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The second annual convocation of Kolhan University, Jharkhand was held on November 28, 2016. Governor of Jharkhand, Draupadi Murmu attended the convocation ceremony as the chief guest. On this occasion, a total number of 14000 students were conferred degrees. Dr. R. P. P Singh Vice- Chancellor of the Kolhan University mentioned that world would see various changes in the coming years and the youth of the Jharkhand have the potential to usher in that change. Saryu Rai, minister of parliamentary Affairs, Food, Public Distribution & Consumer Affairs in the state of Jharkhand and Dr. NeeraYadav, the Minister of Human Resource Development in government of Jharkhand were also present in the convocation ceremony.



From 22- 24 September 2016, Department of Hindi of Jamshedpur Co-operative collage organized a national seminar on, हिन्दी सिनेमा में अभिव्यक्त भारतीय समाज और संस्कृति : दशा और दिशा

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Dr. Shukla Mohanty

Principal, Jamshedpur Womens', College
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Former Pro Vice Chancellor, Kolhan University, Jharkhand

Message From The Guest Editor's Desk

It is my great privilege to introduce you the Vol. IV, Issue XVIII of Jamshedpur Research Review. I am pretty hopeful that all the articles of this issue would be rewarding to the readers and serve as a verdant landscape of scientific and literary outpourings to support teaching and research for the sake of social & economic justice and propagation of humanity throughout the world.

The first paper of this issue, 'Impact of agricultural terms of trade on agricultural production in India in the post-reform period' enunciates that the prices have moved in favor of agriculture the terms of trade have an impact on the output of agriculture sector and, a relative improvement in the prices received by the agriculture sector has a positive influence on its output in the post-reform period.

The second research paper of this issue, 'Demonetisation: a step towards corruption free India' asserts that the declaration of demonetisation of ₹500 and ₹1000 banknotes, a step taken by the Government of India on 8 November 2016, ceasing the usage of all ₹500 and ₹1000 banknotes of the Mahatma Gandhi Series as a form of legal tender in India from 9 November 2016, is not only a combat against the black money but also a very strong step towards 'structural reform', targeted at reshaping public attitudes towards currency with a view to move the country towards a cashless economy. However another paper on the similar topic " Politics around black money" puts question marks over the demonetisation policy of the current government and stresses that all political parties should come under the radar of Right to Information Act. The paper titled 'Human resource management practices in private sector banks: a study of Varanasi district' nicely evaluate the HR Management policy of a private sector banks.

The paper titled 'growing environmental concerns and their remedies: a global perspective' explains the scientific values lie in Vedic rituals to tackle with Environmental Issues. The paper titled 'Applicability of trade-off and pecking order theory in transport and chemical industry' describes the applicability of trade-off and pecking order theory in the transport sector (service) and chemical sector (manufacturing) firms of Indian corporate sector. The results of the study revealed that determinants affecting capital structure decisions are not same for transport sector and chemical sector and the predictions of the two main theories of capital structure i.e., trade off theory and pecking order theory are not applicable in the same manner in both sectors. The paper titled 'CSR an effective tool for improving emotional quotient of people' explains the situations that cause stress amongst the individuals and impact their behavior and highlights the need of CSR Spending in improving EQ level of people. The paper concludes that CSR can be an effective tool for improving emotional quotient of people. Bhitarkanika National Park is a National Park located in the Kendrapara District Odishahas been designated as a National Park since 1998. The paper titled economic impact of tourism -a case study of Bhitarkanika wild life sanctuary' studies the impact of eco-tourism on the socio-economic life of the local community. The paper titled 'growth and development of Indian mutual fund industry: a perusal' describes mutual funds as an investment vehicle have gained immense popularity in the current scenario. Ruskin Bond is one of the great short writers of India in English. He takes his readers to the world of innocence and pure delight far from the madding crowds of the insensitive world. He has quality to discover paradise and beauty in ugliness and joy in tears. While reading his stories, the readers re-live their childhood. The paper titled 'Eco criticism and literature: a study of Ruskin Bond's "tiger tiger burning bright"' unearths the Eco criticism, which interprets literature in the context to save the environment and save humanity from apocalypse. The paper written by Lt. Dr. V. Parimala Venu describes the relevance of English essay in modern times.

Mahesh Dattani is the one who takes up the challenge of re-instilling the humanity in the society divided as Hindu and Muslim through his writings and stage craft. His drama "Final Solutions" is one of the contemporary literary efforts to introspect and analyze the issue of communalism and reinstate our faith in humanism. The research paper 'Instilling humanism amidst pride and prejudice in "Final Solutions" by Mahesh Dattani' attempts to examine and put forward his efforts to propagate the idea of humanity.

Date: 1 December 2016

With Best Wishes

Dr. Shukla Mohanty



Dr. Mithilesh Kr. Choubey
Editor-in-Chief
Jamshedpur Research Review

Message From The Editor-in-Chief's Desk

Towards Cashless Society

A cashless economy is one in which all the transactions are done using cards or digital means. The circulation of physical currency is minimal. In India too much cash is used for transactions. Reducing Indian economy's dependence on cash is needed for a number of reasons. According to a 2014 study by Tufts University, cash operations cost the Reserve Bank of India (RBI) and commercial banks about Rs.21,000 crore annually. But it is not a matter of cost only, a shift away from cash will make it more difficult for tax evaders to hide their income. Opening bank accounts for the unbanked and adoption of direct benefit transfer is part of the overall idea to reduce usage of cash and increase transparency. The recently launched Unified Payments Interface by National Payments Corporation of India makes digital transactions as simple as sending a text message. According to a 2015 report by Price water house Coopers, India's unbanked population was at 233 million. Even only 50 percent debit and credit cards are operational in the country. RBI data at end-March 2016 shows 24.5 million credit cards and 661.8 million debit cards in the country, compared to 1.3 million PoS terminals. Country's 90% of the workforce, which produces nearly half of the output in the country, works in the unorganized sector. Making the unorganized sector become cashless is difficult. The success of the government drive towards cashless economy will depend on a number of things such as awareness, technological developments and government intervention. For instance, mobile wallets have seen notable traction, and it is possible that a large number of Indians will move straight from cash to mobile wallets.

The quality and cost of telecom network will play an important role. Indians will only shift when it's easier, certain and safe to make cashless transactions. Government will have to find ways to incentivize cashless transactions and discourage cash payments. Implementation of the goods and services tax, for example, should encourage businesses to go cashless. Reducing the interchange fee charged on credit cards and bringing these at par with debit cards is also needed to popularize card payments. 1.98 per cent in the case of Credit Card spending and 0.5-1 per cent in Debit Card spending of the total amount is interchange fee by the bank and the card players. This amount is paid by the merchant and is split between the bank that issued the card, the lender whose PoS machine is being used and the payment system — RuPay, Visa or MasterCard. Most of the merchants fail to differentiate the difference between credit and Debit Card at the time of swiping it. As a consequence, they charge a flat two per cent for both debit and credit cards, which has been proving a bit of a constraining. Therefore, the charges for credit cards have to be brought at parity to change that impression. There is a need to working at ways in which card payers needn't pay an extra/surcharge for fuel, utility bills and railway bookings, a move approved earlier by the government. India's cash-to-gross domestic product proportion was a little over 12 per cent in 2014, higher than several other economies. The government will have to create conditions to push cashless transactions to a level after which the network effect will take over. India may not become a cashless economy in the foreseeable future, but it needs to reduce its unusually high dependence on cash to bring in much needed transparency and efficiency in the system.

Date: 1 December 2016

With Best Wishes

Dr. Mithilesh Kr. Choubey

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IMPACT OF AGRICULTURAL TERMS OF TRADE ON AGRICULTURAL PRODUCTION IN INDIA IN THE POST REFORM PERIOD

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Abstract

The issue of terms of trade becomes important in the wake of the fact that the agriculture and industrial sectors are interdependent for their inputs as well as final demand and so the relative prices of the two sectors determine their pattern and direction of growth. The movement in agriculture terms of trade reflects the position of agricultural prices with respect to industrial prices and also have an impact on the agriculture supply response. The present paper attempts to study the movement in terms of trade in the post reform period and its impact on agricultural output.

Key Words: Terms of trade, growth, and agriculture supply response.

1. Introduction

The agriculture and industry sectors are closely related. Both sectors depend on each other in one way or the other. The linkages between agriculture and industry can be production linkage, demand linkage, backward as well as forward linkage. The production and demand linkages arise from cause of interdependence between the sectors while forward and backward linkages arise from the direction of interdependence. The production linkages arise from the interdependence of the sectors for meeting the needs of their productive inputs and the demand linkage arises from the interdependence of the sectors for meeting the needs of their final consumption. Further the backward linkage identifies how a sector depends on others for their input supplies and the forward linkage determines how the sector distributes its outputs to the remaining economy. These two linkages indicate the potential capacity of each sector to stimulate the other sectors of the economy and then reflect the role of this sector accordingly (Saikia, 2009)¹.

The interrelationship between agriculture and industry has been one of the major issues for the researchers and policy makers since the beginning of the planning period in India more so because ours is a predominantly agrarian economy and we had inherited an agro-based industrial structure. In the pre and early post-independence period, the industry sector shared a close relationship with agriculture due to its agro-based nature (Satyasai and Viswanathan, 1997)². This close interrelationship brings to the fore the issue of terms of trade between agriculture and industry because the relative position of the two sectors with respect to each other determine and affect the growth patterns of the two sectors and hence also impact the distribution of the fruits of growth.

1.1 Concept and Definition of Terms of Trade- In order to study the relative position of two sectors the concept of terms of trade is used.

A terms of trade index or more generally Net Barter Terms Of Trade (NBTOT) is defined by:

$$NBTOT = \frac{P_x}{P_m}$$

where, P_x and P_m refer to composite price indices of exports and imports, respectively (Deb,2006)³.

In Indian context several studies have been undertaken involving the issue of terms of trade which range from construction of terms of trade using different methodologies to the ones exploring the relationship between terms of trade and output, capital formation, technology adoption, growth-poverty relationship, rural wage earnings, to name a few.

2.Review of Literature

2.1Construction of terms of trade- Several attempts have been made to calculate terms of trade in India both by individual economists as well as government. The very first study on the construction of terms of trade has been undertaken by Thamarajakshi in 1969 who provided estimates of Net Barter Terms of Trade and Income Terms of Trade from 1951/52 to 1965/66 using a derived set of weights to aggregate the wholesale price indices (WPI) of individual commodities traded between agriculture and non-agriculture. Altogether 13 commodities have been taken to represent the total purchases by agriculture from non-agriculture out of which 7 are meant for purpose of intermediate use and 6 for final use and 18 commodities have been taken to represent the total sales by agriculture to non-agriculture out of which 12 are meant for intermediate use and 6 for final use. The value of sectoral purchase of individual commodities has been used to derive commodity weights (Thamarajakshi 1969)⁴. In later years Kahlon and Tyagi have given their calculations of terms of trade. In this study they have selected a17 commodities from the 26th Round of NSS consumption expenditure survey data for cultivator households to represent the final consumption by agriculture. A total of 17

commodities have been chosen from the information available in National Accounts Statistics (CSO) to represent agriculture's intermediate purchases and 8 items for capital formation have been taken from the All India Debt and Investment Surveys of Reserve Bank of India. Altogether 22 commodities have been taken in the list of non-agriculture purchases from agriculture for final and intermediate use (Rajesh, 2012)⁵. Further Mungekar and Palanivel have advocated for the use of Farm Harvest Prices and retail prices in order to capture the components of prices received and prices paid by agriculture, respectively (Deb, 2002)⁶. In 1995 the Government of India appointed a task force to calculate terms of trade. The number of items purchased by agriculture taken has been 44 and the number of items sold by agriculture taken has been 48 (Misra, 2004)⁷. Thus, in different times different economists have provided estimates of terms of trade.

2.2 Inter-linkages between Net Barter Terms of Trade and other Concepts- There exists the whole issue of agricultural supply response to price incentives which has attracted attention of the economists across the spectrum. It remains a rather important issue in the wake of the fact that agricultural reforms are designed to turn the terms of trade in favour of agriculture (Hanumantha Rao and Gulati 1994)⁸. As far as the effect of terms of trade is concerned, in a study by Thamarajakshi no statistically significant impact of terms of trade on agricultural output has been found (Thamarajakshi 1977)⁹.

There are empirical evidences to show that a higher level of relative food price has resulted in a decline in the domestic savings rate of the economy (Ghosh, 1988)¹⁰. Many studies show that although a rise in agricultural NBTOT affect the rural household saving favourably but it did not happen in the case of the corporate or public sector savings in India (Rangarajan, 1982a and Ahluwalia and Rangarajan,1989)¹¹⁻¹². Misra and Hazell, argue that favorable shifts in terms of trade witnessed after the onset of economic

reforms have helped to increase overall agricultural production in India (Misra and Hazell, 1996 and Misra, 1998)¹³⁻¹⁴.

There exists a relation between agricultural prices and public investment. An increase in the agricultural process is bound to affect public investment adversely. This is so because a higher agricultural prices means a lower industrial income and the tax revenue to the government comes from industrial income so a lower industrial income would mean a lesser collection of the tax revenues resulting in lesser public investment (Raj, 1976 and Vaidyanathan, 1977)¹⁵⁻¹⁶. As per some studies there exists positive relation between the terms of trade and technology (High Yielding Variety) adoption as well as the spread of canal and private irrigation (Fan and Hazell, 2000)¹⁷. While on the other hand in a separate study it has been found that an increase in Terms of Trade lowers the total factor productivity growth and government expenditure in agriculture (Desai and Namboodiri, 1997b and 1998a)¹⁸.

3. Methodology

The present paper attempts to construct terms of Trade between agriculture and industry using GDP Deflator of both the industrial and agriculture sectors. The agriculture sector's GDP is equivalent to the estimates corresponding to the agriculture, fishing and forestry sector of the National Accounts Statistics data and the

industrial sector's GDP is equivalent to the GDP estimates coming from industrial sector manufacturing and electricity, gas and water supply combined. Altogether three indices of terms of trade indices have been constructed with different base years covering the period from 1993 to 2016. Finally a splices index of terms of trade has been presented with 1993-94 as the base year. In a separate section the test of stationarity of the individual series has been presented. The production of foodgrains is taken as a proxy for the agriculture sector's output to study the growth in agriculture sector and is used to study the impact of terms of trade on agricultural growth in one of the sections. An another section attempts to find if there exists any long term relation between terms of trade and output of agricultural sector.

3.1 Movement in terms of Trade- 3.1.1 GDP deflator and Terms of Trade with 1993-94 as the base year-

The table below shows that for the period 1993-94 to 2004-05, out of eleven years excluding the base year the terms of trade have remained unfavourable, that is, below 100 for two years namely 1994-95 and 1995-96. The terms of trade have risen consequently for the triennium ending in 1998-99, after which fluctuations both positive and negative are noticed. Overall an increase of 12.73 percentage points from 98.7159 to 111.283 in 2004-05 has been registered in the terms of trade.

Table 1: GDP Deflator Terms of Trade between Agriculture and Industry(1993-94=100)

Year	GDP Deflator for Agricultural Sector (1993-94=100)	GDP Deflator for Industrial Sector (1993-94=100)	Terms of Trade between Agriculture and Industry (1993-94=100)
1993-94	100	100	100
1994-95	109.7143	111.141	98.7159
1995-96	120.3301	120.642	99.7416
1996-97	131.3353	125.071	105.009

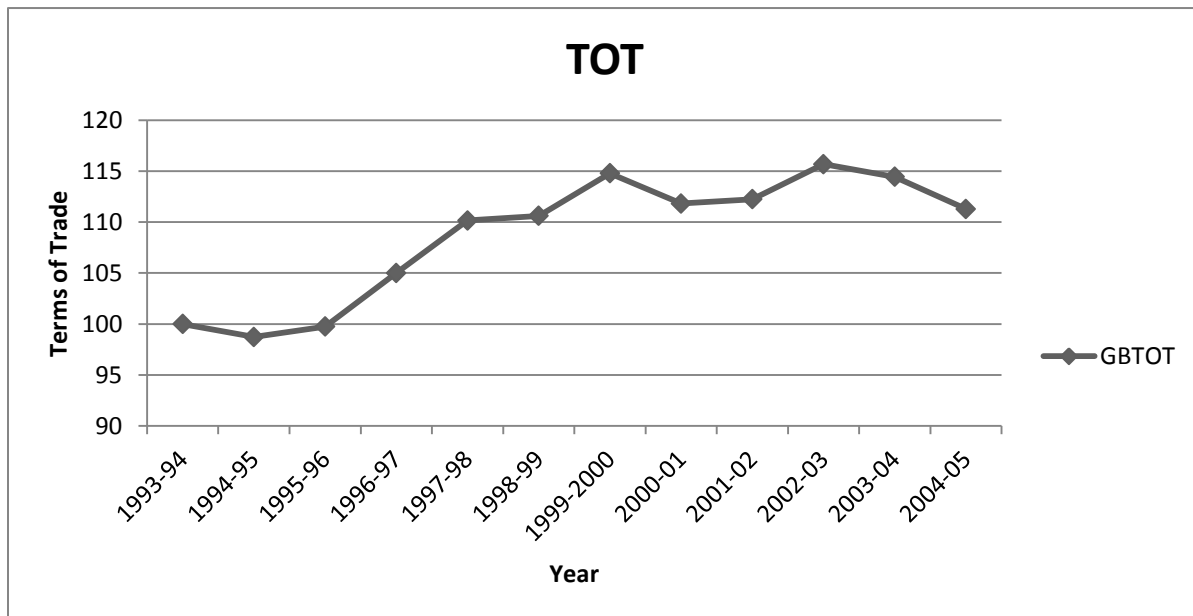
1997-98	140.1741	130.43	110.146
1998-99	154.6673	139.843	110.601
1999-2000	160.9726	140.248	114.777
2000-01	163.4236	146.15	111.819
2001-02	167.5829	149.304	112.242
2002-03	179.208	154.919	115.678
2003-04	185.2101	161.835	114.444
2004-05	190.3886	171.084	111.283

Source: Author's own calculation from National Accounts Statistics Data (NAS).

The figure below shows the variation in terms of trade during the period from 1993-94 to 2004-05. As the figure reflects wide fluctuations have been registered in the movement of terms of trade which, although, has an overall upward trend for maximum time during the period under

consideration. However during the terminating years the trend has been on the downward side. The terms of trade reached a maximum value of 114.777 in 1999-2000, fell thereafter only to rise again in the triennium ending in 2002-03, after which it has declined again.

Figure 1: Movement in Terms of Trade for the period the period 1993-94 to 2004- 05 with 1993-94 as the base year



Source: Author's own calculation from NAS data

3.1.2 GDP deflator and Terms of Trade with 2004-05 as the base year- The table below gives the estimates of GDP deflator for agriculture and industry sector and terms of trade for the period 2004-05 to 2013-14 with 2004-05 as base year. As the table shows the

terms of trade have improved from 102.80 in 2005-006 to 148.22 in 2013-14 registering an increase of 44.18 percentage points. The terms of trade have remained in favour of agriculture and improved over the period under consideration.

Table 2: Terms of Trade between Agriculture and Industry(2004-05=100)

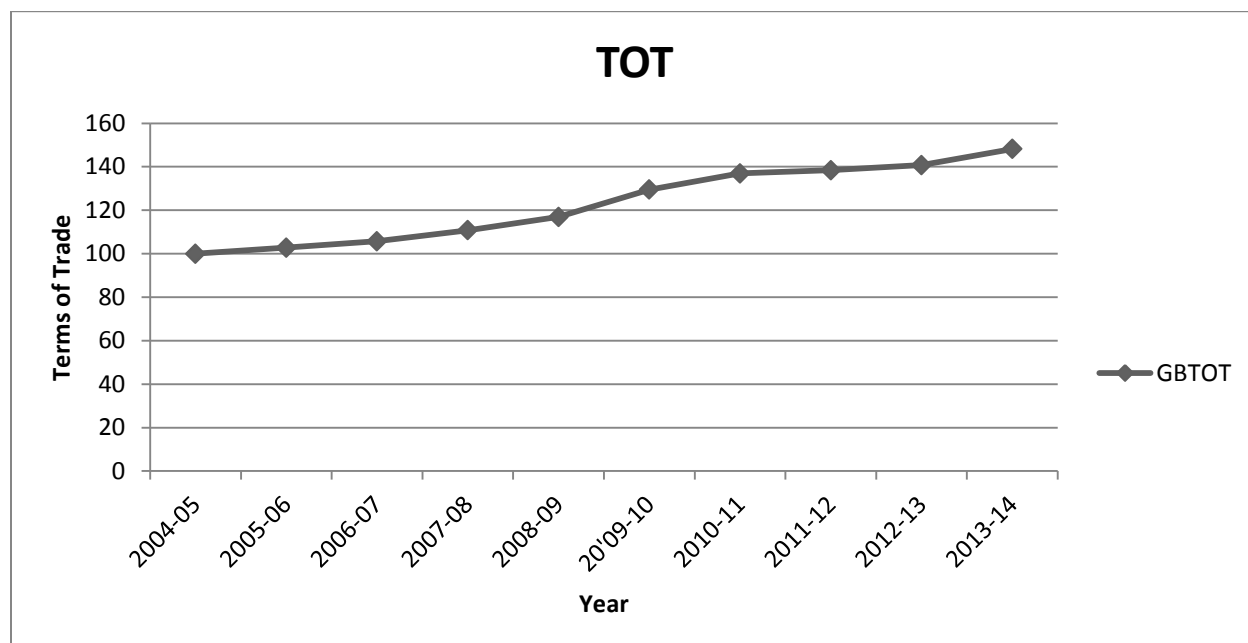
Year	GDP Deflator for Agricultural Sector (2004-05=100)	GDP Deflator for Industrial Sector (2004-05=100)	Terms of Trade between Agriculture and Industry
2004-2005	100	100	100
2005-2006	107.281068	104.351021	102.807875
2006-2007	116.762868	110.431642	105.733162
2007-2008	127.697075	115.250041	110.800026
2008-2009	143.849294	122.998518	116.952055
2009-2010	163.9236475	126.553497	129.529133
2010-2011	183.8479049	134.2376359	136.9570491
2011-2012	198.8637	143.6879	138.3997
2012-2013	215.1608	152.8798	140.7385
2013-2014	238.1304	160.655	148.2247

Source: Author's own calculation from NAS data

The figure below reflects the upward trend in the terms of trade between agriculture and industry based on the GDP deflator for the period 2004-05 to 2013-14. The figure shows that the terms

of trade have remained above 100 and also increased during these ten years.

Figure 2: Movement in Terms of Trade for the period the period 2004-05 to 2013-14 with 2004-05 as the base year



Source: Author's own calculation from NAS data

3.1.3 GDP deflator and Terms of Trade with 2011-12 as the base year- A glance at the table below shows the movement in terms of trade for the period 2011-12 to 2015-16 which have

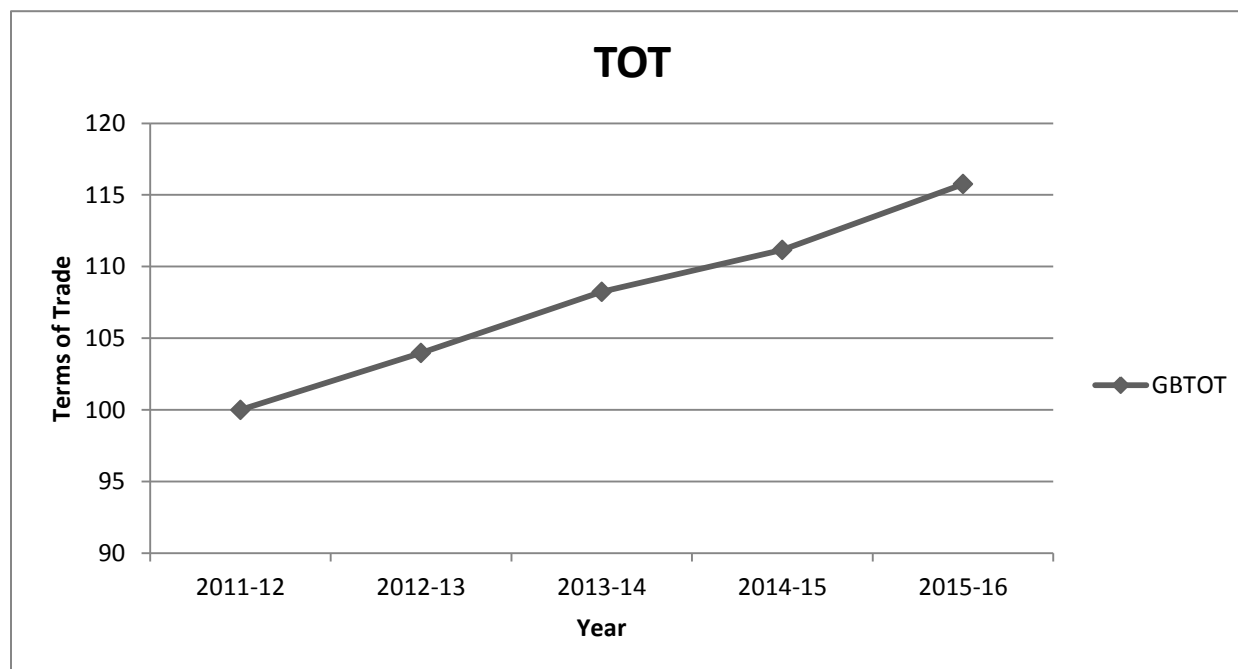
improved from 103.97 in 2012-13 to 115.16 in 2015-16 registering an increase of 10.76 percentage points over the years.

Table 3: Terms of Trade between Agriculture and Industry(2011-12=100)

Year	GDP Deflator for Agricultural Sector (2011-12=100)	GDP Deflator for Industrial Sector (2011-12=100)	Terms of Trade between Agriculture and Industry
2011-12	100	100	100
2012-13	110.8463	106.0472755	103.9722331
2013-14	120.1968	110.6684021	108.236752
2014-15	126.231	113.2925819	111.1630472
2015-16	130.48777	112.72978	115.7527

Source: Author's own calculation from NAS data

Figure 3: Movement in Terms of Trade for the period the period 2011-12 to 2015-16 with 2011-12 as the base year



Source: Author's own calculation from NAS data

3.2 Spliced Index of Terms of Trade with base Year 1993-94- This section presents the spliced indices of terms of trade which are based on the GDP Deflators of the agriculture and the industry sector. The indices of terms of trade for the other two periods corresponding to 2004-05 as base year and 2011-12 as base year have been spliced to the base 1993-94. The table below presents the spliced indices of terms of trade with base year 1993-94. As can be seen from the table the terms of trade have not only fallen from the base year but also remained against

agriculture in the years 1994-95 and 1995-96. Thereafter the terms of trade have risen for four consecutive years ending 1999-00 registering a compound annual growth of 2.25 percent. Thereafter the terms of trade fall in 2000-01 but rise again further consecutively during the triennium ending 2003-04. Ever since 2004-05 the terms of trade have risen throughout till 2013-14. The overall compound annual growth rate between 1994-95 and 2013-14 has been 2.6 percent. The last column presents the output of food grains in million tonnes as given by Handbook of Statistics and Economics published by Reserve Bank of India.

Table 4: Index of terms of Trade with 1993-94 as base year

Year	TOT	Food grains (in million tonnes)
1993-94	100	184.26
1994-95	98.7159	191.50

1995-96	99.7416	180.42
1996-97	105.009	199.34
1997-98	110.146	192.26
1998-99	110.601	203.61
1999-00	114.777	209.80
2000-01	111.819	196.81
2001-02	112.242	212.85
2002-03	115.678	174.77
2003-04	114.444	213.19
2004-05	111.283	198.36
2005-06	114.4077	208.60
2006-07	117.663	217.28
2007-08	123.3016	230.78
2008-09	130.1478	234.47
2009-10	144.1439	218.11
2010-11	152.4099	244.49
2011-12	154.0153	259.29
2012-13	156.618	257.13
2013-14	164.9489	265.04

Source: Author's own calculation from NAS Data and Handbook of Statistics and Economics (RBI)

3.3. Tests of Stationarity of the Spliced TOT index and Series of food-grain output- In order to study the impact of terms of trade on agricultural output the stationarity of each of these individual series of both the spliced index of terms of trade as well as the output of food

grains has been tested below using the Augmented Dickey Fuller test. The output of food grains is taken as proxy for agricultural output and changes in foodgrain output are taken to reflect growth of agriculture sector.

Augmented Dickey Fuller Test to check the stationary of the terms of trade index.

THE MODEL

The model assumes that TOT is a random walk with drift and a stochastic trend. Thus, the model becomes as follows:

$$\Delta TOT_t = B_1 + B_2 t + B_3 TOT_t + u_t \quad \dots \dots \dots (1)$$

where, TOT = terms of trade between agriculture and industry

t = time

u_t = error term and

B₁, B₂, and B₃ are the coefficients.

The null hypothesis is that B₃ in the above equation is equal to zero.

The results of the Augmented Dickey Fuller Test is presented in the table below.

