 108 Rural Pipe Water Supply schemes constructed/upgraded.
- g. But still many miles to go. More than 40 percent of rural population is still away from pure drinking water.

b) **Reduced Agricultural Outputs:**

Declining fertility of soils, increasing incidences of drought and seasonal shifts in rainfall patterns are affecting traditional cropping patterns and limiting harvests. Agriculture is the main stay for the 80% of rural population of the state. Agriculture is their employment and primary income generating activity. The agricultural economy of the Jharkhand state is characterized by dependence on nature, low investment, low productivity, mono-cropping with paddy as the dominant crop, in inadequate irrigation facilities and small & marginal holdings. The dependence of agriculture on the Vagaries of the rain-god can be gauged from the fact that as much as 92% of the total cultivated area is unirrigated. The cultivable land resources of the state has good potential for higher production of horticulture and forest products. The soil is young and has high capacity of fixation of humus. The forest provides sufficient biomass to feed its soiling. However, Soil erosion and failure to recycle the biomass is depleting the soil fertility. Hence, a

judicious oil, water and land management is required only that can improve agriculture productivity. Despite the fact that the state has a good rainfall, the surface water availability to agriculture is not sufficient due to inadequate storage facilities etc. as far as the status of ground water is concerned, it is also in the poor state due to little recharging of ground water by natural process in absence of artificial recharging facilities, as a result, the water level in the plateau is going down. Presently, the availability of water resource is only 287810 lakhs m³, out of which 237890 lakh.m³ is from surface water and rest 49920 lakh m³ is from ground water. The total utilization of surface and ground water in the state for irrigation purposes so far is only 47360 lakh m³ out of which 39640 lakh m³ is surface water and 7720 lakh m³ is ground water. For all round agricultural development, technology must be supplemented by institutional mechanisms to ensure the provision of the essential facilities and services that the farmers need to improve agronomic practices and obtain higher yield. Only the development of a healthy agricultural marketing system can guarantee remunerative prices to the farmers and motivate the adoption of scientific cultivation for raising agricultural productivity.

- c) **Mortality:** The state also has one of India's highest mortality rates for children under five with child mortality rate of 69 per 1,000 and infant mortality rate at 67.

Percentage of child immunisation is 34.2% as against India's average of 49.7%⁶. Jharkhand Rural Health Mission Society has been set up to provide accessible, affordable and accountable quality health services to the last person of the last household of the

last village. The thrust of NRHM is on establishing a fully functional, community owned, decentralized health delivery zed health delivery system with inter sectoral convergence at all levels, to ensure simultaneous action on a wide range of determinants of health like water, sanitation, education, nutrition, social and gender equality. Institutional integration within the fragmented health sector is expected; to provide the focus on outcomes, measured against Indian Public Health Standards for all health facilities.

- d) **Malnutrition:** Four out of every 10 women in Jharkhand are undernourished. Half the children younger than three are considered malnourished. Half of children under age of 5 are stunted and one-third of children are wasted or too thin for their height. Malnutrition Treatment Center (MTC) is a unit in a health facility where children with Severe Acute Malnutrition (SAM) are admitted and managed. Children are admitted as per the defined admission criteria and provided with medical and nutritional Therapeutic Care.
- e) **Poverty:** Jharkhand is the fifth poorest Indian state with 51.6% rural people below the poverty line (BPL).
The Rural Development Department, Jharkhand implements several programmes that aim at alleviating rural poverty through creation of infrastructure, by generating sustainable employment opportunities for the rural poor. There is program which caters to skill development and promotes opportunities of self-employment for eligible categories of individuals and Self Help Groups.
- f) **Naxalims:** The Jharkhand situation is exacerbated by left wing extremism which today afflicts 20 out of 24 districts

in Jharkhand. LWE on the one hand, mobilizes the discontent amongst tribal people to its cause, and on the other hand, prevents the government to deliver services to improve their quality of life and living conditions.

- g) **Medical facilities:** During the year 2013-14 Jharkhand has acquired third position in the country in terms of 'medical facilities providing by the state'. During the year 2014-16, 322 medical officers and 162 expert doctors are appointed by government. But, the ground reality is far different. These are huge scarcity of specialist doctors in the state run hospitals. Absenteeism of doctors from the village level health centers in a very big problem. Facilities are insufficient in district level hospitals. Aayush department of the state government is almost inactive now.
- h) **Education:** Most of the state run higher educational institutions lack regular teachers. Quality of education in the state run schools is very unsatisfactory. Parents prefer private schools over state run schools. State government has recently started the recruitment process for the appointment of 18000 school teachers. Apart from teaching, school teachers are allotted multiple tasks. They are engaged in elections, census, and other activities that eventually negatively hit the quality of education. Even in the state run medical colleges, standard of education and training is not good due to scarcity of good faculty members. Recently government has initiated the process of appointment of 100 new faculty members in state run medical colleges. State government has planned to open three new medical colleges in the state to meet the requirements of medical facilities. Jharkhand first women engineering college started in Ramgarh. First Sports University also came into

existence during the current government's regime.

- i) **Roads:** During the period, 1000 kilometer roads and 57 new bridges constructed. But lifeline of Jharkhand economy NH-33 that connects Jamshedpur to Ranchi is still in a very poor condition.
- j) **Electricity:** In last two years 2525 villages have been electrified. Large number of LED bulbs distributed among consumers at subsidized rates, 5480 transformers replaced under Jyoti Mission and 6 greed substations, constructed. No doubt that overall condition of electricity is improved in last two years. Now consumers face less power cuts. In urban areas damaged transformers are replaced within 24 hours. Earlier replacement of damaged transformers could take weeks and often would replace only after public protests.

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Conclusion

In two years state government has taken some very brave initiatives to remove some of the impediments said to be responsible for the lukewarm development of Jharkhand. Old domicile policy and some provisions of CNT Act and SPT Act were the main hurdles behind new recruitments and land acquisitions for development projects respectively. Moreover the government has taken very good initiatives in the areas of health, education, nutrition, infrastructure development and dealing with social evils like witch crafting also. Moreover, in last two year the state government has not faced any serious corruption charges against it.

But the matter of fact is that rural population of the state is comprised of the most marginalized people in the country. Most of them are still below poverty line. Good education, nutritious food, medical families and employment/ livelihood opportunities are still daydream for them. To make their life happy the government needs highly focused long term plans and skilled, honest, sincere and responsible bureaucracy.

ETHNO MEDICINAL PLANTS USED TO CURE DIFFERENT DISEASES BY TRIBAL PEOPLE OF ARKI BLOCK OF KHUNTI DISTRICT OF JHARKHAND

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Abstract

Arki Block of Khunti District, a hilly place, is rich in ethno medicinal plants. In the present paper fifty one (51) plant species belonging to thirty three (33) families used in folk medicine have been documented. Due to poor condition of modern healthcare facilities and excess poverty, the indigenous people as well as other tribal people of the Arki Block fully or partially depend on local medicinal plants. An attempt has been made to document traditional knowledge from the Baidhyas group of 13 revenue villages of Arki Block of Khunti District on the treatment of various diseases enumerated. The main surveyed villages were Bandhdih, Bandu, Berahatu, Chianpur, Dorea, Heth Balalong, Jaranga, Jojodih, Maipa, Norhi, Piskahatu, Sindri and Upper Balalong. We report 51 Species of medicinal plants used for common ailments such as asthma, cough, fever, stomach problems, skin diseases etc. These traditional healers are on the decline because the younger members of the tribe have started moving towards the towns and cities and are not willing to practice this form of medicine. There is danger that the knowledge of these medicinal plants will also die with them. It is therefore, necessary to document the ethno medicinal plants and take efficient steps to conserve them.

Keywords: - Ethno medicinal plants, Arki Block, Revenue villages, traditional healers disease.

Introduction

Plants have been used for medicinal purposes long before recorded history. Primitive men observed and appreciated the great diversity of plants available to them. Plants provide food, clothing, shelter and medicine^{[1][6]}. Much of the medicinal use of plants seems to be developed through observations of wild animals and by trial and error. As time went on, each tribe added the medicinal power of herbs in their area to its knowledge base. They methodically collected information on herbs and developed well defined herbal pharmacopoeias^[2].

Traditionally, various tribes have been

using medicinal plants from time immemorial for the treatment of various types of diseases. Traditional system of medicine plays an important role in healthcare system of the rural people covering all types of ailments^[3]. Rig-Veda and Atharvavedas have details to cure different diseases. Charaka samhita and Shusruta samhita are regarded two most important documents of this system of medicine.

India has a rich culture of medicinal herbs and spices, which includes about more than 2000 species and has a vast geographical area with high potential abilities for Ayurvedic, Unani, Siddha traditional medicines, but only very few have been studied chemically and pharmacologically

for their potential medicinal value (Gupta et al., 2005, Sandhu and Heinrich, 2005) ^{[3][4][8]}.

Human beings have used plants for the treatment of diverse ailments for thousands of years (Sofowara, 1982, Hill, 1989). According to World Health Organisations still rely on traditional medicines for their psychological and physical health requirements (Rabe and Van Stoden, 2000), since they cannot afford the products of Western pharmaceutical industries (Salie et al., 1996), together with their side effects and lack of healthcare facilities (Griggs et al., 2001). Rural areas of many developing countries still rely on traditional medicine for their primary health care needs and have found a place in day-to-day life ^[7]. These medicines are relatively safer and cheaper than synthetic or modern medicines (Iwu et al., 1999, Idu et al., 2007, Mann et al., 2008, Ammara et al., 2009). People living in rural areas from their personal experience know that these traditional remedies are valuable source of natural products to maintain human health, but they may not understand the science behind these medicines, but knew that some medicinal plants are highly effective only when used at therapeutic doses (Maheshwari et al, 1986, Van Wyk et al., 2000). Even with the advent of modern or allopathic medicine, Balick and Cox (1996) have noted that a number of important modern drugs have been derived from plants used by indigenous people ^[11].

Materials and methods

Arki Block of Khunti District is situated in south Chotanagpur division of Indian state of Jharkhand, located between 23.00N⁰ and 85.41⁰ E. Field surveys have been undertaken in 13 remote and tribal populated revenue villages, namely “Bandhdih, Bandu, Berahatu, Chainpur, Dorea, Heth Balalong, Jaranga, Jojodih, Maipa, Norhi, Piskahatu, Sindri and Upper Balalong of Arki Block of Khunti District, in different seasons during the year 2013 and 2014. These surveyed were conducted among several tribal groups namely, Munda, Oraon, Puran, Birhor, Lohra etc. and several local people. Old and experienced men, women and medicine men (Baidhyas) were interviewed for the first hand

information on ethno medicinal uses of the plants in these tribal areas. Repeated and cross queries were also done to confirmation and verification of the information. The informers were taken to forest to show the exact plants that they had been using for various purposes including their vernacular names, local names, method of preparation of drugs and mode of uses of drugs. The voucher specimens were collected, tagged with field numbers and kept between the blotting papers in a plant press for drying purposes. After drying these specimens were poisoned, mounted, stitched and labelled on herbarium sheets. These plant specimens have been identified with the help of keys and botanical descriptions described in different regional floras like Haines (1921-25), Kirtikar, Mooney (1941, 1950), and Saxena and Brahmam (1994-96). After matching and verification with the authentic specimens housed in Botany Deptt. of College ^{[9][12][14][15]}.

Results and Discussion

Ethnology of tribal communities

Majority of tribal communities living in the study area are Munda, Oraon, Pahan, Birhor, Lohra and Puran. All tribe lives together with here and there, according to available of all necessity materials of the revenue villages and their mother tongue belongs to Kol-munda family of Austro-Asiatic Linguistic group. However, all are proficient in speaking “Sadri”, “Khorta”, and “Bengali” also. In every tribal hamlet, there is a team of headman (Muda) and assistant to headman (Rayat) and a priest (Pahan or Brahman), festivals and marriage functions are conducted by this team with the help of villagers. The main occupation of these tribes is agriculture. The main income comes from minor forest products such as gums, lac, meal plates, tamarind, roots, tubers, honey and fish also ^[13].

Floristic diversity and Ethno medicine

A total of 51 species belonging to 51 genera have been recorded in the present investigation. These plants are exploited by the tribes for various purposes, such as medicine, food and other

domestic means. They are belonging to 33 families of Angiosperms. Family-wise analysis of species revealed that the Apocynaceae, Fabaceae, Liliaceae have 4 species followed by Euphorbiaceae (3), the remaining families with one to two species.

All species are used as remedy for abortifacient, asthma, anti-fertility, cough, cold, fever, eye and ear troubles, menstrual disorders, gonorrhoea, leucorrhoea, leprosy, cholera, tonsillitis, throat, gastric disorder, rheumatism, bronchitis, epilepsy, diarrhoea, dysentery, laxative, diuretic, jaundice, impotency, antiseptic, Galactagogue, anaemia, filaria, urine disorder, constipation, cancer, pneumonia, phlegm, flatulence, urticaria, epistaxis, skin diseases, hair promoting, headache, madness, scabies, piles, stomach ache, ophthalmia, gout, insomnia, vaginal discharge, malarial fever, blood pressure, hysteria, insomnia, paralysis fracture, vomiting etc Table-1) ^{[16][18][19]}.

Herbal medicines prescribed by traditional healers were either preparation based on single plant or a combination of several plant parts. Communities as well as Baidhyas believe that combination of plant parts could cure the disease effectively. In the present study, indicate that the single medicine (1 plant), as well as the mixture of several medicines (more than 1 plant) completely cures the disease ^{[20][21]}. All plants have more than one or two or more medicinal values, but according to the Baidhyas, the medicinal values are indicated on the Table-1.

Due to lack of interest of young generation towards traditional knowledge, urbanization and unscientific exploitation of natural forests, these valuable knowledge as well as plant species are getting depleted leading to their exploitation. Therefore, it is necessary to collect and document such previous knowledge from the tribal and remote areas before their complete depletion and also increase awareness among the tribal communities for sustainable use of plant wealth and their conservation ^[22]. There were so many age old traditional method of conservation of medicinal plant in the area, based on age old beliefs, cultural traditions, taboos and avoidance. The medicinal men (Baidhyas, Guni, Ojha,

Kaviraj etc) were not sharing their traditional knowledge of uses and identification of ethno medicinal plants to the general people. They believed that if all people aware the uses of medicinal plants, then there are more chances to over-exploitation and dropping the population of naturally growing plants in the region. Identification of useful plants was closely guarded secret known only to selected few. They generally shared their knowledge either to their junior followers or close relatives like son after old ages, when they are unable to go forest areas for collection of plants. They are generally giving medicine after making paste, powder, extract, so that all people could not recognize the specific plant. The medicine men were used to collect plant parts only whenever required to cure diseases/ailments and quantity taken was also as per requirement ^[23].

They never over-exploited nor storage much plant parts and kept only small stock for emergency. Sometimes, they avoided collection of plant material from particular areas, dedicated to local deity to prevent general people to have access to such areas. No collection allowed from such areas like sacred grooves or religious premises. They also avoided collection of medicinal plants repeatedly from the same place or same plant. Exploitation of some rare and high quality plants were prohibited to maintain superior genetic stock ensuring good population in the next generation ^[24].

They believed that all leaves should not collect from individual plant and must left youngest apical buds near inflorescences. They avoid collecting immature flowers, fruits and seeds for any purposes. Bark always collected from old plants and from different branches of the same plant or the other old plants. They collect many medicinal plants in rainy season. To avoid the over exploitation, they believed that some most important medicinal plants should collect occasionally either in a month or in full moon or lunar eclipse. Thus survival of species ensured through these cultural traditions, belief and taboos ^[10].

TABLE-1- PLANTS AND THEIR ETHNO MEDICINAL USES

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
1.	Abroma augusta Linn.	Sterculiaceae	Ulatkambal	Fresh & dried root bark used as uterine tonic & Emmenagogue, regulates menstrual flow. Leaf used in diabetes, rheumatic pain & sinusitis.
2.	Abrus precatorius L.	Fabaceae	Gunja, Rati	Roots are used as abortifacient and in paralysis. Roots paste is also used to cure in gonorrhoea.
3.	Aconitum ferox Wall.	Ranunculaceae	Bish, Indian aconite	It is extremely poisonous, used in leprosy, fever, cholera, nasal catarrhs, tonsillitis, some throat, gastric disorder, debility etc. Applied in the form of paste in cases of neuralgia & rheumatism.
4.	Acorus calamus Linn.	Araceae	Vacha	For the treatment of indigestion, they take pills made by grinding 100 black peppers, little amount of ginger & the root of Vacha together. Also use in the treatment of asthma, bronchitis, cold & cough, dry cough, epilepsy, haemoptysis, indigestion etc.
5.	Aegle marmelos Corr.	Rutaceae	Bael	Fruits, chiefly used in chronic diarrhoea & dysentery. As a good laxative & the sherbet prepared from the pulp is good for bacillary dysentery.
6.	Allium sativum L.	Liliaceae	Garlic, Lahsun	Raw garlic decreases glucose, cholesterol, Phospholipids, triglycerides etc.
7.	Aloe vera Mill.	Liliaceae	Ghritakumari	Leaf-pulp- in liver troubles, jaundice, fever, gonorrhea, spleen disorder, rheumatism, piles etc.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
8.	Alstonia scholaris R.Br.	Apocynaceae	Chhatim	Bark is used in Colic pain. Plants used in the treatment of leprosy.
9.	Andrographis paniculata Burm. F.	Acanthaceae	Kalmegh	Plant- febrifuge anthelmintic, anodyne, useful in debility, diabetes, influenza, bronchitis etc. In modern time, drug constitute stem, leaf & inflorescence, as a tonic & in the treatment of fevers, worms, dysentery & also beneficial to liver and digestion ailments.
10.	Aristolochia indica L.	Aristolochiaceae	Isharmul	Root is tonic, stimulant emetic and Emmenagogue. Root decoction is used in impotency.
11.	Asparagus racemosus Willd.	Liliaceae	Satawar	Root is refrigerant antiseptic, alterative and Galactagogue. Roots from a constituent of medicinal oils used for nervous & rheumatic complaints.
12.	Bacopa monnieri L.	Scrophulariaceae	Brahmi	A plant is bitter diuretic, blood-purifier, in vigorous sex. Plants extract is used in purification of blood for anemia, dermatitis, diabetes & Filarial.
13.	Boerhaavia diffusa L.	Nyctaginaceae	Punarnava	Paste of root is applied on any swelling and also scorpion bite. Decoction of root is given internally in scanty urine.
14.	Bombax ceiba L.	Bombacaceae	Semal, Seemul	Bark decoction is given in dysentery. Root powder with mishri is given in constipation.
15.	Butea monosperma Lamk.	Fabaceae	Palas	Seeds are used as abortifacient. Bark is used in bone fracture & gums are in piles, urinary complaints. Stem extract is useful in leprosy, piles, gastroenteritis and Menorrhagia.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
16.	Catharanthus roseus L.	Apocynaceae	Sadabahar	Flower buds (21) paste with black pepper (7) and taken with honey in the treatment of diabetes and also in cancer.
17.	Curcuma longa L.	Zingerberaceae	Haldi	The rhizome is used in hazy vision, inflammation of eye, night blindness, subnormal temperature after fever, spleen consumption. The leaf extract is used in cold, fever, & Pneumonia.
18.	Datura metel L.	Solanaceae	Dhatura	Seed is used for the treatment of leprosy. It is narcotic, acrid, anodyne, antispasmodic, in toxicating, emetic & useful in asthma.
19.	Dillemia indica L.	Dilleniaceae	Chalta	Fruit decoction is used for curing dandruff & checking falling of hairs. The fruit is sweet, acidic, astringent, removes bile, phlegm, fetid & flatulence.
20.	Dioscorea bulbifera L.	Dioscoreaceae	Pitalu	The tuber is used in boils, jaundice, dysentery, piles & abdominal pain. Aerial parts are used for the treatment bone fracture & it is diuretic.
21.	Dolichos biflorus L.	Fabaceae	Kulthi	Aqueous extract of seeds is used in urinary troubles & kidney stones. Decoction of seeds is also beneficial in urticaria, piles, colic, epistaxis, ophthalmic & ulcers.
22.	Eclipta alba L.	Asteraceae	Bhringraj	The leaf is used in gastric troubles, hepatic disorders, fever & cough. The whole plant is used in itching, conjunctivitis & other eye problems, in promoting hair growths.
21.	Emblica officinalis Linn.	Euphorbiaceae	Amla	The fruit is antiemetic, used in fever, indigestion, bronchitis, constipation, headache, liver complaints & madness.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
23.	Ficus racemosus L.	Moraceae	Gular	The latex is used on boils, adenitis, muscular pain, pimples, scabies, & piles. In some parts the latex is also used in dysentery, skin cracks in heels & lips. The root extract is used in diabetes, dysentery.
24.	Gymnema sylvestris R.Br. ex	Asclepiadaceae	Gulmar	Leaf is used in diabetes and gastric troubles, in urinary complaints, stomachache, in cornea opacity & other eye diseases. The root bark is useful in piles. It is bitter, appetizer, gastric stimulant, removes cough, and alleviates breathing troubles.
25.	Glemlina arborea Roxb.	Verbanaceae	Gamhar	The leaf extract is useful in the blood purifier, as carminative, in headache, in asthma, bronchitis, cholera, colic pain, diarrhoea, dropsy & fever. The bark extract is useful in wounds & stomach disorder.
26.	Gloriosa superba L.	Liliaceae	Karihari	The root extract is useful in gout, stomach ache & as tonic. Also useful in cholera and facilitate childbirth. The tuber is useful in gonorrhea, leprosy & piles.
27.	Holarrhena antidysentrica Linn.	Apocynaceae	Kurchi	Boiled extract of bark is useful in diarrhoea, dysentery, piles and bleeding from nose.
28.	Melia azedarach L.	Meliaceae	Bakain	Leaves and flowers paste mixed with edible oil are applied locally in skin related diseases. Decoction of bark and leaves is useful in diabetes and urinary problems.
29.	Mimosa pudica L.	Mimosaceae	Lajwanti, Lajalu	Insomniac babies are treated with the root tied to the neck. The leaf paste is applied to open bleeding wounds.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
30.	Moringa pterygosperma Gaertn.	Moringaceae	Sahjan, Munga	Mix 2 gm ginger roots in 10 gram juice of its root and give this to the patient every evening. It enhances the digestive power.
31.	Musa sapientum Linn.	Musaceae	Kela, Banana	Flowers are used to cure asthma, bleeding disorders, vaginal discharges and leucorrhoea. Unripe fruits are useful in diabetes patients.
32.	Ocimum sanctum Linn.	Lamiaceae	Tulsi	Put 5 gm powder of tulsi juice in eyes, several times in a day. It cures night blindness. Give the decoction of tulsi leaves, at an interval of 3 hours. It helps to cure malaria.
33.	Phyllanthus nirurii auct. non L.	Euphorbiaceae	Bhui amla	Grind 10 gm of its root and give this to the patient with 250 ml milk every morning and evening on empty stomach. It cures jaundice.
34.	Pongamia pinnata L.	Fabaceae	Karanj	Oil seeds are beneficial to overcome skin diseases. In diarrhoea, the juice of its leaves is given to the patient, thrice a day in 5 ml quantity.
35.	Punica granatum L.	Punicaceae	Anar	Keep the peel of the fruits in the mouth and suck. It helps in curing cough. In jaundice, take 250 ml Anar juice and mix with 750 gm sugar and prepare thick syrup. Give this to the diarrhoeal patient thrice a day. It cures diarrhoea.
36.	Rauvolfia serpentina L.	Apocynaceae	Sarpagandha	The juice of leaves is taken to the patient to control blood pressure, hysteria and insomnia.
37.	Ricinus communis L.	Euphorbiaceae	Arandi, Reri	In cough, take 2.5 ml extracts of its leaves and mix equal amount of jiggery. Give this to the patient, it cures cough. In gout, give 10 gm castor oil with milk.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
38.	Saraca indica (Roxb.)	Caesalpiniaceae	Ashoka	In leucorrhoea, mix equal amount of bark powder and sugar candy. Take 3 gm of this mixture with cow's milk every morning and evening. It cures leucorrhoea. Flower is used in blood dysentery.
39.	Shorea robusta Geartn.	Dipterocarpaceae	Sal, Sakhua	In bronchitis, prepare a decoction of 1 gm each of country mallow, small and large kateri Malabar nut and grapes and give this to the patient with honey. It cures bronchitis. In leucorrhoea, give 3 gm root powder with cow's milk mixed with sugar, thrice a day.
40.	Sida cordifolia Linn.	Malvaceae	Balihari	Take 5 ml decoction of its root and grind 1 gm jaiphal and give this to the patient to cure dysentery. In facial paralysis, mix its powder in milk and cook. Give this to the patient. Also massage with its oil.
41.	Soymida febrifuga (Roxb.)	Meliaceae	Ruhin, Ruchin	The decoction of its bark is very effective medicine for diarrhoea and dysentery. In malarial fever, the decoction of its bark is prescribed to the patient. The quantity is 2 gm.
42.	Tamarindus indica Linn.	Caesalpiniaceae	Imli	In bleeding piles, give 20 gm juice of its flowers, thrice a day. In dysentery, give 15 ml of its leaf juice after dipping a red hot iron rod, four times a day. Continue this treatment for few a days.
43.	Terminalia arjuna (Roxb. Ex. Dc.)	Combretaceae	Arjun	Grind thick bark of arjuna. Mix 5 gm of this powder in 1 cup of milk after removing cream. Give this to the patient every morning and evening. It is beneficial in curing all types of heart beat disorders.