Null Hypothesis: D(TOT) has a unit root
 Exogenous: Constant, Linear Trend
 Lag Length: 0 (Automatic - based on SIC, maxlag=4)

	t-Statistic
Augmented Dickey-Fuller test statistic	-2.877932
Test critical values: 1% level	-4.532598
5% level	-3.673616
10% level	-3.277364

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
 Dependent Variable: D(TOT,2)
 Method: Least Squares

Sample (adjusted): 1995 2013
 Included observations: 19 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(TOT(-1))	-0.686487	0.238535	-2.877932	0.0109
C	0.206078	1.982671	0.103940	0.9185
@TREND(1993)	0.213239	0.176085	1.211004	0.2435

As per the results obtained in the table above, it can be seen that the coefficient of the TOT_t is -0.686487 which is negative. Thus, the TOT time series will not be explosive. The critical 1, 5 and 10 percent tau values for the model are -4.532598, -3.673616 and -3.277364 respectively.

The computed absolute value of the tau statistic is 2.877932 which is less than the critical values at all levels of significance. This means that we accept the null hypothesis. Thus, the TOT series is non-stationary.

Augmented Dickey Fuller Test to check the stationarity of the foodgrains (PROD) index

THE MODEL

The model assumes that production of foodgrains (PROD) is a random walk with drift and a stochastic trend. Thus, the model becomes as follows:

$$\Delta PROD_t = B_1 + B_2 t + B_3 PROD_t + u_t \quad \dots \dots \dots (2)$$

where, PROD = output of foodgrains in million tonnes of foodgrains

t = time

u_t = error term and

B₁, B₂, and B₃ are the coefficients.

The null hypothesis is that B₃ in the above equation is equal to zero. The results of the Augmented Dickey Fuller Test is presented in the table below.

Null Hypothesis: D(PROD) has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=4)

	<i>t</i> -Statistic	<i>Prob.</i> *
Augmented Dickey-Fuller test statistic	-9.251627	0.0000
Test critical values: 1% level	-4.532598	
5% level	-3.673616	
10% level	-3.277364	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(PROD,2)

Method: Least Squares

Sample (adjusted): 1995 2013

Included observations: 19 after adjustments

<i>Variable</i>	<i>Coefficient</i>	<i>Std. Error</i>	<i>t</i> -Statistic	<i>Prob.</i>
D(PROD(-1))	-1.680488	0.181642	-9.251627	0.0000
C	-0.904139	6.945412	-0.130178	0.8980
@TREND(1993)	0.671320	0.568284	1.181310	0.2547

The coefficient of the PROD_t is -1.680488 is also negative which means that the PROD time series will not be explosive. The critical 1, 5 and 10 percent tau values for the model are, -4.532598, -3.673616 and -3.277364 respectively. The computed absolute value of the tau statistic is 9.251627 which exceeds the test critical values so we reject the null hypothesis and the PROD time series is

stationary. Thus, as per this random walk model with drift around a stochastic trend, the time series is stationary.

4. Test of Cointegration of the PROD and TOT Series

In the present section a test of cointegration of the two variables namely terms of trade between agriculture and industry and the foodgrain production in million tonnes is presented. Economically two variables are said to be cointegrated if they have a long term or equilibrium relationship between them. In the present case the two variables are terms of trade

between agriculture and industry (TOT) and foodgrain production in million tonnes (PROD) where TOT is the independent variable and PROD is the dependent variable. Further in order to verify if there is long run association among the two variables namely output of foodgrain (PROD) and terms of trade (TOT) the Johansen's Cointegration test has been performed. The results of the test are given in table below. The test is performed on the two variables taken in level form.

Sample (adjusted): 1995 2013

Included observations: 19 after adjustments

Trend assumption: Linear deterministic trend

Series: FOODGRAIN TOT

Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

<i>Hypothesized No. of CE(s)</i>	<i>Eigenvalue</i>	<i>Trace Statistic</i>	<i>0.05 Critical Value</i>	<i>Prob.**</i>
<i>At most 1</i>	0.079462	1.573149	3.841466	0.2097

Trace test indicates 1 cointegrating eqn(s) at the 0.05 level

As can be seen from the above table the probability value is less than five percent so we reject the null hypothesis of no cointegration. Thus, it is concluded that the two variables are cointegrated meaning that they do have long run association. This means that terms of trade have long run impact on output of foodgrains which is self explanatory of the fact that the relative prices of inputs and output of the agricultural sector affects agricultural output.

5. Concluding Remarks

The above analysis shows that the agriculture-industry terms of trade have not only remained

in favour of agriculture but have also improved during the period of analysis. This means prices have moved in favour of agriculture in the post-reform period. Also the terms of trade have an impact on the output of agriculture sector. A relative improvement in the prices received by the agriculture sector has a positive influence on its output.

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DEMONETISATION: A STEP TOWARDS CORRUPTION FREE INDIA

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Abstract

The demonitisation of ₹500 and ₹1000 banknotes was a step taken by the Government of India on 8 November 2016, ceasing the usage of all ₹500 and ₹1000 banknotes of the Mahatma Gandhi Series as a form of legal tender in India from 9 November 2016.¹ The paper argues that the demonitisation has multi-dimensional impacts. If handled carefully, this step can make our economy more transparent and the country's borders more secure. Demonetization not only will control the terror funding, import of counterfeit Indian currency but also scrap the huge bulk of Indian currency collected by insurgent outfits in Jharkhand, Chhattisgarh, Odisha, Andhrapradesh, Bihar and some other parts of the country. Misuse of black money in our elections is known to one and all. Demonetization can also control the misuse of black money in our electoral system.

The paper further argues that demonetization is not only a war against the black money but also a well-timed step towards 'structural reform', targeted at reshaping public attitudes towards currency with a view to move towards a cashless economy.

Today only one percent of Indian population pays income tax. There is an urgent need to bring more and more people under the income tax umbrella to increase government earnings for welfare, bringing in low taxation regime and low interest rates for business loans. But, at the same time government's claim that the withdrawn Rs 500 and Rs 1,000 denomination notes will be replaced with new currency with enhanced security features can be easier said than done. According to various estimates Printing of high quality demonetized banknotes numbered around 2,300 crore pieces may take 5-6 months,. Even after printing, the new currency has to be delivered all over the country is a very big challenge.

Key Words: Demonetization, Black money, % of tax payers, Fake Indian Currency Notes (FICN), Wakhlu Committee (1971), income declaration schemes (IDS)

Introduction:

Demonetization is the act of stripping a currency unit of its status as legal tender. Demonetization is necessary whenever there is a change of national currency. The old unit of currency must be retired and replaced with a new currency unit. The ideal condition for demonetization is huge inflation, uncontrolled counterfeit notes and lack of public trust in the national currency.

Black money refers to funds earned on the black market on which income and other taxes have not been paid. Estimation of the amount of black money in India has always been a matter of huge debate. According to an

estimate a total exceeding US\$50 trillion Indian money is stashed in Switzerland. Such a huge Indian wealth is deposited in Swiss banks are collected through various sources. Indian corporates invariably under invoice their exports and over invoice their imports from tax haven count such as Singapore, UAE, and Hong Kong. Thus the promoters of the public limited companies, who hold rarely more than 10% of share capital, earn black money abroad at the cost of majority shareholders and tax income to the Indian government. Politicians, political parties and corrupt higher officials of

government and its institutions take bribes from foreign companies and park or invest the money abroad in tax havens for transferring to India when needed. Many times locally earned bribes, funds, and collections are also routed abroad through hawala channels for evading from Indian tax authorities and consequent legal implications. Between 2002-2011, corrupt Indians siphoned off a total of Rs 21,00,000 crore (\$343 billion) worth of black money into

offshore bank accounts. Rank wise, we are world's 5th most corrupt country in terms of black money outflow. These stunning revelations were included in a report titled Illicit Financial Flows from Developing Countries: 2002-2011 which was released by Global Financial Integrity, Washington-based research and advocacy organization which is supported by Ford Foundation.

Table 1 Illicit Financial Flows from Developing Countries: 2002-2011(Million \$)

Rank	Country	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Cumulative	Average
1	China	67,498	69,284	87,757	90,315	94,555	112,056	102,972	133,921	165,860	151,348	1,075,566	107,557
2	Russia	26,517	41,304	47,136	57,502,	66,825	82,069	103,972	129,459	135,033	191,145	880,960	88,096
3	Mexico	35,621	38,085	40,738	47,746	47,749	58,592,	65,151	38,128	51,954	38,094	461,859	46,186
4	Malaysia	19,737	20,763	26,733	35,294	36,720	36,809	41,123	34,507	65,511	54,184	370,381	37,038
5	India	7,893	10,068	18,697	20,021	27,569	33,108	44,645	28,615	68,383	84,933	343,932	34,393
6	Brazil	8,899	12,069	15,897	16,827	10,681	17,364	22,174	22,399	32,289	34,095	192,692	19,269
7	Indonesia	14,795	16,549	18,436	13,259	16,036	18,432	27,319	20,556	16,842	19,606	181,827	18,183
8	Iraq	-	-	-	-	-	3,660	19,668	18,139	22,282	15,029	78,778	15,756
9	Nigeria	0	0	1,681	17,867	19,164	19,321	24,188	26,377	20,787	12,889	142,274	12,227
10	Thailand	4,954	6,080	7,246	11,987	11,513	10,427	20,550	14,769	24,238	29,114	140,877	14,088

Graph 1 - Table 1 Illicit Financial Flows from India: 2002-2011(Million \$)

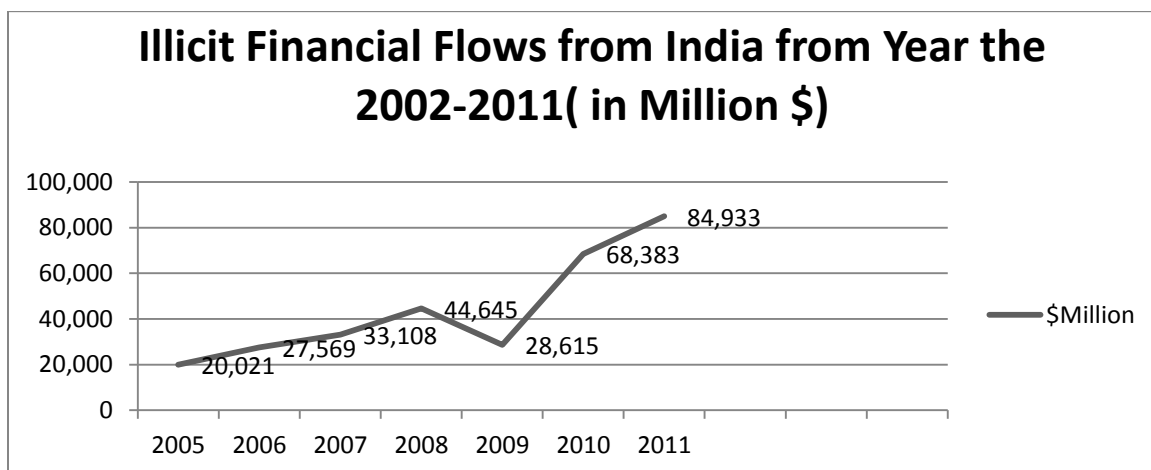


Table 2: Effects of Black Economy:

EFFECTS OF BLACK MONEY	DESCRIPTION
(i) False Information about the Economy:	The most important effect of black money is provide false information about the actual economy because it remains outside the purview of the economic policies. The presence of a sizeable black money casts doubts on the validity of the data on national income estimates, per capita income, and distribution of income, consumption, savings and investment. The economic planning losses it's worth, because they are based on macro-economic parameters which completely ignore the black money.
(ii) Impact on Fiscal System:	Government is fully based on tax revenue. Evasion of taxes has serious consequences for the economy's fiscal system. In long-run consequence of such revenue loss is to reduce the built-in elasticity of the tax system. To raise a given target of revenue the Government is obliged to depend increasingly on discretionary hikes in tax rates or to expand the array of taxes. Direct Taxes Enquiry Committee in this connection mentioned "Black money and tax evasion, which go hand in hand, have also the effect of seriously undermining the equity concept of taxation and warping its progressiveness. Together, they throw a greater burden to the economy."
(iii) Create Inequalities:	The black money creates inequalities among people. The excess of money leads to purchase non- essential articles, which gives demonstration effect. The overall consumption pattern is tilted in favour of rich and elite classes. A rise in the overall consumption on non-essential products leaves less resources for investment in priority areas. These distortions in the product-mix in favour of non-essential consumption have adverse effects on production and thus they distort the objectives of planning.
(iv) Misguiding on Resource Allocation:	Block money distorts resource allocation in the economy and often leads to wasteful and often leads to wasteful use of money. It leads to conspicuous consumption and in turn results in the diversion of large funds to unproductive channels which ultimately put the economy out of order
(v) Implications for Monetary Policy:	The black money related to the stock of 'black liquidity'. The stock of 'black liquidity' is defined as the cumulation of black savings (from black incomes) in the form of cash and other readily convertible assets such as gold and silver. It is the 'black liquidity' which creates a lot of problems for monetary authorities to regulate the economy. The existence of sizable 'black liquidity' in our country misguides the Government to diverting credit from more urgent to the less urgent.
The problem of counterfeit	Intelligence agencies have documented Pakistan acquiring the

<p>currency is a very real one.</p>	<p>printing press illegally and then purchasing ink in excess from Frankfurt in Germany and from Switzerland. Pakistan also procured currency printing paper far in excess of its requirement to print fake Indian currency. "In fact Pakistan is printing more (fake) Indian currency than its own currency," Dr Nirmal Singh, deputy chief minister of J&K said complimenting the prime minister for his bold decision. "Our investigations revealed Habib Bank of Pakistan used branches of a local bank in Nepal along the India-Nepal border to push illegally printed currency into India. A local Indian bank also came under investigations but repeated investigations into its operations were detailed," sources added. This indicated the depth to which corruption had seeped.</p>
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Drives to control Black money – Historical perspective

-In March 1970, an enquiry committee was appointed under the chairmanship of Mr. Justice K.N. Wanchoo, former Chief Justice of Supreme Court, to study the problem of black money, tax evasion, tax avoidance and tax arrears. According to the Wanchoo Committee Report(1971),² "Black money denotes not only unaccounted currency which is either hoarded or is in circulation outside disclosed trading channels but also its investment in gold, jewellery and even precious stones made secretly, and in land and buildings and business assets over and above the amounts shown in the books". It can be easily seen that tax evasion is the Mother of Black Money. As per the report of Wanchoo Committee, the principles causes of tax evasion and the creation of black money and its proliferation are:

- a) High rates of taxation.
- b) Economy of shortages and licensing system.
- c) Donations to political parties.
- d) Corruption.
- e) Ineffective enforcement of tax laws.
- f) Corruption in business practices.

Since then various attempts have been made to stop tax evasion but results have been futile in a large number of cases. In 1978 (high denominations notes of Rs. 1000, Rs. 5,000, Rs. 10,000 were demonetized). In 1991 The Government of India introduced a series of 5 new schemes to unearth the black money and to

improve foreign exchange reserves in the country. Under this scheme State Bank of India issued Bharat Development Bond in which Non-Residential Indians (NRIs) were permitted to deposit foreign reserves of US dollar and British Pound (no upper limit) for 5 years. There bonds were sold upto January 31, 1992. The Government announced the rebate of income tax on the income earned as interest on the bond.

The Government also amended clause 273A of the Income Tax Act for giving one more chance to the people having black money to declare it, once in the life. The government offered an option that provided for exemption from penalties on declared black money and assets if the tax payer declared his black money at the time of his tax assessment. In continuing that, the Government of India also introduced the Gold Bond Scheme in 15th March 1993 to unearth black money.

In 1997-98 congress led government introduced Voluntary Disclosure of Income Scheme (VDIS). The main Slogan of the Scheme was "30% tax and 100% mental relief". This drive was not very successful. The government made compulsory filing of tax returns by everyone with taxable income, compulsory maintenance of accounts by businessmen and professionals and their compulsory audit, if income or turnover exceeds a specific limit, compulsory canalising of transactions involving payment exceeding Rs. 10,000 through banks, etc.

Role of Black money in India Today-

According to a study done by the Centre for Media Studies (CMS) over Rs 30,000 crore was spent on the 2014 Lok Sabha elections. On an average, a whopping Rs 55 crore was spent in each Lok Sabha seat in the country.³ But official spending by the ECI and the Government of India would only be around Rs 7,000 – Rs 8,000 crores. Former prime minister AB Vajpayee had once lamented that, “Indian politicians start their legislative careers with a lie — the false spending returns they submit. How can we expect them to be honest?”

The problem of counterfeit currency is a very real one

Intelligence agencies have documented Pakistan acquiring the printing press illegally and then purchasing ink in excess from Frankfurt in Germany and from Switzerland. Pakistan also procured currency printing paper far in excess of its requirement to print fake Indian currency. In fact Pakistan is printing more (fake) Indian currency than its own currency. Investigations of NIS has revealed Habib Bank of Pakistan usage branches of a local bank in Nepal along the India-Nepal border to push illegally printed currency into India. This indicated the depth to which corruption had seeped.

Narendra Modi led BJP raised the issue of Black Money in 2014 Lok Sabha elections and promised Indian voters to wage a war against black money. NDA came in power in 2014. Since then NDA had been criticized by opposition for not taking action against black money. Modi Government was under tremendous pressure because of its failure to control the black money.

Narendra Modi's eagerness on this matter displayed recently when in March 2016, in a public meeting he warned black money holders of stringent action including imprisonment after September 30. At a function jewellers organised to felicitate him, Modi said “he is aware of people going to bullion merchants with “cartload” of money and a message has to be delivered to them to come

clean using the one-time compliance window closing on September 30. Stating that people have been jailed in the past for evading taxes, he said the government should not be forced to resort to the same after September 30. “Aur us paap ko karna nahi chahata hu jo September 30 ko mujhe karna padega (I do not want to commit the sin which I will have to do after September 30 against black money holders).⁴

Under the Income Declaration Scheme (IDS) which opened on June 1, black money holders could come clean by declaring the assets by September 30 and paying tax and penalty of 45 per thereafter. The Income Tax department identified 90 lakh high value transactions without PAN. As per an estimate, about 20,000 tonne of gold is lying with households and temples across the country.

Instant Impact of Demonetization

According to media reports the flourishing Fake Indian Currency Notes (FICN) trade across the border with Bangladesh has taken a huge hit after the announcement of demonitisation announcement on 8th November 2016.⁵ The fake currency notes of Malda have been characterized for their extremely high quality. It is impossible to detect a fake currency note with naked eyes. It is believed that the notes are printed in Pakistan and are then smuggled into India through Bangladesh. A number of factors – proximity to the border, easy access to weapons and presence of organized gangs – had facilitated the spreading of the illegal trade in Malda, creating an epidemic-like situation. If one person is arrested, another from his or her family resumes the work. In the absence of other livelihood opportunities, taking up the trade is an easy option.⁶

As per the NIA, the problem was not only the sheer number of fake Rs500 and Rs 1,000 notes being pumped into India, but also the high quality of these notes which replicated vital security features such as “the printing of the rupee symbol in the reverse side and the obverse of the note, the windowed magnetised security strip and the color changing threads.

The demonetization of Rs 1,000 and Rs 500 notes is expected to hit **terror funding and counterfeiting** as there are additional security features in new notes which are very difficult to replicate. The change of higher denomination of Indian currencies was long overdue as in normal circumstances any country changes its notes in every 7-8 years with additional security features to check its counterfeiting. There was no major change in the Rs 1,000 notes ever since it was introduced in the year 2000 while changes in the Rs 500 notes, which was launched in 1987, were done more than a decade ago. There is an estimate that around Rs 17,00,000 crore black money was in circulation in the country⁷ and even though many people attempt to whitewash the black money they have, it is certain that around Rs 4,00,000 crore is not coming back to the banking system.⁸ There is a clear indication This will clean up the economy.

Incidents of stone-pelting reduced drastically in unrest-hit Kashmir ever since Prime Minister Narendra Modi announced the demonetisation of Rs 500 and Rs 1,000 currency notes across the country.⁹ **It is said that** a major reason behind the sudden decline in violence is that the “money channels” of inciting violence have been sealed. The reduction in incidents of stone-pelting is understood to have vindicated the stand of the central government that Pakistan is pumping in money into Kashmir through various hawala channels. But the ban on big currency notes has closed all such shops of selling violence in Kashmir. In the past, several complaints had cropped up that separatists were paying stone-pelters and other anti-national elements.

Challenges ahead

In India, before 8 November 2016, Rs 500 and Rs 1,000 banknotes valued over 86% of the total value of currency in circulation. The step of Narendra Modi government is somewhat different that it hasn't been undertaken in response to any hyperinflation or loss of confidence in the rupee. The rupee has actually been quite strong, both in terms of its internal as well as external value. Annual consumer price

inflation was just 4.2% in October, while the rupee has held steady at Rs 66-68 against the dollar for the last one year and more. So it is quite visible that recent demonetisation in India does not follow the conventional logic of a currency ‘stabilisation’ measure; the Indian economy is hardly suffering any hyperinflation or run on the rupee today to even remotely warrant such an action. ***It is actually a ‘structural reform’, targeted at reshaping public attitudes towards currency with a view to move towards a cashless economy.*** In India, most economic transactions take place in cash outside recorded market channels and hence go largely untaxed. This, apart from fostering a parallel ‘black’ economy with obvious security implications, prevents the government from investing sufficiently in public goods to pursue long-term growth and equity objectives. Demonetisation, gives out a very clear message that cash is longer safe and everyone will have to come under Tax umbrella.

The government's claim that the withdrawn Rs 500 and Rs 1,000 denomination notes will be replaced with new currency with enhanced security features can be easier said than done. According to various estimates Printing of high quality demonetised banknotes numbered around 2,300 crore pieces, may take 5-6 months. Even after printing, the new currency has to be delivered all over the country is a very big challenge.

Out of the Rs 17.54 lakh crore worth of outstanding notes in circulation as on October 28, only Rs 4.84 lakh crore, or 27.6%, was held by scheduled commercial banks as cash in hand and balances with RBI. If one considers the whole cycle — from printing and transporting the new currency across the length and breadth of the country, to its being actually withdrawn by people — it could take at least a year for liquidity, expressed as both quantity of money and velocity of circulation, to regain its pre-demonetisation levels.

Conclusion

Indian government's decision to demonetize 500, 1000 notes of Indian currency is an honest effort to clean the Indian economy and control the counterfeit notes based anti-national activities. Another objective of this drive is to transform India as a cashless economy to bring more transparency in all types of transactions. At present only 1 percent of Indian population is tax payer. This initiative will increase the number of taxpayers. But the task is not easy. Replacement of old 500, 1000 notes is a very challenging task because they together covered almost 85 percent of Indian currency. Printing and distribution of new notes is daunting task. It may take months. The entire exercise might be very painful for many. Long queue, cash crunch and fear of deep recession may shake the confidence level of the government. But we

should not forget that sooner or later this step had to be taken. After all we cannot allow black money to rule our economy and control the entire political system. Moreover we also need to accept the fact that black money is not diseases, but only a symptom. Demonization can remove the black money from the economy for some time but cannot end it forever. We need to rectify the entire system of corruption where Black money is generated. Indians are often blamed for being corrupt genetically. Than we need to have genetic engineering intervention to re-code our DNA structure. Corruption is an attitudinal problem in India and it cannot be changed overnight. Hence, demonetisation of currency is not a final assault on black Money but a well-timed start and must be continued till the end.

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POLITICS AROUND BLACK MONEY

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Abstract

The politics of tackling black money looks like a play in the theatre because no serious action is taken yet. It is said that demonetization of Rs.1000 & 500 is the serious attack on black money but the fact is that govt. have never taken decisive action on the defaulter of bank loans. Even Supreme Court directed the govt. to disclose the name of big defaulters. It is also correct that all the Public Sector Banks are sufferings from Non- Performing Assets and person like Vijay Mallya leave the nation and living in foreign country. If govt. is serious about black money, then he should consider state funding to political parties. Measure source of utilization of black money is the election where unaccounted money freely used by political parties. Every political party says that they run their party donation but most of the donations are in the form cash not in cheque. When demand was raised to bring all political parties under the radar of Right to Information Act, all are opposing it barring one or two.

Key Words: Black money, Demonetisation, Loan Defaulters, Public Sector Banks NPA

India as a country is passing through different phases since its independence. People of India always have positive belief in their system and their government. They have firm confidence in their government and their constitution. The general election of May 2014 was the reflection of desire of the general public to have a neat and clean politics which would be the free from criminalization and free from corruption. Basically that election was fought on the agenda of corruption free politics and development. Thus all the political issues are raised by either opposition or ruling party around eradication of corruption from political life of the general people. In such background Prime Minister NarendraModi declared on Nov.8, 2016 that note of Rs.500&1000 would cease to be legal currency from Nov.9, 2016. He also said that his would be the decisive blow to the black money.

Black Money

Black money is the money generated by the people by method of tax evasion or through black marketing, hoarding and other corrupt practices such as hawala transactions. In other

word black money refers to funds earned on the black market, on which income and other taxes are not paid. This amount is used by the terrorist group, naxal group even politicians in the election. Black money in India run the parallel economy and have serious blow to the economic health of the Nation. Major part of the black money is deposited to foreign banks. It is the fact that total amount of black money deposited in foreign bank is unknown. Some reports claims a total of US\$1.06 trillion is held illegally in Switzerland.¹ other reports, including those reported by the Swiss Bankers' Association and the govt. Of Switzerland, claim these report are false and fabricated, and the total amount held in all Swiss Bank accounts by citizen of India is about US\$2 billion.² in Feb.2012, the director of Central Bureau of Investigation said that Indians have US\$500 billion of illegal funds in foreign tax heavens, more than any other country.³ In March2012, the govt. of India clarified in the Parliament that the CBI director's statement on\$500 billion of illegal money was an estimate based on a statement made to the Supreme Court of India in

July 2011.⁴

Some Indian Corporations practice transfer mispricing, by under invoicing their exports and over invoicing their imports from tax heaven countries such as Singapore, UAE and Hong Kong. Thus the promoters of public Limited Companies, who hold rarely more than 10% of share capital, earn black money abroad at the cost of majority share-holders and tax income to Indian government. Politicians, political parties and corrupt higher officials of the govt. and its institutions take bribes from foreign companies and park or invest the money abroad in tax heaven for transferring to India when needed. Many times locally earned bribes, funds and collections are also routed abroad through hawala channels for evading from Indian Tax Authorities and consequent legal implication.⁵ gold import through official channel and smuggling is a major conduit to bring back the black money from abroad and convert in to local black money as the gold commands high demand among the rural investors particularly. Also, fictitious high value round trip transaction via tax heaven countries by diamonds and precious stones exporters and importers is a channel for to and fro transactions outside the country. Also software export companies can be booked by software companies to bring back money in to as tax exemptions are permitted to software companies.

The 2016 Panama Papers scandal is the largest-ever leak of information on black money in history. International Consortium of Investigative Journalists first obtained the leaked information, revealing over 11 million documents. The documents pertain to 214,000 offshore entities and span almost 40 years. The paper originated from Mossack Fonseca, a Panama-based law firm with offices in more than 35 countries. The list of names exposed in the scandals includes 500 Indians who flouted the rules and regulations.⁶

Measures:

The government of India took many more steps to tackle the inflow of black money in Indian domestic market and out flow of money to foreign countries. Among one is the formation of SIT for black money as per direction of the Supreme Court of India. Before this a no. of measures are taken by govt. of India since independence i.e. formation of CBI, Vigilance Commission to trace the unlawful activity by any individuals in field of economy offence and related criminal activities. When the corrupt practices are seen more at high places which involve senior administrative officials and bureaucrats and Ministers, first Administrative Reform Commission was appointed under the chairmanship of Morarji Desai in 1966. Commission in its report recommended the creation of the institution like ombudsman, which named as Lokpal at center and Lokayukta at state level to enquire the charges of corruption at high level. But the institution of Lokpal and Lokayukta got the constitutional status after a movement launched by Anna Hazare and group toward this cause. It is, however, also correct the present govt. do not take this seriously and they even not responding to the repeated rejoinder given by Supreme Court of India to full fill the vacancies of Judges at High Court and Supreme Court, while file related to be dumped by the Law Ministry. There is also problem with judiciary because it is very costly and time taking, which put dent on patience of general public.

Conclusion:

The politics of tackling black money looks like a play in the theatre because no serious action is taken yet. It is said that demonetization of Rs.1000 & 500 is the serious attack on black money but the fact is that govt. have never taken decisive action on the defaulter of bank loans. Even Supreme Court directed the govt. to disclose the name of big defaulters. It is also correct that all the Public Sector Banks are sufferings from Non- Performing Assets and person like Vijay Mallya leave the nation and

living in foreign country. If govt. is serious about black money, then he should consider state funding to political parties. Measure source of utilization of black money is the election where unaccounted money freely used by political parties. Every political party says that they run their party donation but most of the donations are in the form cash not in cheque. When demand was raised to bring all political parties under the radar of Right to Information Act, all are opposing it barring one or two.

The action of demonetization may strengthen the liquidity position of public sector bank and they have surplus liquid money in their kitty that can be used by govt. to tackle the inflationary pressure on economy and start new welfare schemes by using adhar number. If the govt. have to restore its credit in the eyes of general people i.e. 'AamAdami', he must take the action like this towards bringing back black money from foreign account and punished the big defaulters and public their name. Govt. has requires to allow free hand to the Direct and In-Direct tax department to see the expenditure of political parties in election as well as during their political programme. It is better to evolve a mechanism to state funding election. Serious actin is the need of the hour regarding Electoral Reform and eradication of criminalization of politics and politicization of criminals. It is also the demand of the time to break the nexus among police, politician, business man,

industrialists and criminal to eradicate role of black money from the public life. It is also required make reform in judicial system so that one can get justice within time frame and cheaper. There is the need to fulfill of vacant post of Judges in High Courts and Supreme Court.

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HUMAN RESOURCE MANAGEMENT PRACTICES IN PRIVATE SECTOR BANKS: A STUDY OF VARANASI DISTRICT

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Abstract

Human Resource is a comparatively newer field of management study. Previously it was called “personnel management”. Human resource management deals with any aspects of any organization that affects employees, such as hiring and firing, pay, benefits, training, and administration. Every bank operating in Varanasi district has its own mission to sustain in the banking sector as a customer and profit oriented organization. In this study I have tried to find out how HRM practices is implemented in private sector banks in Varanasi district. The study is divided into some key factors regarding to the human resources aspects including recruitment and selection, training and development, compensation management, work time and environment, performance appraisal, and flexible work environment. However, with the aid of a structured survey questionnaire the collected data has been analysed with different statistical tools and techniques. Moreover, this study is based on human resources management practices in private sector banks in Varanasi. Therefore, the research convenience I have taken only employees of the branches of private sector banks operating in Varanasi district.

Key Words- Recruitment and Selection, Training and Development, Compensation System, Performance Appraisal and flexible work environment.

Introduction

Schuler (1989) argues that organizations need to develop HRM practices that lead to the development of an employee role behaviour that is supportive of the strategy it adopts. This in turn will influence the organization's performance. The traditional roles of the people management function can be described as reactive and focused on operational matters and they are typically found in the public sector personnel management functions. Today the people management function has been accepted as a key factor in the structural reforms caused by commercialization and corporatization. Therefore, the status and influence of the HRM function is considered to be critical in the process, especially in achieving the link between the people management function and the strategic management process. Banks are critical element in any economy. As a developing

country, the banking sector serves as the main sources of resource mobilization. Due to undeveloped money market and capital market, limited availability of financial instrument, and lack of confidence in financial system bank becomes the dominant financial intermediary to broad segment of population of our country. And at this situation private banks are performing the major role. We see that HR departments in commercialized sector organizations focus on those roles that have strategic implications. Therefore, the study has drawn on Human Resource Management Practices in Private Sector Commercial Banks.

Review of literature

Human resources management is the process of acquiring, training, appraising, and compensating employees, and of attending to their labour relations, health and safety, and fairness concerns. Like management process, it has some basic functions like planning, organizing, staffing, leading and controlling in forms of recruitment & selection, training & development, compensation, employee relations, etc.

Developments in the field of Human Resource Management are now well documented in the literature (see Legge, 1995; Schuler, 2000; Schuler and Jackson, 1999; Sisson and Storey, 2000). As firms are entering into a more dynamic world of international business and as the globalization of world markets continue apace, comparative HRM issues appear to be gaining momentum. Both practitioners and academics in the field of HRM are increasingly aware of the need to examine and understand the HRM system suitable to different parts of the world. They are also interested in finding relevant HRM policies and practices for different types of organizations (for example, public/private sector, manufacturing/service sector) around the globe. HRM practices are central to improving the quality of services offered by the governments. In the words of Pfeffer (1994), „having good HRM is likely to generate much loyalty, commitment or willingness to expend extra effort for the organization’s objectives“. Moreover, Stone (1998) remarks that „HRM is either part of the problem or part of the solution in gaining the productive contribution of people. Huselid (1995), in his study of 968 US companies, identified a positive link between HRM practices and firm performance. One standard deviation increase in HRM practices increases firm performance by 25%. Wan et al. (2002) examined the relationship between HRM practices and firm performance. HRM practices were creating positive effect on organizational performance. Results calculated through

regression suggested that effective implementation of key HRM practices increases organizational performance. On the other hand, companies interested in enhancing HR performance may emphasize the need for empowerment and training. Few studies, however, did not find clear effects of HRM practices on productivity (Delaney et al., 1989). Flamholtz (1985) and Cascio (1991) concluded that financial returns associated with investments in progressive HRM practices are generally substantial. Schmidt et al. (1979) explored that increasing one unit of employee performance is equivalent to 40% of salary increase. Each of these studies has emphasized on the impact of human resource management practices on organizational performance.

Objective of the study

The objective of the study is to identify the implementation of Human Resources Management practices in the sample banks.

Hypothesis of the study

H0: Human resource management practices are not properly implemented in private sector banks.

H1: Human resource management practices are properly implemented in private banks.

Research methodology

- a. **Research Design-** The present study is an exploratory research seeks to study the implementation of human resource management practices of private sector banks in Varanasi district using convenience sampling method. The data has been collected through primary and secondary sources.

Likert scale has been used which consists of 1 to 5. Here, 5 point for “To a great level”, 4 point for “To a small level”, 3 point for “Not sure”, 2 point for “To some level” and 1 point for “Not at all”.

- b. Population:** All the employees of HDFC and AXIS bank in Varanasi district.
- c. Sample size:** sample size is restricted to 100 employees of both the banks.
- d. Sources of data:** Primary and secondary data were used for the study. Primary data has been obtained through questionnaire and secondary data has been obtained from books, journals and internet.
- e. Tools and Techniques:** The collected data is presented through tables and figures. Statistical tools like Mean, Standard Deviation, Z-test, are used. For normal distribution analysis 95% confidence level i.e. 5% significance level are taken.

Human Resource Management practices

Organisations are made up of people and function through people. Without people organisations cannot exist. The resources of men, money, materials and machinery are collected, coordinated and utilised through people. Therefore people are the most significant resource of any organisation. According to L.F. Urwick, "business houses are made or broken in the long run not by markets or capital, patents or equipment but by men." Of all the resources manpower is the only resource which does not depreciate, with the passage of time. This resource is called human resource. Many expert researchers have named different human resource management practices under separate heads on the basis of its functions. HRM Practices refer to organisational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfilment of organisational goals (Tiwari and Saxena).

For the present study following HRM Practices were undertaken-

- i. Recruitment and Selection**
Recruitment is the process of searching for perspective employees and

encouraging them to apply for vacant job positions in an organisation. Once a pool of candidates have been identified through the recruitment process the most appropriate candidates are identified through a selection process. Moody has defined selection as the process of choosing from a group of applicants the individual best suited for a particular position and for the organisation.

- ii. Training and Development**

Training and Development plays an important role in the effectiveness of organisation and in the experiences of people in work. Training is a short term process utilising a systematic and organised procedure by which non-managerial learns technical knowledge and skills for a definite purpose. Development is a long term process utilising a systematic and organised procedure by which managerial personnel learn conceptual and theoretical knowledge for general purpose.

- iii. Performance Appraisal**

Performance Appraisal is the process of assessing the performance and progress of an employee or a group of employees on a given job and his potential for the future development. According to Flippo-"Performance appraisal is the systematic, periodic and impartial rating of employee's excellence in matters pertaining to his present job and his potential for a better job".

- iv. Compensation System**

Compensation constitutes the single most important cost in most organisations. Therefore the effectiveness with which compensation is designed and managed can provide a competitive edge. According to Bernadin, compensation refers to all forms of financial returns and tangible benefits that employee receives as part of employment relationship.

v. **Flexible Work Environment**

The efficiency of employees depends to a great extent on the environment in which they work. Work environment consist of all the factors which act and react on the body and mind of an employee. Under industrial psychology the physical, mental and social conditions in which people work are analysed to suggest improvements in them. The primary aim is to create an environment which ensures the greatest ease of work i.e flexible work environment and removes all the causes of annoyance, anxiety and worry. If the work environment is congenial, flexible and fatigue, monotony and boredom are minimised then the performance of the employees can be maximised.

In order to identify the Human resource management implementation five key areas of Human resource management (Recruitment and Selection, Training and Development, Performance Appraisal, Compensation system and Flexible work Environment). In case of identification descriptive statistical tools such as Mean value (Mean), frequency, standard deviation and normal distribution (z test) have been used. Mean value of each key area is shown in the above table 1. In comparison with the range of table 2, recruitment and selection, training and development, performance appraisal and compensation system areas are in favourable situation. But flexible work environment area is in moderate situation. The grand mean value depicts that the average mean value (3.661) of these five key areas remains in the range of $4.50 \geq \text{Mean} \leq 3.51$. So, it is determined that the HRM practice in banks of Varanasi district is in "Favourable" situation (according to table 2).

Identifying the implementation of Human Resources Management Practices

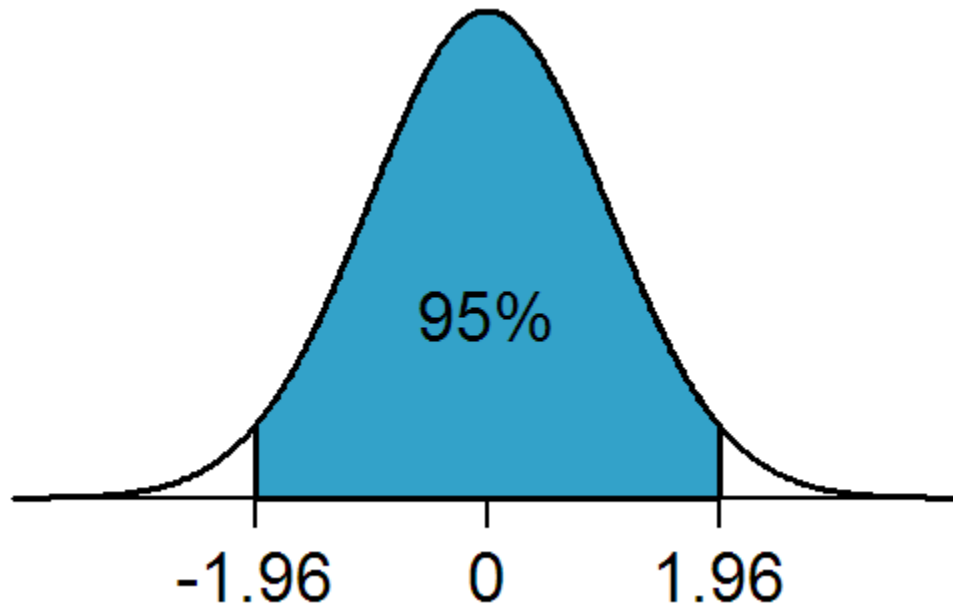
Table 1: Statistical data of Human Resource Management Practice

Key areas of HRM Practice	Mean of Each Area	Standard Deviation (σ)	Grand Mean (μ_x)	Z Value	σ_x
Recruitment & Selection	3.71	9.26	3.661	0.012	4.141
Training & Development	3.791	8.758		0.033	3.916
Performance Appraisal	3.634	9.426		-0.06	4.215
Compensation System	3.973	9.262		0.075	4.142
Flexible Work Environment	3.2	6.519		-0.158	2.915

Table 2: Deliberate picture of total responses

No.	Range of Mean	Representation
1	$5.00 \geq \text{Mean} \leq 4.51$	Represents 'Most Favourable' standing of the respondents towards a specific statement
2	$4.50 \geq \text{Mean} \leq 3.51$	Represents 'Favourable' standing of the respondents towards a specific statement
3	$3.50 \geq \text{Mean} \leq 3.00$	Represents 'Moderate' standing of the respondents towards a specific statement
4	$2.99 \geq \text{Mean} \leq 1.00$	Represents 'Negative' standing of the respondents towards a specific statement

Figure 1: Normal distribution curve at 5% level of significance ($z = \pm 1.96$)



For the present study normal distribution (z test) is also considered to determine the human resource management practice. At 5% level of significance the critical value of z for two-tailed test = ± 1.96 . If the computed value of z is greater than +1.96 or less than -1.96 then hypothesis is rejected, otherwise accepted. Since only 5 key areas of HRM Practices has been considered for the present study therefore only five Z test value has been calculated (each one for each area) which is shown in the above table. From the table we can see that arrangement is less than -1.96. Other z values are within the limit of critical z values at 5% level of significance (± 1.96). So, we can say HRM practice is properly implemented in first four key areas. The average z value of these five key areas is negative which is also within the critical value of z for two tailed test at 5% level of significance (± 1.96). So, null hypothesis is rejected and alternate hypothesis is accepted. Thus as per the objective conclusion has been made that, Human resources practices are properly implemented in Banks.

Conclusion

In the banking industry human resource management system is only in a name. They do not participate into the overall management systems. It should be kept in mind that efficient employees of an organization is the assets of that organization and that is why it should be taken up carefully. If they can meet up their shortage they will do much better in the banking sector in India. Therefore, I was much grateful to those employees who gave time to conduct this survey.

Recommendations

Some practical knowledge about the Human Resource practices in Private Commercial Banking Sector has been gathered. Moreover, I would like to provide some recommendations, which might be helpful to upgrade the Human Resource practice of Private sector commercial banks-

- a) First of all the main important thing for an organization is the Recruitment, which exists in this bank, is not well designed. They can also go for online recruitment, which is a modern method.
- b) From the point of Training it can be said that their training course is well but not that much practical. They provide training to their employees is their training institute or send them to NIBM (National Institute of Bank Management) which is one of the reputed institutions for the bankers to be trained up. In this sort of training they usually get theoretical idea. In this case they can also arrange on the job training which will enables the employees to learn more effectively.
- c) The bank does not have compensation for its employees which is low comparatively very low in the organization, which should be increased.
- d) There should be also option for reward system which is not present in this bank.
- e) Employees are not concerned about advocacy and employee laws. But they are feeling comfortable with the internal communication process and employee treatment from the management.
- f) Overall human resource management system needs to be improved.

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APPLICABILITY OF TRADE-OFF AND PECKING ORDER THEORY IN TRANSPORT AND CHEMICAL INDUSTRY

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Abstract

This study seeks to check the applicability of trade-off and pecking order theory in the transport sector (service) and chemical sector (manufacturing) firms of Indian corporate sector. The required data have been collected from PROWESS for the period of 10 years (2004-05 to 2013-14). The panel data regression model has been applied to identify and compare the major determinants that affect capital structure decisions. The results of the study revealed that determinants affecting capital structure decisions are not same for transport sector and chemical sector and the predictions of the two main theories of capital structure i.e., trade off theory and pecking order theory are not applicable in the same manner in both sectors.

Key Words: Panel data, trade off theory, pecking order theory, profitability and business risk

Introduction

Since the significant work of Modigliani and Miller (1958) on the irrelevance of capital structure in investment decision, a rich debate has been started on different models of capital structure choice under different assumptions. Miller (1977) in its second version gave relevance theory by stating that the value of the firm is affected by its capital structure in the presence of corporate taxes as tax expenses are tax deductible. As per Net Income Approach given by Durand also showed direct relationship between the capital structure and the value of firm. But In his revised theory Durand states that overall cost of capital remains constant for all modes of financing.

Capital structure decision is the mix of debt and equity capital used by a company to finance its business (Damodaran, 2012). It is the optimum proportion of all kinds of funds used by firms to finance their assets. According to Chen (2007), Capital structure refers to the way

a corporation finance itself through some combination of equity, debt or hybrid securities. Ensuring an optimal capital structure with least cost of capital and enhanced stakeholder's wealth is important for all corporate entities.

The literature on capital structure determinants supports the existence of three theories of capital structure Eldomiaty (2007). Trade-off theory states that a firm selects a source of finance by matching its costs and benefits. Pecking order theory suggests a well-defined order of preference for raising funds. In agency theory, the minimizing cost arising from conflicts between shareholders and debt holders decide optimal capital structure. These theories are "conditional" in the sense that each works under own assumptions and propositions (Myers, 1977). It also argued that firms do not have any target leverage ratio (Myers and Majulif, 1984).

It was found out that studies on the determinants of capital structure include selected determinants in a regression equation (Eldomaiy, 2007). These provide mixed results

in many cases. This is what Fama and French (2002) referred to as the two theories of capital structure (trade-off and pecking order) share many general prediction about the determinants of leverage, turning out results to be indecisive (Prasad *et al.* 2001). The determinants of capital structure such as (size, growth, tangibility, business risk, debt service capacity etc), have its impact on various investment decisions and it has also been proved by these theories.

The present study seeks to know the applicability of capital structure theories in transport sector (service) and chemical sector (manufacturing). The service sector of India has shown tremendous changes with annual growth rate of above 9% since 2001. As per the reports of 2015 of Planning Commission, service sector contributes 57.9% in GDP of India. Among service sector, India's transport network is one of the most extensive in the whole world. Moreover the contribution of this sector to India's GDP rose above about 2.6% in 2011-12. Manufacturing sector contributes 15%-16% in India's GDP in 2015 and only chemical sector contributes approximate 7% in GDP. India is the third largest producer of chemicals in Asia after China and Japan.

The rest of the paper is organized into four main sections. Section two is a brief overview of the past studies in this field. Section three explains leverage measure, independent variables and model used in the study. Section 4 then reports comparative analysis of capital structure determinants of transport sector and chemical sector. Finally, section 5 summarizes and concludes.

Review of literature

Venkatesan (1983) in the inter-industry model, low-levered firms revealed significant relationship between all the selected variables except growth ratio. But the firms with medium and high leverage do not have any significant common determinant of their financial structure. Titman and Wessels (1988) estimated the impact of unobservable attributes on the choice of corporate debt ratio. Their study proved that

there was no significant impact of debt ratios on non-debt tax shield, volatility, collateral value and future growth of the firm. Samarakoon (1999) examined the use and determinants of leverage in a cross section of Colombo Stock Exchange listed 118 companies and found that the Sri Lankan firms used very less debt in their financial structure. He also concluded that profitability showed significant negative relation to leverage. Pandey (2000) empirically investigated the financing pattern of Thai firms and revealed that growth, debt, triangle assets and size are positively related with debt whereas debt and profitability, interest coverage are negatively correlated. Booth *et al.* (2002) concluded that the capital structure variables of developing countries and developed countries are same despite the differences in institutional factors. Garg & Shekhar (2002) attempted to analyze determinants affecting the capital structure and found that collateral value of assets, life of the company; asset composition and corporate size are the most significant factors affecting capital structure decisions, whereas business risk has no significance in deciding the leverage of the firm. Frank and Goyal (2007) revealed that industry median leverage, market-to-book assets ratio, tangibility, profits, firm size, and inflation have statistical significance for U.S. firms. Datta and Aggarwal (2009) empirically concluded that growth and tangibility showed negative and positive relationship respectively whereas other variables such as profitability, size and non-debt tax shield gave result as per the predictions of pecking order theory. Kaur (2009) investigated capital structure of 116 companies of Indian cement and automobile industry and revealed that size and growth are not significant factors for both industries whereas profitability and leverage were negatively but significantly associated in automobile industry but in cement industry these are positively related. Srivastava (2012) presented that the determinants that were significant in the pre-liberalization period do not remain significant in post liberalization period. Singh *et al.* (2012) examined the determinants of capital structure of Indian automobile firms and

revealed that firm size, tangibility and growth opportunities are positively related to leverage whereas negative relationship exists between profitability and leverage. Poddar and Mittal (2014) revealed that profitability, liquidity and interest coverage ratio are negatively associated with leverage whereas there is positive relationship between size and leverage of the firms under study.

Research Methodology and Scope of the study

Objective-The purpose of this study is to check the applicability of capital structure theories (TOT and POT) in Indian chemical and transport industry.

Scope-The scope of this paper is restricted to Indian chemical and transport firms listed on Bombay Stock Exchange. Top 20 companies each from both sectors based on maximum capitalization has been selected for the purpose of study but after scrutiny the companies with incomplete data were removed from the sample. So there are 36 companies in final sample comprises 20 firms from chemical sector and 16 firms from transport sector. The time period of the study is ten years from 2004-05 to 2013-14. The required secondary data has been taken from the corporate data base PROWESS maintained by Center for Monitoring Indian Economy (CMIE).

Dependent Variable (Leverage)- The definition of leverage depends on the objective of the analysis (Rajan and Zingales, 1995). It is the firm's ability to use its fixed cost assets or funds to amplify the return to its owners. Previous literature on capital structure showed that Taub (1975), Pandey *et al.* (2000) and Kumar *et.al.* (2012) have used different measures of leverage. Keeping in view the previous studies the researcher took total debt/total assets measure of leverage in line with Pandey (2000), Bevan & Denoltt (2000), Siddiqui (2012), and Srivastva (2012). Total debts include both short term & long term debts from financial institutions, banks, fixed deposits

from government, foreign loans & funds raised from capital market through debt instruments such as commercial papers and debentures (both convertible & Non-convertible).

Independent Variables- In line with previous studies, this study included size, growth, tangibility, liquidity, uniqueness, profitability, business risk, non-debt tax shield, debt service capacity and effective tax rate, as these are important variables affecting capital structure decisions of the firms.

a. Profitability

Profitability is an important determinant affecting capital structure. As per trade off theory debt financing is easily available to the firms with higher profits and they prefer debt to have more profits to shield from taxes as interest payment on debentures are tax deductible and thus expects positive relationship and states that according to pecking order theory, the expected relationship is negative as a profitable firm favor to finance from internal sources first, then debt and at last external equity, thus supports negative relationship. Empirical Studies also support mixed results. Bhatt (1980), Titman and Wessels (1988), Harris and Raviv (1991), Rajan and Zingales (1995), Kakani and Reddy (1998), Pandey (2000), Booth *et al.* (2001) and Shah and Khan (2007) all found leverage to be negatively related to the level of profitability while Taub (1975) and Bevan and Danbolt (2000) locate a positive relationship between leverage and profitability. The present study has used most commonly measure of profitability i.e. EBIT divided by total assets in line with Bhatt (1980), Pandey *et al.* (2000), Garg and Shekhar (2002), Rasoolpur (2012) and Hossain and Ali (2012).

b. Tangibility

The asset structure of the firm represents tangibility. The firms with higher level of tangible fixed assets have more propensity of issuing debt by using fixed assets as collateral rather than issuing equity expecting the positive relationship in line with trade off theory. Pandey

(2000), Frydenberg (2004), Jong *et al.* (2007) and Ghani (2010) found significant positive relationship between tangibility and leverage. However Rajan and Zingales (1995), Titman and Wessels (1988), Bevan and Danbolt (2002) predicted negative relationship in support of pecking order theory. The present study has used net fixed assets to total assets in line with Bevan and Danbolt (2002), Hizazi and Tariq (2006) and Oztekin (2010).

c. Business Risk

Harris and Raviv (1991) propose that risk of cash flow to honour the payment of debt remains high in high volatile firms. The two theories of capital structure i.e. pecking order theory and trade off theory suggest negative relationship between leverage and business risk. As per trade off theory high debt ratio may increase the possibility of financial distress and less debt is used by firms in order to maintain a balance of total risk profile. Pecking order theory states that high risky firms always try to accumulate cash when there are excess profits to avoid external finances to avail investment opportunities, thus also support negative relationship. Kakani and Reddy (1998) and Eldomiaty (2007) found significant negative relationship between leverage and business risk. But Bhatt (1980), Titman and Wessels (1988), Frank and Goyal (2007), found no significant relationship between risk and leverage, whereas some other researchers such as Booth *et al.* (2001), Pandey(2001) and Rafiq *et al.*(2008) supports positive relationship between risk and leverage ratio. This study follow Rasoolpur(2013), Rafiq *et al.* (2008) and Shah and Khan (2007) used the value of the deviation from mean of net profit scaled by total number of years for each firm in a given year as a proxy for measuring business risk.

d. Size

Previous literature proves size to be an important determinant of the capital structure. Size may then be inversely related to the probability of bankruptcy thus suggesting the positive

relationship between size and leverage (Titman and Wessels 1988 and Rajan and Zingales 1995). Same positive relationship is expected under trade off theory. On the other hand pecking order theory states that there is less asymmetric information about large size firms and it reduces the chances of undervaluation of the new equity issue and larger firms favor to use equity financing. This means that there should be negative relationship between size and leverage of the firm Rajan and Zingales (1995). The present study has used the natural log of the net sales to measure size of the firm in line with the studies Bhatt (1980) and Titman and Wessels (1988).

e. Debt Service Capacity

Debt service capacity indicates the ability of the firm to serve its fixed payments funding after paying all expenses except taxes and interest are paid. If the ratio is high it confirms that the capacity of the firm is less to serve debt and hence resulting in the lower proportion of debt in the capital structure of the firm. Bhatt, (1980) and Kumar, *et al.* (2012) have used earnings before interest and taxes to fixed interest charges as proxy for measuring the debt service capacity. This study has also used the same measure in line with above studies.

f. Uniqueness

Firms with unique items have more intangible assets and it is not easy to get long term loans from banks and other financial institutions, hence uniqueness is estimated to be negatively associated to debt ratios (Titman and Wessels, 1988).It is predicted that firms with unique goods has to spend large amount of expenditures on selling and distribution and research and development, then the firm need more funds to finance its activities thus issue more debt capital means positive relationship as per pecking order theory. Frank and Goyal (2007) and Rasoolpur (2012) found negative relationship between uniqueness and leverage whereas Kakani and Reddy (1998), Oztekin (2010) and Pathak (2010) found that leverage is positively

associated with uniqueness. Selling and distribution expenses divided by sales has been taken as a proxy for uniqueness in line with Khanna (2013), Rasoolpur (2012) and Pandey (2000).

g. Non- Debt Tax Shield

DeAngelo and Masulis (1980) pointed out that firms benefit from other sources of tax shield like depreciation. Items other than interest expenses that contribute to tax reduction are characterized as non-debt tax shields. Thus one can expect positive association between leverage and non- debt tax shield. With considerable amount of non-debt tax shields, the firms do not require the tax shield provided by debt, hence expects a negative relationship in support of trade off theory. Literature review provides mixed results. Some researchers like Kakani and Reddy (1998) and Oztekin (2010) set up significant negative relationship whereas Frank and Goyal (2007), Rafiq *et al.* (2008) and Srivastava (2012) found positive relationship between leverage and non-debt tax shield. Titman and Wessels (1988) observed that non debt tax shield is not statistically significant variable of capital structure. The present study has used depreciation scaled down by total assets as a proxy to measure the relationship of the debt and non-debt tax shield in line with other studies i.e. Bauer (2004) and Oztekin (2010).

h. Liquidity

Liquidity an indicator of short term solvency indicates that the firms with more liquid resources are able to meet its short term obligations easily. As per trade off theory highly liquid firms have higher level of leverage and these firms can employ external debt and other financing as they are able to pay back liabilities easily and can avail the benefit of tax shields, so expects the positive relationship. On the other, pecking order theory expects negative relationship between leverage and liquidity and

assumes that highly liquid firms first use its internal funds then external. Most of the studies such as Pathak (2010) and Srivastava (2012) observed significant negative relationship between liquidity and leverage while Jong *et al.* (2007) showed positive relationship. Current assets divided by current liabilities proxy has been used in the present study in line with Rasoolpur (2012) and Khanna (2013).

i. Effective Tax Rate

The impact of tax on capital structure can be measured through non-debt tax shields and tax. Higher the tax rates, more the interest tax benefits of debt, as interest paid on debt is tax deductible, hence the effective tax rate is expected to be positively related with leverage thus supports the tradeoff theory. On the other hand, it is assumed that when the tax rates are high the internal funds are used to reduce the cost of capital means negative relationship between effective tax rate and leverage. Oztekin (2010), Eldomiaty (2007) and Sarvanan (2006) found positive significant relationship whereas Taub (1975), Booth *et al.* (2001) and Frank and Goyal (2007) have found negative relationship between tax rate and leverage. The present study has used the measure $(1 - \text{Earnings after Tax} / \text{Earnings before Tax})$ in line with Rasoolpur (2011).

j. Growth

Firms with high growth opportunities have greater future need for funds. To fulfill the need of finance firms financed their assets through issue of equity instead of debt due to minimizing the risk per shareholder that leads to negative relation between firm growth and leverage supporting trade off theory. Rajan and Zingales (1995), Bevan and Danbolt (2002) found negative significant relationship whereas Titman and Wessels (1988) and Pandey *et al.* (2000) claimed a positive relationship between leverage and growth opportunities. The present study measure the growth as the annual percentage change in total assets in line with Gaud *et al.* (2003) and Ghani (2010).

Table 1: Expected Relation of Variables with Capital Structure as per TOT and POT

Variables	TOT	POT
1.SIZE	+ve	-ve
2.GROWTH	-ve	+ve
3.TANGIBILITY	+ve	-ve
4.LIQUIDITY)	+ve	-ve
5.UNIQUENESS	N.A.	+ve
6.PROFITABILITY	+ve	-ve
7.BUSINESS RISK	-ve	-ve
8.NDTS	-ve	N.A.
9.DEBT SERVICE CAPACITY	+ve	N.A.
10. EFFECTIVE TAX RATE	N.A.	+ve

Specification

Panel data has been used for this study and it combines cross-sectional data with time series data. Panel data have space as well as time dimension (Gujarati, 2004). Combination of time series with cross-section observations, panel data give “more informative data, more variability, less collinearity among variables, and more efficiency,” Baltagi (2001). Panel data models are certainly attractive and appealing since they provide ways of dealing with heterogeneity and examine fixed and/or random effects in the longitudinal data under the condition of well organized data (Park, 2011). Panel data techniques of Random Effects Model and Fixed Effects Model have been applied on this random sample. Then Hausman’s specification test is applied to test the applicability of relevant model. This test tells the rejection or acceptance of null hypothesis, which is, “Random effect model is appropriate,” otherwise fixed effect model is used. After this, the validity of random effect model is tested by applying the Wald chi square and if this model also not supported by this test, then only Pooled Ordinary Least Square (OLS) regression can be applied.