Sl. No.	Botanical name of Plants	Family	Vernacular Name	Ethno medicinal Uses
44.	Terminalia bellirica Gaertn.	Combretaceae	Bahera	In impotency, take 3 gm beheda powder and add 7 gm jaggery in it. Mix it and give this to the patient every morning and evening. It enhances sexual potency desire and eliminates impotency.
45.	Terminalia chebula Retz.	Combretaceae	Harre	Give 4 gm harad every day. It is useful in releasing phlegm in case of severe and infected cough. Give harad powder with honey mixed in it. It is beneficial in vomiting.
46.	Tinospora cordifolia Willd.	Menispermaceae	Giloi, Guruch, Amrita	Prepare decoction of tinospora juice and triphala. Mix peepal powder and honey in it and give to the patient every morning and evening. It improves the eyesight. Give 20 ml of its decoction with 2 teaspoonful honey mixed in it. It cures jaundice.
46.	Tridax procumbens Linn.	Asteraceae	Khargosh ghas, Kharha gash	The leaf juice exhibits antiseptic, insecticidal and parasitical properties. It is used to check hemorrhage from wounds, cuts and bruises, also for restoring hair growth.
47.	Vitex negundo Linn.	Verbanaceae	Sindwar	In case of pus in ear, put 2 drops of its medicated oil mixed with honey twice a day, in the ears. Grind it and apply the paste on the stomach, abdomen and vaginal area. It results in easy delivery.
48.	Withania somnifera Linn.	Solanaceae	Ashwagandha	Give 2 gm Ashwagandha with 20 gm decoction of its own. It is beneficial in curing tuberculosis. In case of pain in the heart due to acidity, give 2 gm ashwagandha with water. It brings relief.
50.	Zingiber officinale Rose.	Zingiberaceae	Adrak	The powder of zinger is prescribed in gastric and stomach ache.

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RURAL URBAN MIGRATION IN ANDHRA PRADESH: A STUDY OF SOCIO-ECONOMIC IMPACT ON MIGRATION FARMERS

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Abstract

People are moving to urban areas for economic, political, humanitarian and other reasons. Migration is not a new phenomenon, but in the age of globalization it is gaining a new proportion. The number of people on the move has significantly increased in the past few years. In developing countries like India, unemployment in the agricultural sector increased during the reform period as agriculture was not profitable due to the fall in the price of farm products and mainly to the urbanization, the conventional employment in agriculture is started to decrease. As a result, the number of people who are employed in the primary sector including area under cultivation also decreased, which in turn caused a decline in rural employment. Farmers and Agricultural Laborers were forced to migrate to urban area in search of job for their survival. This paper aims to assess the status of migration of those migrated farmers and agricultural laborers and condition of their financial status. Factor analysis has been used to assess the impact of migration. Farmers' inability to cope with the agrarian crisis is leading to heavy migration of farmers and farm labour to urban areas thereby ending up as non-farm labourers mostly settling in the construction activities. Vice versa this kind of migration is impacting the farm productivity too. A study on addressing this problem might give us some insights in tackling this problem which will have due impact on the Agri based economy of the study state in specific and country as a whole.

Keywords: Migration, Agri Crises, Status of Agri and farm laborers, Factor Analysis

Introduction

Migration is closely associated with the physical, demographic and socio-economic conditions of an area. Migration is one of the three components of population change. The other two are fertility and mortality. The nature of migration as a component of population change is, however, different from fertility and mortality. Though, a set of social, economic, political and cultural factors determine the fertility and mortality levels in a population, these components largely operate within the biological framework. Unlike this,

migration is a response of individual or individuals to certain stimuli. In other words, human decision is a key factor underlying spatial mobility of population in any region. Migratory movements are basically a product of social, cultural, economic and political and/or physical circumstances in which individuals or groups find themselves. The meaning of the term migration is different from the common usage. In population studies migration implies a temporary, semi-permanent, seasonal and permanent change in the place of residence of individual or individuals

from one place to another place. The United Nations Multilingual Demographic dictionary defines migration as a form of geographical or spatial mobility between one geographic unit and another, generally involving a change in residence from the place of origin or departure, to the place of destination or arrival.

Thus, migration is different from other forms of mobility such as temporary movement of tourists, or frequent trips of people in business, or constant movements of people, or movement of students, or daily movement of commuters to place of work. These movements do not involve any permanent or semi-permanent change in the place of residence to qualify as migration. Census of India also provides definition of a migrant. According to the Indian Census, a migrant is usually defined as a person who has moved from one administrative unit to another. In Indian context, these areas are generally a village in rural and a town in urban. Thus a person who moves out from one village or town to another village or town is termed as a migrant provided his/her movement is not of purely temporary nature on account of casual leave, visits, tours, etc(www.censusindia.gov.in).

Over the years, the agriculture sector has not been receiving as much attention as services and manufacturing sectors. There is no significant increase in productivity from 1990 and it is less than the population growth. The low productivity is due to small land holdings, lack of efficient credit facilities, poor extension services, absentee ownership, spurious seeds, droughts, pest's outbreaks, soil erosion, poor infrastructure, groundwater depletion etc. The livestock population is also dwindling drastically due to fodder scarcity and reduced common properties of villages. The contribution to GDP has come down to 15.7% (2009-10) from 56% (1951-52) but the volume of population depending on the farm sector has not reduced proportionately. Indian agriculture became non remunerative, pushing small landholders into debt trap, taking the lives of 100,000 peasants during the period from 1996 to 2003, i.e. a suicide of an Indian peasant every 45 minutes. These complexities are responsible for the migration of small and

marginal farmers to cities for their livelihoods leaving their children with their old parents in villages. The search for the source of survival or quest for better life has ever remained the force of migrations but resulting socio-economic ramifications.

Background

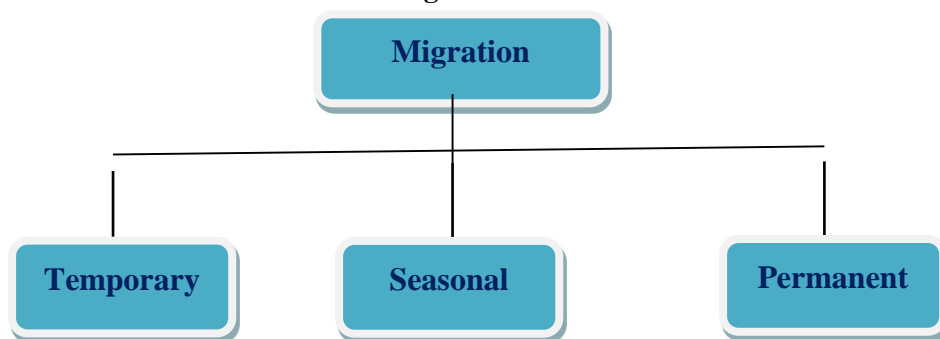
Migration is one of the crucial factors moving population change of an area. Theoretically, migration can be defined as the movement of individual or groups of people from one place of residence to another who have the plan of staying in the new place for a significant period of time. Opportunities in urban areas for employment, education, amenities, etc., cause the rural people to move to the urban areas. During the transitional stage of development with the establishment of urban mass production factories and the arrival of modern transport and communication, the movements of people were directed from rural to urban areas. Such trends in migration was in response to the creation of new employment opportunities in secondary and service sectors which tended to be specially located in cities/towns. The rapid growth of industries, transport and communication and other economic and social overheads in urban areas have encouraged individuals to migrate from rural to large and metropolitan cities looking for better employment opportunities (Shah, 1998).

Migration as defined in the present study pertains to permanent, semi-permanent, Seasonal, and Permanent movement of people from one territorial unit to another (figure 1). It is distinguished from the Temporary and Short distance movements. All such temporary movements begin and ultimately terminate in the same place or community and are denoted by such terms as commuting or wage-labour migration or seasonal mobility or transhumance. These terms refer to circuit of movements by individuals and small groups between points of origin and destination, and lack any declared intention of a permanent or semi-permanent change in residence. On the basis of boundaries of political divisions involved, migration can

broadly be classified into two types – international migration and internal migration. The former refers to the movement of people from one country to another, while the latter incorporates all movements that take place within the boundary of a country. In Indian context internal migration can further be classified in two

types – Inter-state migration, which occurs between one state and another and Intra-state migration, which occurs within the boundary of a state. Intra state migration is further classified in two types – Inter-district, which takes place from one district to another and Intra district, which takes place within the district boundary.

Figure 1



Migration flow in Andhra Pradesh

Migration for survival is well documented in Andhra Pradesh (Ramana Murthy, 1991; Reddy 1990; Rao, 1994). Nearly all of the studies have identified the main drivers of migration as the worsening situation of dry land agriculture created by drought, crop failure and poor terms of trade. More recently, the idea of migration as a coping strategy (Davies, 1996) is gaining acceptance. This is migration that is integral to people's coping, survival and livelihood strategies (Rao, 2001; Conroy et al, 2001; Mosse et al, 2002) and not just a response to emergencies. Economic and social impacts on migrants and their families are variable. Migration often involves longer working hours, poor living and working conditions, social isolation and poor access to basic amenities. At destination, migrant labour affects markets, lowering the cost of labour. Migration also affects the labour market at the place of origin. Migrant earnings affect income, expenditure patterns and investment and changes relations at household and community levels. While there seems to be some positive impact on incomes and investment, the major function of migration is to act as a 'safety valve' in poor areas. The impact on asset and income inequality is more mixed. Internal mobility is critical to the

livelihoods of many people, especially tribal people, socially deprived groups and people from resource-poor areas. However, because of lack of data, migration is largely invisible and ignored by policy makers. There is a large gap between the insights from macro data and those from field studies.

The Andhra Pradesh government has launched measures like interest-free loans and free electricity for the farmers to meet the crisis (Mohanty 2005, Vasavi 2005). In spite of these relief measures, the problem has not been mitigated. In this context, it has become increasingly important to examine the causes associated with the agrarian distress as they in a broader sense indicate the conditions that exist in rural India and are symptoms of a much deeper rural crisis. If left unchecked, it would not be long before the situation of agrarian distress turns into a "crisis". It is evident from the comparative case-oriented analysis of the NIRD data that there seem to be two major causes behind the farmers suicides - indebtedness and crop failure. However, as mentioned earlier in this study, if we were to restrict only to these immediate causes, it would mean being too simplistic and underestimating the gravity of the issue. The suicides are in fact symptomatic of larger and more pervasive crises

in the region. The crises are economic, ecological and social; each inter-linked with the other, and combining to produce distress in the region (Vasavi1999).

Ramachandran and Swaminathan (2002) states that the burden of indebtedness in India is very great and despite major structural changes in credit institutions and forms of rural credit in the post-Independence period, the exploitation of rural masses in the credit market is one of the most pervasive and persistent features of rural life in India. In Andhra Pradesh, the commercial, cooperative and regional rural banks have advanced Rs 1,756 crore to the agricultural sector during 1992-93, Rs 5,158 crore in 1999-2000 and Rs 10,925 crore in 2003-04. Though this seems like a significant amount, it accounts for barely one-third the total needs of farmers in the state. This gap led many farmers to borrow from private moneylenders at very high interest rates. The National Sample Survey Organisation, 2005, survey reveals that 82 percent of farmers in Andhra Pradesh are indebted and the state has the second highest debt liability to asset value ratio (7.14) in the country (Narasimha Rao and Suri, 2006).

Objectives:

This paper is aimed to following Objectives:

- a. To assess the financial status of migratory farmers and agricultural laborers
- b. To study the reasons for migrations to urban areas and living conditions of the people in cities
- c. To know the expectations of migrants from Government on the sustainable livelihoods in rural areas and for better living conditions in cities

Methodology:

The methodology has been adopted from collection of data, selection of samples, analysis of data and interpretation of data has discussed. This research work revolves around the rural urban migration in Andhra Pradesh state (before bifurcation of the state) covering the qualitative and quantitative aspects of migration. The study is

based on primary data. Questionnaire, field survey, group discussion; observation and personal interactions with the people were the major methods to collect the primary information. Stratified Random Sampling has been used to collect primary data. Six districts i.e., Anantapur, Kurnool, Mahaboobnagar, Nalgonda, Srikakulam and Vishakhapattanam districts have chosen among three regions of Andhra Pradesh to conduct the study.

Demographic Details

Majority of the beneficiaries (41.66%) are in the age group of 20-30 years followed by 37.91% under the age group of 30-40 years. Further, it is observed that the above 40 years age group constitutes 20.41% of the total sample size. The average age of the sample respondents is 25 to 30 years among the three districts. Majority (84.2%) of the sample respondents are married. It was observed that the majority of the sample respondents (70.42%) are male category and 53.4% of the sample respondents are of illiterate. The places of migrations are mostly to state head quarter that is Hyderabad, Bangalore, Chennai, Thiruvananthapuram (Trivandrum) and Mumbai followed by the respective district headquarters.

Educational level is strongly related to migration. Uneducated migrate to urban area as a migrant labourer and educated people migrate to city for better job facilities. From the survey, it is clear that a large variation in the educational background of sample in all districts. 53.41% of the sample respondents are of illiterate in which majority of them are from Srikakulam, followed by Nalgonda district. It is also observed that, 18.75% and 17.92% of the sample respondents are of primary and secondary education. Further 9.21% of them have studied secondary education and 0.91% of them studied university level degree course.

Background

Agriculture land is indication of their property and also used to assess the status of farmers in villages who are migrating as laborers. Small size farmers are migrating due to low productivity and crop failures. Even big farmers

are not able to meet basic requirements to take care of their children education and health care.

The proportion of land holders and non-holders are almost equal with 50.50% have no land and 49.50% of them have owned land in their village of origin. However, a majority of the sample respondents from Kurnool, Anantapur, Mahaboobnagar, Nalgonda, are having agricultural land i.e., 90%, 88%, 58% and 43% respectively. With regard to the land size of the respondents, out of 240 sample respondents, 160 respondents have responded for this variable among the 6 districts of Andhra Pradesh state. 32.50% of them have up to 1-3 Acres of land, 22.50% have 4-5 acres, and 12.50% have above

5 acres of land. Most of the migrants have their own house at their villages with electricity connection and certain durables.

Year of Migration: Major migrations of Srikakulam and Vishakhapatnam districts took during 1990-200, Mahaboobnagar and Nalgonda districts during 2005-10 and Anantapur and Kurnool districts during 2010-14.

Type of Migration: Migration is mainly three types i.e., Temporary, Seasonal and Permanent migrations. The following table gives information of respondents of the selected districts on type of migrations in Andhra Pradesh

Table 1: Type of Migration

Type of Migration	Anantapur	Kurnool	Mahaboobnagar	Nalgonda	Srikakulam	Visakhapatnam
Temporary	13 (33%)	12 (30%)	13 (33%)	15 (38%)	0	0
Seasonal	4 (10%)	3 (8%)	1 (2%)	25 (63%)	0	0
Permanent	23 (57%)	25 (63%)	26 (65%)	0 (0%)	40 (100%)	40 (100%)
Total	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)

Source: Primary Data

From the table no. 1, it is clear that the Anantapur district 57% of the respondents migrated permanently, 33% of them on temporary basis and 10% on seasonal basis. Temporary migrated respondents, visit their villages quite frequently. With regards to seasonal migrated respondents, they go to their villages for the purpose of cultivating the crops and they come to urban areas only in the off-season for labour work. In Kurnool district 63% of the respondents have informed that they have migrated permanently to cities, 30% of them migrated temporarily and 8% on seasonal basis. In Mahaboobnagar district, 65% of the respondents have informed that they have migrated permanently to cities, 33% of them on temporary basis. With regards to temporary migrated respondents, 55% respondents visit their villages 2 times, 25% of them 3 times and 5% of them visit their village 5 times in a year. In Nalgonda district, 63% of the respondents migrated on seasonal basis, 38% of them on temporary basis and no respondent has

permanently shifted to cities. With regards to temporary migrated respondents, 38% visit their villages 5-10 times in a year. All respondents of Srikakulam and Visakhapatnam districts have migrated permanently to cities. No respondent from Srikakulam and Vishakhapatnam districts have shown interest to go back to their villages. However, majority respondents of Anantapur, Kurnool, Mahaboobnagar, and Nalgonda districts informed that they are willing to go back to their villages.

Factors that influenced migration: In the table no 2, it clearly shows the factors that influenced the rural people to move to urban areas in various selected districts in Andhra Pradesh. It is also to understand from the table that the comparison of various factors influencing the migration and which factor is more influenced factor and which one is less influenced factor to shifting from rural to urban areas among the districts for better employment opportunities.

Table 2: Reasons to Migration

Particulars	Anantapur	Kurnool	Mahaboobnagar	Nalgonda	Srikakulam	Vishakhapattanam
Poverty	36 (90%)	37 (93%)	28 (70%)	16 (40%)	40 (100%)	31 (78%)
Crop failure	15 (38%)	18 (45%)	12 (30%)	17 (43%)	2 (5%)	0 (%)
Landlessness	19 (48%)	21 (52%)	2 (5%)	4 (10%)	1 (2%)	8 (20%)
Unemployment	40 (100%)	34 (85%)	34 (85%)	14 (35%)	34 (85%)	31 (78%)
Natural Disaster	5 (13%)	1 (2%)	2 (5%)	3 (8%)	0	0
Agents Promised jobs in city	6 (15%)	4 (10%)	1 (3%)	1 (2%)	0	0
Better job Opportunities/ more income	37 (92%)	36 (90%)	31 (78%)	19 (48%)	8 (20%)	4 (10%)
Others	2 (5%)	2 (5%)	0	5 (13%)	0	0
Total	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)

Source: Primary Data

From the table, it is to found that in Anantapur district 100% of the respondents considered unemployment as a major reason, 92% of them for better job opportunities, 90% of them because of their poverty, 48% due to landlessness, 38% due to crop failure and 15% of the respondents migrated as agents have assured better opportunities. The majority of the respondents 93% from Kurnool district have expressed that their poverty, 90% of them for better job opportunities, 85% to earn more income and unemployment at native place are the most dominant factors of migration. Further it indicates 52% of them were influenced by the landlessness at their village of residence, 45% of them due to crop failure followed by 10% of the respondents got job assurance through agents and 5% of them migrated because of domestic violence and other problems at home. The results shown for Mahaboobnagar district with 85% migrated due to unemployment, 78% for better

opportunities, 70% due to poverty. Further 30%, 5% and 3% migrated because of crop failures, landlessness and natural disaster respectively. For Nalgonda district 48% and 43% have migrated for better opportunities and due to crop failure respectively. 40% due to poverty, and 35% due to unemployment. The poverty (100%) was most dominant factor for migration for Srikakulam respondents followed by unemployment (85%). 20% of respondents have shifted to other places like metropolitan cities for better job opportunities. Regarding Vishakhapatnam district 78% gave reasons for migration are poverty and unemployment. 20% migrated due to landlessness and 10% migrated for better job opportunities.

Further to understand which factor is really impacting migration, the Factor Analysis is conducted. SPSS displays Factor Analysis output in many tables depending on what we specify while selecting various options. These results are shown in below tables.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.720
Bartlett's Test of Sphericity	Approx. Chi-Square	2475.683
	df	28
	Sig.	.000

Source: Generated from SPSS

The value of KMO is .720. It explains the sampling adequacy for running factor analysis.

The data set reveals that the existence of only three principal component, which explains about 91.110% of total variance cumulatively (table 3).

Table 4: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.91	48.903	48.903	3.912	48.903	48.903	2.823	35.290	35.290
2	2.23	27.894	76.797	2.232	27.894	76.797	2.397	29.962	65.253
3	1.14	14.313	91.110	1.145	14.313	91.110	2.069	25.857	91.110
Extraction Method: Principal Component Analysis.									

Source: Generated from SPSS

It was observed that the eight variables viz; Poverty, Crop Failure, Landlessness, Unemployment, Natural Disaster, Agents promised jobs in the cities, Better Employment Opportunities and others Specify are loaded on the three components. From the table no 4, there are 8 factors, which is same as the number of variables entered into the Factor Analysis. But actually these factors are not the same as the variables. The first column under Initial eigenvalues gives the eigenvalues for all the possible factors in a decreasing order. The first component will always account for the most variance which means highest eigenvalues i.e, 3.912, second component is 2.232 and the next component will account for as much of the left over variance as it can, and so on. From the table, the third row shows a value of 91.110%. This means that the first three components together

account for 91.110% of the total variance. (Note: We can assume that all the factors variance is considered to be factual and common variance) The second part is Extraction Sums of Squared Loadings which gives the information about all the factors with eigenvalues greater than 1. The number of rows reproduced on the right side of the table is determined by the number of principal components whose eigenvalues are 1 or greater than 1. In Table first three components. They are 3.912, 2.232, and 1.145. The figure under cumulative % indicates that the three extracted factors explain about 91.110% of variance. The last part is about Rotated sums of Squared Loadings gives the information for extracted factors after rotation. If we can give option of 'Rotated Sums of Squares' before running the test, then only this column will appear. In the Table, there are only three factors with eigenvalues greater than 1.

Table 5: Component Matrix^a

	Component		
	1	2	3
Poverty	.573	.698	.387
Crop Failure	.756	.135	-.592
Landlessness	.761		-.587
Unemployment	.576	.699	.383
Natural Disaster	.762	-.581	.224
Agents Promised Jobs	.764	-.563	.199
Better employment Opportunities	.647	.502	
Others Specify	.721	-.571	.242
Extraction Method: Principal Component Analysis.			
a. 3 components extracted.			