Variance Inflation Factor (VIF) is used to check the problem of multi-collinearity among variables. In this study all the analysis has been done with the help of software packages STATA. The equation for our regression model is:

$$LEV = \alpha + \beta_1 PFTY + \beta_2 TANG + \beta_3 BR + \beta_4 SS + \beta_5 DSC + \beta_6 UNIQ + \beta_7 NDTS + \beta_8 LIQ + \beta_9 ETR + \beta_{10} G$$

Where:

Variables Measures (proxy)

α = intercept

LEV = Leverage = Total Debt/Total Assets

PFTY = Profitability = EBIT / Total Assets

TANG = Tangibility = Fixed Assets / Total Assets

BR = Business Risk = Deviation from Mean of Net Profit / No. of Years

S = Size = Natural Logarithm of Sales

DSC = Debt service capacity = EBIT / Interest

UNIQ = Uniqueness = Selling and Distribution Cost / Sales

NDTS = Non-debt Tax Shield = Depreciation / Total Assets

LIQ = Liquidity = Current Assets / Current Liabilities

ETR = Effective tax rate = 1 - Earnings after Tax / Earnings before Tax

G = Growth Opportunity = % Change in Total Assets

RESULTS FOR CHEMICAL INDUSTRY

Variance Inflation Factor (VIF) Test

To test the multi-collinearity among the independent variables VIF test has been applied in the study. If the value is below the level of 10 for all the selected variables, then model is free from the problem of multi-collinearity. It has been revealed from the results that VIF is less than 2 for all individual variables, so it shows that multi-collinearity is not a problem.

Hausman's Specification Test

Hausman's specification test has been applied to check whether fixed effect model or random

effect model is suitable for the study. The value of Hausman's specification test has been found negative; hence, null hypothesis which is, "Random effect model is appropriate," cannot be rejected indicating the suitability of Random-effects model for this data. So random-effects model is used for analysis of data from chemical industry.

Discussion and Analysis

Table 2 reveals that value of Wald chi-square 30.94 and p-value 0.0006 shows the validity and significance of model. The value of R-square is 0.1895, indicates that the model has explained 18.95 per cent variation in leverage.

Table 2: Panel Regression Results for Determinants of Capital Structure in Chemical Sector

Variable	Coefficients
Profitability	-.3168169 (2.22)**
Tangibility	.1369569 (1.71)
Business risk	.0012116 (2.05)**
Size(s)	.0128494(0.47)
Debt service capacity	-.0001335 (2.52)**
Uniqueness	-.9240037 (1.67)
Non debt tax shield	-.2268618 (0.26)
Liquidity	.0003843 (0.64)
Effective tax rate	-.0306095 (1.05)
Growth (A)	-.0000459 (1.40)
Cons	.3050875 (3.34)

Note: Values given in parenthesis are z-values.

** Denotes significance at 5% level

The results for chemical sector as shown in table reveals that profitability, business risk and debt service capacity are significant variables. Profitability and debt service capacity are negatively associated to leverage and these results support the predictions of pecking order theory which expects negative relationship. But

business risk that showed positive relationship are contrary to the results shown by pecking order theory as well as trade off theory. Whereas all other variables such as size, uniqueness, non-debt tax shield, effective tax rate, growth, tangibility and liquidity are not statistically significant.

RESULTS FOR TRANSPORT INDUSTRY

Variance Inflation Factor (VIF) Test

VIF test has been applied to check the multi-collinearity and the value of VIF is less than 2 for all individual variables, so it shows that multi-collinearity is not a problem.

Table 3 shows the Random-effects regression results for determinants of capital

structure in transport industry. The value of Hausman's Specification test has recommended the use of random-effects regression model for the data from transport sector.

Wald chi-square is 227.80 and p-value of 0.0000 shows the validity and significance of model. The value of R-square is 0.6177, indicates that 61.77 per cent variation in leverage has been explained by the independent variables selected for the present study.

Table 5: Panel Regression Results for Determinants of Capital Structure in Transport Industry

Variable	Coefficients
Profitability	-1.521165 (8.45)*
Tangibility	.0717006 (0.60)
Business risk	-.0023195 (3.53)*
Size(s)	.0946811 (3.05)*
Debt service capacity	.000236 (0.21)
Uniqueness	.9679142 (3.42)*
Non debt tax shield	.6094521 (1.15)
Liquidity	.0025536 (2.56)*
Effective tax rate	.0121661 (0.36)
Growth (A)	.0099869 (0.22)
Cons	.1335939 (1.43)

*Note: Values given in parenthesis are z-values. * indicates significance at 1 percent level*

It is observed from the table that profitability, business risk, size, uniqueness and liquidity are significant variables and among these variables profitability and business risk that have negative relationship with leverage supporting the predictions of pecking order theory while size and liquidity that are positively associated to leverage are consistent with the results of trade off theory. Uniqueness with positive relationship supports the expectations of pecking order theory. All other remaining variables like tangibility, debt service capacity, non-debt tax shield, effective tax rate and growth are statistically insignificant.

Comparative Analysis

Above results revealed that profitability and business risk are significant determinants for both sectors. Profitability that found negative relationship supports the predictions of pecking order theory indicating that more profitable firms would tend to use less debt in their capital structure. Business risk is positively related to leverage in case of chemical sector proves that due to higher business risk the firms are not attracted to issue equity due to high cost of

equity but negative relationship in case of transport sector support the predictions of both theories and proves that firms in transport sector use less debt in case of high risk. Among other significant determinants of chemical sector is debt service capacity but its negative relationship with leverage contradicts the predictions of trade off theory. Size, uniqueness and liquidity that are significant and positively related variables only in transport sector whereas these are not important determinants for firms in chemical sector as is proved by the results of this study. Tangibility, non-debt tax shield, effective tax rate and growth are statistically insignificant variables in both sectors. The results of the study also followed the predictions of previous studies. The results indicate the applicability of pecking order theory in chemical sector but in transport sector both theories are applicable. Overall results of the study proves the applicability of both theories of capital structure i.e. trade off theory and pecking order theory but not in the same manner but in different contexts.

Conclusion and Implications

The results of the study confirmed that the determinants affecting the capital structure decisions are not same for both sectors. Profitability is the only significant factor that shows the same results for both sectors and proves that financial managers of both sectors avoid using higher amount of debt for profitable firms. The results for business risk are not consistent for both sectors. Firm size being important factor in transport sector reveals that managers rely upon debt when the size of firm is enlarged, but it is not significant in chemical sector. The significant positive relationship of uniqueness in transport sector suggests top managers to cope up their additional fund requirements through debt. Overall the study revealed that there is no single set of determinants that affects financing decisions in the same manner. Hence, it can be concluded that no single theory can explain the behavior of financing in selected industries.

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GROWING ENVIRONMENTAL CONCERNS AND THEIR REMEDIES: A GLOBAL PERSPECTIVE

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Abstract

The term environment has been used by rishis, poets, and other writers for the time immemorial; it is the surrounding depending upon types of atmosphere caused by living and non-living beings on earth. Ancient rishis were conscious of harmful and devastating effects pollution, and hence they continued to perform Yajanas time to time to end up the harmful germinated, bacterial and virus effects on the atmosphere that affects the environment. Cow desi ghee with the offering of Havan Samigri in Havan Kunda burning with the sacred sticks of Mango, Peepal, Bargad, and basil plants has an effect like nuclear fusion in the atmosphere. A single particle of desi ghee of cow due to effect of Vedic mantras turns into millions of particle to fight the poisonous and harmful virus in the atmosphere.

Everything on the earth is balanced under cosmic effect. A sudden disturbance in the order of the things causes a great harm. The sun is the main source of energy or food. It is transferred to producers (plants etc.), and producers transfer food to consumers (grasshopper, rat and snake etc.), and the consumers transfer energy or food to decomposers (bacteria, worms, and fungi etc.). Through various food webs and food chains balance in the universe is maintained. A slight disturbance in the chains or webs disrupts the whole system. The thing that nature has gifted us need not be destroyed like deforestation, and continuous ending of natural resources.

It is obvious from the harmful effects on the atmosphere, men has imbalanced the webs and chains. To prevent the this harm, it is duty of every citizen to preserve forests and over use of natural resources.

Key Words: Food webs, food chains, producers, consumers and decomposers

There has been integrate and integral relationship between men and nature for the ancient time. People used to wander in search of food, shelter and security those days in Jungles. They made their dwelling where they found all these necessities fulfilled. They satiated themselves with fruits, water and food: raw or baked acquired from hunting of the wild animals. Hence what they desired were food to live, water to drink, clothes to put on. For clothes, they (people of the ancient time) depend on either plants or skin of hunted animals as there was no invention of fabric in very ancient time. Holy Kuran of Muslims tells that 'men and nature both are creation of one Allah. He made men from soil, jin from fire (sola), and all living

and nonliving organisms from other materials'. God has endowed both men and nature equally power. The both: human beings and natural objects enjoy and face joys and sorrow equally. Both need food to eat, water to drink (sustain) and wind to breath (survive). Human beings and natural objects both suffer from various diseases, enemies, accidents and setbacks as men suffer from pestilence, famine, wars and all short of diseases, and natural objects suffer from worms, blight, lightening, and tornadoes etc. Human being bestows with more intellectual and spiritual power, but natural animates are either totally devoid of or have a little of this gift blessed to humans. This is the point raised here that human beings should be more faithful and

sacrificial to the natural objects as both are creation of single almighty and human beings are endowed with intelligence and spiritual knowledge. In Bhishma Parva, depicted in Shrimad bhagvad geeta: Kshetranya Vibhag Yog, Lord Krishna says to Arjun “Both men and nature are of time immortal...men benefit all outputs of nature living with her...”(Mahabharata, 724). All the eight elements: Prathvi (earth), Jal (water), Agni (fire), Vayu (wind), Akasha (sky), Mana (mind), Buddhi (intelligence) and Ahankara (pride), are part of nature endowed by God. He (Almighty) has associated many objects like trees and plants to gods, months, and planets also. If men equally value and remain faithful to trees, plants, and other natural objects, they (natural objects) can protect them (men) from certain watch crafts, spell, sorcery, diseases, evil eyes, epidemic, disaster and even the most serious Environmental Challenges like ‘Depletion of Ozone Layer’, ‘Acid Rain’, ‘Pollution’, ‘Global Warming’ ‘Green House Effect’ etc. keeping distance or making separation from the natural organisms is hazardous to human beings. Ruskin, an Indian author of British decent in his Prose Writing ‘The Kite Maker’ emphasizes the deep relationship between men and natural. “There is a great affinity between trees and men. They grow at much the same pace, if they are not hurt, or starved, or cut down...” (Sharma,76).

Different sages, rishis, poets, and other writers have been raised voices that all natural objects are boon to human beings if they are preserved well, because they are connected to gods in any of the forms either of past or previous birth relation or any other ones. Plants and planets are also related to each other: Ark Plant – Ravi (sun), Palasa Plant to Soma (moon), Karttikeya and Khadira Plant – Mangla (mars), Aparmarga Plant- Budha (mercury), Aswattha Plant –Brihaspati (Jupiter), Urumbasa Plant – Sukra (venus), and Sami Plant – Semi (Saturn). On the names of these planets, arrangement of week days is made: Soma (moon) Planet means Somavara (Manday), Mangla (mars) Planet relates to Mangalavar (Tuesday), Budha

(mercury) Planet indicates Budhavara (Wednesday), Brihaspati (Jupiter) Planet refers to Brihaspativar (Thursday), Sukra (venus) Planet explores Sukravara (Friday), and Semi (Saturn) means Sanivara (Saturday). There are different legends that prove trees and plants have intimate relationship with human beings. They (plants and trees) express their pleasure when they saw men in joyful condition, similarly they (plants) display sorrow when they (plants) find men sad. In Shrimad- Valmikiya- Ramayana, Sunder Kand explores Sita’s sadness when she is abducted by Ravana and placed in Ashoka Vatika. ‘Asya hi Puspavantagrashakhaha shokam dradham vei Janyantyashokaha, Himvyapayen cha shittarshim-rabhyutithato nacsahasrarashmiha’ (Valmiki, 16/31/83). Valmiki Rishi says that in Ashoka Vatika, Sita, Holy wife of lord Rama is very sad due to separation from her husband. Her physical and mental situation is also miserable. Seeing her condition, trees also express their sorrow or grief. They bow down their twigs laden with fruits. Trees of Ashoka’s are also expressing utter sorrows. Moon that bestrews her pleasing coolness after the end of winter season, but now he is also falling heat beams like sun means expressing deep sorrow. Human beings looked after plants and tree as their own children in early days and so trees and plants wept seeing any difficulties over men. “In the olden days, plants could speak like human beings” (Gupta, 67). There are so many references in Ramayana, Mahabharata, Puranas and other literary writings that show intimacy of plants, and tress with human beings. Conversation of human beings with plants and trees is depicted in Shrimad bhadvat Mahapurana when gopis do not find Shri Krishna in the groves and bowers. They think Him (Krishna) lost from them. Shri Sukdev describes the condition of gopis to Parikshit that gopis are so mad for Krishna that having not found Him in the bowers and grove, They begin to ask the big plants like Peepul or Indian fig tree (Aswattha), Paker and Banyan or bargad (Nvagrodha) if they have seen Nandnandan Shyamsunder who has wounded them deeply with His deep smile. They further

ask Kurbak, Ashoka, Nageswar, Punnag, and Champa trees if they have seen the younger brother of Balrama coming there whose a bit smile can make even the hardest and toughest hearty person melt down. Further they ask the female plant: sacred Basil (Tulasi) if she has seen the Lord as He wears the string made of her beads, as she (Tulasi) has a tender heart to make the welfare of the world. Her love is sacrificed on His holy feet. They further ask Juhi And Malti plants, wood apple or Bel (Bilva), kadamba or Kadam, Jamun, Rasal, Priyal, Kathal Neem and other trees growing at the bank of river Yamuna if they have listen even the arrival sound of Krishna and seen Him.

Each tree or plant has its specific value as it is connected to one god or deity. Indian fig tree or peepul (Aswattha) leaves off oxygen twenty fours (days and nights) and is most pious or sacred. It is associated with trimurty or trinity: Brahma, Vishnu and Shiva (Mahesha). Brahma, the creator is associated with Saraswati, the goddess of knowledge. Vishnu, the preserver is connected to lakshmi, the goddess of wealth and Shiva (Mahesha), the destroyer to Parvati, the mother goddess. Brahma is the ruler of Brahma Loka, Vishnu of the Vaikuntha Loka, and Shiva (Mahesha) of the Kailash. "Its (Indian fig tree or peepul (Aswattha) leaves end all spells or evil effects and its sound gradually ends the virus and bacteria of diseases. Its bark and fruits are helpful in curing cough, leprosy, hiccup etc." (Dwivedi, 41). Banyan, or Vata (Nyagrodha) is associated with Shiva, the destroyer and Brahma, the creator. It is also Hindu's sacred tree having an aura to endow the worshiper with enlightenment and is known as wish fulfilling tree. It is also known as Kalpvishra as its tiny branches in the form of hair touches the earth so that even the smallest organism can make its dwelling on it. "Siddhatra first sat under the shade of a Jambu tree for meditation in the age of 9 years and felt peace and concentration" (Shrikrishna, 23). Thus, Siddharth realizes that tree contains the power of concentration and understands that one needs a long way run to reach Buddhatva. It (Buddhatva) is like a sea that fills gradually with water coming from

different sources, overflows slowly and comes down respectively. So he continues meditation and concentration practice alternatively changing the place of his sitting. " Buddha sat for seven days under an Aswattha (Peepul) tree, the tree of enlightenment growing on the bank of river, Nairanjana...then he sat under Nyagrodha tree for seven days, absorbed in the bliss of his illumination...." (Gupta, 36). Secret of power that the trees are blessed is due to the deities or gods they are associated with. Wool Apple or Bel (Bilva) is an emblem of Shiva and also connected to Lakshmi. The tree is a symbol of prosperity and good fortune. It is said that Ram was taken by Brahma to the Bilva tree growing on the sea shore for good omen and confirm victory when battle between Ram and Ravan was going to be waged.

Through legends, we come to know that even gods or deities have a deep attachment with trees and plants. In Abhijnanasakuntalam, Kalidas exhibits a deep attachment between Plants and human beings. Shakuntala rears a Jasmine creeper, Vanajyotsna named by her with a great attachment. Both Vanajyotsna and She are growing young. As she is going to get married with Dusyant and leaving to King's Palace, she forgets her fellow (Jasmine creeper) that is to be married. Priyamvada reminds her about the tree (Jasmine creeper). She also wants to be got married. "As Vanajyotsna has been united to a tree worthy of it, so may I, too get a suitable husband" (Kale,1/29). It was a mango tree with whom Jasmine creeper is to be tied up. There are many evidences that prove that even trees are also got married.

Trees are our real preserver and faithful to us. They bring us cool wind, rain, fruits, different medicines, and shadow. They also protect us from enemies as depicted in Mahabharata in Virat Parva by Vasampayanji. When Pandavas were on exile, they were proceeding to search a proper place to live in, as they reached capital of Virat, Yadhusthara said to Arjun to hide the weapons e.g bows with arrows including his gandiv somewhere. It was tree, the true friend of them on which all the weapons were hid and when the exile was over,

and Kauravas attacked the Virat kingdom, Pandava found their weapons safe on the trees. Arjun said to Prince Uttara to climb up the tree to get down all weapons. "Get them off soon, don't make a delay. Tie off the clothes wrapped over the weapons" (Mahabharata, 216/514). Hence Sami tree returns the weapons safe to Pandavas that were given to it for its custody.

There are different flowers trees: some grow on mountains in queues, some in forests near by the manhood, and the others grow in dense jungles. These flowers are appreciated by men, gods, demons, yakshas and pitaras separately. Out of these trees some are thorny trees, and the others are thorny-less. They all contain separate colour, odour: bad and pleasant. Gods like or appreciate the flowers containing pleasant odour and are borne of thorny-less trees having white colour flowers, but the demons often like the flowers grown on thorny shrubs having red or black colour. Such flowers are appreciated by bhutas (ghosts) and pretas. Men like the flowers that are worth seeing and attracted by bees. Gods are pleased with the odour of the flowers, Yaksha and demons please with the flowers when they saw them, Nagas please with them when they use them, and the men are pleased by seeing, and smelling and by using. By offering flowers, gods are pleased and thus, human beings are blessed with. Men find 'content and respect' by pleasing the gods. If gods are insulted and disrespected, they (gods) shower their anger on men and give evil to them. The reference of the flowers and trees are found in Mahabharata's Anushasan Parva. Hence all variety of flowers and trees are needed for human welfare and their peace of mind. Some trees and plants like Kadamba or Kadam (Kadamba), Dhub grass or Durbha (Haritali), Kusha (Darbha grass), Utrasum or Rudraksha, Sehund (Snuhi), Krishna butter cup, Gular (Udumbra), Munja ghas, Sabai ghas, Mango or Aam (Amra), Banana or Kela (Rambha), Lotus or Padma (Pundarika), Tree of sorrow or Harshingar (Parijata), Sacred Basil or Tulsi (Tulasi), Rise or Dhan (Mana), Mimosa or Jhand (Sami), Betal or Paan (Nagavalli), Child life tree or Jayaputta (Putranjiva), Ashoka, Sour Creeper

or Somalata (Soma), Sesame or Til (Tili), Salor Sala, Tamarind or Imli (Tintrini), Arjun, Sahaji or SajeBellirrie or Bahira, Elephnt grass or Mothitrina (Eraka), Black gram or Urad (Masha), Indian Jujube, Ber (Vadra Kuvala) etc. are associated with certain deities or gods. In origin, they are directly or indirectly connected to gods or deities.

Sacred Basil or Tulsi is richer in virtues than any other plants. It is considered the meeting point of earth and heaven as depicted in Puranas. Its leaves should not be plucked on Sundays and Tuesdays. By putting a lamp lit under it every evening, the person is blessed by Vishnu. It also provides positive energy around the place it is kept. In rainy and winter season, it should be kept under a shed or to prevent the harmful effect of the atmosphere. It cures many evil diseases and mental anxiety, if the sufferer drinks some drops of its juice mixing in water and keeps its leaves with him. It has other medicinal values also. Mango or Aam (Amra) is considered pious both by Hindus and Buddhists. It has great religious significance and medicinal values. On all pious occasions like birth of a child and marriage ceremonies, its fresh leaves are fastened or hung at the main entrances of the house with a hope of prosperity and wellbeing. Its sticks are used in Yagyas or Havanas or Homas as its smokes fights against the bacteria and virus missed in the air, and purifies the atmosphere within the range about 9000 sq. meters. Its sticks are used in funeral pyres to prevent the harmful effect of the atmosphere caused by burning the dead body, and it is considered holy as well. Its branches are placed on the full pitcher with a coconut adorned with sandal paste, vermilion, and flowers at the sacred ceremonies to invoke gods and goddess for the successful completion of aim or occasion. Ashoka or Asoka tree is considered holy both by Hindus and Buddhists. It is a tree that disposes off sorrow or grief. It is also a symbol of love and has a dedication to Kamadeva, the Hindu god of love. It is attached to enlightenment of Mahaviva, the Jain Muni. It is Shiva's favourite tree. Plantain or Kela (Rambha or Kadali) is considered for the

incarnation of both: Parvati, the wife of Shiva and Lakshmi, the wife of Vishnu. It is used in various religious occasions. It is worshiped by females on Brihaspatvar (Thursday) with a wish to male progeny as it is a symbol of fecundity. At religious occasion like Shrimad Bhagwat saptah, two full trees keeping root out are adorned as the main gate before the seat of Vyas with a full pitcher beside it adorned with mango fresh leaves and coconut. Similarly, there are many plants used in various religious occasions and the others ceremonies due to having medicinal significance.

From the above depiction, it is clear that trees are of great importance to all human beings due to either religious importance or medicinal effect. All the plants and trees are parts of ecology concerned to nature. There is an interrelated relation between Environment and Ecosystem or ecology. Environment is made up of five bhutas, human beings, and Ecology (living organism and non living organism). Atmosphere is the surrounding among the five Bhutas, human beings and ecological organism. An ecological system is said to be friendly if the food chain runs smoothly means an appropriate relationship among the five bhutas, human being and ecological elements. A system is said to eco-friendly if food chain is maintained. The Food chain starts from primary source like sun hydrothermal vents where producers make food. Every organism needs to obtain energy in order to live as plants get energy from the sun, producers from the plants by eating them, consumers take energy from the producers by eating them as food, and decomposers take energy by eating the consumers, but when decomposers die they are turned to nutrients and make food to the producers in the form of fertile soil to make the growth of the plants. It is the five bhutas who are never ending source and are immortal, and so they are called supporters to earthly beings like human creatures and other natural animates and inanimate. This makes a chain from up level to down one is called food chain. Thus, Food chain in other words refers to the transfer of food energy from producers (grass, algae and phytoplankton etc.) to

consumers: Primary (grasshopper, mosquito larva, and zooplankton etc.), Secondary (rat, dragonfly larva, and fish etc.), Tertiary (snake, fish and seal etc.) and Quaternary consumers (hawk, raccoon, and white shark etc.) to decomposers (bacteria, worms, slugs and fungi and animals like vulture and termite). A network of many food chains is called food web. Different feed chains or food webs make the ecosystem friendly. Primary consumers are called herbivores and the secondary consumers known by the name of carnivores. Producers are called a biotic source since the plants get energy from sunlight. To maintain the food chains or food webs eco-friendly, a systematic balance of each unit or part is necessary. Similarly, to maintain the atmosphere in the healthy and right manner, balance in five bhutas is must. It is the duty of human beings as they have been blessed with intellectual and spiritual powers whereas the other natural elements are not, to maintain the appropriate balance in the bhutas. Here appropriate balance does mean that men have no right to disturb the natural animate and inanimate substances any more. They have crossed their limit as a result; plants and trees have left their attachment to human being. They (plants) have been provided to human being to live with them, play with them and to partake their joys and sorrows with them. Men are free only for limited period for making them any harm. As plants and trees are sole parts of nature. They have been supporting men for the time immemorial. Men have no right to show their own domination on them as destroying them by cutting them off etc.

The balance between the Bhutas is necessary to keep the cycle of their relationship maintain in smooth manner. The first bhuta-Akasha (the Sky) contains only one guna: subda, the second bhuta-vayu (wind) has two gunas: subda and sparsh(touch), the third bhuta-Agni (fire) refers to three gunas: subda and sparsh (touch), and rupa (colour), the fourth bhuta-Jala (water) contains subda, sparsh (touch), rupa (colour), and rasa. The fifth bhuta-Prathvi(earth), mother all human beings involves the five gunas: subda, sparsh (touch), rupa

(colour), rasa and gandha. It is the earth who supplies food to eat and shelter to live for all living beings (human beings and natural organisms). It bears the weight of all elements living and nonliving without any distinction. She is the mine of all precious metals like gold, iron, silver copper etc, minerals (A –Z) and salts also. Jala (water), the fourth bhuta is precious and gives life to all living beings. It is blessed by Lord Krishna when Lord Krishna requests maharshi Uttung muni to wish for something as Mahabharata takes its end, Uttung wished for never ending source of water on the earth. It is Jala (water) that sustains or maintains the existence of all living organisms. “Apasvantaramrtamapsu bhesjam, Apamatu prashastibhirashva bhavath vajano gavo bhavath vajiniah” (Atharva,1/4.4/35). Rishi Sindhudeep or Krati tells that Jala (water) has the power to grow the substances or ingredients on the earth that can cure diseases and is health provider; It contains nectarous medicines in itself. It gives innumerable powers to cows and horses to do the welfare of human beings. Agni (fire) and Savita (wind) devas are the origin of Jal (water) deva. Without Jala (water) no one can’t exist. Vayu (wind), the second bhuta is most important of the five. In its absence, there is no existence of life on the earth. Pure air if the environment is eco-friendly works like medicine and increases life span of all living and non- living beings. It is Vayu (wind) that brings rains to quench the thirst of all living animates on the earth. “Yayoh sankhyata varima parthivavi yabhyam rajo yupitmantarikshey, Yayoh prayam navanashe kashchan tau no munchatam hasah” (Atharva,4/25.2/186). Rishi Mragar addresses this sukta to Vayu deva (wind god) and says that all the work of Prathvi (the earth) and Vayu deva (wind god) are for world fame. They both bring rain in the sky. No god can compete the speed of Vayu deva. He (Vayu deva) can make men free from sin. Hence, Rishi Magar prays to Vayu deva (diety) to make them (all human beings) sinless. He has power to keep men away from evil deeds.

The environment is consisted of all living and non living beings, out of them human

being is a small unit. Due to imparting spiritual and intellectual power to men, human beings are hoped to shoe their intimacy to all animates and inanimate. “Ye trisaptah parayanti vishva rupani bibhratah, Vachaspatirbala, tesham tanvo addha dadhatu me” (Atharva,1/1.1/31). Rishi Atharva addresses this sukta to god Vachaspati and says that Prathavi, jala, akasha, vayu, tanmatra and ahankara- seven elements and tree gunas: satva, raja and tamasa or tama are multiplied is equal to twenty one. This twenty one digit represents twenty devas or gods (deities) and these devas or gods are free to visit any nook and corner of the earth. We can be blessed with all seven substances if we invoke Brahma, the lord of Vani (the power of speech). All the twenty one deities are concerned directly or indirectly to natural organisms. Kalidas, the great Sanskrit playwright and poet also describes in Abhijananasakuntalam the deep relationship between human beings and plants. He proves in the play why ancient rishis were more intellectual and had a deep spiritual knowledge showing and depicting the natural beauty of Ashrams (hut) of Kanva rishi. There were creepers, green grassy areas, and different flowers, small lakes, Tulsi plants, Peepul trees, fawns, various birds etc. Natural greenery creates an aura in which one feels sooth. Plants, birds, animals and other living organisms and they also show their deep attachment with human beings if they are cared or looked after well as in their soul lies the dwelling of twenty gods, “ yasyatyadh asahakuntalati hriyam...nu tanayaviahlahduah khanarvah” (Sakuntalam, 4/6/140). Kanva rishi feels very distressed when Shakuntala goes to king’s palace. He feels totally aloofness. Once he thinks that a kanya (an unmarried girl) is concerned to family where she is married, but soon he realizes that not only he but also the whole surrounding including all her sakhis (friends), trees, bowers and groves of Ashramas, creepers, fawns and the whole forest weeping finding themselves aloof in absence of Shakuntala. It is not the plants, Kanve rishi, the whole jungle but also Kalidas himself weeps while depicting the heart rendering separation of Shakuntala from Ashramaits (all attached to

ashramas). It denotes that a healthy environment lies where there is a deep attachment between human beings and natural objects. Only one who dwells in the lap or close contact with the nature can write or depict well all about natural beauty is done by Kalidas in *Abhijananasakuntalam*.

The whole Atharva veda emphasizes that human welfare lies in preservation and conservation of plants and trees. There are a number of suktas that prove plants and trees contain the remedies of all human ailments and anxieties. Directly or indirectly it (Atharva veda) lays emphasis on the protection, and care of all bhutas, plants and trees, water Sources Mountains. "Rohanyasi rohanyasthaschhinnasya rohani, Rohyadmarundhatih" (Atharva, 4/12.1/165). Shrabhu rishu addresses this sukta to god Vanaspati, Rohani and implores Rohani that she has red colour and is able to join the fractured bones. With a utter surprise, Heshrabhu rishi further implores to vanaspati calling her- Arundhati that She can heal the wound with a soon recovery of other ailments. She can block the flow of blood from the injury. She is prayed to maintain the speedy flow of blood in the body by checking its flow from the injury. Atharva deva describes remedies of both incurable and hazardous diseases in nature with the help of herbs. It (Atharva Veda) is based upon theory of external diseases...It involves spiritual and psychological aspect of life, marriage problems, husband wife problems...." (Dayal, 391).

Environmental issues are dealt with a systematic manner in Yajurveda also besides Puranas. Yagyas or Homas or Havana has the power that can purify the atmosphere and shower prosperity on the earth. Havanas or Yagyas or Homas are of three kinds: Sattvic, Rajasic, and Tamasic. Sattvic havana or Yagya is considered the best of the three as it is done for the welfare of the whole universe. In performing, Havanas or Homas, swa (self) feeling is avoided and a feeling of Para (for other welfare) is to be maintaining. The place where a Havan or Ysgya is performed is filled with positive aura covering a large surrounding. The whole atmosphere where the smoke of Havan or

Yagya spreads or casts becomes bacterial or virus free and contains positive energy. There is peace and calm allaround. When many offerings with the names of certain devas or gods are made in the Havana or Yagya, Bhutas feel pleased. All the plants, trees, animals, and other livings creatures of the earth experience joys. Food cycle or Food chain and Food webs also get activation. All seems fresh. That is why sticks of holy trees like fig trees or Peepul (Aswattha), mango or Aam (Ama), sacred basil, Tulsi (Tuladsi), Gular (Udumbara), Black gram or Urad (Masha), Sesame or Til (Tili), oats and pure cow ghee are used with the offerings to gods, it purifies the atmosphere and makes it bacterial free. Pure cow ghee used in Havan or Homa goes to sky with smoke and when it rains, it contains the medicinal effect of all substances used in Havanas, or Homas and is poured down again over the plants and on the surface of the earth. It again purifies the atmosphere. Hence the effect of Havana or Yagya is twice folds or blessed: once when it is performed with the sacred ingredients and the second when there is first rain in that area. It covers the surrounding wherever the smell and smoke reaches. Agni deva or god also feels pleased when offerings of his names are made and he puffs up with joys. It (Agni deva) spreads the smoke and smell to a wide surrounding. The wider the smoke of smell goes, the more the purification and conservation of environments. In early days, where there were industries in any areas, the residents of that areas used to perform or do Havanas or Yagyas with several offerings to Vayu deva also so as to send the pure smoke of havana to fight the elements of air pollution in the areas. Rishis and munis were keen observer of the future environmental challenges and so they suggested the remedies to fight against the dreadful problem. In Havanas, gular sticks are used so that it can cure the disease like pramaha. Different offerings in Havanas influence 9000 sq. metre area. "Mapo moshadhirhidhamno...dwesti yam cha vayam dwishmah" (Yajurveda. 6/20/83). Shellac is a medicinal plant and is worshipped in the form of god or deity. It has been addressed by Yajurveda rishis not to end the source of the water on earth

surface. The Shellac deva is further invoked not to let the herb disappear from earth. The deva is also requested or implored to make the human beings free from the deserted or dreadful area where they (men) feel fear to go. He (medicinal plant) should impart the human beings the intelligence not to think of slaughtering the wild and dreadful animals like sacred mother cow are not slaughtered by Hindus and to make them (human beings) free from the cruel hands of sin. Both water and herbs are equally loved by them (human beings), but it is requested to him (medicine) to treat strictly with the enemies like his own. This was the way of offerings made in Havanas or Homas with a view to well-being of the world.

To bring rain on earth or to give life to the plants, Rigveda also supports the Havanas or Yagyaa as water is the life provider and cures all human diseases directly or indirectly. It nourishes the herbal plants that make food cycle or chain run smoothly. "Ima brahmondra tubhyam Shansi da nrbho nranam shoor shavah, Tebhirbhav sakratureyshu chlkannut trayasva un stin" (Rigveda, 18/148.4/532). Rishi Prathu and Ven invoke Indra deva to conserve who in a group makes an invocation with offerings in Yagya or Havana. He (Indra) should also love them who demand his love. In Havana, a number of stotras are chanted for him. He should bless the performers with strength whom he considers excellent. These were the ways prescribed by rishis and munis to be performed for their (for human being) welfare.

According to section 2 (a) of the Indian Environmental Protection Act 1986, "the term environment includes water, air, and land, and the inter-relationship which exists among and between water, air and land and human beings, other living creatures, plants, microorganism and property" (Myneni, 3). From the above discussion, it is clear that environment and atmosphere are interlinked and complementary to each other. One is incomplete without the other. The difference between the two is that term atmosphere refers to envelop of gases that surround the earth, whereas the term environment refers to all living and non-living

things that make the surrounding. Imbalance or improper proportion of gases that is the part of atmosphere soon affects the environment around the earth. The earth is a unique planet. Elements like carbon (in the form of CO₂), hydrogen (in the form of H₂), nitrogen (N₂), and oxygen (O₂) work as building blocks for the origin of life. Ozone is an allotrope of oxygen having three atoms of oxygen in its molecule and is highly reactive pale gas with a penetrating odour. Its formation starts at an altitude of 16 km. from the surface of earth and goes up to 23 km. altitude that appears in a thick blanket in atmosphere all around the earth. "The Ozone layer in the upper atmosphere is of great importance because it absorbs the harmful ultra violet radiation present in the sun light coming from the sun" (Sing & Others, 54). When ultra-violet radiation from the sun strikes the stratosphere, oxygen molecules split into atomic form. Oxygen and Ozone are formed as a layer around the atmosphere. Thickness of Ozone layer is not uniform and its concentration changes at atmospheric level with the season. "it is highest during the spring season (Feb- April) and lowest during the rainfall season (July- Oct.)" (Myeni, 46). In the stratosphere, it is found 90%, and some portion of it in troposphere. In stratosphere, it acts as a protective shield or covers the earth and protects it from harmful effects of strong ultra violet radiations, and in the troposphere, it acts as harmful pollutant and causes photochemical smog, as a result it damages human lungs, tissues and harms the plants. Infra-red rays consist of one third of sunlight as these are heat rays cause the 'heating of earth and atmosphere'. These rays pass through the carbon dioxide due to having short wavelength and make the earth surface heated or warm enough, the earth reflects long wave rays: red infra-red radiation that is absorbed by carbon dioxide layer in the atmosphere. Heating of earth's atmosphere is due to the trapping of infra-red rays (reflected from the earth surface) by the carbon oxide layer in the atmosphere is called greenhouse effect "(Singh & Other, 57).

From the above discussion it is clear that amount of carbon dioxide (CO₂) is continuously

increasing on the earth causing Ozone Layer Depleting, Green House Effect, Different Type Pollutions, Acid Rains and other environmental challenges. It is due to growing colonization, deforestation, growing industrialization, deposition of heap of garbage in open fields, flowing of chemical substances in open areas and their outlets to water sources, avoidance of moral duty to environmental issues, and increase in the no. of vehicles and use of AC in houses, offices and vehicles. The solutions to tackle with these environmental challenges that are growing fast with time advancement are as followed: (i) There should be strictly ban on more colonization. (ii) People should be made aware of the teachings of Vedas specially the coming generation with the complete knowledge of five Bhutas, and there relationship with ecosystem: More and more number of Food cycles or Food chains and Food webs should come into existence (iii) Monthly or half in a month, and village level. At every birth day, every student must be made compulsory either to plant a new tree or look after a tree already grown in the school premise where he studies. (iv) in case of Lack of open space in colleges,

plantation in flower pots or plant pots can be made. They (pots) can be placed in open fields, on roofs or at the gate side to all the ways tend to surrounding in open spaces. (v) More and more sacred plants, medicinal plants should be grown. (vi) Central govt. and state govt. should develop any process or technique with the help of scientists to destroy the heap of garbage that stays lying in the open fields. No chemicals or chemicals waste, or petroleum substances of the industries should be allowed to flow through the outlets meet the pious rivers. (vii) All people should accept that earth is our mother and should be made aware that she is feeling suffocation due to excess of carbon dioxide on its surface. (viii) There should be held or organized nukkad plays at school level, college level, institution level, at the round about or crossings (chaurahas), railway platforms, bus stands to make the people aware of environmental challenges that can be solve at personal level by suggesting them all the teachings given in the paper in full detail that Ramayana, Mahabharata, Vedas and poets prescribe.

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CSR AN EFFECTIVE TOOL FOR IMPROVING EMOTIONAL QUOTIENT OF PEOPLE

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Abstract

Corporate Social Responsibility (CSR) is an important tool for Sustainability Development that can help in uplifting the society with a greater effectiveness. With the enforcement of Section 135 and Schedule VII of Companies Act 2013, the companies have a very clear idea on the areas in which they have to spend under the sheath of CSR. Although the companies are performing CSR activities with an aim of helping society but, the daily news (in print media or in electronic media) discloses such problems that reflects absence of balanced emotional quotient (EQ) amongst the people which demands for an extra care for the people. The corporates, therefore, must consider this serious issue prevailing in the society while developing their CSR policies.

Followed by a brief introduction of CSR spending areas mentioned in the law, the paper begins with the study of social unrest in the society. It studies the situations that cause stress amongst the individuals and impact their behaviour. Finally, an effort is made to highlight the need of CSR Spending in improving EQ level of people. The paper concludes that CSR can be an effective tool for improving emotional quotient of people.

Key Words: EQ, CSR, Inclusive Growth

1. Background:

The recent US visit of Mr. Narendra Modi, Prime Minister, India and his meeting with top CEO's in September 2015 seems to be a landmark in the way of 'Digital India' and 'Make in India' programme. Transforming India into digitally empowered and knowledgeable economy is the flagship programme of Government of India. Taking the country forward – digitally and economically is the only mission of this programme. But, this mission must care for the social unrest of the society.

Emotional Quotient (EQ): Emotions are very special ingredients of human behaviour. The feelings of happiness would have a very pleasant impact in one's behaviour whereas the anxiety or anger may bring an adverse situation in a relationship. The words we listen or the images

we watch, they touch our emotions followed by an action. Sometimes we react very early through change in behaviour but sometimes the reactions do not come out through behaviour but it resist inside the mind. It could be said that a person who is strong enough in managing his emotions would always carry a positive approach towards life.

Emotional Intelligence (EI) might be learned (or taught), and that well developed training programs might enhance emotional abilities within and amongst employees and thus overall organizational performance and success (Goleman, 1998). Emotional Intelligence (EI) is a set of skills that help us identify and respond to emotions within ourselves and others. These skills are as important as your intellect (IQ) in determining success in work and in life. (GENOS)

Emotional Intelligence (EI) is best defined as the capacity to perceive, express, understand, and manage one's own and others' emotions in an appropriate, professional, and effective manner at work. "Trust and respect are at the core of all effective relationships. EI coaching and training create the context for building trust and respect, and that creates the context for new conversations in the workplace." (Carmine Leo)

Corporate Social Responsibility (CSR): 'Corporate Social Responsibility' is a business-behaviour that transforms the business goal of profit maximisation into sustainable profit aim. It reflects moral values of the business towards society. CSR requires companies to acknowledge that they should be publicly accountable not only for their financial performance but also for their social and environmental record. (Confederation of British Industry, 2001). CSR is about how companies manage the business processes to produce an overall positive impact on society. (Mallen Baker). According to Companies Act (2013), a company (public or private) which either has a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or net profit of Rs 5 crore, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities.

Inclusive Growth: The concept of 'Inclusive Growth' signifies the equitable opportunity of growth to each section of the society. It is an effort to fill the gap between the rich and poor sections of the society in terms of monetary and non-monetary benefits.

Inclusive Growth is economic growth that creates opportunity for all segments of the population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across society. (OECD)

2. Review of literature:

Emotional Intelligence: Sachin Gupta (February 13, 2014), "Research Paper On Emotional Intelligence And Work Life Balance

Of Employees In The Information Technology Industry" found the three major behaviours of work that interferes with personal life were unhappiness with the amount of time for non-work activities followed by missing personal activities due to work and putting personal life on hold because of work. He concluded that IT leaders should take initiative to improve the emotional intelligence competencies of their employees as it plays a significant role in the kind of work an employee produces, and the relationship he or she enjoys in the organization and improve individual and organizational performance.

Svetlana Lazovic (2012), "The Role And Importance Of Emotional Intelligence In Knowledge Management" concluded that emotional intelligence, which starts on top with the Head managers and CEO's and operates throughout the company, affects all levels of the organisation. Obtaining employee commitment to achieve common objectives remains an art of those managers who have internalized the desire to continuously develop their leadership potential and create synergistic effects that can be noticed and measured in the entire organisation.

Benjamin R Palmer, Lisa Gardner & Con Stough (2003), 'The relationship between emotional intelligence, personality and effective leadership.', suggested that the SUEIT might be useful as a training and development tool to help individuals better understand themselves and others and how their emotions impact on their daily lives at work. Here, SUEIT stands for 'The Swinburne University Emotional Intelligence Test' which is a self-report EI inventory that indexes the way people typically think, feel and act with emotions at work according to an empirically based five-factor model of EI developed by Palmer and Stough (2001).

Emotional Intelligence Vs. Stress: An investigation was conducted on Management Students by **Kumar Sunil & Rooprai K. Y. (February, 2009)**, 'Role of Emotional Intelligence in Managing Stress and Anxiety at

workplace’; to find out the role of emotional intelligence in managing stress and anxiety at workplace. It was analysed in the study that the emotional intelligence will correlate negatively with stress and anxiety, and Emotional intelligence will be predicted through levels of Stress and Anxiety, is partially conformed. The findings of the study indicated that the low and high level of Emotional Intelligence establish relationship to some extent with stress and anxiety. Negative correlation of ‘emotional intelligence’ with ‘stress and anxiety’ highlights that ‘emotional intelligence’ will prove helpful tool in dealing with stress and anxiety at workplace.

2.1 Emotional Intelligence vis-à-vis CSR:

Lun Trong Tuan, (2013) "Emotional intelligence as the departure of the path to corporate governance", Corporate Governance: The international journal of business in society, Vol. 13 Iss: 2, pp.148 – 168 found that emotional intelligence, as the data divulges, is a rich network of social synapses among members for knowledge-based or identity-based trust to grow in their souls, which can activate ethical CSR deeds as levers for corporate governance.

Ron Loch mentioned in his article ‘*Give them Cause: CSR Requires Emotional Intelligence*’ that sustainability data and programs without an emotional payoff don’t inspire great interest or understanding about the value of CSR efforts. He further mentioned that we would like to think that everyone is enthusiastically interested in the planet’s owner’s manual and how each business contributes to its care and performance. But the truth is that many people would rather imagine the joys of living on it. Using some emotional intelligence will give them cause to care about your organization’s role in its upkeep.

Gul, Zaheer, Jan & Nazmi, (2015) “Intergration of Strategic Corporate Social Responsibility with Other Key Anchors of Success”, European Journal of Business and Management, Vol.7, No. 17, pp.24-45 concluded that integration of strategic corporate social

responsibility and human resource development strategies can expand employees' emotional intelligence level and employee engagement for collectivism and joint business accomplishments.

3. The gap:

The reviewed studies reveal that improved level of emotional intelligence competencies help in increasing productivity and in reducing stress. It has also been observed that improved level of EI and the CSR, if linked together, would lead to collective growth. But, the above studies are concluded on emotional intelligence competencies of employees only. It is felt that improved level of EQ of people (citizens around the companies) may reduce their stress level followed by balanced life and no social unrest. *Therefore, there is a need to know the requirement of help in improving EI of people.* Further, the Companies Act (2013) has mentioned few areas where the companies can spend as CSR. The present paper is also trying to study the importance of those areas of spending as CSR in improving the EQ of people (citizens around the companies).

4. Objective of the study:

The study aims to:

- i) Study the social unrest in the society,
- ii) Study the impact of CSR spending in improving the EQ of people,
- iii) Study the different types of stress of individuals,
- iv) Know the impact of stress on the behaviour of the individuals.

5. Research methodology:

The paper is descriptive in nature. Primary and Secondary Data are used to study the aims of the paper. To collect primary data, a structured questionnaire is prepared. The sample size is thirty (30). Responses collected through personal interview and email both, tabulated and

analysed. The respondents are from Jharkhand (Jamshedpur & Gamharia) and Bangalore City.

6. Discussion:

The Social Unrest: According to a report ‘**Accidental Deaths & Suicides in India 2014**’ of National Crime Records Bureau of India, ‘On an average, more than one lakh persons commit suicides every year in the country during the decadal period from 2004 to 2014’. It reports that Youth (18 and above- below 30 years) and middle aged people (30 and above- below 45 years) were the prime groups taking recourse to the path of suicides. The report indicates that the share of ‘*Poverty*’ as the major causes of suicides, reported in All-India basis, is only 1.3% where as ‘*Family Problems (other than Marriage Related Problem)*’ and ‘*Total Illness*’ share 21.7% and 18.0% respectively. Prosperity of persons also plays an important role here as 63.1% of victims belonged to *low income* group (earning below Rs. 1 lakh). The report presents a very scary data on ‘Accidents in India’. It mentions that 52 accidental deaths took place every one hour during the year 2014 out of which 36 persons were killed in un-natural accidents.

Chetan Chauhan (July 27, 2011) mentioned in his article published in Hindustan Times “*About 20m kids in India orphans: Study*” that India has the highest population of children below the age of 18 i.e. 41% of the total population. Although over 4% of them are orphan as per the study, around 13% of them live with either of their parent. In his article, he mentioned the words said by Rakesh Jinsi, secretary general of the NGO SOS Children’s Village. According to Mr. Jinsi, “*Poverty has been a significant contributor in high orphan children in the states. Social unrest and terror - militancy and naxalism - are two another major factors behind the high number of orphans in certain states*”. Mr. Jinsi mentioned that poor

people abandoning their children is more because of economic reasons than gender.

According to an article ‘*Causes and Types of Crime*’ published in **Bitesize, BBC**; the causes of crime are complex. *Most people today accept that poverty, parental neglect, low self-esteem, alcohol and drug abuse are all connected in explaining why people commit crimes.* Some people are simply at greater risk of becoming offenders because of the circumstances into which they are born. Individualists tend to focus on *individual weakness or lack of ‘values’* as the reason why people commit crimes.

Eric Jensen (Nov 2009) ‘Teaching with Poverty Mind’, ‘Chapter 2, How Poverty Affects Behavior and Academic Performance’ states that poverty penetrates deeper into the body, brain, and soul than many of us realize. A childhood spent in poverty often sets the stage for a lifetime of setbacks. Secure attachments and stable environments, so vitally important to the social and emotional development of young children, are often denied to our neediest kids. These children experience more stress due to loneliness, aggression, isolation, and deviance in their peer relationships, and they are more likely to describe feeling deprived, embarrassed, picked on, or bullied. As a result, they more often face future struggles in marital and other relationships.

With reference to ‘**The Legatum Prosperity Index 2014**’, India is the only country in the region that has not improved its Prosperity score since 2009. This has been driven by large drops in the *Safety & Security* (down 26 places to 119th, globally) *Governance* (down 16 places to 56th), *Personal Freedom* (down 31 places to 78th) and *Social Capital* (down eight places to 132nd) sub-indices. The other indicators of the index are economy, entrepreneurship & opportunity, Education and Health. The overall ranking of India is as below:

Table: 1 Year-on-Year Overall Prosperity Ranking of India (2009–2014)

2009	78
2010	88
2011	91
2012	101
2013	106
2014	102

(Source: The Legatum Prosperity Index 2014)

Area of CSR Spending – A Step towards improved societal health: According to Schedule VII of Companies Act 2013, Activities – as a Project Mode, which may be included by companies in their Corporate Social Responsibility Policies, are: i) Eradicating hunger and poverty, ii) Promotion of education, iii) Promoting gender equality and empowering women, iv) Health - reducing child mortality, improving maternal health, combating HIV, AIDS, malaria, v) Employment enhancing vocational skills, vi) Contribution to PM's fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women, vii) Ensuring environmental sustainability, viii) Social business projects, ix) Such other matters as may be prescribed.

6.1 Analyses on the basis of primary data:

Table 2: Demographic Details of Respondents

Age	Below 20	10
	20-40	9
	40-60	6
	Above 60	5
Total		30
Gender	Male	14
	Female	16
Total		30
Qualification	Below Graduation	18
	Graduation	10
	Above Graduation	2
Total		30
Occupation	Student	18
	Salaried Person	7
	Business	5
Total		30

i) Responses:

- (i) 100% of the respondents faced a situation where they sought for a discussion/consultation with anyone associated/related to them.
- (ii) The respondents ranked the issues of discussion/consultation as follows:

Table 3: Ranking of the issues of discussion/consultation

Sl. No.	Issues	Rank							Total
		1	2	3	4	5	6	7	
1	Issues related to Academics	0	8	16	4	2	0	0	30
2	Issues related to Career	12	8	0	8	0	2	0	30
3	Financial issues	0	6	8	8	4	4	0	30
4	Health Issues	4	4	0	6	12	4	0	30
5	Family Issues	8	4	6	0	8	4	0	30
6	Workplace / College Issues	6	0	0	4	4	16	0	30
7	Issues with friends	0	0	0	0	0	0	30	30
	Total	30	30	30	30	30	30	30	210

- (iii) 60% of the respondents felt ‘few times’ that *an incidence of their life (or behaviour of any person) disturbed them a lot*. Whereas 27% and 13% respondents felt ‘Many times’ and ‘Once’ respectively that an incidence of their life (or behaviour of any person) disturbed them a lot.
- (iv) 47% of respondents found that *they lost their interest in work for a while because of an incidence / incidences of their life (or behaviour of a person) disturbed them*. 73% of the respondents found that *their eating habit changed for a while due to an incidence / incidences of their life (or behaviour of a person)*. 65% respondents said that *there was a change in their sleeping habit for a while* whereas 32% respondents said that *their behaviour with others changed for a while due to such incidence/incidences*.
- (v) 87% of the respondents preferred talking to someone regarding the disturbances of their life and *they talked to someone*. 13% of the respondents preferred talking to someone regarding the disturbances of their life but *they did not talk to anyone*.
- (vi) The respondents ranked the persons with whom they generally discuss their (personal/professional) problems in following order:
- (vii) 84% of the respondents feel that *discussing such problems with an outsider (the persons not mentioned in above points) who is a knowledgeable and qualified person, can help them in a better way*. They have also shown their interest to avail such facility/help/consultation by a specialized person if it is provided free of cost. However, 17% of the respondents are not sure that such help will improve their efficiency whereas 83% of the respondents said that it may improve their efficiency. *No respondent has said that it would surely improve their efficiency*.

On the basis of secondary data reviewed, it is observed that ‘social-unrest’ exists in the society. It is also found that ‘Poverty’ may cause other problems like crime, suicides, increase in number of orphans, health deterioration, and adverse behavioural changes.

Based on the areas of spending mentioned in Schedule VII of Companies Act 2013, it can be said that spending on these areas will definitely help in reducing poverty level followed by removing the social-unrest of the society. The spending in these areas would help the individuals in balancing their EQ to some extent.

Based on primary data collected, it is found that respondents faced a situation/situations (Stress) in their life in which they consulted the matter with anyone. ‘Career related issues’ are the major issues in which they sought for consultation. The other important issues are ‘Family Issues’, ‘Workplace Issues’ and ‘Health Issues’.

It is found that respondents felt a ‘change’ in their - eating habits, sleeping habits, losing interest in their work and the change in behaviour with others due the ‘stress’ in their life.

It is found that respondents prefer discussing/consulting the problem with their

Table 4: Ranking the persons with whom the individuals generally discuss their problems

Person/s	Rank				Total
	1	2	3	4	
Parents	6	5	15	4	30
Brother / Sister / Spouse	11	15	3	1	30
Friends / Colleagues	13	6	7	4	30
Any other - Cousin / Teacher	0	4	5	21	30
Total	30	30	30	30	120

'friends/colleagues' followed by their 'brother/sister/spouse'. The number of respondents who discuss the problem with their parents is comparatively very less.

It is found that the respondents are interested in discussing their problems/availing specialized counselling from a knowledgeable and qualified person.

7. Limitations:

The above study is based on selected secondary data and a small sample size of primary data considered for this paper. The findings are based on the considered data only. Therefore, results may differ in case of large sample size and for a different demographic level of the respondents.

8. Suggestions:

It is suggested that all the companies falling under the slab of CSR spending, must spend on all the areas mentioned in the law to fill the gaps of basic needs of the society and to help in balancing the emotions of people.

Apart from the areas mentioned in the law for CSR spending, the companies can also run 'Counselling-Sessions' for the people which would help them in removing their stress. The 'Counselling-Sessions' would be more effective if it is conducted for specific groups like for – i) mothers for their health, for their new-born's health, for the awareness of savings policies of government etc., ii) students for peer-pressure, career - job orientation etc., iii) employees for their work related issues, work-life balance etc., iv) senior citizens for their social/family issues etc.

Generally, the companies spend for CSR in rural areas. But, in this study the respondents are from semi-urban and urban areas. The respondents felt the change in their behaviour because of 'Stress'. And the stress unbalances the EQ of the people. Therefore, it is advised that the companies start working in improving the EQ of the

people residing in semi-urban and urban areas also.

Helping people on emotional issues is a very challenging task. Specialized persons at different levels according to the need are required/should be recruited by the companies.

9. Conclusion:

The great social activist '**Mother Teresa**' said that "*The most terrible poverty is loneliness, and the feeling of being unloved. The hunger for love is much more difficult to remove than the hunger for bread. Being unwanted, unloved, uncared for, forgotten by everybody, I think that is a much greater hunger, a much greater poverty than the person who has nothing to eat.*" The quote reflects that the presence of 'love & care' is more important than the presence of 'money'. Therefore, the companies must take care of this sensitive issue. It must initiate a channel where the people feel free in sharing their thoughts to strengthen their EQ.

Dr. A.P.J. Abdul Kalam stated that "*Children need to take care of their parents. It is sad that sometimes this is not happening.*"- (With reference to an interview of Mr. Srijan Pal Singh, Advisor to the ex-President). This statement reflects that Dr. A.P.J was also worried about the 'sustainability of the relationships'.

At present, the companies are working, mostly, in the areas of eradicating monetary poverty. And if '*eradicating emotional poverty*' would be added in the agenda of CSR, surely it would lead to an '*inclusive growth of the society*'.

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ECONOMIC IMPACT OF TOURISM -A CASE STUDY OF BHITARKANIKA WILD LIFE SANCTUARY

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Abstract

The term Bhitarkanika is formed of two words, 'Bhitar' and 'Kanika'. Bhitar means interior and Kanika means, extra ordinarily beautiful. Odisha tourism is developing Bhitarkanika as a destination for eco-friendly tourist destination with wild life and birds. Bhitarkanika is a hot spot of Bio-diversity and home to giant salt water crocodile. Gahiramatha is one of the rookeries of aliveredley sea turtles making Bhitarkanika world famous. One such tourist location of rich lush green vibrant eco-system is located in the estuarine region in Kendrapara, Odisha, having unique attraction and boast of among the nature's most picturesque sites.

The paper presented here investigates the impact of tourism on the socio-economic development of the local people of the region. Required data for the study has been collected from the small sea shore villages of Bhitarkanika using survey method with the help of formally designed questionnaire.

Key Words: Bhitarkanika, Tourism, Industry, eco-tourism, socio – economic impact, conservation, livelihood, employment, Global attraction, wild life sanctuary

Tourism can be used as a tool for rural development and Poverty alleviation in the country. In India almost 70 % of the population resides in its 6, 78,999 villages. Nowadays, rural tourism has turned in to a leading economic activity and; studies show a positive relationship between rural tourism and rural development. Tourism can be a suitable way to enhance economic activities and employment generation. One of the basic concepts of tourism in rural areas is to benefit the local community through the creation of employment opportunities. More precisely Tourism has great capacity to generate large scale employment for the rural people and additional income sources to the skilled and unskilled labour.

BHITARKANIKA WILD LIFE SANCTUARY:

Laying in the east coast of India in the district of Kendrapara, Bhitarkanika Wildlife Sanctuary is one of the most spectacular wildlife

sanctuaries in Asia. It was one of the best gifts of nature and discovery of Kanika Raja Sahib to people of Kanika as well as to the world. It covers an area of 672sq. km. containing pristine mangrove vegetation and wetlands provide a home for well over 170 species of birds including winter migratory birds from central Asia and Europe, giant salt-water crocodile and variety of other wildlife. Of the 14th notified wildlife sanctuary of Orissa Bhitarkanika is the 2ndRamasar site in the year 2002. It one such location of rich lush green vibrant eco-system laying in the estuarine region of Brahmani & Baitarani in the northeastern corner of orissa.