Source: Generated from SPSS

Above table contains component loadings, which are the correlations between the variable and the component. Because these are the correlations, possible values range from -1 to +1. As we can observe by the footnote provided by SPSS (a.), three components were extracted. The column 1, 2, and 3 are the principal components that have been extracted (the three components that had an Eigen value greater than 1. There are few variables with high loadings on more than one component in the component matrix. So that Rotated Component Matrix will be applied. For a good factor solution, a particular variable should load high on one factor and low on all other

factors in the rotated factor matrix. From the table it is also understand that Poverty has high loadings of .573, .698 and .387 on three factors and Unemployment has high loadings of .576, .699 and 0.383 on three components and so on (table 5). From the below table, factor 1 comprises three variable namely Agents Promised jobs in the cities, Natural Disaster and others specify. Factor 2 comprises three variables like Poverty, Unemployment, and Better Employment Opportunities. Factor 3 comprises of two variables like Crop Failure, Landlessness (table 6).

Table 6: Rotated Component Matrix^a

	Component		
	1	2	3
Poverty		.975	.109
Crop Failure	.199	.192	.930
Landlessness	.245	.151	.920
Unemployment		.975	.114
Natural disaster	.966		.175
Agents Promised Jobs	.948		.199
Better employment Opportunities		.654	.494
Others Specify	.940		.139
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

Source: Generated from SPSS

Occupation: From the table, 43% in Anantapur district sample respondents have skills, out of which 82% male and 18% female. In Kurnool district, 62% respondents are daily wage workers, out of 40 respondents which 38% are skilled

professionals. 55% respondents from Mahaboobnagar are daily wage workers, out of which 82% are male and 18% are female (table no. 7).

Table 7: Occupation

Gender	Skilled professionals	Daily wage workers	Total
Anantapur	17 (43%)	23 (57%)	40 (100%)
Kurnool	15 (38%)	25 (62%)	40 (100%)
Mahaboobnagar	18 (45%)	22 (55%)	40 (100%)
Nalgonda	15 (38%)	25 (62%)	40 (100%)
Srikakulam	29 (73%)	11 (27%)	40 (100%)
Vishakhapattanam	3 (8%)	37 (92%)	40 (100%)
Total	97 (40.42%)	143 (59.58%)	240 (100%)

Source: Primary Data

From the Table no. 7, it is clear that in Nalgonda district is about 62% of respondents are daily wage workers out of which 54% male and 29% female. Remaining of them occupied different professionals like contractors at factory, supervisors at stores, shop owners, electrician, carpenters, auto driver, security guard, working as maid in schools, tailoring and laundry workers etc. Whereas 73% of sample respondents from Srikakulam district are daily wage workers, in those 62% male and 38% female. Similarly 27% of respondents are having an occupation of their own like carpentry, electrical works, laundry etc. in which 55% male and 45% female. In Vishakhapattanam, 92% respondents are depended on labour work, out of which 78% male and 22% female. 8% of sample respondents from district

have expressed that they have their own work of tailoring, laundry, electrical etc.

Type of Employment

Majority of the sample respondents with 50%, 55%, 88% from Anantapur, Kurnool and Mahaboobnagar district respectively have been working on daily wage basis, 38%, 40% and 8% of them have been working on Contract basis. Majority of the sample respondents from Nalgonda (52%), Srikakulam (50%) and Visakhapatnam (20%) districts have been working on contract basis. Others are working on daily and Task basis.

Frequency and payment of wages in Cities

Table 8: Basis on Payment of Wages

Payment of Wages	Anantapur	Kurnool	Mahaboobnagar	Nalgonda	Srikakulam	Vishakhapattanam
Daily	24 (60%)	24 (60%)	11 (28%)	15 (38%)	12 (30%)	38 (95%)
Weekly	6 (15%)	2 (5%)	3 (8%)	1 (2%)	7 (17.5%)	1 (2.5%)
Monthly	18 (45%)	14 (35%)	26 (65%)	26 (65%)	21 (52%)	1 (2.5%)
Occasionally	1 (2%)	0	0	4 (10%)	0	0
Total	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)

As per survey, daily payments are being made for 95% in Vishakhapattanam, 60% in Anantapur and Kurnool. Monthly payments also taking place to the extent of 65% in Mahaboobnagar and Nalgonda followed 45% in Anantapur, 35% in Kurnool and 52% in Srikakulam (table no. 8).

Utilities

Table depicts that all the respondents i.e., 100% in Anantapur, Kurnool, 98% in Mahaboobnagar, 95% in Nalgonda, 73% in Vishakhapattanam and 55% in Srikakulam district felt that they have electricity supply at

their place of residence. Further 73% of the respondents in Anantapur, 55% in Mahaboobnagar, 52% in Kurnool, 38% in Vishakhapattanam, 30% in Nalgonda and 25% of them in Srikakulam were connected with piped water whereas 28% in Mahaboobnagar, 20% in Srikakulam, 18% in Nalgonda and 16% in Anantapur of the respondents have connected with sewage-disposal network at their residence. Further remaining respondents from all the districts were not having electricity supply, Piped water and they were not connected with Sewage Disposal Network (table no. 9).

Table 9: Facilities at Home

Particulars	Anantapur		Kurnool		Mahaboobnagar		Nalgonda		Srikakulam		Vishakhapattanam	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Electricity Supply	40 (100%)	0 (0%)	40 (100%)	0 (0%)	39 (98%)	1 (2%)	38 (95%)	2 (5%)	21 (53%)	19 (47%)	29 (73%)	11 (27%)
Piped Water	37 (92%)	3 (8%)	37 (92%)	3 (8%)	38 (95%)	2 (5%)	33 (82%)	7 (18%)	10 (25%)	30 (75%)	23 (58%)	17 (42%)
Sewage disposal network	29 (73%)	11 (27%)	26 (65%)	14 (35%)	33 (78%)	7 (22%)	28 (70%)	12 (30%)	8 (20%)	32 (80%)	16 (40%)	24 (60%)

Source: Primary Data

The survey report indicates almost all are having electricity connection except in the case of respondents from Srikakulam where only 53% have power connectivity to their homes. Pipe water connection is also available for most of the houses of 4 district respondents. But it is only to the extent of 58 and 25 percent for

Visakhapatnam and Srikakulam district respondents respectively.

Coming to the facility of sewage disposal it is for more than 70% respondents of Anantapur, Mahaboobnagar, and Nalgonda. It is only 20% house holders of Srikakulam respondents.

Income level

Districts	Annual Income				Total
	15,000-25,000	26,000-35,000	36,000-45,000	> 45,000	
Anantapur	3 (8%)	4 (10%)	11 (28%)	22 (60%)	40 (100%)
Kurnool	0	7 (18%)	9 (23%)	24 (25%)	40 (100%)
Mahaboobnagar	24 (65%)	10 (25%)	4 (10%)	2 (5%)	40 (100%)
Nalgonda	9 (39%)	3 (6%)	2 (4%)	26 (51%)	40 (100%)
Srikakulam	4 (10%)	24 (65%)	2 (5%)	10 (25%)	40 (100%)
Vishakhapattanam	4 (10%)	4 (10%)	22 (60%)	10 (25%)	40 (100%)
Total	44 (18.33%)	52 (21.67%)	50 (20.83%)	94 (39.17%)	240 (100%)

Source: Primary Data

From the table about 39.17% of the respondents earn more than Rs.45,000 per year, more than 21% of the respondents come under the category Rs.26,000-45,000 and 18% earn between Rs.15,000-25,000. It is also observed from the survey female migrants are less as compared to male and their income levels also low as compared to the male migrants. In Anantapur district, 60% of the respondents earn more than Rs.45,000 per year, 28% of the respondents come under the category Rs.26,000-35,000 and 10% earn between Rs.26,000-35,000. Female migrants are less as compared to male and their income levels also low as compared to the male migrants. In Kurnool district, 25% of the respondents earn more than Rs.45,000. Further, 23% of the respondents earn Rs.36,000 to 45,000 followed by 18% earnings of Rs.26,000-35,000. From the table, it is evident that 65% of the sample respondents are having their annual income below Rs 15,000 including male and female. Further 25% of the respondents are

earning between Rs. 16,000-25,000 annually, 8% respondents have the annual income of above Rs 45,000 and 4% of the respondents' income range is Rs. 26,000-35,000. The annual income of the sample respondents in the Nalgonda district, it is evident that 39% of the sample respondents have their annual income below Rs 15,000. Further 51% of the respondents have their income earn more than Rs. 45,000. In Srikakulam and Vishakhapattanam districts also found that majority of them are earning the annual incomes more than Rs. 26000.

Further ANOVA of one way classification is applied in order to test the Hypothesis

H0: There is no change in economic status in the situation of migrants after migration in between the Gender

H1: There is a change in economic status in the situation of migrants after migration in between the Gender

ANOVA test results

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	32.623	3	10.874	147.728	.000
Within Groups	17.372	236	.074		
Total	49.996	239			

Source: Generated from SPSS

The test results has proven that, Null Hypothesis is not accepted as F value is 147.728 3,26 is the

degree of freedom and the corresponding P value is 0.000 and significant level (α) is 0.05.

Therefore it is to conclude that there is a change in economic status in the situation of migrants after migration in between the Gender.

Durables

Most of the migrants have their own house at their villages. They have certain durables and those details are given in the following Table.

Table 10: Durables at Home

Items at Home	Anantapur	Kurnool	Mahaboobnagar	Nalgonda	Srikakulam	Vishakhapatnam
Television	35 (88%)	37 (93%)	33 (83%)	20 (50%)	4 (10%)	1 (2%)
Refrigerator	16 (40%)	15 (38%)	1 (2%)	3 (8%)	2 (5%)	0 (0%)
Gas stove	38 (95%)	37 (93%)	28 (70%)	15 (38%)	3 (8%)	0(0%)
Radio	33 (83%)	33 (83%)	12 (30%)	0 (%)	3 (8%)	0(0%)
Others	3 (8%)	1 (2%)	1 (2%)	0 (%)	0	0 (0%)

Source: Primary Data

Majority of the sample respondents from Anantapur and Kurnool districts are having Gas Stove and Radio. Most of the respondents from Anantapur, Kurnool and Mahaboobnagar districts have Television. All most all respondents of Vishakhapatnam have no durables in their houses. Even in case of Srikakulam only few have some durables like Television.

Expectations from the Government

Table 11 shows the detailed information on a range of expectations of the sample respondents from the Government who have migrated from rural to urban areas. They were given multiple options and respondents gave their priorities.

The expectation of 65% of respondents is safety at work place, 48% expect for better transport facilities to the working place, 42% for water supply, 40% for want hygienic conditions at work

place and residences, 38% of them are expecting ration from public distribution system and better education facilities to their children. Kurnool district respondents, 98% of the respondents are expecting regular work, 95% for safety at work place, 77% of them are expecting supplies from Public Distribution, 73% of them desired safety in city, 55% of them demand hygiene conditions at their residences, 52% want proper educational facilities to their children. Mahaboobnagar district, 83% are expecting safety at work place as their first priority, 58% of them are expecting medical assistance, 52% safety to individuals in the city, 45% expected regular work. Nalgonda district 65% respondents priority is safety at work place, 55% are expecting better education facilities to their children, 48% for transport facilities, 40% for hygiene at residential houses and at work place.

Table 11: Prospects from Government

Expectations	Anantapur	Kurnool	Nahaboobnagar	Nalgonda	Srikakulam	Vishakhapatnam
Safety at work place	26 (65%)	38 (95%)	33 (83%)	26 (65%)	17 (43%)	32 (80%)
Regular Work	9 (23%)	39 (98%)	18 (45%)	9 (23%)	28 (70%)	20 (50%)
Transportation	19 (48%)	25 (63%)	14 (35%)	19 (48%)	12 (30%)	12 (30%)
Hygienic conditions at work	16 (40%)	8 (20%)	3 (8%)	16 (40%)	0	10 (25%)
Hygienic residential houses	16 (40%)	22 (55%)	3 (8%)	16 (40%)	0	2 (5%)
Water	17 (42%)	18 (48%)	8 (20%)	17 (42%)	40 (100%)	2 (5%)
Supplies from public distribution system	15 (38%)	31 (77%)	2 (5%)	15 (38%)	0	29 (73%)
Medical	9 (22%)	13 (33%)	23 (58%)	9 (22%)	10 (25%)	0
Safety to individual in city	9 (22%)	29 (73%)	21 (52%)	15 (38%)	0	20 (50%)
Education to children	15 (38%)	21 (52%)	0 (0%)	22 (55%)	1 (3%)	2 (5%)
Others	22 (55%)	6 (16%)	0	0 (0%)	0	6 (15%)
No of Respondents	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)	40 (100%)

All the respondents from Srikakulam district are expecting water facility, 70% of them are expecting regular work, 43% of them expecting safety at work place, 30% of them expecting proper transportation facilities and 25% of them wanted medical and educational facilities to their children. 80% of the respondents from the Vishakhapatnam district are expecting safety at work place, 73% of respondents expecting supplies from public distribution system, 50% wanted safety in city and regular work. Further 30% expecting transportation facilities from their residence to work location, and 5% of them are expecting proper educational facilities to their children.

Summary & Findings

1. There exists an information gap on the extent, nature and magnitude of internal migration of farmers in Andhra Pradesh.
2. Regulations and administrative procedures exclude migrants from access to legal rights, public services and social protection programmes accorded to residents, because of which they are deprived of social welfare benefits. Migrants are facing numerous

constraints, including lack of inadequate housing and lack of formal residency rights, at some places low-paid, insecure or safety at work and residence, limited access to state provided services such as health and education.

3. Most of the migrants left their native places because of their family needs but still due to increasing living cost they are not able to take care of their parents who are residing at villages. Various non-governmental organizations (NGOs) could provide necessary support to their parents through different initiatives and through support of state and central government. Proper implementation and monitoring of funds/schemes for the migrant families is equally important in the extension of the benefits to the needy.
4. Majority of the migrants are not aware of the village level schemes of the Government on the rural development, incentives to farmers and employment opportunities. There is a need to create awareness on the schemes taken up by the Government. To complete the overall development of migrants,

multiple and complementary interventions are needed.

5. Majority of the respondents are not aware of the Government supported rural employment guarantee and self-employment schemes. A large number of them have their houses in their villages and parents are staying in those houses. They have electricity connection at their place of origin but no piped water and sewage-disposal. Most of the villages have no roads, transportation, medical and education facilities. They keep going to their villages but majority of them don't want to go back to their villages on permanent basis.
6. Majority of respondents expect that the Government may support them with the safety at work place, assured regular work, transportation to the place of work, hygienic residential houses, hygienic conditions at work place, proper drinking water facilities, children education, safety of individuals in the cities of their stay, medical assistance and provisions from public distribution system. Majority of the respondents felt that the Government may create more awareness on the rural area schemes that provide them regular employment.

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ENTREPRENEURSHIP: A GENDER PERSPECTIVE STUDY

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Abstract

Male and female are different in most of entrepreneurial aspects as observed from previous studies. Gender gap in the study is scrutinize by using primary data collected from 297 entrepreneurs of Nagaland using random sampling, the data combine socio economic characteristics and motivational characteristics. In the first part of the study chi square has been used to prove the hypothesis and as the variables chosen were at nominal level it was applied to analyze difference between them. The second part of the study emphasized on categorizing the factors that motivated the respondents to choose entrepreneurship as their career. As claimed in earlier studies, female entrepreneurs were found mostly unmarried and belonged to nuclear families indicating a family responsibilities post a hindrance for their commercial venture. However they were found equally educated as male entrepreneurs and majority of the entrepreneurs started their entrepreneurial venture between the age group of 26-35.

Introduction

Evidence to date suggests that a variety of factors contribute to explaining observed differences in entrepreneurial behavior across genders and such difference have significant implications at the macroeconomic level. Male and female entrepreneurs differ in the way they operate their business, this difference can be attributed to the type of business they operate, their marital status, kind of family they belong to, educational qualification, the age they started their business and their business experience prior to starting the enterprise. Perhaps male and female have different socioeconomic characteristics and, if we were to correct factors such as education, wealth, and family and work status, those differences would disappear. Such diversity among male and female entrepreneurs triggers curiosity to envisage into the depth of its differences and identify reason leading to it. A number of factors also contribute in motivating the entrepreneurs to venture, provides a basis of survival and emerging successful in the entrepreneurial arena. A number of factors help

motivate, encourage and influence entrepreneurs to set up and grow their businesses, Eduardo Morato, (2005). It is true that the entrepreneurship doesn't spring from everybody in the society, factors of motivation varies from individual to individual depending on the family socialization, ideological values, investment climate, material resources and readiness of the socioeconomic and political system.

There is sea change in the field of entrepreneurship in Nagaland over the years. The evolution and development of entrepreneurship in the state plays a vital role through creation of utilities and generation of employment within a short period. Entrepreneurship is considered to be better career option by the people of the state as it makes an individual financially self-reliant as well as adds to the economy's wealth creation process, paving the path to fast growth and development in the state. A panel of 297 entrepreneurs were selected for this study, the entrepreneurs were compared at a founder level to find similarities and differences in their marital

status, educational qualification, family structure, age while starting business, nature of business and business experience of the entrepreneurs prior to starting business. As the variables chosen were at nominal level, chi square analysis was applied to analyze difference between them. The second part of the study emphasized on categorizing the factors that motivated the respondents to choose entrepreneurship as their career. The motivational factors are divided into three categories such as, ambitious factor, compelling factor and facilitating factor.

Objectives of the Study

The present study has two specific Objectives such as:

1. It aims to identify the difference between the male and female entrepreneurs on the following ascribed factors:
 - a) Age at the time of establishing their business.
 - b) Family structure of the entrepreneurs.
 - c) Marital status of the entrepreneurs.
 - d) Educational qualification of the entrepreneurs.
 - e) Type of business they operate.
 - f) Business experience prior to establishing their current business.
2. To identify various factor that motivated the entrepreneurs to start up their enterprise, such as:
 - a) The ambitious Factors.
 - b) The compelling Factors.
 - c) The facilitating Factors.

Related Literature

Although equal rights of male and female are guaranteed by law in most developed economies, female's disadvantage in labor markets is still an issue. In recent years the rate of new business owned by female has increased significantly in India and the similar trend has been found in most of the developed and developing nations. The recent trend on the

entrepreneurial study provides evidence of massive transformation in the growth of research studies on the gender difference of entrepreneurs. Studies on gender differences in entrepreneurship have indicated that while post-venture creation (retrospective) studies find little or no differences between men and women entrepreneurs, pre-venture (prospective) studies and theories suggest that there may indeed be significant differences between male and female in terms of their motivations, inclinations, and intentions to start a business. Furthermore, this gap in entrepreneurial activity varied significantly from country to country ranging from a 5 to 1 ratio in Japan to a 1.04 to 1 ratio in Thailand, Reynolds et al. (2002). Scherer, Brodzinski, & Wiebe (1990) also found that males have a higher preference for entrepreneurship than females.

Earlier studies of Reynolds (1997) had taken age as a key demographic characteristic of selected entrepreneurs to understand the entrepreneurial behaviors and intentions and came to the conclusion that age of entrepreneurs also help to shape their behavior toward entrepreneurship. The study suggests that age of the person depicts the increase in experience and it has been the basis of experience and growth evaluation for various learning. In the Indian scenario where female are deprived of many rights, on the gender perspective of entrepreneurship too female are found as late entrants in the area. They set up their business in the later stage of life (35 years) unlike male as found in a comparative study of genders selected from four cities of India, Shrivastva (1994). There was no significant difference found on the when comparing the age effect on male and female by Wagner (2007).

Managing home and work is a crucial decision for male and female, however household chores, family and childcare, care for the elderly still are mainly a female domain, and so family environment play a more important role for women's employment decisions as compared to men's. The effect of family involvement on the decision to start a self-employment is hazy though, McManus (2001). People from small sized families tend to have comparatively lesser

responsibilities and generally result in a higher labor force participation rate, increasing the propensity for both dependent and self-employment. Shrivastva (1994) found in his comparative study that female entrepreneurs belonged mostly to nuclear families compared to male as nuclear families has less family responsibilities and obligations which didn't become a hindrance for them to venture into commercial activity.

A comparative studies on gender in United States of America by Stevenson (1993) found that female entrepreneurs generally were better educated than male entrepreneurs, but more very often they did not have an educational background in business, female were also less likely to have previous management experience, they also did not have any experience relevant to the business venture initiated and neither had specific knowledge of the business nor managerial experience before embarking on the business. The background variable studied by Dhillon & Powland (1995) on male and female entrepreneurs reflected the similarity between them except on age, educational qualification and income. Female were found much older than male, less educated (contrary to other findings) and had higher annual income (similar to the findings of Hisrich & Bush, 1996).

The study conducted by Shrivastava (1994) depicts the normal route to entrepreneurship for male entrepreneurs was to venture into same line of business where they had prior experience in both technical and managerial terms, the experience acquired from previous employer. Whereas the female entrepreneurs plunged into business without such prior experience. The type of business operated by the entrepreneurs also differed as women were mostly in services while men were in manufacturing. The lack of professional or business experience prior to start up is also comparatively lesser in female Compared to male, female have less professional experience due to maternity leave spells, more frequent part-time work, and resulting discontinued employment histories. More generally, the

employment status is pivotal to the start-up decision, Blanchflower and Oswald (1998).

The key to entrepreneurial performance is motivation, motivational orientation of the entrepreneurs drives them to choose business as a career and helps them to sustain in the field. People are drawn towards the entrepreneurial arena by varied factors, a study conducted by Noor et al. (2014) found the main factor of people going into business is related to life and family security. One of the main motives why people opt for business is because they prefer to be independent. Since there is no clear differentiation between "business start-up" and "growth" motives, in this research business start-up motives are considered as those motivate entrepreneurs to start their own business venture. This is due to the fact that most of us detest receiving instructions from others. This means that the reason more people are venturing into business is because they want to be independent and their will to be free of any control or become one's own boss Carter et.al (2003), Hung et.al (2011). Murugesan & Sankaran (2006), in their study of 153 entrepreneurs of Tamil Nadu (India) found that majority of the entrepreneurs are motivated mainly by the urge to attain economic independence such as the desire to earn money and to be self-employed. Rodrigo (1986), in his study of Cali Columbia based 64 entrepreneurs, found out the following motivating factors for entrepreneurship: independence, desire to make a reality of their ideas, confidence in their capacities, desire to develop their initiative and creativity, money, and the need desire to be their own boss, and desire to define their life path before getting old. Manickavasagam (2007) concluded in their work that 'family members, friends and relatives' influenced to start the entrepreneurial activity.

Sampling Design

The study was conducted on a sample of 297 entrepreneurs belonging to various sectors in Nagaland. Random sampling was adopted to select the enterprise/entrepreneurs. Out of 297 entrepreneurs so selected 147 were male and 150 were females. The sample of the study was drawn

from the urban areas of three districts in Nagaland, namely, Kohima, Dimapur and Mokokchung. The districts were selected based on the number of registered entrepreneurs as per the state's statistical handbook 2013. It has been identified that the above given districts had the highest number of registered entrepreneurs in the year 2012-13. Such selected entrepreneurs/enterprise represent different kind of ownership viz., sole proprietorship, partnership firms and private limited companies. The respondent entrepreneurs have educational qualification such as matriculate, undergraduate, graduate and post graduate. They also belong to different age group, having different marital status, religion and different family backgrounds.

Hypothesis

There is significant difference between male and female entrepreneurs with regard to their entrepreneurial tendencies, the sub hypothesis are:

1. There is no significant difference as regard to the age of starting enterprise, family structure, marital status and educational qualification of the male and female entrepreneurs in Nagaland.
2. There is no significant difference among male and female entrepreneurs in their ascribed factors like type of business, business experience prior to establishment.

Analysis of Study

The entrepreneurs were compared at a founder level to find similarities and differences in their marital status, Educational qualification, family structure, age while starting business, nature of business and business experience of the entrepreneurs prior to starting business. As the variables chosen were at nominal level Chi square analysis was applied to analyze difference between them. Henry Garrett ranking have been used for the purpose of analysis and inferences of the Motivational factors which pushed and pulled the entrepreneurs into the entrepreneurial venture. Data analysis was done with the help of SPSS and Microsoft Excel software packages.

Survey Result

The motivating factors were ranked by the respondent entrepreneurs on the basis of their preferences from scale 1 to 6 where 1 stands for the Highest score and 6 stand for the least score. Henry Garrett Ranking method was used to analyze the data as follows:

$$\text{Percent Position} = \frac{100(R_{ij} - 0.5)}{N_j}$$

Where, R_{ij} = Rank given for the j th variable by the j th respondents

N_j = Number of variable ranked by the j th respondents.

Table 1.1: Henry Garrett ranking of Ambitious motivating factor of Entrepreneurs

Ambitiuos Factors	Total Score	Average Score	Rank
To Give Shape to Ideas and Skills	19807	66.70	1
Acquire Wealth	14771	49.73	3
To be an Employer	11776	39.65	5
To Fulfill the ambition of Parents/Self/Spouse	13936	46.92	4
To be Independent	18072	60.85	2
To earn respect and recognition in society	10747	36.19	6

Source: Field Survey

As ranked on the basis of entrepreneurs preference of ambitious factor that motivated them to take up entrepreneurship as a career option on Table 1.1, To Give shape to ideas and

skills is ranked first with a total score of 19807 and an average score 66.70. To be Independent is ranked second with a total score of 18072 and an average score 60.85, Acquire Wealth has been

ranked third with a total score of 14771 and an average score 49.73, To Fulfill Ambition of Parents/Self/Spouse has been rank fourth with a total score of 13936 and an average score 46.92, To Be an Employer has been ranked fifth with a

total score 11776 and an average score 39.65, To earn respect and recognition in society has been ranked last with a total score of 10747 and an average score 36.19.

Table 1.2: Henry Garrett ranking of Compelling motivating factor of Entrepreneurs

Compelling Factors	Total Score	Average Score	Rank
Frustrated in Previous Job	12026	40.50	6
To clear Debts	12928	43.53	5
Unemployment	17870	60.17	2
Utilize Business Skills	18615	62.68	1
Lack of Higher Education	13468	45.35	4
Need more money to Survive	14162	47.68	3

Source: Field Survey

Table 1.2 indicates the ranking done on the basis of factor that compelled entrepreneurs to take entrepreneurship as a career option, To utilize business skills has been ranked first with a total score of 18615 and an average score 62.68, Unemployment has been ranked second with a total score of 17870 and an average score 60.17, Need more money to survive has been ranked

third with a total score 14162 and an average score 47.68, Lack of Higher Education has been ranked fourth with total score 13468 and an average score 45.35, To clear Debts has been ranked fifth with total score 12928 and an average score 43.53, Frustrated in previous job has been ranked last with total score 12026 and an average score 40.50.

Table 1.3: Henry Garrett ranking of facilitating motivational factor of Entrepreneurs

Facilitating Factors	Total Score	Average Score	Rank
Sufficient property and money in hand	12151	40.91	6
Various subsidies and incentives offered by the government	13603	45.80	4
Training Undergone	16167	54.43	3
Encouragement from family, friends and relatives	17933	60.38	1
Success stories of Entrepreneurs	16359	55.08	2
Bank and Financial Institution support	12967	43.66	5

Source: Field Survey

Table 1.3 indicates the ranking done on the basis of factor that facilitated the entrepreneurs to take entrepreneurship as a career option, Encouragement from Family, Friends and Relatives has been ranked first with a total score of 17933 and an average score 60.38, Success stories of Entrepreneurs has been ranked second with a total score of 16359 and an average score 55.08, Training Undergone has been ranked third with a total score

16167 and an average score 54.43, Various subsidies and incentives offered by the government has been ranked fourth with total score 13603 and an average score 45.80, Bank and Financial Institution Support has been ranked fifth with total score 12967 and an average score 43.66, Sufficient property and money in hand has been ranked last with total score 12151 and an average score 40.91.

Fig 1.4 Marital Status of male and female entrepreneurs

Marital status of the Respondents	Gender of the respondents		Total
	Male	Female	
Single	37	57	94
Married	108	79	187
Divorced	1	5	6
Widowed	1	9	10
Total	147	150	297

Source: Field Survey, $df=3$, $\chi^2=17.791$, $p>0.001$

As depicted in figure 1.4 majority of the respondents are married though the marriage profile of male and female entrepreneurs are portrayed as different. 73.5% of the male entrepreneurs are married, 25.2% are single, 0.7 % is divorced and 0.7% is widowed. 52.7% of the female entrepreneurs are married, 38.0% are single, 3.3% divorced and 6% are widowed. Significant difference was observed among the genders, however higher percentage of women entrepreneurs was single as compared to male and a striking difference in the percentage of divorced and widowed entrepreneurs. As has been the tradition of humanity that women are responsible to take care of family and home once they are married is clearly indicated in the lower number of married female entrepreneurs compared to male of the same category. However the Null hypothesis was rejected with $p>0.001$ and thus there is significant relationship between gender and marital status of entrepreneurs. It was found in the study conducted by Loscocco (1991); Tigges & Green (1992) that Female entrepreneurs have "double assignments"; i.e. they are running an enterprise and a household at the same time. These "double assignments" may limit the time female entrepreneurs spend on their businesses and hence the numbers of single, widowed and divorced female entrepreneurs are higher compared to male entrepreneurs in this study.

Fig 1.5 Family Structure of the Respondents

Family Structure of the Respondents	Gender of the respondents		Total
	Male	Female	
Joint	17	6	23
Nuclear	130	144	274
Total	147	150	297

Source: Field Survey $df=1$, $\chi^2=5.947$, $p>0.015$

A comparative analysis of the data depicted as revealed in figure 1.5 it is observed that 11.6% of the male entrepreneurs belonged to joint family compared to female entrepreneurs 4%. It was also observed that majority 96% of the female entrepreneurs belonged to nuclear family as compared to male entrepreneurs 88.4%. However the difference was statistically significant indicating that there was difference between gender and family structure of the entrepreneurs $X^2=5.947$, $p>0.015$.

Other Studies conducted on the same line supported the same result; it states that the nuclear family structure was predominant among entrepreneurs in urban areas. Rani. C (1992) in her study on women entrepreneurs found that 78% of entrepreneurs from the small scale sector belonged to nuclear families. Women entrepreneurs belonged more to nuclear families than men in a comparative study conducted by Srivastava (1994).

Fig 1.6 Educational level of the Respondent

Educational level of the Respondent	Gender of the respondents		Total
	Male	Female	
Illiterate	12	18	30
Matriculate	30	28	58
Undergraduate	26	27	53
Graduate	51	55	106
Post Graduate	28	20	48
Others	0	2	2
Total	147	150	297

Source: Field Survey $df=5$, $\chi^2=4.742$, $p<0.448$

It was found in figure 1.6 that 8.2% of the male respondents are illiterate, 20.4% are matriculate, 17.7% are undergraduate, 34.7% are Graduate, 19% are post graduate. While 12% of the female respondents are illiterate, 18.7% are matriculate, 18% are undergraduate, 36.7% are graduate, 13.3% are Post graduate, 1.3% is others. The apparent difference was not found to be significant.

Fig 1.7 Nature of business

Nature of business	Gender of the respondents		Total
	Male	Female	
Manufacturing	12	4	16
Retail	54	39	93
Wholesale	9	9	18
Manufacturing & Trading	32	31	63
Service	40	67	107
Total	147	150	297

Source: Field Survey $df=4$, $\chi^2=12.041$, $p>0.010$

Figure 1.7 indicates that a larger number 44.7% of enterprising women belonged to service sector as compared to male entrepreneurs 27.2%, 26% of the female entrepreneurs were enterprising at retail sector while 36.7% of male entrepreneurs belong to the same sector which was comparatively higher than female entrepreneurs. Only 2.7% of the female entrepreneurs were enterprising at manufacturing sector which is very less compared to male entrepreneurs 8.2%, there was less difference identified between the male 21.8% and female entrepreneurs 20.7% in the manufacturing and trading unit whereas there was no observed difference in the wholesale sector between the female entrepreneurs 6% and the male entrepreneurs 6.1%. However the difference was statistically significant and thus the nature of business is dependent on the gender of the entrepreneurs.

As per the report of OECD, 1998 Male and female entrepreneurs work in different sectors. Female entrepreneurs are overrepresented in the retail- and service sectors,

in particular in personal services. While the study of Van Uxem & Bais (1996) shows that Male entrepreneurs are overrepresented in manufacturing, wholesale trade and financial services.

Fig 1.8 Business experience before starting the present business

Business experience before starting the present business	Gender of the respondents		Total
	Male	Female	
Yes	65	40	105
No	82	110	192
Total	147	150	297

Source: Field Survey $df=1$, $\chi^2=10.006$, $p>0.002$

As depicted in the figure 1.8, it is apparent that male entrepreneurs 44.2% have higher business experience compared to female entrepreneurs 26.7%. And majority of the female entrepreneur 73.3% started off their business fresh and inexperienced while majority of the male entrepreneurs 55.8% started it off without prior experience but were comparatively lesser to the female entrepreneurs. Thus there is statistical significance and hence can be said that business experience is dependent on gender.

It is evident from the result that business in Nagaland has been adapted by male first and female entered the scene later either compelled by economic factor or motivated by the market scenario, identification of business opportunity, facilitated factors or the success stories of entrepreneurs. Various studies correlates with the business experience among gender prior to establishing their own business, Men are more likely to have been employed prior to the start-up of their business and tend to have more working experience (Van Uxem & Bais, 1996; Welsch & Young, 1982). Men are also more likely to have earlier entrepreneurial experience (Fischer et al., 1993, Kalleberg & Leicht, 1991). Additionally, they have more industry experience and experience with human resource management, financial management and the application of

modern technologies (Fischer et al. 1993, Van Uxem & Bais, 1996).

Fig 1.9 Age at the time of starting business

Group of Age at starting	Gender of the respondents		Total
	Male	Female	
16-25	53	49	102
26-35	71	77	148
36-45	17	21	38
46-55	5	3	8
56 and above	1	0	1
Total	147	150	297

Source: Field Survey df= 4, $\chi^2 = 2.291$, $p < 0.682$

As depicted in Fig 1.9, 36.1% of the male respondents were between the age group of 16-25, 48.3% were between the age group of 26-35, 11.6% were between the age group of 36-45, 3.4% were between the age group of 46-55, 0.7% were 56 years and above. While 32.7% of the female respondents were between the age group of 16-25, 51.3% were between the age group of 26-35, 14% were between the age group of 36-45, 3.4% were between the age group of 46-55, 2% were 56 years and above. The analysis shows a $p < 0.670$ and thus it can be said that there is no significance between gender and the age of entrepreneurs while starting the enterprise.

Conclusion

The dual objective of the paper had been to firstly identify the entrepreneurial difference of selected entrepreneurs from a gender perspective which were analyzed based on variables like age of entrepreneurs at the time of establishing their business, family structure, marital status, educational qualification, type of business, business experience prior to establishing their current business. The result show evidence that there is significant difference between gender and marital status of the entrepreneurs, as women have dual responsibility of looking after family and business as such the number of single women was much higher compared to single men. The percentage of women belonging to joint families

were lesser compared to men as the responsibilities of people belonging to joint families tend to be more compared to nuclear families which is why the number of women entrepreneurs belonging to nuclear families were more, the difference was found statistically significant. Women in this study were found concentrated more on Service sector compared to men who were comparatively higher in manufacturing, retail etc and found the relationship between gender and nature. However the study shows no significant difference men and women entrepreneurs regarding the age of starting their business, most of the entrepreneurs have started their business between the age group of 26-35, and the difference between gender and educational level was also found insignificant. As has been stated by the study of Brush 1992, men and women entrepreneurs tend to differ in experience; the present study also shows there is statistical significance and hence said that business experience is dependent on gender. The study also helps to identify factors that motivated entrepreneurs and it was found that to give shape to their entrepreneurial ideas and skills works towards the birth of enterprises. To be the master of own and the idea of economically sound life too pulled the respondent entrepreneurs to do something of their own and venture into the business arena. They were also compelled to plunge into the arena by factors like Utilizing Business Skills, massive unemployment among the youngsters in Nagaland also compels them to start up business. Various external forces too act as motivating aspect that attracts the entrepreneurs towards the venture, encouragement from the Closed ones/members plays the most important role followed by success stories shared by successful entrepreneurs, various trainings and courses taken up by them facilitated them to easily take up business as their career option.

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EFFECT OF BREXIT ON THE INDIAN ECONOMY

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Introduction

The term “Brexit” is an abbreviation for “British exit”¹. This term refers to the referendum of June 23, 2016, where the citizens of Britain voted to exit the European Union. This had a tremendous impact on the global economy. One notable effect was the fall of the pound to its lowest level in decades. The then British Prime Minister David Cameron had to resign on July 13, 2016, as he was against Brexit. He was replaced by the then Home Secretary Theresa May, leader of the Conservative Party, who is the current Prime Minister of the country.

What Brexit Means for India

Britain's exit from the European Union took the world by surprise. Experts describe this event as a ‘once in a lifetime’ which will haunt the economies across the globe for years to come. Britain’s decision to exit European Union effected India in numerous ways.

First, the massive selloff of the British pound that followed Brexit resulted in a roughly 8% decline of the currency relative to the Indian rupee. Financial experts predict the plunge to continue before the pound stabilizes, making it considerably less expensive for Indians to travel and study in the UK. The falling currency also presents cheaper real estate options for Indian citizens and companies seeking property in the UK’s notoriously expensive property market.

Second, Brexit will likely compel London to seek a more robust trade relationship with New Delhi. Britain and India have been so

far unable to reach a free trade agreement, with negotiations having become mired in the convoluted financial politics of the 28-nation EU bloc. Third, the financial and political uncertainty enveloping the EU makes the Indian stock market a more attractive destination for foreign investment. While Indian markets experienced a dip in the immediate aftermath of the referendum, they have generally recovered, particularly relatively to other global exchanges.²

Fourth, some analysts predict Brexit could lead to changes in UK immigration policies that would favor high-skilled workers from India. Divorced from the rest of the Europe, the UK could potentially face a dearth of high-skilled EU workers if the movement of professionals from the continent is curbed. India could benefit from the possible shortfall. This would be ironic given the xenophobia, nativism and isolationist sentiment that presaged and perhaps even motivated the exit.

Fifth, the U.S. Federal Reserve, along with the central banks of other major countries, will likely wait to raise interest rates to avoid affecting economic growth and exacerbating already precarious global markets. The delay should help maintain or even strengthen the influx of foreign investment to India as a result of relatively higher interest rates.³

Some of India’s most prominent companies, which employ over 100,000 workers in the UK and include the Tata Group, could be hardest hit. Now confronting the prospect of higher tariffs for their exports, the promulgation of new regulatory and immigration policies and a plummeting exchange rate, these companies have

¹ <http://www.investopedia.com/terms/b/brexit.asp>

² <http://www.forbes.com/sites/ronakdesai/2016/07/06/what-brexit-means-for-india/#64e39c99559f>

³ <http://ficci.in/SEDocument/20369/BREXIT-July-2016.PDF>

all indicated the need to review their massive operations in the UK given these new governing realities.⁴

Possible Reasons of Worry for the Indian Economy

India is one of the most lucrative markets for foreign investors and, hence, we attract attention globally. So, any major change across the globe, be it political or economic, is bound to have an impact on India too.

Britain always provided a gateway to the European Union. Many Indian businesses have their offices in Britain so they can avail benefits and continue to remain a part of the EU. But with Brexit, this benefit will be taken away and may result in companies relocating their business set ups to other places.

Brexit might also have a positive effect, but these results may not show up immediately. The process might take time considering that the new government will take time to design and implement their policies.

The sectors which might be most affected are the Automobile, Pharma and IT. NASSCOM has predicted that the effect of Brexit will be felt on the \$108 Billion Indian IT sector in the short term. Leading Indian IT firms have not commented on it as since there is a possibility of renegotiations for all the ongoing projects because of the devaluation in the value of pound. These things can be covered up in the next few years wherein alternate arrangements can be placed between the countries.⁵

In the automobile industry, Brexit may lead to reduction in sales and companies that derive good revenues of profits from Britain could get hurt majorly.

Britain is one of the most sought after education destination for Indians. Before Brexit, British universities were forced to offer scholarships and subsidies to the citizens of the

UK and EU. Brexit frees up funds for the other students and more Indian students might be able to get scholarships. Reduction in pound value will reduce travelling cost to the UK and will make it a good travel destination. Also, Britain's decision to leave the EU has forced many to sell their risky assets and rush towards safe haven investment option like Gold. Gold prices in India had breached Rs 32,000 per 10-gram level.⁶

Conclusion

In the long run, Brexit will help strengthen our ties with Britain because India's focus on innovation and entrepreneurship still makes it an attractive destination for outsourcing and investment.

India's economy is presently doing well and should use the current turmoil as an opportunity. For the common man, with every uncertainty there is a bigger opportunity to pick great stocks. It pays to focus on companies in the consumer driven sector. Financial sector companies too can surely generate great returns. Thus, even though Britain stands to suffer from leaving the European Union in terms of reduced trade and a sustained drop in its GDP, the net effect can turn out to be positive for India.

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FINANCIAL LITERACY OF INVESTORS IN INDIA - A CASE STUDY OF WARANGAL DISTRICT IN TELANGANA STATE

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Abstract

Financial literacy is considered as a significant factor that promotes financial insertion. Due to the importance of financial literacy Reserve Bank of India and Central Government are undertaking many projects and programmes to make the people financially literate. Even then many of the individuals are unfamiliar with even the most basic economic concepts needed to make sensible saving and investment decisions. This has serious implications for saving, retirement planning and other financial decisions. In this scenario a study that covers these issues will be significant. So the present article “**Financial literacy of Investors in India-A case study of Warangal District in Telangana State**” focuses on the level of financial literacy among the rural and urban society of Warangal District. The study is based on primary data that were collected through a questionnaire of 80 respondents belongs to rural and urban areas in Warangal district of Telangana state. The results showed that there were numerous investment but the investors are not perfectly aware of them.

Introduction:

Financial literacy generally relates to all aspects of a person's financial situation and can include the concept of financial capability (a person's awareness, knowledge, skills, attitudes and behaviors). Investor education focuses on issues relevant to the education and information needs of individuals who participate, or are considering participating, in the securities markets (commonly referred to as “retail investors”). As the financial marketplace continues to evolve and innovate, investment products are becoming increasingly complex and financial services increasingly diverse. Greater understanding of key financial concepts is required on the part of retail investors to understand and evaluate the choices available to them and avoid fraud. Underscoring the importance of investor education and financial literacy is the critical – and increasing – need for retirement planning as responsibility for saving and investing in many jurisdictions shifts from the employer to the individual. Investor education is a key strategy for enhancing investor protection, promoting investor confidence and fostering investor

engagement in financial planning and decision-making. It is complementary to the traditional tools of regulation, supervision and enforcement. In addition, investor education can also help investors better assess the appropriateness and suitability of investment advice, investment products and services. It can also help investors, detect and avoid suspected fraudulent activity, and distinguish between regulated and non-regulated activity, all of which could reduce investor losses.

Review of Literature

Borsch-Supan (2004) discussed the approach of households towards savings and portfolio choice behavior using center saving survey, they concluded that the old age people save large amounts for pension purpose and give more importance for insurance schemes.

Bryant and Zick (2006) the people consumption and savings patterns are mainly dependent on the demographic factor. It is concluded that the consumers utilize their savings when their income falls short. **Worthington (2006)** The study proves that there is no evidence

to suggest that low-income families are financially illiterate and it is concluded that the Financial stress could be related to many social issues such as unemployment, large families and poor economic conditions. **Catherine et al. (2006)** in their research studied the Australian Aboriginal experiences of money and money administration with a spotlight on cultural characteristics and financial literacy. Their study exposed that cultural identity shapes money management practices.

Annamaria Lusardi and Olivia S. Mitchell (2008) examined the factors essential to women's retirement arrangement, relying on a purpose-designed module they have developed for the 2004 Health and Retirement study (HRS) on planning and financial literacy. Their study proves that older Ladies in the United States have low levels of financial literacy and the best part of women have not undertaken any retirement planning. **Lisa J. Servon and Robert Kaestner (2008)** in their paper analyzed the application of ICT, combined with financial literacy training and training on how to use the Internet, can help low- and moderate-income individuals in inner-city neighborhoods be more effective financial actors. The study evidenced that there is a potential link between ICT and financial literacy. Research concluded that the urban low- and moderate-income individuals are interested in becoming technologically and financially literate and an intensive intercession may facilitate these goals. **Sonia B (2008)** a case study conducted to know financial literacy among university students in Australia. Study accomplished that while Australian university students have a suitable level of common financial literacy. The research suggests that there is a need to address the students in particular areas where the students scored low.

Lewis Mandell and Linda Schmid Klein (2009) examined high school students who completed a 1-4years personal financial management course and who were not completed the course. Their findings indicated those who took the course did not evaluate themselves to be more savings-oriented and did not appear to have

better financial behaviour than those who had not taken the course. **Arora and Marwaha (2012)** found that individual investors saving needs were influenced by probable benefits, individual fiscal needs, taxation settlement and safety measures.

Leora F. Klapper et al. (2012) examined the ability of investors to make informed financial decisions improves their ability to develop sound personal finance. They observed that financial literacy is absolutely related to input in financial markets and unconstructively related to the use of informal sources of borrowing. Moreover, persons with advanced fiscal knowledge are significantly more likely to report having greater availability of unspent income and higher spending capacity.

Statement of Problem: Financial sector in India has revealed remarkable development in quantity and complexity during the last few decades. Despite making significant improvements in all the areas relating to financial viability, profitability and competitiveness, there are concerns that the financial institutions have not been able to include vast segment of the population, especially the underprivileged sections of the society into the fold of basic financial services.

Significance of the study: Financial literacy is considered as a vital factor for the economic development of any country. Due to the significance of financial literacy Reserve Bank of India and Central Government are undertaking many projects and programmes to make the people financially literate. Even then many of the individuals are unfamiliar with even the most basic financial concepts needed to make rational saving and investment decisions. This is a dangerous sign for development of the country so in this scenario a study that covers these issues will be significant. So the present study focuses on the level of financial literacy among the people of Warangal city in newly formed Telangana state where this city is considered as a two tier city for IT sector development.