Bhitarkanika includes the area of Dangamal, Bagagahan, Gahiramatha, Ekakula, Havalikhati, and mangrove forest, rivers, cricks, mud flats, mammals, reptiles, crocodiles, snakes, birds, etc. The pride possession of this sanctuary is the white crocodile (sankhua). White crocodile is a rare species. Bhitarkanika is a Global tourist attraction point and has

everlasting impact on the livelihood system for the regional people. It represents one of the finest creations ever. This sanctuary lies between $20^{\circ} - 4'$ to $20^{\circ} - 8'$ latitude and $86^{\circ} - 45'$ to $87^{\circ} - 5'$ east longitude (1986) of which 380 sq.kms. is under forest area of 11444 sq.kms including about 115sqkms of Mangrove forest. Before the development tourism in coastal seashore villages of Bhitarkanika were undeveloped. Due to lack of education, poverty, unemployment, improper transportation and communication, superstition, electricity, hygienic facility, lack of higher education facilities, villagers were living a very miserable life. They were highly dependent on undeveloped agriculture, fishing or forest product. Hence their earned very meager amount of money and were unable to meet the basic requirement of the life. Most of the villages were not electrified. There were no roads, railways and other transportation infrastructure Only mode of transportation was bicycle. Most of the local roads were unconstructed. During the rainy season, these Kachcha roads would become muddy ponds.

Tourism significantly contributes to economic growth and remains one of the best opportunities to generate income and empowerment for countries at various stages of development. Tourism has always contributed in a big way to global economy. It has today emerged as a USD733 billion industries with 846 million international tourist arrivals in last year (2006). United Nations world tourism organization (UNWTO) forecasts that international tourism will continue to grow at an average rate between 5 to 6%. Natural areas have always attracted people and with the advent of modern travel humans are now visiting places all over the planet. Thus natural area tourism is undergoing explosive growth and as such it has the capacity to change both natural area as well as tourism itself.

Economic impacts of Bhitarkanika are much more and it is chained system in the recent time, however Bhitarkanika has further degraded to 47.5, sq, km. In connection with human dwelling & prawn gharries purposes. This sanctuary is bounded by the river The Brahmani,

The Baitarani, and about 35 kms. Have long stretch of menacing seashore. Steps has been taken by the state Govt. of Orissa to develop the tourism spot like Bhitarkanika, Puri, Simlipal etc. and to introduce more aero plane and reduce the passenger fare, Luxuries train like palace on wheel, create museum infrastructure development, road, Banking, Post office, insurance, telephone, internet system, e – tourism, Hotel, Tourist cottage, Drinking water, newspaper boy's service, Health and Medical facilities, small, medium and Big shop, and other allied facilities in the natural area like Bhitarkanika, to attract more and more foreign as well as local tourist and to earn more Precious foreign exchange in the exchange of these natural resources & satisfying them by providing better facilities.

The Bhitarkanika wild life sanctuary yet to be developed in the field of housing, electrification, education, primary health care, supply of drinking water, good sanitation, computerization, telephone, transportation, Mobile Network, reception counter, reservation counter, internet system, modern banking facilities, security, outpost, control room etc. that attract more tourist from India and abroad. Bhitarkanika wild life sanctuary and Gahirmatha, Bagagahan (Birds gathering place), a beautiful attractive spot of natures that attract lot of tourists both foreigners and Indians from 1st October to March end every year. Bhitarkanika wild life sanctuary is such a great place and eco –tourist spot and Industry which posses great commercial value and significantly contributes economic growth and remains one of the best opportunities generate income, provides employment to large number of people and empowerment for countries at various stages of development. The local youths and women are working as sweepers, guards, cleaners, facilitators, receptionists etc. thus not only the structures get utilized and maintained, but the people also get gainful employment resulting in self -sustainability.

Population of Bhitarkanikais around 80,000 or so. About 40 per cent of the population has got some land of own. Rest of the

people engaged themselves to share cropping or work on daily wages basis. The productivity of the land however is very low due to soil salinity. The agriculture in these saline lands is primarily rain fed and therefore single-crop. In Bhitarkanika, over 90 per cent of households are partly or fully dependent on fishing for their livelihood. However, fish productivity has declined dramatically in recent years due to the increased number of fishers. In Bhitarkanika, honeybees are abundant during the flowering season. Since honey collection is essentially a seasonal work, the local people do not depend entirely on honey collection for their livelihood. Dire poverty forces the people of Bhitarkanika village to frequent the forest in search of livelihood. Some of them risk-facing cyclones for fishing in the open sea while others enter the forest to collect honey, fuel wood and other minor forest produce. The vulnerable mangrove eco-system in Bhitarkanika is under severe stress due to such interference. Ecological awareness is sadly lacking among villagers, 17.6 per cent of whom are illiterate. In order to establish a sustainable livelihood system for the people in and around Bhitarkanika, it is important to preserve and manage the available resources on which there would be a permanent dependency. Another way of generating sustainable livelihoods is by converting some areas to other resource generators. These could include small-scale enterprises, creation of formal employment, agriculture and horticulture production activities, and introduction of saline resistant crops and investment in tourism activities. In Bhitarkanika tourism is also a seasonal work but its return is very high which provides livelihood of the people for rest of the period.

Impact of tourism industry on the socio-economic condition of local population

In order to study the impact of tourism industry on the economic condition of Bhitarkanika, a survey was conducted by me. 250 respondents were chosen randomly by me to study the impact.

SOCIO-ECONOMIC PROFILE OF BHITARKANIKA PEOPLE:

To understand the socio-economic condition of the people of Bhitarkanika the most important variables are age, sex, education, caste, religion, economic status, family background, income, occupation, land holding etc. I picked up 250 samples randomly from the following areas

Table -1: Location of the respondents

Area	Sample Size	Area	Sample Size
Dangamal	41	Baghua	14
Bankual	20	Krushnanagar	39
Durgaprasad	04	Sailendranagar	27
Chittaadia	18	Khola	13
Baradia	17	Khamarsahi	12
Ragadapatia	16	Others	29
N=250			

Table 2: Distribution of respondents by their age

Age in years	Frequency	%
10-20	15	06
20- 30	30	12
30-40	135	54
40-50	50	20
50 above	20	08
Total (N)	250	100

Table 3: Gender of the respondents

Sex	Frequency	%
Male	182	72.8
Female	68	27.2
Total(N)250		100

Table 4 : Category(Caste) of the respondents

Category(Caste)	Frequency	%
Brahmin	10	04
Chasa	45	18
Khadal(SC)	140	56
ST	-	-
Bengali (refugees)	50	20
Muslim	-	-
Others	05	02
N=	250	100

Table 5. Education level of the respondents

Educational background	Frequency	%
Illiterate	44	17.6
Primary passed	156	62.4
Middle passed	30	12.0
Graduate		
N	250	100

Table 6:-Family size of the respondents

Size of family	Frequency	%
Joint Family	180	72
Nuclear Family	70	28
Total	250	100

Table 7: Occupation of the respondents

Occupation	Frequency	%
No employment	20	08
Agriculture	170	68
Fishing	35	14
Forest product & others	25	10
Total	250	100

Table 8: Income level of the respondents

Monthly income	Frequency	%
Less than 3000	25	10
3000-6000	175	70
Above 6000	50	20
Total	250	100

Table 9: Land Ownership of the respondents

Landholding	Frequency	%
No land	40	16
>1Acre.	100	40
1 Acre. Land	50	20
< 1 Acre	10	04
Total	250	100

Table 10- impact of tourism on socio-economic condition of Bhitarkanika

Response	Frequency	%
Yes	215	86
No	35	14
N	250	100

My survey findings shows that 86 percent of believe that their socio-economic condition is improved due to development of tourism industry in the region. Only 14 percent of the total believes that growth of tourism industry has no impact on their socio-economic condition. But from the above survey report it is conclusively found that tourism has number of positive impact on the living condition of the local people specially it improves socio-economic condition of the sea shore village people.

Table 11- Tourism industry and benefits

Response	Frequency	%
Occupational benefits	125	50
Commercial &Transportation benefits	79	31.6
Cultural	46	18.4
N	250	100

Above table clearly shows that due to the development of tourism industry in the area,local villagers have been availing lots of benefits. As per our survey findings, 50 percent have got job opportunities due to tourism industry growth. 31.6 percent succeeded in getting commercial & transportation related

infrastructure benefits from the tourism industry. 18.4 percent believe that tourism industry has facilitated the cultural interactions. Hence these are the measure benefits Bhitarkanika has received due to the growth of tourism.

Table 12- Types of Occupational benefits

Response	Frequency	%
Tour guide	60	24
Boating	48	19.2
Hotel industry	56	22.4
Sale of handicraft	25	10
Sale of Green coconut & others	21	8.4
Tea and snacks	40	16.0
N	250	100

My survey findings show that tourism industry has positively affected other sources of occupation in the region. I found that tour guide, boatman, hotel operator etc are now earning more due to the growth of tourism industry. At least 8.4 percent of the total population is now directly getting job opportunities in small business. It is evident that tourism industry is now transforming the socio-economic condition of the entire region. 24 % of people of the region are engaged in tour guide where as 22.4 % people engaged themselves in Hotel business.. Thus the above table gives a clear picture about the varieties of works are done by the local people and different occupational benefits they are getting due to growth of tourism industry. Besides large numbers foreigners come to Bhitarkanika as a tourist, they are good source for the state as well as for the country to earn foreign exchange by providing tourism products and services to them.

Key findings

Tourism is the world's largest industry. It is bigger than steel, electronics and many other industries. In India tourism is the third largest precious foreign exchange earner after garments,

gems and jewelry. Keeping this in view, Bhitarkanika can be developed and exploited. Now- a -days, Bhitarkanika has become the epic center of eco-tourism not only for domestic tourists but also for foreign tourists. Consequently, it has earned the distinction of earning foreign exchange, increasing income, Providing employment and empowerment in the territory sector and ever lasting impact on the livelihood system for the people of the region. Profits that may originate from this programme are used for sustainable economic development and to fund local conservation projects for the preservation of the environment of Bhitarkanika. It has the greatest potential for harnessing tourism for creating employment and generating income in the hands of regional people in different walk of life. Bhitarkanika has the rich natural endowments, which can be easily capitalized through tourism.

My study shows that tourism industry has significantly improved the socio-economic condition of the local population. Earlier the people of this region lived a very difficult life but after the advancement of tourism at Bhitarkanika since 1975, their living condition has been remarkably changed. Now they are definitely enjoying better socio-economic condition modern infrastructure facilities than before. There is development in the field of Pucca road, electricity, communication, health, education, banking etc. they are now getting employment opportunities in hotels, restaurants, small business activities like green coconut seller to groceries shop. Now they use motor cycle T.V., computer, smart Mobile Phone, refrigerators and other modern amenities.

It can be conclusively stated that both government and public should be aware towards the protection of forests and wildlife of Bhitarkanika for better conservation and livelihood of that region. India has diverse culture and geography which provides ample of unlimited scope for the growth of tourism business. India has agro climatic conditions, diverse crops, people, culture deserts, mountains, coastal system and islands which provide scope for promotion of season, multi-

location tourism products. While tourism may provide employment for young persons and women, men of the community may perceive that tourism provides those few viable, respectable and thus acceptable opportunities for economic livelihood. Providing the ground for rural employment through enhancing tourist attraction spots, Tourism on its own will not be able to provide 100 % employment through the year, it is not a guarantee. The government should ensure that tourist must not be able to destroy the natural environment and its future employment opportunities. It is better supplement for a thriving and diverse economy than as a mainstay of rural development. Realizing the gravity of the manifold socio-economic and commercial importance as well as necessity of globalizing the tourist sports the forest land and wetland known as Bhitarkanika forest in Kanika, Rajanagar in the district of Kendrapara including all creeks, canals, wetland and riverbeds situated within the above said protected forests as Bhitarkanika wild life sanctuary have becoming floristic composition, nature of distribution, sociability, rarity present in this region for better tourism. Natural area tourism has major effect on the economy of the country since it provides direct and indirect employment opportunities to raise the standard living of the host population. In view of this fact, it is felt that there is an urgent need to conserve this sanctuary for better tourism point of view.

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GROWTH AND DEVELOPMENT OF INDIAN MUTUAL FUND INDUSTRY: A PERUSAL

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Abstract

Mutual funds as an investment vehicle have gained immense popularity in the current scenario, which is clearly reflected in the robust growth levels of assets under management. The Indian mutual fund industry has witnessed significant growth in the past few years driven by several favorable economic and demographic factors such as rising income levels and the increasing reach of Asset Management Companies (AMCs). However, after several years of relentless growth, the industry witnessed a fall of 8 percent in the assets under management in the financial year 2008-09 that has impacted profitability and penetration levels in India are low as compared to other global economies. Assets under management as a percentage of GDP is less than 10 per cent in India as compared to 70 per cent in the US, 61 per cent in France and 37 per cent in Brazil.. On one side The Indian mutual fund industry is passing through a transformation while on the other the overall economy is just recovering from the global crisis of 2008. This paper seeks to outline the growth prospects and current state of the industry, with its growth drivers and continuing challenges.

Key Words: Mutual Fund Industry, Asset under Management, Financial crisis, India.

India has a strong and rapidly growing asset management industry, growing faster than those of developed economies such as the US and the UK and emerging markets such as Brazil and China. The industry shows signs of early maturity and growth opportunities abound in most segments. The Indian mutual funds industry is older than the Indian public sector banks (other than the SBI Group). The industry has made remarkable progress in terms of some parameters like opening up of the sector in stages to all sorts of players, entry of new fund houses, growth of assets under management (AUM), expansion in the number of unit holders, introduction of new products, adoption of robust risk management system covering all operational aspects, relaxation of investment restrictions, posting of consistent better returns, reduction of fees and other expenses, abolition of entry load (initially for direct applications and now for all) and investor awareness and distribution initiatives (Venkateswaran R., Role

of Mutual Funds in Commodity Markets, Commodity Insight Book 2009). Mutual Fund is an instrument of investing money. Nowadays, bank rates have fallen down below the inflation rate. Therefore, keeping large amounts of money in bank is not a wise option, as in real terms the value of money decreases over a period of time. One of the options available is to invest the money in stock market. But a common investor is not well informed and competent enough to understand the complexities involved in the price movement of shares in the stock market. This is where mutual funds come to rescue them. The role of mutual funds will increase in the Indian markets also. Mutual funds have been a significant source of investment in both government and corporate securities. Presently, numerous mutual funds exist, including private and foreign companies and mainly state-owned Banks. Foreign participation in mutual funds and asset management companies (AUM) is permitted on a case-by-case basis.

Objective of the study

The main objective of the study are:-

1. To study the concept of mutual funds.
2. To evaluate the growth and development of mutual funds in India.
3. To analyze its impact of financial crisis on the India mutual fund industry.

Methodology

In order to examine the impact of financial crisis on mutual fund industry in India, the AUM taking into consideration Data is collected from monthly report of AMFI and classified into two sub periods namely, crisis period and post crisis period. The period from January 2008 to December 2008 is taken as crisis period and January 2009 and onwards is taken as post crisis period.

Concept of Mutual Funds- A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The money thus collected is then invested in capital market instruments such as shares, debentures, bonds, short term money market instruments and other securities. The income earned through these investments and the capital appreciation realized is shared by its unit holders in proportion to the number of units owned by them.

Thus a Mutual Fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost.

Diversification of investment is neither practical nor possible so small investor in such cases may go for indirect investment instead of direct investment. Mutual fund is a form of indirect investing which is professionally managed type of collective investment vehicles that pools money from many investors and invests typically in investment securities. Mutual funds will have a fund manager that trades the funds in accordance with the investment objective. The flow chart below describes mechanism of a mutual fund:

Mechanism of Mutual Fund

- a) Investors pool their money with Fund Managers.
- b) Fund Managers invest in securities.
- c) Securities generate Return.
- d) Returns pass back to Investors.

Mutual funds are classified on the basis of their structure, nature and objectives. The following table presents classification of Mutual Funds (Manjrekar, Rajesh and Sinha, Pankaj, 2010, Myopic investment views of the Indian mutual fund industry, Munich Personal RePEc Archive).

Growth and history- This segment traces the growth of the Indian mutual fund industry from 1964, when the first mutual fund was launched. The industry has since witnessed the entry of public sector and private sector mutual funds, the establishment of a regulatory authority (SEBI), the promulgation of the mutual fund regulation in 1993 and other regulatory measures for the healthy growth of the industry and investor protection. The growth of the mutual funds industry in India was very slow till the end the 1980s, primarily due to governmental control and overregulation of financial services industry. Severe entry barriers restricted the growth of the mutual funds industry in terms of number of players, mobilisation of savings and creation of assets. Till 1986-87, the mutual funds market in India was controlled solely by UTI, which formed by the Government of India under the act of Parliament. The mutual fund industry has witnessed three interrelated stages of development in terms of the entry of players.

Table 1 Structure, Nature and investment objectives of Mutual funds

Structure	Nature	Investment Objective
Open-Ended Schemes:	Equity funds: <ul style="list-style-type: none"> • Diversified Equity Funds • Mid-Cap Funds • Sector Specific Funds • Tax Savings Funds (ELSS) 	Growth Schemes
Close-Ended Schemes	Debt funds: <ul style="list-style-type: none"> • Gilt Funds • Income Funds • MIPs • Short Term Plans (STPs) • Liquid Funds (Money Market Schemes) 	Income Schemes
Interval Schemes	Balanced funds	Balanced Schemes Money Market Schemes Other Schemes <ul style="list-style-type: none"> • Tax Saving Schemes • Index Schemes: • Sector Specific Schemes

PHASE 1- July 1964-November 1987- This period was dominated solely by UTI, which prepared the ground for mutual fund industry. The first decade of UTI's operations was the formative period. The first and still the most popular product launched by UTI was Unit-64. Due to the immense popularity of Unit-64, UTI launched a reinvestment plan in 1966-67. Another popular scheme, Unit Linked Insurance Plan (ULIP) was launched in 1971.

By the end of 1974, UTI had six lakh unit-holders. The unit capital totalled Rs 152 crore and investible funds Rs.172 crore. The second segment (1974-84) of this phase involved consolidation and expansion. In this period UTI was delinked from RBI and open-ended growth funds were introduced. Six new schemes were launched during 1981-84. By the end of June 1984, the investible funds crossed Rs 1000 crore and the number of unit-holders reached 17 lakh. During 1984- 87.innovative and widely accepted schemes, like Children's Gift Growth Fund (1986) and Master Share (1987), were launched. The first Indian offshore fund, India Fund, was launched in August

1986. By the end of June 1987, investible funds totalled over Rs. 4563 crore while unit holding accounts amounted to Rs 29.79 lakh.

PHASE 2- November 1987-October 1993-

This period was marked by the entry of non-UTI public sector mutual funds into the market, which brought in a degree of competition. With the opening up of the economy, many public sector financial institutions established mutual funds in India. However, the mutual fund industry remained the exclusive domain of the public sector in this period. The first non-UTI mutual fund- SBI Mutual Fund- was launched by the state bank of India in November 1987. This was followed by Canbank Mutual Fund scheme (launched in December 1987), LIC Mutual Fund (launched in June 1989) and Indian Bank Mutual Fund scheme (launched in January 1990). The entry of public sector mutual funds created waves in the market and attracted small investors. With the entry of three more mutual funds in the market, namely Bank of India mutual fund, GIC Mutual Fund and PNB Mutual fund, collection increased to Rs. 37480.2 crore in 1991-92. However UTI continued to remain the dominant player in the market, though its

share declined marginally from 87.9% in 1988-89 to 84% in 1991-92. The years 1992-93 and 1993-94 saw decline in collections from Rs 2567.5 crore in 1991-92 to 1964 crore in 1992-93, and further to Rs 386.7 crore in 1993-94.

PHASE 3- October 1993 – February 2003-A new era in the mutual fund industry began in 1993 with the entry of private sector funds, which posed serious competition to the existing public sector funds. The first private sector mutual fund to launch a scheme was the Madras-based Kothari Pioneer Mutual Fund. It launched the open ended prima fund in November 1993. During the year 1993-94, five private sector mutual funds- Kothari Pioneer Mutual Fund, ICICI Mutual Fund, 20th Century Mutual Fund, Morgan Stanley Mutual Fund and Taurus Mutual Fund launched their scheme. During 1994-95, six others entered the market- Apple Mutual Fund, JM Mutual Fund, Shriram Mutual Fund, CRB mutual Fund, Alliance Mutual Fund and Birla Mutual Fund- and together mobilised Rs 1326.8 crore. The total mobilisation by all mutual funds reached Rs 75050.21 crore by March 1995.

PHASE 4 - Since February 2003-This phase had bitter experience for UTI. It was bifurcated into two separate entities. One is the Specified Undertaking of the Unit Trust of India with AUM of Rs.29835 crores (as on January 2003). The Specified Undertaking of Unit Trust of India, functioning under an administrator and under the rules framed by Government of India and does not come under the purview of the Mutual Fund Regulations. The second is the UTI Mutual Fund Ltd, sponsored by SBI, PNB, BOB and LIC. It is registered with SEBI and functions under the Mutual Fund Regulations. With the bifurcation of the erstwhile UTI which had in March 2000 more than Rs.76000 crores of AUM and with the setting up of a UTI Mutual Fund, conforming to the SEBI Mutual Fund Regulations, and with recent mergers taking place among different private sector funds, the mutual fund industry has entered its current phase of consolidation and growth. As at the end

of September, 2004, there were 29 funds, which manage assets of Rs.153108 crores under 421 schemes.

Financial crisis and its impact on mutual fund industry-The global economic slowdown in 2008 is of an unprecedented form, one that has not been experienced since the establishment of the world economic order after the end of the Second World War in 1945 which causing heavy fall in world stock market, collapsed of large financial institution, increase in unemployment and shrinking in governmental revenues. Even in government of wealthiest nations had to come up with rescue packages to bail out their financial systems. The crisis has exposed fundamental weaknesses in financial systems worldwide, demonstrated how interconnected and interdependent economies are today. Although recent data indicate the large industrialised economies may have reached bottom and are beginning to recover for the most part.

Subprime losses of this financial crisis was much higher than the combined total losses incurred during the previous major crisis that included the US savings and loan crisis during 1986-95, Japan banking crisis of 1990-99 and Asian banking crisis 1998-99. For the compensation of such a heavy losses numerous plans were put forwarded, the secretary of treasury of US announced \$ 700 billion financial aid packages intended to limit the damage. Deepening of the global financial crisis during September 2008, which resulted in liquidity crunch world-over, had dampening impact of the Indian Mutual fund industry. With the drying up of credit inflows from banks and external commercial borrowings route, mutual funds witnessed redemption pressure from corporate. Although the mutual funds promised immediate redemption, their assets were relatively illiquid. Besides, mutual funds faced problems such as maturity mismatches between assets & liabilities of mutual funds, shift from mutual funds to bank deposits in view of the comparatively higher interest rates being offered by banks and freezing up of money markets due to lack of

buyers for assets like certificates of deposits of private sector banks. During Apr-Sep 08, net mobilization of funds by mutual funds declined sharply by 97.7% to Rs 24.8 bn due to uncertain conditions prevailing in the domestic stock markets.

The redemption pressures witnessed by mutual funds led to net outflows under both the income/ debt-oriented schemes and growth/equity-oriented schemes. Further, the AUM of Mutual fund industry contracted by 20.7% from Rs 5,445.4 bn as on August 31, 2008 to Rs 4,319.0 bn as on October 31, 2008. During the same period, liquid and debt schemes which contribute more than 65% to the total AUM witnessed a decline of 19% in AUM.

Conclusion

Asset management companies today need to stay focused on a few aspects in order to ensure that the industry meets its growth objectives. AMCs therefore need to re-orient their business towards fulfilling customer needs. As customers seek trusted advisors, the manufacturer-distributor-customer relationship is expected to be centred not on the sale of products, but for collectively promoting the financial success of customers across all facets of their professional and personal lives. This requires creating a collaborative network of experts in funds management and financial advice, innovative product offerings, efficient service delivery and supporting technology. The mutual fund industry today needs to develop products to fulfil customer needs and help customers understand how its products cater to their needs. The financials of this fiscal will give an even clearer picture of the trajectory of the industry. The recent shrinkage in assets in 2010 is definitely a concern, especially with some of the bullish forecasts and projections thrown around for future growth in assets of the Indian fund industry, before the financial crisis kicked in. According to a report released in early 2008 by U.S. based Cerulli Associates, India's fund industry assets were projected to touch US\$ 302 billion (or Rs. 12.8 trillion then) by the end of

2012. With domestic fund assets around the Rs. 6.5 trillion marks at the end of October 2010, a doubling of the same over the next two years is required to accomplish this projection. The Boston Consulting Group had also projected the Indian fund industry's assets to grow to US\$ 520 billion by the year 2015, while it presently stands around the mark of about US\$ 145 billion at the end of October 2010. For the same trajectory of growth to resume and for it to be sustainable, financial advisors in India will have to gradually retune their business models and move to a advisory based model (by charging their client directly for advice), rather than depending on fund houses to compensate them for their commissions. Perhaps this was the broader scheme of things that the regulator had envisaged when it went in for its landmark move of banning the entry load.

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SURVIVAL OF DEMOCRACY IN BANGLADESH: A STUDY

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‘Power tends to corrupt, and absolute power corrupts absolutely.’- Lord Acton

Acton’s famous warning, it seems, does not exempt many emergent liberal democratic states, which stem from a popular mass upheaval against the attitude of monopolistic usurpation of the ruling elite over political power. Newly independent countries of Asia, Africa, and Latin America have adopted representative democracy as their form of government. Most of these nations were liberated against the backdrop of their bloody freedom struggle & for the sake of the enjoyment of fundamental democratic rights of citizen. A large scale mass movement is often organized under the banner of a political party that advocates people’s aspiration for eliminating dictatorial reign. Gana Projatantri Bangladesh (People’s Republic of Bangladesh) was created in the backdrop of fierce battle between the Pakistan army battalions and freedom fighters (mukti bahini). Awami League leader, Sheikh Mujibur Rahaman laid the demand for survival and federal autonomy of the erstwhile East Pakistan. It generally enthused the Bengalis who were enraged by the Pakistan military and civilian elites’ discriminatory policies and their constant effort to deprive the former of their fundamental democratic right. Instance can be drawn on the fact that the Awami League in spite of gaining an absolute majority in 1970s elections was not succeeded in forming government. However, in pursuit of self-determination of the Bengali people Mujibur Rahaman led the movement.

In 1971, Prajatantri Bangladesh was born and Bangabandhu became the first Prime Minister of the country. But people’s predilection to democratic polity was gradually faded away with successive events like 1975 constitutional amendment and building one-party presidential form of government, Sheikh Mujibur assassination, proclamation of martial law etc. The resilience of parliamentary democracy and multi-party competition in 1991 hardly symbolized any change in uncompromising, aggressive attitude of the ruling elite. From the twentieth century onwards major political parties of Bangladesh consider it necessary to prevent appalling consequence of military takeover and therefore, interest in mass mobilization and regular, competitive elections were observed among the political leaders. But the two ruling dynasty hardly indicate any signs of shedding their personal vendetta. Hence, in the twenty first century, it is manifested that democracy survives in an atmosphere of mistrust among the leaders in the higher echelon and constant political stalemate.

The present study has been conducted by the authors in order to fulfill the under mentioned objectives:

- To assess the role of political parties in representative democracy.
- To reminisce the backdrop in which Bangladesh becomes transformed into a quasi two-party rule.
- To explore the facts how major political parties subvert democracy in consolidating political power and in arranging their party structure.

Methodology: The study is based on secondary data available in public domain. Data has been collected from different websites, books, periodicals, newspaper, reports etc. Regarding the authenticity of data it may be mentioned that data which is considered to be more reliable at the time of collection by the authors has been taken into consideration and information which seemed to be far from reliability was kept rejected.

The role of political parties in representative democracy:

Western liberal democracy is often termed representative democracy when the former lays emphasis on certain political principles such as political equality, universal suffrage, and political pluralism in the form of electoral consent of different groups & individuals, multi-party competition, and recognition of constitutional rights for each and every individual of a society. In a representative democracy, will of the people is expressed through legislative representation. Thus it needs a robust and broad based civil society, which refers to a 'collection of voluntary association in political society' (Mckinnon2012). Political party is one of the formal institutions of civil society.

Meaningful representation of different interests and multi opinions are the key to the normal functioning of a democratic polity. It is evident that democratic representation can enhance the viability of a political system. Hence, presence of political parties has been indispensable as they articulate and aggregate relevant interest and demands of different groups in the form of alternative policy & programmes. It directs political parties to reconcile many inimical and distinct interests of individuals and that of groups. Thus interest aggregation by political parties brings a balanced and effective government programmes out of competing policy goals. Moreover, political parties are necessary for building and aggregating support among broad coalition of citizens organizations and interest groups. They integrate multiple conflicting demands. (Almond, Powell, Dalton, Strom 2011) Apart from interest aggregation & articulation, political parties projecting an alternative policy programmes and package mobilize citizen and party members. Impressive mobilization depends on effective channels of communication. Direct channels of communication are the domain in which every party organization has exclusive control. It includes local-branch meeting, regional or national party conference, local campaign

rallies, town-hall meeting, traditional leadership speech and whistle-stop tours. Besides this, party sponsored political advertisement through billboards, paid newspapers radio & TV advertisement help political parties in mobilizing their supporters. However, development of information and communication technology in many ways transforms the nature of political communication.

Parties are the effective tools of political socialization as they mobilize and organize masses on a continuing basis. For an effective political socialization, parties need to mould a specific political culture. It is embodied by political parties continuous striving for drawing support on behalf of their ideologies and particular stance against different issues. The task of political socialization is essentially related to that of political recruitment. Political parties select & field candidate for contesting elections, recruit voters. In representative democracy political recruitment has immense significance as political parties selecting and training candidates and their leaders, try to address competing demands of society.

Meaningful party contention is regarded as indispensable for the survival of parliamentary democracy. It refers to a number of political virtues such as party competition, mobilization, accountability. Accountability of the ruling party takes a concrete shape with broad organizational base among the masses whereas the accountability of the opposition lays in their effort to project itself as an alternative to govt. It can be mentioned that for the sake of regular and effective legislative business party caucus, inter-party level meeting be allowed inside the legislature. Only co-ordinated and effective legislative business can transform people's consent into representation. However, effective party contention can sustain democracy.

The role of political parties in Bangladesh:

With the introduction of democratic representation a new orientation is observed among the masses of ethnically, linguistically and regionally divided society of South Asia. This view has been expressed in India's eminent

political scientist Yogendra Yadave's words. He stated that the breakdown of the congress system and the emergence of multiparty democracy have resulted in the 'fundamental though quiet transformation'. Referring to his view Fareed Zakaria came to the conclusion that representation availed a larger group of people in entering into the mainstream of politics but 'earlier they were marginalized' (Zakaria 2003).

But this view has been inconsistent with the development of fragile parliamentary democracy in Pakistan. Since the initial days of its creation as an independent nation, democracy has been subverted by the conservative forces (Ludan 2014). It was observed that successive national governments were attenuated in 'the hands of major landowners, industrialist, military men, bureaucrats and business families, mostly from Punjab, but also from Sind' (ibid 220). Conservative ideologies never endorse rapid social change. But erstwhile East-Pakistan had undergone a speedy change against the backdrop of raising new Bengali middle class people. They prefer to use English as their official language but use Bengali for speaking commonly. These people belonging to common Bengali identity were unwilling to accept Urdu as their state language because few of them used Urdu. Thus the primary resentment against the authoritarian attitude of the erstwhile West Pakistan's civilian-military elite was exploded in 1952 when they proclaimed Urdu as being the official language and medium of education of the East Pakistan.

Increase disparity between East & West in sharing economic opportunity and in offering employment usually infuriated Bengali people who expelled Muslim League from power but Awami League became a single recognized party of the East Pakistan. It under the stalwart leader, Bangabandhu Sheikh Mujibur Rahman, raised the demand for self-determination of Bengali people. Their claim for autonomy and survival irked the West Pakistan's ruler and readily met with a military crackdown. After a bloody war of independence, a new nation, Bangladesh, with the help of the India army was born in 1971.

With profound enthusiasm people of Gana Prajatantra Bangladesh under the first Premiership of Bangabandhu Sheikh Mujibur stepped towards democracy. Their long cherished aspiration for pro people democratic structure was accentuated in the new constitution of 1972 as it set democracy as one of the fundamental principles. But this overwhelming desire for representative democracy with multi party voting became extinct with the introduction of the 4th amendment to the constitution by the ruling Awami League in early 1975. It virtually transformed Bangladesh into a one party system and converted parliamentary form of government into presidential system. In 1973 elections, the ruling Awami League had succeeded in bagging 293 seats out of total 300. Such landslide victory helped transformed the country's parliamentary democracy into 'an authoritarian undemocratic regime' (Journal of Asiatic Society of Bangladesh, Vol.58 (1), 2013). The Awami League could not utilize such spectacular victory in building broader party organization or did not use it to expand mass base in the society. Rather, it was found that a single party namely Bangladesh Krishak Shramik Awami League (BAKSAL) was formed and Bangabandhu became its chairman. As a result all political parties were dissolved, except four newspapers that were retained by the state, all were band, fundamental rights were suspended & non-enforceable and judiciary was reduced into a subservient of the executive branch of the state.

Though the analysts of Bangladesh politics had cited several reason for this structural shift but immediate reason was 'to subordinate the administration to the cadres of the party in power' (Maniruzzman 1976 in Shantanu Majumdar's project paper, Outcome of Democracy in Bangladesh). From early era of Mujib's rule, he started to consolidate dictatorial power within the party's internal structure. Thus, the high profile leaders both at the top and the lower hierarchy expressing their full obligation to the command from the apex authority could retain their respective post in the party. It was

manifested that in the BAKSAL period, Awami League dissolving all political parties including itself, asked its all members to join the single political outfit. Inevitably, effort had been made by the party veterans to correspond one party rule under Mujibur Rahman's chairmanship to patriotic regime. It essentially, reflects the attitude of the party leaders who had favoured hero worship than intra party democracy. Instance is drawn with the fact that during the introduction of single party rule, 'no one except General Osmany dared to oppose' the autocratic mindset of the party patriarch (Rahman, 2010, thesis). But such inclination is no doubt suicidal in a democracy.

Once B R Ambedkar suggested 'the second thing we must do is to observe the caution John Stuart Mill has given to all who are interested in the maintenance of democracy, namely, not to lay their liberties at the feet of even a great man, or to trust him with powers which enable him to subvert their institution.' Thus, free and fair elections in a democracy often yield dysfunctional state of affair. Moreover, he was conscious of the fact that 'there is nothing wrong in being grateful to grate men who have rendered lifelong service to the country. But there are limits to gratitude.' Equating bhakti (worshipping) with hero-worship Ambedkar tried to convince that '...bhakti in religion may be a road to the salvation of the soul. But in politics, bhakti or hero-worship is a sure road to degradation and to eventual dictatorship' (Sachar, The Statesman, 13 November, 2015). A sharp contrast can be drawn between Mujibur led BAKSAL and India's Congress system. In the immediate era of post-independence, India's political system was marked by one party dominance system mainly at the centre and partly in the states but inter & intra party competition were allowed. Hence, Nehru's encompassing authority over the centre as well as state level was distinguished from authoritarian reign. It can be characterised as the one party-dominance system without the essential feature of authoritarian nature of politics (de Souza & Sridhar an, 2006).

By the term 'Congress system' Rajni

Kothari, India's renowned political scientist, captured the formulation of the country's party system in the immediate post-independence period. In his word 'it is a party system with a difference, oriented towards building an authoritative structure of political affiliations downward to the base, assimilating new and divergent interest upward to the centre, and weaving all these into a framework of organization that was originally designed as oppositional movement'(Kothari, 1970, p156). On the contrary, ruling Awami League in Bangladesh during the initial era of post-independence had not succeeded in building a broader consensus along inter party level. Instead of giving a conciliatory tone between the contending factions, Mujibur attempted to consolidate his personal rule. Hence, inter party relationship has been highly confrontational in Bangladesh (Jahan 2014, CPD – CMI working paper series 8).

'Democracy' not only refers to a formal structure of governance but also brings several normative values such as equality, freedom, and empowerment and so on. Wide representation can bring tranquillity in a political system, reduce violence and minimise strife. But in contrast to this view, the ruling parties after the creation of independent Bangladesh denied the scope of multi-party representation and evacuated political dissension. Awami League's first political dispensation had reflected its vengeance attitude towards opposition. Moreover, constitutional mechanism was reinforced in order to banish the mounting protest raised by many pro-Islamic outfits like the Muslim League, Jamaat, and Nizam-e-Islam which had opposed Bengali's linguistic nationalism. Consequently, they were declared as being banned under Article 12 & 38 of the Bangladesh Constitution. These articles prohibit organization of religion based parties in Bangladesh.

Personal animosity between country's civilian and military elites regarding their claim to the legacy of independence had not ceased immediately. Composition of second Jatio Sabha under Sheikh Mujibur led one party rule

abruptly caused the resentment of a group of military personnel among whom few were associated with the war of independence. Hostility towards indefeasible civilian regime received an extremity in 1975 when it was alleged that a faction of military officers had committed the assassination of Bangabandhu and many of his family inheritors. Demise of Bangabandhu Sheikh Mujibur Rahman brings an awareness of the fact that uncompromising attitude of an elected civilian ruler and political vengeance can peril the fundamental institution of a country. After the assassination of the country's first civilian ruler, Bangladesh had been under a military coup for a period of 15 years. It was Major General Ziaur Rahman, a freedom fighter, who proclaimed Martial law in November, 1975. Successive military dispensations were on effort to eliminate symbolic contours of civilian rule.

While country's first civilian political elites applied constitutional device to monopolize the commanding authority over all the branches of government, each military regime brought the constitution under its dictatorial command in order to disband democratic institution. It was surprising how an unelected Major General riding on the Republic's highest civilian office had enacted martial law ordinance and amended the fundamental values of constitution. Under Zia's military reign 'Secularism', one of the basic principle of the constitution, was replaced with the phrase, 'absolute trust and faith in Almighty Allah'. But his ultimate goal was to build a broad political base. Hence, Zia's focus was on making compatible political Islam with the country's constitutional structure and there by reconciling several religions based factions that were banned during Sheikh Mujibur rule. Accordingly, they 'again became active. Muslim League was revived; Jamaat & Nizam-e-Islam branded together to form Islamic Democratic League. Maulana Abdur Rahim who was leading the clandestine Jamaat became Ameer (the party top position). Professor Ghulam Azam, Jamaat's former Ameer returned to Bangladesh in 1978'

(Jahan 2014). It is one of the adversative characteristics of the country's symbolic democratic structure that the erstwhile military Generals who had no faith in constitutional democracy and whose persistent effort was to uphold undemocratic martial law over a decade long period, built two independent political party. In 1978 & 1986 subsequently, under the chairmanship of Ziaur Rahman and Ershad (military successor to Zia) the Bangladesh Nationalist party and Jatiya party were formed. During the first coup-d'état, Zia delegitimized the Awami League and withdrew restriction over pro-Islamic parties. It was observed that military dictators while attempted to overturn civilian rule had used undemocratic means, whereas piece meal democratic means were taken to regularize martial law. Both military regimes had suspended the basic values of constitutional democracy such as rule of law, freedom of speech, human rights. Moreover, 'between 1975 and 1990, the constitution was amended abruptly and the structures of the local & central governments and political institutions were deliberately destroyed' (Mazumder, Project paper on State of Democracy in South Asia).

It was too ridiculous to state that in democratic country, elections under a despotic military ruler would be free and fair. But successive military government of Bangladesh did not lag behind in holding Parliamentary & Presidential polls. In absence of major political parties, symbolic elections were hold as being the game-changer for martial administrators. It is derived from the fact that in 1986 when Presidential elections was convened all political parties including Zia's BNP boycotted it. Also, second, third and fourth Parliamentary elections were consecutively arranged under military supervision. But the civilian elites of political parties were barred to participate in these elections. It certainly benefited martial elite led political parties namely BNP & JP. Accordingly, in second Jatio Sabha elections, BNP scored 207 **while in third & fourth national elections JP bagged 153 & 250 seats out of 300 respectively.**

Table 1: Parliamentary Elections in Bangladesh from 1973 to 1988

Parliament	Date of Election	Voters (million)	Turnout	AL	BNP	JP	JI
First	7 March 1973	35.21	56.90	293	n/a	n/a	Banned
Second	18 Feb. 1979	38.36	51.30	39	207	n/a	6
Third	7 May 1986	47.31	61.10	76	dnp	153	10
Fourth	3 March 1988	49.86	52.50	Dnp	dnp	250	dnp

Source: Firoj 2013

After the creation of Independent People Republic of Bangladesh, its first parliamentary elections were held in March 1973 and AL won the elections uncontested. Second, third and fourth Parliamentary elections were conducted under military supervision. In the second Parliamentary elections martial administrator, Zia Ur Rahman's BNP was successful to keep the majority seats and AL retaining 39 seats became the main opposition. Zia's successor Ershad led JP, AL, JI contested third Parliamentary elections. Elections under despotic military surveillance availed JP to retain maximum seats. In the fourth parliamentary elections, major political parties (AL, BNP, JI) did not participate and JP won overwhelming majority.

Once eminent political scholar, Kothari, in his *Rethinking Democracy* stated the fact 'democratic claims are becoming vital and necessary for achieving legitimacy' (Kothari, 1970, p 152). His view is quite helpful in analysing the structural shift of the party system of Bangladesh in 1990s. It can expound the fact why major political parties of the country felt it necessary to expel martial administration and laid their interest in renewing mass base of politics. However, under an extensive mass upheaval for the restoration of democracy, political parties' uncompromising stance regarding the Parliamentary and Presidential polls holding under military surveillance and continuous hartal, Ershad was forced to resign. A convergence was developed among the mainstream political parties which had opposed the involvement of any extra constitutional forces in politics and opted democracy as the suitable form of governance (Firoj, *Journal of Asiatic Society of Bangladesh*(Hum), Vol.58(1), 2013, pp-83-128).

Fifth Parliamentary elections were organized under non-party Caretaker Government. It was appointed under the executive authority of Chief Justice Shahabuddin Ahmed. All major political parties fielded their candidate in this election. It was marked by the beginning of multi party democracy. But the verdict of successive Parliamentary elections reveals the fact that 'from 1991 onwards voters have effectively been presented with two choices; one alliance led by the AL (the so-called Grand Alliance) and another by the BNP (the so called 18-party Alliance' (Amundsen, CMI Brief, Vol.12, No 6, November 2013). In the fifth Jatio Sabha elections (1991), BNP won 140 seats. It with the help of JI formed the government and AL became the main opposition party. As major opposition parties boycotted sixth Parliamentary elections, the ruling party BNP was succeeded in retaining 250 seats out of 300. In the seventh Parliamentary elections, the AL won 146 and the BNP bagged 116. But the former holding maximum number, with the support of JP and JSD (Rab) came to power. In 2001 Bangladesh convened eight Jatio Sabha elections. The BNP building an alliance with the JI, JP (M), & Islamic Oyeka Jot collected 220 seats while it alone hold 193 seats. Thus, the BNP led alliance formed the government. In the ninth Parliamentary elections, the AL alone bagged 230 seats and the Mahajot AL won 262 seats. Exhibiting its strength as the country's largest political party the Mahajot AL formed the government. But in the tenth Parliamentary elections country's second largest party BNP led 18 party alliance boycotted elections and with only 40 percent turnout the ruling Mahajot AL kept the Jatio Sabha election under its control.

Table 2: Parliamentary Elections from 1991 to 2014

Parliamentary Elections	Turnout	AL	BNP	JP	JI
Fifth	55.40	88	140	35	18
Sixth	21.00	Dnp	250	Dnp	Dnp
Seventh	75.60	146	116	32	3
Eighth	74.90	62	190	14	17
Ninth	80.00	230	30	27	2
Tenth	40.00	234	Dnp	34	deregistered

Source: Firoj 2013

Electoral verdict from 1991 onwards substantiates the fact that in Bangladesh, dynastic leadership of the two leading political parties has been the decisive factor in the formation of each national government. The two arch rival political parties, BNP and AL, built two separate alliances with a group of tiny political outfits. These small political factions consider that for their political survival and for gaining share in government patronage they need remained adherent to either of two major political outfit of the country. These two leading political parties of Bangladesh, BNP and AL, direct two hostile dynasties as their party chairmanship or presidentship was vested on two women leaders, Khaleda Zia and Sheikh Hasina. The former is the wife of country's first military dictator, Zia-r-Rahman and the latter is the granddaughter of bangabandh Sheik Mujibur Rahman. Apart from these, JP is recognized as being the third largest party in the Parliament and second country's martial administrator, Ershed has been the party chairman since 1986.

Every major political party of Bangladesh has an extensive organizational structure ranging from zila (district) to national level. The AL, BNP and JP each has zila or district executive committee, upazila or thana executive committee, union committee, metropolitan or mahanagar executive committee, municipal or pourshova executive committee, municipal ward committee. The Awami League's party constitution directs that the members of these committees shall be elected by a triennial council of the party. The provision regarding the selection of these committee

members of the BNP & JP is almost same. Both the BNP and JP have a biennial council for electing these members. But these committees of the political parties often became dysfunctional as council elections are not regularly held. Moreover, most political parties do not put emphasis on the periodically formation of these committees. As a result, parties organizational power at sub-national and district level are vested in some selected political cadre who are close to the members of presidium, national standing committee, central executive committee of the party (Jahan, 2014). Additionally, the grass root organizations of all major political parties of Bangladesh have been fragile. Such intra structural features of the political parties are quite antithetical to their given ideology as most of these leading parties set democracy in the party constitution as one of the guiding principles. It has resulted in the formation vertical patron-client relations among the leaders and cadre of political parties of the country. Such relationship is often shaped by the some attributes of the party members such as affinity with leaders of top hierarchy, kinship, localized and personalized ties. However, 'this type of politics, battling for leadership, winning elections at any cost, personal benefit etc, have become the top priority instead of dedication for the people or promoting democracy or upholding party ideology'(Majumder, Project paper on State of Democracy in South Asia).

Apart from sub-national and district level organizations, each principal political party has a number of national committees and organizations. The AL, one of the largest

political parties of Bangladesh, has council, National Committee, Central Executive Committee, Presidium, Central Advisory Council, Parliamentary Board, & Parliamentary Party at the national sphere. Presidium is the highest policy formulation and decision making body. It composes of party president, general secretaries and 15 other members came from CEC of the party. Though party constitution made the office of president elective but several elections have evidenced that presidential election is held without any contestant. Consequently, party's founding members and their family inheritors are inducted as party president. The AL's current party president, Sheikh Hasina, has been holding this post since 1981 and now her son, Sanjeeb Ahmed Wazed (Joy) becomes the 'special adviser' to the president (Jahan 2014).

Presently, BNP is the second largest political party of Bangladesh. It has NC, NEC, NSC, AC, PB, and PP at the national level but all decisions are formulated by party's National Standing Committee. It works under the direction of chairman of the party. Party constitution authorizes the National Executive Council to implement policies and programmes as directed by NSC. Though the tenure of the party's highest decision making body and other national bodies set by 3 years but elections for choosing party chairman are not hold on a regular basis. BNP's incumbent chairman Khaleda Zia, the wife of party's founder Zia-ur-Rahman, has been inducted into the office since 1984. As according to the party's internal structure, all decisions regarding the formation, election of national bodies are exclusively vested in the NSC, elected and nominated

members of NC, NEC, are close to the members and chairperson of the top hierarchy. There is no distinction between the third largest party, JP & the BNP with regard to their internal party structure as the top leaders of both political parties believe in the dictatorial authority of party chairperson or president. The JP like other national political parties has NC, CEC, presidium, advisory council, parliamentary board and parliamentary party. But all these national bodies work under the unilateral direction of the presidium. As per the party constitution, it consists of 41 members, general secretary and chairman of the party. Though there is provision in the party constitution that the members of presidium shall be elected by the NC but meeting of the NC is not hold periodically. According to CPD-CMI Working Paper Series 8, 2014, its last meeting was held on 24-26 July, 2009 and, since the establishment of the party in 1986, it has called seven national councils. Moreover, date, time & agenda of meeting must be set by the presidium and its decisions needs approval of the chairman of the party (Jahan 2014).

Table 3: Intra Political Structure of Major Political Parties of Bangladesh

Mainstream political parties	National bodies of the parties	Highest decision making body	Head of the decision making body	Tenure of the apex decision making body	Selection process of the party president/ chairman	Tenure of the incumbent party president/ chairman
Awami League	1.Council 2.National Committee 3.Central Executive Committee 4.Presidium 5.Central Advisory Council 6.Parliamentary Board 7.Parliamentary Party	Presidium	President	3 years	Election	34 years ongoing
Bangladesh Nationalist Party	1.National Council 2.National Executive Council 3.National Standing Committee 4.Advisory Council to the chairman 5.Parliamentary Board 6.Parliamentary Party	National Standing Committee	Chairman	3 years	Election	31 years ongoing
Jatio Party	1.National Council 2.Central Executive Committee 3.Presidium 4.Advisory Council 5.Parliamentary Board 6.Parliamentary Party	Presidium	Chairman	3 years	Election	With two acting chairman 29 years ongoing

Source: Jahan 2014 and compiled by the authors

Analysing the intra party structure of principal political parties of Bangladesh, it is observed that most of political parties prefer dynastic legacy of the leader in arranging their political office. The two leading parties, BNP & AL have chairman and president whose formal term of office is ended by tenure of three years but their dynastic rule has not been expired. Elections for selecting party chairman and president are arranged but no leaders of their party dare to contest for the post. Presently, chairman and president of these parties are in effort to induct their respective sons into the top political post. Incumbent Prime Minister, Sheikh Hasina appointed her son, Sajeeb Ahmed Wazed, as the special and technical adviser to the AL. The provision of dynastic succession to the office of chairman can be followed in the BNP as its current chairman and former Prime

Minister of Bangladesh, Khaleda Jia, selected her son, Tarique Rahman, for the post of senior vice chairman of the party (Amundsen, 2013). Further, political nepotism is perceptible in every sphere of the organizations of political parties. Instance can be drawn with the fact that seven elected members of the tenth parliament belong to AL's president, Sheikh Hasina's distant family. 'They include three cousins, three nephews, and father-in-law' of her daughter' (Jahan 2014). Country's third rival, the Jatiya Party, has followed the same principle for selecting their party leaders. Second martial administrator, Ershad is still willing to hold chairmanship of his party and appointed his wife, Raushan Ershad, as the leader of parliamentary party. Principal Political parties of Bangladesh were emerged in the backdrop of vindictive characteristic of stalwart civilian and

military administrators. But the principle of dynastic succession, patron-client like relation, political nepotism were the major causes of political defection, factionalism and proliferation of parties in Bangladesh. The Jatiya Samajtantric Dal (JSP) and Jatiya League were formed by two different faction of AL. Splitting was observed also in the BNP. During the period 2001-2006, two different political factions, the Liberal Democratic Party and the Bikalpadhara Bangladesh stem from internal dissention within the BNP. But none of these parties could draw the support of the majority of Bangladesh. Instead of forming a third alliance, 'all other parties gravitate towards the two' (Amundsen, 2013). After a prolonged era of martial reign, democracy had started to resile in 1990s. In 1991 elections, BNP emerged as the single largest party. But percentage of votes obtained by the BNP and AL was nearly equal because the former won 30.1% and the latter received 30.1 % votes. But the BNP winning the support of JI formed the government. Since then the two major parties in quest of state power have attempted to build two broad alliances with small political outfit. In the seventh parliamentary elections, the AL drawing the support of JP and JSD was succeeded in forming the government (Firoj, 2013). But the uncompromising attitude between the chairpersons or presidents of two leading parties of Bangladesh obstructs them to reach a consensus for protecting the country from the terror of rampant assault, slayer, plundering or other heinous activities. Hence, winning in the election, retaining the state power and disallowing the rival party are the family vendetta between two dynastic successors of the BNP and the AL. Due to absence of democratic contention, these principle political parties inevitably succumbs to their small alliance partners. Instance could be drawn with the fact that the BNP after coming to power in 1991 hinging on the support of the Jammat-e-Islami, had filed the charge of sedition against the organizers of "Ekattorer Ghatak Dalal Nirmul Committee" 'which led the movement to hold the trial of war criminals when Ghulam Azam, a

notorious war criminal, was appointed ameer of Jammat'. Moreover, a staunch supporter of the execution of war criminals, the AL, had initially endorsed the chief organiser of the 'Nirmul Committee', Jahanara Imam but later in 1994 it kept a stiff silence over this issue. Indeed, during this period, the AL had prioritized the idea of forming a broad coalition against the vindictive attitude of the ruling BNP and of suspending anti-Jamaat stance in order to draw the JI's support for the caretaker government (The Statesman, 24 November 2015). Politics of vengeance usually debars the leaders to reach any consensus. Instead of vigorous debate on any contentious issue, opposition parties boycotting the parliament and often walking out of it, organise street agitation and call out regular hartal (strike). Hence, road blockade, week-long strike and car-smashing have been the regular event. Opposition's walk out from the house is often took place due to dismissal of their claim by the Speaker of the legislature. In August 2004 when an assassination was attempted on the then opposition leader, Seikh Hasina, the Speaker ruled out the AL's demand for the discussion on this topic. Quite surprisingly, the AL instead of co-operation in hunting the suspected perpetrators accused the government of the charge of plotting against her. In addition to it, the AL had built a consensus with other opposition parties and resorted to street agitation to destabilize the elected government (Riaz, Asian Survey, vol.xlv, no.1, January/February 2005). It manifested uncompromising and vindictive attitude of the party leaders of Bangladesh. In this circumstance, all the organs of democratic representation become dysfunctional. Hence, one of the commentators of Bangladesh politics Prof. Shantanu Majumder opines '...a consent-based political system and an undemocratic regime is getting increasingly blurred' (Majumder, Project Paper on State of Democracy in South Asia).

Conclusion:

Civil society, an effective organ for preserving the democratic rights of citizens, has received a partisan character in Bangladesh. Though the two broad alliances claiming themselves as pro-democratic but their dissenting political agenda inevitably contributed to the formation of two hostile cliques in the civil society of Bangladesh.

Indeed, these groups represent two antagonistic forces namely, secular and Islamic. Their vengeance attitude against each other has been a major setback in the stabilization of democracy. The execution of war criminals by newly constituted International Crime Tribunal may be a political landmine for the AL led grand alliance but the rampant killing of atheist writers and bloggers by some unidentified assailants perilled the democratic polity of Bangladesh.

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ECOCRITICISM AND LITERATURE: A STUDY OF RUSKIN BOND'S "TIGER TIGER BURNING BRIGHT"

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Abstract

Ruskin Bond is one of the great short writers of India in English. In his stories he tries to catch the commotion in the life of the common people which make them uncommon. He is Wordsworth in his concept of nature and unravels the lovely mysteries of Nature and the beauty of primitive life. He takes his readers to the world of innocence and pure delight far from the madding crowds of the insensitive world. He has quality to discover paradise and beauty in ugliness and joy in tears. While reading his stories, the readers re-live their childhood. This paper unearths the ecocriticism, which interprets literature in the context to save the environment and save humanity from apocalypse.

Key Words: Environment, Ecosystem, Domestication, Survival, Existence

Eco-criticism is the study of the relationship between literature and the physical environment, and takes an earth-centered approach to literary studies. Eco-criticism is a literary critical theory rising in 1990s in Europe and America in a state of ecological degradation. In a more specific context eco-criticism is the study of literature and natural environment from an interdisciplinary point of view where all sciences come together to analyze the environment and brainstorm possible solutions for the correction of the contemporary environmental situation. Eco-criticism was officially heralded by the publication of two seminal works, both published in 1996: The Ecocriticism Reader, edited by Cheryl Glotfelty and Harold Fromm, and The Environmental Imagination, by Lawrence Buell.

Ecocritics raise variety of questions ranging from portrayal of Nature to the possibility of cross-fertilization between literary studies and environmental discourse in related disciplines such as literature, history, philosophy, ethics, etc. The study of Nature or what has been called "Green Study" has always been a part of English poetry. For example the romantic poets and writers like William Wordsworth, S. T. Coleridge, Ruskin Bond, etc

were lovers of Nature and represented the various aspects of Nature.

'Tiger Tiger Burning Bright' which is actually a poem by William Blake is a short story on the vanishing forest of India and their animals with a rise of optimism that Nature and her animals will survive all kinds of destructive attempts of the industrial world. Ruskin Bond himself writes in the introduction to the collection of his short stories.

"The anguish often felt at the rapid disappearance of our forest and animal's wealth is expressed in Tiger Tiger Burning Bright in which one can identify with the Tiger; rapidly changing environment."

The story begins with a setting of a long foot stretch of heavy forest on the foot hills of the Himalaya. On the fringe of the forest there are villager of bamboo-cutter and farmers. As a result of the hunting during the last seventy years the number of animals are decreasing.

"The tries too have been disappearing slowly and as the forest resides the animals lose their food and shelter and move on further into the foot hills; they are being denied the right to live".

Many tigers have been killed and many out of fear of hunting have left forest and moved to the upper foothills. But tiger not very young now decides to stay. Perhaps he knows that there is no meaning of a forest without a tiger which is the king of the forest. No kingdom can be imagined without a king. Bond describes this tiger with minute details, interest and comparisons are described as old man.

“Although the tiger has passed the prime of his life, he had lost none of his majesty. His muscles ripped beneath the golden yellow of his coat and he, walked through the long grass with confidence of one who know that he was still a King.”