Need for the Study: In recent years financial literacy has assumed greater importance as financial markets have become increasingly multifaceted and as there is information unevenness between markets and the common people, because of which a person finds it very difficult to take good financial decisions. Financial literacy is an important tool for promoting financial stability therefore developed and developing countries are focusing on programmes for financial literacy. In India, the need for financial literacy is even greater considering the low levels of general literacy and the large section of the population, which still remains out of the formal financial loop. With no established banking relationship, the un-banked poor are pushed towards expensive alternatives. In crunch times the challenges of household cash management that too with few resources could be stressed by the lack of skills or knowledge to make well-informed financial decisions. Financial literacy can help to them to cope up in a better way when a financial emergency arises and they can save themselves from unnecessary debt. A person should be financially literate to know the importance of preparing household budgets, cash-flow management and asset allocation to meet financial goals. People generally save money for future needs but the approach is to save enough money without preparing household budgets, without prioritizing personal financial goals, without properly allocating investments in different asset classes and without understanding the real rate of return. Financial literacy in current scenario is very important in order to accomplish individual financial goals and make themselves prepared in case of future financial emergencies.

Objectives of the study: The present study was aimed at to measure financial literacy level of people at Warangal city in Telangana State, India.

- To measure the financial literacy level of people in Warangal district.
- To study the relationship between demographic, socio-economic and cultural profile of respondents and financial literacy.
- To observe the day to day money management among the people.
- To analyze the level of awareness among the people with regard to various financial terms

Methodology:

The present study is designed as a descriptive one. The necessary data has collected from both secondary and primary sources.

Sources of secondary data : Secondary data needed for the study has been collected from the following sources.

- Journals.
- Magazines.
- Studies undertaken by various research institutions.

Sources of primary data: The main sources of data for this study are primary source. Field survey is conducted to gather primary data from respondents. For this purpose developed a questionnaire is used for collecting data from people.

Sampling & Data Collection:

A questionnaire was developed, and used to collect the data for the study. It had sections on financial instruments and demographic, socio-economic and cultural information. A sample of 80 people was selected by using convenience sampling method and the questionnaire was administered to low and moderate-income individuals. These 80 people belong to service class, agriculturist, house wives, businessmen etc.

DATA ANALYSIS & INTERPRETATION

Table-1 Gender Wise Distribution of Sample

Gender	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Men	24	60	29	72.5	53	66.25
Women	16	40	11	27.5	27	33.75
Total	40	100	40	100	80	100

Source: Primary Source

Gender wise distribution of the sample: It can be noticed from table-1 that 66.25 percent of the total respondents are males and 33.75 percent are females. Out of 40 rural investors 60 percent

respondents are men and the 40 percent women and out of urban respondents 53 percent men and 27 percent are women.

Table-2 Age Wise Distribution of Sample

Age in Years	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Below 25	11	27.50	13	32.50	24	30.00
25 to 40	15	37.50	18	45.00	33	41.25
40 to 55	8	20.00	5	12.50	13	16.25
55 Above	6	15.00	4	10.00	10	12.50
Total	40	100	40	100	80	100

Source: Primary Source

Age wise classification of the sample: Table-2 age wise classification of the respondents shows that 25.00 percent of the total respondents belongs to the age group of below 25 years, 41.25 percent belongs to the age group of 25 to 40 years and 16.25 percent belongs to the age group of 40-55 years & remaining 12.50 percent belongs to above 55 years. Age wise classification of rural respondents shows 27.50 percent

are below 25 years, 37.50 respondents are between 25 to 40 years, 20 percent are in between 40 to 55 years and the remaining 15 percent are above 55 years. Out of 100 percent urban respondents 32.50 percent belongs to below the age of 25 years, 45 percent belongs to 25 to 40 years age, 12.50 percent belongs to 40 to 55 years and the remaining 10 percent respondents are above 55 years age.

Table-3 Educational Qualification Wise Distribution of Samples

Educational Qualification	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Uneducated	7	17.50	0	0.00	7	8.75
1 st to 10 th Standard	9	22.50	4	10.00	13	16.25
Intermediate(10+2)	9	22.50	5	12.50	14	17.50
UG	10	25.00	14	35.00	24	30.00
PG	3	7.50	11	27.50	14	17.50
Above PG	2	5.00	6	15.00	8	10.00
Total	40	100	40	100	80	100

Source: Primary Source

Educational Qualification wise distribution of the sample: Table-3 shows the Educational Qualification wise distribution of the sample. It can be observed from the table that 8.75 percent of the total respondents have no education. 16.25 percent belong to the education category of 1st std-10th std, 17.50 of them are educated Intermediate, 30.00 percent of them belong to the Under graduate Degree, 17.50 percent of them belong to the Post Graduate and remaining 10 percent are M.Phil and Ph.D. 17.50 percent of Rural people and 0.00 percent of Urban people have no formal education. 22.00 percent of rural

people and 10.00 percent of urban people are educated up to Up to 10th std. 22.50 percent of rural people and 12.50 percent of urban people belong to the Intermediate (10+2) education category. 25.00 percent of rural people and 35.00 percent of urban people belong to the Undergraduate education category. 7.50 percent of rural people and 37.50 percent of urban people belong to the Post Graduation education category. The remaining 5.00 percent rural people and 15.00 percent urban people belong to above PG i.e. M.Phil and Ph.D.s.

Table-4 Occupation -Wise Distribution of Sample

Occupation	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Agriculture& Daily Wage	8	20.00	0	0.00	8	10.00
Business	5	12.50	14	35.00	19	23.75
Pvt. Job	10	25.00	10	25.00	20	17.50
Govt. Job	2	5.00	12	30.00	14	25.00
No Job	15	37.50	4	10.00	19	23.75
Total	40	100	40	100	80	100

Source: Primary Source

Occupation Wise Distribution of the Sample:(Table-4)- Occupation wise classification of the respondents shows that 10.00 percent of the total respondents are agriculture and daily wage earners, 23.75 percent have business people, 17.50 percent of them have private job and 23.75 percent of them do not have any job. This category of people includes students, house wives and

other persons who do not have any job. Government employees constitute 25.00 percent of the total respondents. 12.50 percent of rural people and 35.00 percent of urban people are earning through Business. Rural and Urban people with equitant 25 percent are in private Jobs. 5.00 percent of the rural respondents and 30.00 percent of urban people have government job

Table-5 Income -Wise Classification of Sample

Income in Indian Rupees(monthly)	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Below Rs.10000	21	52.50	5	12.50	26	32.50
Rs.10000-Rs.25000	8	20.00	9	47.50	17	21.25
Rs.25000-Rs.50000	8	20.00	12	30.00	20	25.00
Rs.50000 above	3	7.50	14	35.00	17	21.25
Total	40	100	40	100	80	100

Income wise classification of the sample:

Table-5 shows the income wise classification of the respondents. It can be observed from the table that 37.50 of the total respondents have a monthly income of below Rs.10,000. 21.25 percent of them have a monthly income between Rs. 10,000-25,000, 25.00 percent of them have monthly income between Rs.25,000-50,000 and 21.25 percent of them have a monthly income of Above Rs.50,000. 52.50 percent of Rural people

and 12.50 percent of Urban people have a monthly income of below Rs.10,000. 20.00 percent of rural people and 47.50 percent of urban people have a monthly income between Rs. 10,000-25,000. 20.00 percent of rural people and 30.00 percent of urban people have a monthly income between Rs. 25,000-50,000. 7.5 percent of rural people and 35.00 percent of Urban have a monthly income of Above Rs.50000

Table-6 Recording Daily Transaction Wise Distribution of Sample

Recording daily transaction	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Recording Income only	2	5.00	4	10.00	6	7.50
Recording Expenditure only	3	7.50	14	35.00	17	21.25
Recording both	5	12.50	12	30.00	17	21.25
Not Recording anything	30	75	10	25.00	40	50.00
Total	40	100	40	100	80	100

Source: primary source

Recording of daily income and expenditure:

Table-6 shows the practice of recording of income and expenditure of families in a day by the respondents. It can be noted from the table that 7.5 percent of the total respondents records only incomes and 21.25 percent of them records their daily expenditure only. 21.25 percent of them records both income and expenditure and 50 percent of them not records anything. 5.00 percent of the respondents from rural background records only incomes and 7.50

percent record their daily expenditure. 12.50 percent of rural respondents are recording both income and expenditure transactions and 75 percent are not recording anything. The 25.00 percent of respondents from urban are do not have the practice of recording of any transaction. 6.00 percent of Urban people have the practice of recording income only.17.00 percent of Urban respondents have the practice of recording expenditure only and equal 17.00 percent people have the practice of recording both income and expenditure.

Table-7 Responsibility of Money Management in the Family

Responsibility of money Management	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Male members only	14	35.00	15	37.50	29	36.25
Female members only	12	30.00	7	17.50	19	23.75
Both male and female members	14	35.00	18	45.00	32	40.00
Total	40	100	40	100	80	100

Source: Primary Source

Responsibility of Money Management in the Family: Table-7 shows the responsibility of various members for money management in the family. Out of total respondents in case of 36.25 percentage of the male members in the family, 23.75 percentage are female and 40.00 percentage are both male and female responsible for the money management. In case of rural respondents of 30.00 of the total respondents, female members in the family are responsible for the money management. But in case of remaining 35.00 of the total respondents, the money management in the family is done by both male

and female members. In case of rural people, 35.00 male members in the family are responsible for the money management. But 17.50 of urban people opined that female members in their family are responsible for the money management. Both male and female members are jointly doing money management in their family in case of 45.00 percentages of urban people, 37.50 percentage of urban male respondents are managing money.

Table-8 Level of Usage of Various Financial Services

Various financial Services	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Banks	34	85.00	40	100.00	74	92.50
Insurance	22	55.00	38	95.00	60	75.00
Credit cards	12	30.00	30	75.00	42	52.50
Non-banking financial Institutions	0	0.00	11	27.50	11	13.75
Shares and Debentures	0	0.00	7	17.50	7	8.75
Mutual funds	1	2.50	9	22.50	10	12.50
Pension schemes	0	0.00	26	65.00	26	32.50
Self Help Groups	20	50.00	14	35.00	34	42.50
Post of deposits	13	32.50	16	40.00	39	48.75

Source: Primary Source

Level of Usage of Various Financial Services: Table-8 shows the level of usage of various financial services by the respondents. It can be noticed from the table that 92.50 percentage of the total respondents are using Banking facilities, 75.00 percentage of them have Insurance coverage, 52.50 percentage of the total respondents are having credit cards, 42.50 are associating with Self Help Groups, 13.75 percentage of them are using non-banking financial services, 48.75 percentage of them have post office savings, 32.50 percentage of them are associating with any of the pension funds and 12.50 percentage of them are associating with

mutual funds. 8.75percentage of them are associating with financial markets. 85.00 percentage of rural people, 100.00 of urban people are using Banking facilities. 55.00 percentage of Rural people, 75.00 percentage of urban people have Insurance coverage. 50.00 percentage of rural people, 35.00 percentage of urban people are associating with Self Help Groups. 65.00 percentage of urban people associating of the pension funds. But no respondents from rural background have access to pension schemes, financial markets and Non-Banking financial institutions.

Table-9 Period of Association with Various Financial Services

Period	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Less than 1 year	12	30.00	0	0.00	12	15.00
1-3 years	10	25.00	5	12.50	15	18.75
3-6 years	8	20.00	6	15.00	14	17.50
6-10 years	6	15.00	13	32.50	19	23.75
More than 10 years	4	10.00	16	40.00	20	25.00
Total	40	100	40	100	80	100

Source: Primary Source

Period of association with various financial Services: Table-9 shows the period of association with various services by the respondents who are using various financial services. It can be noticed from the table that 15.00 percentages of the total respondents who are using various financial services are in association with various financial services for less than one year. 18.75 percentages of them have been associating for 1-3 years and 17.50 percentage of them have been associating for 3-6 years. 23.75 percentages

of them have been associating for 6-10 years and 25.00 percentages have more than ten years. Area wise analysis shows that 25.00 percentage of rural people and 12.50 percentage of urban people are in association with various financial services for one to 3 years. 20.00 percentage of rural people and 15.00 percentage of urban people have been associating for 3-6 years. 10.00 percentage of rural people, 40.00 percentage of urban people have been associating for more than 10 years.

Table-10 Sources of Influence in Selecting Financial Services

Source	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Employees or Agents of the institution	22	55.00	11	27.50	33	41.25
Friends or Family members	14	35.00	13	32.50	27	33.75
Advertisements in various media	04	15.00	16	40.00	20	25.00
Total	40	100	40	100	80	100

Source: Primary Source

Sources of influence in selecting financial Services: Table-10 shows the sources of influence in selecting financial services by the respondents who are using various financial services. It can be noticed from the table that 41.25 percentages of the total respondents who are using various financial services are influenced by the employees or agents of the institution. 33.75 percentages of them are influenced by their friends or family members and the remaining 25.00 percentage

are influenced by advertisements in various media. 55.00 percentages of rural people and 27.50 percentage of urban people are influenced by the employees or agents of the institution. 35.00 percentages of rural people and 32.50 percentage of urban people are influenced by their friends or family members. 15.00 percentages of rural people, 40.00 percentage of urban people are influenced by advertisements in various media.

Table-11 Comparison between Various Financial Services

Comparison	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Compared	2	5.00	34	85.00	36	45.00
Not compared	38	95.00	6	15.00	44	55.00
Total	40	100	40	100	80	100

Source: Primary Source

Comparison between various financial Services:

It is important to know the ability of the tribal people to compare one financial service with other services for choosing the right service which is suitable to them. So the respondents who are using various financial services were asked to mention whether they have made comparison between various financial services at the time of selecting these services. The result of this analysis is presented in table-11. It can be noticed from the table that 45.00 percentage of the total respondents who are using various financial services were

compared one financial service with other services for choosing the right service which is suitable to them. But 55.00 percentage of them were not compared one financial service with other services. Area wise analysis shows that all respondents belongs Rural background are 5.00 of Urban people are 85.00 percentage people were compared one financial service with other services. But 95.00 percentages of rural people and 15.00 percentage of urban people were not compared one financial service with other services for choosing the right service which is suitable to them.

Table-12-Suitability of Financial Services

Suitability	Rural		Urban		Total	
	No.	%	No.	%	No.	%
Sure about the suitability	7	17.50	27	67.50	34	42.50
Not sure about the suitability	33	82.50	13	32.50	46	57.50
Total	40	100	40	100	80	100

Source: Primary Source

Suitability of the financial services:

Table -12 shows the opinion of the respondents who are using various financial services regarding the suitability of the financial services i.e., whether the respondents are sure about the suitability of the financial service or not. It can be observed from the table that 42.50 percentages of the respondents are sure about the suitability of the financial service that is opted by them. But 57.50 percentages of them are not sure about the suitability of the financial service that is opted by them. Area wise analysis shows that 17.50 percentages of rural people, 67.50 percentage of Urban people sure about the suitability of the financial service that is opted by them. But 82.50 percentages of rural people and 32.50 percentages of urban people are not sure about the

suitability of the financial service that is opted by them.

Findings:

1. Majority of the respondents do not have the practice of recording their incomes and expenditures. This practice is higher among the respondents belong to Urban area when compared with Rural area.
2. In the case of some of families, male members are responsible for money management. But in case of some other families, female members are responsible for money management. In case of some other families, money management is done by both male and

female members. It shows that female people are involved in the decision making on financial matters.

3. The level of financial literacy of selected people is moderate. The level of financial literacy is low among Rural people. The differences found in the level of financial literacy among Rural and urban people are statistically significant.
4. The analysis of the level of usage of various financial services by the respondent's shows that majority of the total respondents are using banking facilities. Mutual Funds, Pension Funds and Financial Markets are not much popular among the respondents.
5. Majority of the respondents are associating with various financial services for more than 6 years. It implies that most of the respondents are associated from a decade.
6. The analysis of the sources of influence in selecting financial services by the respondents who are using various financial services shows that majority of them are influenced by employees and agents of the institution. The influence of advertisements in various media is comparatively less than that of employees or agents of the institution and friends and family members.
7. The result of this analysis of the ability of the respondents to compare one financial service with other services shows that majority of the total respondents were not compared one financial service with other services for choosing the right service which is suitable to them.
8. The result of the analysis of suitability of financial services shows that nearly half of the total respondents are not sure about the suitability of the financial service that is opted by them.

Conclusion

Financial literacy is considered as an important adjunct for promoting financial stability. Because of this reason, government authorities are giving much attention to financial literacy programmes. But the problem is that these programmes are not making any impact among a large segment of the population which is socially and economically backward. The present study reveals that the rural people are poorly informed about various financial products and practices. This is troubling because financial illiteracy may stunt their ability to save and invest for retirement, undermining their wellbeing in old age. So the governmental agencies have to re-design the financial literacy programmes in such a manner to reach the rural mass.

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REQUISITE OF BUILDING EFFECTIVE CSR STRATEGY & IMPLEMENTATION IN THE FMCG SECTOR

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Abstract

In Today's context the word 'Corporate Social Responsibility' (CSR) has become a vital part of every organizations working in India. Initiating or executing effective CSR strategy and implementation can lead to improved corporate image of the FMCG company 'This paper try to explore the requisite of having effective CSR strategy in favor of FMCG companies'. The data for this study are collected from referred articles and information available in the company's websites and also from the related materials. The analysis is done taking into consideration factors like CSR program already performed, Types of CSR Programs Running in FMCG sector In India. The paper concludes that effective CSR strategy puts significant impact on brand development of the FMCG sector in the consumer mind. It also serves as an encouragement to the organizations that cater CSR program for the needs of the Corporate Social responsibility as sustainability factor and also boost Organizations to invest more on a CSR policy, from both organizational and consumer perspective.

Keywords: Corporate Social Responsibility (CSR), FMCG, CSR Strategy, organizations

PROLOGUE-

Corporate Social Responsibility (CSR) is about ensuring that we make a positive impact on society by delivering our services. It encompasses our approach to aligning social and environmental responsibility to economic goals and value-for-money. CSR Strategy describes our aspirations and sets a direction of travel in relation to the CSR element of Organizational Strategy .It fits under the general heading of 'Governance' within this strategy, and is a key element of 'The Foundations' or 'The Means' of us delivering service excellence, policy change and transformation The key purpose of CSR strategy is to ensure a framework is in place to:

- i. Agree and document vision and aims of the companies
- ii. Ensure vision and aims are understood and delivered by the teams and suppliers of FMCG companies

- iii. Measure and report of progress of the company, and
- iv. Review performance and ensure ongoing development of approach and continuous improvement.

So, the present paper focuses on the CSR strategy in the FMCG sector in India and highlighted the current csr activities performed by the FMCG sector in india. Part I gives an overview of csr. The meaning and definition of CSR are shown in part II. Part III shows the elements and importance of CSR. The CSR initiative done by Indian FMCG companies are shown in part IV and conclusion shown in the last part.

Objectives of the study

- To study the CSR programmes of Indian FMCG sector.
- To analyze the Human CSR practices implemented in the FMCG industry in India.
- To study the various CSR initiative by the FMCG sector for the women and children.

Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line- Approach"), while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between CSR, which can be a strategic business management concept, and charity, sponsorships or philanthropy. Even though the latter can also make a valuable contribution to poverty reduction, will directly enhance the reputation of a company and strengthen its brand, the concept of CSR clearly goes beyond that.

Key CSR issues: environmental management, eco-efficiency, responsible sourcing, stakeholder engagement, labour standards and working conditions, employee and community relations, social equity, gender balance, human rights, good governance, and anti-corruption measures.(UNIDO)

Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship or sustainable responsible business/ Responsible Business) is a form of corporate self-regulation integrated into a business model. CSR policy functions as a self-regulatory mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards and international norms. With some models, a firm's implementation of CSR goes beyond compliance and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required

by law. CSR aims to embrace responsibility for corporate actions and to encourage a positive impact on the environment and stakeholders including consumers, employees, investors, communities, and others.

Defining the CSR-

1. Corporate Social Responsibility is concerned with treating the stakeholders of a company or institution ethically or in a responsible manner. 'Ethically or responsible' means treating key stakeholders in a manner deemed acceptable according to international norms.
2. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside.
3. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation or the integrity of the institution, for peoples both within and outside these entities.
4. CSR is a process to achieve sustainable development in societies.
5. Corporate social responsibility (CSR) refers to companies taking responsibility for their impact on society. As evidence suggests, CSR is increasingly important to the competitiveness of enterprises. It can bring benefits in terms of risk management, cost savings, access to capital, customer relationships, human resource management, and innovation capacity.
6. Corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to company efforts that go beyond what may be required by regulators or environmental protection groups.
7. Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term

costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change.

The Five Elements of the Best CSR Programs.

1. **Business-based social purpose:** There have been too many examples of CSR programs that ignore business fundamentals. Leadership-level CSR programs always directly reflect what the business is and what it does.
2. **Business-based social purpose:** CSR is becoming ubiquitous. On the one hand, that's good news because it proves its business value. On the other hand, it's getting harder to distinguish one company's efforts from another's. CSR leaders develop proprietary approaches to drive measurable social change.
3. **Quality and depth of information:** Merely identifying social priorities for community investment isn't enough. Leadership comes from providing employees, customers and external stakeholders with a significant depth of information about the social issue through credible research, white papers, videos, stories, social media, and so on.
 1. **Concentrated effort:** Colin Powell once stated that people are capable of effectively addressing only one objective at a time. He would not be surprised to discover that companies that support multiple social issues don't move the needle very far on any of them. Leadership is shown by corporations that focus their efforts on one social issue and align all their internal and external resources with this issue. Procter & Gamble focuses on helping children in need around the world. Since 2007, P&G has improved the lives of more than 210 million children through initiatives such as Protecting Futures, which helps vulnerable girls stay in school, and Hope Schools, which increases access to education in rural areas of China. "We

see programs like Protecting Futures as an investment in the future that helps both children and communities thrive," says Jeff Roy, Procter & Gamble's media relations manager.

2. **Partnering with experts:** Leadership requires establishing a high degree of credibility. This is best done through relationships with social issue experts and not-for-profit organizations. Corporations that haven't optimized their approach to CSR may still be considered industry leaders. But not for much longer. CSR is already influencing how employees, customers, and stakeholders are deciding whom they'd prefer to follow. The good news is that a path to high performance CSR has been uncovered and it's possible to follow the leaders.

Why is CSR so important?

Most importantly, findings from scientific research are becoming increasingly clear with regard to how CSR is essential for the long-term sustainability of a firm. Firms that blindly and narrowly pursue the profit motive, without concern for the broad spectrum of Stakeholders that are relevant to the long run, are increasingly shown to lack sustainability. But it's not only important to realize the importance of these groups. Firms must also be able to "connect the dots" and understand how various Stakeholders, and the satisfaction of their needs, represent interrelated challenges. For example, the strategic management of human resources is related to customer satisfaction, and it is essential for firms to attempt to understand and deal with this connection.

Importance of CSR for the companies

Many factors and influences have led to increasing attention being devoted to the role of companies and CSR. These include:

- a) Sustainable development
- b) Globalization
- c) Governance

- d) Corporate sector impact
- e) Communications
- f) Finance
- g) Ethics
- h) Consistency and Community
- i) Leadership
- j) Business Tool

Social Responsibility Programs through their various CSR initiatives directions mode. The below mentioned are selected companies, who run many CSR activities though out year. The information on activities mentioned below is sourced from the annual sustainability reports or the CSR section on companies' website

FMCG Companies and Their CSR Initiatives

in India -Today in India many FMCG companies are spending lot of money on their Corporate

FMCG Companies	School Program	Medical Assistance	Vocational Training / Adult Literacy	Awareness + Sampling	Financial Aid, Micro Credit	Public Social Campaign
Britannia						
Colgate						
Dabur India						
Emami						
Godrej						
Unilever						
ITC Group						
Marico						
Nestle India						
P&G						
REI Agro						
Tata Beverages						

* School Programs include initiatives like Primary, Secondary Education, Donation of Toys, Books, Stationary, Development of School Infrastructure, Scholarships, Meals.