Bond presents the psychology, the craftiness and sympathetic understanding of his tiger. The tiger is not a man eater but lives on animals especially deer. In absence of deer, he kills buffalos. The tiger is experienced of the ways of man, especially the hunters. Bond is critical of those who will fight for trophies not knowing that tiger are also gifts of nature. They would like to hang tiger's skin on a wall, with his head stuffed and mounted, and piers of glass replacing his fierce eyes, and then they would have boasted of their triumph over the king of the jungle. The tiger has been as a noble and dignified animal. He is seldom in a hurry weather he eats or drink when he kills deer or buffaloes, he eats to his satisfaction and turns the curse for small animals. A tiger is a tiger; he has his dignity to preserve even though he is not aware of. He knows the villages as not harmful to him. He fears city men who come to hunt for trophies or rewards. Rajesh the son of the village has a conviction that if somebody calls tiger will never harm him. There is a sense of family relationship between the villager and the tiger and the forest animals.

Once Ramu accompanies some hunters to the forest who are determined to kill the tiger. He helps the tiger by hanging up bits and pieces of old clothing on small trees and bushes. The tiger knows where there were men's clothes they would be men. The tiger was saved. Ram did it

to return his gratitude as ones he was saved by the tiger from a bear.

The villagers get angry when the tiger kills two buffaloes one after another. They attack him day and night. They fired and hit the tiger and conclude the tiger has been killed. Their animals are now safe from tiger. But soon they became sad, 'Then the men began to feel that the forest was no longer a forest. It had been shrinking year by year.' The tiger saved men and forest too. The tiger was their 'protector', Ramu remember what his grandfather once told, 'The tiger is the soul of India, and when the last tiger has gone, so will the soul of the country'. But Ram, the boy, who represents the young generation has a faith in the eternity of his tiger; There must be tigers; how can there be an India without tigers'.

The ending of the story is both dramatic and surprising. It ends with a note of hope and life. The tiger was not killed, simply hurt. He returns to his old house. The tiger moved forward with greater confidence. The beauty of the story lies in appearance of the tigers. He roars to see the tigers. His roaring is an assurance that he has still strength and confidence to produce tiger cubs and save nature from a complete extinction of this noble animal. He gave a full throated roar and moved purposefully through the tall grass. And the roar came back to him calling him, calling him forward a roar that meant there would be more tiger in the land.

Despite all attempts by men to civilize and eliminate animals, especially tigers, nature and nature animals, life shall continue. The ending hints at the unbounded faith of the writer in the eternity of life. The old tiger in this story can be compared with .The darkling thrush of Hardy which sings and sings even during the heavy snowfall to create warms and hope in the dying world. The destruction of the wild life once proves to be the death of India's life.

Bond enjoys both the activity of nature and her repose. The beauty of the colours, the scents, and the forms of Nature appeal to him and in one story after another he communicates his own sensuous enjoyment of Nature's

loveliness to his readers. He is habitually personifying the objects and forces of Nature and his personification have the clearness of outline, firmness and solidity.

Ruskin Bond in the story Tiger Tiger Burning Bright has an implied message, wild animal have to be protected for the betterment of mankind. Wild animals are not man's enemy but they are to complete the cycle of the universe. The language in the story is lyrical and evocative. There is a human touch in the treatment of tiger. The sitting is highly

suggestive. "The Tiger Tiger Burning Bright" is not a storm of hunting like that of Jim Corbett. It is storm of contemplation. It has a deep human appeal.

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RELEVANCE OF ENGLISH ESSAY IN MODERN TIMES

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Abstract:

English Essay is Prose genre in Literature like short story, Novel, Drama etc. It originated in France by Montaigne. A few famous exponents of this genre in English are Bacon, Charles Lamb, Jonathan Swift, Addison and Steele and later writers like Hazlitt, Leigh Hunt, Locke, Hobbes and Rousseau. Essay can be defined as “A short piece of prose writing giving some one’s idea of Politics, Society” In the words of A.C.Benson. “the essay is a little criticism of life at some one point clearly enough defining”.

Introduction:

In this paper Charles Lamb “Essay’s of Elia” is special focus. These essays are Lamb’s contributions on miscellaneous topics, to the London Magazine between the years 1820-1823 and published in two series. Bristone in 1823 and the second series in 1833 The periodical essay declined in the beginning of the 19th century. It paved the way for the emergence of critical journal, commonly called The Review, which was mainly concerned with social, political and personal topics. Among them were the The Gentlemen’s Magazine, The Quarterly. At this juncture appeared Charles Lamb, In the Essays of the Elia (1833), Charles Lamb followed the style of rhythmic and eloquent style of Montaigne and Cowley and thus he was called “The Prince of English Essayists”. His essays reveal to us his sweetness of heart, pathos humour, and his day to day personal experiences in life which are relevant in modern times. His theoretical and conventional style is not so clear and not easily understandable to common people or ordinary readers. Lamb is amusing paradoxical, ingenious, touching and eloquent.

Lamb wrote essays on different themes. He was quite at home when he recorded his personal experience in his office but he was alive to some of the literary and academic issues of his times compared to recent times. Through he did not offer piercing critical insights on English literature in general and the literature of his times in particular he expressed his deep felt

convictions and opinions on a few literary texts and authors. The following essays belong to this category.

- 1) Oxford in the vacation
- 2) On the Artificial comedy of the Last century, and
- 3) Sanity of true Genius.

Let us discuss these in detail. “So formidable” a judge, A.C.Bradley said of Lamb thus:

“He was the greatest critic of his Age. The estimate is an extravagant, one, the more because what might be called the canon of Lamb’s actual criticism must be gathered mostly from statements made by the way and would make but a slim volume; yet it may serve to suggest something of the effect that the unexpected authority of Lamb’s intelligence might have upon a perceptive and responsive reader”.

In “Oxford in the Vacation” Lamb discusses a few literary figures, who contribute their genius to the world of letters. Here he has devoted half of the essay to the character of George Dyer’s scholarship, his proclivities towards research, his love of creative writing, his absent mindedness etc. This portion of the essay reads almost like a story. The following lines show his excellence. ‘And D. has been under-working for himself ever since; - during at low rates for unappreciating booksellers, - wasting his fine erudition in silent corrections of the classics, and in those unostentatious but solid services to

learning which commonly fall to the lot of laborious scholars, who have not the heart to sell themselves to the best advantage. He has published poems, which do not sell, because their character is unobtrusive, like his own, and because he has been too much absorbed in ancient literature to know what the popular mark in poetry is even if he could have hit it. And, therefore is verses are properly, what he terms them, crotchets'. In these lines, Lamb says that the labour of exploring manuscripts should be left to a man like George Dyer; He (George Dyer) pours over books so diligently that he himself has grown almost into a book. He is assiduous in his visits to the seat of learning like the universities of Oxford and Cambridge. Much of his fortune has been spent in his Journeys from his dwelling to these two universities and back. He has been investing into the dispute as to which of the two universities was founded first. The enthusiasm with which he has been pursuing this investigation has not been shared by heads of colleges and other administrators of the two universities. He looks startled even when accosted by a person of long acquaintance. He is so absent minded that one day he made a second call at a house where he had already called and been told that the occupants of the house were away to the country and were not expected for a week at least. Most of the time, he is pre-occupied with his medications and with his imaginative flights. After a course of hard study at Cambridge, Dyer worked as an usher to a knavish fanatic school master at a meager salary. Subsequently he became an author but without much commercial success. His poems do not sell because he is too absorbed in ancient literature to understand the demands of modern taste. He is a writer of excellent prose.

Lamb concludes the essay by observing that Dyer is delightful anywhere but that he is at his best at such place as the universities of Oxford and Cambridge. The rivers of Oxford and Cambridge universities are more to him than all the waters of Damascus. He feels most at home at these seats of learning. We find such kind of characters rarely in modern times. On the Artificial comedy of the last century is

another literary essay of Lamb. Macaulay comments on this essay. Its argument was ingenious but "altogether sophisticated" "In the name of art as well as in the name of virtue" he said "We protest against the principle that the world of pure comedy is one in which no moral enters". An eminent American critic the late Joseph Wood Krutch, in his comedy and conscience in the Restoration, says thus. "Lamb, in the view he took of Restoration comedy, had been blinded writers mean by its brilliance... and (saw) only the wit." Lamb suggests that the comedy of the Restoration represented manners and morals as they really were and should therefore be understood as offering an occasion for moral judgment. But this is to miss Lamb's intention, which has nothing to do with the congruence, or lack of it between what is actually the moral situation of the society and the representation of it on the stage, but reaches far beyond that to propose one of the possible functions of art in modern time also.

The following lines illustrate this view of Lamb.

"The artificial comedy, or comedy of manners, is quite extinct on our stage. Congreve and Farquhar show their heads once in seven years only, to be exploded and put down instantly. The times cannot bear them. Is it for a few wild speeches, an occasional license of dialogue? I think not altogether. The business of their dramatic characters will not stand the moral test. We screw everything up to that."

In this essay, Friedrich Von Schiller is the last man in the world to be accused of light mindedness and he took what essentially Lamb's position is. In his far ranging work letters on the Aesthetic Education of mankind (1795) he says that the "mere play" which is what the experience of art can be and ultimately should be suggests to man the possibility of his freedom, giving him a taste of what it feels like to overcome the earnestness of duty and destiny. It makes the paradigm of man's true being. It teaches him what he must hope word a human being, and he is only a

human being when he plays. Lamb in his own unsystematic way, says the same thing in this essay which reflects the recent trends.

J. Lewis comments thus.

“It might be a good idea to invite people, as a test of their literary sensibility, to say which they preferred, the essays or the letters. Those who pronounced for the letters should be immediately condemned. The letters are merely literature in the act of becoming, The essays are literature in being and are wrought constructed, fortified, by the very perfection of their structure, against the assaults of time.”

In Sanity of true Genius Lamb argues the view that the poet is mad. This is expressed by Plato in his dialogues. Socrates too takes the line that what poets say cannot be constructed as making, ordinary sense and that their utterances are to be understood as the expression is a noble madness. The intention of this view is chiefly ironic, a way of proposing the idea that poetry is not under the dominion of the rational intellect. Plato certainly did not mean to say anything more to the discredit of poetry than that is not philosophy. The idea that the poet does not speak in the voice of reason, or indeed, in his own voice, but is possessed or “inspired”, associates him with the prophet or the shaman through whom a God or a spirit communicates, often in language not comprehensible to human intellect. The madness of the poet became part of popular lore – as in Shakespeare’s. The lunatic, the lover, and the poet poet’s eye in a fine frenzy rolling. and the (A Mid-Summer Night’s Dream). It could, however be used to belittle the value of poetry in an age which, as Lamb felt, was increasingly concerned with fact and practicality even in the modern times.

Conclusion

To conclude we can say The essay is mainly intended to teach things to people, on many subjects of which even the educated classes mostly are not aware of .It aims to inform,

enhance , proper understanding, increase one’s vocabulary, teach usage and this in general improve one’s ability to use a language to one’s best advantage. In this context, Essay plays a very important part in the education of people generally and students particularly in enhancing their communication skills and proper utilization of such skills for one’s professional advancement in life.

Even with the advent of C Language and the enormous changes brought by it in the very composition of what we call Language. The Essay is still to be considered important as a basic component and as a corner stone for bettering one’s Language Skills. Thus a sound foundation can be laid by the genre Essay. Even for attaining skills in the modern trends of Language development, especially in scientific and Technological areas.

Again for laying a firm social base for society to build upon, for a stable and sustained development of society on sound principles and to teach such principles “Essay” had done its bit.

The ‘Spectator’ Essays mentioned above have easily sought to do this. The Essays are mainly concerned with **MANNERS, MORALS** and literature. A Society can live without Science and Technology but would it live without morals and upright manners? Moreover Science and Technology create their own frankestins on one side and exterminating weapons on the other. It needs morality on all sides for society to survive under such circumstances. The world today is an Example.

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INSTALLING HUMANISM AMIDST PRIDE AND PREJUDICE IN “FINAL SOLUTIONS” BY MAHESH DATTANI

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Abstract

Mahesh Dattani is an Indian director, actor, playwright and writer. He wrote such plays as ‘Final Solutions’, ‘Dance Like a Man’, ‘Bravely Fought the Queen’, ‘On a Muggy Night in Mumbai’, ‘Tara’, ‘Thirty Days in September’ and ‘The murder that never was’. He is the first playwright in English to be awarded the Sahitya Akademi award.

Mahesh Dattani is the one who takes up the challenge of re-instilling the humanity in the society divided as Hindu and Muslim through his writings and stage craft. His drama “Final Solutions” is one of the contemporary literary efforts to introspect and analyze the issue of communalism and reinstate our faith in humanism.

This research paper attempts to examine and put forward his efforts to propagate the idea of humanity.

Perhaps no one will disagree with the fact that the dusty black smoke of communalism has always been present in the atmosphere of India, ready to suffocate and choke harmony. Whenever we are hopeful that this dust is settling down, one or the other incident brings the storm back shaking our faith in humanism. Despite the constant efforts of removal, these communal forces have affected our inter community bonding. To amend such damages, we need someone who is bold enough to speak, scold and suggest objectively and instill humanity to rejuvenate the positivity and goodness among us. The Anglo-Indian dramatist Mahesh Dattani is the one who takes up the challenge of re-instilling the humanity in the society divided as Hindu and Muslim through his writings and stage craft. His drama “Final Solutions” is one of the contemporary literary efforts to introspect and analyze the issue of communalism and reinstate our faith in humanism. This research paper attempts to examine and put forward his efforts to propagate the idea of humanity.

The drama unfolds with the outbreak of the communal riot in a city as the consequence of idol breakage and the murder of Pujari by the unknown group. The Hindus suspect local Muslims and are out on the street to take revenge. Amid such chaos, two Muslim

boys seek refuge in the dark of the night at the house of a Hindu family. The entire play revolves around that night where all six characters are together. The situation forces to each one present in the house to speak their heart. The conversation between the Hindu family members (Hardika, Ramnik, Aruna & Smita) and two Muslim boys (Javed and Bobby) gives opportunity to open up and unfold their own prides and prejudices against each other. The Mob has also been employed to show the attitudinal differences of an Individual and mob/crowd and to represent the concerns of a particular community.

The problem of communal hatred is multi-dimensional in India. Each community has its own arguments to assert that we are right and they are wrong. Mahesh exposes both the communities candidly and compel all to believe that no one is better than the other. He also establishes that it's our internal weakness which is responsible for this communal conflict, and not the external factors. In the note on the play, Alyque Padamsee, the director of the play, is candid in his observations:

“The demons of communal hatred are not out of the street....they are lurking inside ourselves. The mob in the play is symbolic to our own hatred paranoia.Can we shake off our

prejudices or are they in our psyche like our genes? Will we ever be free or ever-locked in combat....Arabs against Jews, Whites against Blacks, Hindus against Muslims?"

Later the play was translated by Shahid Anwar into Hindi and directed by Arvind Gaur for Asmita Theater in 1998. The director, Arvind Gaur, in his note on the play, observes:

"Final Solutions' touches us, and the bitter realities of our lives. ...The past begins to determine the outlook of the present and thus the earlier contradictions re-emerge. No concrete solutions are provided in the play to the problem of communalism but it raises questions on secularism and pseudo secularism. It forces us to look at ourselves in relation to the attitudes that persist in the society. Since it is an experiment with time and space and relates to memory, it is a play, which involves a lot of introspection on the part of the characters in the play and thus induces similar introspection in the viewers...The chorus represents the conflicts of the characters. Thus the chorus in a sense is the psycho-physical representation of the characters and also provides the audience with the visual images of the characters' conflicts. There is no stereotyped use of the characterization of the chorus because communalism has no face, it is an attitude and thus it becomes an image of the characters. The sets and properties used in the play are simple. This has been done to accentuate the internal conflicts and the subtexts of the play."

The play exhibits the belief and disbelief, pride and prejudice, perception and reality, acceptance and repulsion in a zigzag manner compelling us to question them. It forces us to interrogate our pride and prejudice. In the play Aruna tells her daughter Smita that she has always taken pride in her religion and not willing to know anything about 'someone else's faith'. She says, "I shall uphold what I believe is the truth". She takes so much pride in being Hindu as they are liberal, old, sanskari and sacred. She is not ready to perish it 'to accommodate someone else's faith'.(pp.50).She is deeply prejudiced against

Muslims. She has blind faith in her God and religion. She enjoys her secured position by virtue of being a part of majority. Later in the play, she is challenged by her own daughter Smita.

When Bobby holds the idol of Lord Krishna, Aruna is completely shaken. She asks,"Oh! Is there nothing left that is sacred in this world?"(pp-63). Bobby explains the root cause of the problem of communalism. He says that 'the tragedy is that there is too much that is sacred.'" Through this dialogue Mahesh hits both the religions for their overreactions in the name of God.

Mahesh presents a solution when he writes dialogue for Bobby in whom he says that 'if we understand and believe in one another, nothing can be destroyed.'" He also offers a way to solve the issue by recommending that both the communities will have to resolve 'to forget and tolerate'.

Mahesh establishes the supremacy of humanism above religion. Very much like Guru Rabindranath Tagore, Dattani says that God believes in all human being irrespective of their caste, creed, colour and religion. He is not insecure. To Him all are one and every touch is same. He accepts the offerings only if It has the fragrance of love and humanity. Dattani clearly affirms (through bobby) that a human beings who believes, tolerates and respects what other human beings believe, is dear to God. He reaffirms that "The Fragrance of such person is the strongest fragrance in the world!"(pp64)

It's not possible for anyone to give a single solution to such magnanimous multilayered problem. Mahesh Dattani is no exception. But he strongly suggests that the impartial introspection is essential. Problem becomes more complicated when enemy is within and not ready to leave. Alyque Padamsee rightly questions, "Can we shake off our prejudices or are they in our psyche like our genes?"

It seems as if the virus of communal hatred is sleeping inside us, waiting for the opportunity to come out and attack the amicable relationship among the communities. This play

asks a straight question. Are we really in harmonious relationship? Or we pretend to be nice with each other?

Mahesh further suggests in/through the play that the solution lies in communication, we need to open up and pour out all the grievances we have with each other. It will fade away all the prejudices we have against each other. He gives a strong message to come close, interact, argue, comprehend and listen to each other.

Being a majority Hindus have responsibility to reach out to minority, Dattani strongly suggests. He writes the last line of the play, uttered by Ramnik, with hope and caution. "If you call them they will come. But then again-if it's too late-they may not." When the terrified Aruna tries to open the door, Ramnik says "I have to protect them! I need to protect them!"

In the middle of the Drama, Javed taunts Ramnik for "being the majority" and being in the position to offer peace talk and play a civilized host. By such expressions Ramnik realizes the pain of being minority. He feels sorry for not being sensitive enough to understand this fact. Ramnik shows compassion for him in many ways- by offering a job in his shop, by saying that he cares for him, by being ready to give him all chance to change.

The conversation between Bobby and Ramnik is an eye opener where Bobby narrates the incident of past which had changed the course of their lives. Javed was a confident, smart and helping boy in his adolescent. He is the hero of his area until he was humiliated by his brahmin neighbour for being Muslim. He is not allowed to register his protest against the misbehavior of Brahmin. He recalls later, I had permission to do exactly what I had been asked not to do all my life! Raise my voice in protest". He becomes an angry young man afterwards who wants to punish the majority for not being accepted as they are. His anger escalates as no one comes out (from majority) to console his wounded self-esteem. The feeling of 'otherness' intensifies leading him to become a toy-the hired hoodlums- in the hands of politicians.

Is it the right path? No, Mahesh so beautifully explains this by comparing it with giant wheel ride which is a pleasure in first round but nightmarish and nauseous later. You cannot leave the ride in between. Javed accepts that it is a terrible feeling. "Being disillusioned....Not that I am alone....I hate myself." (pp45) Mahesh re affirms our faith in the concept that our soul is pure and innocent which can never find solace in violence and negativity. Going against humanism is "nightmarish as your world is way below you and you are moving away from it" (pp44). The path of integrity, love and humanity is the only way to be happy. The oneness between your soul and deeds is essential to be complacent. By giving pain to the others, nobody can gain blessings of God. Mahesh concludes that "all religions are one. The ways to God are Many". (pp49)

Thus, The Play "Final Solution" mirrors what we usually try to hide. Mahesh successfully establishes that No one is born 'shaitan' in this world; it is the ill-treatment and misconception which convert one into devil. Mahesh recommends becoming humanistic in our approaches towards the members of the other community so that no one can become Hardika and Javed. He appeals not to let any peace loving soul suffer and spirit of liberalism crushed. He appeals to accept humanism as our religion.

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THIS IS THE MOST DANGEROUS TIME FOR OUR PLANET

*Stephen Hawking**

As a theoretical physicist based in Cambridge, I have lived my life in an extraordinarily privileged bubble. Cambridge is an unusual town, centred around one of the world's great universities. Within that town, the scientific community that I became part of in my 20s is even more rarefied.

And within that scientific community, the small group of international theoretical physicists with whom I have spent my working life might sometimes be tempted to regard themselves as the pinnacle. In addition to this, with the celebrity that has come with my books, and the isolation imposed by my illness, I feel as though my ivory tower is getting taller.

So the recent apparent rejection of the elites in both America and Britain is surely aimed at me, as much as anyone. Whatever we might think about the decision by the British electorate to reject membership of the European Union and by the American public to embrace Donald Trump as their next president, there is no doubt in the minds of commentators that this was a cry of anger by people who felt they had been abandoned by their leaders.

It was, everyone seems to agree, the

moment when the forgotten spoke, finding their voices to reject the advice and guidance of experts and the elite everywhere. I am no exception to this rule. I warned before the Brexit vote that it would damage scientific research in Britain, that a vote to leave would be a step backward, and the electorate – or at least a sufficiently significant proportion of it – took no more notice of me than any of the other political leaders, trade unionists, artists, scientists, businessmen and celebrities who all gave the same unheeded advice to the rest of the country.

What matters now, far more than the choices made by these two electorates, is how the elites react. Should we, in turn, reject these votes as outpourings of crude populism that fail to take account of the facts, and attempt to circumvent or circumscribe the choices that they represent? I would argue that this would be a terrible mistake.

The concerns underlying these votes about the economic consequences of globalisation and accelerating technological change are absolutely understandable. The automation of factories has already decimated jobs in traditional manufacturing, and the rise of artificial intelligence is likely to extend this job destruction deep into the middle classes, with only the most caring, creative or supervisory roles remaining.

This in turn will accelerate the already widening economic inequality around the world. The internet and the platforms that it makes possible allow very small groups of individuals to make enormous profits while employing very few people. This is inevitable, it is progress, but it is also socially destructive.

We need to put this alongside the financial crash, which brought home to people that a very few individuals working in the financial sector can accrue huge rewards and that the rest of us underwrite that success and pick up the bill when their greed leads us astray. So taken together we

are living in a world of widening, not diminishing, financial inequality, in which many people can see not just their standard of living, but their ability to earn a living at all, disappearing. It is no wonder then that they are searching for a new deal, which Trump and Brexit might have appeared to represent. It is also the case that another unintended consequence of the global spread of the internet and social media is that the stark nature of these inequalities is far more apparent than it has been in the past. For me, the ability to use technology to communicate has been a liberating and positive experience. Without it, I would not have been able to continue working these many years past.

But it also means that the lives of the richest people in the most prosperous parts of the world are agonisingly visible to anyone, however poor, who has access to a phone. And since there are now more people with a telephone than access to clean water in sub-Saharan Africa, this will shortly mean nearly everyone on our increasingly crowded planet will not be able to escape the inequality.

The consequences of this are plain to see: the rural poor flock to cities, to shanty towns, driven by hope. And then often, finding that the Instagram nirvana is not available there, they seek it overseas, joining the ever greater numbers of economic migrants in search of a better life. These migrants in turn place new demands on the infrastructures and economies of the countries in which they arrive, undermining tolerance and further fuelling political populism. For me, the really concerning aspect of this is that now, more than at any

** Stephen Hawking is regarded as one of the most brilliant theoretical physicists since Einstein. In 1963, Hawking contracted motor neurone disease and was given two years to live. Yet he went on to Cambridge to become a brilliant researcher and Professorial Fellow at Gonville and Caius College. From 1979 to 2009 he held the post of Lucasian Professor at Cambridge, the chair held by Isaac*

time in our history, our species needs to work together. We face awesome environmental challenges: climate change, food production, overpopulation, the decimation of other species, epidemic disease, acidification of the oceans.

Together, they are a reminder that we are at the most dangerous moment in the development of humanity. We now have the technology to destroy the planet on which we live, but have not yet developed the ability to escape it. Perhaps in a few hundred years, we will have established human colonies amid the stars, but right now we only have one planet, and we need to work together to protect it. To do that, we need to break down, not build up, barriers within and between nations. If we are to stand a chance of doing that, the world's leaders need to acknowledge that they have failed and are failing the many. With resources increasingly concentrated in the hands of a few, we are going to have to learn to share far more than at present.

With not only jobs but entire industries disappearing, we must help people to retrain for a new world and support them financially while they do so. If communities and economies cannot cope with current levels of migration, we must do more to encourage global development, as that is the only way that the migratory millions will be persuaded to seek their future at home.

We can do this, I am an enormous optimist for my species; but it will require the elites, from London to Harvard, from Cambridge to Hollywood, to learn the lessons of the past year. To learn above all a measure of humility. *(The guardian)*

Newton in 1663. Professor Hawking has over a dozen honorary degrees and was awarded the CBE in 1982.

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नई किताब


1980-90 के दरम्यान एक
छोटे से औद्योगिक शहर में युवा
होते बचपन का आत्मकथ्य !!

सन
अस्सी


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भगवान बिरसा मुंडा को कोटिश: नमन्




हमने झारखण्ड को समृद्ध बनाने का संकल्प लिया है। इसे हम आपके विश्वास और सहयोग से पूर्ण करके रहेंगे।
रघुवर दास
मुख्यमंत्री, झारखण्ड




रघुवर दास
मुख्यमंत्री, झारखण्ड

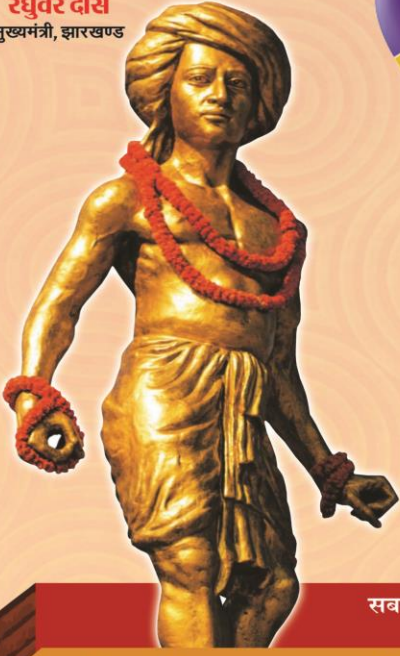
झारखण्ड के 17वें स्थापना दिवस के अवसर पर समस्त झारखण्डवासियों को

हार्दिक बधाई...



द्रौपदी मुर्मू
राज्यपाल, झारखण्ड





समृद्धि की ओर बढ़ते कदम...

- राज्य में भ्रष्टाचार मुक्त व काबू का पाददशी शासन
- प्रधानमंत्री उज्वला योजना के तहत बीपीएल परिवार की बहनों को मिला गुफ्त गैस कनेक्शन, सुखा, प्रथम टिफिन एवं बीपीएल बुजुर्गों को मिला मुख्यमंत्री दीन दान योजना का लाभ
- त्रुट्टरजन से शहर में आनेवाले कामगारों के लिए मोबाइल किचन की सुलुआत और देश में पहली बार राज्य के किसानों को मिला कृषि सिंगल विंडी
- राज्य गठन के बाद पहली बार स्थानीयता परिभाषित एवं राज्य के विकास में तथा जनता की सलुभाषिता स्थापित करने के लिए सीएनटी एवं एसपीटी एक्ट में संशोधन का प्रस्ताव
- देश में पहली बार गांवों को समृद्ध करने तथा विकास में जनता की सलुभाषिता स्थापित करने के उद्देश्य से योजना बनाओ अभियान एवं राज्य में तीत गति से 24x7 बिजलीकरण के लिए सुख की गयी उदय योजना में शामिल होनेवाला पहला राज्य बना झारखण्ड, मार्च 2018 तक सभी गांवों में बिजली विद्युत आपूर्ति का लक्ष्य
- पूरे राज्य में पहली बार जल संरक्षण के निमित्त एक साथ 6 लाख ड्रोभा निर्माण और सुदृढ सुभाउीएण कार्यक्रम का आयोजन कर झारखण्ड को हरित करने का विशेष प्रयास
- राज्य में किजी विश्वविद्यालयों, राजकीय अभिरक्षण एवं चिकित्सा महाविद्यालयों, पोलिटेक्निक, IT की स्थापना एवं रांची में स्वाशरुक्ति विश्वविद्यालय अस्तित्त्व में आया
- अगले पांच वर्षों में बजार की मांग के अनुसार 25 लाख युवक-युवतियों को कौशल विकास के माध्यम से प्रशिक्षण कार्य प्रारंभ
- फिल्म इंडस्ट्रीज का झारखण्ड में प्रवेश
- 44,309 करोड़ रु. के बिसेस के साथ झारखण्ड बना बिसेसको की पहली परांत

विशेष सूचना : स्थापना दिवस समारोह कार्यक्रम का रीषा प्रसारण वेबसाइट jharkhand.gov.in एवं विभिन्न चैनलों के माध्यम से किया जावेगा।

सबका साथ ...

सबका विकास ...

सूचना एवं जनसम्पर्क विभाग, झारखण्ड सरकार द्वारा जनहित में जारी...

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