FMCG COMPANIES' CSR INITIATIVES FOR WOMEN & CHILDREN

Women represent 48.4 percent of the total population. Female labour force participation rate is, however, less than half of that of men in India. 23 percent of women are in the labour force as compared to 55.6 percent of men In rural areas, more than 80% of the women are employed in agricultural activities, with a distant second at manufacturing (7.5%), construction (5.2%) and only 7% in services sector In general, 53 % of the workforce (70 percent of the Indian women workforce) is producing barely 15% of the Gross Domestic Product (GDP). National Sample Survey Organization (66th Round), 2009-10. In urban areas women are largely concentrated in 'other' services, with 37 percent of the workers employed as domestic workers. Approximately 50 lakh women are employed in various government schemes without being recognised as

government workers with the right to government level wages. Flagship programmes like the ICDS, NRHM and the Mid-Day Meal Scheme are dependent for their day- to-day operations on them 4. 58 % of rural women workers are illiterate while 28 percent of male workers are illiterate. 30 % of urban women workers are illiterate as compared to 11 % of men technical education In urban areas, 2.9% of women are technically educated as compared to 1.5% in rural.

- India is home to the largest number of children in the world. Nearly half a billion children. However a lot more remains to be done to ensure the survival, growth and development. Child Mortality & Health Child Malnutrition Water, Sanitation, Hygiene HIV/AIDS Education Children in Urban Settings

According to UNICEF report the following issues are impacting children in Rural/Urban India. The well being of children in terms of health, nutrition, education and protection is not only dependent on the extent and quality delivery (or access) of services but also on the knowledge, attitude and behavior of the mother

- FMCG companies and their initiatives
Most FMCG brand communication is targeted towards women and children. It's interesting to take a look at these companies CSR initiatives in this content. The companies studied are listed on the right side. The information on activities mentioned are sourced from the annual sustainability reports or the CSR section on their website. Britannia Colgate-Palmolive Dabur India Emami Godfrey Phillips India Godrej Consumer Products Hindustan Lever ITC Group Marico Nestle India P&G REI Agro Tata Global Beverages
- Colgate-Palmolive Colgate Palmolive has brands under 4 product categories. Oral Care, Personal Care, Household Care and from the dentist. Dental Cream Sensitive Pro-Relief Max Fresh Active Salt Total Sensitive Kids Herbal Cibaca Fresh Energy Gel Maxwhite 360 ActiFlex Extra Clean Extra Clean Gum Care Sensitive Pro-Relief Toothbrush 360 Toothbrush Zig Zag Super Rakshak Whitening Products Maxwhite KidsProduct Colgate Kids 2+ Colgate Plax Aroma Bodywash Relaxing Thermal Spa Bodywash Firming Aroma Bodywash Vitality Halo Shampoo Charmis Cream Shave Preps Shave Cream Axion - Dish Washing Paste Professional oral Care Bright Smiles, Bright Futures India Under this Programme, children in primary schools receive instructions in dental care from members of the dental profession and Indian Dental Association. Education is imparted with the aid of audio-visuals

and printed literature created by the company. Free dental health care packs, comprising 1 toothbrush & 1 toothpaste pack, are also distributed by the Company to encourage good oral hygiene. Positive Step Colgate supports a "Positive Step" program for children living with HIV/AIDS The company has been working for over a year, with 'NETWORK IN THANE OF PEOPLE LIVING WITH HIV/AIDS' (NTP+). The company supports a group of children in providing special nutrition besides sponsoring their school fees. Operation Smile Colgate India supported the Hyderabad Mission of 'Operation Smile', the largest humanitarian nongovernmental organization in the world to provide free surgery to children and young adults, suffering with cleft lips, cleft palates and other facial deformities at a week-long camp

- Colgate-Palmolive - Contd National Oral Health Program Colgate-Palmolive India continues to spread oral health awareness through the School Dental Health Education Program. Under this Program, since 1976 over 95 million school children in rural and urban parts of the country, in the age group of 5-12 years have been reached out. Members of various IDA local branches and professional oral care organizations organized the Program across the country with the help of audio-visual aids, posters, charts and demonstration of right brushing techniques. Reading is fundamental For the past five years, Colgate in partnership with Pratham, has set up libraries for the underprivileged children in economically backward areas in Mumbai, to encourage and inculcate the habit of reading among these children. Colgate firmly believes education will empower these children for the future and help them to explore new avenues. Supporting Girls at Risk Maria Sharan is a project for girls in

difficult circumstances at Pune, India. It provides a residential home for abandoned girls who were rescued from streets, stations and slums. The organization is sponsoring education for these girls and strives to produce self-reliant, empowered young women. Supporting Children with Hearing Impairment Since 2004, DEEDS has been conducting an annual Quiz Competition "QUEST", for the children from the special schools for the deaf in Mumbai. Colgate-Palmolive India has been supporting DEEDS since 2005, with gift hampers for the Deaf to encourage the teams participating. Celebrating joy of fun for 27 years Colgate has been sponsoring the Summer Camp at the Dominic Savio since 1981. The camp is attended by students of the school as well as children from the nearby hutments. Almost 400 children between 6-16 years of age benefit from the creative workshops that are conducted at the camp. Children as they grow come back to conduct these camps as volunteers to help spread the joy

- Dabur - Food & Dairy Products Dabur operates in key consumer products categories like Hair Care, Oral Care, Health Care, Skin Care, Home Care & Foods Dabur Chyawanprash Dabur Chyawan Junior Dabur Honey Dabur Glucose-D Nutrigo Dabur Red Toothpaste Babool Toothpaste Meswak Toothpaste Promise Toothpaste Lal Dant Manjan Babool Mint Fresh Gel Hajmola Hajmola Candy Amla Hair Oil Range Vatika Hair Oil Range Vatika Shampoo Range Fem Bleach Oxy Bleach Uveda Gulabari Real Real Activ Hommade Lemoneez Capsico Sanifresh Odomos Odopic Pudín Hara Shankha Pushpi Honitus Syrup Dabur Badam Oil Super Thanda Oil Shilajit Gold Lal Tail Janma Ghutti Self Help Groups Sundesh, promoted by Dabur has taken an initiative to promote, support and design

a number of poverty alleviation programmes. Main objective of this programme is to form Self Help Groups / micro credit groups and link these SHG's with credit institutions. Adult Literacy and Vocational Training Sundesh provides education to women in the age group of 14-35 years. Presently Sundesh is operating Functional Literacy centres in Nidhawali, Nidhori, Madapur, Tatarpur, Dhera, Kajiwara, Malanda and Lalpur villages. After attaining education, these women are also provided with training in various self-employment activities such as cutting and tailoring, food preservation, mushroom cultivation, mehendi application etc. Educating Children Sundesh provides education to children between 6-14 years of age by holding classes at village centers and encourages them to seek formal education. Sundesh also provides special education to child labourers (8-13 years of age) under National Child

- Unilever Brands - Food & Personal Care Unilever India has the following brands under Food & Cosmetics Business. Annapurna Bru coffee Brooke Bond Kissan Lipton tea Knorr Kwality Wall's Aviance Beauty Solutions Axe LEVER Ayush Therapy Breeze Clear Clinic Plus Close Up Dove Denim Fair & Lovely Hamam Lakmé Lifebuoy Liril Lux soap, Pears soap Pepsodent Pond's Rexona Sunsilk Sure Vaseline TRESEmmé Shakti initiative - Women Empowerment Shakti initiative is a micro-enterprise programme that creates opportunities for women to sell a range of affordable Unilever products door to door in rural areas. For the women involved, Shakti earnings typically double household incomes and boost their sense of self-esteem. 45,000 entrepreneurs ('Shakti ammas') were selling products to over 3 million households in 100,000 Indian villages in 2011. The Gondappa campaign Lifebuoy is adopting a village

in central India to help every child living there reach their fifth birthday. The Gondappa campaign aims to improve hygiene standards in Thesgora village in Madhya Pradesh by providing handwashing education to children and their families to reduce the number of children dying from infections such as diarrhoea and pneumonia.

- P&G The following brands under P&G Personal care Business. Gillette Head & Shoulders Olay Oral-B Pampers Pantene Wella Whisper Shiksha Now in its 8th year, Shiksha has till date helped 280,000 underprivileged children access their right to education. The program has built & supported over 140 schools across India, in partnership with NGOs. Since its inception, Shiksha has made a cumulative donation of over Rs. 22 crores towards helping children on the path to better education. This is a result of support from consumers who participate in the Shiksha movement by buying P&G brands for one quarter of the year, thus enabling P&G to contribute a part of the sales towards the cause. Shiksha also addresses the need for better educational infrastructure by building tangible assets in schools. Clean drinking water and separate toilets for boys and girls, advanced educational aids such as libraries and computer centres, as well as basic infrastructure needs such as classrooms are provided under this program Parivartan - The Whisper School Program The objective of the program is to help adolescent girls embrace womanhood positively and enable them to adopt the right feminine hygiene practices to stay healthy and stay in school. Parivartan ensures that adolescent girls do not miss school on account of periods and initiates a series of cascading effects leading to a more equal gender status in the state. The program has impacted the lives of over 2

Million girls annually across 15,000 schools in India.

- Britannia - Food & Dairy Products Britannia Tiger Britannia Milk Bikis Britannia Cookies Britannia Good Day Britannia Nice Time Britannia Treat Britannia Pure Magic Britannia 50-50 Time Pass Little Hearts Bourbon Britannia Marie Britannia Nutri Choice 5 Grain NutriBix NutriChoice Crackers Nutri Choice Arrowroot Multigrain Roasty Britannia Bread Britannia Toasted Rusk Britannia Cheese Britannia Butter Britannia Ghee Britannia Milk Britannia Dairy Whitener Chocolates Pastries & Cakes Sandwiches Salads Pastas Wraps & Burgers Quick Bites Desserts The following brands are under the food and dairy business. The Britannia Nutrition Foundation (BNF) NDTV and BNF come together to drive up awareness of Nutrition. The symposium has attracted several expert speakers from across the world and has been attended by over 200 people. Additionally, last year BNF presented a white paper to the Planning Commission and the symposium culminated with a live discussion on the issue which was telecast on NDTV. BNF's objective is to "Secure every child's right to growth and development through good food everyday".
- Emami - Health & Skin care Emami has product categories Cooling talcs, Fairness cream, Antiseptic cream, Cooling oil, Pain management, Healthcare, Lip care, Body care. The brands under these categories are : Boroplus Navratna Zandu balm Fair and Handsome Mentho plus balm Fast Relief Sona Chandi Kesari Jivan Vasocare Zandu Emami Cold Cream Aroma Miracle Golden beauty Supporting underprivileged women Emami Limited partnered with an NGO to sponsor 40 underprivileged girls from various parts of rural West Bengal. The fellowship

programme enables them to rise to their potential through higher education and personalised guidance. The Company supported the weddings of 22 underprivileged girls too. The Company helped with the initial setting up of their homes and provided funds for meeting household expenses for the first month

- Godrej Consumer Products Godrej Consumer Products Ltd (GCPL) has Household and Personal Care categories with following brands GoodKnight Jet Godrej Dish Wash HIT ezeel Genteel Cinthol Godrej No.1 Godrej Vigil Shikakai Godrej Shaving Cream Godrej Protekt Godrej Fairglow Crowning Glory Swastik Godrej Expert Colour Soft Kesh Kala Anoop Hair Oil Renew Nupur Kali Mehendi Godrej Aer Twist, Spray, Click Table for Two This initiative is targeted at addressing hunger and malnutrition in the developing world. It has a fund that is geared to feeding close to 780 school children and providing for 1,56,000 meals annually. Smile Train Godrej Memorial Hospital (GMH) along with a US based NGO 'Smile Train' conducts a program, for helping children from poor families with Cleft Lip and Palate. The program consists of primary consultation and screening followed by expert plastic surgery. Over 300 surgeries have been successfully conducted at GMH till date. GMH offers surgery and hospitalization to the patient and one attendant completely free of cost. Deserving cases are also reimbursed travel costs by the hospital. Teach for India Teach for India (TFI) is a nationwide movement that aims to narrow the education gap in India by placing outstanding college graduates and young professionals, who commit two years to teach full-time in under resourced schools. Godrej group has pledged to sponsor employees for the TFI Programme
- ITC Group ITC Group FMCG Food & Personal Care Businesses and Brands

Aashirvaad Sunfeast Bingo! Kitchens of India mint-o Candyman Yippee Essenza Di Wills Fiamma Di Wills Vivel UltraPro Vivel Superia ITC's Women's Empowerment Initiative ITC's initiatives provide sustainable economic opportunities to poor women in rural areas by assisting them to form microcredit self-help groups that enable them to build up small savings and finance self-employment and micro-enterprises. A large number of women earn income as self-employed workers or as partners in micro-enterprises. The programme has demonstrated that extra income in the hands of women leads to significant and positive changes in human development since it is spent largely on children's education, health and nutrition, and is a catalyst for gendering development. The Women's Empowerment Programme covered over 16,000 women through 1,380 self-help groups (SHG) with total savings of `285 lakhs. Cumulatively, more than 39,000 women were gainfully employed either through micro-enterprises, or were assisted with loans to pursue income-generating activities. Agarbatti production through SHGs saw significant scale-up during the year. 349 metric tonnes of raw agarbatti for scenting was produced during the year from the units established in Munger (Bihar) and Hardoi (Uttar Pradesh). The scenting unit in Munger supplied 293 million sticks worth `314 lakhs to the Agarbatti business. The activity provides supplementary incomes to more than 2,000 women. ITC's Primary Education Initiative ITC's Supplementary Learning Centres offer additional coaching that backs up school learning, stemming drop-outs and enabling more children to complete school. ITC also supports outreach projects, including mobile libraries that foster the reading habit and a 'roaming laptop' programme that

promotes computer skills and interactive learning. Over 19,000 new students were covered through Supplementary Learning Centres and Anganwadis. Of these, 952 first generation learners were mainstreamed into formal schools. 919 youth benefited this year from the skill development initiative.

- Marico Marico's Consumer Products categories are Coconut Oil, Hair Oils, Post wash hair care, Anti-lice Treatment, Premium Refined Edible Oils, niche Fabric Care etc. Parachute Saffola Hair&Care Nihar Mediker Revive Manjal Livon Set Wet Zatak Kaya Skin Clinic Give India Marico encourages the culture of 'Giving' with a view to promoting Self Actualisation amongst members. Marico has partnered with GiveIndia; members now have an option to contributing to various social causes. Through the Payroll, members can contribute and donate a small part of their salary (as low as Rs.50/- per month) to GiveIndia (an organization dedicated to raising funds for NGOs). This is purely voluntary for members. Marico, in turn, donates Rs 200 on the member's behalf which is added to the contribution the member makes every month. The company also participated in the Joy of Giving Week initiative, through which members actively participated in blood donation camps, donating old clothes & toys, distributing books and stationery to schools supporting underprivileged children, camps at old age homes etc.
- Nestle Nestle India has the following Brands under Food & Beverage a+ Slim Milk and Dahi ActiPlus Probiotic Dahi Bhuna Jeera Raita Real Fruit Yoghurts Milkmaid Neslac Everyday Dairy Whitener EveryDay Ghee Nutren Junior Nescafe Classic Nescafe Cappuccino Nescafe Sunrise Premium Nescafe Sunrise Nescafe Sunrise Strong Nescafe Gold Nescafe Iced Tea Nescafe Classic Nescafe Cappuccino Nescafe Sunrise

Premium Nescafe Sunrise Nescafe Sunrise Strong Nescafe Gold Maggi Products Nescafe Kit Kat Nescafe Munch Nescafe Milkybar Nescafe Bar-One Nescafe Milk Chocolate Polo Nescafe Eclairs The Nestlé Healthy Kids Programme The Nestlé Healthy Kids Programme has been developed with a focus to provide nutrition education to adolescents. Our objective is to 'create and raise awareness regarding good nutritional practices and cooking methods to enhance the nutritional content of foods and physical fitness among students in village schools'. The programme is conducted in the communities around Nestle factories, through two hour sessions spread across six weeks, ensuring sustained nutrition training of 12 hours for each student.

- Tata Global Beverages Tata Global beverages has the following brands Tata Tea Tetley Good Earth Eight O'Clock Coffee Himalayan Water Grand Vitax Choti Shuruaat Tata tea Jaagore campaign focuses on many issues. The following initiatives focus on creating a social public message on women empowerment, equality and opportunities. The following activities are carried out as part of the campaign. 1. A post on the website titled "Lessons on leadership from women managers" this Post from the CEO & MD of Tata Beverages talks about his experience from women managers. 2. A TV ad featuring Actor Shahrukh Khan which talks about equality. 2. The website features a campaign "Choti Shuruaat" where users can pledge their small starts towards a social cause which also includes posts on women empowerment, equality and opportunities Jemča Tata Coffee Joekels ACTIVATE Tata Water Plus Tata Gluco Plus Tata Coffee Tata Coffee's Coorg Foundation's main aim is to provide basic education to every child in Coorg. The foundation distributes

scholarships to students and provides opportunities for rural children in the field of culture by conducting residential art-in-acting workshops. A grant is made available to institutions to upgrade infrastructure and facilities. Swastha is an institution for the mentally and physically challenged children to help them express their own special creativity.

- REI Agro REI Agro Limited – World's largest basmati processing company. The Company offers a wide range of brands. Raindrops ELG (Extra Long Grain), Raindrops Gold Supreme, Raindrops Gold Royal, Raindrops Gold Super, Raindrops Supreme, Raindrops Royal, Raindrops Select, Raindrops Super, Raindrops Popular, Raindrops Daily Raindrops Rozana. Mummy Ka Exam Raindrops Basmati Rice, in its quest to serve the weaker section of the society is pursuing a unique initiative called 'Mummy ka exam' in association with various schools at national level. Under this program the company gives the students of participating schools a pack of Raindrops Basmati Rice free of cost which they take home and get a dish prepared from their mothers. The same dish is then shared with underprivileged children from lower sections of society.

CSR activities done by the FMCG companies in India

There are several CSR activities which are performed by the FMCG companies in India here are some few examples **listed below-**

1. Dabur India Ltd. -Community welfare, Environment
2. Hindustan Unilever Ltd -Community welfare, Health care, Women, Education, Environment
3. Tata Tea Ltd. Environment-, Health care, Education, Community welfare, Women's empowerment, Girl Child
4. Britannia Industries Ltd -Community welfare

5. Colgate-Palmolive (India) Ltd- Health care, Education
6. Emami Ltd-Community welfare, Health care
7. Gillette India Ltd - Water
8. GlaxoSmithkline Consumer Healthcare Ltd -Environment, community welfare
9. Henkel India Ltd -Environment
10. Mcleod Russel India Ltd. - Environment, Education, Healthcare
11. Nestle India Ltd-.Community welfare, Environment
12. Procter & Gamble Hygiene &Health Care Ltd-. Education
13. Tata Coffee Ltd. -Community welfare, Health care, Education
14. Godrej Consumer Products Ltd-Environments
15. Marico Ltd.- Community welfare, Disaster relief
16. Nirma Ltd.-Community welfare

EPILOGUE

The FMCG companies of current century will have no choice but to implement effective CSR. More Investments in CSR programs are needed. Stakeholders are demanding now increasingly that results from these programs be measured to know if and how they positively influence the profitability and sustainability of the organization. Not surprisingly, a significant amount of research has been undertaken to understand the relationship between CSR programmes and profitability, which leads them to sustainability in the Global Market. Due to the increase in importance of consumers among business as a stakeholder, marketing research that examines the effects of CSR on profitability of FMCG companies is particularly informative to organization for profitability and sustainability. This study shows that effective CSR leads to results such as improved customer loyalty & interest, readiness to pay premium prices, and lower reputational risks in times of crisis.

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REFORMING INDIA'S FINANCIAL SYSTEM - FINANCIAL REGULATORY GOVERNANCE

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Abstract

India's financial system has long been inadequate. With an economy worth \$2 trillion, the country's financial flaws are increasingly serious and outright dangerous. But fundamental change is under way. The government-backed Financial Sector Legislative Reforms Commission drafted the Indian Financial Code (IFC), a single unified law that replaces most existing financial law in India and is an important milestone in the development of state capacity. Now the government must work to adopt and implement the full code. Financial systems one of the industries in an economy. It performs certain essential functions for the economy including maintenance of payment system, collection & allocation of the savings of society and creation of a variety of stores of wealth to suit the preferences of savers. Finance is the flowing blood in the body of financial system. It is a link between the saving & investments by providing the mechanism through which savings of savers are pooled and are put into the hands of those able & willing to invest by financial intermediaries. The role of financial system is thus, to promote savings and their channalisation in the economy through financial assets that are more productive than the physical assets. This means that the operations of financial system are vital to pace & structure of the growth of the economy. This system plays a significant role in access the rate of economic development, which is to improving general standard of living & higher social welfare. This paper concentrates on financial regulatory governance.

Keywords: Financial System, Mechanism, Physical Assets

Introduction

India's financial sector is diversified and expanding rapidly. It comprises commercial banks, insurance companies, nonbanking financial companies, cooperatives, pension's funds, mutual funds and other smaller financial entities. Ours is a bank dominated financial sector and commercial banks account for over 60 per cent of the total assets of the financial system followed by the Insurance. Other bank intermediaries include regional rural banks and cooperative banks that target under serviced rural and urban populations. In finance, the financial system is the system that allows the transfer of money between savers and borrowers. It comprises a set of complex and closely interconnected financial institutions, markets, instruments, services, practices, and transactions. Financial systems are crucial to the allocation of resources in a modern economy. They channel household savings to the corporate sector and allocate investment funds among firms; they

allow inter-temporal smoothing of consumption by households and expenditures by firms; and they enable households and firms to share risks. These functions are common to the financial systems of most developed economies. Yet the form of these financial systems varies widely.

Current Regulators of the Financial System

The regulation and supervision of the financial system in India is carried out by different regulatory authorities. The Reserve Bank of India (RBI) regulates and supervises the major part of the financial system. The supervisory role of the RBI covers commercial banks, urban cooperative banks (UCBs), some financial institutions and non-banking finance companies (NBFCs). Some of the financial institutions, in turn, regulate or supervise other institutions in the financial sector, for instance, Regional Rural Banks and the Co-operative banks are supervised by National Bank for Agriculture and Rural

Development (NABARD); and housing finance companies by National Housing Bank (NHB). Department of Company Affairs (DCA), Government of India regulates deposit taking activities of corporate, other than NBFCs, registered under companies Act, but not those which are under separate statutes. The Registrar of Cooperatives of different states in the case of single state cooperatives and the Central Government in the case of multistate cooperatives are joint regulators, with the RBI for UCBs, and with NABARD for rural cooperatives. Whereas RBI and NABARD are concerned with the banking functions of the cooperatives, management control rests with the State/ Central Government. This dual control“ impacts the supervision and regulation of the cooperative banks”. The capital market, mutual funds, and other capital market intermediaries are regulated by Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority (IRDA) regulates the insurance sector; and the Pension Funds Regulatory and Development Authority (PFRDA) regulates the pension funds.

Financial Sector Reforms in India

The role of the financial system in India, until the early 1990s, was primarily restricted to the function of channeling resources from the surplus to deficit sectors. Whereas the financial system performed this role reasonably well, its operations came to be marked by some serious deficiencies over the years. The banking sector suffered from lack of competition, low capital base, low productivity and high intermediation cost. After the nationalization of large banks in 1969 and 1980, public ownership dominated the banking sector. The role of technology was minimal and the quality of service was not given adequate importance. Banks also did not follow proper risk management system and the prudential standards were weak. All these resulted in poor asset quality and low profitability.

Modernising Indian Finance

- ✓ Existing laws in India are rooted in the notion that the state is benevolent and feature few checks and balances. The draft IFC steps away from this idea of power without accountability.
- ✓ Financial law should reflect an understanding of market failures in finance. It should acknowledge that bureaucrats and politicians serve their own interests, not necessarily those of the general public. Objectives for financial regulators and mechanisms governing their functions should be clearly specified, and laws should hold leaders of government agencies accountable for performance.
- ✓ The IFC will transform India's financial laws, regulatory architecture, and regulatory functions, providing a modern and consistent framework based on the rule of law, regulatory independence, and accountability.
- ✓ The draft code addresses nine areas that require reforms: consumer protection; micro-prudential regulation; resolution mechanisms; systemic risk regulation; capital controls; monetary policy; public debt management; development and redistribution; and contracts, trading, and market abuse.

The full adoption of the IFC will help build a financial system that allocates resources well, achieves higher growth, and reduces risk.

The Problem

India embarked on substantial economic liberalization in 1991. In the field of finance, the major themes were the scaling back of capital controls and the fostering of a domestic financial system. This was part of a new framework of embracing globalization and of giving primacy to market-based mechanisms for resource allocation.

From 1991 to 2002, progress was made in four areas, reflecting the shortcomings that were then evident. First, capital controls were reduced substantially to give Indian firms access to foreign capital and to build nongovernment mechanisms for financing the current account

deficit. Second, a new defined contribution pension system, the New Pension System, was set up so that the young population could achieve significant pension wealth in advance of demographic transition. Third, a new insurance regulator, the Insurance Regulation and Development Agency, was set up, and the public sector monopolies in the field of insurance were broken to increase access to insurance. Fourth and most important, there was a significant burst of activity in building the equity market because of the importance of equity as a mechanism for financing firms and the recognition of infirmities of the equity market. This involved establishing a new regulator, the Securities and Exchanges Board of India, and new infrastructure institutions, the National Stock Exchange and the National Securities Depository. The reforms of the equity market involved ten acts of parliament and one constitutional amendment, indicative of the close linkage between deeper economic reforms and legislative change.

While all these moves were in the right direction, they were inadequate. A large number of problems with the financial system remain unresolved. In cross country rankings of the capability of financial systems, India is typically found in the bottom quartile of countries. A financial system can be judged on the extent to which it caters to growth, stability, and inclusion, and the Indian system is deficient on all of those counts. By misallocating resources, it hampers growth. The entire financial system suffers from high systemic risk.

The households and firms of India are extremely diverse, and often have characteristics not seen elsewhere in the world. For finance to reach a large fraction of firms and households, financial firms need to energetically modify their products and processes, and innovate to discover

how to serve customers. But in the field of finance, the forces of competition and innovation have been blocked by the present policy framework. This means there are substantial gaps between the products and processes of the financial system, and the needs of households and firms.

It is likely that around 2053, India's GDP will exceed that of the United States as of 2013. In the coming forty years, India will need to build up the institutional machinery for markets as complex as the financial system seen in advanced economies today. The IFC puts India on that path.

A Group of Expert Committees

By 2004, it was becoming increasingly clear that while some elements of modernization of the financial system had taken place from 1992 to 2004, financial economic policy needed to be rethought on a much larger scale to address the problems facing the system. As is the convention in India, the consensus on desired reforms was constructed through reports from four expert committees on:

1. International finance, led by Percy Mistry in 2007
2. Domestic finance, led by Raghuram Rajan in 2008
3. Capital controls, led by U. K. Sinha in 2010
4. Consumer protection, led by Dharendra Swarup in 2010

These four reports add up to an internally consistent and comprehensive framework for Indian financial reforms. The findings were widely discussed and debated in the public discourse (see table 1 for the main recommendations of these expert committees). The four reports diagnosed problems, proposed solutions, and reshaped the consensus.

TABLE 1: EXPERT COMMITTEE RECOMMENDATIONS ON MODERNIZATION OF THE FINANCIAL SYSTEM IN INDIA

Group and Chair Person	Result
High-Powered Expert Committee on Making Mumbai an International Financial Center; Percy Mistry; 2007	The report outlined the prerequisites for making Mumbai an international financial center. According to the report, the quality and reputation of the regulatory regime is a key determinant of the market share of an IFC, in addition to the capabilities of the financial firms. It recommended increasing financial market integration, creating a bond-currency-derivatives nexus, and ensuring capital account convertibility and competition.
The Committee on Financial Sector Reforms; Raghuram Rajan; 2008	The committee was tasked with proposing the next phase of reforms for the Indian financial sector. The report focuses on how to increase financial inclusion by allowing players more freedom and strengthening the financial and regulatory infrastructure. It recommended leveling the playing field, broadening access to finance, and creating liquid and efficient markets.
Committee on Investor Awareness and Protection; Dhirendra Swarup; 2010	The report outlines the need for regulation of the market for retail financial products in India and educating the consumers. The report points to the inadequate regulatory framework governing the sellers of financial products that induces problems like miss selling, the chief cause of which is rooted in the incentive structure that induces agents to favor their own interest rather than that of the customer. The report proposes a reconfiguration of incentive structure to minimize information asymmetry between consumer and seller.
Working Group on Foreign Investment in India; U. K. Sinha; 2010	The working group's primary focus was on rationalizing the instruments and arrangements through which India regulates capital flows. The regulatory regime governing foreign investments in India is characterized by a system of overlapping, sometimes contradictory and sometimes nonexistent, rules for different categories of players. This has created problems of regulatory arbitrage, lack of transparency, and onerous transaction costs. The working group proposed reforms for rationalization of capital account regulation. It recommended the unification of the existing multiple portfolio investor classes into a single qualified foreign investment framework, and the promulgation of know-your-customer requirements that meet the standards of best practices of the Organization for Economic Cooperation and Development.

The Financial Sector Legislative Reforms Commission

In India, laws traditionally evolve piecemeal and on a problem-by-problem basis. The government made no attempt to comprehensively rethink the laws that govern an entire sector. In the case of financial law, the Ministry of Finance started grappling with this problem in 2009, and chose to adapt an existing

institution of Law Commissions, which are nonpartisan bodies that propose modifications of laws, to the task of writing laws for finance.

A former judge of the Supreme Court, Justice B. N. Srikrishna, was chosen to lead the project, which ran for two years, involved 146 persons, and had a dedicated 35-person technical team. The commission itself was nonpartisan and in most cases did not have representation of the

special interests of existing financial agencies. A multidisciplinary approach was taken, drawing together skills in economics, finance, public administration, and law. The commission weighed the infirmities of the Indian financial system, the recommendations of expert committees, and the international experience, and designed a new legal foundation for Indian finance.

The Indian Financial Code is the commission's product. It is a single, internally consistent law of 450 sections that is expected to replace the bulk of existing Indian financial law.

Financial Regulatory Governance

Constructing effective financial law requires an understanding of market failures in finance that will shape appropriate interventions by the government and good public administration practices, which impact the working of government agencies. An essential feature of sound public administration is laws that embed effective accountability mechanisms. The pressure of accountability will impel the leaders of an agency to reshape their organization in ways that deliver performance.

The four committee reports identified numerous shortcomings in the present arrangements, most of which can be identified as improperly drafted regulations. At first blush, it appears that these problems merely require writing better regulations. The deeper question that needs to be asked is why existing financial regulators have made faulty regulations.

The proximate source of underperformance of government agencies is their poor organization and the low quality of their staffing. Their functioning is characterized by ineffective management structures and processes.

In the private sector, the leadership of a firm gets feedback from the market. When the firm is faring poorly, reduced profits are immediately visible and generate an impetus for the firm to reshape itself even though this involves making uncomfortable decisions to restructure the organization and change

personnel, for instance. Firms that fail to reinvent themselves go out of business.

These feedback loops are absent in India's government agencies. A lack of performance does not generate feedback loops that force the leadership to reinvent the agency.

In this environment, leaders are biased toward decisions that keep them in a comfortable position. As an example, when a financial agency sees a new class of financial products, such as Internet-based payment systems, it faces the problem of constructing regulatory and supervisory capacity to deal with this—a difficult process. It is easier to claim that innovation is dangerous and to ban new financial products.

At the core of this issue is the fact that existing laws in India are rooted in the notion that the state is benevolent. They feature little in terms of the checks and balances and accountability mechanism, that is, the feedback loops that keep the leadership of government agencies in check. By contrast, in the United States, a general strategy for dealing with public bodies is embedded in the Federal Administrative Procedure Act of 1946. This shapes the agency problem for all financial agencies in the United States. No comparable law exists in India.

The draft legislation aims to solve the principal-agent problem that every legislature faces when establishing financial regulators. The conventional discourse in India uses the term “functions” to describe the responsibilities of a government regulatory agency. Existing laws give certain functions to an agency. The agency is then equipped with certain powers to perform these functions. The IFC consciously steps away from such a notion of power without accountability. It sets up the relationship between the principal (parliament) and the agent (the financial agency) through clarity of objectives, precise and enumerated powers, and extensive accountability mechanisms.

For an analogy, consider the relationship between a consumer and the person that is contracted to paint a house. Conventional Indian laws say that the painter can go into a house and paint it as he likes, using all possible choices of colors and equipment. Conventional Indian laws

believe the painter is benevolent and will pursue the welfare of the people. This is a breeding ground for laziness and corruption. The IFC would give the painter precise instructions for how the house must be painted and defined and limited powers to use in pursuit of his objective. It sets up an inspector to verify that the house has been painted correctly and imposes negative consequences on the painter when the work is poor.

Separation of Powers

Under India's current system, parliament gives independent regulators three responsibilities—a legislative function of writing regulations that have the status of law, an executive function of enforcing regulations, and a judicial function of awarding penalties. Commonly accepted practice in many systems holds that these three functions should be kept separate under the separation of powers doctrine. India's lack of separation of powers in this area is one source of underperformance of existing financial agencies. The IFC takes one step toward separation of powers by requiring that the judicial responsibilities be held separate from the legislative and executive functions in the internal working of the regulator.

Independence

All over the world, laws governing the financial sector enshrine regulatory independence. This protects the regulatory process from the political imperatives of the administration that is in power. Independence is also required to protect against the attempts by financial firms to unduly influence decisions. To achieve regulatory independence, numerous modifications are required in financial laws. These include: sound structure for the appointment process for senior regulatory staff, fixed contractual terms for them, removing the power for the administration to give directions to financial agencies, and transparency of board meetings where nominees of the Ministry of Finance are present.

Accountability

The key insight of the IFC is the idea that the failures of financial agencies in India stem from the lack of accountability for the leadership. For example, many existing laws establish independent regulators with the broad mandates of serving the public interest or improving the welfare of the people of India, and they then arm those agencies with sweeping powers. Instead, as the IFC proposes, laws should be explicit about agencies' objectives, powers, and accountability mechanisms. There are four components of accountability in the IFC: clarity of purpose, a well-structured regulation-making process, the rule of law, and reporting mechanisms.

Clarity of Purpose

Agencies' objectives should be defined clearly to ensure that these bodies do not have unfettered discretion over how to exercise their power and to hold specific actors accountable for failures. One important barrier to clarity of purpose is conflicts of interest. When one goal conflicts with another, agencies can explain away failure in one dimension by claiming that the conflicting goal was being emphasized. Conflicting objectives are at the foundation of chronic underperformance of some financial regulators in India today. One example is found in the Reserve Bank of India. It has the power to set interest rates, and it is also responsible for raising debt for the government and for regulating banks. These functions are in conflict. Banks are the main buyers of government debt, and with the power to regulate banks and set interest rates, the Reserve Bank of India can potentially exert influence over those bodies and push them toward purchasing government debt. It can also keep interest rates low to ensure that the government's cost of debt stays low. Its interest-rate-setting function may be used to pursue objectives other than those related to monetary policy as well—because, for instance, when interest rates are raised, banks may suffer losses on their portfolio. The IFC structures regulatory bodies with greater clarity of purpose and minimizes conflicting objectives.

Regulation-Making Process

In the current system, parliament delegates regulation-making power to unelected officials in independent regulators. There is a danger that these officials will choose to draft regulations that are the easiest to implement. For instance, regulators in India have often been very reluctant to grant permissions for businesses to operate, perhaps because it makes their supervisory tasks more difficult when they have to oversee large numbers of businesses. There are also substantial restrictions against creating new kinds of products or processes that cater to the convenience of existing staff and organization structures. These limitations hinder competition and innovation. Through this, they interfere with the ability of the financial system to serve the needs of the diverse kinds of households and firms present all across the country. Alongside these barriers are numerous regulations that stray from the economic purpose of financial regulation—identifying and addressing market failures in finance—toward central planning where the government usurps the role of designing financial products and processes. The regulation-making process of the IFC has checks and balances to help avoid such suboptimal outcomes. Under the IFC, the regulator is obliged to analyze the costs and benefits of a proposed regulation. The costs to society of implementing the regulation must be compared to costs of the market failures that motivate the regulation before a decision can be made. For every regulation that is proposed, the IFC requires:

- A compact statement of the objectives of and reasons for the legislation.
- A description of the market failure that motivates the regulation.
- Demonstration that solving this market failure is within the objectives of the regulator.
- Clear and precise exposition of the proposed intervention.
- Demonstration that the proposed intervention is within the powers of the regulator.

- Demonstration that the proposed intervention would address the identified market failure.
- Demonstration that the costs to society through complying with the intervention are outweighed by the gains to society from addressing the market failure.

The documentation of these elements must be produced by a regulator every time a regulation is drafted. This will help ensure that adequate thinking precedes regulation making. It will also show the full regulatory intent to citizens and to judges who have to adjudicate disputes. After the relevant documentation is produced, a consultative process will commence in which the regulator releases this material and the draft regulation into the public domain. Market participants will be given sufficient time to review the draft regulation and to comment on it, and the regulator will be required to substantively respond to all public comments. Following that period, a modified regulation will be released to the public with a starting date that is far enough in the future to give firms and households adequate time to cope with the changes. One key element of this regulation-making process is appeal. If the regulator strays from either the objectives or powers specified by the IFC, or the regulation-making process required in the IFC, the regulation in question can be struck down through judicial review. Following the implementation of a regulation, the IFC requires an ex-post analysis to be conducted. In this process, the objectives of a regulation are reviewed, including an examination of data to determine the extent to which the stated objectives have been met and a review of the enforcement experience and litigation that has been undertaken in relation to the regulation.

The Rule of Law

When a financial agency is not bound by the rule of law, it wields power without accountability. Upholding the rule of law introduces checks and balances that induce greater accountability. In India, there are weaknesses of regulatory governance that lead to

violations of the rule of law. The IFC addresses these issues in a comprehensive manner. Legislation that reinforces the rule-of-law framework is accessible, intelligible, clear, and predictable. Under the IFC, the operation of the formal process of financial regulation, as well as the body of laws and jurisprudence, would be visible to the public. This would provide stability and certainty about the law and its application. Questions of legal rights and liability should be resolved by application of the law rather than through bureaucratic discretion. The IFC significantly limits the discretionary powers given to regulators and other agencies by specifying powers for these actors that can only be used for pursuing specific objectives. In a system that respects the rule of law, legislation should apply equally to all parties, except if objective differences justify differentiation. Under the IFC, by default, all regulated entities would be treated alike. The draft legislation puts the onus on the regulators to justify any variation in treatment between two firms or two subsectors on the basis of differences in risks posed and other material differences. Public officers at all levels must exercise the powers conferred on them in good faith, fairly, for their intended purpose without exceeding their limits. The IFC's accountability mechanisms, especially the regulation-making process, ensure that public officers carry out their duties in this manner. The IFC provides for a system that would help consumers find redress for disputes with financial firms. Appeals against actions of financial

agencies would be heard at the Financial Sector Appellate Tribunal, a court with specialized skills in financial law that would feature modern court processes.

Reporting

Once the objectives of a regulatory agency are defined, reporting mechanisms are envisioned under the IFC to determine the extent to which the agency has achieved its objectives. Under the IFC, each agency would submit such a progress report to the government. As an example, for a supervisory process, the agency would be obliged to release data about investigations conducted, orders issued, orders appealed, and the orders that struck down. Transparency would be required with a functional classification of the expenditure of the agency across its objectives.

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GLOBALISATION OF MARKETS AND HUMAN RESOURCE MANAGEMENT

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Abstract

Human Resources departments are transforming as the modern business faces numerous and complex challenges, and exploit opportunities. The transformation of human resources today is a direct call of the rapid changes within businesses due to factors such as globalization. Globalization challenges firms to become more streamlined and efficient while simultaneously extending the geographical reach of their operations. It has brought dramatic changes to business around the world. Effective human resource practice is vital for the attainment of these objectives. The global supply of talent is short of its long-term demand, and the gap is a challenge for employers everywhere. The shortage between the demand and supply of talent is likely to continue to increase, notably for high skilled workers and for the next generation of business executives. Enterprises driven by market pressures need to include in their goals improved quality and productivity, greater flexibility, continuous innovation, and the ability to respond rapidly to market needs and demands. Companies with the ability to foresee their business needs and their workforce needs – especially for high skills – will gain the decisive competitive advantage. The objectives of this study were to examine whether there would be a significant relationship between global market opportunities and human resource practice and also whether global market opportunities, global market uncertainty and global competitive threat were predictors of human resource practice. The study was also carried out to determine whether there would be a significant difference between global competitive threat and human resource practice.

Keywords: Enterprises, Globalisation, Organisation, Labour Market, Human Resource Management, Opportunities.

Introduction

Globalization refers to an increasing level of interdependence among the countries by a number of ways like free flow goods and services, free movement of labor, different sectoral and political openness, military alliances, etc. (Fazlul, Mohammad and Faud ,2010). Globalization as an effective instrument of international exchange of goods and services has to have a human face, based on ethical consideration rather than on cut throat competition. The degree to which different countries around the world should become integrated remains a matter of controversy. With

the advent of Globalization, the developing countries have taken a number of structural adjustments and different measures to achieve competitiveness, efficiency in resource allocation and development of human resources. Human resources are the catalyst of development for a country and the government of a country should lay high emphasis for the development if its human resources.

Human Resources departments are transforming as the modern business faces numerous and complex challenges, and exploit opportunities. The transformation of human resources today is a direct call of the rapid

changes within businesses due to factors such as globalization. In the era of globalization, with the increasing competition, locally or globally, organizations must become more adaptable, resilient, agile, and customer-focused to succeed. And within this change in environment, the HR professional has to evolve to become a strategic partner, an employee sponsor or advocate, and a change mentor within the organization. In order to succeed, HR must be a business driven function with a thorough understanding of the organization dig picture and be able to influence key decision and policies.

The global supply of talent is short of its long-term demand, and the gap is a challenge for employers everywhere. The shortage between the demand and supply of talent is likely to continue to increase, notably for highly-skilled workers and for the next generation of middle and senior leaders. Most emerging nations with large populations may not be able to sustain a net surplus workforce with the right skills for much longer. Now, more than ever, organizations need to place greater emphasis on attracting human capital rather than financial capital. Because capital is broadly available from investors and lenders, and innovations can be duplicated relatively easily and quickly, effective human resource management is the best way to differentiate one company from another. Global staffing and global leadership development are the two components of global human resources with the greatest potential for powerful leverage for global firms (Pucik, 1996). Only the multinationals that will be willing to adapt their human resource practices to the changing global labor market conditions will be able to attract, develop and retain the right talent, and will likely succeed in the global competition.

Human resources need to take advantage of technology and data analytics to build a global human resource information system that collects and stores data from various sources. The system will help to analyze the data to provide business insights, predict future needs and develop strategies to fill those needs. Globalization is increasingly adding one more thing to low-cost labor and high-power technology: unfettered

imagination—that is, high innovative and creative capabilities (Friedman, 2005). The role of human resource is to implement the necessary organizational strategies with sensitivity to specific cultural influences (Pucik, 1996). Being at the center of globalization, multinational organizations and manufacturing firms need to learn to integrate diverse value systems and espouse shared global work values to create an environment, where workers are able to communicate and coordinate their activities to reach common goals (Rosenblatt, 2011). Human resources must play new roles and responsibilities in leading the organization in uncharted waters of globalization. The overall purpose of human resource practice is to ensure that the organization is able to achieve success through people (Armstrong, 2000).

Literature view:

In the past, the function of human resources was typically considered a cost center and an administrative overhead. The human resource departments focused on short-term gains and savings. They focused on administrative efficiency and compliance activities. They tended to expense investments in talent intangibles rather than capitalize and tended to raise short-term earnings by cutting discretionary expenditure on people development (Guthridge, Komm and Lawson, 2008; Hamel and Prahalad, 1994; Schuler and Jackson, 1987, Bryan, 2007).¹

Globalization is the buzz word of modern times and has many varying perspectives. It describes the way that world trade, culture and technologies have become rapidly integrated over the last twenty years. (Ozbilgin, 2005)² It is attributed to various considerations which are often associated with a wide range of factors allied with it, that are of an economic, political, cultural and sociological nature. (Sparrow et al., 2004)³ Globalization is considered to exist within the action of those relatively (few firms) that look at the world as being nationless and borderless. (Ohmae in Sparrow et al 2004)⁴ The forces of globalization, have changed the world of work, some of the principal changes, the world

over have been the emphasis on competitiveness, increasing numbers of women joining the work-force, a more mobile and diverse work-force and growth in part-time and flexible work (Faugoo,2009).⁵

Globalization is often portrayed as a new stage in world development.(Sparrow et al 2004),which is characterised by intensified competition and continuing technological innovation, which have emphasised the importance of product quality and customer care which in turn has increased the emphasis on people management(Hucysnki et al2002)⁶. In order to meet some of the challenges posed by intense competition, organizations have been downsized, delayed, decentralized and are less hierarchical in nature. These changes have subsequently lead to many developments in human resource practice, as employers have to cope with the challenges posed by a competitive global economic environment.(Redman et al 2001)⁷. An organization's talent can be a source for a sustained competitive advantage and can affect important organizational outcomes such as survival, profitability, customer satisfaction level, and employee performance (Pfeffer, 1994; Prahalad, 1983)⁸.

DISCUSSION

Challenges of Human Resource Management in Globalisation: Globalization provides opportunities for businesses to invest in foreign markets and to gain access to new capital. A key concern in achieving financial results through globalization is the effect it has on your business. Bringing employees together despite distance and cultural differences is a challenge company leaders and human resources professionals must tackle.

Adapting to a rapidly changing worker profile: Sweeping demographic changes across both the developed and developing world places greater pressure on both the government and private sector to initiate and implement creative solutions to educate, integrate and retain a rapidly changing and diverse working population. With

hundreds of millions of women predicted to pour into the global workforce in the coming years, and temporary and part-time workers a significant and seemingly permanent fixture, companies need to adapt further to a new breed of employee. When you add the issues of a multi-generational workforce and growing cultural diversity, it is no surprise that people management is cited to be by far the most substantial challenge facing companies over the next five to ten years,

Changing Employee Expectations:

Employees demand empowerment and expect equality with the management. Previous notion on managerial authority are giving way to employee influence and involvement along with mechanisms for upward communication and due process. If we look at the workers unions of Otis, Hindustan Lever, ICI TOMCO, Blue Star, Webel Electro and Central Bank. They rewrite their agenda to include quality and better customer service and even accusing the management of malpractices.

Understanding the subtleties of workers' qualifications: The current disconnect between the skills fostered by education and those they actually need will represent a very considerable obstacle in the coming years. This makes it difficult for HR to assess applicants' qualifications properly. To complicate matters further, there is lack of standardization in education, especially in a global context. As businesses expand and hire beyond borders, the need for HR to scrutinize job qualifications carefully becomes ever more important. Major disparities exist between various regions and institutions in individual countries, as well as between countries. The ability to understand these differences will enable HR to make more informed hiring decisions. Through collaboration with other functions of the organization, HR can increase its understanding of qualifications and skill sets to ensure that hired employees are capable of executing their functions.

Outsourcing Human Resource: The trend towards outsourcing has been caused by several strategic and operational motives. HR departments are divesting themselves from mundane activities to focus more on strategic role. Outsourcing has also been used to help reduce bureaucracy and to encourage a more responsive culture by introducing external market forces into the firm through the bidding process. It is a big challenge before the HR manager to prove that his/her department is as important as any other functions in the organization.

Retaining and engaging a changing workforce: As the demographic composition of the workforce changes, their motivations and expectations evolve too. It is imperative that HR understands what is most valued by these workers. Is it compensation, or prestige, or perhaps autonomy at work? In many cases, HR will have to adapt their incentives, benefits policies, and retention strategies for workers that are not just driven by financial compensation. It is not enough simply to recruit able staff. Companies have to make sure that their people are committed, productive, and do not leave after a short period, incurring substantial turnover costs and wasting all previous training invested in them.

Incorporating the human capital opportunities and risks from operating abroad into corporate strategic decision-making: Workforce opportunities are marked both by steady improvements through the political machinations that open trade across borders and enable cross-border migrations, and by sudden and often unexpected changes. The challenge for companies is to remain nimble to take advantage of the opportunities while avoiding the risks. HR's challenge is to gather, assess and understand all the cultural, labor and market complexities of operating in each market so that the company can predict opportunities and risks, know when to enter or exit a market, and integrate successfully into new local markets. The success of a company's global growth hinges on HR integrating the workforce. HR-led teams need to

assess the complexities of bringing together workforces with often dissimilar societal and corporate cultures. HR can, for example, identify potential roadblocks early and plan interventions before problems arise.

Hiring and retaining talent while lowering labor costs: Large labor-productivity gains over the past few decades have not been matched by comparable wage gains. While both increased technology adoption and globalization contribute to this phenomenon, companies' increased focus on maximizing shareholders' value has also been a substantial factor. Furthermore, looser labor laws and decreased union rates have decreased workers' bargaining power. While this trend has been in existence for a while, pressure across corporations to curb labor costs has only become more acute with the latest global financial crisis.

Maintaining a comprehensive understanding of regulations and hiring laws: Temporary and part-time workers play an important role in today's workforce. Yet laws regarding these workers differ from country to country. Indonesian law, for example, does not recognize the concept of part-time workers, who are consequently entitled to the same rights as full-time workers. Temporary workers, too, must receive the same benefits as permanent workers. HR's challenge when conducting workforce planning is to understand the nuances of the laws and customs in each of the regions where it operates and ensure that it is treating part-time, temporary and remote workers legally. Keeping up-to-date with ever-changing and complex labor laws in each country and region will continue to present a constant challenge beyond the traditional visa issues, local versus foreign worker regulations and migration laws.

Making HR Activities Ethical:

Hiring ethical strong employees is only the beginning. The need to institute mechanisms to ensure ethical conduct of employees is increased a lot with the passage of time. The HR manager needs to carefully screen applications for jobs, weed out those who are prone to indulge in

misdeemeanors and hire those who can build a value driven organization.

Participatory Culture: A myopic outlook of utilizing talents of people only in the delivery of assigned duties has two broad undesirable effects; it prevents people from developing as well rounded professionals; and it denies the organization the readily available multitiered internal resource pool that could potentially contribute to most of the challenges and opportunities facing the organization.

Making the business case for CSR: Corporate social responsibility is among the top challenges companies face when expanding into new markets, especially in developing regions. Business practices that are acceptable locally are frequently at odds with the values of the company and the laws of its regulatory agencies. This creates a tug-of-war between social responsibility and the need to be successful in those markets, which can turn into significant risk.

The challenge for HR is to gain a detailed understanding of local environments and their accepted business practices. It then needs to establish protocols that are customized for each region and communicate these protocols throughout the organization and across its supply chain. When local labor laws or practices conflict with the organization's CSR policies, HR needs to be the voice of the individual and ensure that the company maintains its integrity.

Roles and responsibilities of human resources:

In the past, the function of human resources was typically considered a cost center and an administrative overhead. The human resource departments focused on short-term gains and savings. They focused on administrative efficiency and compliance activities. They tended to expense investments in talent intangibles rather than capitalize and tended to raise short-term earnings by cutting discretionary expenditure on people development (Guthridge, Komm and Lawson, 2008; Hamel and Prahalad, 1994; Schuler and Jackson, 1987, Bryan, 2007). Such tendencies achieved short-term successes but

encountered long-term problems when the objectives were achieved at the expense of employee productivity. The role of modern human resource departments is to focus on organizations' long-term objectives. Instead of focusing exclusively on internal human resource issues, modern human resource department takes a balanced and broader approach. They place emphasis on future-oriented plans and objectives and value adding initiatives (Adler and Ghadar, 1990; Adler, 1997; Kobrin, 1988; Milliman et al., 1991; Tung and Punnett, 1993).

Conclusions

Globalization is an important strategic factor that influences organizations that compete for customers with high expectations for performance, quality, and low cost. Globalization drives people to change their ways of living, prompts firms to change their ways of conducting business, and, spurs nations to establish new national policies. In an increasingly borderless and globalised world, organization must be able to adapt and react proactively as well as rapidly to the demands and requirements of the changing environment in order to survive.

There are more workers retiring than entering the labor force in these countries. By 2020, for every five retiring workers, only four new workers will join the labor force in most developed countries. The shrinkage of talent will be more than compensated by growing number of professional talent produced in emerging nations, yet the global supply of talent is short of its long-term demand, and the gap is a challenge for employers everywhere. The demand for talented people is increasing from developed and developing countries alike. Only the multinational enterprises that will be willing to adapt their human resource practices to the changing global labor market conditions will be able to attract, develop and retain high performing employees, and will likely survive, and succeed in the global competition. Management of culturally diverse and geographically dispersed workforce is a key goal of global human resources. It is also critical that the businesses not only familiarize with local

ways of doing business, and understand needs of the local consumers, but also develop a global mindset among their employees. Human resources must play roles and responsibilities in leading the organization towards openness to cultural diversity. The human resources need to focus on organizations' long-term objectives and on future-oriented plans. Instead of focusing exclusively on internal human resource issues, human resource departments need to take a balanced and broader approach. HR departments of global companies must assemble data on factors, such as employees, attrition and hiring, compensation and benefits, ethnic, gender, cultural, and nationality distributions, and load into data warehouses and data marts.

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CHALLENGES AND OPPORTUNITIES IN THE COMMERCE EDUCATION IN INDIA: A REVIEW

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Abstract

Commerce education has vital role in this context as it gives maximum employment opportunities to youth. But there is lot of flaws in imparting commerce education. But commerce education is that area of education which develops the required knowledge, skills and attitudes for the handling of trade, commerce and industry. The existing commerce education has emerged in the form of Chartered Accountant, Cost and works accountant, Company secretary, Business administrator, etc. Commerce education is a totally different from other disciplines. Hence, it must charter new routes to service the aspirations of the nation. This paper presents a conceptual framework in the context of growth of commerce education, its opportunities, major problems which hamper the quality of commerce education and the steps required to improve the quality of commerce education. In other words, this paper addresses and focuses on challenges and opportunities of commerce education in India.

Key words: commerce education, on-line education, e-commerce, prospects, challenges.

Introduction

The first Commerce school was established in Chennai in 1886 by the Trustees of Pachiyappa's Charities. Commerce classes started in the Presidency College, Kolkata, in 1903. The Sydenham College of Commerce and Economics was established in 1913 as the first institution for higher education in Commerce. In post-Independence period, Commerce education has emerged as one of the most potential pursuits in the wake of industrialization, Economic development and techno-managerial revolution. Commerce has grown from a subject to a full-fledged faculty in most of the universities and had acquired a pride of place amongst different academic disciplines (Sawlikar, 2012). Now-a-days commerce has become the lifeline of every country. The level of development and the standard of living of the people are linked to the

state of commerce in a particular country. No country can progress without the development of commerce. Commerce education is that area of education which develops the required knowledge, skills and attitudes for the successful handling of trade, commerce and industry. The main objective of commerce education is to provide knowledge and skills related to commerce related activities (Varghese and Santhosh, 2005).

Moreover, commerce education is a living discipline and is totally different from other disciplines. Hence, it must charter new routes to service the aspirations of the nation. To manage the economic development of the country and to meet the growing needs of the society, there is greater demand for sound development of commerce education in Indian Universities. But, what has been going in the name of Commerce education is only liberal and general education. Is

that the objective of commerce education? In the process of catering to everybody, we are not able to cater to the needs of anybody (Gajjar, 2013). **Commerce** is an organized system for the exchange of goods between the members of the industrial world.

"Commerce is that part of business which is concerned with the exchange of goods and services and includes all those activities which directly or indirectly facilitate that exchange."

-James Stephenson.

As a branch of knowledge, Commerce imparts experience of business world at large in all its manifestations. It prepares its learners for personally fruitful and socially desirable careers in the field of business. Chessman defined Commerce Education as – "Commerce education is that form of instruction which both directly and indirectly prepare the business man for his calling". During the post-independence era, commerce education has emerged as one of the most factors in the wake of industrialization (Desai, 2005).

Global perspective

The business schools around the developed countries like US, Germany or Canada, it is found that they have professionalized their curriculum and organized it on dynamic and systematic lines. Not only this, some developing nations like China, Japan and Singapore also have successfully promoting advanced commerce education. That is the reason why business education made its greatest progress in these countries. By realizing the limitations, identifying the decision points, analyzing institutional dependence and directing the business education in terms of its relevance, these schools are able to serve their basic academic mission and duty. In particular, business schools in these countries are able to offer specialized business education programs within all the different areas of business. For example, university like Texas Tech university of United States has separate schools for Accounting,

Finance, Marketing etc. and each school contains on an average twenty (20) specialized faculty members. Further if we click on the personal profiles of an accounting faculty of this university, we will find him a specialized expert in accounting only. Unlike our universities where a marketing professor is also expected to teach finance without having the necessary expertise. There is no room for such a misleading structure in American business schools. Unfortunately we are unclear and unspecific about our own specialized field. The Curriculum Vitae of many commerce faculty in our country are with knowledge in several fields but very few with world class expertise on any particular field. This is one of the reasons that commerce departments across Indian universities are incapable in producing quality research. Never, we come across the news of any path breaking research which could have attracted the attention of Government in general and corporate world in particular or have been capable of offering solutions to a problem (Deo, 2012).

Importance of commerce education

Commerce education in our country has been developed to support the growing manpower needs of business enterprises. The education imparted to the students of commerce intended to equip them with the specialized skills useful in different functional areas of trade, commerce and industry. Continuous supply of quality manpower is essential for the growth of the industry sector. This necessitated the skilled manpower to manage the process of industrial reconstruction and the rapidly growing trade and commerce. However, over the years, there has been a fundamental shift in the very approach of commerce education from a professional to a theoretical education. With a quantum jump in business scenario, there is a need to redefine the commerce education in the changing scenario and strengthen it further. The commerce education plays an essential role in today's dynamic business environment. The rapid trend of globalization and technological changes have made difficult for organizations to survive in the

competitive world. As a result the importance of commerce education has been increased. Business executives need to update their skills due to sudden changes in the external environment. Due to the increasingly complex nature of organizations and businesses, there is a need that the business schools impart relevant, current and cutting edge knowledge to the students. The School of commerce should play pivotal role in equipping our future dynamic managers with the emerging trends of commerce skills to face the challenges of dynamic business world (Gajjar, 2013). Moreover the importance of trade and commerce/commerce education is mentioned in the following points:

Commerce tries to satisfy increasing human wants:

Human wants are never ending. They can be classified as 'Basic wants' and 'Secondary wants'. Commerce has made distribution and movement of goods possible from one part of the world to the other. Today we can buy anything produced anywhere in the world. This has in turn enabled man to satisfy his innumerable wants and thereby promoting social welfare.

Commerce helps to increase our standard of living

Standard of living refers to quality of life enjoyed by the members of a society. When man consumes more products his standard of living improves. To consume a variety of goods he must be able to secure them first. Commerce helps us to get what we want at right time, right place and at right price and thus helps in improving our standard of living.

Commerce encourages international trade

Through commerce we can secure a fair and equitable distribution of goods throughout the world. With the help of transport and communication development, countries can exchange their surplus commodities and earn foreign exchange, which is very useful for importing machinery and sophisticated technology. It ensures faster economic growth of the country.

Commerce benefits underdeveloped countries

Underdeveloped countries can import skilled labour and technical know-how from developed countries. While the advance countries can import raw materials from underdeveloped countries. This helps in laying down the seeds of industrialization in the underdeveloped countries (Gajjar, 2013).

Objective of the study

The objectives of the study are:

- a. To examine the various challenges relating to commerce education in India.
- b. To explore the different opportunities in front of commerce education in India.

Research methodology

This study is based on secondary information. The information for the present study is obtained from a number of sources such as books, journals, periodicals, newspapers and different websites. The paper is conceptual in nature and mainly based on review of existing literatures and study materials.

Challenges before commerce education

Presently, the business world feels that the commerce graduates and post-graduates degree holders lack in right kind of skills, practical knowledge and exposure to outside business world, which are needed. To realize the mismatch between the product and the demand, there is an urgent need to overcome the existing business education system and require coping up with the fast changing Liberalization, Privatization and Globalization era. The problems faced by the commerce graduates and post-graduates are of a great concern for the students, academicians, business world and even for parents, as the students are only oriented towards classroom theoretical related skills, lack of communication skills, lack of IT knowledge and global scenarios etc. Therefore, there is an urgent need to explore some measures to overcome these challenges. After completing course in the field of commerce and management, student can encourage joining

any private or government organization as a specialist in any of the streams of commerce and they can also pursue professional courses such as Chartered Accountant, Cost and works Accountant, Company Secretary, Chartered Financial Analyst. A graduate in commerce can undergo careers in Financial Services and Financial consultant, financial portfolio manager, financial analyst, tax consultant, fund manager and security dealer and also a good entrepreneur etc. Commerce graduates can further pursue careers in Management Such as:

- i) Personnel Management
- ii) Production Management
- iii) Financial Management
- iv) Marketing Management
- v) Materials management
- vi) Hotel Management
- vii) Hospital Management
- viii) Tourism Management
- ix) Event Management
- x) Office Management
- xi) Export/Import Management etc.

Challenges in commerce education

Today, the business world feels that the Commerce graduates and post-graduates lack in right kind of skills which are needed. Now the time has come to realize the mismatch between the product and the demand. We have to adopt market orientation to our products to make them saleable. There is an urgent need to overhaul the existing business education system to cope up with the dynamic world. The problems faced by the business graduates and post graduates are of a great concern for the students, academicians, business world and even for parents. The reasons are many and they are oriented towards classroom theoretical teaching, lack of practical and work related skills, lack of communication skills, parochial and not global in values and thinking, lack of base of information technology, etc. The traditional Commerce education has become irrelevant in the new era of globalization. The impact of globalization on the corporate sector has suddenly created a demand for trained

human resource of business education with innovative ideas, new approaches in business as well as professional skills. In order to fill the gap in this regard a new orientation requires to be given to the discipline of commerce education. Keeping in mind the significance of modern commerce education, the Indian government has liberalized the commerce and business education market since 1990s, resulting in an unprecedented growth in the number of commerce and management institutions mostly through private participants. The students now have a vast choice regarding the institutions in which they want to study. Since the commerce graduates and post-graduates produced by these institutions are primarily absorbed by industry, there is a growing need to match the curriculum and structure of business education to better fit the needs of changes in both in the industrial and services sectors within the country. Moreover, it is important to properly assess the quality of commerce education imparted to the students in various institutions for proper decision making regarding selection and recruitment by potential employers (Ahirrao and Rodiya, 2012).

As we know that commerce is considered as one of the most popular career options in India. Commerce education is the backbone of the business and serial development of the nation. This education stresses on developing the people and making effective use of available resources. Commerce education develops the relationship of people with one another. Commerce education covers wide area of business and society. Commerce education provides to the business and society that how to use it for the betterment of self and oneself. Commerce education gives to the people for democratic living, good citizenship and proper utilization of resources. It provides skill oriented education to students and society. However some of the challenges which are listed below:

- a. Challenges and Strategies for controlling inflation and promoting growth.
- b. Emerging issue in global Economy, Commerce and Management.

- c. Internationalization of Financial Market in the World.
- d. Role of Foreign Direct Investment and Foreign Institutional Investment.
- e. Reform in Indian and International Economic Sectors.
- f. Challenges and Strategies of IMF and WORLD BANK for International competition.
- g. Challenges and Strategies merger and acquisition strategies for Trade, Commerce and Industry in World.
- h. Challenges and Strategies for commodities markets in the world and in currency market in International scenario. Challenges and Strategies for export and import of Trade, Commerce and Industries in global scenario.
- i. Challenges and Strategies for Stock Market and Investors for International competition.
- j. Challenges and Strategies in Currency Market in International scenario (Sawlikar, 2012).

Opportunities

At the undergraduate level, Bachelor of Commerce, a three year full time course and Master of Commerce at the postgraduate level. After completing course in the field of Commerce, a student can join any private institute or government organization as a specialist in any of the Commerce stream and they can also pursue professional courses such as Company Secretary, Chartered Accountant and ICWA.

A graduate in Commerce can also opt careers in financial services as a Financial Consultants, Stock Brokers, Merchant Bankers, Budget Consultant, Financial Portfolio Manager, Project Formulation Manager, Tax Consultants. Careers in Management are also available in the field of Personnel Management, Production Management, Financial Management, Marketing Management, and Material Management, other areas of Management such as Hotel Management, Hospital Management, Tourism Management,

Event Management, Office Management, Export and Import Management. Banking and Insurance Companies can also call for Commerce graduates and post graduates with specialization of Insurance. Industrial segment also call for Commerce graduates and post graduates with specialization of accounting skill including Computer Technology (Sawlikar, 2012). With the requirements of business and industry, independent professional courses like Chartered Accountancy, Company Secretary Course, Cost Accountancy, Hotel Management, Chartered Financial Analyst and so many other market oriented courses have raised their heads and the cream of general commerce education generally goes to these professional courses and the traditional commerce education exists now only as an academic discipline imparting general and liberal education (Dey, 1996).

As we mentioned earlier that the traditional Commerce education is slipping down in its relevance so the impact of globalization on the corporate sector has created a demand for qualified human resource with innovative idea and professional skills and specialized outlook. Commerce education in the 21st century has reached a critical phase of its life cycle when no longer it is possible for this branch of study to overlook its emergent contextual realities. Our market is vast and its requirements are varied and complex. Hence, we have to provide for varied courses and not one straight jacket with plethora of subjects without going deep in any particular branch of the subject. The changes are very fast and our courses also must keep pace with the changes. While our universities are growing at a steady pace, the rest of the world is speeding up. The year 1991 witnessed major shifts in economic and social development policy in India which opened its economy to world market by adopting a policy of economic liberalization. This in turn posed the challenges for higher education in general and commerce fraternity in particular to produce competitive and suitable human resources. As the economy becomes more industrialized and society becomes more complex, the knowledge and skills required to deal with the situations also change. Hence, for

enabling students to acquire the desired capabilities, contents of courses and their combinations need to be revised, diversified and made more flexible. However, little attention is paid to these necessities. Therefore there is an urgent need to overhaul the existing business education system to cope up with the dynamic world.

- The commerce curriculum must provide for a focused education preparing the student for innovative entrepreneurial and leadership roles in business and society.
- The discipline's academic focus has to be clearly defined and differentiated from those of application oriented courses.
- There is need to bring standardization in course structure, examination and evaluation system across Indian universities.
- There is desperate need to make commerce education proactive and practical by leveraging the development in the Information Technology.
- Enormous attention has to be paid towards personality development of our students that could mitigate complications for them as job seekers. While re-designing the commerce curriculum, efforts should be made to make personality development training as a regular part of the curriculum.
- In particular, there is urgent need for soft skills development for the commerce students (which is very much lacking) to make them confident in their presentations, interviews, speech etc. Mere hard skills won't make students employable and enable them to sustain in the professional life and mark impression in the workplace. There should be a survey of requirements of business and industry to find out their requirements of men and skills. If the courses are designed as per the requirements and the students are trained on those lines, then, the courses become pertinent and the product saleable.
- The contents and delivery system must be tailored to meet the specific needs of the target groups for whom the courses are

designed. The quality business education in India is limited to top-tier business school such as IIMs and other top class business schools. The numbers of students graduating from these schools are very low compared to the needs of the country. Many times such graduates are lured by lucrative offers from the western world. This leaves the ground to the graduates from the college and university systems. Hence, quality of business education can be enhanced with more attention to relevance and application to cater the vast requirement (Deo, 2012).

There should be hike in fees structure for the students pursuing their B.Com and M.Com courses. Majority of the problem remains unsolved for want of funds. The additional money generated from additional fees may be utilized for providing additional infrastructural facilities viz., books, journals, computer education etc. lecture methods of teaching should be supplemented by other methods. If the course is market oriented, student will not hesitate to pay extra fees. Internal resource generation is the need of the hour for colleges and universities. Audio-visual aids need to be used in imparting commerce education (Bhattacharjee and Adhikari, 2010).

Conclusion

In a growing economy, much of the expansion takes place in service sector (tertiary sector) which particularly requires the type of skills and knowledge that our courses offer. The much needed practical bias also can be brought in with the developments in information technology and R&D. Our market (i.e., demand for graduates having the knowledge of commerce and business studies) is vast and their requirements are also diversified in nature. Hence, "commerce education" is to provide for varied courses and not one straight jacket. The changes in the business world are very fast, so courses must keep pace with the changes. Therefore, one should adopt the changing environment. One cannot stop suddenly what is happening. But it can plan for the future and to develop micro specializations

which are skill oriented or job oriented and introduce with new nomenclature and in selected colleges which are financially sound and have the necessary infrastructure facilities.

As we know that commerce education provides numerous opportunities to the students for employment but due to lack of employable students, they are not in a position to enjoy fruitful results. All the participants involved in commerce education, viz., universities, colleges, faculty members, students and society, at large, along with the regulatory body and Government are equally responsible for the current prevailing scenario in India. All need to come and work together selflessly to bring positive changes in the interest of the students as well as for the society for a better future.

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